

THE CULTURE COMPASS

Orienting for Profit

▶ | SchoolOfStolenGeni.us



SCHOOL OF



@FARIS

CO-FOUNDER
& CHIEF THIEF
@GENIUS STEALS

PRE-2013

Chief Innovation Officer
@ **MDC Partners**

Chief Digital Officer
@**McCann NY** /
@**Naked Comms**

@ROSIEYAKOB

CO-FOUNDER
& CHIEF PRAGMATIST
@GENIUS STEALS

PRE-2013

Strategy Leader
@ **360i** @ **Cake**
@ **Saatchi NY**

Teacher
@ **Miami Ad School**



HOW TO READ THIS REPORT

This has been written to be a readable expansive exploration. As such topics will be explained in writing, and then examples will highlight some innovations or elements that we believe demonstrate shifts in this axis.

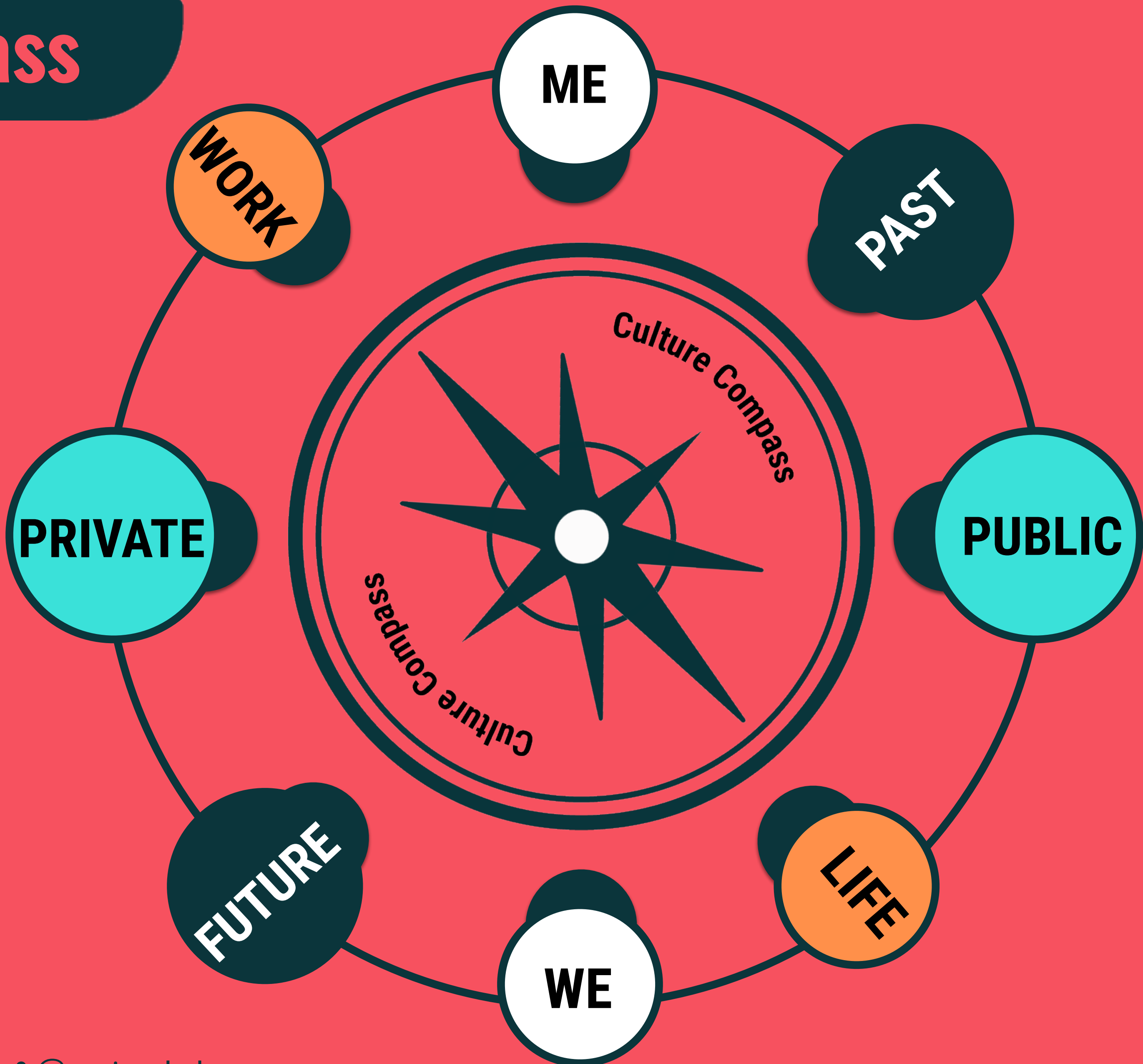
The articles, sites and companies will **be linked from the images**, so you can dive deeper into any topic.

We aren't going to cover every axis, nor is this exhaustive, it's an attempt to look at some interesting things that we believe indicate movements in culture and business opportunities. We'll be releasing a new section each week in April. We'd love to hear what you think, over on Slack.

Rock ON.



Culture Compass



WHAT IS THE CULTURE COMPASS?

The Culture Compass is a navigation device for understanding and predicting shifts in culture.

Across any number of vectors, culture swings like a pendulum, gaining momentum in one direction before reaching an apogee, only to swing back with ever greater force in the opposite direction. Even before cultures around the world reached the levels of polarization we currently see, things would move in one direction and then swing backwards, sometimes violently.

At the most macro, political level, it's hard not to have noticed how in the USA having its first black president seemed to lead to a lot of racism and the president that followed. In part, this is simply repackaging the idea of mainstream and counter-culture, which by definition exist in counterpoint to each other, shifting over time as some things that are fringe counter-culture get absorbed into the mainstream and monetized and so on.



