

Pipeline

Knowledge Is Power

www.pipelinepub.com Volume 5, Issue 3

The Once and Future Web

by Tim Young

Web 2.0: It's a term that's been floating around with ever-increasing frequency since Tim O'Reilly and company brought it into the spotlight in 2004. It's the move from the web as a one-way street to a two way street. Oreillynet.com gives the examples of moving from Britannica Online to Wikipedia. From Ofoto to Flickr. From taxonomy to folksonomy. From publishing to participation. (<http://www.oreillynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-web-20.html>)

It's the web moving from prescriptive to descriptive. It's a platform.

I'll admit it. Writing about Web 2.0 in a business publication is akin to pitching an indie rock band to an ad agency. Sure, it's good business. It's lucrative. However, it feels strange and somewhat awkward to be so cut and dried about the possibilities of companies that represent a more democratic version of the web. Web 2.0 companies are often the brainchildren of the young and brash. They aren't always created with profit in mind, but they are certainly capable of producing it. Perhaps it's naive, but it's easy to feel like the square who has found the keys to the hot rod.



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Because Web 2.0 is different. Perhaps not in terms of content or makeup. Tim Berners-Lee famously posits that the whole idea of Web 2.0 being referred to as something new and different is wrong-headed, as some of the components have existed for as long as the Internet has. However, never before have they been so accessible.

Web 2.0 isn't going anywhere. Telecommunications companies need to "get" it, and soon. There are two things that telecommunications companies need to "get" when it comes to Web 2.0: Enabling it and capitalizing on it.

Becoming the Right Kind of Enabler:

When it comes to enabling Web 2.0, there are a few things to consider. First of all, the interactivity demands of these new services are going to continue to demand serious bandwidth, both upstream and downstream. If you want to take a look at a company that has really embraced the spirit of Web 2.0, Google comes to mind. According to comScore, Google racked up almost 644,000,000 unique visitors worldwide in the month of May alone. In that same month, according to a recent comScore press release, "82.2 million viewers watched 4.1 billion videos on YouTube.com (50.4 videos per viewer)." (That figure is US only). That much video is bound to put a choke on downstream traffic, but may place a strain on upstream traffic as well.

Another element to consider is that web 2.0 traffic isn't just going from the server to the laptop anymore. Mobile devices were already moving in the direction of facilitating new and different web activity before devices like the iPhone came around to kick it up a notch. Social networking sites are fully accessible while on the move, and a user so inclined can eat through some serious data while on the train or in a waiting room.

New and better handsets are making a difference. Sites like Facebook are optimized for smart phones. User behavior is actually changing as new and better devices hit the market. There are many examples of users who have never bothered with mobile data getting their hands on an iPhone and turning into YouTube fanatics and mobile bloggers and Twitter junkies.

And Web 2.0 isn't just for the social networking and videos-of-dogs-skateboarding crowd. Corporate uses of Web 2.0 are growing constantly. Joshua Levine wrote in a Jan 2008 blog post about how Web 2.0 has taken off in a corporate environment. (<http://seekingalpha.com/article/59369-business-gets-social-corporate-web-2-0-usage-is-booming>) Referring to a ChangeWave study, Levine writes that 39% of those surveyed report that their company is very or somewhat willing to use Web 2.0 social software for business purposes. And why not? Web 2.0 apps give the ability to improve collaboration and efficiency internally and support and awareness externally.

SaaS/cloud computing is also big news that can get lumped into the same category. (You can read lots more about cloud computing in the article by Wedge Greene and Trevor Hayes of LTC, International in this month's issue entitled "Cloud Control," so I certainly won't further belabor the point here.)

On another level, there's also the direct collision of Web 2.0 and telecommunications to consider: The telecom mashup. Much ink has been artfully spilled here in Pipeline about mashups, which are the combination of service elements from multiple sources into a single, integrated user experience. When telecommunications companies embrace the spirit of Web 2.0 and go after mashups, you end up with the sort of beautiful telecom stories that involve, for example, a user receiving a text message from a friend about dinner and a movie, accompanied by an ad for a local theater and a nearby restaurant, which is mapped from the users location. That sort of complete experience.

Making Money

Web 2.0 can be a drag to some SPs, at first glance. It eats up tons of bandwidth, and the most popular web apps are low/no cost and coming from third party providers. The over-the-top providers are making their revenue on ads and not sharing that with the providers.

However, there are options. The telecom provider, through OSS/BSS resources, has a wealth of information about the user's location and tendencies. This information can be leveraged and monetized to create ad revenue.

Furthermore, awareness of user behavior can allow service providers to offer premium services to users who use specific services heavily and regularly. How many users would pay a modest premium to ensure they have all the bandwidth they need when they need it? Furthermore, money saved is money earned. Through proactive OSS/BSS, service providers can prioritize traffic and minimize abuse by bandwidth hogs.

Charging and billing models need to be kept up to snuff to ensure that all of this activity is properly funded. Real-time charging is key. Charging solutions like the one HP just rolled out will allow telecoms to keep ever-more-accurate tabs on what mobile services are being used and how much money can be gleaned from the usage of those services.

In short, OSS/BSS can enable companies to maintain and capitalize upon the traffic visibility that they alone can enjoy, and use that visibility to make sure that traffic for cutting edge services is supported, maintained, rated, billed, and prioritized from start to finish.

By embracing the possibilities of Web 2.0, telecommunications companies are simply conceding that the online world has changed and will continue to change. Can it be unwieldy to welcome the new and different services? Sure. It certainly can be. However, to rail against the inevitable is an exercise in futility. By enabling and capitalizing on Web 2.0, and continuing to do so when the whole shebang morphs into what some will surely call Webs 3.0, 4.0, and beyond, telecommunications companies are proving that flexibility is wise and lucrative.

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