

Paper Session 1: Defining the Value Proposition

Curated by Jerry Lombardi

The story of ethnographic praxis in industry is a story of practitioners and their methods drawing ever closer to the heart of business. The field's well-documented evolution has taken it from the status of an intriguing new perspective a few decades ago, to a must-have element in strategic decision-making today.

As part of this process, ethnographic practitioners found themselves moving beyond their accustomed research roles. Many pioneers of ethnography in business now occupy highly influential positions in their organizations; their ethnographic bona fides have become tightly bound to their managerial obligations. The ethnographic approach, meanwhile, continues to evolve in directions that further extend its reach and relevance.

This opening session tells a story about some of the field's early figures and institutions, and their evolving influence across a range of businesses. The papers also reveal some ways in which the ethnographic sensibility has been made more vital to business by asserting its intrinsic value proposition in new spheres.

Flux: Creating the Conditions for Change

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*To start to shape directions for new business opportunities, and to remain attentive to changing business landscapes, ethnographic practice must produce knowledge about the social world by looking at relevant shifts in social frames and then use this knowledge to shape the informed fictions that will move business climates and interests. **Flux** is an approach that demonstrates one way to evolve the work from its traditional focus on design and making good products to the development of new business models. This approach emerges from very specific sets of changes taking place presently in the technology sector and the desire to apply ethnography, interpretive work, theory to figure more explicitly as the central mediation between businesses and the social world.*

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INTRODUCTION

The job of ethnographers and social researchers is to act as generative intermediaries between businesses and the social world. To elaborate: our job is to produce knowledge about the social world for companies to use to (continue to) create value and to shape that knowledge in ways that are meaningful to the businesses in which we work. Over the last few decades, however, we've agreed to treat culture, social life, and everyday behaviors as phenomena that can be captured and (re)presented by observational techniques. This observational work typically results in the documentation of "user needs" for a particular product category or business problem. The position of so many practicing ethnographers has been that needs are derived from listening to what people say and watching what they do and then delivered back to the corporation as insights culled from the field. However, "user needs" are of limited value when everyday practices have changed, which they do often enough, or when business problems shift in more significant ways so that the priorities and motivations of any given organization change to respond.

Thus, our second big problem: our modalities as generative intermediaries have to evolve, sometimes dramatically, to remain effective. Why? Because over time every organization's relationship to value creation changes. Old business models stop working. Product categories or product life cycles no longer generate sufficient value. An organization's capacity to consume and to use the understanding generated by ethnography evolves as a function of the business challenges a particular organization faces, which is to say that ethnography becomes less relevant when it does not change to meet the corresponding business priorities. Unfortunately, in the last two decades ethnographic praxis in industry has not evolved in any substantive manner to meet the evolutions happening in businesses. Ethnographic praxis remains trapped in its equation of observational methods with knowledge production (in other words, ethnography *is* observation). Technique innovations do not count as substantive change when the assumptions about what kind of knowledge is generated by said new technique do not evolve commensurately. If we don't profoundly morph how we work, the kinds of questions we ask, the kinds of business problems we attach ourselves to, our value to the businesses we work for plummets.

FLUX

Flux is an attempt at Intel to produce a very specific kind of mediation between Intel and the world. As Intel tries to shift its basis for value creation from one of chip provider to computing solutions provider, we are exploring new kinds of questions and work practices. Our argument is simple: if you can track changing cultural frames, the likelihood is high that these changes can be leveraged for new opportunities in the business landscape. This argument emerges from our point of view about the everyday life of the internet and device proliferation which is that the social world and the technological world co-evolve, that one acts on the other, and that in this climate of co-evolution fundamental social frames begin to transform. Inside Intel's Interaction and Experience Lab, we've agreed that our focus as applied social researchers cannot be limited to discussions that focus on the

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roadmaps of Intel's current product groups.¹ In fact, you could say that our job today is to actively create tension with the business models assumed by current product roadmaps using the currency of new ethnographic work around “flux”.

Over the last decade, there has been a shift in the business challenges we face at Intel. Intel's place in the ecosystem is challenged by strong competitors. In addition to power and performance, there are other criteria that people bring to technology purchase decisions. These two points alone mean that Intel needs to evolve its strategy for the kinds of value it delivers both to customers and to people who buy finished products and services. Intel is responding by diversifying product lines and getting serious about computing solutions, which means software and services in addition to silicon. Our partners have seen massive changes and new pressures to their businesses. The rise of big data, cloud computing and server farms, the lack of differentiation in technology hardware, the very fact of Apple, the multiple OS options available to people have created a host of new challenges to address. For Intel and the tech sector more generally, the competitive landscape has evolved substantively in the last decade.

