

Capitalism Switches from Linear to Exponential Growth

Which companies will triumph next?
Competitors who use exponential
growth repeatedly win over
linear companies.

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Why do companies fall off the S&P 500 quickly?

**“Now, after
the Agricultural Revolution and
the Industrial Revolution,
humanity enters a new stage,
the Exponential Revolution”**

If you or your company want to stay a leader, or rise to leadership, you need to compete at this new level.

Here’s what you need to know, and do...

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Capitalism Switches from Linear to Exponential Growth

The evidence is in: Competitors who use exponential growth repeatedly win over linear companies. Which companies will triumph next? Will Google, Facebook, Amazon, Microsoft and Apple devour the world's wealth? Or does the advent of exponential competition open new opportunities for many companies to rise to the top, and start an exponential growth economy and planet?

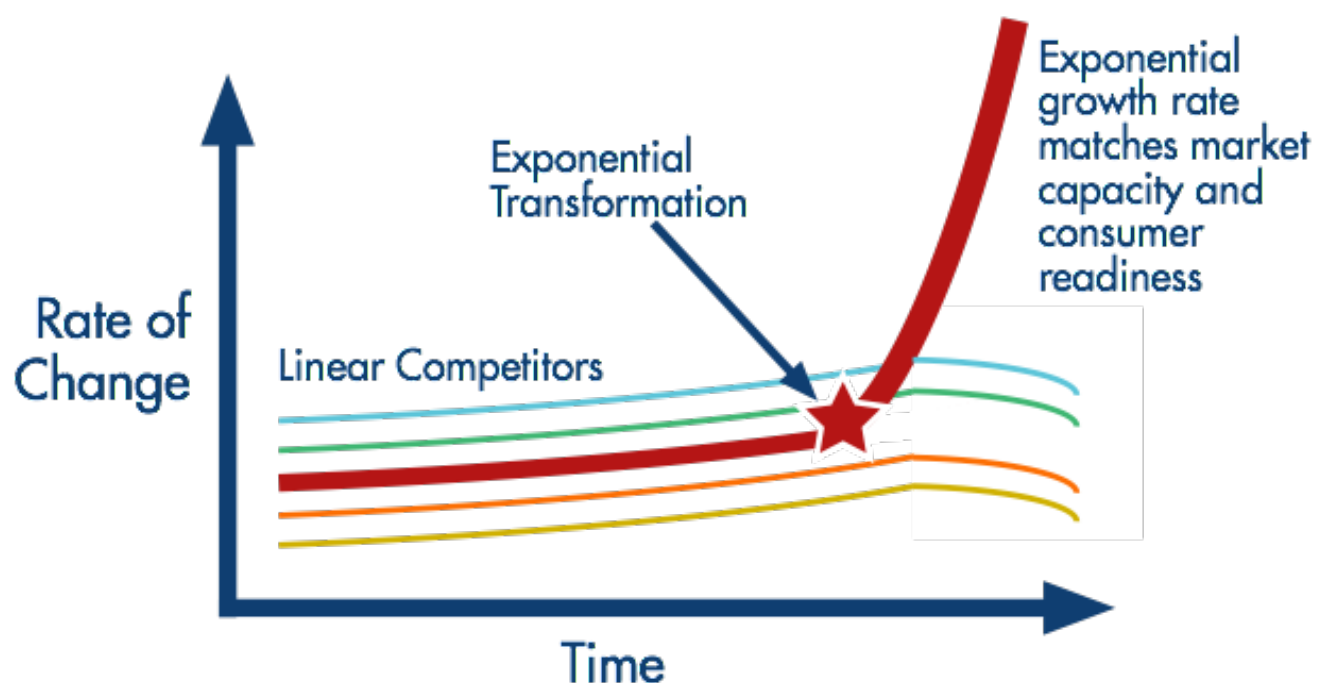
Today's ubiquitous network drives global competition at the speed of light. It changes the lives of billions of people in years instead of generations. The scale and speed of this *global* digital transformation will expand within all levels during the coming decade. This real-time planetary metamorphosis is already propelling all of humanity forward together.

