The future belongs to those who believe in the beauty of their dreams.

Attributed to Eleanor Roosevelt.
REALITY IS MAKING A COMEBACK

We have seen the rise of virtual reality and augmented reality. Now it is time for real reality; the quest for authenticity, real experiences, facts and true values is one of the major trends in The Schibsted Future Report 2018. As the waves of digitalization sweep the world people are empowered with new tools, new connections and new opportunities. And people are taking the chance to build trust and a more sustainable world.

As machines know more and more about us, the need to express our humanity and responsibility increases, whether it is taking a stand for independent journalism, riding a bike into the future or shopping secondhand and speed up circular economy. It is more important than ever to have and to tell a true, genuine and consistent story. That’s how you succeed as a business – whether you’re a newspaper created by war heroes, or a global digital brand. A strong purpose, a truly good life is what we are looking for. In this year’s report, we present some of our own brands and their stories.

2018 is also the year when we are entering the world of artificial intelligence on a broader scale. AI is now powering our everyday life. It's part of almost all the technological solutions and services we’re using, and it’s getting more advanced by the minute: we learn to talk to machines, machines learn not only to understand but to interpret humans – even though chatting with your favorite bot still leaves room for improvement. Future Report takes on AI in a tech story comparing the progress of AI to the arrival of electricity, a change so big we can’t see the full effect yet. It will bring fundamental changes and create new industries and new solutions that we can’t even imagine. AI software is already used in such disparate areas as improving customer service, predicting disease or detecting faults in equipment. And soon our homes will be equipped with voice AI devices facilitating our daily life, voice might even be the new over all interface – and it will provide unseen new business opportunities.

This will also be the year when we see more and more robots. But with humanlike robots come existential questions like: what does it really mean to be human? And how do we behave towards them? Is it OK to be mean to a robot? The answer is no for most people. As tech and science evolve, these questions will be high on the agenda.

So. Reality is real. Intelligence is artificial. Robots are like people. And The Future is now. Welcome to our world.

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LENKA K
SAMUELSSON

EVP Communication and Brand.
Years in Shibsted: 21.
I’m excited about: Getting to know my first robot.
TECH
Artificial intelligence will bring about a revolution on the same level as electricity – and in the future, it will be just as ubiquitous.

BIZ
When he got hired at Avito, Zakaria Ghassouli’s mother asked him when he was getting “a real job”. Five years later he’s the General Manager – and Avito has brought second hand trading to Morocco, a country where people didn’t really sell old things.

PEOPLE
Leboncoin was set up as a copy of the Swedish website Blocket. Now the marketplace boasts 26 million visitors every month – and is every bit as French as wine and cheese.

BIZ
As sustainability becomes more important, second hand trading is trending. But how can a circular economy filled with repairing, reusing and recycling support businesses?

PEOPLE
The true vehicle of the future is powered by human muscles.
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AI WILL POWER OUR LIFE

There’s a bigger picture beyond the progress of Artificial Intelligence. Just like when electricity arrived we can’t yet see the full effect. And just like with electricity - life without AI will be inconvenient and unpleasant.

AZEEM AZHAR

I’m excited about: Meeting interesting people.
Making connections.
n October 1881 in the small British town of Godalming, the world’s first public electricity supply went on stream, lighting a few dozens incandescent lamps in the town’s streets. The small local firm, Calder and Barrett, had, with their small hydroelectric generator, passed a milestone in the electricity revolution.

From these humble beginnings, electricity rapidly became part of the fabric of our lives. The American inventor, Thomas Alva Edison, opened his first public generator in London some three months later, followed by a New York generator some nine months after that.

In the US the process of electrifying the nation was mostly complete within 50 years. Today electricity is a utility, not even a commodity. It just works. You can’t really imagine life without it. It is the same everywhere in the world. Everything we do, we buy, is based on the assumption that we’ll have access to electricity. And today, more than 5.5 billion of us do.

So when Andrew Ng, one of the most influential forces in today’s artificial intelligence boom, describes AI as the new electricity we stop and take notice. After all, electricity changed industries, jobs, our everyday lives and our social and domestic relationships. Could we perhaps glimpse the second-order effects of artificial intelligence by understanding how electricity shocked the world?

The first experiments with electricity showed the technology could work, lighting bulbs in daylight is a scientist’s a-ha moment. But it wasn’t a study of electricity itself that wrought changes, it was the application of electricity that did.

What is interesting is using electricity to power lights to extend the practical day. Or using electricity to reduce the hardship of domestic chores. Or using it to power new classes of production processes – like The Haber-Bosch process for fixing atmospheric nitrogen and creating artificial fertiliser is heavily dependent on electrical energy.

Many of today’s AI a-ha moments are a scientist’s Eureka: being able to transcribe speech to written text or describe what is in an image at higher than human quality. But, like with electricity it is the applications, not the technology, that will be the impact of AI in our lives.

LIFE WILL SEEM INCONVENIENT

AI will be deployed rapidly, made available to every part of the industry and home very quickly. In the UK, by 1933 one in three houses had electricity and a further ten years down the road two out of three houses were electrified. The spread of electricity was accompanied by a rapid increase in the intensity of use. The amount of electricity used per consumer grew from about 2 MwHs per household per annum in the 1930s to close to 11 MwHs per household by 2014. This was accompanied by a dramatic drop in the price, almost four-fold in real terms over that same period, and a drop of about 20 times from the turn of the 20th century to the turn of the 21st.

AI will be deployed far more rapidly than the appliances that used electricity – because the components it needs to work are already in place. Smartphones in our pockets, wireless internet, digital cameras, cloud-based services.
Artificial intelligence will be ubiquitous, wherever there is the internet (and in many places where there isn’t.) AI services will become indispensable. Life will seem inconvenient, even unpleasant, without it. When I was a child, I would visit my grandparents’ home in Lahore, a house they had lived in since the partition of India in 1947. This old house didn’t have a flush toilet. A minor thing, humanity had lived without flushing loo most of its time on earth, but an inconvenience to make a Westernised grandson ill-humoured.

Our expectations for interactions to be AI-powered will rise rapidly. We’ll expect our clinicians to spend time explaining our diagnoses to us, not diagnosing us, because AI systems will have more effectively identified our ailments than any human. We’ll tire of waiting in traffic queues with aching backs because our autonomous vehicles will find the best route for our journey.

**NEW INDUSTRIES WILL RISE**

Entire industries will benefit from the arrival of the AI as they did with electricity. In truth the electrical companies did well, but not as well as the fossil fuel companies who provided much of the raw input. Nor as well as the Cambrian explosion of firms who could exploit new business models because of the arrival of electricity. Shopping malls make no sense without electricity. Television makes no sense without electricity. Even frequent air travel is not possible without electricity.

AI will drive an analogous Schumpeterian process: industries arising, replacing others. Take the car industry: it has a century-old model of selling us cars through distributors who make money through service and repair. The car industry itself supports the advertising and media industry who are enlisted in manufacturing desire around this mode of transport.

Yet the car industry looks like it will be upended by new modes of on-demand transport rental: autonomous vehicles routed to us by algorithms. Much like electricity, the biggest impacts of AI will be felt outside its home industry. AI will also transform work and with that a transformation of our social relationships. Rural electrification in America, which occurred in the years before the depression, was driven by women. Unlike men, who worked seasonally, women worked from dawn till dusk throughout the year. Electricity, with its washing machine and kitchen stove, alleviated the burdens of their work and, with its radio, connected them to wider society.

How will AI transform our labor structures and with that our wider society? Electricity provided power where it was needed, automating manual tasks, for example washing clothes. It also provided lighting, extending the working day and creating time for in-home leisure. Radio and then television appeared to fill the gap.

Artificial intelligence will free up time by taking up some of our cognitive load. It could create free time for us, the same way cheap lighting enabled by electrification extending the day, for both work and leisure. There are any number of taxing but low-value tasks that you could foresee leaving to machines. What we do with all that time, remains to be seen.

No wonder that as I talk to business leaders in industries like retail, health diagnostics, professional services and finance, their number one priority is artificial intelligence. Of course, electricity brought with it fears of this ‘mysterious fluid’. American President, Benjamin Harrison had the White House wired for electricity but refused to touch...
the switches for fears of shocks. It probably didn’t help that it was during Harrison’s term, the first man was executed in the electric chair. William Kemmler died in August 1890, before Edison’s Pearl St generator opened. His execution was botched and resulted in a gruesome 8-minute ordeal.

Like electricity, artificial intelligence is bringing forward many fears. Will AI amplify the biases in the world? Will AI lead to persistent and chronic unemployment? Will AI create new megalithic dominant firms controlling large parts of the economy?

These are all real concerns. AI systems have already been demonstrated to systematically bias the bail assessments of black prisoners in the US. And academics, Daron Acemoglu and Pascal Restrepo, have demonstrated that the use of robots in industry depresses both wages and employment levels. And one only need to look at the dominance of Amazon in retail, and Google and Facebook in advertising, to see the risks of market dominance driven by data monopolies.

The only way to manage these fears is to have an engaged public debate on the many ways AI will impact the economy, something that is happening in many countries today. For example, in the UK both houses of Parliament have public consultations on the impact of AI underway.

When we think about AI today, we need to go back perhaps not to Edison’s pumping station on 1892. Perhaps AI today is more like electricity in the 1920s America, spreading fast but in limited intensity. But around that spark of intelligence, entrepreneurs and incumbents are figuring out how to apply this soon to be ubiquitous technology in our everyday lives.

I believe AI services will generally have one of four major benefits: Relate, not diagnose – AI does diagnosis saving time for human communication; Maintain, not repair – advanced diagnostic systems spot likely failures well ahead of time allowing proactive maintenance; Connect, not collect – machine learning systems end up personalizing specific needs and requirements rather than broad buckets; Take out the boredom – machine learning systems do the boring work, leaving humans to do the interesting, challenging parts.
FOUR BENEFITS OF AI

01 Relate, not diagnose
Online test-prep company Magoosh uses AI software for customer service, allowing the human providers to respond to more test-takers more quickly; the software has reduced Magoosh’s queue of customer requests by half, and it has made her team’s goal of responding to every customer within 24 hours more manageable.

Dr Rajesh Jena, a consultant neuro-oncologist at the University of Cambridge Cancer Centre, has worked with Microsoft researchers to develop a tool which provides accurate 3D visualizations of tumors and organs. This has cut down the time it takes to identify a neuroblastoma from a few hours to four minutes, allowing the specialist more time to counsel the patient.

02 Maintain, not repair
As our devices get smarter and connect to the net, the so-called internet of things, we’ll be able to proactively maintain equipment rather than repair it when it breaks. One favorite area is to detect faults in offshore wind-turbines weeks before they become critical. This saves money, as prevention is better than cure. It isn’t just wind turbines were prevention is better than cure. The same goes for humans. Cardio-gram, an AI-enabled app on Apple Watch, detects irregular heartbeat with 97 percent accuracy, while NVIDIA’s efforts to combine 3D modeling with AI could spare 60 percent of patients from getting angiogram, an invasive and costly scan.

03 Connect, not collect
One of the leading insurance and investment companies in the U.S., Transamerica, employs machine learning to make product recommendations to its potential customers. McGraw-Hill Education presented its web-based artificial intelligent assessment and learning tool last year, using graph theory to test the process and speed of learning for each student. Machine learning algorithms can follow students’ learning patterns and create personalized learning pathways for individual learners.

04 Take out the boredom
Automated systems already take the tedium out of flying a plane. Pilots are left to handle the take-offs and landings. Autonomous trucks, buses and cars could take out the tedium of driving for long stretches, leaving humans to manage passengers – or even relax. AI systems in legal document discovery spare junior lawyers hundreds of hours of combing for juicy morsels. Those lawyers can be put to more valuable tasks.
MEET OUR PEOPLE

“My colleagues help me learn and grow”

When she arrived in early 2016 she started from scratch, building a team working with natural languages processing (NLP) and image recognition. Now they’re part of realizing Schibsted as a tech-based company.

“It’s been a great experience doing this from start, and I get to work with exceptionally talented colleagues, who gives me the opportunity to learn and grow,” says Atelach Alemu Argaw.

The team builds state-of-the-art models and services, using data from users, and makes them available within Schibsted.

“These reusable models, components and services can easily be plugged into various applications and relatively easily extended to new use cases and data.”

NLP is an AI-based technology aiming to get computers to understand how humans speak, or write. Atelach’s team has built a model for labeling the intent of a message. This means that you can understand when buyers at a marketplace are interested in an item that already has been sold, and assist the seller in answering them. When it comes to image processing the team has, for instance, made it possible to show similar items to buyers (turn the page to find out how it works).

“The really exciting thing will begin when we build models that combine text, images, meta data and user behavior. Then we will be able to improve the user experience, for example by making it easier to upload ads at our marketplaces.”
Clicks turn into real user profiles

Delivering a good advertising experience, for both users and advertisers, is a tricky business. Tim van Kasteren and his team are building predictive data models, to help advertisers target the right audience.

“Let’s say we know the gender of a couple of thousand users. The predictive model uses machine learning to learn the correlation between the behavior on our sites and the gender of the user. We can then use that model to predict the gender for all of our users.”

At the moment the models are able to predict gender, age, location, interest and intent to look for a job.

“It’s really satisfying to see how individual clicks on our website end up being a complete user profile that helps us to connect advertisers and users in a relevant way.”

Tim van Kasteren
Senior Manager, Data Science.
Years in Schibsted: 3.
I’m excited about: Getting the entire organization involved in using data about our users.

Young people want the device to do all the work

A simplified and quicker service, adapted to the modern user. This is what Kufar will become with the new Schibsted marketplace platform.

“Young people want the product and devices to do all the work,” says Tanya Lemesheva, product owner at the Belarus site.

Bit by bit Kufar is transferring users to a new product, based on the new platform, and as they go along they give feedback to the developing team.

“Ad insertion will be easier, quicker and more intuitive. For instance you don’t need to choose category - it’s automatic, based on the photo. We will also use machine learning to detect users’ preferences, which means that we can give really good recommendations.”

Tanya Lemesheva
Head of Product, Kufar.
Years in Schibsted: 4.
I’m excited about: Virtual reality and its potential.

“It’s great to build a new business”

In December 2016, Italy got a new service for comparing prices – Pagomeno. Tiziano Barbagallo is the new Country Manager, and he has reasons to be happy.

“We reached more than 500,000 visits when we launched and traffic is growing constantly each month.”

Word of mouth has been a big help to get consumers to know the new brand, Tiziano and his team get proof of this every day, following users’ comments in forums and blogs. Being a new player in Italy, there’s still things to work on, like defining a mobile and native app strategy and building a motivated team.

“It’s great to work with a new business from scratch and touch all the aspects of a company, like strategy, sales, marketing and customer support. And to be able to help people buy the right products and save money.”

