Social Network Roadmap℠

Social Business Strategy for CIOs

How to Outperform Rivals by Using Web 2.0 Adoption Curve

Plus: Three Emerging Social Tech Trends

Agenda

- One: Web 2.0 and the Enterprise
  - The opportunity and the challenge

- Two: The Web 2.0 Adoption Curve
  - How most of the market will adopt, at a high cost

- Three: A Web 2.0 Investment Strategy
  - How you can adopt, at a lower cost by using the Web 2.0 Adoption Curve
- Four: Social Tech Trends to Watch
  - Geosocial
  - Federated Identity, Web 2.0-style
  - Web 3.0

My Perspective

- 25 years experience as management consultant and line executive

- Expertise: disruptive innovation, strategy and transformation

- Strategy and execution for game-changers: Java, e-business, SOA, Web 2.0, social networks

- Thought leader: 3 blogs in global top 10

What I've Learned about Technology Disruptions

1. In the beginning: small and fringe-y
   - "Oh, - - - , my kids do that"
   - "That's for overcaffeinated people with too much time on their hands"
2. Isolated upsets and denials
   - "- - -, no real company is going to (do business on the Internet)"
3. Tentative consideration
   - "We may need a website--but only for some departments"
4. Full acceptance
   - "We need websites for most of our businesses"
   - "Why don't we build private websites for customers and partners?"

1

2

3

4

Social Networks & Web 2.0: Why the Disruption?

- Many-to-many

- Rich asynchronous

- Social ecosystem

- Expertise economy

- Real-time, global

- Inexpensive

- Specific

- Digital, Fast

Web 2.0 Investment Strategy

The Relationship Life Cycle: Plummeting Transaction Costs across the Board

1. Discovery
   - Finding people with highly specific interests & needs
   - Digital breadcrumbs everywhere when you know where to look
2. Invitation
   - Initiating a relationship asynchronously
   - Practice authenticity and transparency
3. Building
   - Developing relationships with interactions
   - Focus on building trust
4. Management
   - Keeping up my relationship via meaningful interactions
   - Online to prequalify
   - Offline to build highest value
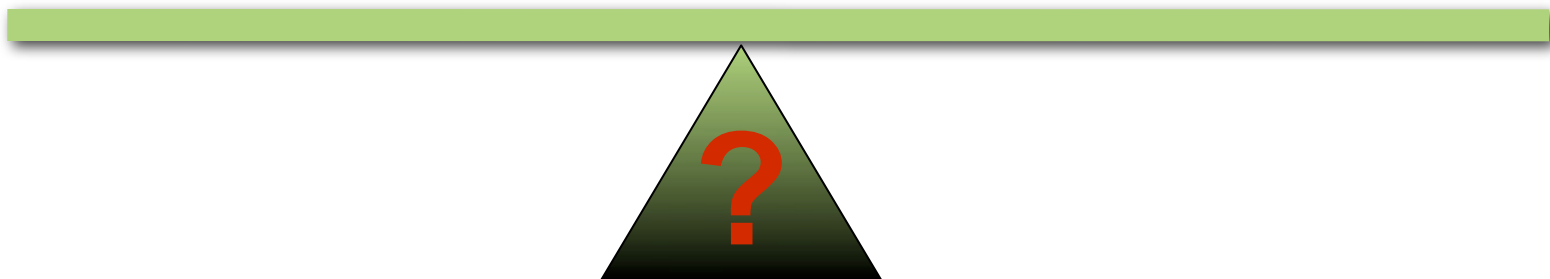
Social Networking Meets the Enterprise

Enterprise

- Process-oriented
- Organization
- Involuntary
- Channels, slow
- The multiplicities of push
- Structured, siloed

≠

Social Networking

- People-oriented
- Collaborative
- Voluntary
- Transparent, fast
- Infinite pull, with strings
- Cross-boundary, emergent

?

