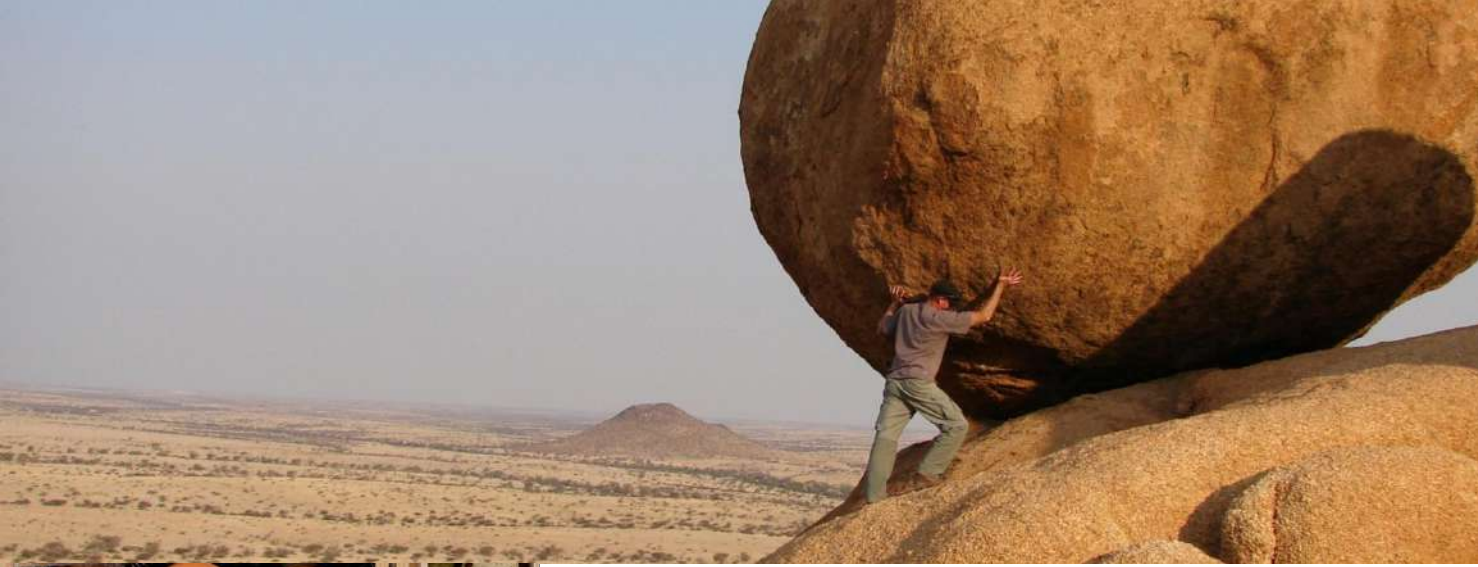




## **THE STATE WE'RE IN 2024**

A FLUX TRENDS REPORT



## RETHINKING RESILIENCE



# CONTENTS

- TECHNOLOGY
- RETAIL
- ECONOMY
- NATURAL WORLD
- DIPLOMACY
- SOCIOCULTURAL



# INTRODUCTION

For the past three years it feels like we've been trapped in a state of limbo, from a global pandemic to extreme weather, to not one, but two wars spreading geopolitical uncertainty. Adding insult to injury, Generative AI has been unleashed, reinforcing this disturbing situation.

The past three years have required endurance. While South Africans have practically written the handbook on resilience and grown accustomed to aftershocks, acclimatisation can be dangerous. It's time to seek new perspectives.

“Resilience” erodes mental wellbeing and “endurance” depletes energy and focus. New mantras are needed: recharging, not enduring. Rewiring, not enduring. Reinvention, not enduring.

The Great Unravelling - the accelerating convergence of environmental, economic, and socio-political stresses we face - creates a window of opportunity to **reimagine** and **rebuild**. Mindful **optimism** is required. We are witnessing the death of old ideas and the birth of new ones. There will be more aftershocks, but also new opportunities.



Here are some key trends that will be covered in this trend report:

**T (technology):** Generative AI has evolved into Interactive AI – where AI meets robotics. This evolution is ushering in the age of Artificial Generative Intelligence which will continue to blur the line between reality and fabrication.

**R (retail):** The nature of retail in the past three years has changed so dramatically that we are moving from a focus on multinational brands towards more community-centric retail that caters to consumers in their own homes.

