

Rise of the Participation Culture



A high level trend overview for strategists, leaders and marketers on why the Internet and a new wave of Web applications have been embraced by a tech-savvy generation and spawned a culture of participation.



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About Connecting the Dots

CTD is a leading provider of guidance, insight and ideas for the next generation Internet.

Thank you for reading this version 1.0 of our report Rise of the Participation Culture.

WHAT WE DO: We work with clients in multiple industries around the intersection of Internet-as-a-platform (often referred to as “Web 2.0”), the shift in consciousness toward the Web and away from traditional communications and media, as well as the rise of community and all that means to businesses conversing with customers, employees and other constituents.

We are participants in the blogosphere, are podcasters, and totally immersed in Web 2.0 (the acceleration and momentum which is becoming palpable). Enjoy our report!



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Introduction

While many of us were placing our attention elsewhere, the post-dotcom-crash World Wide Web and global Internet continued to evolve. Once seemingly going to be solely focused on ecommerce, transaction-centric and primarily Web page publishing paradigms, an amazing array of Web-based applications has burst forth and a new culture is forming comprised of people participating within them. An underlying infrastructure to support these applications has emerged geared to enabling, engaging and encouraging applications to be developed, but also to enable these applications to be leveraged on a massive scale. As a result, a global culture of tech-savvy, always-on and always-connected people is enthusiastically using these new Participation Applications and are shaping our networked world in new and fundamentally profound ways.



Introduction (continued)

The college graduates of 2006 have never known a time when personal computers, mobile phones, television time-shift recording and other technologies were not at their fingertips.

Josiah is a 20 year old college student who hasn't known a time when he didn't have access to a computer. For him, computers have always been available in school, and he simply expects that he will have one to use. Doing so is second nature to him. He also knows that internet access (usually wireless) will be readily available wherever he goes, and if some resource he needs is not yet available at the click of a mouse today, it's just a matter of "when" and not "if" it will be.

This young man connects with his friends on MySpace and Facebook (he calls himself, "a HUGE Facebook'er") and has met many other like-minded people in both places. He uses instant messaging and text messaging on his mobile phone constantly, updates his space online frequently, creates and delivers music and video (or links to ones he likes so others can view them) and tracks the updates of those in his circle of friends.

Josiah decided it was too difficult to keep tabs on everyone so – taking matters into his own hands and tapping the technical expertise of his younger brother – he developed a Web-based software application to automatically do this for him (like many other Twentysomethings, Josiah is actively working on how to take this application to market as a product). This is not an unusual response for Josiah or many others: if something they need or want is not available, they simply figure out how to create it on their own. In fact, this behavior calls out a fundamental difference between those living in a participation culture vs. those who have come before.

When asked about his consumption of traditional media, Josiah replied, "I watch a fair amount of TV, but it's mostly news that I'm simultaneously tracking online to supplement my understanding of the happenings. I'm not much of a print newspaper guy anymore, but I've set up Safari (note: Apple's Web browser built into Mac OS X) to aggregate content for me from all the important newspapers/mags (NY Times, Economist, Minneapolis StarTribune, etc), as well as from all of the major news services (CNN, BBC, Reuters), so I guess in a sense I read the "paper" almost constantly."

People like Josiah – techn-savvy, comfortable with technologies they grew up with and harboring zero fear of hacking and modifying them to their own requirements – expect that they can communicate either in real-time with friends or in non-real-time by customizing their online spaces. To do so, Josiah simply leveraged tools and approaches that are readily available (like RSS syndication), to mold, shape and modify what is offered in order to serve him. This as opposed to waiting for someone to anticipate his needs, decide for him what's important, and deliver it to him someday.



"My use of the net is unique (but increasingly less so) in that I don't go actively finding information so much as I've used technologies like syndication and instant communication to set up a stream of information that comes to me, 24/7. Instead of going out and seeking the information, I've more or less told the information to seek me."

*Josiah Gulden Interview
October, 2006*



Introduction (continued)

Josiah – and millions like him who range in age from a decade older to a decade younger – are demonstrating a new type of relationship with the internet and World Wide Web. It includes connecting and communicating through Instant messaging with their friends, playing online games, downloading and sharing music, building spots in MySpace, watching YouTube videos (while many are creating and uploading their own), doing homework and research, looking for jobs, commenting on (or writing) blogs, performing their own shows as podcasts and much more.

This shift in internet use from passive to active is at the heart of their digital behavior and can be summed up in one word: participation. The mainstreaming of this participation culture is perfectly characterized by the Pew Internet and American Life Project as “Web is the New Normal.”

This is not a United States-only phenomena. It is a cross-cultural, global one.

TAKING A STEP BACK

When some sort of core, enabling infrastructure comes to the forefront and becomes accessible, it changes the opportunities for creation, invention and delivery (i.e., distribution) of products and services. People naturally gravitate toward it because it provides options that are better, cheaper and faster. The internet and World Wide Web are only the most recent examples of this taking place but there have been others which have produced paradigm shifts just as important to society:

Johannes Gutenberg’s printing press democratized the printed word, exploded literacy throughout Europe and enabled books, newspapers and other mass media to begin but did little to empower individuals to participate (though it certainly enabled learning, information gathering and more)

The telegraph and telephone empowered personalized communications, connecting people for business and personal affairs. The creation and explosion in mobile phone telephony – and the leapfrogging of wiredline infrastructure – by emerging world economies is enabling a new generation with communications possibilities never before seen

- The railroad, automobile and airplane – and their resulting supportive infrastructure – enabled efficiencies in physical goods and information distribution and delivery while simultaneously providing people with the ability to move themselves and their own communications (e.g, letters) from place to place quickly and efficiently.

“Web is the “New Normal” as the vast majority of teens in the United States, 87% of those aged 12 to 17, now use the internet. That amounts to about 21 million youth who use the internet, up from roughly 17 million when we surveyed this age cohort in late 2000. Not only has the wired share of the teenage population grown, but teens’ use of the internet has intensified.”

*Pew Internet and American Life
Project*



Introduction (continued)

- The personal computer came to market in the late 1970s (the 25 year anniversary of the IBM PC in August, arguably legitimized microcomputer use in business). The remarkable and seemingly endless possibilities of this machine, with its operating system to handle the machine and its housekeeping tasks like windows, menus, folders, etc., was clearly important. Yet it was the opportunity for applications to be built upon it by anyone with the skills and desire that has been nothing short of world-changing for everyone who has used them.
- The microcomputer has forever altered our acquisition of information, its management, manipulation, sharing, collaboration, publishing and value (as well as commerce, communication media creation, etc.). However, all of this may pale in comparison with the power of a global Internet, the capability of internet hosted or connected applications, and the potential of people with the knowledge, comfort and understanding of how to participate in this newly enabled world.

ENABLING TECHNOLOGIES

What is enabling people to so easily create media, publish their own pages and participate online in such rich, interactive ways? It will help as you read this report to consider the wealth of enabling technologies which have arrived and are empowering people to participate in new and compelling ways. The net effect of all of these tools is an increasingly available suite of offerings that empower, enable and assist people in participating in the Internet and many of the new applications built upon it.

Inexpensive personal computers (extraordinarily powerful PC's and Mac's) that can be purchased for far less than ever before and come bundled with an increasing number of applications as standard

- Consumer video camcorders (and digital cameras sporting video capture capability) which range in price from \$150 - \$2,000 and above
- A proliferation of applications to edit and produce video, audio and images; even free, open source ones exist (e.g., Audacity)
- Camera phones that have enjoyed increased penetration and demonstrable improvements in quality of both image and video capture
- Blogging software – both downloadable free or as free/paid hosted services now so widely available that Technorati tracks more than 57 million blogs





Introduction (continued)

- Hosted media sites like YouTube, Hipcast, Revver and others which allow people who have created their own video and audio to share it with others via their blog, MySpace or Facebook space, or web site
- Volumes of flash tools and widgets (little snippets of code one can place on a blog, web page or MySpace/ Facebook space such as that offered by WidgetBox)

The net effect of all of these tools is that there is an increasingly available suite of offerings that empower, enable and assist people in participating.

PARTICIPATION IS CHANGING THE FACE OF MEDIA

Choice allows people to choose. It sounds simple, but it is important to remember that anything large or small, dominant or niche, monopoly or immersed in competition, commercial or open source causes people to make a choice.

For example, once hundreds of cable TV channels appeared, the three dominant US television broadcast networks faced erosion in their market share as people opted for programming that had not been available in the past. Today's plethora of blogs, podcasts, videos online, social hubs and other attention-grabbing participatory media is shifting people's attention again. More and more, these new media options are the media of choice.

Some business leaders find it difficult to be convinced of the dramatic and accelerating shifts occurring – especially in the coveted 18-34 year old demographic – as the market turns away from TV, newspapers, radio, magazines and other mainstream media, but this is exactly what is taking place. Of course, this comes as no surprise to those who are already using digital video recorders (e.g., TiVo) to time-shift television and skip the ads, just as they ignore ad words, banner ads and other in-your-face attempts to entice us to click on them. Instead, it is their reality.

An August, 2006 Ad Age article entitled, "McKinsey Study Predicts Continuing Decline in TV Selling Power" opened with, "McKinsey & Co. is telling a host of major marketers that by 2010, traditional TV advertising will be one-third as effective as it was in 1990." Here are a few key aspects of the article...

- Thank a combination of older technologies such as cable, PC computers, cellphones, CD players, VCRs, game consoles and the internet, along with more recent ones – PDAs, broadband Internet, digital cable, home wireless networks, MP3 players, DVRs and VOD-- for those changes. And teens foretell an even more radical shift in future media consumption, the report points out: They spend less than half as much time watching TV as typical adults do. Teens also spend 600% more time online, surfing the web.





Introduction (continued)

- According to Forrester Research's most recent North American Consumer Technology Adoption Study, people ages 18 to 26 spend more time online than watching TV and are adopting new technology faster than any other generation. Because of that, they tend to be more receptive to blog, podcast and mobile-web ads.
- Last year [online media] was \$12.5 billion, by end of 2007 digital advertising will be \$18 to \$25 billion. ... So we're seeing a lot of growth, but if you want to match up share of attention and share of dollars it couldn't happen for that reason." The TV ad industry is a \$68 billion one.

All of this adds up to HUGE challenges facing the advertising community that are, in fact, quite different than just figuring out how to blast ads in to new media/internet distribution channels.

The primary reason for advertising is to drive awareness at the point where demand is seeking supply. Of course, creating demand, driving competitive differentiation and building brand are the other principal reasons advertising exists – which is getting tougher to deliver.

MEMES AND THE EMERGENT PARTICIPATION CULTURE

A meme is a piece of cultural information, defined by Richard Dawkins in *The Selfish Gene* (1976) as "a unit of cultural transmission, or a unit of imitation." "Examples of memes are tunes, ideas, catch-phrases, clothes fashions, ways of making pots or of building arches. Just as genes propagate themselves in the gene pool by leaping from body to body via sperms or eggs, so memes propagate themselves in the meme pool by leaping from brain to brain trackers."

Memes relate to this report because the Internet, Participation Applications and People are able – for the first time in human history – to transmit, communicate and imbue other cultures with their own respective cultural memes while also creating completely new ones that cross cultural boundaries previously based only on geography. Stop and think for a moment about the paradigms, concepts and deliverables possible on the Internet and through applications that are just emerging or don't yet exist which do, by their very nature, exist in the geography known as cyberspace. People around the world – who are connected, communicating, clustering and participating – will be creating new memes transmitting them to their own culture.

Cultural anthropologists will one day undoubtedly examine how collective wisdom, human connections and consciousness-connecting-capabilities, converged to allow people all over the planet to come together for fun, work, problem solving, co-creation or just ranting and raving.