BIG Idea

Web 2.0 will transform business because it changes the economics of relationships... but it's work to adapt to the enterprise
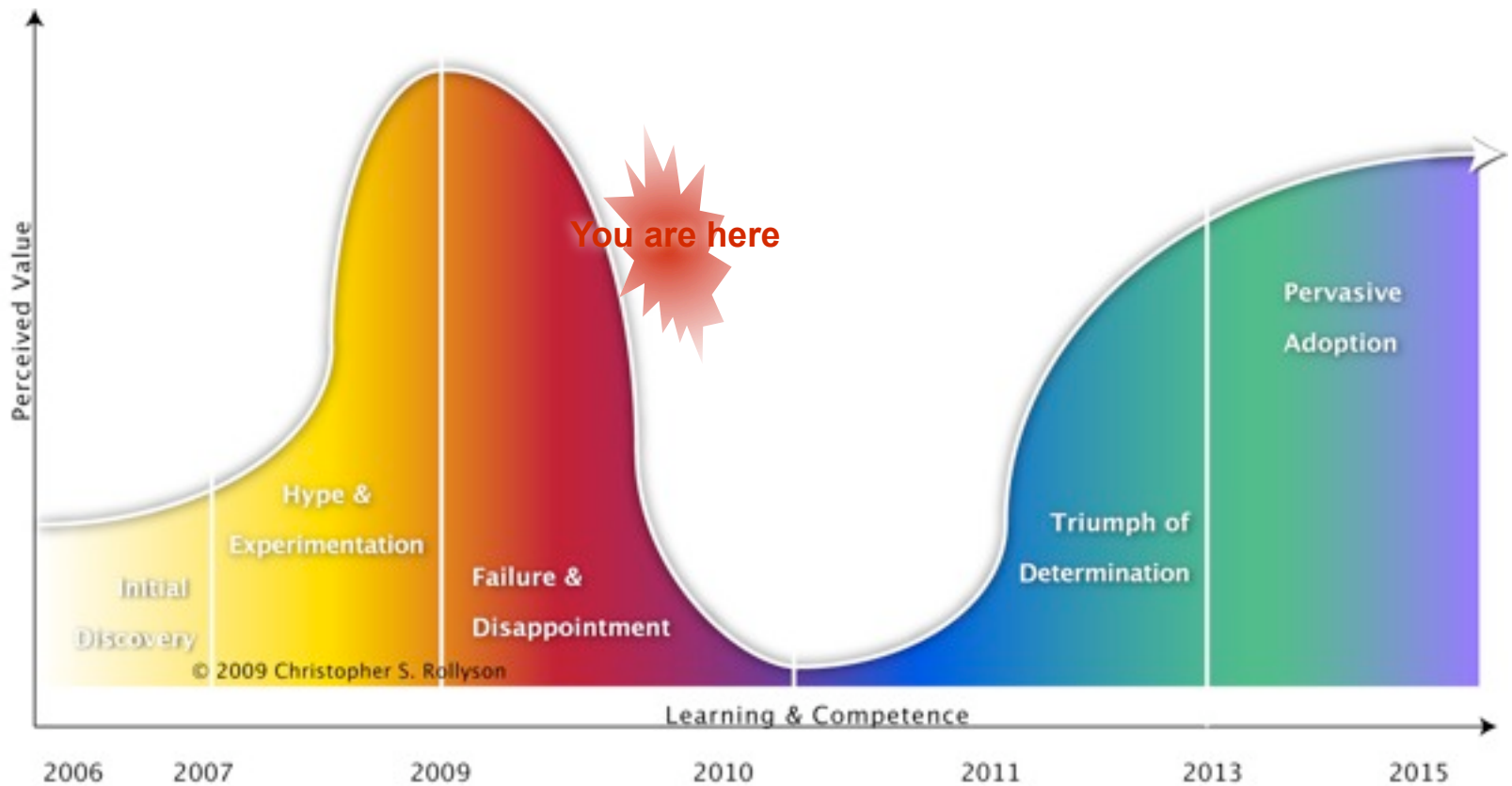
The Web 2.0 Adoption Curve, 2009-2015

Perceived Value

You are here

Initial Discovery

Hype & Experimentation

Failure & Disappointment

© 2009 Christopher S. Rollyson

Triumph of Determination

Pervasive Adoption

Learning & Competence

2006   2007   2009   2010   2011   2013   2015
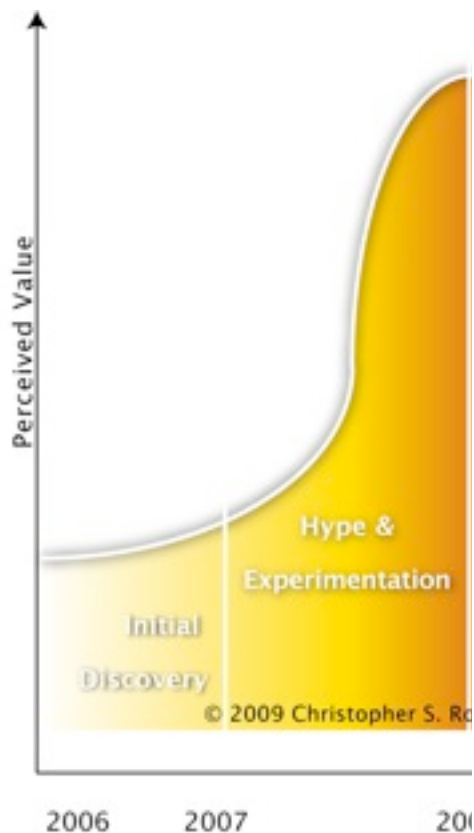
How most of the market will evolve through 2015