Tiziano Barbagallo
Country Manager, Pagomeno.
Years in Schibsted: 4.
I’m excited about: The opportunity to make a change in Italy’s competitive arena of price comparison industry.
By extracting features from images and text, combining them and mapping them to points in a high dimensional space you can find similar pictures to expose to the user. This is one of many applications of image recognition. If this makes no sense - have a look at the illustration.
Looking for festive shoes.
You are invited to a wedding and start to search online for fitting shoes.
Not too plain.
You know what kind of shoes you like and by clicking on favorites the program compares your search to millions of similar images and text searches.
Must have class.
You are presented with shoes that have similar features and when you click and select the program starts to know your preference and your search gets refined.
Almost there.
With deep learning the program gets more accurate with the presentation of the features you prefer.
The perfect shoe!
Without you knowing it, the program has learned your preferences and tastes in every detail and presents you with the perfect choice.
And you click buy and head for the wedding.
STOP TYPING, START TALKING

Machine learning and AI are fundamentally changing the way we interact with our computers. Perhaps the best interface will be no interface. Let’s just talk.

It’s part of the human condition to think that if we struggle to use something, we assume that the problem resides with us,” said Jonathan Ive, Apple’s chief design officer. The best type of user interfaces are the simplest ones, the ones that work intuitively and doesn’t require much analysis on our parts, but adapt to our ever-changing needs. This insight uncovers a hidden reality of using computers: we have to adapt to their behavior. We learn their foibles, they don’t learn ours.

But perhaps we’re getting closer to the ideal user experience - no interface at all. Chatbots and voice are still at their very beginning. But everything points towards that we will be talking a lot more in the future.

Computing paradigms change every 10 to 15 years; they’re typically defined by how they operate with the outside world - meaning we have to change with them. The first computers purely operated via command-line (or text) input. They required linguistic skills of a precision that the Academie Française would have been proud of.

The graphical interface (GUI), pioneered by the Xerox Alto, popularized by the Mac and dominated by Microsoft Windows, took hold.
“It turns out, building a great chatbot is a lot tougher than building a chatbot.”

in the late 1980s. GUIs were more forgiving visualizing everyday metaphors like files and folders on a color screen. This is the computing most of us know.

Multi-touch computing, pioneered by the Apple Iphone, was a third revolution, point and draw with your finger, what could be simpler? The Iphone fundamentally changed the way we interacted with technology, our expectations, because the whole screen became a playing field.

CHAT IS NATURAL

Smartphones, in turn, paved the way for the rise of messaging apps. We now have countless ways of contacting each other, whether it’s on Imessage, Whatsapp, Messenger, Slack, Skype or Wechat. And since it makes sense for companies to try to talk to us, using the same channels we use to talk to one another - chat and chatbots have received a lot of hype - becoming, you might say, our latest interface. The reasons are clear: chat is natural and we spend a lot of time in chat applications. Turns out chatbots are also ludicrously easy to build. But it also turns out, building a great chatbot is a lot tougher than building a chatbot.

If you’ve ever tried chatting with a chatbot you’ll know why; the conversation is dull and repetitive. God forbid you ask an original question only to be met with utter incomprehension.

So, we’re still pretty far from the ultimate interface, but no doubt, things are happening.

Today, the technology is converging and leaps made in one field serve another. Natural language processing (NLP) enables chatbots, image recognition enables self-driving cars, voice recognition enables Alexa, Google Home, Siri. Those are all different branches of machine learning and we’re getting better and smarter at it, at an increasingly faster rate. A few companies are now starting to reach that level but we’re still in the early days. Yet, according to experts, by 2020, 85 percent of all customer interactions won’t require human customer service reps; indeed, those interactions will happen over chat, but also over voice.

We are going from talking to one another through messaging apps to chatting to
machines. What’s the next step? Eliminate typing, and use your voice. Going back to the point on the importance of keeping user interfaces simple, voice is a big deal. To quote the eponymous book, the best UI is no UI. No design is required if you could simply talk to your device.

Today, voice AI such as Siri or Alexa, are limited by two things: technology and architecture. On the technology front, speech recognition and text recognition still have a lot of room for improvement, especially if your English is somewhat accented. (Fun experiment, ask Siri to “Google Tchaikovsky” for you with a French accent, you’ll get surprising results.) Their architecture is based on general themes, the AI is able to draw context from the user’s request, classify it and answer it accordingly. What it has a hard time doing however, is to follow a conversation, remember pieces of information mentioned three questions back and use it when needed. There’s no dropping birthday gifts hints with Alexa. But thanks to the millions of users that interact with it regularly, the AI is getting plenty of training and gradually getting better.

A voice AI good enough for us to freely chat with would be extremely liberating: no more staring at your screen constantly, just chat with your AI, how cool does that sound? Nevertheless, voice AI raises some really challenging UX problems. How do you teach your users to use an interface which is actually invisible? What will be the standard keywords to which Voice AI will respond to and who will set them? Can Voice ever be good enough to be totally unscripted, feel as seamless as talking to a fellow human? The answer to this question is more a matter of belief, than it is hard science. We cannot anticipate the changes that will happen with the exponential development in tech and what we will be able to do. For now, a “Her”-like society is definitely science fiction.

WE KNOW THE WORLD IS CHANGING

What is very real, however, is the short-term impact voice and chatbots will have on the way businesses interact with their customers. Indeed, 32 percent of executives say voice is the most widely used AI technology in their business. Six billion connected devices will proactively ask for support by 2018. By the end of 2018, customer digital assistants will recognize customers by face and voice across channels and partners. HSBC has already implemented voice recognition as a secure access to one’s banking details.

We all know that the world is changing and it’s changing faster than ever. Not that long ago we were all going nuts about tactile screens – “it works without buttons!” – and now we live in a time in which soon all homes in developed countries will be equipped with voice AI devices to facilitate and organize our lives. And where businesses will interact with their customers in a way that is barely invented yet.
Imagine. It’s 2025, and you’re slowly waking up. The robot next to your bed is beaming artificial sunlight in sync with the natural sunlight outside your curtains. It’s projecting today’s most important headlines on the ceiling above your bed and as your eyes flick through the news, you hear the shower turning on, coffee dripping and the stove working its magic. A perfectly suited outfit is laid out on your bed. Your robot hands you your coffee and breakfast tailored to your flavor. A driverless car swings up, ready to take you to work. But perhaps you skip the ride, and rather put your VR headset on and lean back as a 3D digital office unfolds in front of your eyes.

If you’re a sci-fi geek, none of these scenarios will seem particularly far-out. But how likely are we to experience a future in which these scenarios no longer belong to fiction, but are as a natural part of our day as smartphones? And is this a future we want?

Japan has always been a frontrunner in technology. Erica, a semi-autonomous android, resembles a human; modeling a plastic skull and silicone skin with wires connecting her to AI software systems that bring her to life. She is the result of one of the most funded scientific projects in Japan, and a collaboration between Osaka and Kyoto universities and the Advanced Telecommunications Research Institute International. Her creators, Hiroshi Ishiguro and Dylan Glas, claim Erica is “living” proof that the future might be closer than we think. Using sensors and microphones, she is able to pick up what people are saying to her, and through AI software, she can respond convincingly. Erica works as a receptionist at their laboratory.

**IT MAKES SENSE TO EMBRACE HUMANS**

The tech-industry knows that humans are inherently wired to recognize and interact with other humans. So from a behavioral adoption point of view, it makes sense to develop robots emulating the human body. They do rely on our adaptation – fueling their machine learning minds in order to make them smarter – or more human. And the only way to achieve this would be to stimulate frequent, continuous and human-like interaction over time. Research also shows that we tend to find robots endearing as long as they resemble something non-human, like animals. The moment we encounter robots that resemble humans, we find them troubling.

That said, we are capable of developing feelings for robots. Multiple studies have been conducted, in which the results clearly imply that we subconsciously start treating machines around us like social beings -

**ISABELLE RINGNES**

*Connection to Schibsted: Management Trainee, 2015 - 2017. Founder of TENK. Public speaker and Tech-evangelist. I'm excited about: EVERYTHING. But definitely about holograms and AR.*
“Together as consumers we have more power than robotic scientists.”

given the right context. Several studies have shown participants feeling grief and remorse when either requested to abuse or witness a robot being abused. In one study observers could watch how participants found it nearly impossible to push a button that indirectly would destruct a friendly-looking robot if it misbehaved, while it begged to be forgiven.

Technology has consistently functioned as a catalyst to a more efficient, healthy and sustainable world. For example, in the healthcare sector we’re seeing huge advances with life-saving techniques leveraging AI to aid doctors with disease diagnosis.

Robots, created in both hardware and software, will inevitably shape our future. How we let them do that, is up to us.

Robots of the kind depicted by Erica will not be ubiquitous in the next few years. To give you a picture of the magnitude of complexity required to design the interplay between the software and hardware that keeps a bot on its feet, it typically takes more than 500,000 lines of code to put one foot in front of the other. Then again, this is an ability that took hundreds and thousands of years of human evolution for humans to perfect.

Perhaps our concerns with humanoid robots will never materialize. Considering the pace at which humans are integrating closer with technology, through enhancements of the sorts like BCI (Brain Computer Interfaces), exoskeletons and eventually nanobots streaming through our body, maybe the question should not be whether robots should resemble humans. Perhaps the integration of human and technology will redefine what it means to be human.

Together as consumers we have more power than robotic scientists. Technology has to adapt to us, because we can’t adapt to it fast enough. At this point in time, we should be asking ourselves what kind of future we want. And the most important question remains to be answered: Which ethical standards, values and goals do we choose to pass on to our mechanical companions?
ONE ID TO RULE THEM ALL
What do 90 percent of all Swedes have in common? They use Bank-ID. In no time, a unified digital identification layer has become a daily savior. But sometimes trust comes at a high cost.

LARGE CONSUMER BANKS HAVE RIGHTLY BEEN CRITICIZED FOR LACKLUSTER DIGITAL INNOVATION AND POOR CUSTOMER SERVICE. FINTECH STARTUPS ARE RUNNING IN CIRCLES AROUND THESE DINOSAURS AND USERS ARE LEAVING IN DROVES. OR ARE THEY?

THIS IS A STORY OF ONE OF THE EXCEPTIONS. THIS IS A STORY OF A REVOLUTION IN ACCESSIBILITY AND USABILITY AND HUGE RISKS. A STORY OF HOW SWEDEN’S CONSUMER BANK Oligopoly (Swedbank, SEB, Handelsbanken and Nordea) HANDED THE KEYS TO THE KINGDOM TO STARTUP COMPETITORS, A STORY OF RADICAL EMPOWERMENT, AND A STORY OF HOW A LEAPFROG IN INNOVATION COULD ALSO TURN OUT TO BE A TECHNOLOGICAL DEAD-END ON PAR WITH THE FRENCH Minitel SYSTEM.

LADIES AND GENTLEMEN, FASTEN YOUR SEAT BELTS, THIS IS THE BLOCKBUSTER STORY OF MOBILE BANK-ID.

THE STORY OF WHAT?

AS EASY AS TOUCHING YOUR PHONE

MOBILE BANK-ID. A SECURE DIGITAL IDENTIFICATION, USED BY 90 PERCENT OF SWEDES TO OPEN BANK ACCOUNTS, SIGN AGREEMENTS, TRANSFER MONEY, TAKE OUT LOANS AND DO TAX RETURNS. IT’S AS EASY AS HOLDING YOUR THUMB TO YOUR IPHONE. GONE ARE THE SCANNED PASSPORT COPIES, LOGINS, PA$$W0RDS, CONFIRMATION EMAILS, SECURITY QUESTIONS AND VERIFICATION CODES. NO MATTER WHAT THE SERVICE. EVEN DATING? YEP. THE FIRST THING MANY SWEDES DO WHEN THEY BUY A NEW PHONE? YEP, THEY LOG INTO THEIR BANKS AND INSTALL THE MOBILE BANK-ID APP ON THEIR PHONES. MOST LIKELY THE SERVICE HAS WIDER NATIONAL DISTRIBUTION THAN FACEBOOK.

AS A SOCIETY WE HAVE ADOPTED AN IMMENSELY IMPORTANT AND EMPOWERING TECHNOLOGY, EQUAL TO GPS OR CREDIT CARDS. WITH LITTLE OR NO PUBLIC DEBATE AS TO THE RISKS AND ISSUES. IT JUST HAPPENED, WITH THE CONSENT AND ACTIVE SUPPORT OF THE GOVERNMENT.

YOU SEE, WE SWEDES HAVE NO TO LITTLE SKEPTICISM OF CENTRALIZATION AND WE JUMPED LIKE LEMMINGS. WE HAVE PUT OUR DIGITAL IDs, OUR DIGITAL PERSONAS, SQUARELY IN THE HANDS OF BANKS AND A SMALL PRIVATE COMPANY GOING BY THE NAME OF “FINANSIELL ID-Teknik BID AB”.

ENABLING CITIZENS DIGITALLY

WELL, WHAT DO YOU EXPECT IN A COUNTRY WHERE EVERY CITIZEN IS SAMPLED FOR BLOOD AT BIRTH, AND WHERE PEOPLE (ON AVERAGE) LIKE THAT FACT THAT BOOZE IS ONLY SOLD IN STATE-RUN MONOPOLY STORES? AS A MATTER OF FACT WE LOVE OUR BANK-IDS - 2.5 BILLION TIMES YEARLY AND GROWING RAPIDLY TO BE PRECISE. AT THE MOMENT Bank-ID IS USED ON AVERAGE ABOUT ONCE PER DAY PER SWEDEN ALL YEAR AROUND.

HOW DID SWEDEN CREATE A UNIFIED DIGITAL IDENTIFICATION LAYER, AND WHAT DOES IT MEAN WHEN AN ENTIRE POPULATION IS
digitally identifiable? It has enabled citizens digitally and made business easier, but how did we come to trust it so fast? Is it because practicality rules, or because Swedes blindly trust authorities and banks? Truth is, it’s really not that safe.

Let’s start at the beginning. What is identification? Back when societies were small, and technology simpler than today, you knew if Sam was Sam by the looks of his face. Sam got into his bank vault just by showing up at the bank. The passport was invented in the 1400s by the British, but before World War I the use of identification documents was uncommon. As travel increased in the early 1900s the use of identification documents increased as well, among other things to combat espionage, and has been increasing ever since. Today, the banking system has been walled off by Government’s identification demands to stem money laundering. Banks are required by law to accurately identify each and every customer to understand where and why money enters the system. Normally, this identification is carried out by showing your ID card or passport. As banks have come to store most of our valuables in carefully protected digital bank accounts instead of physical bank vaults, accessing these with digital identification is a logical evolution. And so we started using passwords, PIN codes and other digital IDs.

Back in the present. In Sweden, as a market and an ecosystem we have solved a slew of challenges at once. Digital access to government services is solved. Digital signatures of documents is solved. Distribution of new fintech services is solved. PSD2 is solved. Instant payments is solved. From the eyes of fintech entrepreneurs this is heaven. Onboarding new users to a complex financial service is an astonishingly simple and powerful experience.

Surely this is socialist state Sweden forcing technology on its citizens. Or a zeitgeist-attuned entrepreneur inflicting technology on the people.

Actually, the banks did it themselves. The incumbent, oligopoly-wielding, consumer banks of Sweden gave away the keys to their kingdom. In an astonishing feat of cooperation and consensus-building, a national digital ID standard was created.

