

The Semantic Web:

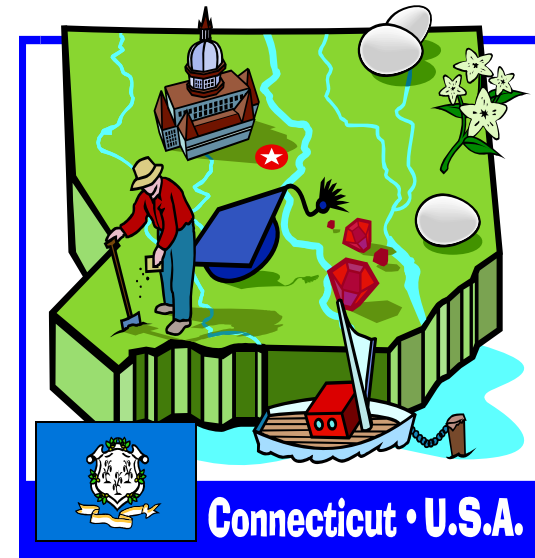
Assessing viability: What did we
learn from 1.0 and 2.0

Howard Anderson

Issue: Can **Meaning** supplant **Data**?

Example:

“What’s the best way to get to Stamford, Conn from Boston next Thursday after 3PM?”



Google:

1. Home page for Stamford
 2. Topless bar in Stamford
- Etc.

Semantic Web:

“Are you interested in the FASTEST way or the Least Expensive? Are you returning to Boston? If so, When?”

Dumb Answers vs. Smart Answers

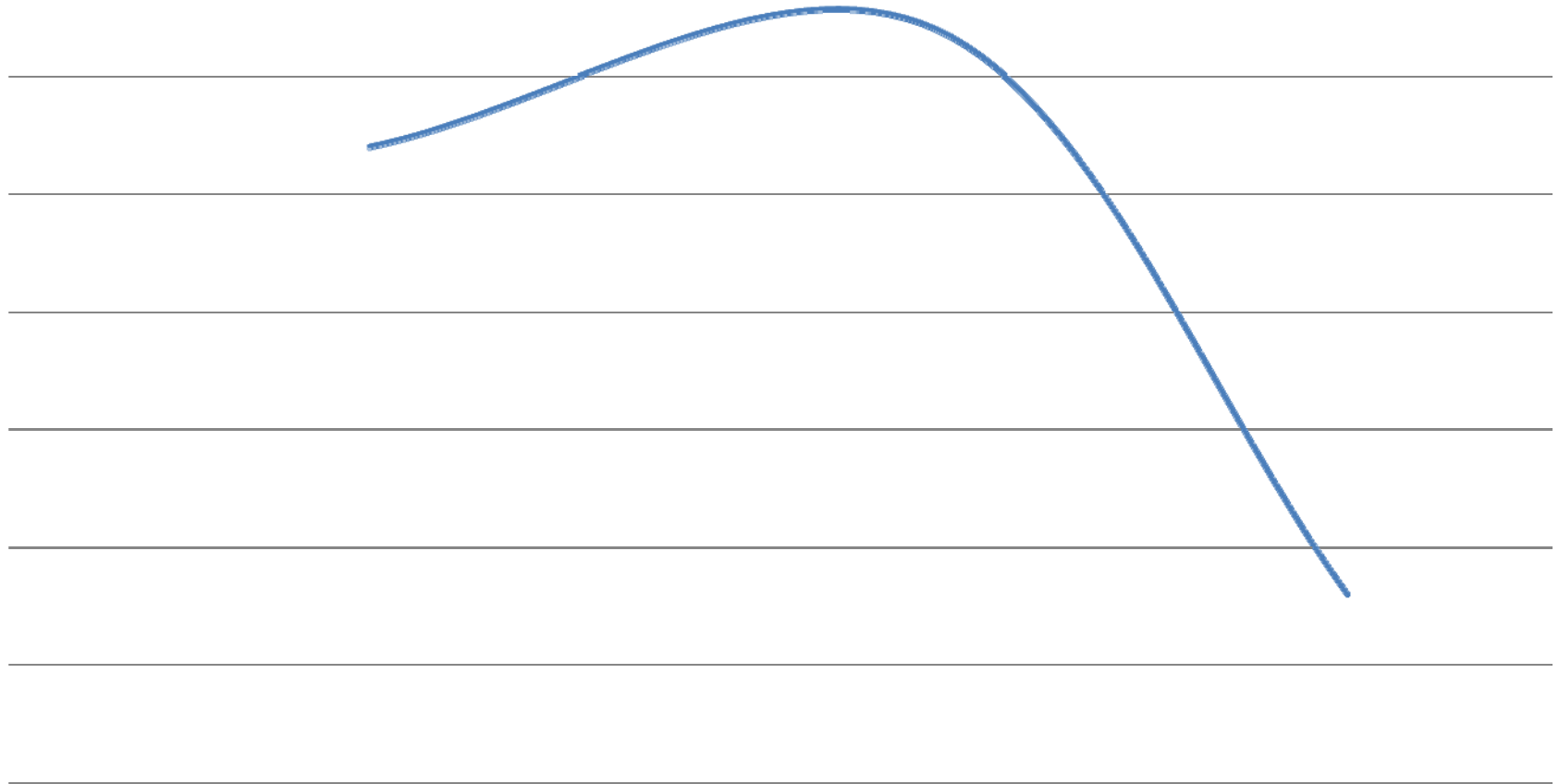
DUMB; “The fastest way? Rent a Lear Jet:
Cost: \$8,000.”