**E (economy):** The aftershocks of the polycrisis are pushing governments and financial institutions to adopt policies that reduce the risks to a country's economy from more black swans and act as a buffer to volatile geopolitics.

**N (natural world):** We unpack how businesses and governments are bracing themselves for “green swans” and how climate change continues to affect supply chain logistics as well as policies around food security, town planning and migration.

**D (diplomacy):** “The longest democratic recession” in three decades has pushed nations to lean into “à la carte diplomacy” i.e. approval of democracy in principle but cherry picking elements from other political systems. Coupled with growing global civil displeasure and the integration of Generative AI into politics, 2024 is set to be a political twilight zone like no other.

**S (socio-cultural):** Generative AI continues to change the landscape of society through relational experiences by using chatbots to fill the space of companionship. This brings into focus other issues, like grief and the end of AI relationships when a service is discontinued and individuals are left with broken hearts.

# TECHNOLOGY



## Interactive Artificial Intelligence

Google DeepMind co-founder Mustafa Suleyman believes that the next generation of AI assistants will have the ability to interact with humans in a more advanced manner. "The third wave will be the interactive phase. That's why I've bet for a long time that conversation is the future interface. You know, instead of just clicking on buttons and typing, you're going to talk to your AI," [said](#) Suleyman. While generative AI primarily focuses on generating content using prompts and without direct user interaction, Interactive AI is designed for user engagement. Amazon Alexa, for example, is able to respond to simple commands, whereas interactive AI tools will be able to respond in a more human-like way. Users will be able to give their assistant more complex, time-consuming tasks and it will be able to interact with other humans, websites and chatbots to achieve the goal set by the user.



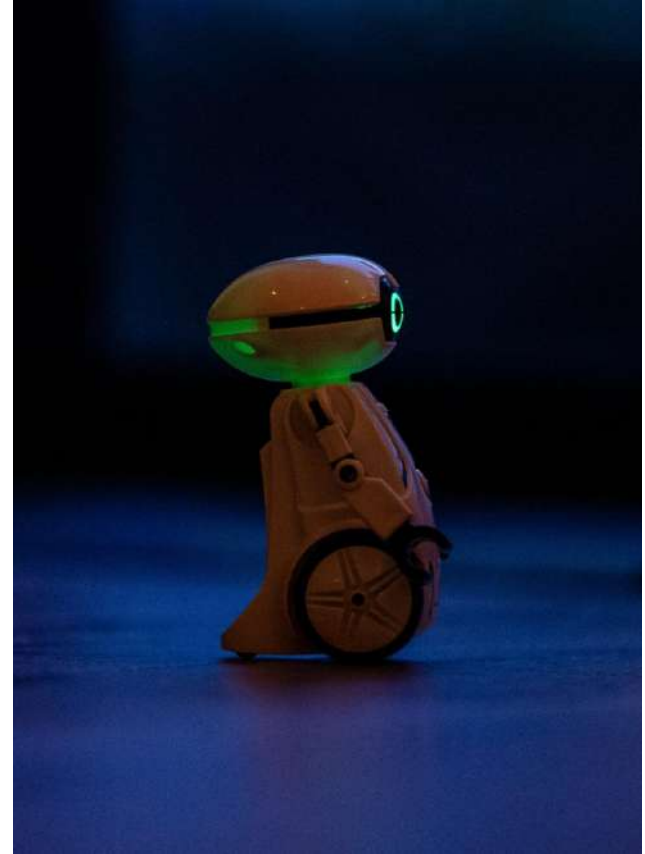
## Interactive Artificial Intelligence

Suleyman's own chatbot, Pi AI, is a precursor to Interactive AI. "Pi's answers are already oozing kindness and a sense of rational understanding. With a human-like voice saying those words in your ears and with the kind of tonal nuances you would expect from a human, Pi reaches into an altogether different dimension of raw connection between a machine and a human," [says](#) Nadeem Sarwar of Digital Trends magazine. On the Character.ai platform anyone can create chatbots based on fictional or real people. The bot has been described as "someone who helps with life difficulties". Both of these represent early iterations of the technology but we're still most likely years away from using true interactive AI.

# Interactive Artificial Intelligence

The use of interactive AI in business will be similar to the way AI is already being used, in customer service, marketing and sales, healthcare and education. Customer service departments will be able to handle enquiries in more robust ways and interactive AI can help with sales, generating leads by providing engaged, personalised conversations with customers based on where they are in the process.