FUELLED BY DOT-COM OPTIMISM

The birth of Bank-ID came in the early 2000s, when EU amended the law to equate digital identification to physical identification. Fuelled by dot-com optimism, an unholy alliance of government and banks started driving the digital development of Sweden and in 2003 the first digital Bank-ID was issued. A few key governmental services were adapted and astonishingly enough that same year 27,000 tax returns were signed digitally. During the 2000’s Bank-ID existed mainly as a clunky desktop-PC experience until in early 2010 the first smartphone version was launched. Adoption and usage picked up somewhat towards the fall of 2012 when something spectacular happened: The large retail banks, again in a mind-boggling feat of cooperation, launched Swish, an instant mobile P2P payment solution. Small social payments were solved in the Swedish market. The Swish service required mobile Bank-ID and over the next 4.5 years as Sweden universally adopted mobile payments, we also adopted a secure, mobile digital identification as a consequence.

Carrying around a mobile Bank-ID in your pocket is not only extremely empowering, it is also quite risky. Going back to the brick-and-mortar bank vault metaphor, imagine you had it all in your pocket, the whole vault, all the time. Going to the pub with the entirety of your assets in your pocket sounds crazy. But that is exactly what most Swedes do, effectively. All accounts, all government data, all of it. People have been robbed of their Bank-IDs and even coerced to transfer assets, and it is a phenomenon that will likely increase. With great power comes great responsibility, and
so far the Swedish banks and Bank-ID have moved decisively to repair trust. This will be critical for Bank-ID to age well, much like most people are kept unharmed by and even unaware of the ongoing credit card fraud.

Other types of more subtly fraudulent schemes are also challenging Bank-ID. One example is shrewd businessmen who are attracted by the power and simplicity of Bank-ID to lure users to sign up for bad products. Bad deals made easy. As users, our trust in Bank-ID is contagious so we implicitly trust in any service that uses the Bank-ID as its ID-layer. Saying yes and signing contracts with Bank-ID is deceivingly simple, and who reads the 20-page terms and conditions anyway?

Another example of swindling is the leakage of very sensitive data to third parties. There is a raft of apps offering consumers “help” to manage their assets or monitor their spending and budget. With a simple Bank-ID login, the entirety of your bank account transaction history can be transferred to the app. These are data that show some of the most intimate details of where, when and who you transact with. Not only which shops and products you like, but also inferred data from a too large cash withdrawal at midnight, or a certain pattern of fast food spending. We have yet to have had a public data breach of this kind, but it will most certainly come. Likely in the form of profiles being sold on the dark web, bought and then published for maximum negative publicity. And huge public outrage.

Is it possible that Bank-ID empowered the people just a little bit too much? Yes, sort of. But likely there is no way back. If the phenomenon of Bank-ID was a person, it would be an innocent seven-year-old, yet to be made aware of the dangers of the world. As it matures we need to brace ourselves for the many tumultuous years of teenage revolt to come.

A more long term threat is the risk of complacency. If we take a short detour from ID into a related, but separate, part of the technology landscape, we can see that digital money is being reinvented by Blockchain and Bitcoin. Using some mind-bogglingly complex mathematics, the key innovation is that trust and ownership is established by total decentralization instead of total centralization. Most of today’s money is based on our trust in banks keeping our data secure in central storage. The same goes for Bank-ID: trust is established by the banks and Finansiell ID-Teknik BID AB keeping our ID data secret and secure.

But if money is decentralizing, shouldn’t identity follow? Many entrepreneurs certainly believe it should. Ashish Gadnis, founder of BanQu, is building a mashup of Blockchain and identity to make “identification borderless and immutable”. Monique Morrow, former Cisco Services CTO and evangelist, has founded The Humanized Internet with a similar goal.

Investors believe too. In Sweden a few high profile startups are trying to make the concept global: “Using our technology one can remove all usernames and passwords and use our app instead,” says investor and Covr Security chairman Anette Nordvall. Covr was founded by former employees from Bank-ID.

**BLOCKCHAIN-SECURE IDENTIFICATION**

In June 2017 the high-profile startup Civic managed to raise USD 33 million in 30 seconds for its initial coin offering (ICO). Civic is building a distributed identity using Blockchain and biometrics on smartphones, and when asked if they will become a Unicorn soon, their high-profile CEO Vinny Lingham retorted on Twitter: “We’ll likely become a non-profit foundation before then. We aren’t building a company. We’re creating a new type of public utility!”

Given our runaway success, Sweden will probably be Bank-ID:ing away happily, ignoring the megatrend towards a decentralized, self-sovereign, ID layer. Meanwhile, communities and nations without a Bank-ID-type solution will leapfrog onto the solutions powered by Blockchain. Bank-ID is only a local maximum on the ever-rising ladder of innovation. And early success can be fatal in the long run.
THREE WAYS OF PLUGGING THE GENDER GAP

Elianne Mureddu
Management Trainee.
Years in Schibsted: 1.2.
I’m excited about: Seeing more amazing women at the forefront of this technology revolution and kicking off the Women in Schibsted Network.

Melanie Yencken
UX Director, Emerging Markets & Rocket.
Years in Schibsted: 2.5.
I’m excited about: Kicking off the Women in Schibsted Network and making some measurable impact on gender diversity in Schibsted.

During 2017, two events put gender diversity at the top of corporate agendas around the world. At Uber, a sexist culture was revealed and Google fired an employee who had published a controversial memo, criticizing the company’s equality policies. The fact that two of the world’s leading tech companies had to tackle these issues head-on shows the need to turn gender equality ‘talk’ into action across the industry.

To help make this happen, we have summarized three ways in which companies can take positive steps towards building a more gender-diverse workplace.

But before we get to the solutions, let’s take a closer look at the problem. Roughly half of the world’s population is female, but you wouldn’t know it by looking at the technology sector. Recent public diversity reports reveal a 70/30 male/female split in leadership. It doesn’t end there; in Silicon Valley women only hold an 11 percent of executive positions, and trust us, it’s not because they aren’t built for the job.

THE GENDER GAP STARTS IN SCHOOL

In fact, the reasons for this are complex and many-fold. The gender gap in technology starts at an early age and carries on through every stage of women’s lives. When Youtube CEO Susan Wojcicki’s 10-year old daughter told her that “liking computers was super lame,” she was shocked – but, reflecting over the comment, admitted she shouldn’t have been surprised.

“Today this pattern is playing out with girls throughout America,” she said at a women-in-tech event. “They are led to think that tech is insular and antisocial. And they are never given a chance to correct those perceptions.”

On the other hand, double standards and unconscious bias towards gender are often so embedded in our culture - we often don’t recognize when we’re reinforcing them. To address this, companies have started to include diversity quotas into their HR policies. However, the solution doesn’t just

56% of women leave their jobs at the highlight of their career, a study from Reuters has found.
lie in hiring our way out of a lack of gender diversity – it’s also about addressing low retention rates. According to a Reuters study 56 percent of women leave their jobs at the highlight of their career, which is twice the exit rate for men.

HIGH RETURNS ON DIVERSITY
Despite these challenges, many companies are capitalizing on the direct benefits of fostering a diverse work environment. Consulting firms Catalyst and McKinsey each studied the financial performance of major organizations according to gender diversity at senior levels. Both reported that high returns on equity correlate with greater diversity. In essence, companies with women board directors and women in senior leadership are 15 percent more likely to outperform others. There are other obvious benefits of having women in tech at all levels - half of the tech users out there are women. Without a doubt, they have some needs that other women can detect and turn into business opportunities.

The good news is that there are things we can do at our workplaces today to help construct a sustainable ecosystem that will impulse gender equality practices in the long run. So, for those of you looking to push forward the diversity agenda in your own organizations, here is a list of industry best practices that can serve as inspiration:

COACHING AND SOFT SKILL DEVELOPMENT
Recognizing the unconscious differences and bias between men and women in the workplace and providing training open to all to help create equality in the organization is essential. Focus on providing coaching and development for “non-technical” soft skills such as communication, networking, negotiation, emotional intelligence and confidence are important factors to ensure that women are able to progress in their careers.

WOMEN NETWORK AND MENTORSHIP PROGRAMS
Creating a network for women by women aimed at building networking opportunities, mentorship relationships and pushing general career development is a strategy that over 30 global companies have adopted to achieve higher diversity levels across all levels of their organization (see Google, Facebook, or Ebay).

DATA-DRIVEN APPROACH TO DIVERSITY
What gets measured gets managed. Measuring and understanding diversity within your organization will help you draw a heat map of topics to address and needs to focus on. It’s wrong to assume that focusing on the current percentages is enough; the most powerful metric is retention over time.
Infojobs is soon turning 20. Maturing in a Spain reeling from the financial crisis, the company morphed into something more than just digital job hunting.

DOMINIQUE CERRI

General Manager, Infojobs.
Years in Schibsted: 9.
I’m excited about: Embracing all the new things that will help bring more and better jobs to the people.

1,205,731 – that was the number of job contracts signed using the Infojobs platform in Spain in 2016. We call this “alegrías” or “happy moments”, because we know that finding a job is much more than signing a contract. It’s a key moment in our lives, as it helps us care for our families, realize our dreams, grow as humans and feel that we are a part of society.

Finding a job is also the excitement of preparing for an interview, the joy of getting a call that says you’ve been chosen and the pride when you have succeeded. It’s the peace of mind when knowing that when the moment comes, you’ll be able to take on a new professional challenge.

This is what we’ve been doing at Infojobs for the last 20 years: helping people find a new professional challenge and experience these feelings. At Infojobs, we are here to help people to find the best jobs and help companies find the best talents. We help society and it makes us proud.

Our journey began in 1998, when Infojobs recognized the need for “dotcom” companies to find professionals within technology. This was another era, when the Internet was an unknown world for many people and job ads were published in printed papers. Infojobs brought the ads online and the success was immediate. Soon enough companies in other sectors and professionals saw the efficiency and followed.

At this point, like most things online, the ads were free, in an area where companies were used to paying. It sometimes caused a bit of confusion, when customers were wondering why they didn’t have to pay. For Infojobs it was also an era with some challenges, being at the forefront as a digital service, at a time when the number of homes and companies with internet was still very limited.

HAPPINESS REQUIRES FINANCES

But in the end Infojobs made the transition for job ads from paper to digital possible. In those early years we even worked with huge companies who came to Spain with multi-million euro budgets. We became leaders and had won the loyalty of our customers. These solid foundations made it possible for us to start charging for ads in 2000, putting a price on the value
that we were adding to the market, as both we
and the market were growing.
And that’s crucial. To bring happiness, in the
form of connecting people with jobs, requires
solid financial health and one of the most ex-
citing things was that customers who had been
with us from the beginning joined us on this
journey.

In 2009 the financial crisis hit Europe and
Spain with devastating strength. At its worst
more than 25 percent of the Spanish were
unemployed, and a lot of people were having
a difficult time as they couldn’t pay for their
homes and bills or support their families.
These were hard times for all of Spain. For
Infojobs its very core idea was affected, as the
number of job vacancies dropped sharply. But
it also led to a deeper social engagement.
We started to ask ourselves how we could
support some of all the people without a job
even more. Since then we have kept supporting
job seekers in different ways.
Infojobs supports and participates in face-to-
face events, offering free CV-workshops, inter-
view coaching, tips on how to use the job plat-
forms properly in order to find a job or how to
take advantage of personal branding and social
media when looking for a job.
All of this is also available on our blog, Ori-
entación Laboral, and we offer free online we-
binars. Infojobs is not only a place where you
can find a job, it’s also a partner that gives you
advice and information to improve your pro-
fessional career.
Infojobs was born in the early web era and
has now become a multi-channel platform. In
November 2016, we reached the milestone of
becoming Spain’s first employment app to have
1 million individual active users in a single
month. This number is four times higher than
any other employment services in the Spanish
market, making us the leaders in the pocket-size
world.
But we haven’t stopped yet. With new players
offering new services Infojobs has to constant-
ly evolve to stay relevant. There is still oppor-
tunities for growth in the market, as more than
100,000 companies and over two million
job-seekers are still not using Infojobs.

IT’S AI OR DIE
There’s also room for improvement. We can
get even stronger by expanding our position
along the recruiting chain, going down towards
the transaction and not only limit ourselves to
search and audience. And we will always keep
listening to the companies that trust us and to
the professionals who use us, locating their
needs and trying new features and services.
We also recognize the importance of tech and
artificial intelligence in this – it’s AI or die.
This is where we are heading as Infojobs is
getting closer to its 20th anniversary.
Today seven out of ten online job opportuni-
ties can be found on Infojobs, 70,000 compa-
ies in Spain trust Infojobs every year to find
talented employees. 60 percent of people look-
ing for work online do so using Infojobs. And,
what’s more, Infojobs works: one out of three
people who apply find a new job.
Beyond the numbers, the best and most sat-
isfying proof of our success are the messages
that we receive from people who have found
a new job and a new start in life. Or from the
companies that have found the talents they
need. These “alegrias” are the reason why we
want to keep evolving.
The next stage of history will include fundamental transformations in human consciousness and identity.

From the book *Sapiens*, by historian Yuval Noah Harari.

Researchers at the California NanoSystems Institute have built a prototype processor with one billion artificial synapses per square centimeter. Just within a couple of orders of magnitude of a real brain, Wired reports.

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Researchers at the California NanoSystems Institute have built a prototype processor with one billion artificial synapses per square centimeter. Just within a couple of orders of magnitude of a real brain, Wired reports.

The voice device market is growing

45 million voice-assisted devices are now in use in the U.S., according to eMarketer. That number will rise to 67 million by 2019. Amazon Echo, which utilizes the ecommerce giant’s artificial intelligence called Alexa, owns roughly 70 percent of the smart speaker market.

HOW GERMANS WANT TO USE AI

A: Digital assistant in everyday life
B: Robot that cleans the apartment
C: Self-driving car
D: Robot that brings me coffee at work
E: Digital assistant at work
F: Digital assistant that helps me make decisions
G: Robot that performs all physically heavy tasks at work
H: None
I: Other


Only 7.7% of respondents, in a May 2017 Linc survey of US retail executives, said AI plays a regular role in their customer service efforts.
The realization that the digital footprints we’re leaving behind are telling the story of our lives and our personalities has started to sink in.

But how does this really work, behind the scenes? Michal Kosinski, psychologist and data scientist at Stanford Graduate School of Business, knows this better than most. If you recognize his name, you might have heard it in connection with the Trump election. Kosinski’s research warned of the possibility of using data to influence voters in political campaigns. In the study conducted in 2013 Kosinski tried to see whether it’s possible to reveal people’s intimate traits just based on their seemingly non-informative footprints, like songs you listen to and your Facebook likes. And the answer is yes.

“AI can be used to predict future behavior and help us understand humans a bit better. But one of the potentially negative implications is that it can be used to manipulate people, to convince them to do things that they otherwise wouldn’t have liked doing,” he explains.

“Facebook probably knows more about you, than you do yourself. In the work that I published back in 2013 I said - look, this is possible.”

This is possible because a lot more than we actually publish on Facebook is recorded. Like your whereabouts, the messages you wrote but never sent, a friend that is stalking you, your spouse’s contacts, to mention some.

“Maybe you never reported your political view on Facebook, but from your different actions and connections, Facebook will still know and tag your profile. Their reason is selling ads.”

A lot of other industries have the same approach. Mastercard and Visa no longer define themselves as financial companies, but as customer insights companies.