Introduction (continued)

Massachusetts Institute of Technology (MIT), recognizing this potential, created the Center for Collective Intelligence. Their mission? While people have talked about collective intelligence for decades, new communication technologies—especially the Internet—now allow huge numbers of people all over the planet to work together in new ways. The recent successes of systems like Google and Wikipedia suggest that the time is now ripe for many more such systems, and the goal of the MIT Center for Collective Intelligence is to understand how to take advantage of these possibilities.

In another development pointing out the importance of the web as a focal point of cultural information, The New York Times had this article (BBC discusses it here) on November 2, 2006 about what two major universities – along with the inventor of the World Wide Web, Tim Berners Lee – are undertaking:

The Web has become such a force in commerce and culture that a group of leading university researchers now deems it worthy of its own field of study.

The Massachusetts Institute of Technology and the University of Southampton in Britain plan to announce today that they are starting a joint research program in Web science.

Tim Berners-Lee, who invented the Web's basic software, is leading the program. An Oxford-educated Englishman, Mr. Berners-Lee is a senior researcher at M.I.T., a professor at the University of Southampton and the director of the World Wide Web Consortium, an Internet standards-setting organization.

Web science, the researchers say, has social and engineering dimensions. It extends well beyond traditional computer science, they say, to include the emerging research in social networks and the social sciences that is being used to study how people behave on the Web. And Web science, they add, shifts the center of gravity in engineering research from how a single computer works to how huge decentralized Web systems work.

"The Web isn't about what you can do with computers," Mr. Berners-Lee said. "It's people and, yes, they are connected by computers. But computer science, as the study of what happens in a computer, doesn't tell you about what happens on the Web."

The Web science program is an academic effort, but corporate technology executives and computer scientists said the research could greatly influence Web-based businesses. They pointed in particular to research by Mr. Berners-Lee and others to build more "intelligence" into the Web — moving toward what is known as the Semantic Web — as an area of study that could yield a big payoff.



Introduction (continued)

Memes moving around the planet at the speed of the Internet; collective intelligence working together to co-create; an acceleration of knowledge and removing inefficiency; and possible downsides from subversives and terrorists better able to coalesce as a group. All of this stands before us as cultures (emphasis on the plural), just like individuals, become participative at an accelerating rate.

INTERNET, APPLICATIONS AND PEOPLE

In the following pages, the three pillars which have already enabled the Rise of the Participation Culture will be examined:

- 1) Internet as a Platform: We will observe how core industry standards, hosted application developers and other technologies have already coming together to form 'the perfect storm' of enablers that Tim O'Reilly has called "the emergent Internet operating system." This convergence has also been dubbed Web 2.0.
- 2) Participation Applications: We will discuss a few of the most powerful emerging applications – and trends – occurring, which have already created a myriad of compelling reasons for people to invest energy, effort, time and money into them.
- 3) We will present an overview of the People who use and rely on Web 2.0 in order to understand the demographic and psychographic makeup of those driving this culture of participation
- 4) Lastly this report will consider What's Next as we acknowledge today's Participation Culture trends and forecast what we might expect going forward.

EXPECTED OUTCOME

It is not realistic to assume that this brief, high level overview of the Participation Culture is anything but that...brief. Yet having an overview of what is changing with the Internet itself, the applications taking advantage of it and/or being delivered on the Web today, as well as some sense of its penetration into the culture is fundamental to participating in the world today and going forward. It is this report's goal to provide that overview.

The online version of this report (at www.wsjb.com/RPC/) has been populated with links which will allow you to go off on tangents and build a deeper understanding of many key areas.

Now on to the report...



Internet-as-a-Platform





Internet-as-a-Platform

“Peer-to-peer and Web Services are only the first steps towards the emergence of a distributed Internet operating system - a new platform for next generation applications that are device and location independent, and provide increasingly transparent services.”

Tim O’Reilly, Publisher

Web 1.0		Web 2.0
DoubleClick	→	Google AdSense
Ofoto	→	Flickr
Akamai	→	BitTorrent
mp3.com	→	Napster
Britannica Online	→	Wikipedia
personal websites	→	blogging
evite	→	upcoming.org and EVDB
domain name speculation	→	search engine optimization
page views	→	cost per click
screen scraping	→	web services
publishing	→	participation
content management	→	wikis
directories (taxonomy)	→	tagging ("folksonomy")
stickiness	→	syndication

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 http://www.oreillynet.com/pub/oreilly/tim/news/2005/09/20/what-to-web-20.html

The Internet has evolved beyond a simple, streamlined publishing medium for producers and a read-only one for consumers -- with ecommerce as a typical and integral part of many sites -- and has instead turned into a participative read/write Web. This read/write Web (dubbed “Web 2.0” by publisher Tim O’Reilly prior to his Conference of the same name in October, 2005) is a fundamental shift in leveraging the architecture of the Internet and key to the creation and delivery of Participation Applications.

Think of the Internet as the operating system for a host of applications and capabilities that are built and deployed upon this increasingly ubiquitous global infrastructure. This infrastructure is connecting people with compelling applications, peer-to-peer sharing methods (e.g., Napster, Bittorrent) and voice calls (e.g., Skype). It does so while taking advantage of fundamental building blocks which allow delivery of host of Web and other services, new applications and even “mashups” of multiple web sites or web applications that seamlessly combine content into an integrated, composite application experience. Tim O’Reilly’s seminal article on “The Architecture of Participation” articulated early-on this infrastructure and applications where user involvement was key.



Internet-as-a-Platform

As an analogue, an operating system in a personal computer handles basic tasks such as providing windows, menus and control programs which applications can use to recognizing input from the keyboard, sending output to your display, keeping track of files and directories on your hard drive and controlling peripheral devices such as printers. The operating system also acts as a traffic cop to ensure applications don't interfere with one another while also handling such key tasks as security.

Today's Internet infrastructure performs many of these sorts of operating system-like tasks over the Internet Protocol suite ("IP" or sometimes "TCP/IP") with methods such as the addresses you use to go to a web site (e.g., URL or Uniform Resource Locator). One benefit to you is that this infrastructure handles basic functions like managing all of the Internet domain name servers so that you can use the much easier to remember "http://www.Google.com" instead of trying to remember Google's IP address which is "http://72.14.203.99"

Tremendous effort, energy and brainpower have been expended to enhance, extend and refine the protocol stack as the Internet has evolved to provide better and more streamlined services at the level of the Internet itself. This has provided developers with a myriad of off-the-shelf capabilities, which they can use to bring new applications to market faster than ever before.

In addition to these stack protocols, many Web application developers have begun delivering Application Programming Interfaces (API's) which enable other Web application developers to either tap into what their application delivers or to easily interact between applications. It's these emerging Web services that are accelerating application creation and delivery.

APIs can, for instance, easily allow the core value proposition of a Web 2.0 application to be used by non-technical people and this area is getting quite exciting. The little snippets of code in an API, called widgets (Google calls them gadgets), allow a blogger, web site author or MySpace/Facebook social software participant to tap into the functionality of some other application. By cutting and pasting code, then inserting it into their online content, they can achieve the functionality of some other application within their Internet spot. Primary resources:

- Widgetbox is a directory of free widgets.
- Google has their own which they call "Google Gadgets"

How might a participative person use one of these to create something new as well as personalize content? Let's say that you are a person focused on healthcare and want to share what you are reading and learning with others. You have bookmarked dozens of favorite blogs, websites and organizations that you frequent to stay current on the latest information about the healthcare industry.



One example of how infrastructure-meets-applications-creates-new-one is found at ChicagoCrime.org. Here developers merged the publicly available Chicago Police department Citizen crime database into Google Maps. The result? An automatic plotting of the location of crime onto a map instantly (take a peek at this homicide example here). A highly useful, pleasant to view new Web application (or mashup) is the result.





Internet-as-a-Platform

You can head over to Rollyo (an acronym for rolling your own search engine which is, in effect, creating your own universe of searchable sites) and enter your favorite sites. Then you copy-n-paste the widget code and add it into the sidebar of your own healthcare-oriented blog or somewhere on your own web site. Now visitors can search within the defined set of sites that you deem important and useful. This personalizes the content and differentiates it from the typical millions of returns when searching in Google or MSN.

Another interesting widget is one offered by the voice over internet protocol (VoIP) provider, Skype. It shows any other Skype client whether or not you are online or available (your Skype Status) so any other on-line Skype user knows if you will take their call.

Clocks, calendars, eBay auction statuses, tiny web browsers (like picture-in-picture on a television), slide shows and more are available as widgets tapping into Participation Applications hosted elsewhere.

TECHNOLOGIES THAT ESTABLISH INTERNET AS A PLATFORM

Imagine you could have much of what you do on your desktop computer available from any computer connected to the Internet. Your data is then at your fingertips regardless of your location, but often Web applications feel slow, not snappy and somewhat unresponsive.

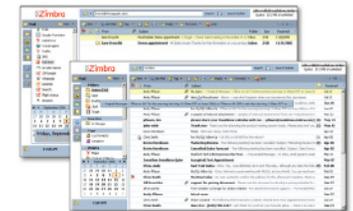
When a Web based application acts and feels like a desktop application, the promise – and increasingly the reality – of the innovation being built on top of the platform known as the Internet is being realized. There are several approaches moving forward that enable developers to provide you with all of the advantages to an Internet-based applications...but can make it feel responsive in some ways like an application that runs on your desktop.

Web 2.0 is the currently accepted name given this meme and this Wikipedia article states the core technologies well (and some comments have been placed in red on what these are and why you should care):

A Web 2.0 website typically features a number of the following techniques:

** Ajax-based rich Internet application techniques. These techniques provide desktop application-like look and feel for stuff that runs inside of a Web browser on – as we'll see in the section "What's Next?" – even out of the browser. Examples of RIAs can be seen here, here and here and these types of applications will materially change how you deliver or use Internet available data and capabilities over the next several years.*

** Non-Ajax-based rich Internet application techniques. Functionality that takes full advantage of dynamic Web coding techniques.*



Zimbra is one of many vendors that offer rich, Internet applications which not only meet and exceed the functionality of analogous desktop applications...they behave like them.



Internet-as-a-Platform

* *Cascading Style Sheets (CSS). An entire site look and feel can be described in a single CSS file easily be called by an application. Streamlines creating sites.*

* *Semantically valid XHTML markup and/or the use of Microformats. The latter, microformats, once adopted will accelerate information sharing. How? Let's take the example of calendars.*

You run an organization that regularly aggregates events into a central calendar for the use of your constituents. Today, it's laborious to go to each-and-every partner or other organization and gather every relevant event, populate and then publish your own calendar online. The "hCalendar" microformat already has been specified and calendars using this format would allow you to simply subscribe to all the other calendars and the moment a new, relevant event appears (one that you used to go gather manually) would automatically populate your own Internet-connected calendar.

* *Syndication and aggregation of data in RSS/Atom. These syndication protocols have accelerated the delivery of content be it podcasts, videos, or text from news sites or blogs. If you're not yet using the aggregation capability inside of your current browser (e.g., Firefox, Safari) or are using one of the free services like Bloglines or Newsgator, then you should be. Why? Imagine skimming dozens or hundreds of blogs, web sites and other "feeds" of content in a single Web browser window. It's extremely fast (vs. slogging through loading page-after-page while surfing the Web normally) and can enable you to stay on top of information you want or require more efficiently than you can imagine.*

* *Clean and meaningful URLs. Simply makes a site search engine, linking and bookmarking friendly (instead of like many database driven sites that are session-specific so you can't use the URL later to have that exact page rebuilt).*

* *Extensive use of folksonomies (in the form of tags or tagclouds, for example). These allow "taxonomies" (categorization) on-the-fly and are much more useful than expecting to build the perfect categories and let the user base figure it out.*

* *Weblog publishing. Transparent, direct, and authentic conversation is a must-have part of any current Web asset.*

* *REST or XML Webservice APIs. Exposure of the foundational functionality and value of a Web site or application, these approaches allow others to – sort of like the widgets described above – to consume and use the value they offer and incorporate it into new or existing applications.*

* *Mashups. Again, this approach is a website or web application that combines content from more than one source. As Web applications and Internet platform capabilities grow, you'll see many more of these appear.*



Called a "lubricant" of the Internet, syndication protocols like RSS have enabled podcasting, news aggregation and content syndication to explode.



