The Semantic Web: Assessing viability: What did we learn from 1.0 and 2.0

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

Example:

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

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

Semantic Web:

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

DUMB; “The fastest way? Rent a Lear Jet:
    Cost: $8,000.”
DUMBER; “The cheapest way? Walk!”

Smart: “Amtrak has a 3:30 Express from Back Bay;
    arrives at 6:30 PM. Has a 95% on time record.
    Cost: $119.
Smarter: “Driving takes four hours, but weather
    reports indicates 3” of snow on Thursday.
    Cost: $100, assuming $.50 mile +Tolls”
“It is the customary fate for the new truths to begin as heresies” T. Huxley
Web X.0 Life Cycles

1.0 Location Matters
   Web Sites
   Measure Clicks/ “eyeballs”

2.0 Location Independent
   Everyone programs
   Twitter, Youtube, Flickr, Wikipedia

3.0 The Internet is Alive
   » Wireless, 1 Billion people, N Number of Inert Devices
Analogy: the semantic web will obsolete the existing web, like the cell phone made obsolete:

1. land line phones
2. wristwatches
3. pda’s
4. computers
5. digital cameras
6. laptops
7. GPS Devices
8. (soon)...credit cards, cash, keys, id cards, books, newspapers, airline tickets, boarding passes, odometers, pedometers, etc.
Web 3.0 = Universal Substrate
What does that mean?

Links between Mankind and MachineKind
Links: to knowledge; to collaboration

Old: Web sites present knowledge
New: a Giant computer that everyone can program, seamlessly interconnected
What have we learned? Can we avoid predictable mistakes

- Key phrases... from 1.0 and 2.
- “first mover advantage”
- “Winner take all”
- “Content is King”
- “Get Big Fast”
- “Digitization rules. And the
- Old rules don’t apply”
Web 3.0 and Creative Destruction

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

Example: Kodak and Digital Photography
Example: Telephony and Skype
2. There is such a thing as “Business Equilibrium”. There is “Sustainable Advantage”.
The Internet is..

Attackers and
Defenders

“All successful businessmen are standing on ground that is crumbling beneath their feet”

-Joseph Schumpeter
Defenders: maintain status quo

Attackers: disrupt Status quo

Example: transaction costs
-search costs
Information costs
Bargaining costs
Decision costs
Policing costs
Enforcement costs
Old Ideas vs. New Ideas

• Old: Monitize our Content... NY Times:
  • New: Revolutionize How we do business

• Old: Capture Talent inside the company
  • New: Capture the Value of a Massive online community
Winners vs. Losers

Losers Launch Websites;
Winners Launch Communities

Losers Launch Walled Gardens;
Winners Launch Public Squares

Losers Innovate Internally
Winners Innovate with Users
Web Graveyard: “The Internet is a platform for the presentation of content”

- Losers guard their data/software interfaces
- Winners Share with Everyone
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<th>Winner</th>
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Winner vs. Loser

Google Maps vs. Mapquest

Facebook vs. Friendster

Craigslist vs. Classified Ads
A few final assumptions:

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