“I’m a psychologist, I’m interested in human behavior and how we apply big data generated by humans to predict their future behavior and explain their psychological traits. But the very same models can be used to predict the stock market or the price of raw material or tech-hacking. There are consequences for media, for politics, for democratic systems, health care, you name it.”

It’s AI:s that are putting the puzzle together. From all the digital traces we leave behind, they’re able to reveal patterns. As humans we are only able to process a certain amount of information, and we don’t see all those links connecting characteristics and people. But the connections are there, and computers are excelling at putting them together, because they can tag patterns and they can aggregate those patterns.

The very same predictions that can be made from digital footprints from Facebook, from language, websites and credit cards, for all those places where we interact digitally, can now also be made just on the base of your facial image.

“As humans we are predicting a broad range of traits from faces. From a fraction of
a second of exposure, we can very accurately interpret an emotion. We have millions of years of training on this – because it’s so crucial for surviving. Being able to spot if someone is angry or very happy will determine if you should run away or hang around. We really don’t know how it works, basically your brain just does it.”

It turns out your face holds a lot of information. Gender of course, but there are also genetic factors such as the trace of your parents. Our hair reveals information on hormones, the tone of our skin, even environmental and cultural factors can be traced in our faces. And after just a few years of trying, computers are now great at predicting gender and age. And they have even become better than humans at the very human task of predicting people’s emotions. The problem is that we don’t really understand how this happens either.

“The mathematical foundation of the models is really simple; it’s basically a long equation, but with millions of coefficients, far too many for the human brain to comprehend. But the computers are able to spot those tiny details that humans fail to see, and add them up.”

In a recent study Kosinski also claims that AI now can detect sexual preferences, with a 91 percent accuracy. This has roared debate and been questioned, but still, there is no doubt AI already has abilities we could never imagine just a few years ago.

“When I’m talking about this in the western free market, people think of how some creepy marketing or politician will try to take advantage of us. But when you reflect on people living in countries that are not so free and open-minded, where homosexuality is punished by death, you realize that this is a very serious issue.”

Michal Kosinski is certain that we have entered the post privacy era, and there’s no turning back. And his message is that we need to think about how we want this to work out.

“The sooner we start thinking about how to cope, the safer and more hospitable the post privacy era will be.”

“Facebook probably knows more about you, than you do yourself.”
TRENDS IN TECH

Blockchain popularity is surging

At the start of 2016 the total market value of publically tradable (most of them are) blockchains was seven billion USD. In Q3 2017 that figure is fluctuating around 150 billion dollars - that is 20 percent of Apple’s total valuation. The space is seeing a surge in value as the technology is in a positive spiral with mainstream attention and because more and more people are experimenting (and speculating) on what “programmable money” could do.

Blockchain is the technology behind Bitcoin, which can create trust between two unknown parties on the internet, without a central third party. This is an innovation with massive implications; blockchains will do to trust what the Internet did to information.

FREDRIK HAGA
Investment Manager.

React while campaigns are running

Programmatic advertising is taking a big step forward, using data to understand user behavior. The Advertising strategic accounts team in Schibsted Spain is creating new attribution models that are taking this into account. Today digital campaigns are measured based on last post, clicks and impressions. But with more user data and new models, you can now define, identify and cluster much more specific user groups and reach them by programmatic buying. It also means that you can measure what perception and affinity users have towards a product or service, and their buying predisposition. This in turn, allows a much more efficient monitoring of behavior changes and reactions during the campaigns.

FREDRIK HAGA
Investment Manager.

Clear road ahead for robot cars

Since last year’s Future Report, autonomous vehicles have gone from future technology to early adoption. Several real world tests are ongoing from the likes of Uber, Didi and Volvo.

Although the technology is increasingly likely to mature in time for general availability in 2021, challenges remain, such as regulation and insurance. New, behavioral issues are also being raised: Will self-driving cars clog roads instead of reducing traffic? That might be the case if cost conscious car owners let cars cruise the free roads instead of paying for parking.

But, if there is a will there is a way, even for robo cars. Governments are starting to move, such as when the UK announced they aim “to be at the forefront”.

DAN OUCHTERLONY
Investment Manager.
Virtual furniture is only the beginning

The last ten years have evolved around the shift from big screens (desktops) to smaller screens (mobile). We are currently in the early stages of a journey beyond screens and into more immersive user experiences. Augmented Reality (AR) is in the driver’s seat for this blurring of boundaries between the digital and physical world.

Simply stated, AR adds computer-generated images on top of the real world, either through a dedicated device (e.g. Google Glass) or a screen device such as your mobile phone. It has been around for years, but recently AR has started to pick up speed due to two key improvements. First, processing power and camera improvements are making mobile phones great AR tools. They also happen to be the easiest accessible digital layer to place between people and the real world. Second, recent advancements in artificial intelligence and image recognition capabilities have made machines much better at understanding their environment.

The most famous and widely adopted use cases of AR are Pokémon Go and the Snapchat filters that adapt to your face. These applications are quite simple and only have a basic understanding of their environment, but were still expensive and time-consuming to build. That changed this summer with the release of AR developer kits from Apple and Google. Think of these kits as a bag full of “Lego bricks” in different shapes and colors that allow you to start building great stuff in no time. More than 500 million iOS and Android devices can now use AR apps built with these tool kits.

Experiments flourish, with one of the most remarkable being “Ikea Place”. It allows customers to test how Ikea products would look in their home (size, color etc.). We know from experience that strong visuals drive buying engagement and this will no doubt be a game changer in online retail. It took Ikea only seven weeks to build the app using these new developer kits.

AR as an interface is in its infancy, and we can expect to see a lot more use cases emerge in the coming months and years. And, will we even need a phone in the future, when we could have a digital contact lens between ourselves and the world?

MARIUS OLSEN
VP Product Strategy Office.
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BIKING INTO THE FUTURE

Autonomous cars and space travel - but what if technology will make a 200 years old invention the transport vehicle of the future?

JOACIM LUND

Technology commentator, Aftenposten, Norway. Years in Schibsted: 12.
I'm excited about: Technology’s ability to solve problems humanity has been struggling with for hundreds of years – food for all, education for all, health for all.
“Everything has changed,” my grandfather said. He lay in his bed in a hospital on the west coast of Norway and he was dying. From his bed he could look out at the sea. I was sitting on a chair by his bed, I held his hand and asked him to tell me what childhood was like in a small fjord in the early 20th century.

“We did not have cars,” he said. “No electricity. No TV or radio.”

In my head I completed the list: No Internet, artificial intelligence, space travel, sensors or smart phones. Everything was different.

“Is nothing the same?” I asked. He closed his eyes. For a long time.

“The bike,” he said eventually. “I had a bike.”

The bike was not a new thing when granddad was cycling through the country and along the coasts at the beginning of the 20th century. A hundred years had already passed since the German inventor Karl Drais kicked himself around Mannheim on his Laufrad, the very first bike, the precursor of all mechanized human transport. That was 200 years ago.

I was recently invited to a TV debate. The theme was transportation systems in cities. We did not talk about self-driving cars or flying cars. Nor about drones or jetpacks, which I dreamt of as a child. And definitely not about Segway. We talked about bikes. The mood was bad. There were two reasons for this debate to reach Norwegian TV channels. The first was that I had rented a bike in Copenhagen for a weekend and described it like this in the newspaper Aftenposten: “For someone living in Oslo biking in Copenhagen is like visiting a more advanced culture, a bit like how Neanderthals might have felt when they met Homo sapiens. A good many things are possible to recognize, but much is different and evolutionally superior.”

“A HIPSTER WOULD USE A 200 YEAR OLD BIKE

Recently Copenhagen was, once again, declared to be the best cycling city in the world. That is not by chance. In the past ten years Copenhagen has invested EUR 134 million on infrastructure. I shall come back to what the money has been used for. The advantage gained is what every city in the world is wishing for itself. Around a third of all transport of people in Copenhagen is by bike. That is the second reason for this debate to be ignited. Fewer cars in the city is the mantra of our times, the Zeitgeist itself.

The motor car – actually a development from Karl Drais’ invention – was, in its time, a fantastic technological breakthrough. But today there are many good reasons for cities to regret the cars and wanting to get rid of them. The most important reason is the rapid growth of the world’s population and that an increasing share of them live in cities. In 1950 around 30 percent of the world’s population lived in cities. In 2050 the share will be 66 percent, according to the UN. Cars and cities are actually a terribly bad combination. The car takes up an enormous space. On average a family car is standing still for 96 percent of the time and when it eventually starts moving it is a heavy, dangerous and noisy colossus that spreads dust and spews out fumes, usually with only one person on board. At least that is how it has been so far.

All the big car manufacturers now make electric cars and when the self-driving cars, with their adherent laws and regulations, are let out at last on the streets it will offer new opportunities for car sharing and coordinated car travel. For example, many cooperatives work with what they call “the last mile”, that is to say the distance between the public transport and the door of your home. That has proven
to be totally decisive for people in their choice between using public transport or owning a car. “The last mile” can be covered by self-driving cars or minibuses that have neither fixed times nor fixed stops, but adapt to the needs of the customer, which in turn reduces the need to own a car. That’s all fine. But the cities still need as many people as possible going back to the most clean and space-saving way of transporting people. A frame, a saddle, handlebars, pedals and two wheels. We need people to be cycling.

It is remarkable that the bike has hardly changed in 200 years. OK, it now has gears and a lighter frame, some have shock absorbers or even a small electric engine, but on the whole hardly anything at all has happened. The 200 years old German Laufrad is lacking pedals, that’s true, but does not differ much from the balancing bikes kids are using today. If you look up pictures of an Iver Johnson Truss Bridge Racer from 1904, it looks like a single speed bike that a bearded hipster could be using in 2017. It has a crankshaft, hub and chain, drop handlebars, saddle and two wheels with spokes and carbon fiber rim. OK, wooden then. But that is how close you get. And this is surely a paradox: When the bike is absolutely central to the changes in society, maybe the actual hub, to use a bike metaphor, why does it not look more like a UFO than a 200 year old invention?

Innovation, regardless of business type, is basically about eliminating friction. It can be friction in the form of unnecessary work schedules in an office. To have to remember a lot of passwords. To have to take a day’s leave from work just to go to the doctor to receive a prescription. To have to look up a physical place to buy physical goods. Or it could be about eliminating friction in the purely physical sense, as feet on the ground. That is why the bicycle was such an ingenious invention that it hasn’t changed in 200 years. The bike takes away friction and transforms muscle power into movement in an extremely efficient way. On a bike you can move much faster from one place to another than if you walk. And your reach increases dramatically. On the whole you can bring along heavy goods almost without noticing their weight. You can park anywhere and you don’t have to stand in a queue of cars. And a hundred other things. No wonder the bike is so popular. But there is also one thing that makes the bike less popular, or creates friction, if you like.

Sitting in a car you are as invulnerable as Superman, at least at the low speed of city traffic. You are inside a gigantic helmet, a waterproof and windproof cocoon of steel. By contrast, if you are on a bike you are very vulnerable. Especially when meeting a car, obviously. That is why there is such a high conflict level, but also in the meeting with pavement edges, grit and tram tracks or just in the meeting with the tarmac, which in many parts of Oslo resembles a village in Sudan.

When I was a child my friend was going on his racing bike down the street where we lived. His narrow front wheel wedged itself stuck in a crack in the tarmac. A few hours later he died in hospital. That was insanely brutal. I myself have been flying over the bonnet of a car that came out too fast from a garage. A couple of years ago my wife was hit by a car and broke her arm. A colleague has been on sick leave for many months following a fall. No wonder many people do not dare.

If there is one thing that creates friction in the process of increasing the use of bicycles in towns and cities, that is the health risk.

**THE INNOVATION HAS BORNE FRUIT**

Everybody using a bike knows that it is dangerous. So do those who don’t bike. In many cases that is the reason why they don’t. When I wrote for Aftenposten a colleague found out that the risk of having an accident on a bike is ten times higher, relatively speaking, in Oslo than in Copenhagen. That is why I described my days of biking in Copenhagen as a Neanderthal meeting Homo sapiens. The innovation has borne fruit.

In Copenhagen there haven’t been any innovations on the bike itself but around the bike; in the cycling lanes, clearly marked between the street and the pavement; in special traffic lights for bikes and not least in the way the traffic lights have been programmed to give the cyclists as
much green light as possible; in bicycle parking spaces, cycling bridges, you name it. Everything that brings down risk and friction and enhances the experience. In return the cyclists must follow the rules just like everybody else. The police are happy to issue fines and if you forget to make a sign when stopping or turning the other cyclists will scold you as well.

The main job that the producers of bicycles are doing right now is to put political pressure on countries with a poor biking infrastructure in order to increase their market there. But even where there is a good infrastructure there is friction around the bicycle. It takes money to buy a bike, to mend a wheel takes time and knowledge, changing wires, greasing the chain, replacing parts and all that. And sooner or later the saddle, the lamp, the front wheel or the entire bike will be stolen. Should we actually own our bikes?

Not so many years ago a lot of people predicted that Spotify would have short life. People want to own their music, they said. They want to buy an album, hold it, smell it, have it on the shelf and read from the cover. Others claimed that music is like electricity or water. Why own it when you have access to it? What if you had access to a bike everywhere, all the time without the entire nuisance that comes with it?

Bike sharing is actually not a new thing. The first bike sharing service popped up in Amsterdam in 1965. It collapsed, however, after a few days because the bikes where stolen or thrown into the canal. The next generation of bike sharing came with coin slots in Copenhagen in the early 1990s, but because the users were anonymous those bikes were stolen too. However towards the end of the 1990s the first large, modern bike sharing service was launched. Guess where. In Copenhagen, of course!

In recent years there has been enormous developments in sensors, mobile technology, geo-location and artificial intelligence. These have cleared the way for a new generation in bike sharing.

Together with the infrastructure, bike sharing is right now the arena for truly awesome technological innovation. Two of the companies leading the development are Chinese: Mobike and Ofo. They are both called the Uber of biking.

They both have filled their coffers with money from investors and they are preparing for a world war. They both have bikes with built-in GPS, both let the users find a bike and unlock it with an app and they both let the users park their bikes wherever they wish. That last thing is especially important because it makes the system much easier to scale up when it isn’t necessary to find space for, and build, own points of return for the bikes.

“I HAD A BIKE,” I SHALL SAY

Mobike now has 100 million users in 100 cities. That’s a good start. In June they gathered USD 600 million in a new round of investment. The goal is to be established in 200 cities all over the world in the course of 2017.

Revenues will not only come from the renting of bikes but from selling data that the bikes collect about pattern of use, demography, points of accidents, poor tarmac and so on. That’s how a strong and sustainable business is established.

Predicting is hard, especially the future. But I believe that technology will give us cities with fewer cars and more bicycles, and that I myself will one day be lying in a bed holding the hand of a grandchild and telling the story of what it was like for me as a child to be cycling.

“I had a bike, ” I shall say then. “But everything was different.”
In May 2017 Frida Kvärnström was named one of the female leaders of the future, by the Swedish organization Ledarna. To her, transparency is crucial and she believes that engagement is contagious.

“I’ve always tried to be open, even in hard times. And to make sure that people around me are having a good time at work. It’s important to find motivation in all situations. But, in sales, where I come from, that can sometimes be a challenge.”