Internet-as-a-Platform

* *Peer-to-peer (P2P)*. This one was added (thus no italics) since foundational methods of moving large amounts of data around are proliferating and you'll see much more innovation in this area over the next couple of years.

All of these are combining as building blocks to empower developers to create and deliver next generation Participation and other Web Applications...but the Web and other services being delivered take the building block concept even further.

COMMERCE PLATFORM EXAMPLE

Creating a world-class ecommerce infrastructure isn't trivial. Delivering recommendation ("People who've bought books like this one have also bought these") and personalization ("Wish list" and corresponding emails based on this and purchases) is expensive and difficult to do – and spending on the information technology to perform these tasks is considerable – so harnessing what's already built by a world-class player is prudent if its offered as a service by the company who has built it would cost far less (both in money and time) than to attempt to build it anew.

Amazon is one of the leaders in global ecommerce and they've created two paths for developers needing access to world-class commerce technologies:

1) *A blogger or web site owner can sell any Amazon-stocked good as an "associate" and obtain a referral fee if something is sold via their blog or site. They can simply select goods to sell and then cut-n-paste a special Associates link placing it on their web site or blog, "The Amazon Associates program was the first online affiliate program of its kind when it launched in 1996. Today, it is among the largest and most successful online affiliate program, with over 1,000,000 members world-wide. If you are a Web site owner, Amazon seller, or Web developer, you can start earning money today and earn up to 8.5% in referral fees."*

2) *For Web application developers it gets even better with Amazon Web Services: "Amazon has spent ten years and over \$1 billion developing a world-class technology and content platform that powers the Amazon web sites for millions of customers every day. Using Amazon Web Services, developers can build software applications leveraging the same robust, scalable, and reliable technology."*

BusinessWeek's November 13, 2006 cover story was entitled, "Jeff Bezo's Risky Bet, Amazon's CEO wants to run your business with the technology behind his Web site. But Wall street wants him to mind the store."

This paragraph from the article lays out Bezos' plan:





Internet-as-a-Platform

Bezos wants Amazon to run your business, at least the messy technical and logistical parts of it, using those same technologies and operations that power his \$10 billion online store. In the process, Bezos aims to transform Amazon into a kind of 21st century digital utility. It's as if Wal-Mart Stores Inc. (WMT) had decided to turn itself inside out, offering its industry-leading supply chain and logistics systems to any and all outsiders, even rival retailers. Except Amazon is starting to rent out just about everything it uses to run its own business, from rack space in its 10 million square feet of warehouses worldwide to spare computing capacity on its thousands of servers, data storage on its disk drives, and even some of the millions of lines of software code it has written to coordinate all that.

Amazon is one of the most visible companies offering these sorts of Web services...but this is a key trend that is directly related to the Internet acting in the role of a platform. There's going to be a lot of competition in this space, but that doesn't stop the enthusiasm of technical people who really understand the importance of having API's and Web services from which to build even more functional and robust Web applications than if they tried to deliver everything themselves.

In a recent post about the Amazon announcement, blogger Alex Iskold (edited by Richard MacManus) wrote, "Amazon Rolls Out It's Visionary WebOS Strategy". This one sentence about sums up the BusinessWeek article and the essence: Regardless of the provider, WebOS services are going to be utilized by thousands of companies - and will power the next generation of web applications. Amazon is at this point leading the charge of the big Internet companies to capture this potentially huge market.

If you're not familiar technically with any of the above (or aren't interested in reading up on all of them!), we'll look at several of these in the next few sections within the context of Participation Applications and What's Next. Suffice to say that these building blocks provide developers with the ability to create and deliver desktop-like, Web applications able to connect to others on the internet and end up more powerful connected than they are stand-alone.

A myriad of related tangents could be explored at this point. Other protocols, communications technologies, storage and the Semantic Web come to mind as some of the most compelling options. These topics, however, will have to wait as this report's focus will be on the hottest current trends in participation.

There is still work to be done to make the Internet a complete platform, but as we shall see in the next section entitled Participation Applications, there is an incredible wealth of applications already being delivered which take advantage of all that the Internet operating system provides today.

These applications have played a role in attracting people participating in and with them, and it is clear that they will continue to do so. Internet platform enablers and standards will continue to solidify as applications drive toward efficient, robust and enabling capabilities that will compel even more people to participate lest they miss out.



Participation Applications

Video, Podcasting, Photos, Moblogging



Syndication, aggregation & social promotion



Blogging



Social Sites





Participation Applications

“The web browser and the infrastructure of the World Wide Web is on the cusp of bettering its aging cousin, the desktop-based graphical user interface for common PC applications.”

*Mitch Kapor, Inventor/Entrepreneur
“When Browsers Grow Up”*



Whatever you call this next phase of the Internet -- be it Web 2.0; something “Live”; NextGenNet; FutureWeb -- there’s one thing that is crystal clear: business as usual is over. Society is moving into a new era that is changing due to the always-on Internet, the collective consciousness of the people that are connected through it, and the enabling Internet infrastructure and applications shifting how we socialize, conduct business, collaborate, create and play.

Even a cursory glance at the hundreds of Participation Applications that exist will clearly demonstrate that there are dozens of them in categories such as: calendaring, collaboration, communication, project management, video/audio/photo sharing, blogging, social connection, news and information aggregation. Most importantly, the value of these and other Participation Applications increases dramatically with the number of people involved with them.

In this section we will examine categories of applications that are inherently participative. Yes...this Participation Applications chapter could be lumped all together under the banner of “social software” but that’s simply too broad (for a deeper and more exhaustive examination of the category social software read this article). While still an overview, the section below approaches the topic from a more discerning point of view.



Participation Applications

NETWORK EFFECT

Before we launch into an examination of Participation Applications, it is important to first understand one effect of a world (and its people) that is not only networked, but also enjoys increasingly ubiquitous and always-on access. We will also examine why most of these applications become more powerful and valuable as the critical mass of participants using them increases. It is also useful to consider what drives people's use of these applications, and consequently what is spawning the Participation Culture. The network effect is key to understanding why the result of millions of people connected globally via the Internet is such a powerful catalyst that has already created the Participation Culture.

According to this entry about the network effect on Wikipedia, "The network effect is a characteristic that causes a good or service to have a value to a potential customer dependent on the number of customers already owning that good or using that service."

Wikipedia itself is a testament to the network effect in action. A completely free, user administered and "editable by anyone" encyclopedia, there are, according to this interview by Chris Taylor with founder Jimmy Wales, "over 3,000,000 articles. 1,031,000 of them in English, the rest spread across 200 other languages (and Wales says 2/3rds of them are in languages other than English). 150 servers worldwide. 104,600 registered users (note: actually 2.6M registered according to Wikipedia itself). Five billion hits a month. Since its conception five years ago, Wikipedia has become a cultural phenomenon. With detailed information on everything from the Falkland Islands to German Romanticism merely a search away, its immense popularity is easy to understand." Nearly 4,000 volunteer administrators ensure appropriate accuracy and maintenance is performed on the system.

eBay is an excellent example of the network effect in action. This service would have only limited appeal if the auction market was limited by geography or by categories of people. As it turns out, anyone connected to the Internet can be a seller and anyone can browse, bid and buy. Therefore even the most obscure item for sale (like this series of items for railroad buffs of the now defunct Great Northern Railroad) are available to the tiny number of potential buyers for these types of trinkets.

An online directory service such as LinkedIn increases its usefulness as more and more people participate, complete their online profile, expand their network and link to others and so forth. A LinkedIn directory with just a handful of participants wouldn't be much use to anyone.

Again, the point with applications of this nature is that they're only as good as the number of people connected to the network participating in them.





Participation Applications

Though it would be good to do so, going off tangentially at this point to discuss the economic, cultural and geopolitical implications of the network effect is far beyond the scope of this brief report. If you're interested in a much deeper and academic analysis which also touches on a shift I'm seeing (*non-monetary and non-barter value exchange which is changing the fundamentals of capitalism and economies through connections and participation via the Internet*), it'd be useful to read Yale Law Professor, Yochai Benkler's fabulous tome called, "The Wealth of Networks" (more on his wiki here).

CATEGORIES OF PARTICIPATION APPLICATIONS

There are so many different kinds of Participation Applications that we'll narrow them down to what we consider to be the top five and examine a handful of categories and few of the applications within each of them:

- 1) **Social Software (Community)**
- 2) **Media Creation and Sharing**
- 3) **Aggregation and Social Promotion**
- 4) **Personal and Group Productivity (Collaboration)**
- 5) **Gaming and Virtual Worlds**

Wait...with the exception of Aggregation...aren't all the others some aspect of social software? The answer is "Yes" and – while one could argue with the categorization and the choices within each category – the fact remains that enabling tools, the Internet platform capabilities and the applications built on top (and leveraging both) are facilitating an unprecedented level of human connection that cuts across the boundaries of the physical in new ways.





Participation Applications > 1. Social Software

1. Social Software



Social software enables people to connect, interact, converse and cluster in communities online -- whether they are actual organized communities or ad hoc collections of people. While many of the concepts and features in social software applications were already well thought out and implemented within bulletin board services, Usenet, mailing listserv's and other early Internet communication methods, today's social software is less left-brain, linear and serial in nature. It is also more graphically rich, intuitive and replete with features that allow people to interact online in compelling, fun and innovative ways.

As a consequence, many of these offerings have become much more accessible to savvy yet non-technical users that just happen to have broadband connections, a variety of tools and a strong desire to connect with other like-minded people.

Features abound. Customizing one's space in a social hub like Facebook is fun and simple. Adding music, YouTube videos or custom graphics is even more so. Inserting oneself in to a directory liked LinkedIn, or populating a profile in any of these hubs, allows people to be found, to find others, and to build both reputation and trust as were as an online, virtual method currently allows.



Participation Applications > 1. Social Software

Consider how ubiquitous instant messaging (IM) became, first with the technical but free Internet Relay Chat (IRC) and later commercial offerings (e.g., AOL IM, MSN, Yahoo). IM was a thin, lightweight application that sent tiny amounts of data across modems (and later broadband, which allowed multiple, simultaneous conversations over IM to occur) and became de rigueur for the teenagers who initially embraced it. Others followed rapidly. This kind of groundswell communications ubiquity was a pretty good indicator of today's more efficient social hubs and connection software (e.g., blogs) and is now a built-in feature of many of them.

It is possible to visit these hubs without participating, yet doing so is not socially acceptable. The look-only visitor becomes a "lurker" in a voyeuristic way that turns people off. Only by signing up for membership, adding a profile and participating can someone build trust, engage with others, and tap into the value of being a member.

BLOGS

No examination or discussion of social software would be complete without starting with the ever-present weblog or "blog."

Begun as a way to create a personal journal online in reverse chronological order (so the most recent post is the first one on the page...and older posts roll off into an archive), they've evolved to become political and social change-agents (Michelle Malkin, DailyKos, BoingBoing) to technology pundit and gadget showcases (TechCrunch, Engadget) to entertainment (ZeFrank) to the poignant (PostSecret) and about anything else you could imagine.

