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Web 3.0
Social Networking

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Presentation to the New York Legal Marketing Association

Web 1.0 = Browsing

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When we first encountered the Web it was about browsing

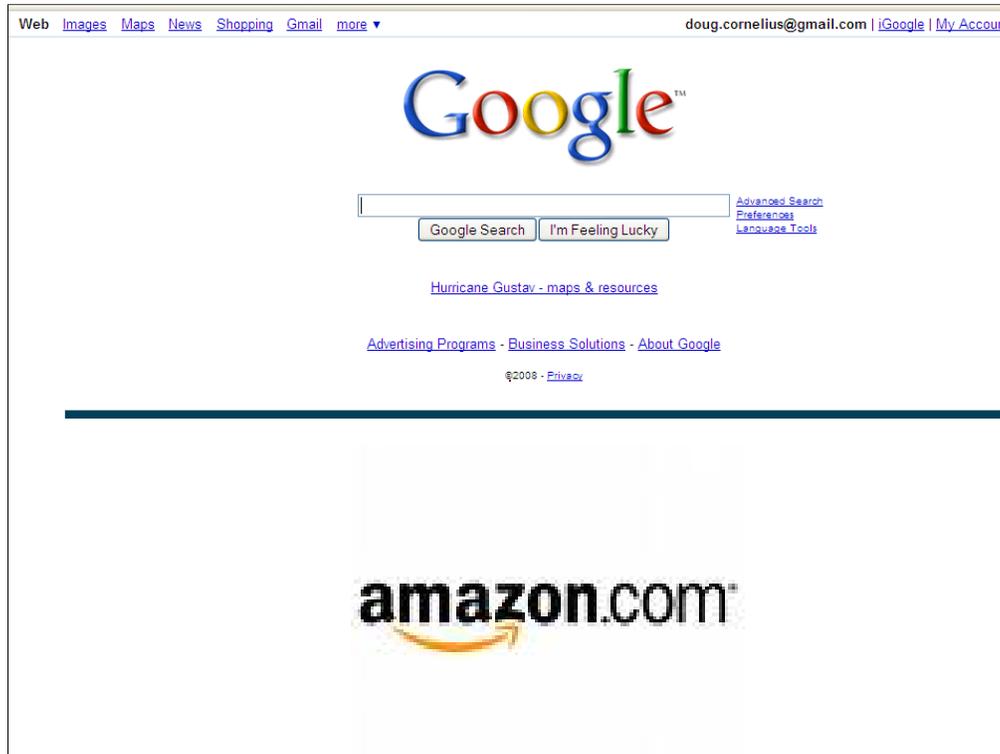This was the age of the Yahoo directory.

Yahoo cataloged the best sites on the web.

Web 1.5 = Searching

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Then the web got really big and there was money to be made on the web.

We entered the age of searching.

This was the rise of Google and Amazon.

The enormous size required a powerful search engine: Google

The enormous number of things you could buy on the web required a powerful e-commerce site.

Web 2.0 = Sharing

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Web 2.0 dawned and it allowed YOU to share information using the Web.

Now you can be the author, the editor, the commenter.

You could use the web to share information

You could use the web to communicate

This was the rise of blogs, wikis, tagging, online social networks like Facebook and LinkedIn.

And surprisingly, Amazon.

There is now far more user-created content than company-created content on the web.

Along with open social networks has come law specific social networks. Like these

Web 2.0 is about communications.

I am going to talk about communications theory for a few minutes.

Metcalfe's Law shows that a communications network grows in value, as more users join the network.