Discover, Hype & Experimentation, 2006-2009

"Irrational exuberance"

- Shiny new toy: "cool"

- Provider-driven marketing

- Superficial stories

- Not much responsibility

- No down side

- Meaningless "metrics"

- Widespread talk of investment

Failure and Disappointment, 2010

Failure &
Disappointment

ollyson

Learning &

009   2010

"Ignorant criticism"

- Demotion from silver bullet status

- Mainstream media backlash

- Disillusionment with "ROI"

- No solid up side

- "Harder than we thought"
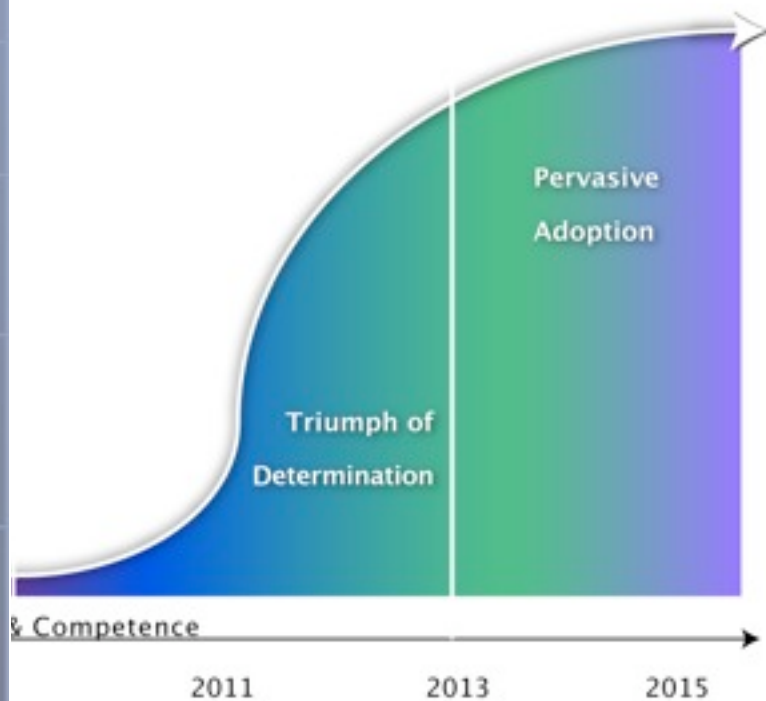
- Widespread de-investment

Triumph and Pervasive Adoption, 2011-15

Pervasive
Adoption

Triumph of
Determination

& Competence

2011   2013   2015

"Maturing investment"

- Relationship-oriented
- Money follows trust
- Specific programs
- Digital social networks enable more communication
- Widespread ROI models
- Increased competition for attention

BIG Idea

The adoption pattern is very predictable… just reflect on other disruptions you have seen

Risk Mitigation Enables More Aggressive Adoption

Obvious Web 2.0 Risks

- Negative word of mouth

- Embarrassment by not being "with it"