GPS shows how quickly these advances in connected technology become normal and essential in everyday life. *GPS directions* means no one will ever be lost again. *GPS marketing* includes location-based selling and augmented information. *GPS communications* is now adding mapped and continuously connected co-workers, friends and families. We have left behind the local and disconnected physical world. We are on the journey to *Shared Planetary Life Spaces* that continuously connect everyone with each other and humanity's combined knowledge and resources. The presence, power and control of every single individual is about to multiply exponentially.

This always-on Digital Earth is coming to life and growing more personal. It expands each person's abilities with appropriate continuously connected amplifications. As everyone grows more powerful in each online action, the world's people will begin exponential growth, as well as its economy. Like GPS, this will be adopted, taken for granted as essential in our many normal lifestyles.

While capitalism has been transformed, this historic switch from linear to exponential growth is only starting. Most businesses don't realize the scope of this change, or how to adjust to the total re-focusing required by this new stage of competition.

Most companies and startups remain linear. Yesterday's mantra was "faster, better, cheaper." Today's linear companies produce incremental improvements with limited but reliable success: They *meet* expectations. When they try to change too much, or too quickly, their existing businesses push back.



But today, exponential companies *exceed* expectations. They create exponential growth by changing business models, products, services and customer connectivity. They disrupt themselves. Accelerations include innovations, customer learning, design thinking, viral distributions, addictive technology and real-time relationships. Linear is not an option. Their exponential mantras are "digital changes everything," and "move fast and break things," and "do first and ask forgiveness later."

The strongest disruptions wreck current leaders. Exponential competitors reinvent industries so they can leave all of its leading companies behind. They simultaneously accelerate their skills, systems and business processes to skip over market share, and compete directly for the whole market.

Giant examples

First up are the new exponential leaders — no surprises here. Large investments have already triggered these disruptive companies to repeatedly out-compete linear producers. Their biggest advantage isn't that they turned exponential, it's how unaware and uninformed linear companies remain:

	Facebook	World's largest media company	Owns no content
	Alibaba	World's largest merchant	Owns no inventory
	Google	World's largest software vendor	Doesn't write most apps
	Uber	World's largest taxi company	Owns no cars
	Airbnb	World's largest hotel chain	Owns no property
	Skype	World's largest phone company	Owns no telco infrastructure
	Netflix	World's largest movie house	Owns no theaters

The impacts are stark. As Google and Facebook conquer advertising, ad-supported publishers decline. As Amazon conquers commerce and distribution, retail stores and malls close their doors. These exponential companies keep mushrooming while those in decline don't realize capitalism has changed.

But some industries are aware. Next up are two titanic clashes that media covers daily.

In the transportation industry, self-driving vehicles will replace drivers. Uber is “driven” to sell self-driving transportation first because anyone who beats them will launch a cheaper service and put Uber out of business. If a current leading automobile company wins, it will leap past Uber. It will pilot corporate truck and auto fleets, convert commuting and employee transit from driving to productive time, and claim the business fleets of all the transportation manufacturers.

In AI, the largest investments are made by the leading digital-first platforms — Google, Amazon, Facebook, Microsoft, Baidu and Apple. By adding AI to the core of their businesses, they aim to increase their market share, revenues and profits. [Results for early AI adopters](#) show increased profits and performance gaps compared to non-AI firms. The competitive advantages are real and growing as AI implementations accelerate.

Capitalism’s new stage: Exponential growth by people, companies and the economy

The biggest opportunity is wide open for any leading company to take it and run to world leadership. That opportunity is the exponential growth planet. Imagine every person able to grow their immediate success as they do any task online. Every minute, productivity and achievements expand around the world in the hands of every person. The planet awakens, transformed into a successful Digital Earth.

This opportunity is already emerging all around us without being recognized for the disruption it will soon become. It is capitalism’s next stage: Planetary exponential growth.