The first person with a fax machine was really bored
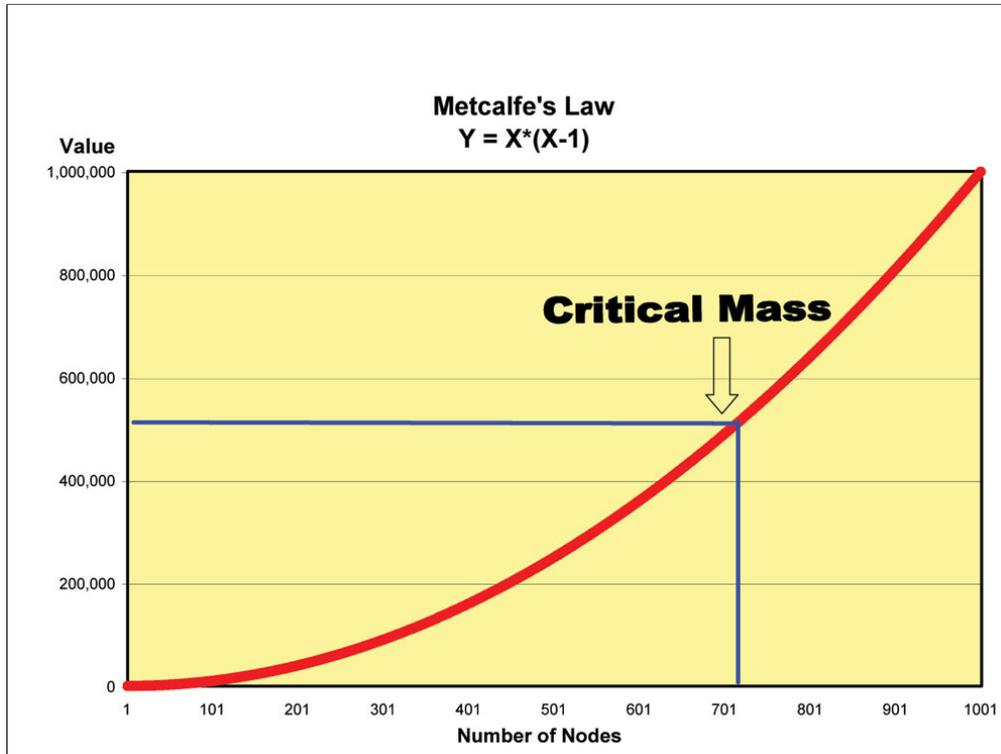
You get this growth curve. Eventually enough people have the tool to make it effective and you have a critical mass.

Email. I remember when you used to have to ask someone if they have email. Now it is ubiquitous.

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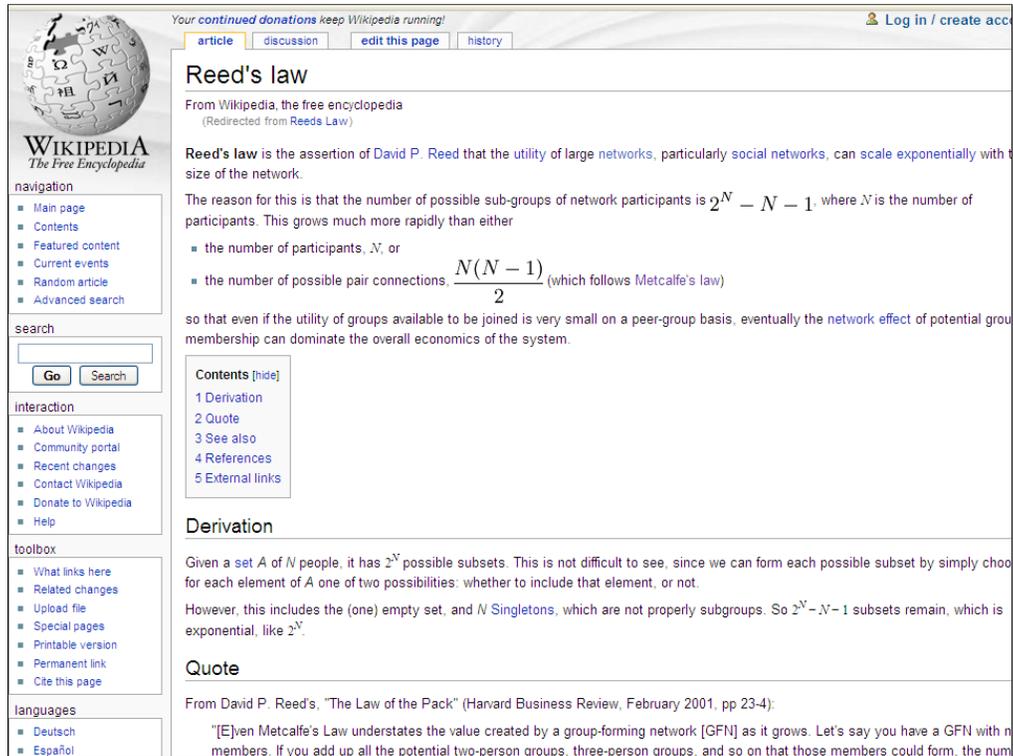
Reed's law