The future of interactive AI holds great promise for revolutionising how we interact with technology, making it more intuitive, personalised, and seamlessly integrated into our daily lives. However, it will also raise important ethical and societal considerations that must be carefully navigated as these technologies continue to evolve.





# QUESTIONS TO PONDER

How can your company take advantage of this technology to improve your business?

Are others in your industry likely to be employing this technology?

What are your concerns?

Are you keeping abreast with global best practice with regards to AI?

As a private sector player, can you play a part in shaping this largely unregulated space?



# WHAT WE DO

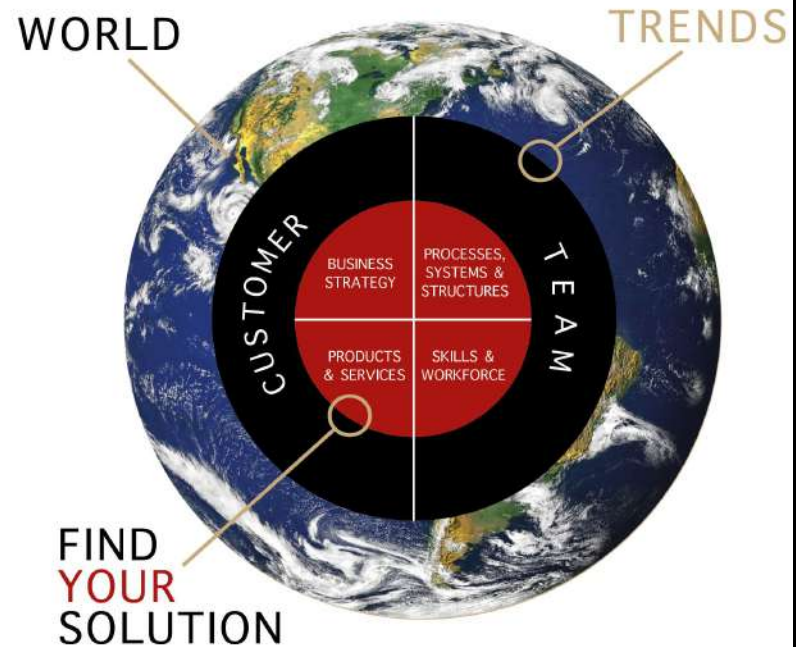
These trends were sourced by our team of trend experts picking up signals on a weekly basis. If there were enough signals pointing to a trend, we included it in this report. They paint a picture of the current business and consumer landscape, ranging from technology to the sociocultural. Businesses can use these to create scenarios of the future in order to inform their short-to medium-term strategy.

To delve deeper into any of these trends or sectors, we have many services to offer you.

- [Trend briefings](#) - Existing or bespoke trend briefings delivered by trend experts
- [Workshops](#) - These offer insights from our trend experts, as well as useful and fun games to get your team moving in the right direction. Guided by a facilitator, the games tap into research that fits your brief, to produce an outcome that sets the foundation for your future strategy
- [Innovation Tours](#) - Tours visit solution-based innovators in and around Johannesburg, designed to shift your thinking
- [Reports](#) - Our customised reports delve into your organisation's specific concerns and needs

# WHAT WE DO

This diagram illustrates the services we offer. Firstly, we identify trends relevant to a particular business. From these, we generate insights and based on these, we suggest a way forward for the enterprise. There are two ways we engage with our client. One is to meet with the leadership (see top half of graphic) over macro concerns (what business to be in/how to structure the business). The second is to deal directly with individual departments at a lower level, specifically marketing & HR (see bottom half of graphic) who call us in over defined problems where company strategy is already set. We either help solve problems that involve meeting customer needs, either at a business strategy or at a product level (see left side of graphic) or around managing organisational structure and teams/individuals (see right side of graphic).



# OUR METHODOLOGY

Using our T.R.E.N.D.S methodology we cover the full spectrum of business and consumer trends:

- **T** = Technology
- **R** = Retail & Marketing
- **E** = Economy
- **N** = Natural World
- **D** = Diplomacy
- **S** = Sociocultural

News, academic papers, social media, radio, entertainment, word of mouth, travel, surveys, conversations with Uber drivers - everything counts as research to us as we strive to understand the zeitgeist and best advise our clients of where we are at now and where we are headed. We go into organisations and often challenge the way they think and get them out of their comfort zones so that they are better prepared for the current and future business climate.



For deeper insights and practical, tailored strategies for mastering the new work dynamics, visit [www.fluxtrends.co.za](http://www.fluxtrends.co.za) to find out about our services and workshops.