When thinking about blogging as social software, many people's reaction is to be puzzled as to why blogs would be considered as social software. Blogs are considered social since the core capabilities of blogging encourage participation, connection and conversation.

Permalinks (permanent links to a specific post) allow a blogger linking to some other bloggers post to ensure that their reader can find that exact post when they click on the link. If permalinks didn't exist, the blogger linking would be sending readers to another blog with little hope of finding where the post is located. Trackbacks alert a blogger when another blogger has linked to them in a post. Comments below any given post (if turned on by the blogger) allow readers to engage in the conversation presented by the post: differing, agreeing, pointing out other articles and more. All of these are powerful catalysts within what's called the blogosphere and they encourage conversations between bloggers and those who read and comments. It's a fluid, dynamic and rich medium.

Memetrackers (e.g., Techmeme, Tailrank) have become an important way for readers, bloggers and interested others to tap into these conversations going on within the blogosphere. These Internet tracking applications have complex algorithms that watch the most-linked-to thought leading bloggers and those who've connected to them through their own posts.



Blogs have gone beyond simple personal publishing. Memetrackers (e.g., Techmeme) 'watch' the conversations in the blogosphere and blog search (e.g., Technorati) does some memetracking and much more.



Participation Applications > 1. Social Software

With these mechanisms and the energy, effort and enthusiasm of bloggers themselves, the blogosphere has become a truly fabulous method of connections socially (though it should be noted that spam blogs have proliferated placing much noise in to the blogosphere).

This page about Social Software (Community) will take a brief look at the top Participation Applications in the social networking space with a focus on what is available today:

SOCIAL NETWORKS OR “HUBS”

After being acquired by Rupert Murdoch’s News Corporation for an unheard of \$580M, MySpace has become a much talked about and analyzed Web application offering. Like others where the network effect has been realized, MySpace is only as good as the number of people involved and participating – and there are many!

According to a post by a senior executive at the public relations firm Edelman (Steve Rubel), a colleague sent over some staggering statistics about MySpace that got his head spinning:

- It is the largest online social networking portal on the web*
- It has 61 + million registered users with 21+ million unique visitors (Media Metrix)*
- It’s the second largest destination on the web, by page views*
- It splits 50.2% male, 49.8% female*
- They reach more men online than ESPN and reach more females than iVillage.*
- The primary age demo is 16-34*
- They have 1.4 million registered bands, 350,000 band blogs*
- The site attracts 220,000 new registrants daily*
- There are 50,000 groups including fashion, health, wellness & fitness, sports and recreation, music, film, TV, etc.*
- And last but not least it costs \$35,000 to launch a profile for marketing purposes.*

There are literally dozens of social networking sites whose sole mission is to discover ways to connect, link or otherwise engage people. A few notable ones are (some descriptions courtesy of Wikipedia):

Classmates: *started in the mid-Nineties to link together high school and college alumni*

Ecademy: *partly used for the building of contacts between people in business, but also used to advertise products and services*



Social “hubs” like Facebook, MySpace and the clever People-Aggregator, have engaged tens of millions of users and connected people across geographies, ethnicities, class and other social barriers while simultaneously accelerating the coming together of people in tight, like-minded clusters.



Participation Applications > 1. Social Software

Facebook: a social networking service for high school, college, university, corporate, non-profit, military and geographic communities primarily in English-speaking countries. As of December 2005, it had the largest number of registered users among college-focused sites (at over 7.5 million US college student accounts created with an additional 20,000 new accounts being created daily). According to this Wall Street Journal article (and lots of buzz in the blogosphere about it), Facebook is the next site to be sold and the price being discussed is US \$1B.

Gaia Online: more along the lines of traditional community bulletin board(BB)-like services (1,865 BB services are tracked by Big-Boards) there are nearly 5M registered users and a very active community having logged nearly 850M posts.

Imeem: is a social media service where users interact with each other by watching, posting, and sharing content of all media types, including blogs, photos, audio, and video. In one sense, imeem is a media-centric social network service, and in another sense, it is also a user participation service for online content. The website has both a social network structure as well as a content browsing/filtering structure similar to that of flickr and YouTube.

Last.fm: Last.fm is an Internet radio station and music recommendation system that merged with sister site Audioscrobbler in August 2005. The system builds a detailed profile of each user's musical taste, showing their favourite artists and songs on a customizable profile webpage, comprising the songs played on its stations selected via a collaborative filter, or optionally, recorded by a Last.fm plugin installed into its users' music playing application.

LinkedIn: is a business oriented social networking site, mainly used for professional networking. As of September 2006, it had more than 7 million registered users, representing 130 industries.

OpenBC: (short for "Open Business Club" (Note: new name XING to become effective soon) is a social software platform for enabling a small-world network for professionals. It is used by people from over 160 countries, albeit the majority of users are Germans. openBC is the only multilingual social business network allowing professionals to establish networks internationally. Languages currently available include English, German, Spanish, Polish, Italian, Portuguese, French, Dutch, Chinese, Finnish, Swedish, Japanese, Turkish and many more. By displaying how each member is connected to any other member, it visualizes the small-world phenomenon.





Participation Applications > 1. Social Software

Playahead: *Playahead is a large Internet community mainly aimed at Swedish teenagers. The site was founded in Helsingborg in 1998 and claims to have 1 million members, making an average of around 10 million logins per month. As of September 2005 the site had an Alexa rank of around 2,000.*

Tagworld: *is an Internet start-up competing directly with MySpace. It advertises greater customization than MySpace, and tagging support for most of its content. Tagworld has a notable feature of being able to upload 1 GB of music, pictures and videos to the site for later playback from anywhere with an internet connection. Some other features include blogging, uploading pictures and videos, and seeing who has viewed a users page. The web site launched November 2005 and by June 2006, it had passed the 2M member mark.*

Vox: *is an Internet blogging service run by blogging company Six Apart, which launched on October 26, 2006 (SixApart was founded by Ben and Mena Trott, creators of the blogging software Movable Type, as well as the company that owns the Typepad and LiveJournal services). The service is more focussed on social networking features than other blogging platforms, such as Wordpress and Blogger.*

Yahoo360: *is a personal communication portal similar to orkut and MySpace, currently in beta testing. It integrates features of social networking, blogging, and photo sharing sites. It's mentioned here since it's offered by Yahoo.*

Windows Live Spaces: *(formerly MSN and WLSpaces for short) is Microsoft's Social Networking platform. The site was launched in early December 2004 as MSN Spaces, with the aim of allowing its users to reach out to others by publishing their thoughts, photos and interests. With this goal, Windows Live Spaces finds itself competing with similar services like MySpace and Yahoo!'s 360°*

Zaadz: *Though the Wikipedia article currently has several red flags on it (quality standard concerns; doesn't comply with Wikipedia's neutrality approach; sources cited are self published), this is worth mentioning as a service since it's one of the first, large, socially conscious social networking sites (though other forums have existed...none were explicitly geared to online, participative users). "Zaadz sets itself apart from other social networking services by its high ideals, great deal of transparency, and unique features which are not found in other social networks. Zaadz is also very explicit in its mission of "changing the world."*

Wow. Those are a lot of Participation Applications vying for participants! So what happens when people join multiple social sites?



Participation Applications > 1. Social Software

NETWORKS OF NETWORKS

Every one of us has multiple identities, affinities and interests. We might be a parent, an employee, a scout leader or coach, member of a religious organization, affiliated with a political party or part of a knitting club. Each of us are already connected to clusters of groups in many different ways.

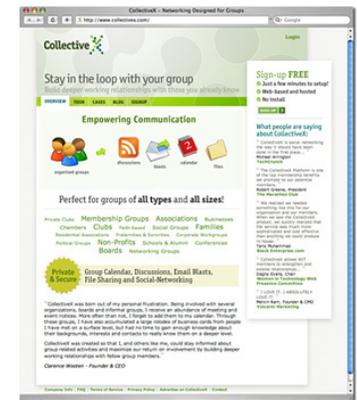
Since many of us have entered the Participation Culture and are actively taking part in online networks and communities, managing multiple profiles, interactions online, keeping track of each of them is becoming as difficult as staying on top of industry or general news...there's just too much information coming at us at all times.

It's the same challenge Josiah Gulden had (see Introduction) and he is writing software to manage it. There are, however, companies looking specifically at how to manage networks-of-networks. Two of them are:

PeopleAggregator (PeepAgg): For users, this hub can aggregate their friends, all their stuff (like music, videos, links, etc.); for network operators they can setup their own network/hub/community; for other Web developers to tap into PeepAgg or for PeepAgg to consume their services. It's a problem solver for the multiple-affinity issue we all face and which is only going to accelerate going forward.

CollectiveX: states that they are a "...web-based service that enables members of organized groups – such as alumni associations, non-profits, membership and social groups – to maximize return on involvement through private, secure communication and social networking.

CollectiveX was designed with simplicity and ease-of-use in mind. Features include: member profiles with objectives and key connections, group calendars, discussions, email blasts and file sharing."



CollectiveX provides the ability to set up groups, join other CollectiveX groups, and access any of them from a popup menu after logging in (as well as manage a single profile and other streamlining of handling multiple group affiliations.

The market will continue to see an acceleration in networks, hubs, memetracking and other tools to assist with keeping tabs on:

- Groups or activities an individual is associated with
- All of that person's friends
- The things that interest each person.



Participation Applications > 2. Media Creation & Sharing

2. Media Creation & Sharing



Taking photos with a digital camera (or smartphone with one built-in) and uploading it to a Flickr account so you and others can tag the photos. Shooting video, editing it on a computer and uploading it and sharing it with your friends. Deciding on a show format, grabbing a PC microphone and creating a podcast delivered when complete through iTunes. Ripping a DVD to a computer hard drive, encoding it, making a torrent file and sharing the movie with the world. These examples -- and dozens of others -- are increasing at a dramatic rate due to both a new generation of affordable and easy-to-use content creation tools and a wealth of media sharing Participation Applications available on the Internet.

Shared experiences. It's what's missing in cultures where mass media has become micro-media. We touched on meme's in the Introduction but how are they transmitted through the culture? How do they hop from culture-to-culture? Or is there a new, Internet-centric culture forming that crosses tribal, geographical, racial and other lines? Why all the buzz about user-generated content?



Participation Applications > 2. Media Creation & Sharing

In the U.S., people used to stand around the water cooler and ask, “Hey...did you see what happened on The Tonight Show last night?” Virtually everyone had seen that program since choice for TV viewing was low. Today the question is, “Man, have you watched that Diet Coke/Mentos video?” The difference with YouTube is that it is easy for a blogger or MySpace user to simply embed the video they want someone to view (streamed from a YouTube engine)—like what you see below—and for the viewer to watch it whenever they have the time.

YOUTUBE AND PARTICIPATION

Nearly everyone has heard about the recent acquisition of the video hosting/sharing site YouTube by Google. Less than two years old (YouTube was founded in February of 2005), the critical mass of users and viewers that YouTube had achieved was astounding:



Speculation has it that YouTube’s role as a mass distribution hub for video that also micro-serves content to narrow audiences offered Google extremely focused and targeted advertising sales opportunities, perhaps even at the level of an individual consuming videos. But what was YouTube’s secret sauce and why was it so instantly successful? Like anything, the answer is complex, but YouTube summed up their value proposition in a press release describing their focus in these three areas:

- 100 million videos served per day (as of July, 2006);
- 2.5 billion videos were watched on YouTube in June, 2006; its videos account for 60% of all videos watched online in the US;
- 20 million monthly visitors, according to Nielsen/NetRatings.