The attempt to make sense of the business landscape by looking at the social world is not new to industry. However, the attempt to look at the social world by investigating changing socio-cultural frames not tied directly to the existing product categories of a business and by “shaping informed fictions” (a phrase we'll discuss momentarily) as a basis for innovation is new to industry. Our perspective differs from more routine research on trends in that we're working with a point of view about the relationship between the social and the technological and this leads us to seek to understand the more fundamental cultural frames from which trends emerge. If one aim of the work has been a shift away from trends, another had been a shift away from studies about cultural values to key sets of relationships and frames and their associative practices. Values can easily lead to circular thinking as being both the cause and the effect. Rather, by looking at these relationships that are in-flux we have an opportunity to uncover the threads, associations, practices and webs of signification that are “in play.” By approaching relationships that are dynamically unfolding, this approach forces explanations more nuanced and dynamic than “that is American individualism at work.” Understanding what is “at work” actually entails moves toward an understanding of how the very fundamental pillars of a framework relate. Values and trends are always known phenomena and can be applied readily as cause and effect; instead, our flux approach emphasizes uncertainty.²

To put it another way, tracking values and trends does not lead to transformations. Our bet is that flux does lead to transformation of the corporation and by extension of the world. This type of work that seeks to produce knowledge about the social world that is informed by observational work, theory, narratives that advocate for people, without a priori product interests in mind typically happens in

¹ In the context of the Interaction & Experience Lab inside Intel Labs the range of work attended to is significant. The group does indeed assume responsibility for current product roadmap focus. Concurrent to this work, we invest in more exploratory research that seeks to identify wholly new business opportunities.

² The uncertainty dimension is central to the rationale for doing this at Intel. Trends have “spotters” who enable companies to join them. They create the possibility of enhancements. Cultural values, similar, are about a passive move of adoption, reaction and appropriateness. Flux areas, on the other hand, are about the uncertainties which enable a corporate intervention strategy which in turn shapes the relationships and frames that may emerge.

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more academic settings, if at all, with non-revenue oriented interests shaping the work. Our bet is that if we can move social research a few steps away from existing product interests, and look specifically for relationships, frameworks and practices in flux, we can produce the raw material from which to imagine new futures for the businesses in which we work. Isn't the point, after all, to change the places where we do our work? Isn't the point to make these businesses, our professional contexts, more aware of and responsive to the world to which products and services are delivered?

Let us say just a bit more about a phrase used above; this notion of “shaping informed fictions” as a basis for innovation. Relative to the experience models of the 90s and the frameworks that so many applied ethnographers have focused their work to deliver, *shaping informed fictions* is an act that concedes a couple of important points, both central to the Flux endeavor. First, we seek to introduce new space between observational data, the people and cultural work that data represents, and the ways in which corporations employ both. We seek to disrupt the tight, transparent linkages between all of those points—that people can be represented by observational data and that corporations can use any of this in a direct fashion. Our intention is to create space for a multi-disciplinary interpretive work and to acknowledge the artificiality that should inform the construction of truths (about people, their social contexts and their “needs”). Second, we want to offer up a challenge and responsibility to the researchers who do this work within corporations, individuals who mediate between businesses, people, and the associated institutions, policies and regulations. This challenge amounts to the following: businesses in transition don't want research or insights. They want answers, compelling ones, capable of motivating points of view and change. It is the responsibility of the researcher who works in the interests of the social world to produce these points of view as “informed fictions” in order to drive change inside the businesses where they work. In this sense, the “fictions” we produce are as much about how corporations need to change as they are about what the people, who are the actors in our narratives, may or may not need. Within the corporations we work for, this point sums up our political potential.

At Intel we've elected to begin with a focus on three sets of social practices. Each of these designates a sphere of social activity which has been stressed by digitization. In response to this stress, we see signs of change both in the formulation of associated practices and in the expectations, motivations, desires associated with those practices. We're making sense of what we see by taking a point of view that attempts to walk the line of what's both best for Intel and best for “the people” for whom we speak. The three overlapping arenas that we're working on today do not exhaust the list of relationships, frameworks and practices in flux. Rather, each represents an area of understanding that is particularly instructive for our own business setting at Intel and quite possibly for many other technology corporations. They are as accountability, risk, and ownership. None of these frames/practices was directly related to Intel products or services when we began our investigations. Our position is that by producing different kinds of knowledge through each of these values as starting points, new services and technologies that might further enable change to unfold represent important prospective business investments. In this brief paper, we'll focus on the work tied to ownership.³

³ Intel's ownership research builds on 2010 research program led by Claro LLC. Intel was a funding member of this consortium which took place between August and December 2010. See deJong/Radka paper EPIC2011.