CORE CONCEPT: THE PENDULUM EFFECT

1 Also called pendulum law. *Physics*. A law, discovered by Galileo in 1602 that describes the regular, swinging motion of a pendulum by the action of gravity and acquired momentum

2 the theory holding that trends in culture, politics, etc. tend to swing back and forth between the opposite extremes



FURTHER READING on CULTURAL PENDULA

Newton's law of cultural change

Why do cultural movements seem to move in the equal and opposite direction to the movements which preceded them? And how can that energy be harnessed accordingly?



Gavin May Oct 11, 2016 · 10 min read



<https://medium.com/@gavinmay/newtons-law-of-cultural-change-4a7eadd10659>



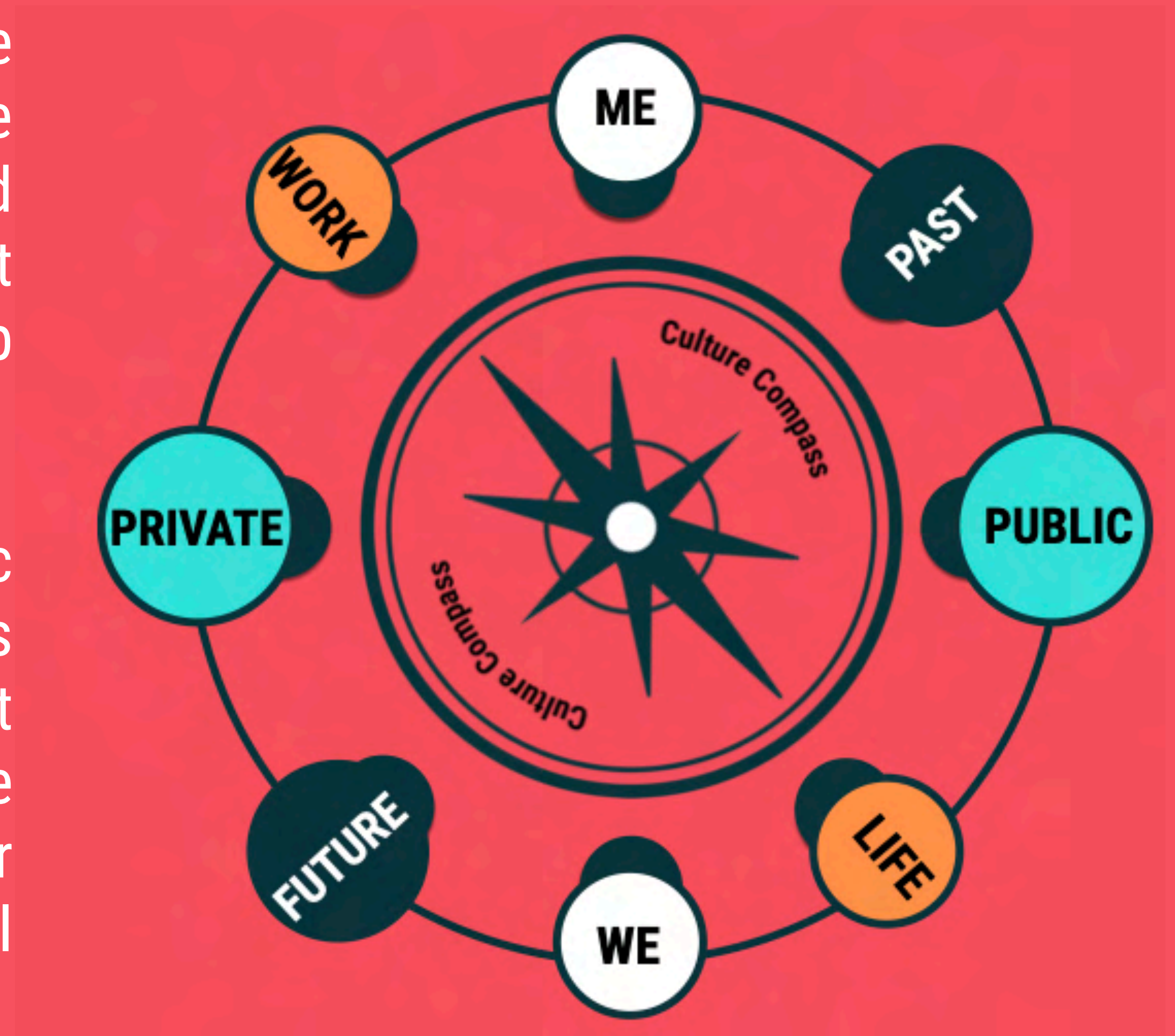
<https://thepatterning.com/2017/02/13/the-nostalgia-pendulum-a-rolling-30-year-cycle-of-pop-culture-trends/>



Using the Culture Compass to find a holistic view

There isn't just one pendulum moving through culture however, there are many. We have picked a few of the most important ones here but we're sure you could think of some others. That's great. Please do and let us know. This is an abstract tool designed to help thinking and consider what will come next.

By putting them together we get a more holistic sense of what is happening because it's not as simple as a single axis and it's not as simple as just swinging backwards and forwards, driven by some invisible force, or the push and pull for power between the two broad political viewpoints we call left and right.