Feedback from her teams has helped her develop as a leader.

“I think it’s important to dare to ask your team and colleagues about your achievements. It sets the culture. But you also have to make sure you’ve got the time to reflect on the input, to take the right actions.”

Since being named a future leader, Frida has changed jobs, from Schibsted Sales and Inventory where she led a large team, to being part of team of seven people as Head of New Business Media in Schibsted Sweden.

“You can be a leader without being a boss. It’s about pushing collaboration and communication at high speed.”

She’s really enjoying her new job, although it’s also a bit scary. But perhaps not as scary as what’s awaiting her the day after we speak: to swim 3,000 meters in cold waters, as part of a challenge called “A Swedish classic”.

“I’m bullheaded, it just needs to be done. And I love a challenge.”

There’s another trick:

“To smile a lot! Things happen in your body, when you do.”

Head of New Business Media.
Years in Schibsted: 7+.
I’m excited about: Being able to fly anywhere on earth in less than 60 minutes, in Elon Musk’s rocket ships.
Connecting with the millennials

**Employees help solving customer’s pain points**

In Spain customers’ input is improving the Schibsted sites. The Customer experience training program has led to that actual user pain points are addressed and fixed.

“The best thing is when I can tell a customer that we have solved his or her problem. That’s why I’m here,” says Herènia Casas.

In the program, employees in Schibsted Spain learn why people usually take contact, they listen in on customer service conversations and then they try to help solving issues.

“Almost 300 employees have been through the program and so far more than 50 improvements were made from input from users. Now other Schibsted companies are interested in following and Toyota and Ricoh have paid us visits too.”

**Herènia Casas**
Customer Experience Manager in Customer Care, Schibsted Spain.
Years in Schibsted: 13.
I’m excited about: Providing a great customer experience in a customer-centric organization.

In Hungary Jófogás has made students’ breaks more comfortable - while at the same time making millennials realize that buying secondhand can be a good bargain.

“Millennials need very different communication, they absolutely ignore the regular communication tubes,” says Lilla Varju, Brand Manager at the marketplace.

To get to know and to reach younger users Lilla built really good relationships with some universities and as a result Jófogás installed living rooms at the campuses, decorated with furniture bought on the site. All the stuff had price tags comparing the secondhand cost with the cost of the same things new.

“I totally believe that personal connection is a great way to communicate with young people and I’ve experienced that they appreciate the care.”

**Lilla Varju**
Brand Manager, Jófogás.
Years in Schibsted: 3.
I’m excited about: I would love to see Jófogás as a love-brand and the youth is the key to that.

**Safe meeting points for marketplace users**

Everything isn’t digital. Corotos in The Dominican Republic is improving the user experience, by offering 16 secure meeting points - in real life.

“According to our users, safety and reliability are huge factors when deciding if they will buy or sell on Corotos,” explains Coral Sánchez Camilo, Head of Marketing at the marketplace.

The idea is to offer sellers to drop off their items and store them at a convenient and secure location where buyers can pick them up.

The seller pays for the service and the item is stored for up to five days. To make this happen Corotos is working with a courier. This will also mean a new source of revenue for Corotos and hopefully even more items on the site will find new owners.

“Most importantly, we are addressing a real need among our users.”

**Coral Sánchez Camilo**
Marketing Manager, Corotos.
Years in Schibsted: 2.5.
I’m excited about: Our cool and up-coming app!
Leboncoin’s stats are impressive: 27 million classifieds posted and 26 million monthly unique visitors, making it the fourth most visited website in France, competing directly for audience figures with the giants of Silicon Valley (Google, Facebook and Youtube).

When the team behind Leboncoin set up shop in France, it comprised all of two people, Olivier Aizac, former director, and one developer. “I was the director of...myself,” Olivier says ironically, remembering the infancy of a company which now counts more than 500 employees.

In order to recreate the Swedish website, Blocket, in the French style, they adopted a free listings model to stand out from the competition and aim for popular success by insisting on simplicity. “We didn’t want any barriers to entry,” Olivier explains and tells another story from the beginning:

“Leboncoin was nearly called ‘chez Georgette’, after my grandmother, because I wanted to remind the team that we needed to come up with a website that even older people would be able to use.”

Proximity and popular appeal, then. The aim was to design a site that would appeal to every French family, and this is still the main priority today. Listings snowballed because they were free, user figures grew very quickly, and the site listed products that couldn’t be found elsewhere (ideally, local to the user) – the basis for long term success was in place. In 2008, Leboncoin.fr already had four million monthly unique visitors; in 2017, there were 26 million unique visitors in total, 37 percent of the French population.

“It’s one of the rare Internet success stories to have come from the grass roots, a site with mass appeal that has spread to all social strata,” says to Antoine Jouteau, current CEO.

A bottom-up revolution, as opposed to a trend imposed “by geeks, mostly ABC+ and North American” as Antoine puts it.

**A SOCIAL PHENOMENON**

Leboncoin became a reflection of French society, and turned into a vast public marketplace, which the big dailies had no hesitation in calling a social phenomenon. This did not escape the notice of politicians. When the company celebrated its tenth year in business in 2016 and moved to new premises (a splendid art deco building in the heart of Paris), President François Hollande was the guest of honour.

With its enormous user base, the site holds
In June 2016 Leboncoin was part of Entrepreneurs Fair in Paris – and they had famous visitors. Emmanuel Macron, later elected president, was met up by CEO Antoine Jouteau.
up a mirror to French purchasing habits, in a way that sometimes gives rise to new solutions. For example, in the depths of the economic crisis, users came up with a jobs section. In 2014, the team noticed that 60,000 businesses were recruiting up to 200,000 people on an ongoing basis. Since then, a dedicated category has been created, and last year 800,000 people found a job through Leboncoin, a fact Antoine Jouteau considers to be very empowering.

Users are Leboncoin’s lifeblood and top priority; indeed, they are the cornerstone of the site’s economic model. These days most of the revenue is generated by paid options, known as freemium content. A business plan which has proved its worth, since it has now been adopted by the site’s other international versions.

“Le bon coin means ‘a great place’ and it really is a great place for users,” Antoine points out. He smiles as he recalls users complaining that they couldn’t find a “hybrid” filter in the automobile category (one of the platform’s success stories, with 7.9 million visitors per month, making it the top car sales site in France). The team reacted fast and the missing category was created within a fortnight. Vocal requests for in-app instant messaging and a way of paying for transactions on the website? The former was one of the new features for September 2017 (following seven months of work, no less), and the latter is in development for 2018.

Today, Leboncoin has become part and parcel of new consumption trends, where secondhand is a purchasing choice. According to a 2016 study, 89 percent of its users choose it in order to make more responsible purchasing decisions. For Oliver, this is clearly an essential part of its success:

“We no longer live in a disposable society, people have more awareness of transactions involving other individuals, they have woken up to mindful consumption.”

As a knock-on effect, the secondhand trend has a positive impact on the environment (in terms of carbon dioxide savings), but also provides access to products that people can’t necessarily afford to buy new, such as smartphones. A virtuous effect, according to Antoine, which also plays a part in the site’s success.

All in all, Leboncoin has fulfilled its original ambition by becoming a meeting place like the village bistro after which it is named, where everyone stops by for their daily shot of caffeine.
**LEBONCOIN IN FIGURES**

98

millions EUR worth of goods were traded on Leboncoin in 2016.

33%

of the items sold on Leboncoin would have been thrown away if they hadn’t been listed on the site. The platform avoided the waste of 32 million items in 2016.

27%

kept in touch with their buyer or seller after a transaction.

79%

of users have a great experience with people they met on the site.

In January and February 2016, the consulting firm AZAO made a study on Leboncoin’s economical and societal impact – with a sample of 1,000 users.

7,500,000

tons of carbon dioxide were saved by the secondhand trading on Leboncoin in 2016.

89%

of users mention “a responsible consuming behaviour” as their first or second motivation to use Leboncoin.

In 2013, the French newspaper Le Monde ran a large story on Leboncoin in their weekend edition. The articles explored, among other things, how Leboncoin had become a social phenomenon that mirrored the French spirit.

27%

of the French population – 18.5 million people – bought and/or sold at least one item on Leboncoin during 2016.

Read more about the climate impact of digital marketplaces on pages 72–75.
Instability is affecting Millennials

For some time we’ve heard of the “gig” economy – basically consisting of millennials not that keen on having a permanent job and wanting to own their career and development. It turns out, this seems to be connected to age and the outside world. As millennials get older and when surrounded by instability, the need for a secure income and base are more important.

The millennials have also been known to be value-driven, but research reveals that pay and financial benefits drive millennials’ choice of organization more than anything else.

Life-long learning will attract talents

In the ever-changing world a lot of things will also be different from a HR perspective. The future workforce will be made up of a wider range of ages, nationalities and ethnicities than ever before. This means that companies need to build an inclusive culture where everyone feels welcome.

There will also be a need for lifelong learning, as more and more people will work for a longer time. The old model of learning a profession first, then sticking to it ever after simply isn’t doable. Enabling lifelong learning and being a true learning organization will be a competitive advantage.

The global job market might be history

Will Brexit and Trump disturb the globalization of labor? In recent years the opposite has become a concern for many businesses. Global talent boundaries have been eroded and the job market has become an international arena, making the competition for key talents harder. Not least when it comes to tech talents who are the true winners, because of the technological advances. But recent events, like Brexit and the election of Donald Trump, might lead to new regulations and requirements that will make working abroad more difficult, indicating that we will have a more de-globalized job market ahead.
Five jobs that are robot safe – for now

The question is not if, but to what extent and when, robots, automation and AI will conquer the job market. It will most likely not only replace routine, standardized tasks, but also more complex performances.

The World Economic Forum predicts that by 2020 robot automation will lead to 5 million less jobs across 15 developed nations. This might also lead to totally new roles; International Data Corporation (IDC) believes that 30 percent of leading organizations will implement a chief robotics officer role and/or define a robotics-specific function within the business by 2019.

The upside might be leaving all the boring and static jobs behind and embrace the option that there could be more space for creative and artistic jobs. Here are some other suggestions on future careers, from Shelly Palmer, a list of five jobs that robots will be the last ones to take over:

1. Pre-school and Elementary School Teacher
2. Professional Athlete
3. Politician
4. Judge
5. Mental Health Professional

“WIPE OUT POVERTY”

There are many views on this subject. One of the optimists being Kai-Fu Lee, founder of venture capital firm Sinovation Ventures. In an interview with CNBC he declared that he believes that AI will replace 50 percent of human jobs in ten years and that it will “create a huge amount of wealth for mankind and wipe out poverty”.

Spanish economist Daniel Lacalle is a bit more skeptical:

“Evidence shows us that if technology really destroyed jobs, there would be no work today for anyone. The technological revolution we have seen in the past 30 years has been unparalleled and exponential, and there are more jobs and better salaries.”

Another interesting thing to keep in mind: throughout history, we have invented tools to lighten our burden, but we don’t seem to have gotten more spare time.

Want a career for the future? Professional Athlete might just do the trick.
THE ART OF DOING GOOD

Enough of ruthless exploitation of nature and people! Enough of overconsumption, fast fashion and waste! The time has come for a new way of having a good life, where we all try to do better.

LENKA K SAMUELSSON
EVP Communication and Brand.
Years in Schibsted: 21.
I’m exited about: My new summer house, and living the good life.

She was engaged in the refugee crisis in the wake of war, she knitted as part of a social movement, she was part of an international network. She shared her belongings with neighbors, minimized her waste and on vacation she did not stay at hotels but with friends. She celebrated humanistic values such as equality. She had her own career. She grew her own vegetables in her backyard and every summer she’d make lemonade and enjoyed her home-farmed salad. In the fall she harvested and saved for the winter. She had one shopping bag and of course she baked her own bread. She ate less meat and more greens, more in season and less processed food. And yes, she kept bees. A true urban hipster 2018.

But no, she was my grandmother, born in 1897. So what’s new?

Several of the strong behavioral trends we see today such as the sharing economy, social engagement rather than materialistic frenzy, celebrating an environmental responsible way of living, are really just signs of a huge sobering up for the western world. Add purpose driven businesses, the former sourdough mania and recent urban beekeeping bonanza, and there’s a clear pattern. We heard the wakeup call.

And there is a genuine will to take a stand and live a truly good life; to have a positive impact, however small, in the choices we make.

WHEN POLICY FAILS

For too long we have indulged in ruthless exploitation of our common resources, for too long we have neglected the harsh reality of the state of our planet. Today, this is so evident that even the political agenda is dictated by these insights.

And when political forces fail to deliver on that responsibility, large corporations step in, as in the case of Trump and the Paris climate agreement. Several of the largest US companies, such as Apple, Exxon Mobile and Ford declared they would uphold the agreement or continue to cut greenhouse gas emissions, disregarding the president’s decision. Tesla’s Elon Musk and Disney’s Bob Iger both left Trumps advisory councils as a consequence. Mr Iger is now being mentioned as a possible presidential candidate after also calling Trumps decision to rescind Obama’s program to allow children of paperless immigrants to remain in the US “cruel and misguided”. All of a sudden the boss of Disney is the voice of social responsibility.

But we no longer necessarily turn to politi-
"Reducing the number of plastic bags is an international effort to save the oceans."

When Kjaer Global listed the global trends 2020, one of them was “betterness”, in the report described as businesses and individuals joining forces to make a positive impact for the greater good of all by practices such as radical openness and social responsibility. Another trend on the Kjaer Global list was “enoughism” a term used to challenge the belief that the good life is dependent on consumption of stuff, instead we look elsewhere for new ideals to define a fulfilled life.

The good life-trend can be seen in diverse areas such as in the fundamental change in how companies attract talents – brands that give us meaning, are authentic and connect to strong values are attractive to the younger generation. The latest Deloitte millennial survey states that “opportunities to be involved with “good causes” at the local level, many of which are enabled by employers, provide millennials with a greater feeling of influence.”

And purpose is one of the strong drivers in the start up scene, young entrepreneurs not only want to be best in the world - they want to be best for the world. A responsibility more complicated than Mr Zuckerberg opted for as it turned out.

EAT WHAT YOU BUY

But living a better life is also about the many small things that have great impact, choosing to buy second hand or buying high quality products that can be mended - or saying no to the plastic bag you are offered to carry stuff home in.

Reducing the number of plastic bags is an international effort to save the oceans, the EU wants to decrease the number of bags to 90 (!) per person each year. Several initiatives and campaigns are already in place. When British Tesco started charging, 80 percent less bags were distributed. The Swedish initiative One Bag Habit showed a decrease of up to 70 percent. We obviously don’t need these bags and it’s an easy decision not to use them. If we do nothing, soon there will be more plastic than fish in the seas. And no turtles.

So get a basket for your Saturday shopping, and more importantly: eat what you buy.

According to the EU 88 million tons of food are wasted every year in Europe – to a cost of 143 billion EUR. A third of all food produced globally is lost or wasted. An average restaurant in Europe produces more than 68,000 kilos of food waste every year. And most of it is perfectly edible. As a reaction The Ugly Food movement is giving the misshaped vegetables and bruised fruits of the world a new market instead of being dumped or rejected. French supermarkets have been required to donate all edible food to charities and shelters instead of throwing it away as in most countries. Some researches go as far as saying this is the solution to feeding the world in the future – we do not need
to degrade to eating insects – we only need to use what we already have in a better way. Something to ponder on next time you think lunching on yesterday’s leftovers is not so hot.

