

ATTENTION ECONOMICS

A currency emerging out of a crisis

The influx of information available today has grown beyond our mental capacity. We've started running deep into attention debt. Let's see how, and why, attention operates as an economic force now from 3 angles:

1. Attention as a currency 2. Seeing your own attention as a valuable resource. 3. Attracting attention online.

WHY WE PAY ATTENTION:

The value of cornering the market on attention is nothing new: babies and celebrities have known it, and leveraged it through the ages.

What's different, is that now we've started to develop **an exchange rate and objective ways to measure it.**

MONEY IS NOT THE WEB'S CURRENCY OF CHOICE.

Individual attention is finite

..but scalable (*and profitable*) if you can reliably attract an engaged global audience beyond broadcast channels.



The urgent challenge for business is finding better ways to exchange **attention value into more versatile currencies like money.**

A transfer of information is only completed when there is also a transfer of attention proceeding in the opposite direction.

In an information-rich world, the wealth of information means a dearth of something else: a scarcity of whatever it is that information consumes. What information consumes is rather obvious: it consumes the attention of its recipients. hence a wealth of information creates a poverty of attention and a need to allocate that attention efficiently among the overabundance of information sources that might consume it.

= Herbert Simon, Nobel Laureate

BATTLE for the WORLD'S ATTENTION Google's Page Rank vs. Facebook's Social Graph

Massive online utilities like Facebook and Google **reliably engage millions of people daily.** Directing portions of this guaranteed attention to advertisers for a fee, has helped them exchange attention for money. And consequently realworld power in the markets.

Those who find the most useful, relevant and credible content in the ever-growing noise of information win. **ACCESS rather than ownership of information** matters now. Finding better filters and ways to index the chaos of online information made Google indispensable as a trusted tool, because it helps focus the searchers' attention quickly on recommended resources over BOUGHT advertising in almost any area.

If you're an advertiser, you're no longer just competing against other advertisers for the attention of consumers. You're competing against the consumers themselves.

In the online world we have many more ways of tracking attention, in ways we could not have before. It opens up a wealth of new business opportunities when we recognise the favoured currency of the Internet has real value, and can be converted into the world's most useful currency, money.

Are you noticing how expensive too much information can be. Can you start seeing **ATTENTION AS A FINANCIAL MODEL?**



« When information was still produced by these, we still stood a chance. Now with the chance to be publishers, music producers and film directors to a global audience thanks to the Web, we could easily distract ourselves to death. Or adapt quickly and win in the new economy.

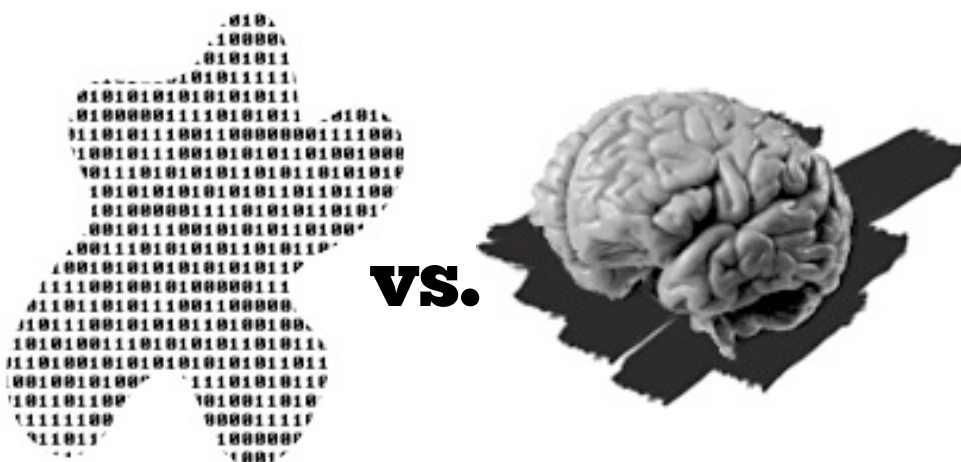
As a resource, what are you trading your attention for?
ATTENTION MANAGEMENT

We don't get better at **MULTITASKING**.