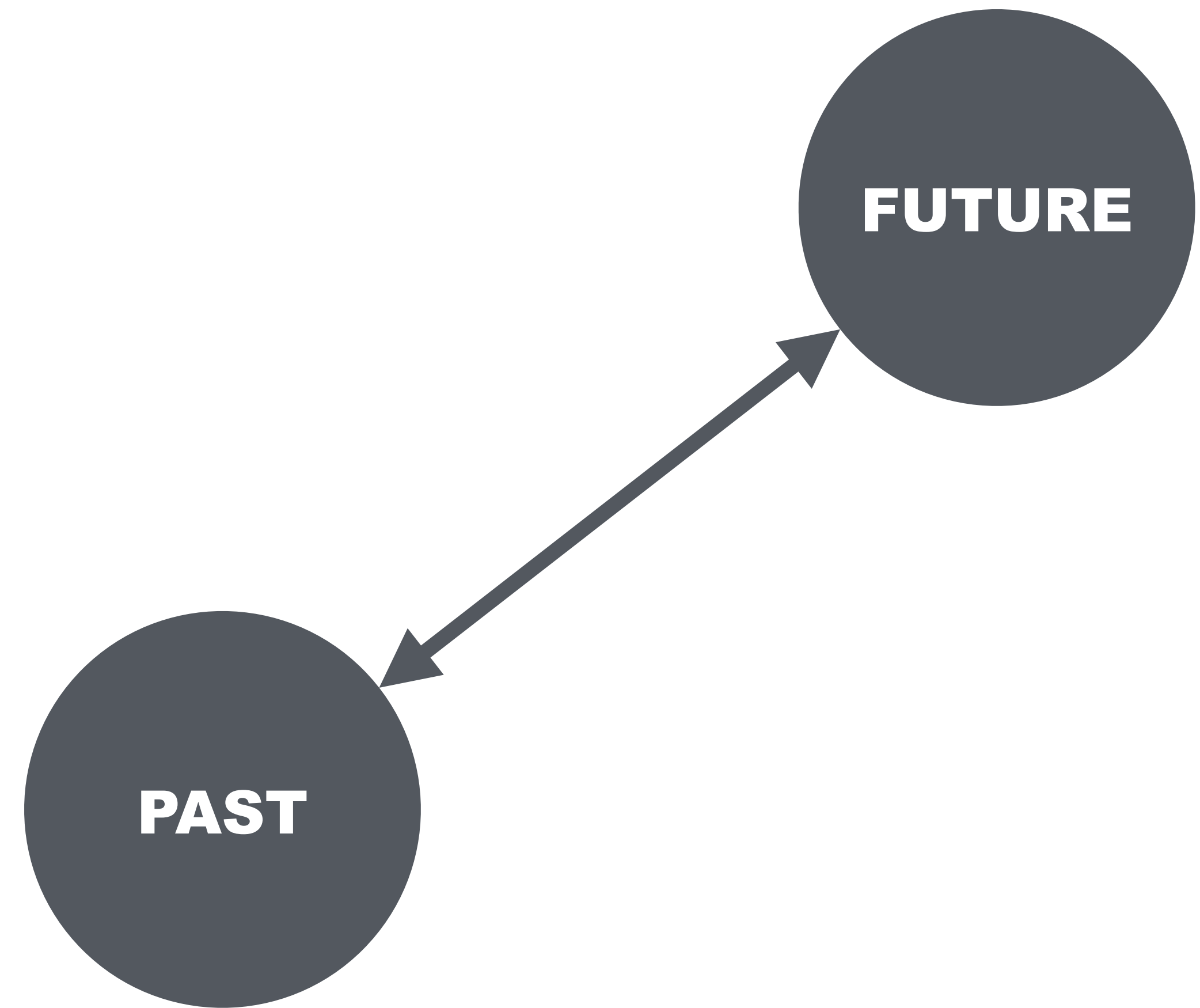
Cultures have orientations around certain ideas.

One is the idea of the **Past vs Future**, which broadly maps onto these two poles:

Conservatism: seeks to preserve tradition (“commitment to traditional values and ideas with opposition to change or innovation”)

and

Progressivism: seeks change for the sake of equality (“support for or advocacy of social reform”).



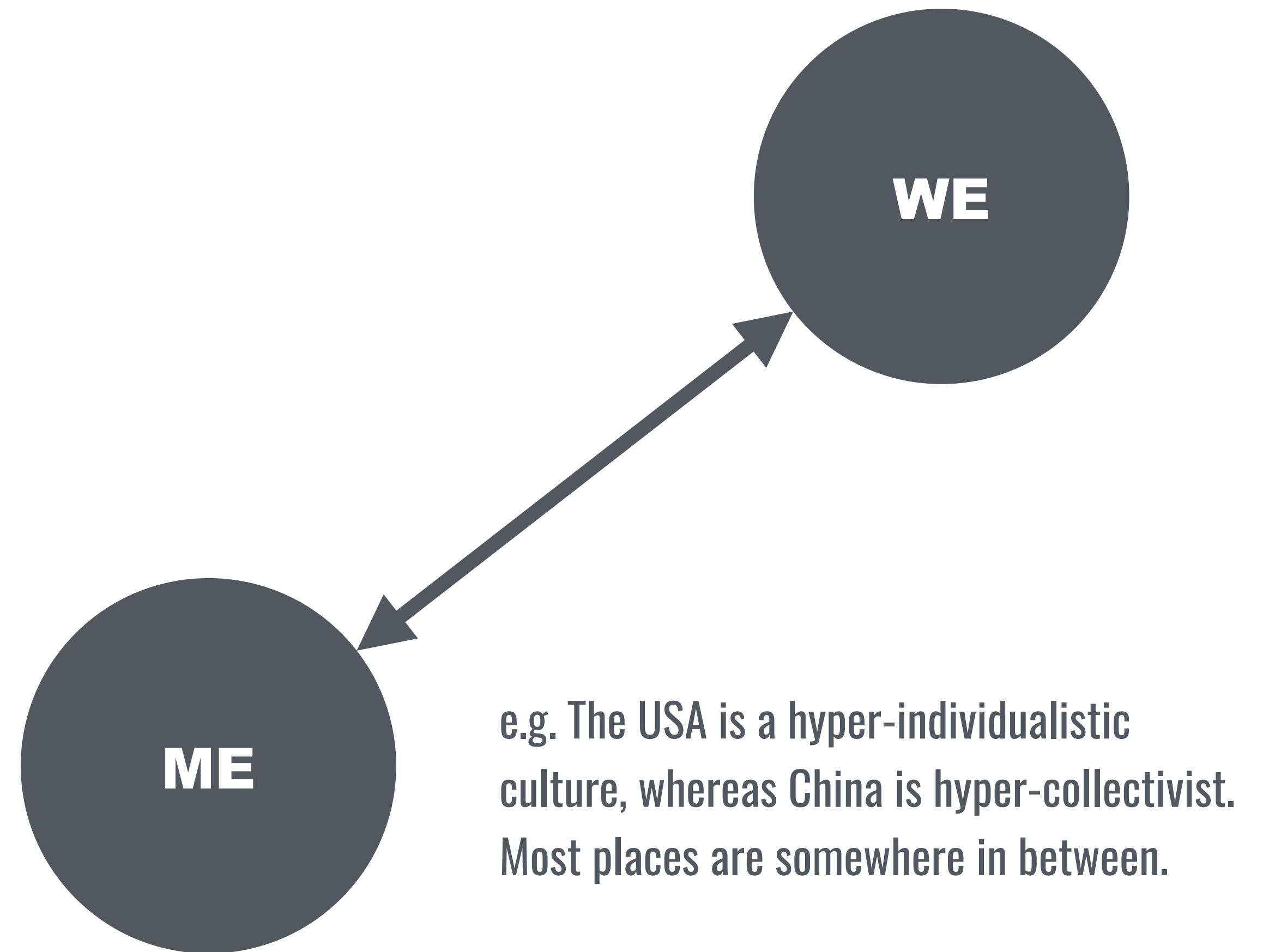
Cultures have orientations around certain ideas.