Why did Google buy them? The strategy is for anyone outside of Google to guess, but if you think about YouTube as a mass distribution hub for video that can also micro-serve content to narrow audiences, you’ll get a sense of how Google might monetize this acquisition with extremely focused and targeted advertising...perhaps down to the level of an individual consuming videos.

What is YouTube’s secret sauce and why was it so instantly successful? Like anything the answer is complex, but YouTube summed up their value proposition in a press release describing their focus in these three areas:

1. Watch Your Favorite Videos: Anyone can watch, search for, browse the public videos on YouTube. Users also can register for a YouTube account and create a personal network of videos.



Participation Applications > 2. Media Creation & Sharing

2. Upload Your Coolest Clips: Prior to YouTube, the burden was on the user to figure out how to make videos available on the Web and to support multiple media players and hundreds of multi-media formats. Videos are turned into a Flash video, making them viewable through every major Web browser, including Internet Explorer and Mozilla Firefox. Flash is available to 97 percent of Internet users.

3. Share Your Video Experiences Everywhere: Once uploaded, users can make videos public or share them only with specified users such as friends and family. Video sharing on YouTube is not limited to www.YouTube.com. (NOTE: This is the most powerful, participatory feature!) Through its video embedding feature, YouTube allows users to stream videos, both personal and public ones, across the Internet on other Web sites. For example, users can insert their favorite YouTube videos into their MySpace profiles, blogs or personal Web pages. Even as viewers watch videos across the Web, they can immediately share a video through e-mail from within the video player itself.

That last piece was, in our view, the secret sauce that spread YouTube everywhere and spiked participation to unheard of levels (though automagically transcoding videos at the server level – to Flash – made it incredibly simple for users). Yes, there are deep concerns about copyright violations, that dumbed-down, mass videos are the “cotton candy” of nutritional information gathering and not worth watching, and safeguards surrounding content aren’t strong enough, but the fact remains YouTube provided a means for the participation of people to leap forward.

Video editing, hosting and sharing applications are almost too numerous to count (see “Online Video Sites Breeding Like Rabbits” TechCrunch, April 2005). Cheap camcorders, digital cameras and smartphones that can capture video, computer recording and video ripping capability, and other methods have come together to make video content the key Media Creation and Sharing Participation Application.

Media Creation and Sharing goes far beyond video though...





Participation Applications > 2. Media Creation & Sharing

DIGITAL PHOTOGRAPHY

Digital photography was one of the first Participation Application types where sharing was a key attribute to what was offered.

Ofoto (now Kodak Gallery), Shutterfly, Smugmug, Webshots, Pbase, Fotki, Dropshots are just a few of the myriad of digital photo applications that allow consumers to upload, print, and share albums with friends and family. It wasn't until Flickr (now part of Yahoo) came on the scene that the paradigm of sharing shifted.

Flickr (acquired by Yahoo) was the first to allow tagging of an image. This was quite a powerful paradigm shift since it enabled the photographer to tag sections of an image, allow others to tag it, and also share it with a private group or make it public.

People could attend a conference, take photos, upload and tag them, and then invite others to the online album to do the same. As a consequence, photos could now be a much more interesting and involving representation – and go far beyond simply placing captions on the photo – with different perspectives (in notes), sets of images that could be cross-shared with others due to tags (group photo pool), ability to blog a photoset or just a specific image (a precursor to the powerful YouTube model) and, of course, being able to order prints.

With the advent of smartphones with built-in digital cameras (and many sport camcorder capability too), photo sharing sites have accelerated delivery of capabilities to automatically upload phone camera images into an online account. Though the quality of these images rivals only the lowest end, inexpensive digital cameras on the market today, the immediacy of image capture and uploading (and thus providing access to the photos in near real-time) is a powerful combination.

Moblogging (mobile + blogging) is a capability that is finding increasing acceptance. Typepad, the blogging service from Six Apart, recently introduced Typepad mobile, an application that allows a fairly complete blog post to be created and delivered all while moving through space and in almost real-time.





Participation Applications > 2. Media Creation & Sharing

AUDIO

Music uploading and sharing has been around for several years and was first popularized by Napster. Much has been written about this phenomena (is it piracy? Sharing? Fair use?) and – though relevant to this discussion – it’s prudent to focus on areas that are occurring now and going forward.

While audio streaming technologies, creation applications and equipment had become fairly common with the advent of the personal computer, the combination of computer power, enabling digital audio tools, a small device called an iPod, Internet sharing and that little something called RSS – has enabled several different things to occur:

Inexpensive (or free in the case of Audacity) audio editing programs like Adobe Audition and Apple’s Garageband have enabled a wealth of content to be produced in homes and businesses

Digital audio tools such as the portable M-Audio Microtrack, USB or Firewire sound boards, lower cost microphones and other equipment has made high quality audio recording more affordable

RSS and Internet sharing incubated and exploded into something dubbed “podcasting” in 2003.

Technologist Dave Winer and former MTV DJ Adam Curry collaborated on a way to use RSS syndication “feeds” to create a “podcatcher” program (really an RSS aggregator) that would allow someone to subscribe to an RSS feed and automatically receive the next audio file, download it, place it in the podcatcher program which, in turn, would then place the audio file (usually an MP3) in iTunes. The next time that iPod owner sync’ed their device to iTunes, they received the updated show.

Curry became the de facto godfather of something dubbed “podcasting” and created a show called The Daily Source Code. It took roughly two years to develop this process until it gained a critical mass of more than 10,000 podcasts. Then, in the summer of 2005, Apple added podcast subscription support to iTunes and the result was a legitimizing and acceleration in adoption of podcasts and the concept.



Audio editing software has become extremely easy to use and powerful...and increasingly positioned for consumers



Apple’s iTunes has a robust podcast directory with thousands of shows -- many from mainstream media outlets.



Participation Applications > 2. Media Creation & Sharing

NON-PROFIT ORGANIZATIONS

It's not just for-profit companies leaping into citizen media and participation.

The Participatory Culture Foundation and Ourmedia are two entities that are focused on the democratization of media and that generated by citizens. These types of organizations are important since most of the commercial sites have agreements, terms and conditions and practices that have licensure that allows the commercial site rights to re-purpose and re-use media in a multitude of ways.

Treemo, Creative Commons' "CCHost" and others have a variety of missions that are focused on enabling, empowering and providing concerned, progressive and active citizens with forums that are non-commercial in nature for participation and sharing.

IMPLICATIONS OF MEDIA CREATION AND SHARING

There are other aspects to media creation and sharing (once again) that's beyond the scope of this report. Licensing, copyright, formats, and other issues are still unresolved.

We believe that there will be a continued evolution and drive toward efficiency that will cause clustering around topics or interest groups and also take advantage of some of the enterprise class tools (e.g., Virage) for enhanced searching and discovery of content.

Expression in video, audio, imagery, writing and other methods has only just begun with Media Creation and Sharing.





Participation Applications > 3. Aggregation and Social Promotion

3. Aggregation and Social Promotion

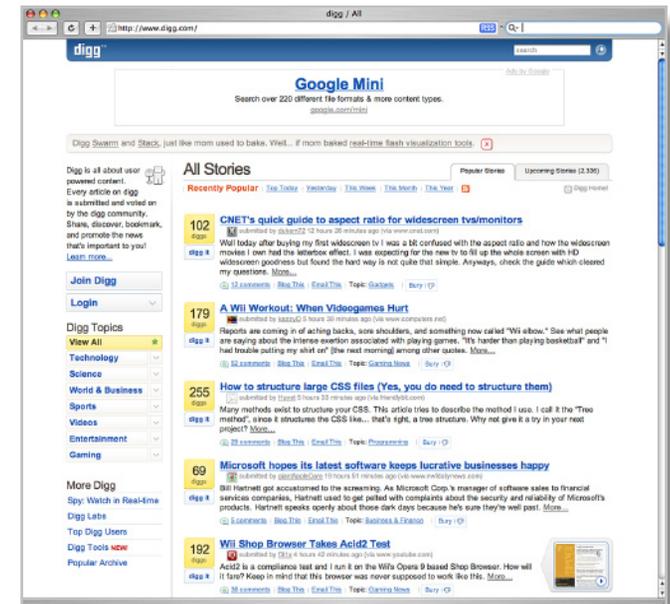
“It’s clear that the Web is structurally congenial to the wisdom of crowds,” says James Surowiecki, author of the book “The Wisdom of Crowds.” “The central idea is harnessing collective intelligence” says publisher Tim O’Reilly, a man at the intersection of technogeek culture and the Participation Applications being delivered in the Web 2.0 meme. Aggregation can bring together the information and the data...while people can collectively choose, vote and promote their favorite photos, news articles, and other user-submitted content the deem the best for truthiness, the most interesting or most relevant through their collective wisdom (or to the cynical) their collective prurient interests.

Virtually every social network/community offering has some mechanism for “most popular,” “most read” or a way to point out the most relevant or newest. It’s all about choose, vote and promote. The collective input and participation of members, readers, listeners or viewers is what adds value to the site. Participants choose what interests them, “votes” by taking some action and consuming the content, and then the site promotes the content higher and higher in ranking based on user activity.

A great example of this is the site Digg.com. People register, add articles (usually with provocative headlines and abstracts to entice readers to click on their submission) and the more frequently readers click to read one (or “digg” in Digg parlance) the higher it goes in the rankings...eventually ending up on the front page.

This “social promotion” of content is a capability increasingly being used to harness collective wisdom.

Newsvine is another example of social promotion but with some twists: most of the content is provided through feeds from the Associated Press, but people can “seed Newsvine” with their own articles via a handy link one can drag-n-drop into their link bar in a web browser. Then wherever they’re surfing on the Web and find an article worthy of “seeding,” they can click the link and do so on the spot.





Participation Applications > 3. Aggregation and Social Promotion

“Columns” can be written (they’re really blogs) inside of Newsvine and reputations can be had by columnists who seed the best articles and, most importantly, have their articles read and promoted by readers to the front page.

WISDOM OR WACKY?

YouTube is often slammed at the “lowest common denominator” results of the wisdom of the crowds. In a recent “most popular videos” list was a video of the “Bunny letter opener” and the smart pet rabbit that could nibble on a letter and open it. Wacky? Yep. But also on the list were several political ads (this report is being finished just prior to the November elections).

Digg is similarly denigrated for the crassness of submissions seemingly targeted just for clicks and promotion. On a recent front page were both, “ABC News: Republicans Accepts Money From Army Porn Movie Distributor” and “My topless sunbathing neighbour.”

Newsvine’s “Most Votes” among the seeded articles were:

- Evangelical Leader Says He Bought Meth (63 votes)
- If You Are against the War, Take This Quiz (45 votes)
- Killing Microsoft Quietly (28 votes)
- Radio Host Fired Over Candidate Insult (22 votes)
- Republican Candidate’s Remark that White House has Iraq Plan Draws Laughter (22 votes)
- Marriage Measure Is an Amendment Too Far (21 votes)

Actually, that’s a pretty impressive balance (and the Newsvine list is pretty serious stuff). So perhaps this collective wisdom of the crowds is a benefit?

Several categories of social promotion exist such as social bookmarking (e.g., del.icio.us, Stumbleupon, Yahoo’s MyWeb and other bookmarks sharing sites), tagging (e.g., Suprlicious, Zoomclouds), reviews (e.g., Reevoo, Yelp) but all share one thing in common: the collective wisdom and input of the people participating.

AGGREGATION

Information and data aggregation is a cinch due to wide availability and use of syndication feeds (i.e., RSS or Atom). These syndication protocols enable updated content to be consumed in a variety of ways. We’ll look at two: news aggregators and portals...but virtually any feed can be captured and utilized broadly.