Recent research from Stanford (see references) shows that **the more we do it the worse we get**, because our brains haven't yet adapted to 'polyattentiveness'. Cognitively we still switch from one process to another by interruption. **We feel busier** but we're no more productive. Only more stressed. Lesson: put all your attention on what you're doing now.

"When people try to perform two or more related tasks either at the same time or alternating rapidly between them, errors go way up, and it takes far longer — often double the time or more — to get the jobs done than if they were done sequentially."

—Brain, Cognition, and Action Laboratory at the University of Michigan



RSS: the choose-your-own-reality tool

Really Simple Syndication [RSS] is the key technology that makes distributing all the easily-published Web content, easy.

RSS helps us to choose what content we want to see & delivers it to us as it happens.

Twitter can be understood as a sophisticated RSS reader, where we subscribe to microblog posts of a few people from the vast global sea of those who tweet.

Be selective about who or what you give attention to.

RSS can help to give us only what we choose to read/watch or be a powertool for distraction. Your choice now.

SUBSCRIBE HERE 

TRY THESE AT HOME (or work)

Audit your attention don't guess, be a scientist and just observe your behaviour, even for just 1 day. Log where your attention flows and what you engage with at specified intervals. Check your browser.

Do the Attention Audit (see homework) and prepare for surprise.

Multiply by a million imagine if a million people were doing what you do online. How would it shape the Web if it amplified? Would it make the Web (& the world) more, or less, like you'd want it to be?

Don't trust yourself use a 'net-nanny' to keep your attention in check. Try time-logging tools like RescueTime (or an egg-timer) or distraction-busters that block out other windows, other than the one you're working on. Try those that make it a game like Pomodoro. Or use a site blocker that ensures you can't access certain attention-sucking sites by day.

Make an attention budget treat your online attention as a real resource. Invest your attention in the sites that reflect your values, helping those sites grow. When you pay attention to someone or something online — by viewing it, by commenting on it, by linking to it — you help to legitimize it in a palpable way. You help it to attract more attention, traffic, and ad revenue. When you direct your attention towards the sites that reflect your values, you're not only shaping the Internet: you're also shaping your own life online.



YOUR ATTENTION IS A BANKABLE RESOURCE

Choose what you want to finance with it, with care.

The Internet changes how we **ATTRACT ATTENTION**

The online world mirrors the realworld in that **economic distribution is not fair**.

The attention economy sees a small minority sitting with the lion's share of the currency in the form of links, mentions, fame and power (wealth condensation).

Winners keep winning.

The opportunities lie in what's called the "long tail" (more in later chapters) where markets become increasingly specialised. Each with their own attention winners.



It's also easier to create more loyal, more devoted fans down the Long Tail.

Bite-sized information is better tailored to appeal to interrupt-driven info-snackers.

BEHAVIORAL ECONOMICS BITE:

Humans aren't guided by rationality when **choice is overwhelming**. We default to what is familiar or recommended by the crowd in our decision-making. Human brains evolved to help us delete unnecessary inputs and focus on what has tribal appeal, for efficiency. The new and untested requires effort to suss out.



YOU DON'T HAVE MUCH TIME before your audience is gone.

Attention works best with reputation, or trust. Not only do search engines pay more attention to this combination, but our chances of leveraging online capital for realworld capital are dramatically enhanced.

You can still PAY for attention. And it can certainly help speed initial activity. You can buy ads or interrupt a compelling experience online. The glitch is that it's rarely as sustainable as traditional media, though it's often cheaper. **Sustained (earned) attention is more valuable than once-off attention** online, and subject to compound interest.

In the chapters to come we'll discover a variety of ways to earn attention, loyalty, credibility ..even money online.

Getting a quick blitz of attention is a no-brainer. The challenge is maintaining a flow of attention in an environment where you are surrounded by millions of similar things that are good and useful. - Kevin Kelly

ATTRACTION BEATS INTERRUPTION

6 tips to snagging some of that longer-lasting love online that annoying ads can't afford

Niche is nice. Be REALLY specific about how you add value and whose lives you make better. Proclaim it, do it. Viva the long tail. [In later chapters we'll describe more of this winning strategy. Search engines reward it.]