Another important one is what we are calling Me vs We, which broadly maps onto

Individualism: favouring freedom of action for individuals over collective

and

Collectivism: the practice or principle of giving a group priority over each individual in it.



Often, there are pendulum swings between two forces.

It's not that either are better, or worse, but rather that societies need aspects of both. However, they tend to orient heavily towards one for a time, which leads to the resurgence of the other, thanks to counter-culture. Highly individualistic societies struggle with the collective actions needed to control pandemics, but they also tend to create incentive conditions for people and businesses to take certain kinds of risks, and so on. Makes sense, right? **So, here's the idea:**

Whenever a new innovation changes the dynamics of a category, or when massive exogenous events like pandemics force changes across categories, a **renegotiation takes places along these axes.**

WHAT DO YOU MEAN BY A RENEGOTIATION?

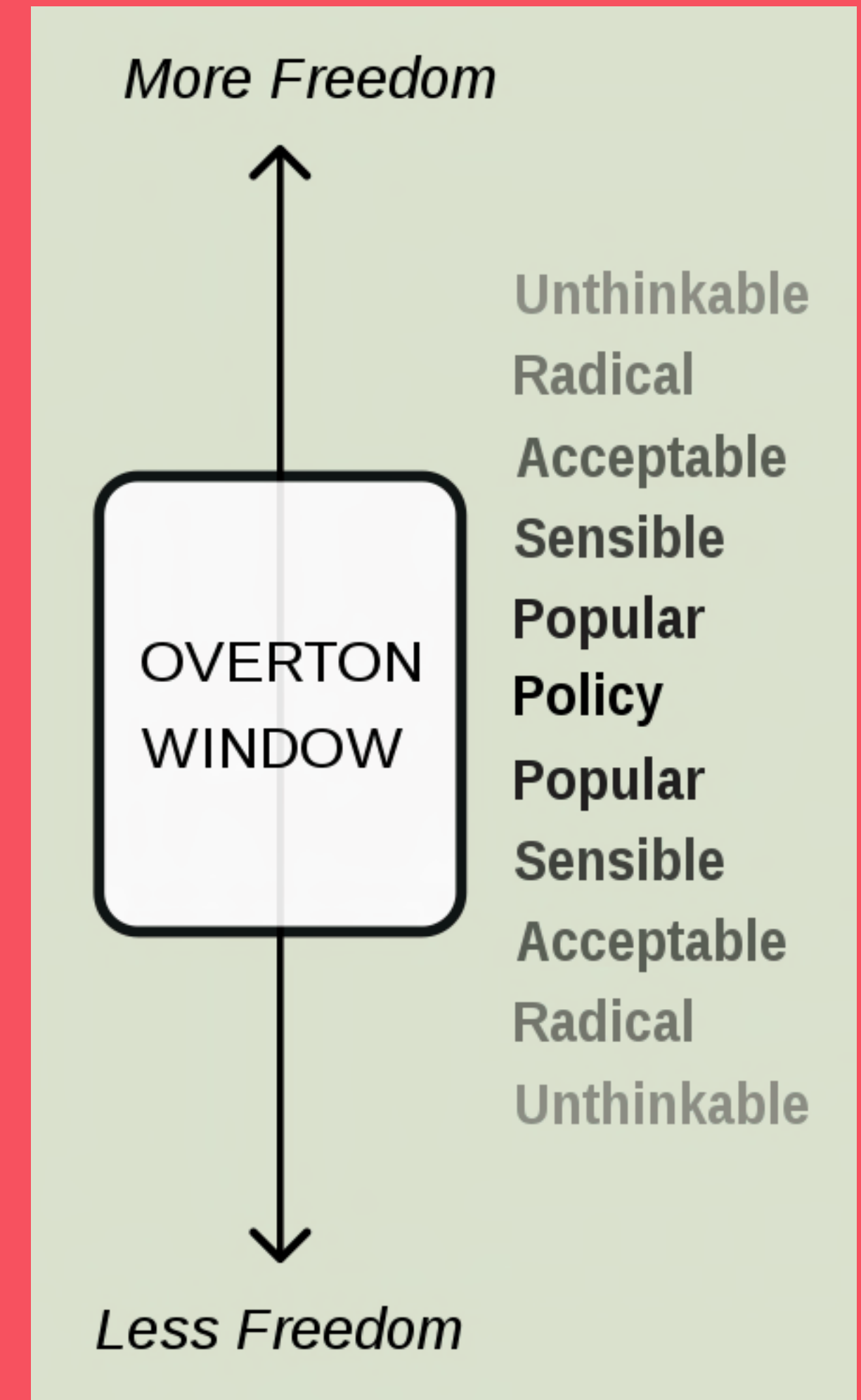
Good question. Let me answer it by talking about something else for a second.