- Loss of brand value due to competitor success

Overlooked Web 2.0 Risks

- Opportunity cost

- Loss of competitiveness due to inferior collaboration

- **Investment mismanagement & under-investment**

Using the Adoption Curve to Outperform Rivals
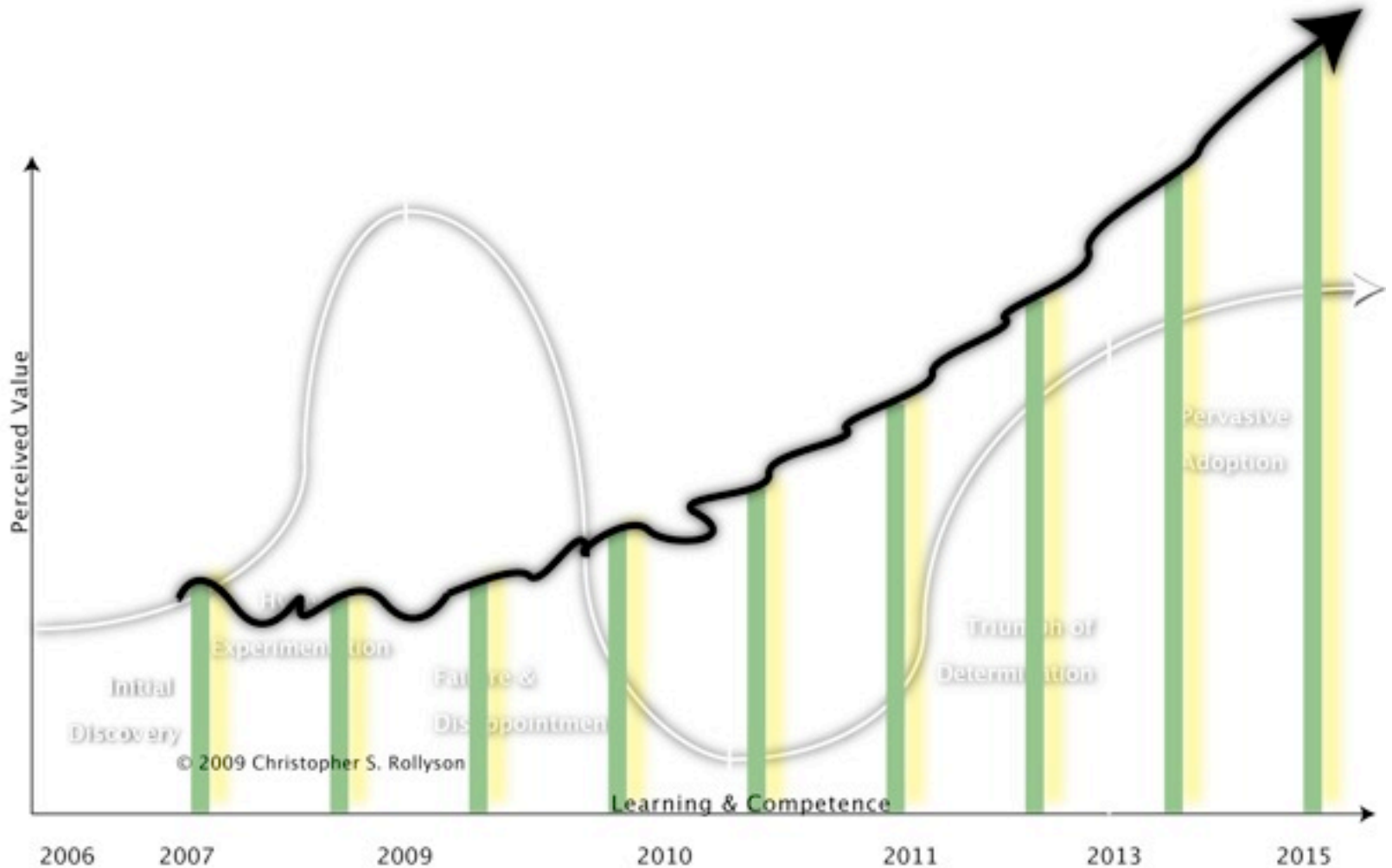
The power of risk mitigation

Risk Mitigation Approach

The Stages

- Assess
  - Match goals with organization and stakeholder realities
- Pilot
  - Try social networking initiatives in small chunks to manage risk
  - Learn & iterate in short cycles
- Scale
  - Expand elements of effective pilots, expand scope and scale
- Integrate
  - When you stabilize social networking processes, integrate them with legacy

Techniques

- Rapid cycles
  - Short feedback loops enable fast correction, less waste
- Transparency and inclusion
  - Involve legal, PR, revenue owners and accounting early
- Focus on external and internal stakeholders
  - External focus on workstreams within the ecosystem
  - Explicit focus on change
- Budgeting
  - Structure pilots to minimize need for normal ROI process

Avoiding Common Pitfalls

- Leading with technology
  - Technology imposes process on people and they don't adopt
- Having fuzzy, non-actionable goals
  - Results harder to track, and your initiative loses support
- Focus on what your firm needs rather than stakeholders
  - SHs will not be stimulated and will not engage
- Chunking innovation too large
  - Spend too long on ROI discussions
- Depending too much on experts and vendors
  - Web 2.0 is core; it needs to become your O/S
- Falling into the efficiency tech trap, not using portfolio
  - Letting a monolithic tech solution be everything to everyone

Investment Process

1. Begin with due diligence
   - Be explicit: what stakeholders do you want to engage?
   - Understand the ecosystem: where do they interact most?
   - Motivations: what is important to them?
2. Assess your capabilities
   - What meaningful expertise can you contribute consistently?
   - Identify organizational risks and barriers
3. Start with small-but-important pilots, and measure constantly
   - Small to manage cost risk and minimize ROI discussion
   - Measure/adjust to catch mistakes quickly
   - Build to last, and propagate skills