Or you can make a change in the simple act of cooking spaghetti:

Like photographer Judith Buijze from Amsterdam when she rediscovered an old household trick. She turned off the gas of her stove after boiling her spaghetti for only two minutes. She then left it in the pot with the lid on for another eight minutes and – voila! – the spaghetti was ready even though she had only used 25 percent of the gas required if she had followed the instruction on the package. She shared her experience on the social network Nudge, the information reached the CEO of the egg wholesaler Rondeel – and now the instructions on packages from Rondeel say that eggs can be boiled for only two minutes and then left in the hot water to get ready. Thus saving large amounts of gas or electricity.

Apart from being a social network Nudge is also a Dutch PR agency, specializing in changing behaviors within climate, energy and social sustainability. At the moment 60,000 activists are helping out, ready to influence their surroundings.

The skeptic might argue that all of this is for the privileged middle-class, comforting their own bad consciousness, and that these are all such small efforts that they won’t help.

Fredrik Moberg, researcher at Stockholm Resilience Centre, says they do.

“Of course there’s a risk of thinking that my small contribution doesn’t matter. But it does – not least as an example. We know that people are more willing to change habits and act if a friend or neighbor is doing so. And not least – politicians are carefully watching what their voters are doing.”

He also confirms the overall trend.

“There is a change, individuals and companies are taking more actions. And people are getting more and more aware. People don’t just act to be nice to nature.”

So, by living like your grandmother you might actually change the world.

“Quality over price
Garment production requires huge amounts of water, energy, raw material and chemicals. When buying clothes, consider the quality and durability of the garment.

Traincation
Air travel is one of the worst sources of pollutants. Traveling by train, on the other hand, requires far less toxic fuels than airplanes and it gets you by faster than you think.

Waste-free
It is estimated that around one-third of all food that is produced is wasted mainly because we throw it away as soon as it’s passed its expiration date. But food should be smelled and tasted before decided on whether it’s gone bad.
Millennials are aware that the data they leave behind is valuable – and they worry about how it is used. Future Report has compared their online habits in Sweden, France and Spain.

67% of Spanish and French millennials in our survey said that they worry that the information they provide on social media can be used to influence political views.

I’m excited about: How people will be able to connect and communicate with one another.

Overall, I feel secure on the Internet regarding my personal integrity.

I’m willing to share information about myself on the Internet if it gives me better products and services.
Millennials are the first generation to grow up surrounded by mobile technology and social media. They live in the moment and have been described as unattached, connected, free and idealistic. They also do their business in a time where personal data is currency. So, what are their view on integrity and privacy online? In this year’s edition of Future Report we find that Millennials in Sweden, Spain and France do care about their online privacy and that they do worry about integrity online.

Millennials’ digital lifestyle includes a higher number of friends on social media profiles, they share their location with friends and family, but are less likely to share their location with businesses and employers. They are also more likely to delete social media profiles entirely. Millennials are known to have little trust in companies and brands. They don't trust companies like Facebook, even though they interact with them and share personal information with them.

In the wake of the unexpected outcome of Brexit and the presidential election in USA, a discussion about social media, fake news and the use of psychographic data became heated. Combined with the upcoming GDPR regulation, digital habits related to data security are even more important to understand. Our study shows that a majority of the millennials in Sweden, France and Spain are worried about the fact that traces you leave on social media are used to direct messages in order to influence elections.

**CAREFUL ABOUT TRACES**

Millennials are aware that the personal data they provide has a value. A majority in all three countries say they worry about what states and companies knows about them.

Overall, millennials are careful about the digital traces they leave. This is confirmed when we ask if they have changed the settings on their smartphone in order to protect their personal integrity. Many claim to have done so. And when it comes to ad-blockers, the vast majority say they use them.

The survey was conducted by Inizio on behalf of Schibsted. The target audience is people born between 1983 and 2001 in Sweden, France and Spain. The survey was conducted as a web survey and it includes 400 interviews in each country.
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FILL IT WITH FACTS

Irrefutable facts, context and depth – this is how media of today should meet the ongoing challenges. This is how we can move opinions and insights and keep exposing abuse of power, injustices and lies.

TORRY PEDERSEN
Head of Editorial, Schibsted Media.
Years in Schibsted: 29.
I’m excited about: The importance of fact-based journalism.
The afternoon in the newsroom at the newspaper VG had been typically quiet on this somewhat slow day in July. I arrived at my work as News Editor around 1.30 pm and now, an hour or so later, we still did not have one single thing going that would make even the most excited reader raise an eyebrow.

The only good thing was that Bruce Springsteen was in town.

But then: Well into the evening, the paper received a tip saying that Norway’s most famous drug criminal had escaped while having a birthday dinner in a hotel in the chain Relais & Châteaux. He had been granted leave from the prison to celebrate his 33rd birthday. With him was a 24-year-old prison guard whose task it was to make sure he did not run away. A social worker, who had visited him regularly in prison, was also invited to the dinner.

I was new to VG and to the position as News Editor, having been there for only three months, but this evening was to become decisive for my understanding of what it is that brings power to journalism.

Immediately we sent reporters to the place from which he had escaped. The prison that he was confined to was in the same town, about 50 kilometers south of Oslo. I kept in close contact with our people on the ground. Speaking with the reporter who had been at the hotel I asked: “Do you have a copy of the check?” “No, I didn't think of that, but I believe I can get it.” An hour later a copy of the check came ticking out of the fax machine. This happened in 1988 and in those days the fax was the Hope diamond of the information technology.

I had a quick look at the check and felt instinctively that it was going to have an effect on Norwegian crime policies. I have worked in journalism for 37 years. Still, those moments when I immediately feel that this specific piece of news will have political consequences, or make life better for at least some people, are markers for the buzzing feeling of the power of journalism. And the knowledge that you have been unusually lucky in your choice of occupation.

NO ONE CARRIED A SMARTPHONE
The jailed narcotics smuggler obviously had expensive habits. He relished in duck breast, red wine, “marquise au chocolat” with strawberry sauce, Dry Martini and exquisite whisky in the Relais & Châteaux restaurant, before he asked to be excused and left for the bathroom. He did not come back.

To grant a leave to a rough drug criminal and letting him spend a lot of money on fine food, in a place where most law-abiding citizens couldn’t afford to eat, would always create a stir, but it was the exposure of the actual check, payed by the prison employee, that really ignited the debate: Duck breast, expensive wine, Dry Martini and whisky!

“The speed of news today works best when it is reinforcing the punch of journalism.”
For me, the publishing of the check became the symbol of the fact that journalism delivers the heaviest punches when it has precise facts. When a revelation resounds with the readers it can mean that laws are changed, the political debate takes a new course or obvious faults are corrected. Without the readers’ acceptance, even the biggest of headlines can become an empty gesture rather than a solid punch.

The role of journalism is basically to expose what others want to hide, and to stimulate debate, to inform and to entertain. Different media are catering to different aspects of these elements with their output.

At the time when the drug smuggler enjoyed his duck’s breast there was no such thing as the digital motorway. No one carried a smartphone in their pocket and no one had been given the tools to bring the conversation into the public domain through social media. Digitalization has now made information limitless both geographically and in volume. Does this put new demands on how journalism is presented in order to keep its punch?

I for one think that the answer is a resounding YES. But the increasingly frequent technological shifts mean we are facing huge challenges. In a media landscape where we have moved from a scarcity of information to being burdened by the glut of it, journalism can be sorted into three categories: continuous, context and depth.

**SPEED IS NOT A THREAT**

I am among those who believe that speed in news is a special quality. I have never understood those who claim that the speed in news distribution, that the digitalization has made possible, is in itself a threat to quality.

One of the most epic dramas of the previous century was the duel between Roald Amundsen and Robert Scott concerning who reached the South Pole first. On December 14th 1911, Amundsen could triumphantly place the Norwegian flag on the polar spot. Scott perished.

Aftenposten broke the news on its entire front page. It was the greatest scoop ever in the paper’s history. When? On March 8th 1912. In the history of mankind this was just a blink of an eye ago.

The speed of news today works best when it is reinforcing the punch of journalism. In the same way, the unlimited space that comes with digitalization has given us the chance to tell stories with a depth, highlight different aspects of an issue and the opportunity for readers to study the basic material in an unprecedented way. Digitalization has given us the chance to convey a new journalistic force both in the fast news and in-depth stories.

A big challenge in keeping up the journalistic strength is to provide a manageable context for the published material. The general reader is suffering from “information overload.” Media is available everywhere, all the time. Content, formats and distribution channels are constantly fragmented. That makes it increasingly important to explain why it is necessary to know something about this particular subject, and to do it in a way that is neither convoluted nor distancing. We should have a focused presentation of matters that everybody ought to know something about, combined with a far more specialized delivery of special-interest stories. Communication from one to everybody has been the model of mass media. It should gradually develop into one-to-one.

Today anyone can be his or her own broadcaster. The inherent mechanisms in social media, that reinforce exaggerated views and plainly false information, are undermining the credibility of the media using an aggressive and polarizing rhetoric. Propaganda, manifestly aimed at influencing people’s opinions with a one-sided presentation of information, are passed on in the news stream in the same form and with the same expression as the most meticulous revelation.

This topography means that if journalism should have a true strength it has to present irrefutable facts in a matter-of-fact and impartial manner. We are inundated by
quick-witted sentences, but I am becoming more and more convinced that it is precise facts that can move opinions. My good friend for many years as editor-in-chief of Aftonbladet and now Director of Programs at Swedish Public Service TV, Jan Helin, has put it this way: “If one was given the chance to wish for a new trend in journalism, it would be that we became able to make stars out of journalists who are opinion-resistant and who, with a passion for facts, manage to tell stories in an exciting and matter-of-fact way.”

At its best, journalism contributes to a functioning democracy by diminishing the gap between what the citizens know and what they need to know about the world around them.

The more efficient we are in exposing the squandering of resources and abuse of power, in giving a voice to the silent, in highlighting the circumstances for the weakest, the better the democracy can become. And that is precisely why the autocrats constantly are attacking the media: the aim of journalism to expose abuse of power, injustices and lies.

Therein lies the Power of Journalism.

Therein lies the justification of claiming that journalism is a pillar in any civilized society.

Therein lies the fundament to herald journalism as a central part of the democratic infrastructure.

But every autocrat has a binary view of the world. You are either a supporter or an enemy. There is never a shade of gray – let alone 50.

That is why it is a part of the morning ritual of the Twitter President to brand us as, “The enemy of the people”, as the standard bearers of falsehood. The best answer must be irrefutable facts, the only things that can, over time, move opinions and insight, inspired by journalism.

In an era where information is increasingly gathered from social media, it is necessary to underline that those platforms do not have any general ambition to consider the varying quality of the information. Here is a quote from Adam Mosseri, VP of Newsfeed, at Facebook: “We don’t favor specific kinds of sources – or ideas. Our aim is to deliver the types of stories we’ve gotten feedback that an individual person wants to see. We do this not only because we believe it’s the right thing but also because it’s good for our business.”

So, in the Facebook world, propaganda, lies and the best journalism has the same value. For the media, this must mean an enhanced effort to make the readers more capable of differentiating between information and propaganda. That will demand an increased awareness of the value of words, a broad fact-base and a tireless focus on reporting irrefutable facts.

As any journalist would know, her most fundamental obligation is to the truth. Truth not understood like a law of science, but as verifiable facts presented in a meaningful context, with the aim to facilitate debate and eventually reach good decisions.

LIKES CAN NOT BE THE ONLY CRITERIA

With such a professional ethos, it’s utterly disturbing that the chosen term to characterize the climate for public discourse these days is “post-truth”. According to the Oxford Dictionary it is an adjective defined as ‘relating to or denoting circumstances in which objective facts are less influential in shaping public opinion than appeals to emotion and personal belief’.

To paraphrase the legendary Joseph Pulitzer: The need for the noble profession of journalism, with an unequalled importance for its influence upon the minds and morals of the people, is better urgent than ever.

To uphold our ability to fulfill this honorable goal we must be aware of the importance of breadth and depth in our reporting, and consciously expose stories which are evaluated also by other criteria than popularity and likes. We must expose reality more than reality shows.

And we must be even more aware of the need to report precisely, wonderfully worded by the late journalist and author Gabriel Garcia Márquez: In journalism just one fact that is false prejudices the entire work. In contrast, in fiction one single fact that is true gives legitimacy to the entire work.

“We must be aware of the importance of breadth and depth in our reporting.”
How do you rate a traffic incident in Stockholm on a 1 to 5-scale?
At SvD an algorithm is running the news, and tech is a way to secure the future of journalism.

Fredric Karén
Editor in Chief, Svenska Dagbladet (SvD).
Years in Schibsted: 14.
I’m excited about: The fact that more and more readers find quality online journalism worth paying for.

The venue is the Austin Convention Center during the world’s greatest media conference, South by Southwest (SXSW).

On the stage in the largest conference hall, the Editor in chief of The New Times, Dean Baquet, is being interviewed by the paper’s media columnist, Jim Rutenberg.

The theme is journalism after the election of Donald Trump; a president who calls both The New York Times and other serious media brands “fake news” and journalists “enemies of the people”.

The answer from The New York Times is to hire more investigative reporters, more digital spearheads to be able to develop the journalism further.

“We are preparing for the story of our generation. The election of Donald Trump as president is a bigger news story that 9/11,” Dean Baquet says, adding:

“The next two years will be a historic moment in the life of news organizations.”

The editor of the most influential news organization in the world says that the United States need more and better independent journalism. Not less.

However, it is not only the case in the USA that journalism is under pressure. In countries close to Scandinavia – Poland, Hungary, Russia – media are more or less controlled by the state. Independence was swept away a long time ago and the published material is risible, ingratiating propaganda.

BANNING THE MEDIA
In September 2018 there will be a general election in Sweden. The rightist party The Sweden Democrats, one of the largest in the country according to opinion polls, has on several occasions banned media from their press meetings.

In one country after another forces are growing that, like Donald Trump, have the idea to question and undermine the credibility of the media, with the aim to strengthen their own power base.

The question is how one, as the editor of an old established newspaper brand, can navigate in a reality that is, on the one hand, demanding more resources and initiatives and, on the other, demanding profitability. Initiatives to strengthen the trust of the readers and profitability to be able to make necessary investments.
The answer is spelled “technology”. Let’s go back in time, two years. The venue is no longer the Austin Convention Center but the editorial offices of Swedish newspaper Svenska Dagbladet in central Stockholm. A group of journalists are seated around a table, writing on small Post-It notes.

The question they are asking themselves is this “What is a particular piece of news worth on a scale from 1–5?”

WHAT DOES THE NEWS WEIGH?
It may not be so hard to compare and evaluate a traffic incident without casualties to a terror attack in the center of Stockholm. But all those other things that happen, the news in the middle, where shall we put them on a scale?

In the spring of 2015 this was precisely what the editorial staff of SvD were discussing. We tested different news scenarios. Stock market down 4 percent (news value 3.5), the Prime Minister proposes more CCTV cameras in central Stockholm (news value 4.0). A Strindberg play opens at the Royal Theatre (2.5).