From Wikipedia, the free encyclopedia
(Redirected from Reeds Law)

Reed's law is the assertion of David P. Reed that the utility of large networks, particularly social networks, can scale exponentially with the size of the network.

The reason for this is that the number of possible sub-groups of network participants is $2^N - N - 1$, where N is the number of participants. This grows much more rapidly than either

- the number of participants, N, or
- the number of possible pair connections, $\frac{N(N-1)}{2}$ (which follows Metcalfe's law)

so that even if the utility of groups available to be joined is very small on a peer-group basis, eventually the network effect of potential group membership can dominate the overall economics of the system.

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Derivation

Given a set A of N people, it has 2^N possible subsets. This is not difficult to see, since we can form each possible subset by simply choosing for each element of A one of two possibilities: whether to include that element, or not.

However, this includes the (one) empty set, and N Singletons, which are not properly subgroups. So $2^N - N - 1$ subsets remain, which is exponential, like 2^N.

Quote

From David P. Reed's, "The Law of the Pack" (Harvard Business Review, February 2001, pp 23-4):

"[E]ven Metcalfe's Law understates the value created by a group-forming network [GFN] as it grows. Let's say you have a GFN with n members. If you add up all the potential two-person groups, three-person groups, and so on that those members could form, the num

Reed's law is similar to Metcalfe's law but it focuses on social networks. It shows exponential growth for social networks when you hit the point of critical mass.
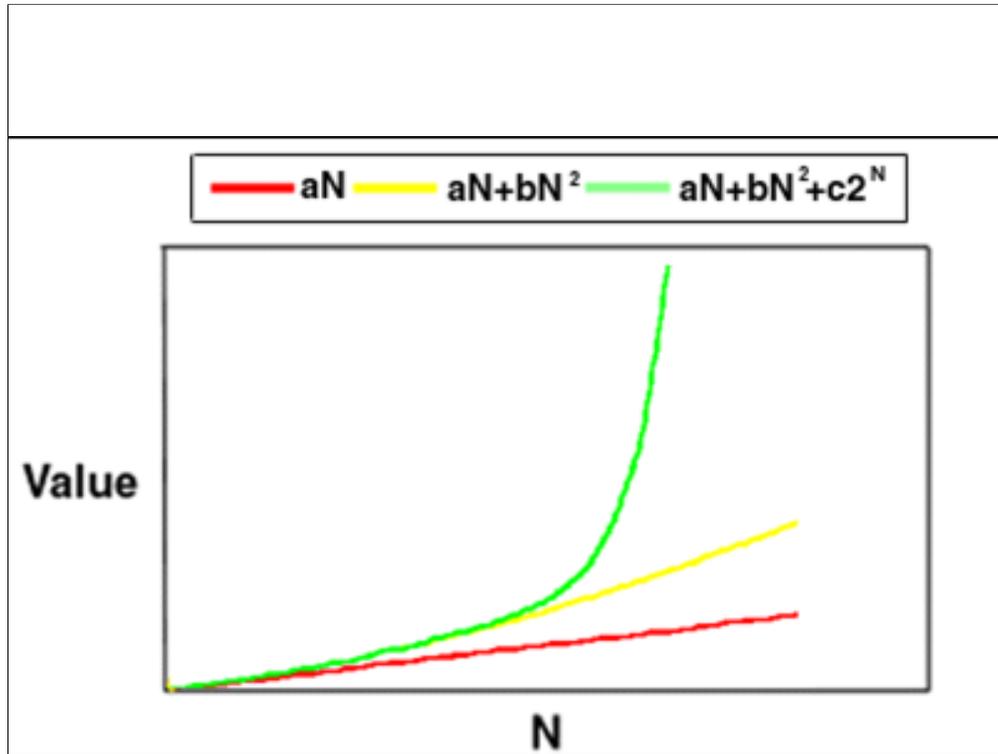
Here you can see Reed's law in the green, compared to Metcalfe's law in the yellow. With social networks for communication, when you hit the critical mass, the use and utility grow exponentially.