Use the **realworld** to win hearts & minds & nudge them to continue the story online

We can **hack attention** via **celebrity** (or someone with devoted following) linking to us & 'lending' us some of their credibility.



be (more) interesting! Why be just another bit of info noise. Embrace character. What do you stand for? Stand out bravely.

Be **helpful**. We're attracted to people who help US win in our own world. Answer questions, be generous with your expertise

Create **valuable, original content**. evoke curiosity, comment, collaboration as a basis for online credibility. **Credibility** is a strong filter online for recommendation.



15 minutes of attention from a childhood hero, alters the value of time & how it's stored in our brains, dramatically. Power (& economic value) can be measured by the response in these attention trades.

NOT ALL ATTENTION IS EQUAL

We simply don't have the mental capacity to pay attention to everyone. So we choose who offers the highest value for our attention buck. Celebrities accrue attention with ease, the rest have to work to earn it.



THE BIG 3 ESSENTIAL IDEAS

(the least you'll need to know)

Idea #1 information devours attention. In a world with an over-supply of information, attention becomes scarce. It becomes valuable, and tradable. An economy.

Idea #2 we need to treat our own finite attention as a resource and choose carefully what to fund with it.

Idea #3 Not all attention is equal, and it isn't 'fair'. Overwhelmed with choice, we're mostly guided by the tribe, which means a few winners keep on winning.

REFERENCE WORKS

& RECOMMENDED RESEARCH LINKS

Multitasking Reference

Multitasking. Proceedings of National Academy of Sciences. Ophir, Wagner and Nass [Aug 24, 2009]
<http://www.physorg.com/news170349575.html>

Recommended readings:

Attention-Getting Language

<http://spectrum.ieee.org/at-work/tech-careers/attentiongetting-language>

5 Creepy Ways Video Games are trying to get you Addicted

http://www.cracked.com/article_18461_5-creepy-ways-video-games-are-trying-to-get-you-addicted.html

Twitter users have a big impact on brands http://www.webprnews.com/topnews/2010/08/06/twitter-users-have-big-impact-on-brandsSocial_Media_9_8.pdf (2010)

How Supermodels are like Toxic Assets

<http://www.3quarksdaily.com/3quarksdaily/2010/07/how-supermodels-are-like-toxic-assets.html>

Attention Stats:

Information Processing Strategies and Pathways in the Primate Visual System. Van Essen and Anderson [1999] <http://redwood.berkeley.edu/bruno/public/papers/vanessen>

How Much Information? 2009. Bohn and Short UCLA SanDiego. [Updated Jan 2010]

http://hmi.ucsd.edu/pdf/HMI_2009_ConsumerReport_Dec9_2009.pdf

THE FLIP-SIDE

The Inattention Economy

There are companies that win particularly because they **DON'T require us to pay attention** to their products or services. They must *just work*. Quietly. In the background.

Utility companies specifically, can run the risk of **annoying customers by trying to engage in a continuous social media conversation** with them. Insurance, telecoms, banks may serve best by using the Web to be highly responsive and communicating with high value and personalisation when they do, rather than hustling harder in the popularity contest.



STATS & SOCIAL CURRENCY

The world is way beyond our capacity to absorb without massive over-simplification, and humans are experts at simplifying the world. Neurobiology gives us an insight into our data loss even before distraction or stress factor in:

- ☛ We start with the world of **information, which is unlimited.**
- ☛ 1010 bits/second of information = capacity of **retina**
- ☛ 107 bits/second of information = capacity of **optic nerve**
- ☛ 104 bits/second of information = capacity of **attention**
- ☛ 10 bits/second of information = capacity of **long term memory.**

[Van Essen (99)]

- ☛ The average American consumes **34 gigabytes** (equivalent to 100,500 words) over 12 hours daily.
- ☛ Nearly half of that time is spent watching television; about a quarter on the computer; and the rest on radio, print media, telephones, computer games, recorded music, movies and other sources.
- ☛ Teenagers watch less than four hours of TV per day, while the largest amount is watched by people from 60 to 65 years old, who view more than seven hours each day.
- ☛ Even as print media continues to suffer through a much publicized decline, **Americans are actually reading more, not less.**

[Bohn, Short (09)]