The race to live, work and shop online will decide the competition between Facebook, Google, Amazon, Microsoft, Apple and platforms that want to replace them. The platform that controls the next interface will rise to the top. Visible large investments include voice bots, AR, VR and MR (mixed reality). If one Exponential Growth User Interface (EGUI) takes over, that platform will win and others will lose.

That EGUI is actually the world’s most valuable real estate. It can tip the planet into exponential growth and universal personal success. Build once, deliver everywhere, and convert each interaction into a step toward the suc-

cessful Digital Earth. Capture this exponential market and take the whole world.

How? The emergence of a fully Digital Earth will display the User Interface of this disruption — “dynamically constructed digital realities.” This is not like the physical world of atoms that can only be changed through slow physical processes. Instead, digital screens and audio operate on bits that are transformed in nanoseconds by computers and delivered immediately everywhere by networks.

Your “digital reality” will be created and personalized for you. Some of the first stages are already on today’s screens:

- Advertising platforms track “you” and sell you in real-time auctions. Advertisers instantly select you by your tracked interests, buy space on your displayed web pages, and download their personalized ads to reach you immediately. Your screens are digitally constructed in real-time with personalized pitches that target you in response to each step you take online.
- Augmented Reality adds dynamic overlays on top of what a screen displays. Apple’s ARKit adds AR as a platform for a billion iOS users. Instant screen broadcasting is said to be included in this Fall’s iOS 11. Soon, will everyone be able to construct their augmented realities and stream them universally?
- Virtual Reality dynamically constructs shared online environments that can include multiple people and objects in a virtual place. Each person passes live in front of and behind the people, objects, working devices and advertisements that are blended seamlessly into these dynamically constructed “places.”
- Arriving soon, AI researchers are creating [fake videos](#) of someone speaking. When combined with AI-generated [fake audio](#), these will make it look like someone you know has said something, even if it never happened. History, news and veracity will never be the same.

As computing power increases, an early stage of “dynamically constructed realities” will stream created screens and enhancements to continuously connected customers. There will be “interactive YouTubes” that enable living in their “dynamically constructed realities.” When what you want is displayed, becoming it is easy. Just choose, acquire (buy, try, trade or share), receive nearly immediately, and use it right away with embedded guidance.

Over time, user choices will make “digital reality” more powerful and beneficial than “physical reality.” Cloud services will make constructing and streaming digital realities simple, because ubiquitous uses across all devices will increase their revenues quickly.

What drives the exponential growth? It’s the change in who is in control. A *people-first* platform empowers each user to direct his or her Digital Earth to deliver and guide them to the life they need and want. People will leave behind the limits of the can't do world. They will expand to achieving above their full potentials on a can-do planet.



The first level of user control is the interface. With a people-first disruption, each user will be in control of their screens, across their family of devices. Everyone who wants to help stop climate change will be able to block fossil fuel ads and content, and see renewable energy choices in their place. Those who want healthy lifestyles will see only ads and content for the healthy foods, activities and lifestyle choices they prefer. Publishers, advertising companies and cloud services will deliver these self-selected Digital Boundaries, which also protect each user from interruptions and tracking. People-first marketers will rejoice because their ads and content will be invited and wanted — while competitors will be blocked.

A second level of user control will be always-on Connected Consumption. People-first displays will invite new customer-vendor relationships with trusted vendors. These will be personal, live connections between customers and the preferred vendors who serve them. These people-first vendors

will know their customers' consumption patterns, and use that to drive their Supply Chains. They will increase their operating accuracy, and lower their costs for marketing, distribution and personal delivery to where and when their products are consumed. These always-on relationships raise new digital barriers against non-people-first competitors. This motivates a trusted company to serve every customer well, because customers can switch to a new vendor in a nanosecond. This digital kill switch can deliver sudden death as soon as a customer is displeased.

