

# THE CULTURE COMPASS

## Orienting for Profit

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# ***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.

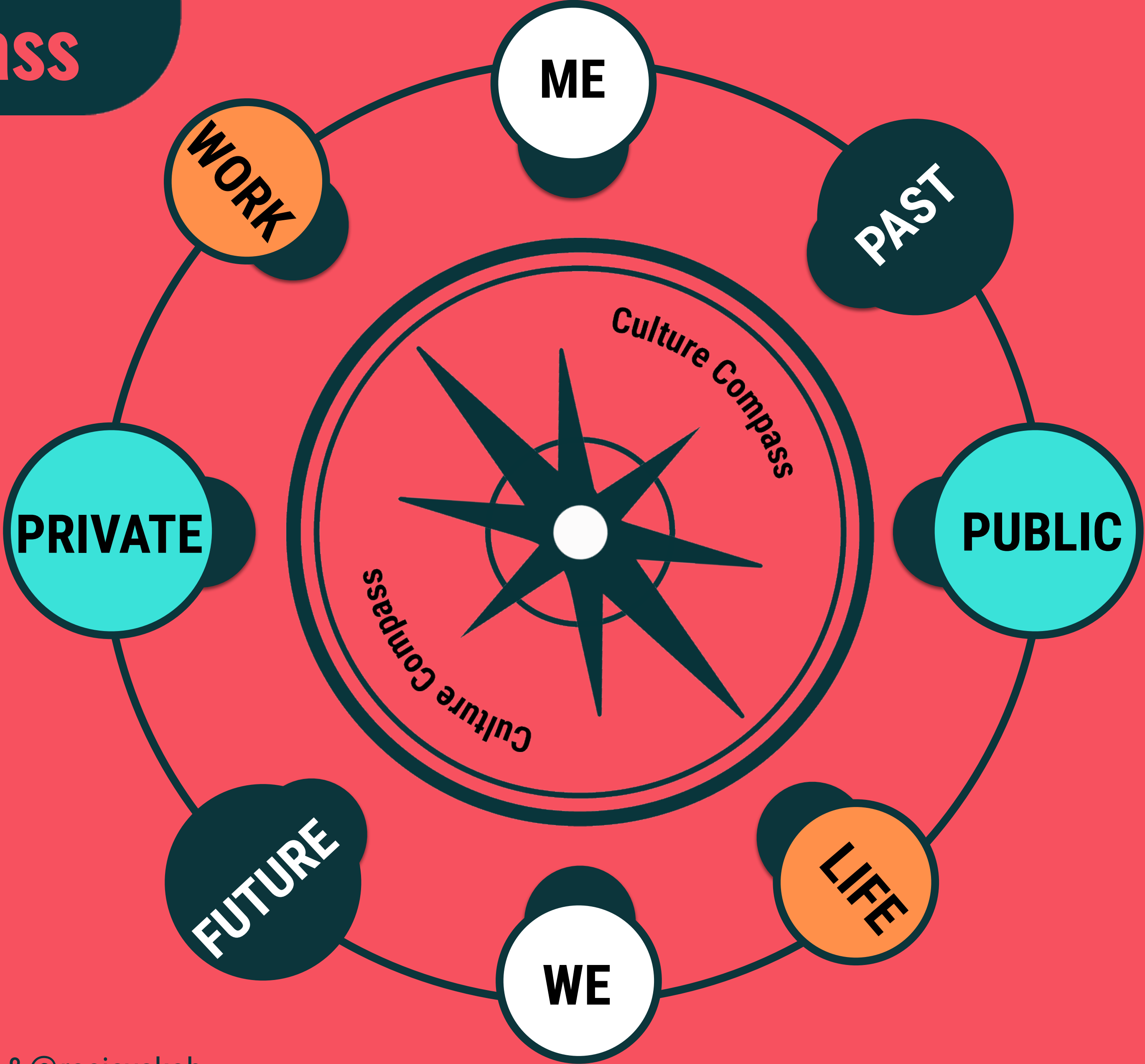
We aren't going to cover every axis, nor is this exhaustive, it's an attempt to look at some interesting things that we believe indicate movements in culture and business opportunities. We'll be releasing a new section each week in April. We'd love to hear what you think, over on Slack.