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EVERYDAY ENTREPRENEURS

The internet has interrupted our relationships to so many types of objects. Today, many physical objects, like music albums, movies, books, have been digitized and can circulate in ways that create important new effects. Moreover, physical objects that can't be digitized—like driveways, rooms in our house, cars and bikes—can be made available to more people when those items are not in use through a variety of sharing platforms. If you live in San Francisco and you own a home with a driveway, your driveway is no longer the dead space where nothing happens while you're away at work. Thanks to applications like parkcirca.com, we can activate an otherwise "dead" driveway by renting it out to people who need a parking space by the day or by the month. Even homes, which could only be experienced by owners and invited friends as a unified space, albeit with varying degrees of access, can now be experienced in parts alone by total strangers. Whether it's the driveway that is no longer simply part of the home that I own—it's now space that I can lease—but a separate occasional revenue generating place, or the room in my house that I can lease out through Airbnb, the internet has enabled a kind of coming apart of entities that were the prized possessions of the 20th-century.

For objects that have been digitized, platforms like iTunes and Pandora have changed the need to have music embodied as any physical object at all. Today, most music listeners simply stream, obviating the need for any kind of physical thing, and dramatically expanding the ways in which we're social with music. Thanks to the digitization of music, recommendations for what to listen to come from afar as well as from known friends. Indeed, we make decisions about what music to listen to by knowing what other people like and by knowing what some people dislike. Reputations now grow in the on-line world not just by following creators of some *thing*, say bands in the case of music, but by having strong and informed opinions about music. People who have expertise in an area, like Nancy Baym, an academic by day who also has a "community" interested in the Scandinavian music that she listens to, have the ability to build communities around themselves with whom they can share and circulate insights, opinions, recommendations.

In this period of shifting ownership experiences, what counts as an object is evolving. This is particularly true with FourSqaure (4SQ). People who use 4SQ have to ability to become actual "owners" of a space. Players of 4SQ can level up by frequently visiting a location to the point of being the mayor of some place you don't legally own, like Flake restaurant in Venice Beach. Besides progressing within the application of 4SQ by "owning" a space, often these frequent visits can be leveraged into discounts and bargains in that space as well. Applications like 4SQ enable us to capture everyday acts, those things that we normally do, and to generate value through them.

What do these object shifts create the conditions for? One of the most provocative seems to be in the possibility that people are able to use the internet to position themselves as everyday entrepreneurs, seeking to create and capture value from their interactions with digitized information. Today, this is made possible by peer to peer internet-mediated services that provide people with x-platform means with which to do everything from publish their own books and find investors for projects to rent out their driveways and bicycles. With these kinds of applications at hand, digitized information is a potential means to personal value creation. When we display the book we're reading

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via Facebook, we enhance reputation. When we comment on a restaurant, we create opportunities for that information to circulate to new communities.

The last decade has emphasized the value of sharing on-line. The next decade will witness people engaged in personal value creation in the context of their interactions with information objects and virtual communities. Our interactions with digitized information are increasingly a source of value for each of us individually and for the communities to whom that information circulates. The media has corroborated that people are becoming interested in monetizing the value of their interactions with digitized information, in part by highlighting the discontent that results when people feel that their digital output is taken for granted (eg., sale of Huffington Post to AOL 2/2011). Further, these interactions are never static or steady-state; rather, they are always in a state of flux, responsive to shifting landscapes of options and constraints. What remains is for companies to help shape these new social roles and positions, to enable people to use technologies not just to consumer but to generate and to act.

CONCLUSION

What does this mean for so many of us practicing social researchers? We touched on this point earlier with the claim that in order to provide value to business, and to meet our political potential within the corporations we work for, we need to shape informed fictions that act in the interests of people and the corporations who make products and services for these populations. To drive change, we need to produce the stories that tell all sorts of truths to the general managers who need truths, not research, in order to make decisions.

This means that it is always incumbent upon us to situate our work not only with respect to the dynamics of the businesses in which we work, but also relative to the kinds of relationships these businesses can develop with the social world. Our job is not simply to look at the world and report the facts or “insights” in connection with what we see. We are responsible for translating and for getting companies to act on the behalf of what is invariably a changing social world. To the extent that new business opportunities are connected to the social world, it is incumbent upon us to ensure that these new opportunities help achieve productive and satisfying futures. It’s an ethical position to be sure. This position around knowledge production, producing truths, shaping fictions allows us to take advantage of more: more disciplinary practice, more types of expertise, more tools and methodologies. It is a means to grow and evolve, perhaps revolutionize what has become a staid set of practices.

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