A third level of user control is immediate personal achievements. Once each online step is two-way, people will also receive new kinds of embedded knowledge, tools and commercial choices. Today we are wirelessly surrounded by the world's best knowledge and online tools, but they are disconnected from what we do. AI will use big data and machine learning to watch user flows and discover the paths of the most successful people. As AI's learn the "next best step" and the "short path to user goals," they will map humanity's combined abilities. When using a connected screen, this "Active Knowledge" can then be embedded inside every step, every minute, to increase everyone's immediate personal success.

This embedded channel will increasingly replace search and shopping. The easiest route will be the invisible, always-on customer-vendor connection inside each step. It will include Active Knowledge for immediate guidance, Active Resources to switch to the best online tool instantly, and Active Commerce to buy or share the products and services that are best for each user's goals.

These "next best steps" will personally deliver humanity's combined abilities to each person when and where needed worldwide, triggered by each online action. Just as GPS delivers "turn-by-turn" directions, everyone can be guided through the "step-by-step" successes important to them. Billions of people will achieve more and advance faster into the lives they want to live.

As people discover new ways to succeed, Active Knowledge is self-optimizing so new advances are found, auto-developed in Darwinian digital sandboxes, then auto-delivered to everyone. Each relevant action triggers the distribution of the latest proven knowledge to every person who can benefit from it.

The world will advance from "occasional best practices" to "universal optimal practices." For those who want it, and many will, personal greatness

will be the new norm. At every level of society, countless hours will be transformed from getting by to rising above, from being a hunter for everything needed to becoming a farmer harvesting fully grown crops.

Waves of self-selected advances will be enjoyed by the world's peoples and companies, transforming our still linear world into an exponential growth planet. Every online interaction can be a step forward. Normal life will add the world's best knowledge, tools and commercial options whenever wanted. The huge waves of individually chosen advances are called Anthro-TechTonic Shifts — “Anthro” for people, “Tech” for technology, and “Tech-Tonic” for the size and strength of the Digital Earth transformations people choose.

A fourth level of control comes from the free market, directed by each user's personal choices. Since the 1776 publication of *The Wealth of Nations*, capitalist markets have operated by what Adam Smith called the “invisible hand of the market.” But now, after the Agricultural Revolution and the Industrial Revolution, humanity enters a new stage, the Exponential Revolution.

While slow to form over 75 years, the Digital Earth is about to accelerate and transform the world. What happens when the “invisible hand of the market” is replaced by an EGUI that lets users choose what to block or allow on their screens? What happens to markets when “invisible” is replaced by Connected Consumption so vendors know when, where and how much to supply each user personally? What happens when “invisible” is replaced by Active Knowledge that learns each user's steps and is delivered when each user wants “the next best steps” to reach a goal immediately?

Within a decade, capitalism will cross the chasm to Visible Markets, Visible Consumers, Visible Actions, and Visible Goals. This will produce a new set of Visible Metrics that are much more expressive of human welfare than GDP or any Bloomberg screen.

New “Capability Models for Personal and Planetary Success” will develop. What do people want and do in Visible Markets? What do they display or block on their screens? How well do they achieve their chosen lifestyles? What are their problems identified by Active Knowledge, in priority and frequency order? And how well do their preferred vendors help them overcome each problem immediately with Active Knowledge, Active Resources and Active Commerce? These will identify goals, gaps and processes that produce the highest levels of achievement — then spread these widely and personally to everyone who wants to rise.



But only people-first companies that deliver what people want will see these Visible Metrics, participate in these trusted Shared Life Spaces, and operate in transparent markets with real vendor accountability. Non-people-first companies will be blocked until they change.

The most important Visible Metric will be the kind of world people choose to have built for them, and the kinds of lives they have delivered. The companies that win this exponential growth competition will be the ones that support people's choices, serve Connected Consumption best, and help customers enjoy their worlds and lifestyles rapidly and successfully.

These leading companies will employ UX designers, marketers and engineers who increase connected satisfaction, efficiency and productivity. People-first companies will increase sales by pleasing Connected Consumers, lower costs by serving them accurately, and raise satisfaction by producing the quality expected.