*“Hahaha”, a YouTube video about a baby laughing hysterically, is indicative of some of the videos on YouTube. As of 11/25/06, this short video has received **5,266,766 views.***



Participation Applications > 3. Aggregation and Social Promotion

News aggregators like Newsgator, Bloglines or Google Reader allow Web users to surf to a blog, web page or other offering that delivers a “feed”. Wikipedia describes RSS as, “RSS is a simple XML-based system that allows users to subscribe to their favorite websites. Using RSS, webmasters can put their content into a standardized format, which can be viewed and organized through RSS-aware software or automatically conveyed as new content on another website.”

How many people actually use aggregators to consume content? There isn’t yet reliable data (though some have done analysis) but estimates are in the low single digits. Still, it’s a growing trend as people try to stay on top of – and track – the participation and activities of others or just keep track of the latest news.

It’s important to note that the memetrackers mentioned earlier (i.e., memeorandum, Techmeme, Topix, etc.) wouldn’t exist without feeds to aggregate and promote (through their algorithms) based on cross-linking and fresh postings.

PORTALS

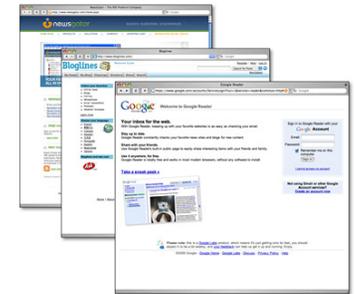
Enterprises for years have been enamored with portals as single sites which aggregate – or provide windows in to (similar to the widget concept) various business applications – and deliver personalized or relevant information to each-n-every employee on the company intranet or to a customer, prospect or other constituents.

The portal concept with Participation Applications isn’t much different in its intent...but instead is focused on providing simple, easy to use tools for individuals or groups to pick-n-choose the content that will be delivered through their portal.

While most people aren’t technical enough (or care) about the protocols and technical underpinnings of aggregation (OPML, XML feeds, etc.) they do care about applications that make their life easier, more knowledgeable or simply more informed.

The feeds are there...both from traditional news and information organizations and certainly from user-generated content. Participation Application companies are increasingly offering streamlined, easier to manipulate and setup portals that can bring together everything people care to aggregate from the Web into one spot with one interface.

The collective consciousness, crowd wisdom, smart mobs are all descriptions of the clustering and participation of people within these new virtual spaces and the Participation Applications drawing them closer together and helping the rest of us understand what the collective consciousness deems relevant, interesting, most humorous or enough out of the ordinary to warrant attention.



News readers or “aggregators” allow subscriptions to “feeds” and provide users with the ability to read or skim hundreds of articles in a single browser window.



Portals with desktop look-n-feel, that exhibit dragging of page elements and other manipulate behaviors -- as well as the capability to personalize and customize them -- are being introduced at a rapid pace.



Participation Applications > 4. Personal and Group Productivity (Collaboration)

4. Personal and Group Productivity (Collaboration)

Creativity. Innovation. Teaming. Efficiency. Collaboration. Projects. These are some of the words used to describe how we individually or collectively invent, manifest and deliver value. Each one of them is being fundamentally altered by the Internet, the applications and the critical mass of others coming together to participate.

TAPPING INTO COLLECTIVE WISDOM

The wisdom of the crowd is increasingly being examined as ways to enhance, improve and innovate by finding ways to engage customers, employees and prospects in unique and creative ways by building places online in which they can participate to guide, advise and shape direction and strategies for a company's products or services.

A Forbes article entitled, "Collective Opinion" profiled one company that discovered a way to tap into the collective wisdom of customers:

"For years toymaker Lego rarely strayed from peddling 100-piece building-block sets that typically sold for \$15. That's what customers were telling it to do—the customers participating in focus groups, that is. This venerable market-research tool puts a dozen ordinary folk in a room to talk about products while market experts listen in.

Yet a few years ago Lego unveiled a blockbuster product that was a radical departure from anything else in its 73-year history. The Star Wars Imperial Destroyer debuted in late 2002 as Lego's largest and most expensive set ever, at 3,100 parts and a \$300 price tag. Its first production run, planned to last a year, sold in less than five weeks.

This winner came out of a different sort of focus group, one with 10,000 players. These were Lego customers responding to an e-mailed invitation to participate in an online popularity contest for new product ideas. The participants saw short lists of proposed toys, six at a time, and clicked on the





Participation Applications > 4. Personal and Group Productivity (Collaboration)

ones that sounded appealing. They'd rank their choices and, if they felt creative, suggest a new idea. These ideas were fed, in turn, to other customers for popularity scoring against the ideas from Lego's own toy creators. The new suggestions, in turn, got creative juices flowing among still other players in the game. Virtual brainstorming, you could call it."

What Lego has done (using a company called Informative's software) is to automate the collection of their customer's wisdom and guidance and thus accelerate innovation. While it's tough to test not-quite-finished consumer goods like Lego produces (vs. how an Internet company might actually deliver a not yet ready Web application), participating customers enables a company to float many ideas by them and it's these potential buyers that will help hone the product offering, modify or add to the prototype or concept, or even suggest new products or approaches.

Business and organizational leadership are realizing the power of tapping in to the collective consciousness that is represented by the millions of people who are connected in to the global Internet network. Imagine what's going to happen as this brainpower is harnessed to solve problems, focus on need, suggest and recommend products and services not yet invented, and let their intentions known. Organizations and governments will be better able to predict behavior and respond faster. Fortunately, companies like Informative, Google, Technorati and others understand that this collective consciousness is there and are rapidly trying to figure out how to tap in to this thought-stream.

PERSONAL AND GROUP PRODUCTIVITY

When most enterprise customers look at groupware (a category of team collaboration software) the objective has always been to foster stronger, more focused communications amongst team members striving toward a goal as well as to help them be more productive.

In the Participation Applications arena, that is certainly one benefit of personal and group productivity, but the real benefit is the acceleration of communications, streamlining of business processes and increased efficiencies in coming together for a purpose.

Even today – with the millions of dollars expended on groupware and other collaborative software applications – finds the small, midsize or large enterprise organizations sending around emails with “payloads” attached (.doc's, spreadsheets, Powerpoints, etc.). The result is an inability for team members or leadership to have a “single version of the truth” that all can focus on and be guaranteed crucial data is in one place.



Shared spaces with project management, document sharing, email and group management are just a few of the features available with group productivity applications.



Participation Applications > 4. Personal and Group Productivity (Collaboration)

Individuals, small teams, small-to-midsize businesses (SMB's) all have difficulty collaborating with an increasing number of other people who more frequently today are geographically disbursed. Thus many different online, hosted Participation Application approaches have come to the forefront such as Basecamp, Central Desktop, Foldera, Jotspot (acquired by Google) and many others (see Categoriz.com for links to dozens of Participation Applications).

In the early 1990's, developer and inventor Ward Cunningham created the WikiWikiWeb (now shortened to "wiki"). It's essence? To enable the creation of editable Web pages in a structured way. Rather than force users to login to a back-end management interface, enter content and the "publish" it to a page, the wiki placed an "edit" link on a page or piece of content.

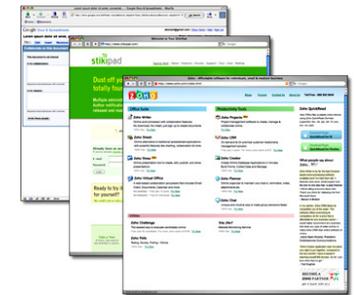
This is a powerful capability for people as it doesn't force a user into a "mode" (like an editing mode that loads a new Web page) that's different than what they want to accomplish ("I want to edit this paragraph on this page I'm reading"). Shifting modalities between an administration interface and a presentation interface isn't natural for most people and is slower, so wiki's have ended up being a more efficient way to edit content on Web pages while also being easier for non-technical or untrained users.

One example of collaboration that takes this idea of a wiki to a logical end was the introduction of the online word processor, Writely (acquired by Google – along with their release of a spreadsheet application – and the suite is now called Google Docs and Spreadsheets).

Many non-technical users who've tried to understand and struggled with the wiki metaphor of direct editing, found the Writely collaborative capability to be nearly identical to using a PC-based word processor. The result? Nearly zero learning curve and a high comfort level with using Writely.

While these applications are easier to use (and more becoming so) not all is perfect. There are obvious data integrity (are you backing up my information and is it safe?), security (who can see my data?), privacy (are you datamining my data to wrap advertising around it?) and other issues not currently understandable by the masses...since discovering how these issues are being handled by the hundreds of Participation Application offerings is pretty difficult.

While a discussion of the power of collaboration potential is beyond the scope of this document, in a day of an increasingly transient, outsourced and telecommuting workforce, terrorism, bird flu pandemic, energy costs and global warming issues and other trends, understanding how embracing Participation Application in risk management causes us to ask this question, "Will external forces accelerate the Participation Culture?"



Word processors, spreadsheets, calendars, online storage spaces are all part of both personal and group productivity Participation Applications.



Participation Applications > 4. Personal and Group Productivity (Collaboration)

RISK MANAGEMENT WITH PARTICIPATION APPLICATIONS

It's a good idea for you to at least think about what might happen to you, your family, your business and your community if the bird flu evolves genetically and jumps to humans causing human-to-human viral transmission.

We've been keeping up on the developments and public pronouncements about this flu. There are Federal government sites like PandemicFlu.gov, the FluWiki, and the University of Minnesota-based Center for Infectious Disease Research & Policy run by Dr. Michael Osterholm, former Minnesota State epidemiologist and someone who takes a pragmatic view of infectious disease.

Let's imagine for a moment that the H5N1 virus mutates and the pandemic begins this Winter (2006-2007). According to everything we've read, the world will experience deaths in the millions and an influenza pandemic could kill up to 2 million Americans and force health officials to take draconian steps such as shutting down transportation systems and quarantining entire towns.

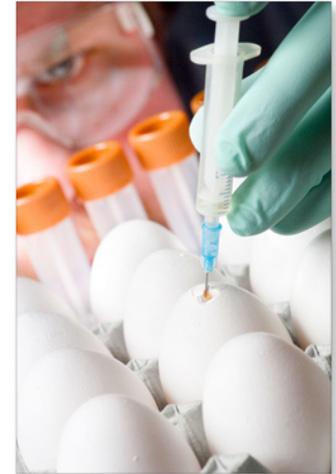
It's the Winter of 2007-2008 when the outbreak will hit in full force. Since most of our fellow citizens are not critical thinkers (as evidenced by the ongoing fear of the boogeyman called terrorism), the fear reactions and panic will be the hardest thing to deal with in business.

What if 40% of a company's workers stayed home? That's the expectation of the US Department of Health and Human Services. "The federal government -- as well as private businesses -- should expect as much as 40 percent of its workforce to be out during a pandemic," said Bruce Gellin, director of the National Vaccine Program Office at HHS in this April, 2006 WashingtonPost article. "Some will be sick or dead; others could be depressed, or caring for a loved one or staying at home to prevent spread of the virus. The problem is, you never know which 40 percent will be out."

Besides having a strategy on dealing with the fallout from panic (e.g., grocery shelves depleted), and ensuring you can eat and have water to drink for several weeks, what will be the effect on your work life or business? Your kids schools if teacher's didn't show up (and would you even send your kids to school)?

Though this may sound ghoulish, most Web-centric businesses would thrive. Any Web-based collaborative offering would explode in use. There's going to be an enormous demand for methods to map an existing business on to the Web and quickly.