Sarnoff's law, in the red, is the growth pattern for broadcast media like TV and newspapers. (Sarnoff was an early president of RCA). This is linear growth. If you have twice as many readers, you get twice as much reach.

Sarnoff's law is applicable to most of your websites and email distributions.

Are these social network site for real? Are they a fad?

People are joining in droves.

LinkedIn has passed the point of critical mass.
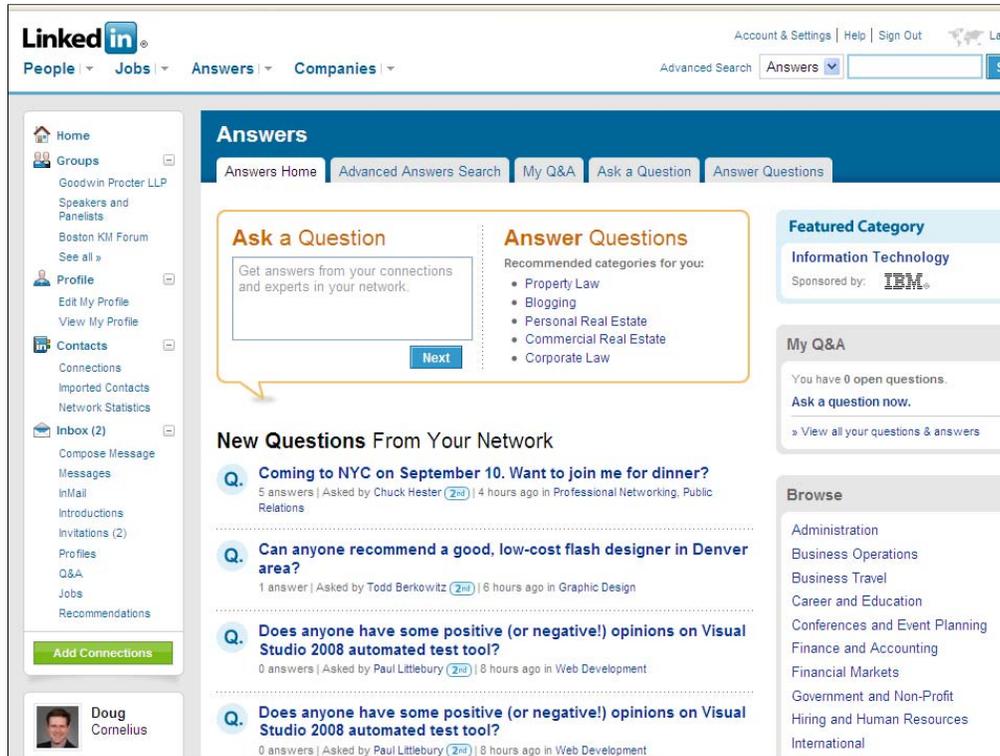
You create a profile.

You can put in as little information as on a business card.

Or an expanded resume.

The key to LinkedIn is creating connections with other people in LinkedIn. Like an online rolodex.

On the home page of Linkedin, you get updates from you connections, as they update their information, connect with others, update their status.