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/>

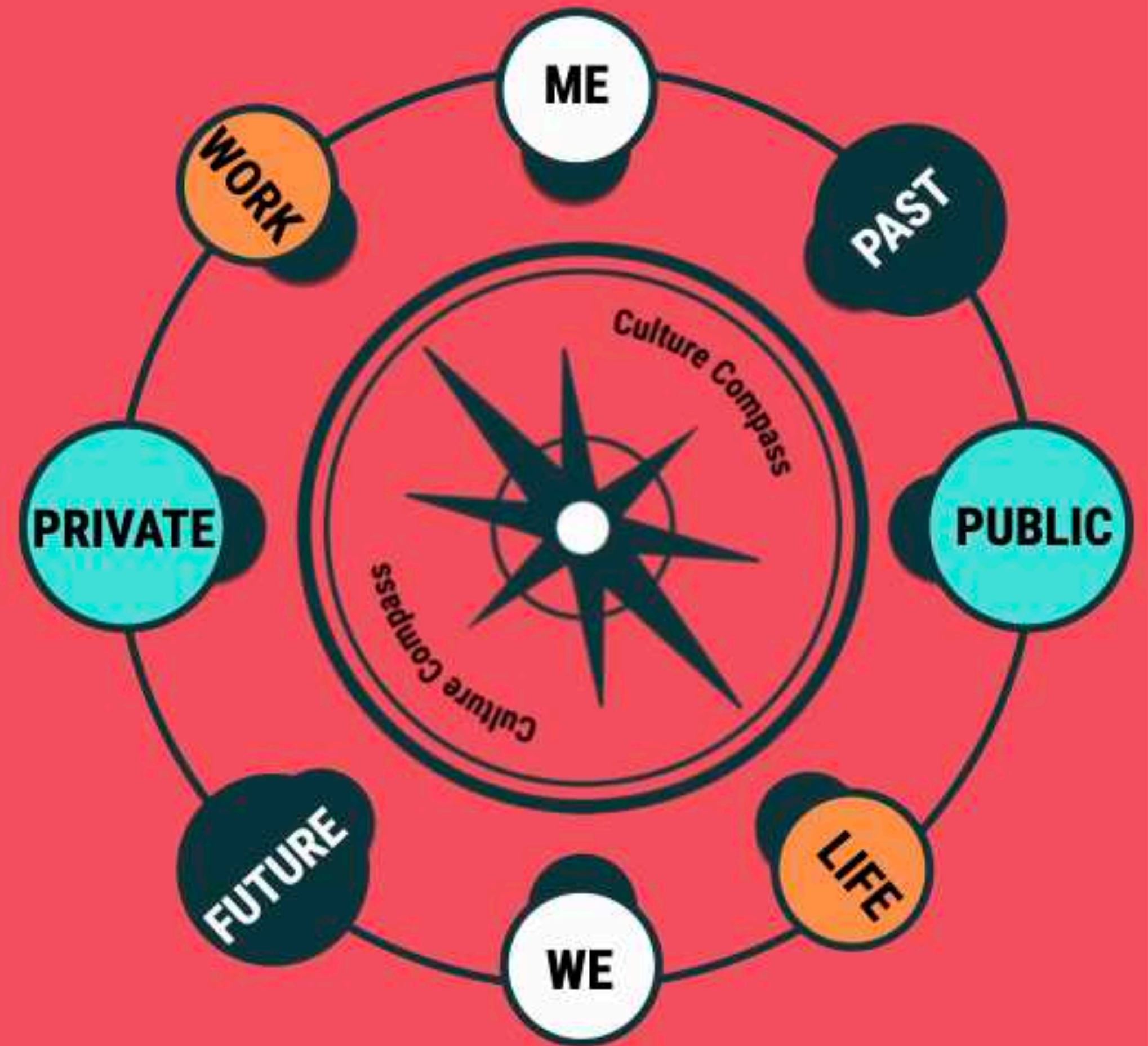




# Using the Culture Compass to find a holistic view

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.





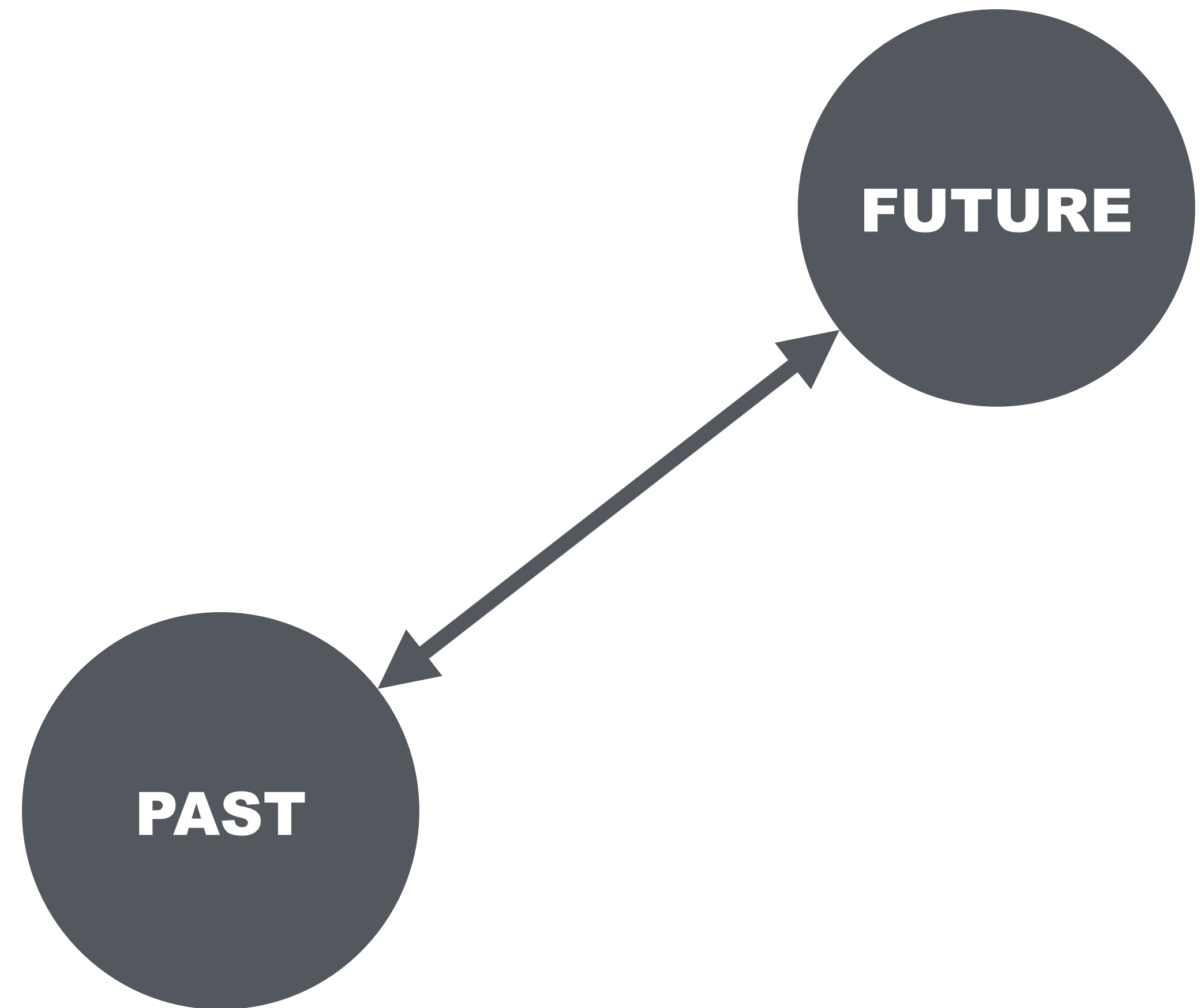
## Cultures have orientations around certain ideas.

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”).