The Overton Window is the range of acceptable discourse at any moment of time in culture. Originally it referred to the range of policies that were politically acceptable to the mainstream population at a given time, but the meaning has broadened. This happens. It basically refers to what we consider acceptable versus extreme, in lots of ways. Especially about politics and what we should and shouldn't say in polite society, which change all the time.

“Overton described a spectrum from “more free” to “less free” with regard to government intervention, oriented vertically on an axis, to avoid comparison with the left/right political spectrum. As the spectrum moves or expands, an idea at a given location may become more or less politically acceptable.

Shifting the Overton Window involves proponents of policies outside the window persuading the public to expand the window. Proponents of current policies, or similar ones within the window, seek to convince people that policies outside it should be deemed unacceptable.” - Wikipedia

CLICK TO READ



CORE CONCEPT: OVERTON WINDOW OF CULTURE

“It just explains how ideas come in and out of fashion, the same way that gravity explains why something falls to the earth. I can use gravity to drop an anvil on your head, but that would be wrong. I could also use gravity to throw you a life preserver; that would be good.”

Joseph G. Lehman, Overton’s boss at a Think Tank and popularizer of the term



SO...WHAT DO YOU MEAN BY A RENEGOTIATION?

When something big happens, or a challenger brand creates an innovation so powerful the entire market has to follow suit, it forces a movement along one of the Culture Compass axes, as ideas that were previously outside of the Overton Window become more acceptable and then normal. Such renegotiations will usually follow classic adoption curve dynamics in their spread through culture. But ultimately the Window moves because there has been a collective renegotiation about what is acceptable and appropriate to the mainstream, and what ideas are considered extreme or fringe.

Christmas was a social, public event until the Victorian era, when it began to shift into the home, becoming a private, family occasion.

Consider how Facebook started as a private network, locked to your university, but became a 'public by default' platform, because \$. Consider how Venmo makes your transactions public by default, and how Public, the share trading app, takes that one step further, turning trades, and gains and losses, into the stream of a social network. That which was Private becomes Public, as it were - that seems to be another important area that is being renegotiated. Uber made private driving public. Airbnb made private homes available to the public.



The rest of this deck highlights some interesting examples of these renegotiations that we have been tracking and thinking about.

These renegotiations are always ongoing, accelerated by the aforementioned interventions, and the shifts themselves create opportunities as what is social becomes private, or vice versa, for some parts of the population.

To capitalize on these shifts, companies also orient themselves to the context they find themselves in. Companies also have certain axes they tend to orient their thinking and behavior around. For example, depending on their point in their lifecycle and contextual factors, they tend to either focus on investing to grow, or cutting costs for profitability.



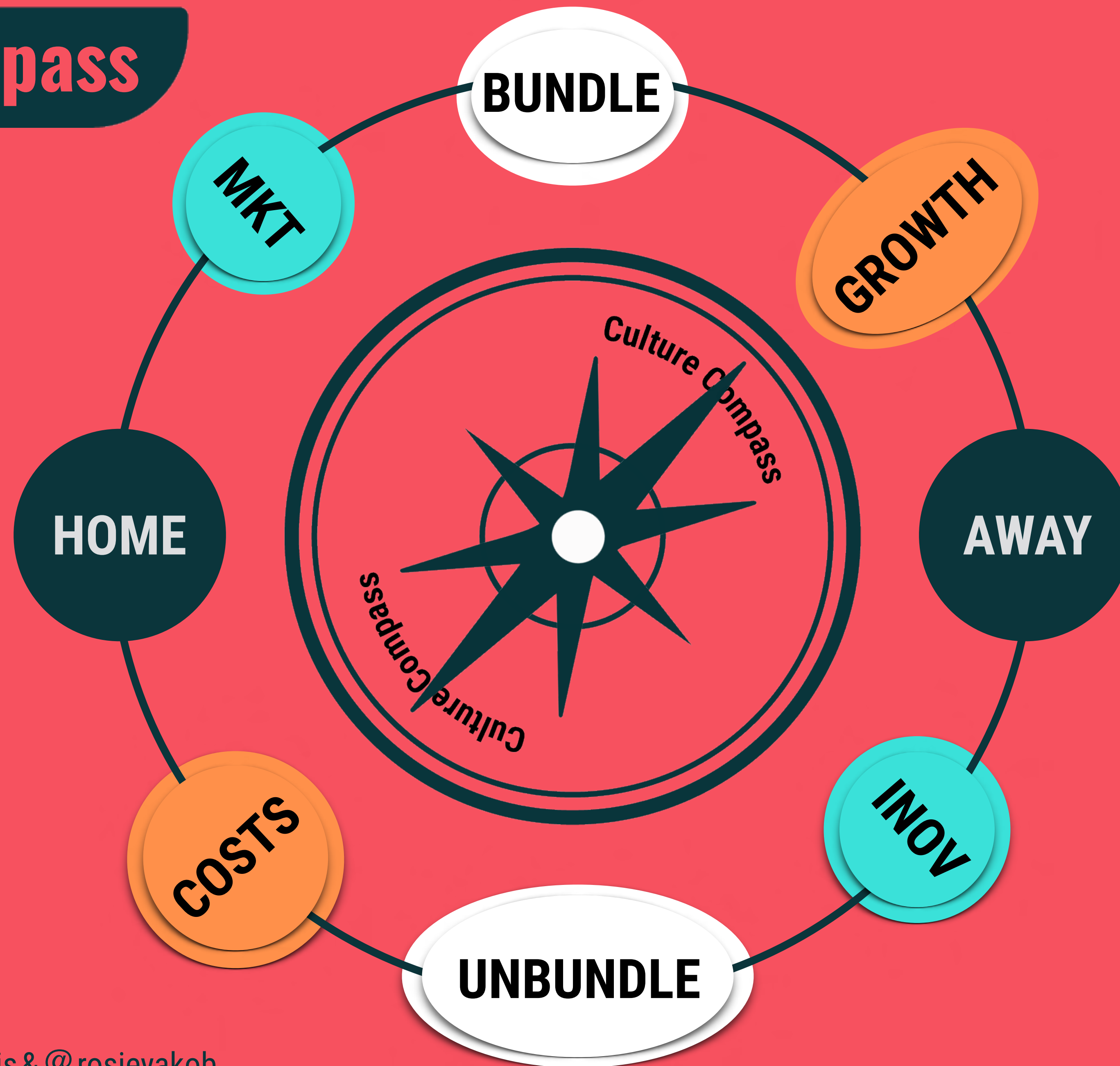
A company can sell or deliver its product or service in your home, or outside it. This renegotiation is in flux due to commerce, delivery and the pandemic. At the same time, work can either be done at home, or not at home, which is also going through a rather radical renegotiation.