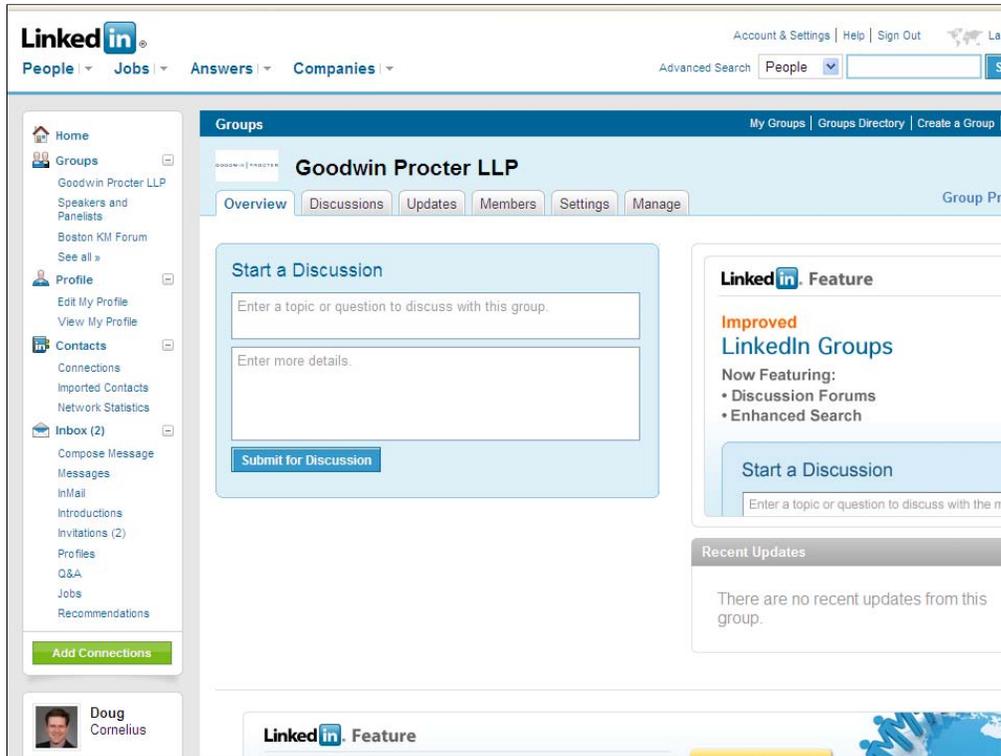LinkedIn has an answers feature. You can answer questions put up by anyone in LinkedIn.

It is an opportunity to show your expertise.

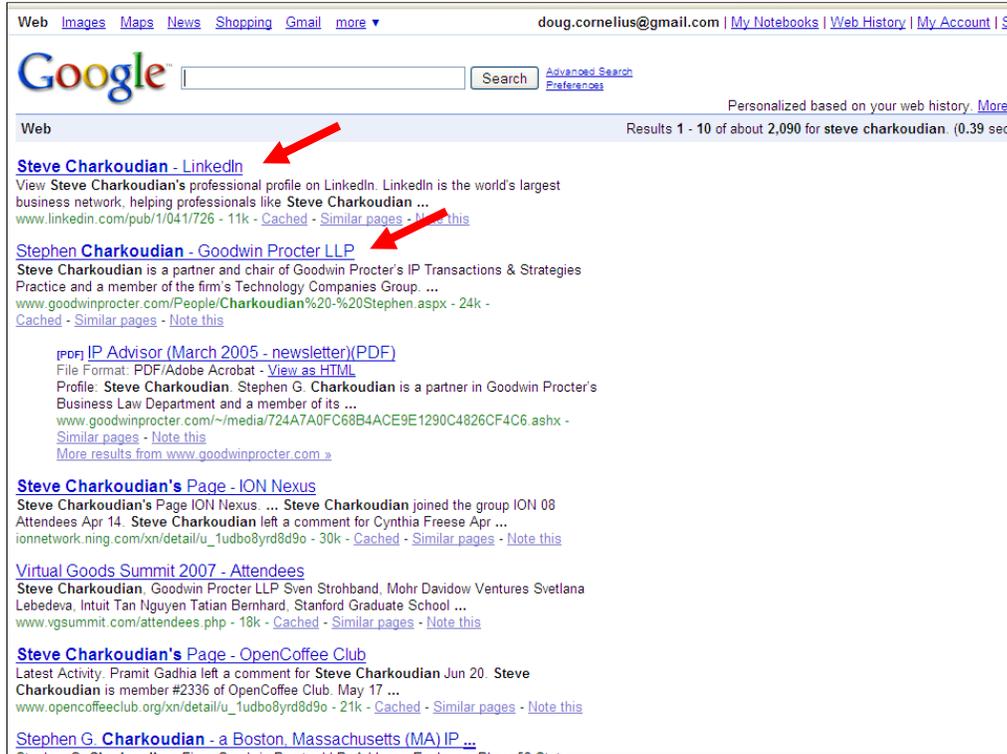It also a danger point for lawyers.