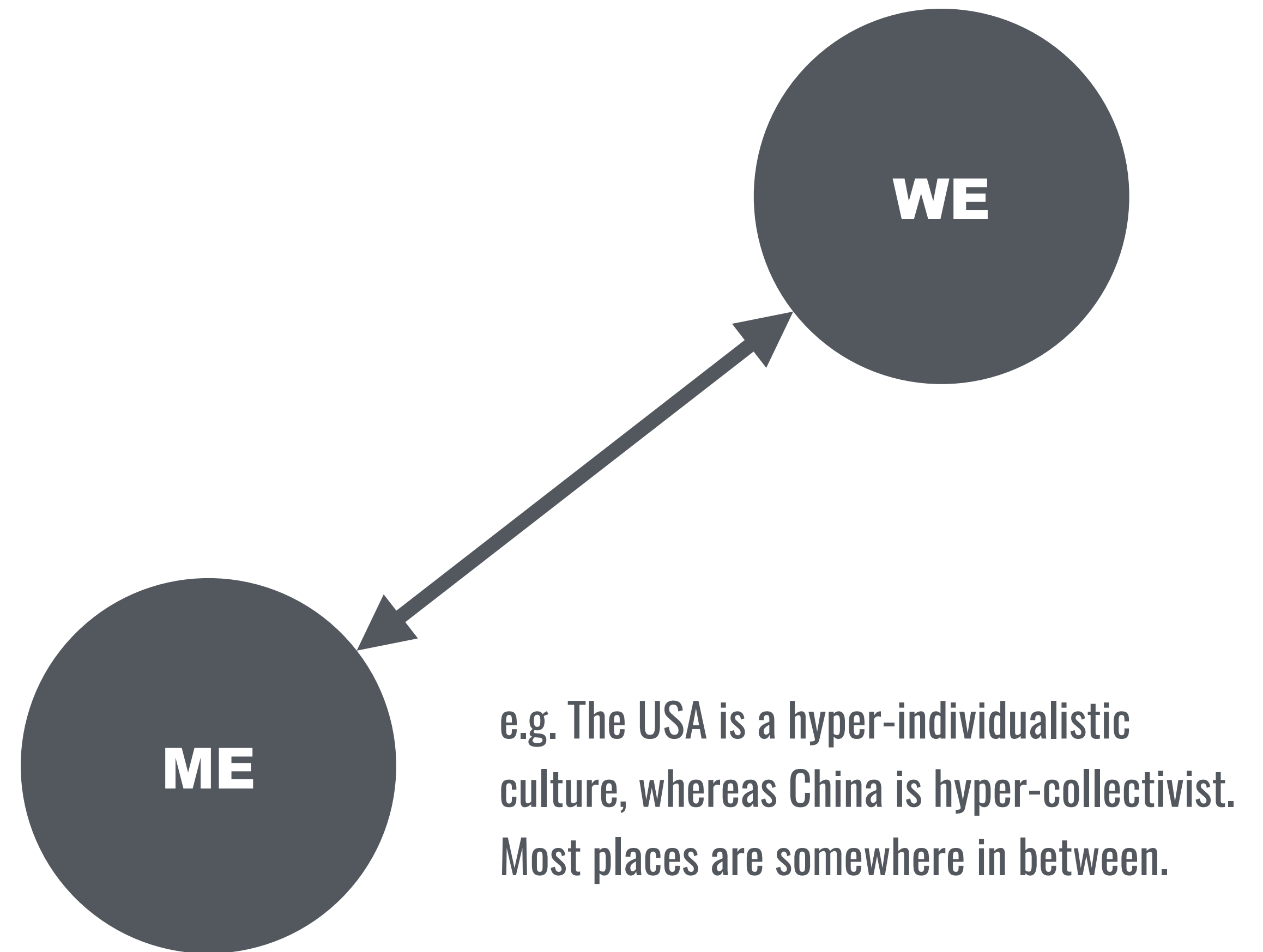
## Cultures have orientations around certain ideas.

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?

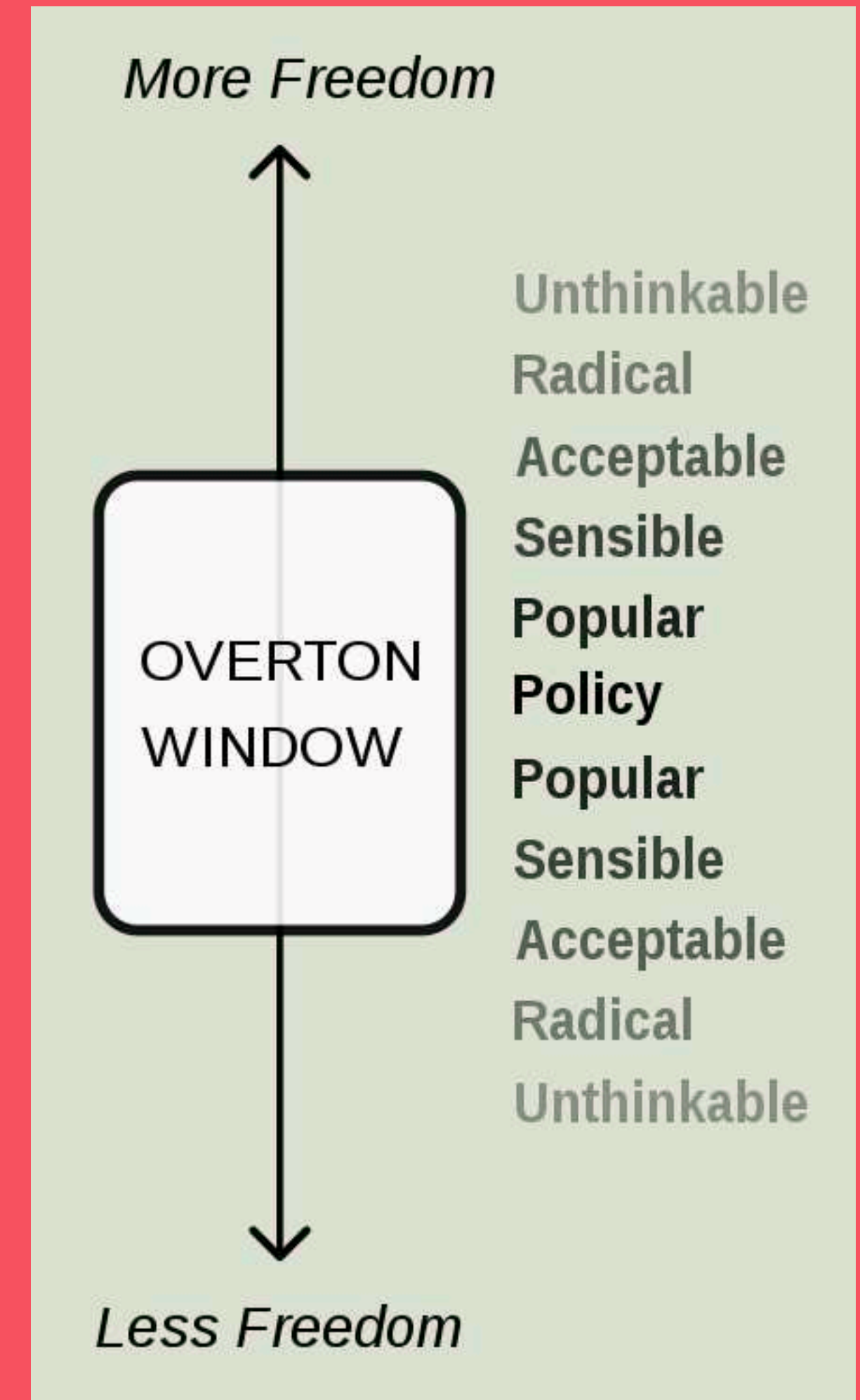
Good question. Let me answer it by talking about something else for a second.

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.