It is our position that the Participation Culture will continue to grow and Personal and Group Productivity applications will continue to evolve, more will be introduced, and an increasing number of people will adopt them...external negative forces or not. Simply the attractiveness of their intrinsic functionality and the needs they meet (or anticipate people will need) are enough to ensure this trend will continue.



Risks of an Avian flu pandemic - or other natural disasters and business interruptions -- are one reason why hosted, online, Participation Applications are attractive for both their collaborative and risk management properties.



Participation Applications > 5. Gaming and Virtual Worlds

5. Gaming and Virtual Worlds

Millions of people join guilds, fight aliens, build cities, meet new people, dance, have faux sex, go to conferences and lectures, visit hotel prototypes, work collaboratively on building structures, and head to an island by just up and flying there (no airplane or helicopter is required). All of this occurs in virtual spaces that exist completely in the minds of the people who've developed these worlds and those participating in them.



GAMING

Video gaming is serious business and is a strong example of the culture of participation. According to a report (PDF) by PricewaterhouseCoopers, "The contributions of the entertainment software industry to the U.S. economy are large and growing. According to our best estimates, video games generate \$10.3 billion in direct sales per year, and \$7.8 billion in sales of complementary products. Future contributions of video games are sure to be equally significant, but they will occur in unpredictable ways."

Already having surpassed the motion picture industry in annual revenues, PriceWaterhouseCoopers has projected the total worldwide game industry revenue (revenues from hardware, software, and peripherals) to increase from \$25.4 billion in 2004 to \$54.6 billion in 2009.

Certain Multiple Player Online Games (MMOG or sometimes referred to as the subgenre MMORPG adding "role playing" to the descriptor) and by far the most overwhelmingly popular game (whose users increasingly discuss their addiction to the game!) in 2006 is World of Warcraft (WoW). In the chart on the next page, the large purple market share of MMOG subscribers is WoW.

One key compelling aspect of MMOG's is that the game play is persistent...the game continues whether or not a player is in-game or has exited. Another is that players can connect with one another through in-game instant messaging or in-game voice (with a connected headset).



Participation Applications > 5. Gaming and Virtual Worlds

Reaching all these participants is becoming big business in the advertising game. PC in-game advertising will increase from \$80 million in 2005 to more than \$400 million in 2009, according to interactive entertainment market research firm Parks Associates. Although videogames have become a mainstream entertainment pursuit in homes, in 2005 U.S. internet gamer households received about \$0.10 worth of advertisement-supported gaming content per month, compared with \$50 worth of TV content, Parks says.

VIRTUAL WORLDS

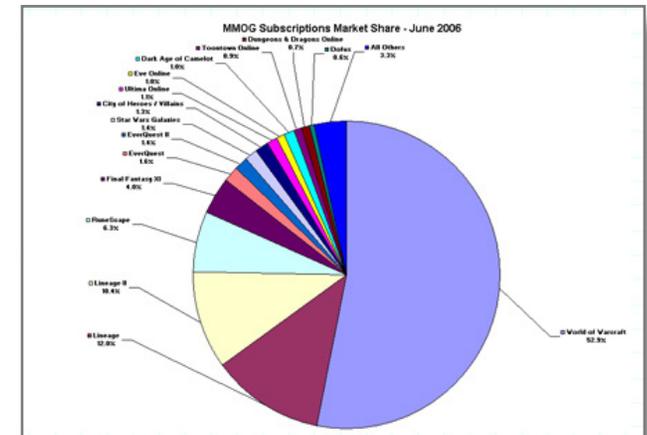
One could argue that MMOG's are virtual worlds...but the important differentiator is that the first is a game with pre-set game play and levels.. and the second is a place with a few rules, constraints and technical capabilities to build and interact, but is more like raw land upon which people can create their own virtual villages, structures, and cultures.

A virtual world is an online environment whose "residents" are avatars representing individuals participating online. Users of virtual worlds design their environments and usually their avatars as well, from gender to clothing and hairstyle, and control how those avatars communicate, move, create things, and interact.

The functioning of a virtual world can mirror that of the real world, or it can allow residents to do such things as fly, wander around underwater, or teleport themselves to other locations. Today's virtual worlds are immersive, animated, 3D environments that operate over the Internet, giving access to anyone in the world. Although many online games take place in such environments, the concept of a virtual world does not require the elements of a game, such as rules or an explicit objective. Residents of a virtual world have the freedom to do and be nearly anything they want, limited only by the design of the environment.

Just like real life, the virtual world Second Life (one of several worlds such as There) which sees residents hosting parties, sexfests, collaborations, meetings and meetups. Stanford Law Professor, Larry Lessig lectured in-world. Cory Doctorow held his book launch party. This SL blog lists 3-5 events every week...

...and people are making money in-world.



World of Warcraft is the largest share of MMOG's

The screenshot shows the Second Life website interface. At the top, it says "Your World. Your Imagination." and "Resident Login | Join". Below this is a navigation menu with "What is Second Life?", "SHOWCASE", "BUSINESS PARTNERS", "DEVELOPERS", "COMMUNITY", and "SUPPORT". A large "JOIN NOW" button is prominent, with "MEMBERSHIP IS FREE" below it. The main content area features a 3D virtual world scene with avatars and a shop. Text on the page includes "SECOND LIFE IS A 3D ONLINE DIGITAL WORLD IMAGINED, CREATED, & OWNED BY ITS RESIDENTS." and "BUY & SELL Linden Dollars". There are also sections for "Headlines", "ISLAND PRICES EXTENDED", and "Second Life Videos". A sidebar on the right shows "Second Life Time: 3:18 PM PST", "Total Residents: 3,233,393", and "Logged In Last 60 Days: 904,748".



Participation Applications > 5. Gaming and Virtual Worlds

BusinessWeek's May 2006 issue cover was devoted to the story inside about the phenomena of virtual worlds popularized by Second Life and about making money in-world:

"The avatar named Anshe Chung may be a computerized chimera, but the company she represents is far from imaginary. Second Life participants pay "Linden dollars," the game's currency, to rent or buy virtual homesteads from Chung so they have a place to build and show off their creations. But players can convert that play money into U.S. dollars, at about 300 to the real dollar, by using their credit card at online currency exchanges. Chung's firm now has virtual land and currency holdings worth about \$250,000 in real U.S. greenbacks. To handle rampant growth, she just opened a 10-person studio and office in Wuhan, China. Says Chung's owner, who prefers to keep her real name private to deter real-life intrusions: "This virtual role-playing economy is so strong that it now has to import skill and services from the real-world economy."

It goes on (with **our emphasis**):

"As it turns out, Second Life is one of the many so-called massively multiplayer online games that are booming in popularity these days. Because thousands of people can play at once, they're fundamentally different from traditional computer games in which one or two people play on one PC. In these games, typified by the current No. 1 seller, World of Warcraft, from Vivendi Universal's (V) Blizzard Entertainment unit, players are actors such as warriors, miners, or hunters in an endless medieval-style quest for virtual gold and power.

*All told, **at least 10 million people pay \$15 and up a month to play these games, and maybe 20 million more log in once in a while.** Some players call World of Warcraft "the new golf," as young colleagues and business partners gather online to slay orcs instead of gathering on the green to hack away at little white balls. Says eBay Inc. founder and Chairman Pierre M. Omidyar, whose investing group, Omidyar Network, is a Linden Lab backer: "This generation that grew up on video games is blurring the lines between games and real life."*



BusinessWeek clearly characterized Second Life as an MMOG...but many beg to differ with the game characterization. There's a lot more going on in-world – and people creating possibilities – in advertising, education and collaboration.

- *Because of the sheer novelty and volume of participants in Second Life, marketers have discovered the possibilities in-world. Business Week had a second article on October 30th about setting up shop in Second Life. Opening a virtual office, selling and market-testing digital replicas of products, and asking employees to create 3D online personas or "avatars" are quickly becoming action items at companies seeking to brand themselves as hip, or simply wanting to reach SL users, nearly half of whom are female and whose median age is 32.*
- *This has made the online world a hot advertising outlet for brands ranging from Warner Bros. to Adidas to Microsoft. While advertising's traditional media seem to be losing eyeballs, the population of Second Life is growing at 35% per month and its economy at 15% per month. Or in terms of annual growth rates, the population is growing at 978% and the economy at 270% to date for 2006.*



Participation Applications > 5. Gaming and Virtual Worlds

- *Starwood Hotels (article), American Apparel, Toyota, GM, Reuters news and many others are holding events, debuting new strategies and building virtual spaces in-world.*
- *Agencies are helping companies build a presence in Second Life. And revenues at the companies helping advertisers set up shop in Second Life are growing proportionally. The most popular four—Washington-based Electric Sheep Co., New York's Aimee Weber Studio, Sausalito (Calif.)-based Millions of Us, and London's Rivers Run Red—are quickly establishing the standard costs and services. They're also illustrating the market potential for companies that specialize in 3D graphics and programmers of scripted, interactive gadgets.*
- *All four companies have grown exponentially over the past year. The largest and oldest, Rivers Run Red, has been designing for Second Life since the world launched in 2003 and has worked with clients such as Adidas, Reebok, and Audi. Today, the company has 17 real-world clients with products or a presence within Second Life, and charges between \$5,000 and \$1 million per campaign.*
- *Even educators are exploring the learning potential of virtual worlds where experiences can be built.*

As bandwidth, computing horsepower, and the resolution of virtual worlds drive ever closer to reality, we're convinced that virtual spaces will be the work, collaboration and play spaces of tomorrow.

MAKE YOUR OWN UNIVERSE

How would you like to be able to build your own virtual world? Run a virtual trade show, hold a conference, build a haunted house for Halloween, create events, hold customer events, perform sales pitches, the list is endless. While buying an island in Second Life is a great option, Multiverse is a platform which you can use to build whatever world you can imagine.

Gaming as an industry is continuing to grow. No question that our consciousness is going to be mapped on to and within virtual environments as more of us participate in them. How soon, how quickly, and how powerful these worlds will be is anyone's guess...but these online games and virtual worlds are certainly attracting people by the millions who are more than willing to pay and to participate.

Stay on top of the changes in these spaces as they will affect your life, your business and your approaches to anything online.





People





People

People: Always on. Always connected.

In the late 1990's, author Don Tapscott released a book entitled, "Growing up Digital." Its premise? That today's youth haven't known a time without computers, mobile phones, cameras, camcorders and other devices and have embraced them as a matter of course. Harboring little fear of technology and an almost intuitive understanding of the logic of device operation, menu structures and approaches these young tech-savvy people have embraced participation...and they're participating like mad.

This group relies on the Internet not only to stay current on what their friends are up to (and to interact and stay connected socially), they're using it for emerging research and news, to search, purchase, create, consume and play. Because they live an always-on lifestyle, their expectations for online experiences are always rising. Having knowledge and information accessible at the touch of a button—anywhere, any time, with any operating system or device and fast—is a base-line assumption. Being connected means to live a better, more efficient life.



The Participation Culture suggests opportunities for individuals to share information and insights, or to develop solutions for issues of all kinds. This is exactly what the Participation Culture is about. But different from town hall forums and roundtable discussions, there is no limit on the number of participants in this virtual conversation and shared experiences. Not only that, but everyone gets an equal voice, people of like minds can wander off to focus on a sub-set of the topic, and all of this can be taking place at once. It's becoming a must-have part of modern living.

Two factors, equal in importance, are at the heart of the Participation Culture's existence and rapid spread: an impressive increase in wireless broadband speed and an equally dramatic decrease in the cost of using it. These elements have combined to build the critical mass of people participating necessary to establish a multitude of hosted offerings for social software, blogging, moblogging and other Participation Culture phenomena.

When people in the Participation Culture want to rendezvous, connect or collaborate with others, they no longer limit themselves to conventional methods like phone calls or email. Instead, they are choosing to text message, share photos and use a myriad of social software—and an always-on connection—to stay in touch.