Linked in.   twitter   White Label   facebook   Blogging

Example Pilots

- Blog outreach program

- LinkedIn Group

- Microblogging

- Facebook Group or Page

- Cause-focused community

- YouTube campaign

- MySpace Site or Group

Blogging

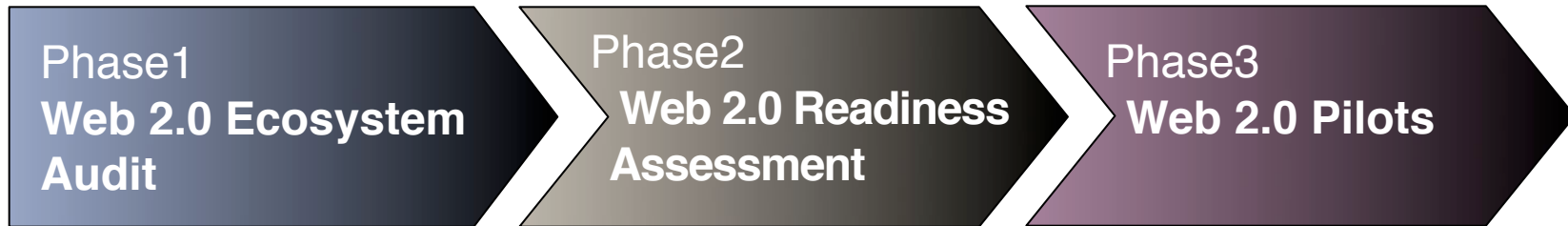**Linked** in

facebook.   You **Tube**
Broadcast Yourself™

twitter   **White Label**

myspace.com
a place for friends

Web 2.0
Investment
Strategy

11/17/2010

Progress: **Social Network Roadmap Pilot Overview**

Phase1 **Web 2.0 Ecosystem Audit**	Phase2 **Web 2.0 Readiness Assessment**	Phase3 **Web 2.0 Pilots**

• Assess Web 2.0 environment	• SH activity/advanced workstreams	• Design pilots to mitigate risk
• Identify & rank stakeholders (SH) & basic work processes	• Identify firm value & how it transfers to Web 2.0 venues	• Fast cycles with rapid feedback
• Web 2.0 analysis	• Assess resources to engage SHs	• Small investments
• Brand analysis	• Measure gaps	• Portfolio approach
• SNR Analytics	• Social Business Strategy	• Skills transfer focus
		• Measurements

Requirements for Pilots

Ecosystem vision	**Company vision**	**Pilots launched**

End State

3

Web 2.0 Investment Strategy

BIG Idea

Web 2.0 is 21st century dialtone: adoption is a strategic necessity… getting this right will determine winners

Three Social Technologies That Change the Rules

Geosocial

- Transforming retail
  - Social experience
  - Discoverable
  - Real-time
  - Excite people to invoke their social graphs
- The good *and* social
- Points: think Miles for *everything*

Federated Identity

- Facebook/Google: social commerce
- Large user base
- It's easy to use
- Take your friends with you
- Unlimited decision makers/influencers
- "Like" buttons: leverages social graph

Semantic & Geoweb

- Building the geoweb every day
  - Photos, vids
  - Comments
  - Reviews
- Kyte Mobile
- Apple Faces
- Algorithms will increasingly inter-operate

More—**http://socialnetworkroadmap.com/index/?p=771**

BIG Idea

The social channel of value will pervade business: firms will increasingly compete and differentiate in the social channel

Progress: **Contact**

- **The Social Network Roadmap**
  – Helps companies use Web 2.0 for innovation
  – http://socialnetworkroadmap.com
  – Blog rated #1 worldwide by Technorati

- **The Global Human Capital Journal**
  – CEO/CMO/CIO journal for innovation
  – Currently rated #10 worldwide by Technorati
  – http://globalhumancapital.org

- The Executive's Guide to Web 2.0
  – EGLI blog #4 worldwide by Technorati
  – EGTW management advice for Twitter, blogging
  – EGFB management advice for Facebook
  – http://executivesguide-web20.com

- Social networks
  – http://www.linkedin.com/in/csrollyson
  – http://www.facebook.com/csrollyson
  – http://myspace.com/csrollyson
  – http://tinyurl.com/orkut-csrollyson
  – http://tinyurl.com/xing-csrollyson

Microblogs & Video

http://twitter.com/snroadmap
http://twitter.com/eglii
http://twitter.com/egtw
http://twitter.com/egfb
http://twitter.com/csrollyson
http://identi.ca/csrollyson
http://kwippy.com/csrollyson
http://csrollyson/tumblr.com/
http://plurk.com/user/csrollyson
http://friendfeed.com/csrollyson
http://youtube.com/user/csrollyson

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