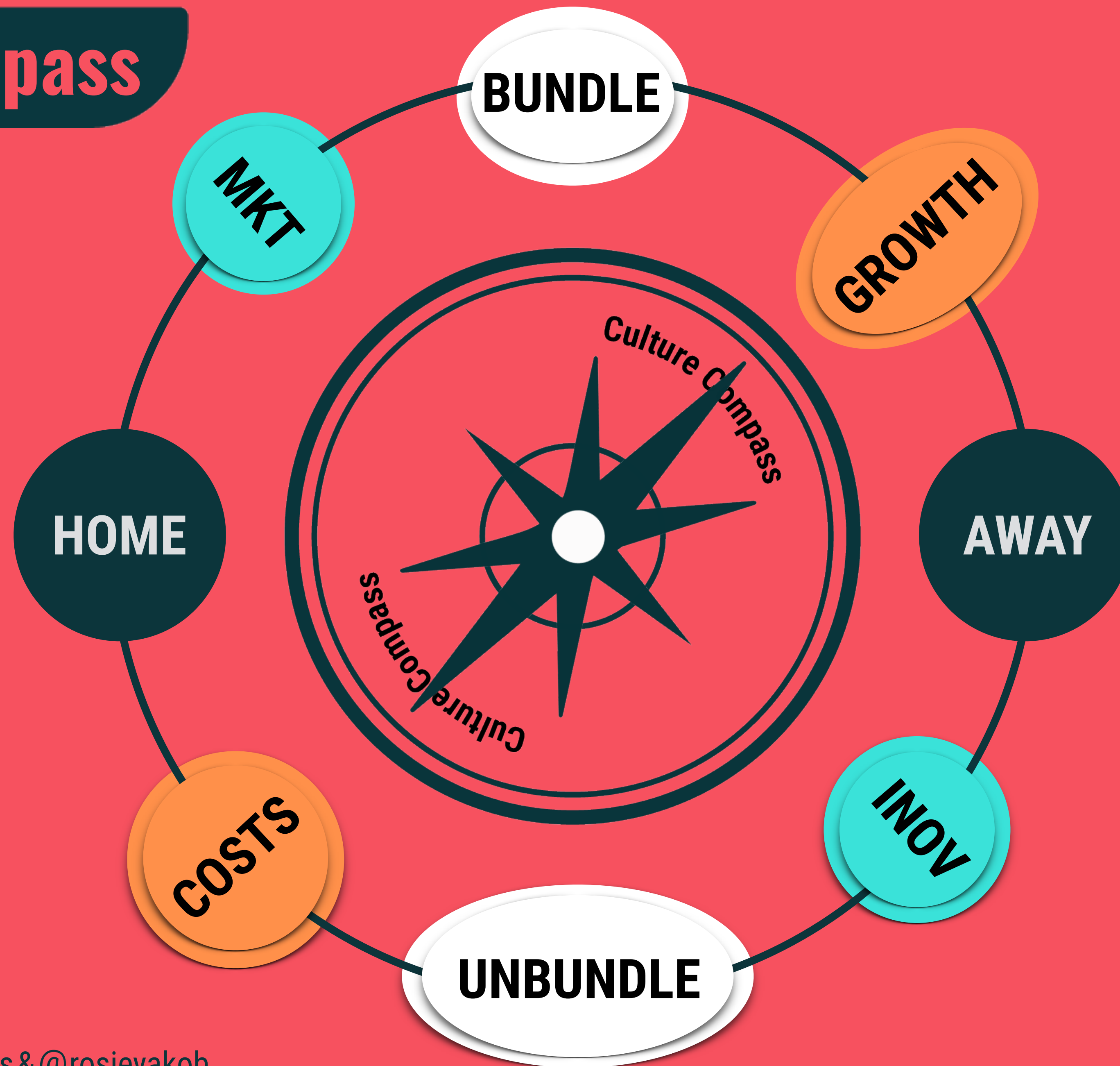


So we made a Commerce Compass too, looking at business orientations.





# 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

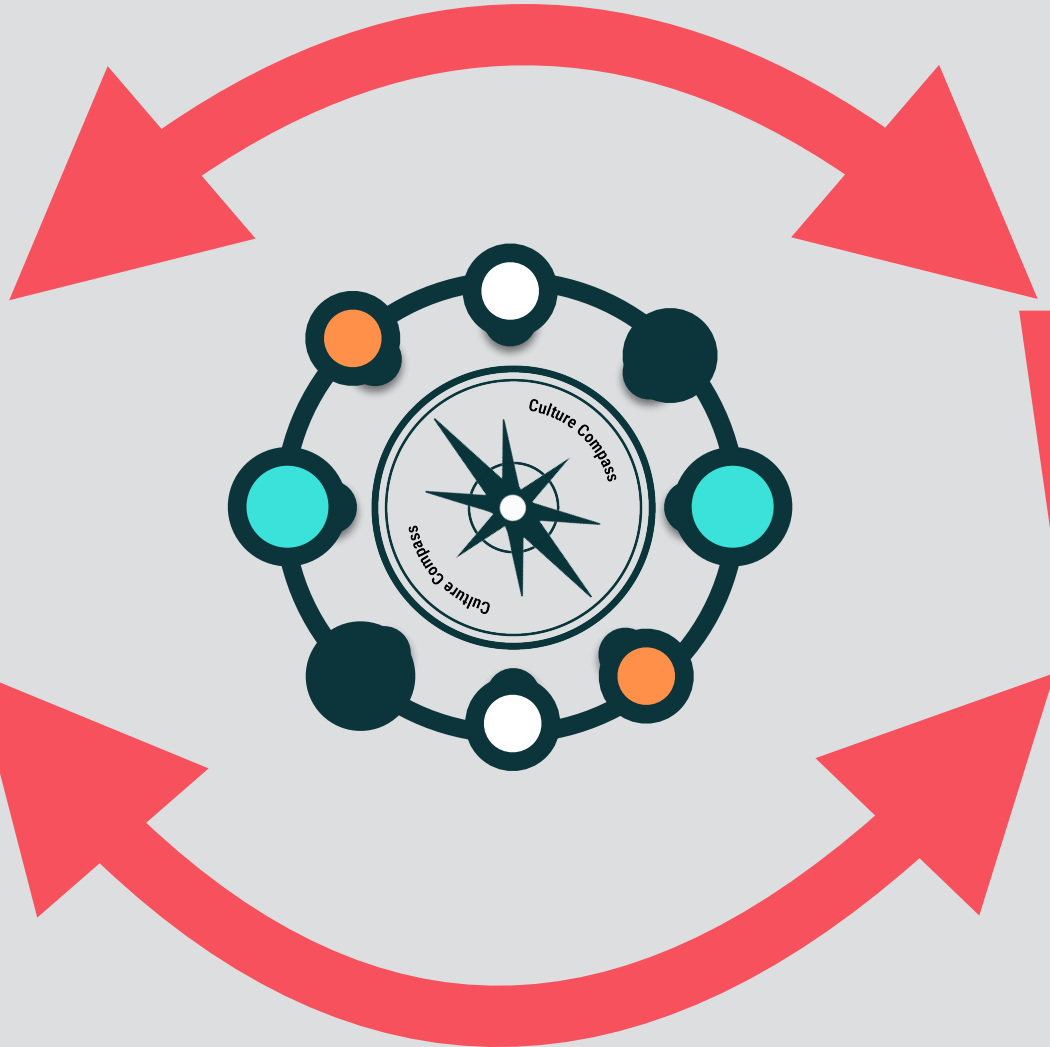
Or

**Innovation:** find new things to sell

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

Part 2

Me



We





# ME VS WE

Culture, obviously accelerated by things like internet enabled mobile phones but lots of other things too, is renegotiating what is considered private and what is considered public. We can see examples of this everywhere, from the homemade sex tapes that made Paris Hilton and Kim Kardashian globally famous; to seeing pictures of our friends' babies on social media; all of social media really; to talking about mental health issues more openly; all of reality television; the harvesting of personal data from mobile devices and online browsing; Wikileaks; Prism; and so on.