These news ratings, combined with a time marker, how long we think the piece will draw interest and be relevant to the readers, are the very basic data in the algorithm that from now is going to steer our new front page. It was self-evident that journalism and the editors that, also in the future, are going to influence how news are evaluated on our front page.

WE WANT TO BUILD FOR THE FUTURE
At the same time we wanted to simplify our editorial processes and get rid of unnecessary time-consuming elements, to create space for journalistic ventures. To put it simply, we wanted to build for the future, both in technical and journalistic terms. No longer were journalists obliged to move headlines up and down on the front page. The focus was going to be placed on better content, sharper headlines, creative visual solutions and distribution of content.

But above all simplicity.

Schibsted Media Platform, Schibsted’s own content management system, is built for online publishing with text tools, video, picture search and external monitoring, all in one view. As a journalist you learn to use the tool in just a few hours, which facilitates a lot in the digital transformation of the editorial staff.

But let’s not become too technical.

The whole point of working with algorithms and data in a newsroom is precisely so that the journalists don’t have to think about technical matters.

In the last two years we have conducted a series of tests and adjustments without the editorial staff having had a clue about it. A/B tests, personalization of content to specific segments of readers, automated newsletters that are managed by algorithms, just to mention a few.

And we know that in the future, we will be testing still more things that can increase readers’ engagement and loyalty. For example; not showing certain articles that you have already read, show more premium content to loyal readers who we think can be converted to digital subscribers.

NEWSROOMS MUST BE DATA-DRIVEN
Our vision is to take care of every visitor, giving the best news experience and at the same time supporting the business targets of SvD.

And we will never be able to do that if we keep on working in the old fashion, because no editorial staff can manually deliver thousands of individual news experiences every minute, every day.

In order to compete seriously with a digitalized media world, newsrooms must become more data-driven, daring to leave part of the job to the algorithms.

Two years later we can study the result. The alternated, simplified processes in the editorial rooms have led to more time for investigative quality journalism. In this period we have been awarded more journalistic prizes than ever before in the paper’s 132-year history. “The Golden Shovel”, “Revelation of the Year”, “Storyteller of the Year”, to mention a few.

And when Dean Baquet appeared at SXSW, Svenska Dagbladet and Schibsted presented the business results for the year 2016. It showed a strong growth in digital subscriptions and digital advertizing. Altogether this produced the second best result in the paper’s history – a growth in results that runs parallel with our endeavors in journalism and technology.
Now it’s been proved – context is super important for ads in digital media. With the right audience and the right context advertisers can triple their effect. This is shown in a study on how advertisers should navigate the digital landscape of new technology, data and purchasing methods. The study is conducted by Schibsted Sales and Inventory (SSI) and Erik Modig, researcher at Stockholm School of Economics, together with 16 advertisers from major Swedish brands.

The fact that an advertisement’s impact is significantly affected by the type of media in which it appears, might not sound like a big surprise – it has been a well-known truth within print for decades.

But within digital marketing there are many opinions about what matters, not least now that programmatic buying is growing. Some say that the context does not matter as long as the right pairs of eyes are reached, others consider the context to be key.

There are also differing opinions on how to build brands and create sales. Should you advertise broadly – or focus on target audiences?

And finally, when it comes to conversion and call-to-action – what should be done then? Should slow-moving brands think in the same terms as fast-moving brands? What distinguishes high-engagement products from those with a lower degree of involvement?

**THE EFFECT DOUBLES**
The SSI study focuses on the importance digital context has on the effects of advertising and how an advertiser should think regarding broad and targeted communications.

It’s divided into three parts:

- The importance of the digital channel context in creating advertising effects when advertising online.
- When advertisers should choose a broad audience for their communications and when is it better to focus on a specific target audience.
- What effect different types of target audience data have.

The result shows that the context in which the advertising message is published is of great importance. On average the effect doubles with the right audience and triples with the right context and the right target group.

Therefore, even when there is a lot of data about who is being reached, the context almost always trumps data, especially when it comes to getting customers to act and, not least, with lesser-known brands.
Avito has become a role model in Morocco. The marketplace is an inspiration to push market economy and for its culture, and not least, for reaching 6 million users each month in a country where people didn’t really sell old things. Zakaria Ghassouli became General Manager in July 2017, but he joined the company in 2012.

"Even though I’ve been here for quite some time, I started out as GM talking to everyone. I wanted to learn about their motivations and frustrations.”

This is what the Avito culture is all about – openness and transparency, which has created engagement and involvement.

"It’s like everyone owns the brand.”

When he started, Zakaria got a classic question from his mother: “When will you get a real job?” Marketplaces weren’t a known phenomenon and Moroccans were in the habit of keeping their stuff. Luckily they also like making good deals.

Avito is also driving change in a wider perspective.

“Large companies visit us to learn how to build a strong culture, be more agile and market-orientated.”

At the moment Avito is implementing the new Schibsted marketplace platform, which will help them grow and control more of the value chain to reinforce their leading position.

"But just as important is to keep developing our offers. Right now we’re looking at vertical opportunities such as real estate and jobs.”
An app to find your wine

Przemysław Potocki has learnt a lot about wines. As a software engineer he helped building an app that will enable Swedes to find the perfect wine to go with their dinner. The app was created for the Swedish company Vinguiden and has a database with more than 500 parameters to describe the different wines.

“T had no idea that wines could be described in so many ways. And how important the soil is to the taste”

Przemyslaw is working in the so-called SEAL team at Schibsted’s tech hub in Gdansk, who has specialized in realizing different Schibsted projects fast and in a flexible manner, providing cross tech competences.

“The most challenging thing with this project was to make it easy for users to search. We had to combine all characteristics for each wine category into a database model.”

“We need to prioritize and experiment”

In September 2017 Schibsted made a re-organization where the two main businesses were turned into two divisions - Marketplaces and Media. Laila Dahlen is new Head of Product and UX Marketplaces and she is set on delivering good experiences for users and customers.

“People’s expectations of our products are increasing fast. We really need to understand our users and customers, prioritize their biggest problems, and experiment rapidly. Only then, can we create products that people love.”

Laila has been working at the Norwegian marketplace Finn for several years. Together with her extended new “family” she will focus on getting everyone on track with the common goals, by clear prioritizations and execution as a team.

“I will also bring quite a lot of energy - and some fun.”

Blogging for advertisers

A blog with content for advertisers has been a great tool for Tori to build their B2B brand among Finnish advertisers and other target groups.

“Our brand is strong among users but we’re not that well known by advertisers, so we are working with content marketing to get in contact with them”, explains Laura Kuusela”.

For instance Laura and her team made a handbook for digital marketing that has been very appreciated and that has worked as a tool for this B2B marketing.

“The most important thing is to know who you are doing it for, to follow your target group and then produce what is interesting to them.”

And it works. Advertisers like to discuss what they’ve been reading. “That’s a really good start for a conversation in a sales meeting.”

LAURA KUUSELA
Marketing Manager, B2B.
Years in Schibsted: 3.5.
I’m excited about: Tori’s high-speed development.
The year 2018 looks even more promising - the new platform enables us to serve our customers even better!

PRZEMYSŁAW POTOCKI
Software engineer.
Years in Schibsted: 1.
I’m excited about:
Technologies that have an impact on our daily life.

LAILA DAHLEN
Head of Product and UX, Marketplaces.
Years in Schibsted: 6.
I’m excited about: Creating marketplaces that help millions of people!
REDUCE, REUSE, RETHINK

Is it the next economical evolvement or a part of the fourth industrial revolution? Circular economy is even called a necessity if we want to survive.

The concept, which is built on reduce, reuse, repair and recycle, has no founder or date of origin. But it has gained momentum since the late 1970s, led by academics, thought-leaders, NGOs and businesses. The biggest driving force, however, is Mother Nature and how she reacts to the fact that an increasing population is draining her.

The global population will reach close to nine billion by 2030 and is expected to reach eleven billion by 2100. We all consume natural resources as if we had 1.7 planets. As we’re running out of resources the logic of circular economy is indisputable. It aims to keep products, components, and materials at their highest utility and value at all times so that waste is minimized and natural resources will be used more efficiently.

Translating the rate in which we consume the world into a personal level means basically that you and I need to halve our consumption or start to consume with twice the intelligence... It’s either that or facing the consequences that already are upon us such as water scarcity, air pollution and natural disasters where nine out of ten are climate-related.

This is nothing new. We’ve been warned for decades about the effects of our unsustainable lifestyles. But it is not until now that new intelligent ways of consuming are emerging at high speed, primarily thanks to technical and digital innovations. 3D printing revolutionizes manufacturing by reducing waste and emissions. Blockchains enable more efficient ways of pricing and selling, clean power and machine-to-machine systems can monitor, control and optimize lights, heating and cooling of buildings - just to name a few.

A NEW BUSINESS MODEL
Some people urge business to support a circular economy, but when you think about it – it’s really the other way around. The circular economy can support businesses as we’re moving towards what many predict as an unstable global market with limited access to water and energy, scarce agricultural and mineral inputs resulting in increased prices, surcharges and taxes on emissions and waste.

Since the circular economy not only aims to ensure the survival of the planet but also the survival of businesses there are innumerable cases of companies who explore and innovate within this field. Thanks to the circular concept sustainability has become a potential for re-
Reducing costs, strong competitiveness and making money. The circular economy is a USD 4.5 trillion opportunity according to the World Business Council for Sustainable Development in their CEO Guide to the circular economy.

Going from a linear economy to a circular one is of high interest, not only among companies, but also among nations such as Finland, Scotland and Japan which are in the forefront of the sustainable roadmap. Sweden is another country which is early and active. The government has recently set up an inquiry to analyze and propose policy instruments to promote increased utilization and re-use of products in order to prevent waste and to overcome barriers in the transition to a circular economy. Some of the suggestions ahead are increased access to car pools, tax deductions for rental goods, secondhand goods and repairs and increased legal rights within secondhand trade and sharing.

And the timing is right. More and more customers are becoming environmentally aware. Reports from different countries indicate that consumers prefer sustainable brands. For instance, a survey from Blocket in Sweden shows that four out of ten Swedes choose brands that actively contribute to a sustainable society. Many actors see business opportunities in the fact that the customers are waiting for corporations to enable circular consumption. According to Sustainable Brand Insight 33 percent of the Swedish population expect companies to make it easier for consumers to buy second-hand, rent and borrow things from each other.

CONSUME INTELLIGENTLY

And here is where Schibsted plays a role. With 22 marketplaces for secondhand trade all around the world and approximately 200 million users globally, we empower consumers in their daily lives to act more environmentally friendly. Secondhand trade is an important contribution to sustainability as it avoids exploitation of natural resources, reduces waste and emissions.

Let’s all agree that consuming with twice the intelligence is more likely in the nearest future than cutting back.
The Second Hand Effect

Schibsted has calculated the positive environmental benefit from eight of our marketplaces. We call it the Second Hand Effect. The calculation emanates from the question: how much green house gas emission can be potentially saved through second hand trade if each second hand product replaces the production of a new one?

“Our users are the true environmental heroes.”

Lena K Samuelsson, EVP Communication and Brand.

The following sites participated in the study:
- Tori, Finland
- Jófógas, Hungary
- Blocket, Sweden
- Avito, Morocco
- Finn, Norway
- Leboncoin, France
- Subito, Italy
- Vibbo, Spain

Read the full report on: secondhandeffect.schibsted.com

16.3 million tons of CO2e were potentially saved by users at eight of Schibsted’s marketplaces 2016. The graph shows the savings divided by advertisement category.

CO2e means carbon dioxide equivalents. This is used when recalculating different green house gases into a common unit, to compare their climate effect.

16.3

Vehicles

Sport and hobbies

Electronics

Home and people

Lost to transportation of goods, and to the marketplace’s operations

138 billion kilometers. That’s how far you would have to drive by car to emit 16.3 million tons of CO2 – the amount saved by the Second hand Effect sites in 2016.

60,000,000

60 million people use the Schibsted Secondhand sites every month.
THE DECLINE OF LINEAR TV HAS BEEN A TOPIC FOR A LONG TIME, TODAY NO ONE IS QUESTIONING THE FACT THAT THE WAY WE CONSUME TV AND MOVING PICTURES HAS CHANGED. A RECENT STUDY SHOWS THAT 60 PERCENT OF SWEDISH 15-19-YEAR-OLDS GET ALL THEIR VIDEO CONSUMPTION DIGITALLY, NO LINEAR VIEWING AT ALL. SO OK, LINEAR DECLINE IS A FACT, BUT WHAT ARE THEY WATCHING? OF COURSE NETFLIX, HBO AND THE TRADITIONAL PLAY CHANNELS HAVE TAKEN A LARGER AND LARGER SHARE OF THE SCREEN TIME, BUT STUDIES ARE NOW SHOWING THAT THE CLIP-BASED VIEWING IS GROWING EVEN MORE. YOUTUBE, FACEBOOK, SNAPCHAT, INSTAGRAM, TWITCH AND OTHERS ARE ALL CREATING A NEW BEHAVIOR ON HOW TO CONSUME CONTENT. WATCHING SHORT SNACKABLE VIDEO CONTENT WHEREVER YOU ARE IS BECOMING A PART OF DAILY LIFE AND A LARGER AND LARGER PART OF ALL ONLINE CONSUMPTION. A DEVELOPMENT IN MANY WAYS DRIVEN BY THE LARGE SOCIAL PLATFORMS THAT HAVE PUT VIDEO RIGHT IN THE CENTER OF THEIR PRODUCTS AS A NATURAL PART OF THE USER EXPERIENCE. MARK ZUCKERBERG HIMSELF STATES: “WE SEE A WORLD THAT IS VIDEO FIRST, WITH VIDEO AT THE HEART OF ALL OUR/apps and services.” “WATCHING TV” NO LONGER ONLY MEANS SITTING ON THE SOFA CONSUMING HOUR-LONG PROGRAMS ON A BIG SCREEN, IT HAS BECOME A CONTINUOUS STREAM OF ONLINE VIDEO ON ALL DIFFERENT PLATFORMS AND ALL TIME OF THE DAY. A NATURAL PART OF OUR MEDIA CONSUMPTION.

BACK TO HIEROGLYPHS

But not only consumption, the way of communication is also changing. The new generation is leaving text-based and voice-based communication in favor of pictures, video snippets and live broadcasts, to communicate with each other. We are in many ways seeing a visual revolution where the traditional language is changing. 5,000 years ago we communicated by painting pictographic hieroglyphs on walls, then advanced alphabets gave us tools to write and express ourselves in tremendous ways. But when looking at the communication of today, it feels like we are back where we started. Expressive text has turned into one or two emojis, a dancing lady for “lets
“Content needs to be adapted to whatever device it is watched on.”

The generation growing up in today’s Western society is brought up with a smartphone or a tablet in their hand, always with the technology at hand to watch “TV” whenever they want. Do we really think that text will be their preferred consumption medium? No. We believe that the digital industry needs to revise how they deliver content and communicate with users. For how long can a job ad or an instruction booklet consist of 5,000 words instead of an explanatory video? Is the article you are reading now really in the right content form? As a matter of fact, the younger audience is using Youtube as their first stop for searching information, instead of traditional text based search engines!