This engine is called Partnership Capitalism. In its revolutionary *Visible Hand of the Market* people control the goals, enjoy the consumption and expand their personal achievements. People-first companies build and deliver the world and lives their Connected Customers need and want. The companies who do this best will lead the economy.

This exponential growth planet will enjoy a powerful new partnership for progress and prosperity. Every person has freedom and control, and partners with their preferred companies so they both rise together to the top of a people-first pyramid.

Unlike today's giant walled digital platforms, many companies will compete by being more people-first in their connected services and products. They can innovate and win Connected Customers, because their innovations and relationships will be delivered worldwide at light speed. Anthro-TechTonic Shifts will make new companies winners when they add exponential advances that enhance everyone's life. Exponential competition will build the worlds people want ever faster.

This is how the EGUI (Exponential Growth User Interface) will be the world's most valuable real estate. When users control their digital worlds, Partnership Capitalism will begin. The economy will then build and deliver the world people choose and need.

Will Facebook, Google, Amazon, Microsoft and Apple still lead? Or will new companies run with this biggest opportunity yet for exponential growth for our planet? By building these new "people-first" platforms, they will replace today's "corporate-first" leaders by giving every person control and moving "people" to the top.

How will exponential growth change the world?

Capitalism's switch to exponential growth adds both threats and opportunities. Linear companies will be forced to decline, while companies that switch to exponential competition will rise. Capitalism remains Darwinian, but its mantra changes from "faster, better, cheaper" to "digital changes everything."

Once exponential winners capture tomorrow's "digital infrastructure" they will lead it for decades. Their "winners-eat-everything" economy will kill many linear companies and devour the world's wealth.

The most fearful threat is that a few "digital dominants" will lock societies into walled gardens with corporate surveillance, personal tracking, AI-directed marketing and persuasion/addiction technologies that retard others' innovations. This will concentrate a herded world's wealth in their few hands.

The positive opportunity is an exponential growth planet that includes everyone and many companies. Here, leading companies build people-first platforms that move everyone and many companies to the top. Opportuni-

ties for personal greatness are distributed every minute, everywhere. When consumers control their screens, they will display the ads and content to see the world they want to live in. With Connected Consumption, that's what they will receive from their trusted vendors. See the Paris Innovation Review article "[The flipped economy](#)" for more on building this successful Digital Earth.

What will actually develop, now that capitalism has switched to exponential growth? This will trigger our generation's most historic question: Will exponential competition deliver extreme inequality and extreme wealth for a few digital dominants? Or will it grow a Digital Earth where everyone can advance quickly, start universal prosperity, and multiply Visible Markets so many people-first companies rise to the top?

If a positive Exponential Revolution drives the economy and society, one question will ultimately define our lives. How far will our personal exponential growth go when we each control a Digital Earth that serves us and guides us?

Will we still only imagine the life we want, or will we display it and step right into it?

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Dan Abelow is an independent inventor, author, speaker, and technology consultant. He holds degrees from Harvard and the Wharton School of Business.

His latest invention, the [Expandiverse](#), is new technology for building a people-first Digital Earth. Its first patent has already been cited over 800 times by subsequent patents. Dan's previous patents were licensed by over 550 corporations that include Apple, Google, Samsung Electronics, Microsoft and others.

In addition, he has developed hundreds of UX advances for industry-leading companies.

- [Expandiverse Technology](#): New technology to build the People First Digital Earth, with over 800 patent citations
- [Digital Earth 2025](#): Strategy and roadmaps to build the People First Digital Earth
- [Breakthrough UX](#): UX services to build People First products, services and platforms
- [Media 2025](#): People First platform to lead Publishing, Advertising and Content
- [E-Consumption](#): The People First stage that replaces surveillance advertising and e-commerce
- [Computing ver. 2](#): Previous patents and IP, licensed to 550+ companies
- [Abelow.com](#): Professional summary: Anticipate, innovate, implement and lead the People First Digital Earth