Somethings we used to consider private we now make public, that is the most obvious direction of this pendulum. But some public things have become private too, like how the government tenders contracts which is supposed to be public but often obfuscated; people going off-grid or leaving social media, and a counter movement concerned about surveillance capitalism and facial recognition is gaining steam.





***What Do You See?***





# *Western World*      *Eastern World*

Depending on where you're from, you interpret the me vs we concept differently. In the Western world, we tend to have an individualistic approach. In the Eastern world, there's more of an interdependent view.

In experiments, they tested participants time to notice differences in the image. For those from the Western world, they recognized the differences to the bridge more quickly/easily compared to a difference in the forest. BUT, when people are put in interdependent mindsets - reading articles with "WE" for example, they tend to be quicker at spotting the difference in the forest.



## Otis and Masterworks allow fractional ownership of art: ME to WE

“Otis is a fractional ownership platform that makes it possible for almost anyone to invest in shares of contemporary art, sneaker grails, rare comics, and more.”

The image shows a screenshot of the Otis website. The top navigation bar includes links for 'How It Works', 'Drops', 'Community', 'Resources', 'Sell', and 'Magazine'. The main heading is 'The Investment Platform for Culture', with a subtext 'Buy and sell shares of contemporary art, sneakers, and collectibles.' Below this is an email input field with the placeholder 'email@address.com' and a 'Get Started' button. At the bottom left are 'Download on the App Store' and 'GET IT ON Google Play' buttons. A URL 'http://withotis.com' is displayed in a white box. To the right, a FAQ section contains four questions: 'How Does An Otis Investment Work?', 'How Do I Make Money On Otis?', 'Can I See The Assets In Person?', and 'What Are My Liquidity Options?'. Each question is followed by a brief explanatory paragraph. The 'Learn more here.' link is underlined.

**Otis** How It Works Drops Community Resources Sell Magazine

# The Investment Platform for Culture

Buy and sell shares of contemporary art, sneakers, and collectibles.

 **Get Started**

Download on the App Store GET IT ON Google Play

<http://withotis.com>

### How Does An Otis Investment Work?

Investors select an Otis asset and acquire fractional interests that represents an indirect ownership interest in that asset.

### How Do I Make Money On Otis?

When you purchase shares in an Otis offering, you invest in an LLC which owns a specific asset, such as a painting. If the value of that asset rises, so does the value of your shares.

### Can I See The Assets In Person?

Otis will host pop-ups and events where you can come to view your assets at our dedicated gallery space at 47 East 3rd Street, New York, NY.

### What Are My Liquidity Options?

Sell your shares to other Otis members on our trading platform or receive pro-rata returns if we sell one of the underlying assets you invested in.

[Learn more here.](#)



# Nike's SNKRS app uses two ways to allocate limited product

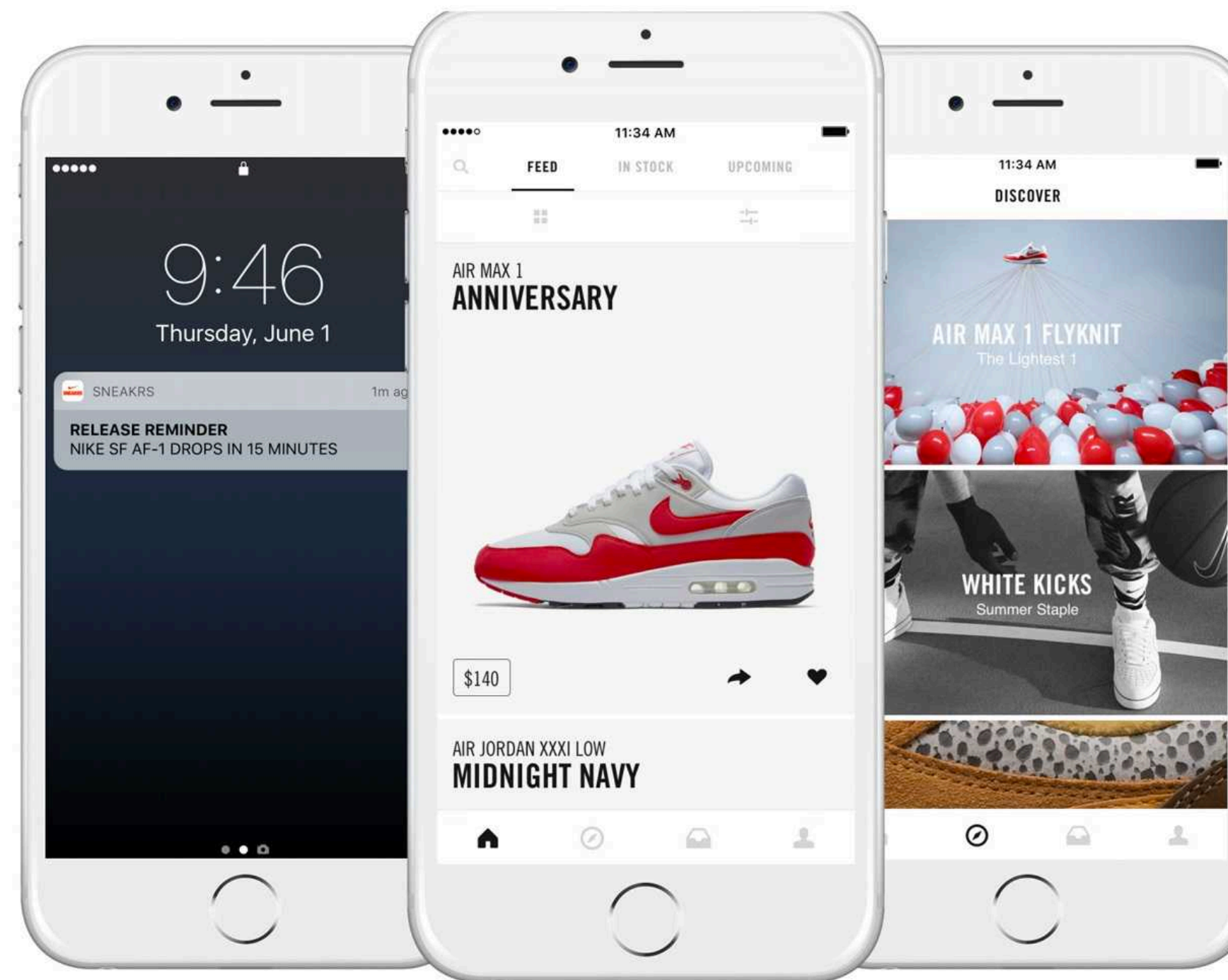
## CREATING COMMUNITY THROUGH MANAGED SCARCITY

### **LINE-UP**

Customers join a virtual queue and wait their turn for the opportunity to make a purchase.