So we made a Commerce Compass too, looking at business orientations.



Commerce Compass



WHAT IS THE COMMERCE COMPASS?

The Commerce Compass maps orientation of business as they look to capitalize on opportunities created or exposed by the movements in culture.

The only two ways that companies can grow are:

Marketing: sell more things to more people for more money

Or

Innovation: find new things to sell

We'll look at the other axes later in the deck.



Part 5

Bundle



Unbundle





**“Only two ways to make money
in business: One is to bundle;
the other is unbundle.”**

MARC ANDRESSEN
/JIM BARKSDALE



Bundle & Unbundle

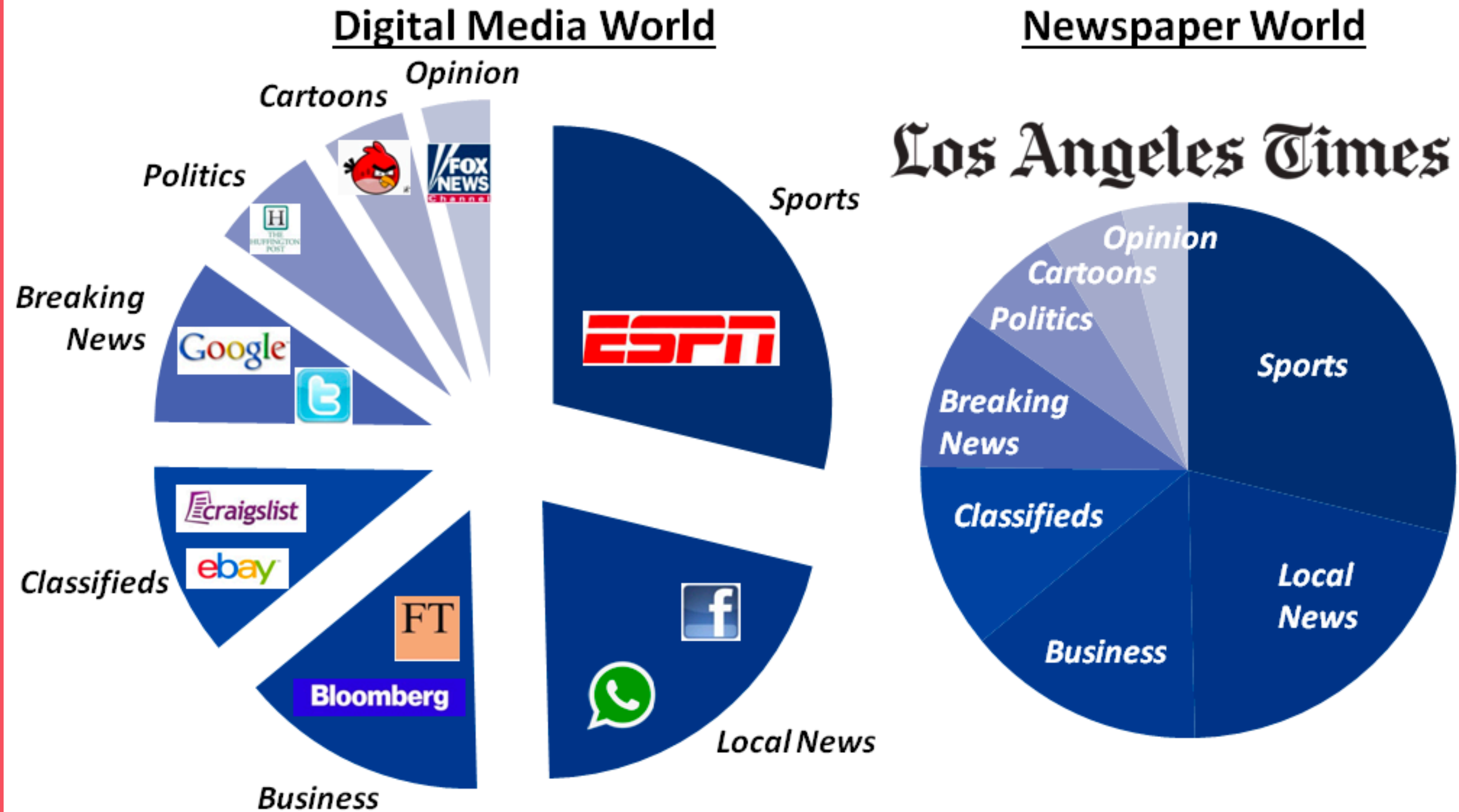
Marc Andressen knows the power of a great line - he wrote the op-ed “Software is eating the world” to explain and promote his investment thesis. Recently, he’s been quoting one of his early mentors, Jim Barksdale, with the idea that there are only two ways to make money in business: bundle or unbundle. This is one of the great pendulums in commerce. The internet accelerates it in both directions. MP3 unbundled the cd album, newspapers were unbundled from classified ads by craigslist, cable packages are being bundled by streaming services. As with all the pendulum, the movements create their own new problems and new opportunities. Bundling aggregates products or services, unbundling separates them into individual choices and purchases. Lots of individual devices - camera, torch, etc - are now bundled in the iPhone.