That said, it’s a fact that video is also growing in popularity as primary way of consuming news. According to Swedish research firm Ungdomsbarometern as many as 8 percent of the youngest audience (15–24 years) switched from “reading” as their favorite way of consuming news to “watching them” over the last year. There’s a clear trend of increasing time spent and video starts by the day on Schibsted’s news sites Aftonbladet and VG and we are taking great leaps of integrating video as a natural part of the news experience. But honestly, it has been quite a long way to get to where we are today.

Every transformation takes time, you need to understand how new environments actually work and there’s a strong resemblance to earlier journeys. From being printed newspapers the papers became PDFs online, the PDF was rebuilt into a desktop site where users who happened to use a mobile phone had to zoom in to be able to read, to the native apps of today. We have made the same journey when it comes to video. From simply been producing traditional TV on the web (well, it has after all been called Web TV), long scheduled broadcasts and programs, formats that honestly do not match digital and mobile experiences, we are now getting a grip of what really works. Content needs to be adapted to whatever device it is watched on. If in mobile, make it really short, direct to the point, start adapting to vertical viewing (as users actually like holding the phone) and integrate text (very few watch with sound). Most importantly – integrate video closely in the environment where it is present. Video should not be a separate site or destination, it should be looked upon as any other type of content that tells a story.

So, video is a fantastic bearer of engaging content, earlier reserved for the TV and the sofa experience, but now available for each and every one to enhance their experience and communication. We believe that everyone needs to embrace video to stay relevant to the new generation, but be sure to find what fits into your experience, and do not produce TV on the Web.
How did two of our times’ strongest brands build their success? Grown out of American college campuses, with organizations packed with engineers, Google and Facebook have achieved iconic status over a short period of time in virtually all parts of the world – creating strong brand positions without spending vast amounts on marketing.

An obvious answer to these questions is that Facebook and Google have created unparalleled digital experiences that are hard to ignore for anyone exposed to them. They have certainly faced many competitors, but they have prevailed through consistently delivering on the most important criteria of their categories. But their brands also show strong archetypical traits, and that helps explain their consistency and global appeal: Iconic brands often play on archetypical references, and even though a lot of them are very complex and multifaceted, the most iconic ones are those that seem to be concentrated on just one.

Archetypes are powerful symbols, roles, characters and stories that transcend time and culture. Or as Carl Jung explained: “forms or images of collective nature which occurs practically all over the earth as constituents of myths and at the same time as individual products of unconscious origin.” We can say that we all know them and understand their meaning. And it makes a lot of sense when you think about it: in India, Denmark and Uganda, people will understand the archetype of the Hero, the Mother or the Ruler. At the simplest level, we all understand the various symbols connected to them. Facebook and Google have been consistently projecting the most important features of their archetypes and have brought them into this unknown landscape of the Internet.

FACEBOOK’S CORE
Facebook presents the same interface to everyone, encouraging you to be open and honest, celebrating participation and ensuring that you are connected at all times and on all possible devices. At the core of the Facebook brand you find this complementary connection to the elitist origins of the product: the Harvard campus. Facebook was never intended as an opposition to the established structures of social life, it was always about creating a positive, engaging and simple way of just being a person. The most prevalent symbol of this thought is the “like” button – a brutally simple

The Hero, the Ruler, the Jester. Archetypes can be powerful tools when building a brand. Facebook and Google have proved just how powerful.

JØRGEN T HELLAND
Director of Brands and Digital Marketing, Dimas.
Years in Schibsted: 3.
I’m excited about: Man with machine and everything in between.
Each archetype has associated traits, making them a useful model when thinking about your brand.
way of “paying it forward”. Facebook was, and still is, a social brand. It is always there for you and that is the true value to the The Everyman archetype.

Google is founded on an idea that you can create a better reality for yourself right now - the Internet is easier to use, safer and less complicated in Google’s sphere. The brand has so many archetypical traits of the Innocent that they are hard to ignore: Often a simple, almost naive user interface that was in stark contrast to the chaotic, stereotypical and technological competitors at the time, a name and logo that seems childish and welcoming (even the two O’s can be argued to give deep references to the eyes of a small child - a symbol also pointed to the face of the Volkswagen Beetle), the “I’m feeling lucky”- button - showing us how easy it is to have a better search experience when you just trust in exploration, the “Don’t be evil” motto...

Even though their main business is search and the advertising that comes with it, Google’s sister brands or larger projects gives an important clue too: Calico - a company that is said to basically be set out to cure death, Google Books - a project to scan and make available all books in the world naively undermining the system of intellectual property and thereby the motivation for most to write and distribute books, Project Loon - balloons hovering over Africa, providing internet access. These projects are the expressions of a company that feel that they can do it all - and instinctively we all understand how this makes sense for them. It would not make sense for a brand like IBM or Hewlett Packard, not even Apple.

All this doesn’t mean that they aren’t truly business driven. And their competitors would have much to say about the true impact of their businesses. But the power of their archetype brands overtakes this aspect in our minds. It also means high risk and deep crises when they act in a way that contradicts our expectations of them being the open or honest Everyman or the Innocent.

The conscious usage of archetypical symbols or traits demands a lot of discipline from a company. And that is probably where Facebook and Google show their biggest strength when it comes to nurturing their powerful brands: it is not because they have had extensive brand consulting from the start of their companies, in fact, I think it is safe to say that they have just acted out, creating products and services that are in tune with their deeper meaning and organizations. Remember, their product is their communication. And just as nature and markets have a tendency of shaping its artifacts and culture through almost evolutionary measures, so have these brands been shaped by their first bursts of success and their failures.

Marketers have a tendency of adding layers of complexity to their brands, either to make them more current or to adapt them better to the society they operate in. Google and Facebook, together with other global digital brands like Uber (the Ruler), Amazon (the Explorer), Snapchat (the Jester) are showing us that we can go back to basics. But this requires that products and communication are created as expressions of the same core. And that core consists of stories, patterns and characters known as archetypes. Marketers need to fully understand their brand’s archetype to be able to effectively execute compelling, emotional and consistent communication over time.

Google and Facebook are represented by the Innocent and the Everyman, respectively.
Simplicity and coherence - these are two pillars that have been the winning concept for digital leaders of today. The world’s most successful digital companies have quickly managed to take over the world through a clear and consistent design and personality, across borders and between target groups. Google, Instagram and Facebook are platforms where you get a coherent and simple experience in all touch points. The thresholds are few and they have quickly managed to build extremely strong brands and successful global businesses. But is simplicity and coherence enough as a winning concept for brands in the future? And where does Schibsted stand in this?

Our strategy is to build companies and brands in close harmony with the local cultures and societies where we operate. Being close to our users and empowering people in their daily lives has over time made our brands a part of the fiber in the local communities. With close local relationships comes loyalty - but loyalty is not something lasting; it is something you earn.

We believe our legacy is the answer. Schibsted has a strong culture where humanistic values such as diversity, integrity, equality and empowerment characterize everything we do and have done for 178 years.

From Christian Schibsted starting the Norwegian newspaper Aftenposten in 1860 till today when marketplaces like Leboncoin, Subito and Jófogás offer smart and environmentally friendly consumerism through secondhand trade.

**COHERENCE AND SIMPLICITY**

Together with our 200 million monthly users the Schibsted family can be a progressive force and make a positive change in the communities where we operate. Having a strong value set and a purpose that goes beyond quarterly result, is something we believe is becoming increasingly important in a turbulent world, where forces are questioning simple humanistic beliefs. Schibsted has gathered common resources to leverage local impact, such as a data platform, login functions, employer offering and sales. Now it’s time for us to also capture the opportunity and take agency as the unifying force behind our local heroes.

Together with our local brands, Schibsted will step up on the arena and fight for what we believe in. We will also create a coherent and simple experience through a new design system and clarify why our family of brands is connected and how we protect your data.

Because we believe that coherence and simplicity together with strong values are the keys to success.
**Schibsted Growth keeps track of – and invests in – startups. These are three trends they’re interested in right now.**

**Banks will be losing power**

New regulations and technology are enabling fintechs to deliver banking services without being banks themselves. Consumers can pay, lend and borrow directly from each other, and investors can target assets directly without the need for a banking middle man. Light-footed startups are assailing the profitable legacy institutions, who are fighting back for the consumer trust. The race is on!

**Marketplaces are getting smarter**

Software has a unique way of empowering people. Besides giving access to a wealth of information, software can also empower consumers in their daily lives. Tomorrow’s digital marketplaces will be much more powerful, reinforced by even more advanced software, and they will be the foundation of whole industries. The driving forces behind the opportunities are the ubiquity of mobile devices and using data and algorithms to match the perfect buyer with the perfect seller at the perfect time.

**AI taking over Digital Health**

Medical care is in greater need than ever for democratization and automation to handle the growing overload within the sector. What’s been the talk of the town is now becoming reality – managed marketplaces with advanced algorithms and machine learning have entered the market. The key to success is giving power to the customers and providing new working tools for professionals.

**ABOUT SCHIBSTED GROWTH**

Schibsted Growth looks for entrepreneurs in Internet consumer services, fintech, marketplaces, and ecommerce. Three of our latest investments were: Hypoteket, AHUM and YEPSTR. Do you have an investment opportunity for us? Tell us about it by emailing future@schibstedgrowth.com.
In their review of 2016, Innovation analysts Crunchbase notes that investment in US based companies slowed down – but boomed globally.

**GLOBAL INVESTMENTS IN TECH INNOVATION**

- 1,800 early stage investment were made per quarter in 2017. Their total value was around 17 billion USD, according to Crunchbase. Early stage is generally considered A-round and B-round.

- 50 billion USD were invested in tech-based startups per quarter in 2017, according to Crunchbase’s projections from 2017 Q2 figures.

- Of startups in 2017 had a female founder.

- 80% of all investment in the Nordic countries are made by local actors. Health/wellness and fintech are the leading investment categories. About 200 investments per quarter were made in 2017 – of these 58% happened in Sweden. Source: Thenordicweb.com.
A PAPER OF WAR HEROES

In the summer of 1945, some of the journalists still wore their military uniforms when they began working at the new newspaper at Akersgata 34. In the weeks before, the printers had gone all over Oslo reassembling parts that the Germans had removed from Tidens Tegn’s rotary press during the war.

On June 23, the first edition of Verdens Gang hit the street. The front page headline was “What the occupation cost us”. The article was illustrated with a picture of the hated green cheques that the German occupation authorities had used to empty the Central bank.

Despite warnings the editors insisted on placing a thick red line across the illustration, creating a sort of “stop” sign. This graphic device caused major problems for the printer. But the newspaper came out - with the red slash across the front page.

Already, VG employees were displaying an attitude that would come to typify the newspaper and make it a success. At VG we don’t take “no” for an answer. Constraints are there to overcome. Pushing the limits of the possible - and the imaginable - is in the organisation’s DNA. This attitude has produced results in the form of journalism, ethics, profitability and, in recent years, technology.

THE NEWSPAPER OF WAR HEROES

VG is the newspaper of war heroes. It was Norway’s resistance forces, the boys in the woods, who founded VG after the country’s liberation, in 1945. Decades later it would become the most popular paper in the country.

The founders wanted to publish a newspaper built upon the ideals they had fought for during the long years of war: freedom and independence. VG would be independent of political parties and financial interests. It was to be a
Verdens Gang’s Editor-in-Chief, Gard Steiro.
paper of the people, embodying Norway's national feeling. But first and foremost, VG became a newspaper with faith in the future.

What the World War II resistance fighters hoped for was “a new breed of newspaper”. Just what they meant by those words is hard to say, but one possible interpretation is that they wanted a newspaper that not only represented something new at the time but that would keep changing with the country and the people.

That's what it became, anyway. Today’s employees, like those before them, have met challenges with curiosity and fighting spirit, embraced change and encouraged creativity and innovation to flourish. VG has kept the promise of “the boys in the woods” and created “a new breed of newspaper”.

Without this attribute, the newspaper most likely would not exist today. What has defined VG most is the ability to take actions that fundamentally change the status quo. VG has not always been the first to notice paradigm shifts, but it has almost always been the first to act. While others sat on the fence, VG jumped off.

The first and most significant decision in VG’s history was no doubt the commitment to independence made in 1945. Unlike many newspapers, VG had no party affiliation. It did not survive on the alms of the state or of special interest organisations. It was free in the truest sense of the word. VG belonged to no one - but its readers.

VG’s independent course was crucial to its ability, decades later, to become “the paper of the people”. It fought for no single cause or ideology. The editors struck out in all directions, but first and foremost upwards - against power, on behalf of the Norwegian people.

CREATIVITY LET LOOSE

VG’s biggest and most important transformation came in 1963. It was a turning point, and VG’s journalism thrived in the new format. Lunacy and gravitas went hand in hand, from cover to cover. The layout was bolder than that of the competition. The editors gave free rein to creativity. The headlines became more brazen, the language more precise, the story angles tougher.

The tabloids were looked down on. They were light on their feet and keener to entertain than to set the agenda, it was said. VG couldn’t care less. After Schibsted rescued the newspaper in 1966, circulation grew year by year. In 1981 VG became the country’s largest newspaper.

Certainly, the most important year for VG - at least for its own future - was 1995. That’s when VG Nett was launched. While many newspapers believed that news would be distributed on cellulose for generations to come, the people running VG understood that a new age had begun. They bet on it, even though it hurt. That gave VG a head start into the digital era.

THE NUMBER TWO NEWSPAPER

The same tabloid approach that had made the print newspaper skyrocket turned VG Nett into the country’s largest website. Its spicy mix of
hard news, sports, entertainment, politicians and celebrities wrinkled the noses of the intellectual elite. But what did that really accomplish? To be important you need to have a broad impact. VG’s persona is down-to-earth and direct. The key to success is understanding social currents and lifting the problems of ordinary folks onto the politicians’ table.

For most VG readers, the print edition was their number two newspaper. First they devoured Aftenposten, Adresseavisen or their local newspaper, and then – for a different view of the world and the news – they went to the kiosk and bought VG. Norway’s largest newspaper was a supplement.

In the digital age, VG is number one. For more than two million Norwegians the day begins and ends with VG. Every day almost half the Norwegian population check in to read exposés, get the latest news or be entertained. So it’s not on paper but online that VG has united Norway into one kingdom.

VG is now facing a new revolution. Print newspapers will soon be history. Desktop reading is falling, and the mobile phone is taking over. Text is no longer the preferred language. Vibrant images and sound are. And the changes are happening faster than before. Artificial intelligence could fundamentally alter the craft we now call journalism.

NEVER AGAIN, THEY SAID
VG’s history shows that it is capable of adapting to this change, too. Yes, it will be a challenge, but it’s possible. When the boys in the woods founded the newspaper, they did so in the ruins of a political wave that took millions of lives. Never again, they said. VG was supposed to “build bridges over antagonisms in society”. At its best, this newspaper does just that.

Compared with other countries, Norway has few antagonisms. There is little to separate the politicians in parliament from the people who voted them in. We have no nobility or cultural elite floating high above the rest of us. People converse and understand each other rather well. We trust each other, speak the same language and have the same frames of reference.

An important reason is that we have a public realm that’s common to all. All Norwegians – or

“...We have no nobility or cultural elite floating high above the rest of us.”