### **LOTTERY**

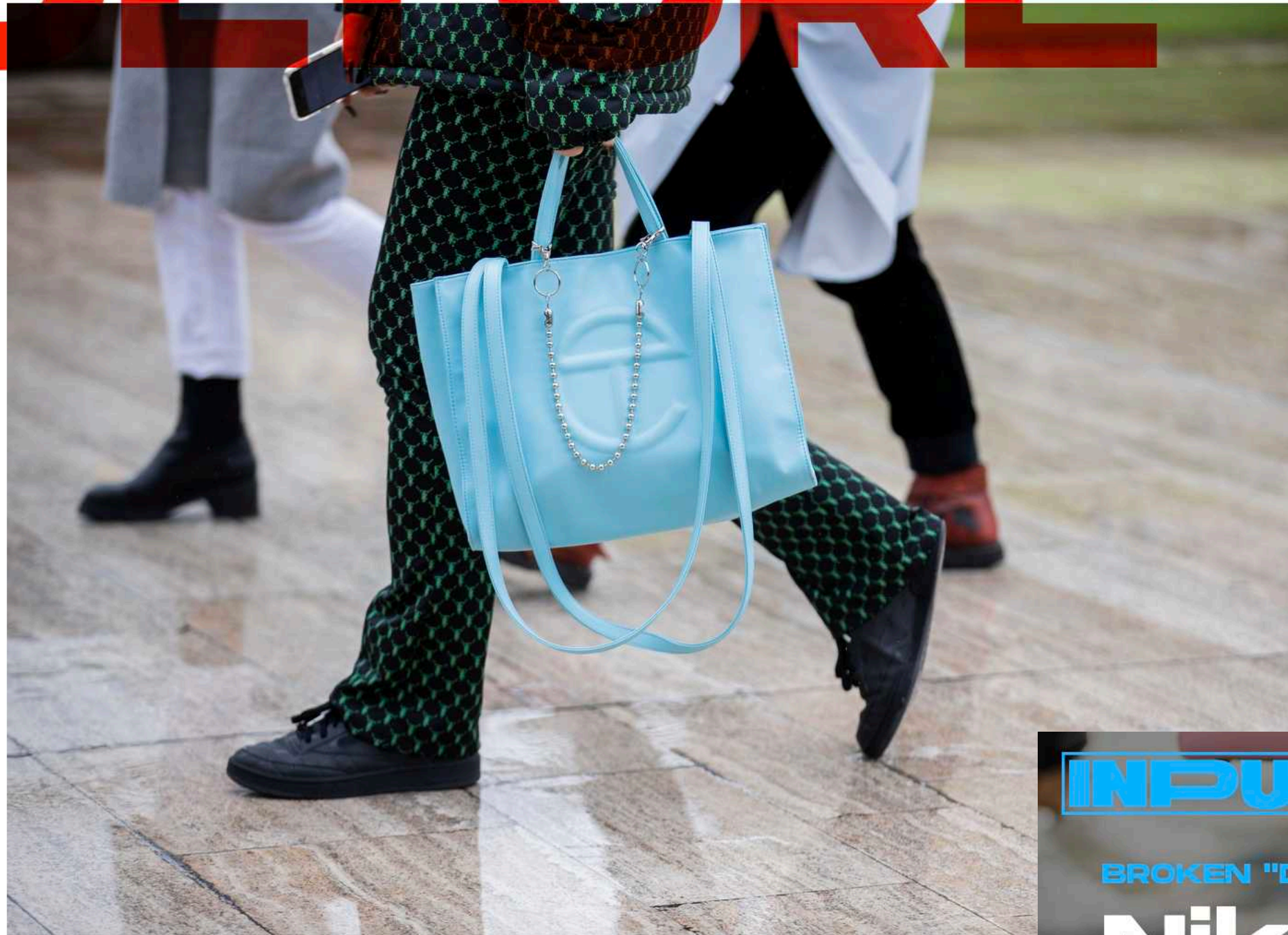
Payment is pre-authorized when you join the lottery, and if you are randomly selected, you are charged for the product.





INPUT

# "DROP" CULTURE



↳ The Telfar Shopping Bag. Christian Vierig/Getty Images Entertainment/Getty Images

For fans of the late basketball great who don't normally operate in this world, it was an introduction to what has become an unfortunate reality. Streetwear and sneakers, once fawned over by a small subculture, have become mainstream and almost impossible to acquire. It's a game of haves and have-nots, the former of which is largely composed of people armed with pre-programmed bots or the money to purchase in the inflated resale market. In this lottery-like atmosphere, the winners get the opportunity to profit off the losers — which feels particularly insidious when the products being sold were made to commemorate a dead man.

INPUT

BROKEN "DROPS"

## Nike and Supreme only care about hype, not making you happy

By putting its coveted Shopping Bag up for pre-sale, Telfar favored accessibility over scarcity. Other fashion brands can learn from it.







Not just QVC, or line-up queing, Ntwrk = "Fandom is the easiest way for us to look at it," Levant said on the demographic NTWRK is after, noting that "wherever there's an audience of people who are hyper-passionate" about any particular genre, that's who his company wants to attract, cater, and sell to.

# Shop At The Speed Of Culture

Tune in to daily shoppable episodes featuring exclusive products and original content from world-class creators.



Download on the  
**App Store**



GET IT ON  
**Google play**

## Online Shopping, Reinvented.



### DAILY EPISODES

Watch shoppable content from world-class creators, broadcast directly to your smartphone.



### EXCLUSIVE DROPS

Shop exclusive product drops and collaborations from your favorite brands and artists.



### VIRTUAL FESTIVALS

Attend digital events featuring exclusive drops, live interactive panels, musical performances, and more.



### COVETED DRAWINGS

Enter for a chance to purchase rare art, collectibles, and sneakers.





**Klarna.**

Klarna is an interest free path to ownership. They've got 200k+ stores participating and 60MM customers, who can pick from pay later schemes from 1 week to 30 days. Participating stores have seen an average 44% increase in orders and 68% increase in order volume.