Read Andressen and Barksdale’s description of the process and you begin to see this motion everywhere. It’s not just media but often it starts there because media is digital and digital access points get more common and faster exponentially.



The shift from physical papers to digital media has unbundled news

BUNDLING AND UNBUNDLING



Strategy

How to Succeed in Business by Bundling – and Unbundling

by Justin Fox

June 24, 2014



Tweet



Post



Much of the business story of the digital age so far has been about taking products and institutions apart – unbundling them. Music CDs were unbundled into MP3s that were sold (and illicitly downloaded) individually. Newspapers have been unbundled by blogs and classified ad sites. Now, digital-education upstarts are trying to unbundle the university.



STRATECHERY

Bundling and Unbundling

Jim Barksdale **famously said** that the only way to make money is bundling and unbundling. The Internet is driving both.

2020 Bundles

The state of bundles in 2020: Netflix, Disney, Amazon, Microsoft, and Apple. Plus, Microsoft's purchase of Zenimax.

Disney and the Future of TV

A precise definition of the characteristics of aggregators, and a classification system based on suppliers. Plus, how to think about aggregator regulation.

The Great Unbundling

It's trivial to say that the Internet changed media; what is more interesting is unpacking how different types of media were affected, and why — and what might happen to TV.

[See All](#)

Search ...

Account

[Sign in](#)
[Your Podcast/RSS Feed](#)

By Ben Thompson

[About](#)
[Stratechery Podcasts](#)
[Member Forum](#)

Explore Stratechery

[Concepts](#)
[Companies](#)
[Topics](#)

The Daily Update

[About The Daily Update](#)
[Subscribe Monthly](#)





The Streaming Wars are unbundling cable tv...



Welcome to JustWatch US

We are glad you're here! With JustWatch you can easily find out where to watch your favorite movies & TV shows in the United States. Browse through the whole catalog of all the important services like Netflix, HBO, Disney, Hulu, Amazon Prime, and many more. Find out what is currently trending and most-watched.



All Movies TV Shows FILTERS Release year Genres Price Rating Age rating RESET

142,098 titles sorted by Popularity

...which creates new problems that need new solutions. JustWatch is the new TVGuide.






America

Social Life	Transfer	Taxi	Transportation
Credit Card Payments	Book a Flight/Hotel	Finance	Networking / Marketing / Dating
Chat/Messaging	Shopping	Charity	Doctor Appointment Utility Gifting
		N/A	N/A



China

One app covers all categories above



WeChat

In China, Super Apps bundle together lots of single app functions into a single platform



It's nice to share

Big Mac® Bundle Meal includes:

2 Big Mac® Sandwiches, 2 Medium Fries
& 20 Pc. Chicken McNuggets®



Add \$1 Any Size Soft Drink

Poster we saw at
a drive through
on a road
trip...Bundle
Meals! When an
idea becomes
salient, it gets
used in many
ways



BK[®] CAFÉ SUBSCRIPTION
\$5 A MONTH
EACH DAY. EVERY DAY.

**COFFEE SUBSCRIPTIONS DRIVE
STORE FREQUENCY**



IDEAS ARE NEW COMBINATIONS

SUBSCRIPTIONS + BUNDLES = RUNDLES

Inc.

NEWSLETTERS SUBSCRIBE

TECHNOLOGY

The Rise Of The Rundle: A New Trend For Subscription-Based Services

Two longstanding trends in business might be merging, creating a new way for us to purchase and consume.

BY ANNE GHERINI @ANNIEG

NO MERCY/NO MALICE

Let's Get Ready to Rundle

July 10, 2020



Scott Galloway @profgalloway



5-min read



TECHNOLOGY

The Rise Of The Rundle: A New Trend For Subscription-Based Services

Two longstanding trends in business might be merging, creating a new way for us to purchase and consume. [🔗](#)

 One

Even better together.

Apple One bundles up to six amazing Apple services into one easy subscription. Get a plan that's right for you — or for your whole family. And all members have private access to each service, across all their devices.

With Apple One, it's never been easier to get more. For less.

Try Apple One free



AN AKQAGROUP.US PAGE

GreyKQA

#DIGITAL

**Re-bundling agencies is the new strategy at WPP...
combining traditional and digital...**

But opportunities to unbundle further are also emerging

Figure 10. Brand Strategy Is the Most Vital Marketing Capability in 2020, Overtaking Analytics

Brand Strategy Is the Most Vital Marketing Capability in 2020, Overtaking Analytics Top 3 Rank Summary



n = 432 Marketing leaders

Q: What are the top capabilities you consider most vital in supporting the delivery of your marketing strategy over the next 18 months?