LinkedIn also has company listings.

Is your firm information up to date?

LinkedIn has a groups function. Joining a group was little more than a badge on you profile.

They recently added lots of functionality to the groups feature.

I have not had time to explore these yet.

The power of LinkedIn. I search for Steve Charkoudian, a partner in our IP practice and his LinkedIn profile comes up #1 in a Google search. Ahead of the Goodwin Procter listing.

Most attorney's LinkedIn Profile will come up in the top 5 Google search

- 100+ million members
- They can't all be college students

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Facebook

Huge site. Way past the point of critical mass for college-aged students and law students.

Not yet at the point of critical mass for lawyers. But as new associates arrive we get closer and closer to the critical mass point.

You create a profile in Facebook, with as much information as you want to make available and you can control who sees the information.

You can update your status and make information available to your "friends."
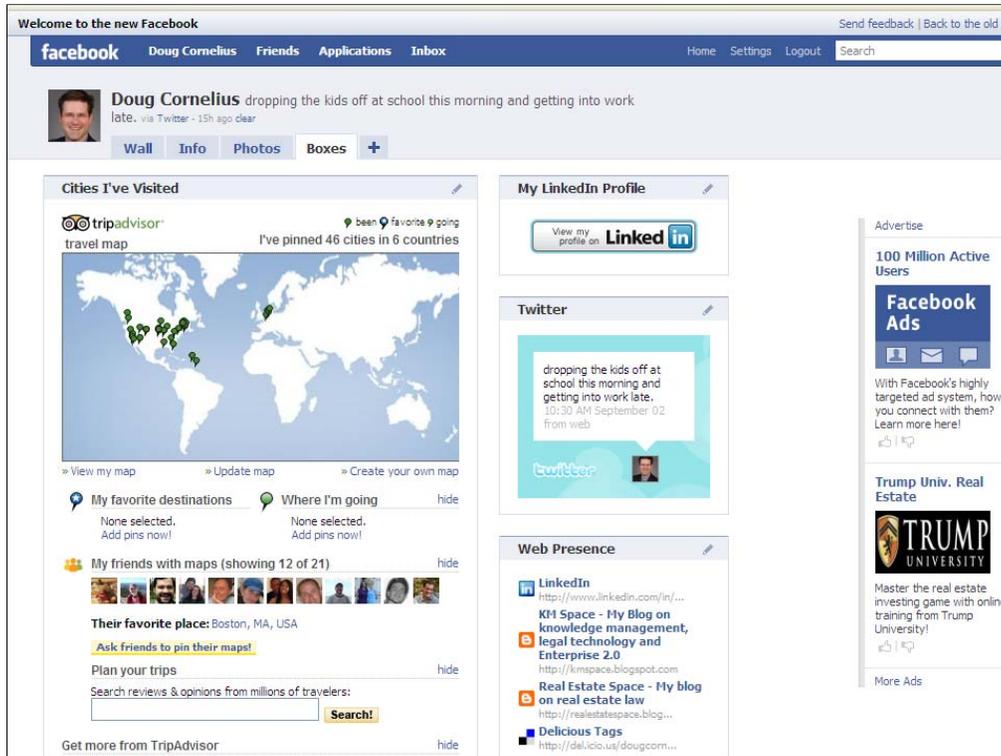
It is a great aggregator of information from other systems and applications.

Twitter update my status

Doppler lets people know when I am traveling

My blog posts get pushed into my stream of updates

You get a stream of updates from your "friends."

It is great way to keep people up to date with what you are doing.

Why Bother?

- Potential clients
- Recruiting
- Keep in touch with loose ties
- Show expertise
- Broader reach

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