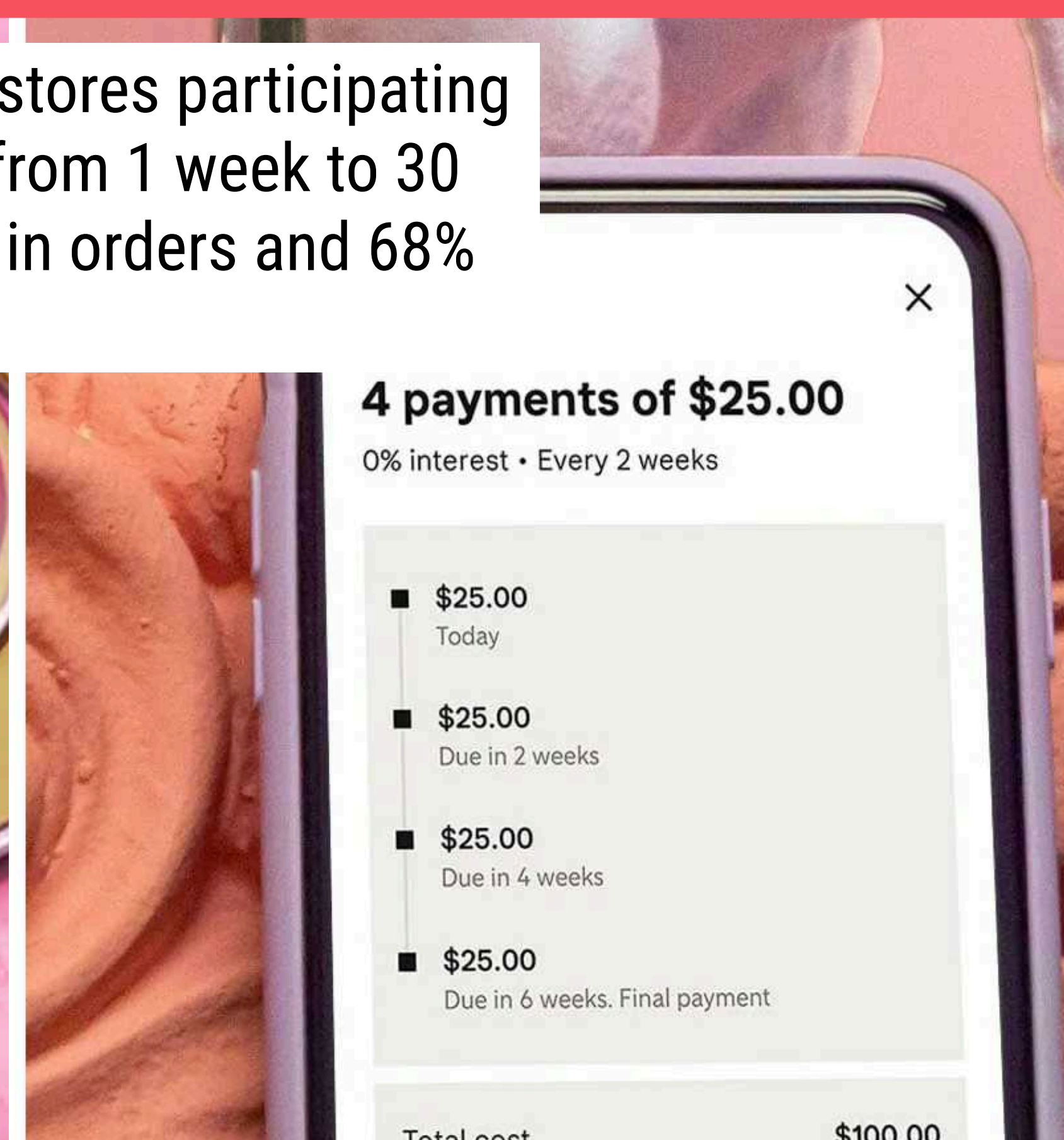
# The shortcut to shopping.

Get personalized inspiration, exclusive deals and the freedom to pay how you prefer. Only in the Klarna app.

[Get the app](#)

[Learn more](#)

[schoolofstolengeni.us](https://schoolofstolengeni.us) | by @faris & @rosieyakob



#### Flexible payments everywhere.

In the Klarna app, you can Pay in 4 interest-free payments at any online store. With more time to pay for gifts they'll love, you'll stay on budget all season long.



#### Find the hottest deals.

Spend more time together, and less time searching for a great deal. Get exclusive deals from brands all over the world, all in the Klarna app.



#### See it. Save it. Save on it.

Does your holiday wish list tell you when the price drops? Ours does. Discover gifts for everyone on your list, and pay less for them by setting price drop alerts.