DUMBER: “The cheapest way? Walk!”

Smart: “Amtrak has a 3:30 Express from Back Bay;
arrives at 6:30 PM. Has a 95% on time record.
Cost: \$119.

Smarter: “Driving takes four hours, but weather
reports indicates 3” of snow on Thursday.
Cost: \$100, assuming \$.50 mile +Tolls”

“It is the customary fate for the new truths to begin as heresies” T. Huxley



Web X.0 Life Cycles

1.0 Location Matters

Web Sites

Measure Clicks/ “eyeballs”

2.0 Location Independent

Everyone programs

Twitter, Youtube, Flickr, Wikipedia

3.0 The Internet is Alive

» Wireless, 1 Billion people, N Number of Inert Devices

Analogy: the semantic web will obsolete the existing web, like the cell phone made obsolete:

1. land line phones
2. wristwatches
3. pda's
4. computers
5. digital cameras
6. laptops
7. GPS Devices
8. (soon)..credit cards, cash, keys, id cards, books, newspapers, airline tickets, boarding passes, odometers, pedometers, etc.



Web 3.0 = Universal Substrate



What does that mean?

Links between Mankind and MachineKind

Links: to knowledge; to collaboration

Old: Web sites present knowledge

New: a Giant computer that everyone can
program, seamlessly interconnected

What have we learned? Can we avoid predictable mistakes

- Key phrases... from 1.0 and 2.0
- “first mover advantage”
- “Winner take all”
- “Content is King”
- “Get Big Fast”
- “Digitization rules. And the
- Old rules don’t apply”



Web 3.0 and Creative Destruction

1. Existing Companies will often face an unfamiliar challenge to which there is **no effective response**.

Example: Kodak and Digital Photography

Example: Telephony and Skype

Myths:

2. There is
Such a thing
As “Business
Equilibrium”
There is
“Sustainable
Advantage”



The Internet is..

Attackers and
Defenders

***“All successful
businessmen are
standing on ground
that is crumbling
beneath their feet”
-Joseph Schumpeter***



Defenders: maintain status quo

Attackers: disrupt Status quo

Example: transaction costs

-search costs

Information costs

Bargaining costs

Decision costs

Policing costs

Enforcement costs



Old Ideas vs. New Ideas

- Old: Monetize our Content... NY Times:
- New: Revolutionize How we do business

- Old: Capture Talent inside the company
- New: Capture the Value of a Massive on line community

Winners vs. Losers

Losers Launch Websites;

Winners Launch Communities

Losers Launch Walled Gardens;

Winners Launch Public Squares

Losers Innovate Internally

Winners Innovate with Users



Web Graveyard: “The Internet is a platform for the presentation of content”

- Losers guard their data/software interfaces
- Winners Share with Everyone



Winner vs. Loser

Flickr

vs.

Webshots

Wikipedia

vs.

Britannica

Bloggers

vs.

CNN

Epinions

vs.

Consumer

Reports

Upcoming

vs.

Evite

Winner vs. Loser

Google Maps vs. Mapquest



Facebook vs. Friendster

Craigslist vs. Classified Ads

A few final assumptions:

1. The semantic web will not happen all at once; but it will happen
2. It will upset the balance of power
3. It will be interpreted by the Powers that Be of the Internet as obviously within their realm; it will force changes in the status quo.
4. Serious money will be available to the first Arms Merchants....
5. Only some of the old rules will apply