People (continued)

This desire for connectedness is not reserved for times at home or at work. It is just as prevalent when people are on-the-go and mobile. This is a paradigm shift. More importantly, this behavior is accelerating, compliments of an explosion of easy-to-use applications and technologies that increase the number of reasons to be on-line.

Web as the New Normal

The Pew Internet & American Life Project produces reports that explore the impact of the Internet on families, communities, work and home, daily life, education, health care, and civic and political life. Funded by The Pew Charitable Trusts, the Project aims to be an authoritative source on the evolution of the Internet through collection of data and analysis of real-world developments as they affect the virtual world. Pew Internet has several studies that illustrate the cultural shifts occurring as participation on the internet accelerates:

According to their study, "Generations Online," *internet users ages 12 to 28 years old have embraced the online applications that enable communicative, creative, and social uses. Teens and Generation Y (age 18-28) are significantly more likely than older users to send and receive instant messages, play online games, create blogs, download music, and search for school information.*

Their follow-on study, "Internet Evolution" (7/2005) states in part: *The Web has become the "new normal" in the American way of life; those who don't go online constitute an ever-shrinking minority. And as the online population has grown rapidly, its composition has changed rapidly. At the infant stage, the internet's user population was dominated by young, white men who had high incomes and plenty of education. As it passed into its childhood years in 1999 and 2000, the population went mainstream; women reached parity and then overtook men online, lots more minority families joined the party, and more people with modest levels of income and education came online.*





People (continued)

Pew's study, "The Internet at School" (8/2005) abstract states, *"The most recent Pew Internet Project survey finds that 87% of all youth between the ages of 12 and 17 use the internet. That translates into about 21 million people. Of those 21 million online teens, 78% (or about 16 million students) say they use the internet at school."*

The most recent Pew Internet Project survey finds that *87% of all youth between the ages of 12 and 17 use the internet. That translates into about 21 million people. Of those 21 million online teens, 78% (or about 16 million students) say they use the internet at school.*

Their most recent study "Family, Friends & Community" (11/2005) clearly articulated the participation trend: *American teenagers today are utilizing the interactive capabilities of the internet as they create and share their own media creations. Fully half of all teens and 57% of teens who use the internet could be considered Content Creators. They have created a blog or webpage, posted original artwork, photography, stories or videos online or remixed online content into their own new creations.*

This Participation Culture is growing and yes, it's a worldwide phenomena. It's not just people in the United States that are participating. In fact, the US is 17th on the list of broadband penetration worldwide and is far behind on third generation wireless networks. According to the report, "WiMAX and Broadband Wireless (Sub-11GHz) Worldwide Market Analysis ..."; *"The fundamentals for continued growth of broadband wireless remain sound. Broadband is becoming a necessity for many residential and business subscribers worldwide. The demand is exploding as the pricing of broadband services is rapidly decreasing. There were close to 250 million broadband subscribers worldwide in the middle of 2006, up from 130 million at the end of 2004."*

As a result, the number of internet users continually searching for ways to be connected at all times is achieving that goal. Immediacy is the driver. Broadband access, getting connected wirelessly with a laptop in a coffee shop sporting free Wifi access or – in an accelerating adoption curve – using smartphones or connecting via high speed wireless telephony networks.

People comfortable with technology since they grew up with it. Having access to fast broadband and wireless networks in a variety of ways. Entrepreneurs and innovative companies delivering Participation Applications that meet needs.

It's only just begun....





What's Next...





What's Next

What's Next

It always takes longer than you think to complete technological innovation. Looking at how far we've come in the nearly 11 years since Netscape went public fueling the Internet boom of the late 1990's, it's easy to predict change one to two years out but the next 11 years?

There are several fundamentals that we can predict with a fair degree of certainty:

- Internet speed: As we've seen in previous pages, worldwide broadband adoption is becoming faster by the year. Not just wired networks...but the wireless ones we're becoming more dependent upon for always-on, always-connected access. Ubiquity of access will continue to grow for all of us.
- Internet connectedness: at the level of devices (remember the "your refrigerator will be on the internet" from Intel and Whirlpool marketing pitches?). IPv6 is coming and geared specifically for the fact that a continued increase in the number of devices – many requiring their own Internet addresses – will be coming online consistently year-over-year.
- Computer processing power. The proverbial Moore's Law means that processing power continues to grow unabated and devices will increase in power, memory and capability.
- Resolution: HDTV and increasing flat panel screen resolutions will continue to make online experiences closer and closer to cinema quality and therefore increasingly immersive. Graphics resolution in virtual worlds (how realistic, for example, an avatar or a tree looks) will continue to get better
- Internet as a Platform will grow. More services will be exposed for Participation and other Web Applications to be created and delivered online.



Let's take a look at what 742 thought leaders, strategists and Internet pundits thought about the future of the Internet.



What's Next (continued)

FUTURE OF THE INTERNET

A survey of internet leaders, activists, and analysts shows that a majority agree with predictions that by 2020:

- *A low-cost global network will be thriving and creating new opportunities in a “flattening” world.*
- *Humans will remain in charge of technology, even as more activity is automated and “smart agents” proliferate. However, a significant 42% of survey respondents were pessimistic about humans’ ability to control the technology in the future. This significant majority agreed that dangers and dependencies will grow beyond our ability to stay in charge of technology. This was one of the major surprises in the survey.*
- *Virtual reality will be compelling enough to enhance worker productivity and also spawn new addiction problems.*
- *Tech “refuseniks” will emerge as a cultural group characterized by their choice to live off the network. Some will do this as a benign way to limit information overload, while others will commit acts of violence and terror against technology-inspired change.*
- *People will wittingly and unwittingly disclose more about themselves, gaining some benefits in the process even as they lose some privacy.*
- *English will be a universal language of global communications, but other languages will not be displaced. Indeed, many felt other languages such as Mandarin, would grow in prominence.*

At the same time, there was strong dispute about those futuristic scenarios among notable numbers of 742 respondents to survey conducted by the Pew Internet & American Life Project and Elon University. Those who raised challenges believe that governments and corporations will not necessarily embrace policies that will allow the network to spread to under-served populations; that serious social inequalities will persist; and that “addiction” is an inappropriate notion to attach to people’s interest in virtual environments.

The experts and analysts also split evenly on a central question of whether the world will be a better place in 2020 due to the greater transparency of people and institutions afforded by the internet: 46% agreed that the benefits of greater transparency of organizations and individuals would outweigh the privacy costs and 49% disagreed.

This report has been admittedly pretty up-beat on our perspective of Internet as a Platform, the Participation Applications and the People who are making it all come together. What we’re certain of is that collectively we’ll arrive at the solutions we need and they’ll emerge from this culture of participation – because there is wisdom in the crowds of people participating.



To learn more, access a wide array of links (embedded in the report text itself and on the “Resources” page you see at the right) at: <http://www.wsjb.com/RPC/>

Rise of the Participation Culture

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RESOURCES
To learn more (and stay atop of trends) about the Participation Culture, take a peek at some of these key resources:

I. On The Web

ARTICLE: "What is Web 2.0?" by Tim O'Reilly, Publisher O'Reilly & Associates

ARTICLE: "The MySpace Generation"; BusinessWeek, December 2005

ARTICLE: "Open Source Paradigm Shift" by Tim O'Reilly, Publisher O'Reilly & Associates (discussed the architecture of participation)

ARTICLE: *The New Wisdom of the Web* Newsweek, April 2006

ARTICLE: *Swedish Firms Find a New Home* Chat on Playahad, the Swedish social networking hub

ARTICLE: *MySpace Has Large Circle of Friends, But Firms' Opaque Are Growing Too* Wall Street Journal Online, September 26, 2006

ARTICLE: *Youniversal Branding, Part 1*, from TrendWatching.com, summer 2006

ARTICLE: *Kids May Be Wired, but Face-to-Face Still Rules*, Media Works/Ad Age, November 01, 2006

SITE: *MIT Center for Collective Intelligence*: How can people and computers be connected so that—collectively—they act more intelligently than any individuals, groups, or computers have ever done before? With its combination of expertise in computer science, brain sciences, and management, MIT is uniquely suited to address this question.

SITE: *Web Services Organization*: a site more on the enterprise, commercial software side...but has good information about web services and APIs.

SITE: *Widgetbox*: Widgetbox is an online directory of web widgets for blogs and other web pages. Our widgets work with TypoPad, WordPress, Blogger, MySpace as well as most other blogs, sidebars or websites. No plug-ins are needed, and they're free!

SITE: *The Project for Excellence in Journalism* is a research organization that specializes in using empirical methods to evaluate and study the performance of the press. It is non-partisan, non-ideological and non-political.

WHITE PAPER: "Confronting the Challenges of Participatory Culture: Media Education for the 21st Century", a white paper by Henry Jenkins, Director of the Comparative Media Studies Program at the Massachusetts Institute of Technology published this white paper that explores new frameworks and models for media literacy.

WHITE PAPER: *NEEDS BUSINESS FOR AMERICA'S ECONOMY* (PDF), a report by PricewaterhouseCoopers on the videogame business.

DOCTORAL THESIS: "A STUDY OF THE MASSIVELY MULTIPLAYER ONLINE BUSINESS MODEL WITHIN THE INTERACTIVE ENTERTAINMENT INDUSTRY" (PDF)

II. Blogs and Podcasts

"Connecting the Dots: Guidance, Insight and Ideas in a Time of Accelerating Change", a blog by the report's author, Steve Borch.

"Sephaniel" is a blog by Derek Boyd, a PhD student in SBMS at Berkeley and a social media researcher at Yahoo! Also, Mr. Boyd has a very strong series of papers and presentations [here](#).

"Reachable" is the world's largest blog focused on social networks.

"The Programmable Web": a site for mashup applications.

"Logic + Emotion" a blog on Marketing 2.0, Brand Engagement and Experience Design

"HeadWiredWeb" is a popular tech weblog by Richard MacManus, focused on Next Generation Web Technology.

"Web 2.0 Blog" is Dion Hinchcliffe's online journal dedicated to Web 2.0 technologies.

"Web 2.0 Workgroup": The Web 2.0 Workgroup is a network of premium weblogs that write content about the new generation of the Web. Combined, these sites reach a large readership of influential technology and media professionals.

"Smart Mobs": a blog about mobile communication, pervasive computing, wireless networks and collective action about topics and issues discussed in the book *Smart Mobs: The Next Social Revolution* by Howard Rheingold

"Stowe Boyd" blog about what's happening on the edge...

III. Books

"Convergence Culture" by Henry Jenkins founder and director of MIT's comparative media studies program, who debunks outdated ideas of the digital revolution in this remarkable book, proving that new media will not simply replace old media, but rather will learn to interact with it in a complex relationship he calls "convergence culture."

"Dark Fiber: Tracking Critical Internet Culture". The author examines the unwarranted faith of the cyber-barbarians in the ability of market forces to create a decentralized, accessible communication system. He studies the inner dynamics of hackers' groups, Internet activists, and artists, seeking to understand the social laws of online life.

" Naked Conversations: How Blogs are Changing the Way Businesses Talk With Customers"

"The Wisdom of Crowds" While our culture generally trusts experts and distrusts the wisdom of the masses, New Yorker business columnist James Surowiecki argues that under the right circumstances, groups are remarkably intelligent, and are often smarter than the smartest people in them."

"The Wealth of Networks" Yochai Benkler shows us how the Internet enables new commons-based methods for producing goods, remaking culture, and participating in public life.

"No Think: An exploration of an experiment in collaborative creativity" an upcoming book by Charles Leadbeater

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