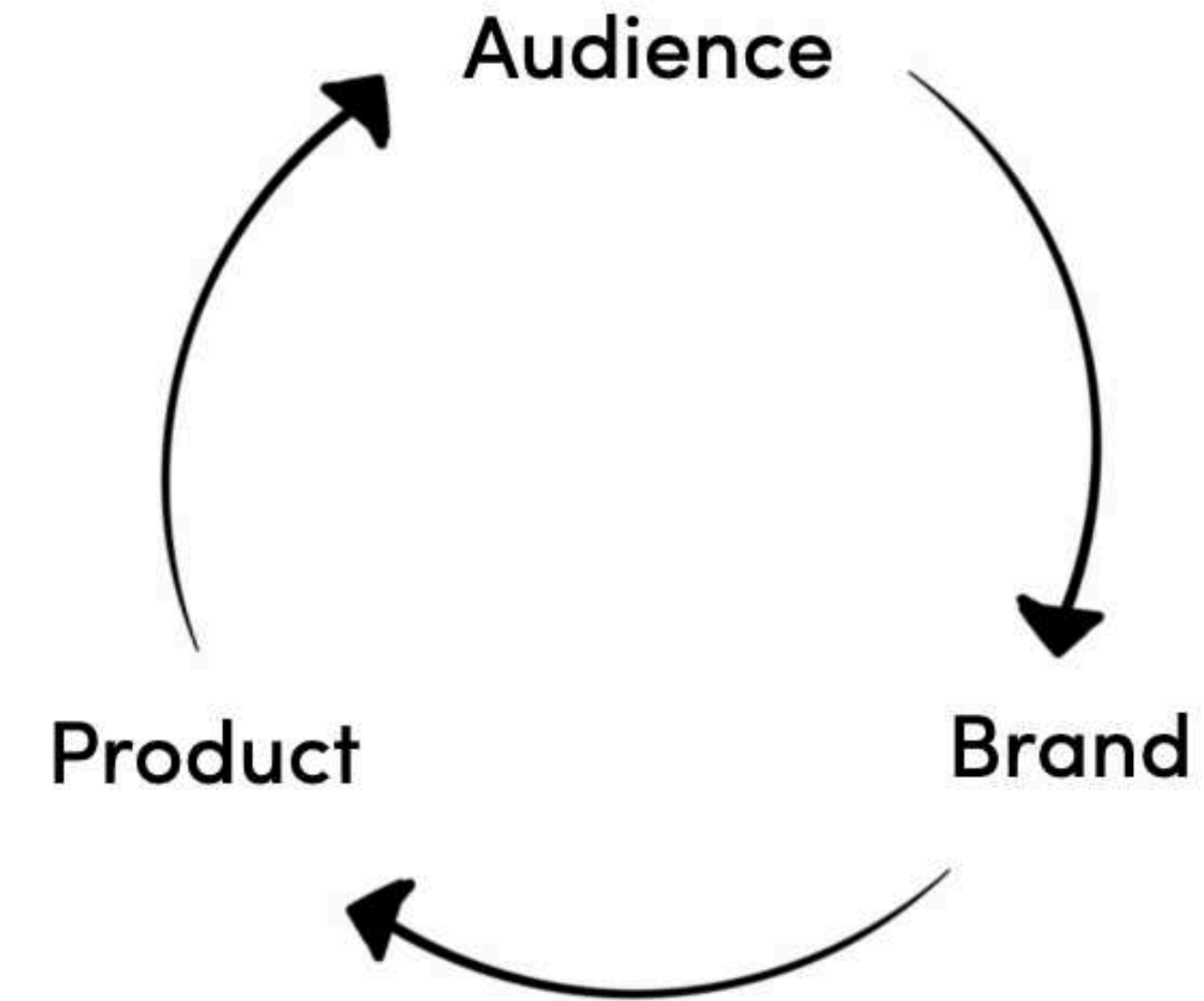




## Arfa focuses on beauty for underserved communities

# About arfa

arfa is a platform for the creation of new beauty, personal care, and wellness brands. By identifying underserved communities, we build brands that speak to these people, while developing the technology to rapidly launch these offerings into the world. Using our digital expertise to understand these groups, we quickly validate and iterate our products. We use these insights to help our arfa Assembly customers do the same.



## State Of Menopause

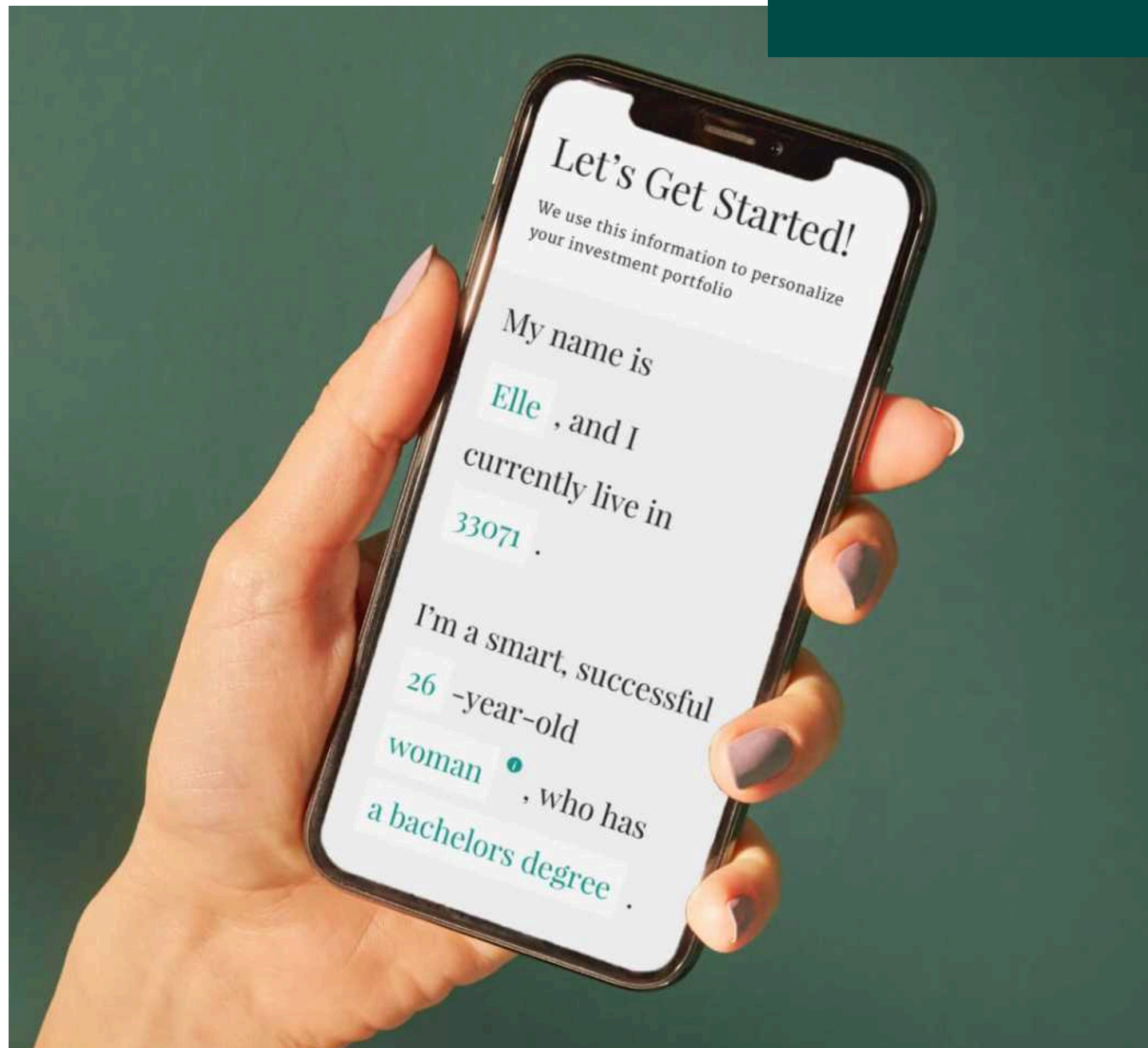
Symptom-specific skincare created with perimenopausal and menopausal women.

[Shop State Of](#)





Ellevest was built by women, for women.  
*The financial industry wasn't.*



## Investing designed for your real life

Everyone should have the opportunity to build wealth. We invest your money for you using our proprietary algorithm factoring in women's pay gaps, career breaks, and longer lifespans.

[LEARN MORE](#)



SheEO is designed to create value not just through peer to peer mentorship, but through actual aggregation of funding, which inspires learning and growth.

Go to *SheEO*.world



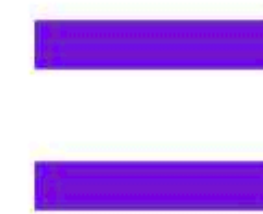
# SheEO model is radically different:



You are not alone. At SheEO you're surrounded by **radically generous people** committed to making the world better for all.



You are invited to gift your capital towards the **World's first Perpetual Fund**, by women for women, working on the World's To-Do List.



Together we practice radical generosity through sharing capital, resources + connections to **build a more equitable and sustainable world.**





MLMs often appeal because of social capital, both real and perceived.

**CORONAVIRUS**

**12 AUGUST 2020**

## **As many lose work in the pandemic, “multi-level marketing schemes” spot a recruitment opportunity**

MLMs such as Avon have seen a surge in sellers during lockdown – but will the new recruits benefit?





# Thanks

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