Source: 2020 Gartner CMO Spend Survey

715362_C

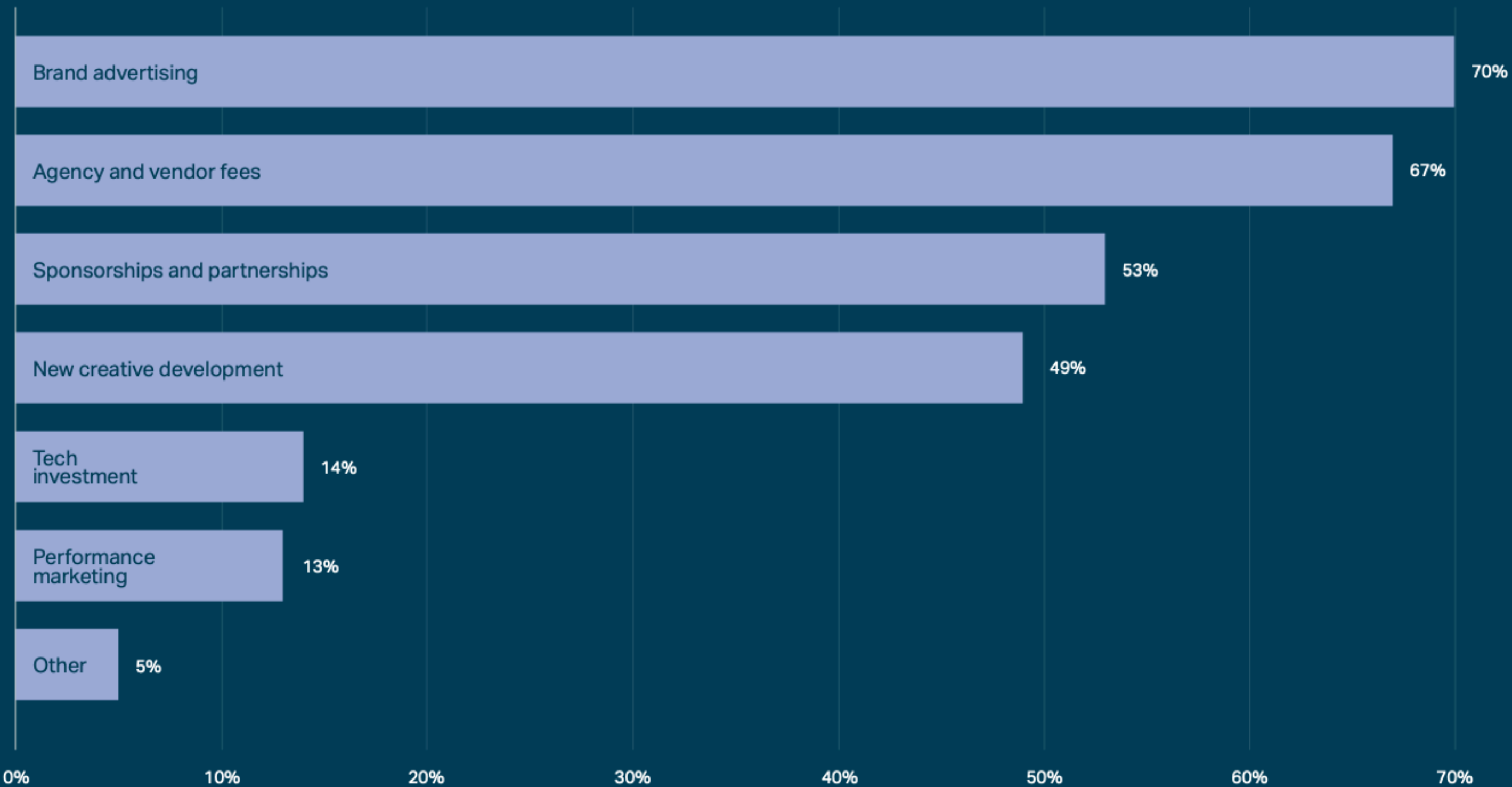
**Brand Strategy
is the top
Priority in
2020...**

**But advertising
+ media is the
lowest**



Biggest budget cut is “Brand Advertising”

Where are budget cuts being made?



Source: WARC Marketer's Toolkit 2021



FNDR IS AN AGENCY THAT JUST DOES BRAND STRATEGY

FNDR <https://www.fndr.co/>



Giving Voice to Vision.

At FNDR we help founders build the narratives for some of the most transformative companies of our time. Having previously worked with the founders of Apple and Airbnb, we built FNDR to work directly with the next generation of growth founders: Snap, Glossier, GoodRx, Brex, Scale.AI, Oatly, Airtable and more.



FNDR

“The folks at FNDR are great thought partners for a myriad of business issues. They are especially adept at strategic and long term thinking - and they are a lot of fun to be around.”

Evan Spiegel - Founder, CEO, Snap

DAILY HARVEST

BREX

yube



A

DIN

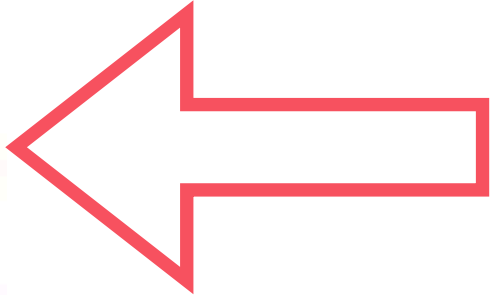
Go

Craig+bridget are a new one in the UK.

Why craig+bridget Want to Reclaim the Potential of Brand Strategy

Company Profiles | 760 Add to collection

Former long-standing AMV BBDO joint strategy directors Craig Mawdsley and Bridget Angear explain how they want to become a strategic extension of marketing departments



CLICK TO READ



Thanks

GET IN TOUCH

hello@geniussteals.co

SUBSCRIBE

geniussteals.co/subscribe

