

# **The Influence of Web 2.0 on Business**

University of New York in Prague, 2006

**Jaromír Matýšek**

kerray@kerray.cz

[www.kerray.cz](http://www.kerray.cz)

## Contents

Contents .....	2
Introduction .....	3
The Internet .....	4
Web 2.0 .....	7
Stories .....	12
Online Marketing .....	22
Blogs and Conversations .....	28
Conclusion .....	40

## Introduction

This paper will be describing and discussing influence of the Internet, particularly the relatively recent developments summarized under the term Web 2.0, on today's businesses.

I will show where the Internet is today and point out the direction in which it seems to be moving. Then I will show how the Internet has changed society up to date, and what the Web 2.0 tendencies mean for Internet users. I will present examples of how organizations react to these changes and how they can use the new possibilities to their advantage.

I will try to show how the Internet empowers people, and what this means for organizations like corporations. By pointing out the essence of what the Internet allows today I will try to communicate that it would be a mistake to push the Internet aside as something for the IT department to deal with. Internet today is no longer only for the 'geeks', and has to be taken into account at all levels of the organization.

A large part of this work will be discussing marketing. However, I will also show that the influence of Internet on organizations is reaching far deeper. Marketing is not the only activity affected, but I will use it as an example of how profoundly the Internet affects the ways we think about business.

I will argue that the Internet, particularly the parts of it that allow communication among people, can have very significant impact on many levels in companies, ranging from research and development to marketing and customer service.

## The Internet

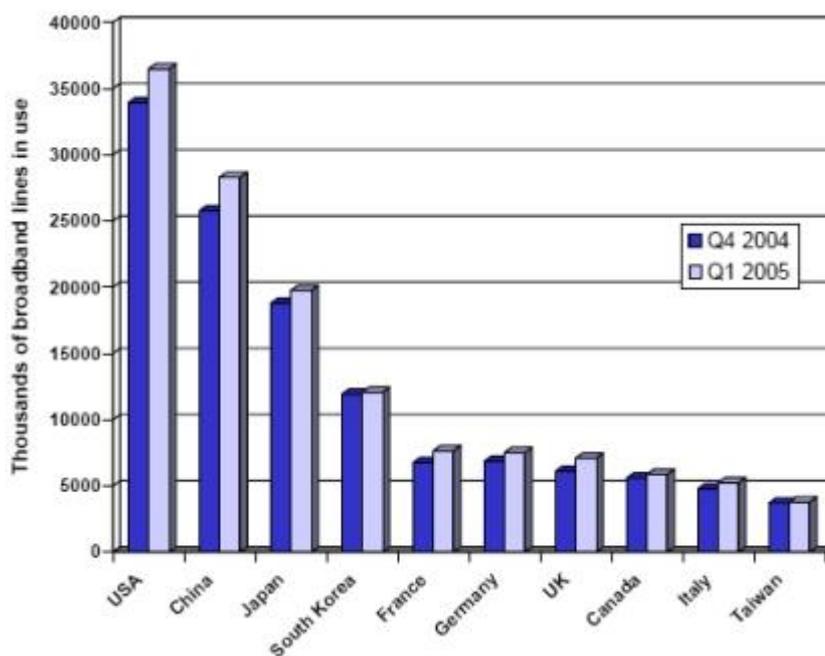
The Internet has a very significant impact on our times. With the Internet, we went through and are still experiencing, in fact, a social development on a massive scale, although we don't usually think of it this way. The Internet brought unprecedented opportunities in communication and its significance can be safely compared to the significance of print or mass media.

Since the invention of print, sharing and distributing ideas by expressing them in written form became much more common. It enabled our culture to create a kind of archive made of words and our lives are built on the knowledge of the past. Today we all are, as a culture, "standing on the shoulders of giants", to quote Isaac Newton.

With mass media and personal communication devices such as the telephone, the process of sharing information became quicker. However, although it is possible to reach large amount of people by mass media, they only work one way, and although communication devices allow mutual exchange of information, they create mostly private channels.

The Internet itself is a new kind of medium, a "*zero distance*" (Searls) medium, which works in real time and is universal. The Internet is a transparent layer which, thanks to its transparency, can be used for many different tasks. We use it for personal communication - we exchange emails and engage in instant messaging or even videoconferencing. We also have the Web, which is currently perceived mainly as a publishing medium, but which in fact also has many transparent features and can be used for various tasks. It can be used for personal communication as well as a mass medium, or it can serve as an interface to all kinds of information.

The Internet integrates our previous media. Because of its transparency, the Internet can transmit any data. It doesn't care whether it is text or video or a sequence of numbers. The Internet can be used not only for fast personal communication – it is at the same time a mass medium. That means, for example, that anyone who has Internet access has the possibility to publish information, and everyone else can not only receive that information, if they wish, but they can also react. Moreover, as an example of what the Internet as a medium allows, almost everything that gets published on the Web is usually quickly indexed in several independent databases, like the one at Google. All the publicly available information can thus be searched.



Moreover, the amount of people and household connected to the Internet rises (the graph shows the increase in number of households with a broadband connection in last years from

<http://www.point->

topic.com). In developed countries it is easy to get online and although it takes time to become more experienced, users are quickly learning to use the services they like. Internet already is an important tool in every office and it is quickly becoming a normal part of a western household too.

In less developed countries the number of households connected might not be as high, it is

however becoming possible to get online from public places, for example from libraries or Internet cafes, and we can also expect the number of users in these countries to rise.

The amount of people who turn to the Internet for serious information grows. According to Reuters,

*Nearly half of U.S. users of the Internet went online for help with major life decisions such as finding a college for their child or looking for a new place to live [...] An estimated 21 million Americans turned to the Internet when seeking more training for a career, while 17 million used it to choose a school for a family member or to help another person with a major illness. [...] Some 16 million Americans used the Internet when buying a car or making a major investment or financial decision, it said. An estimated 10 million Americans used the Internet when looking for a new place to live; 8 million when changing jobs; and 7 million when dealing with their own major illness or health condition.*

So quite suddenly, during the course of about a dozen years, it became possible for masses of people to express themselves loud enough for anyone to hear. Although the Internet was originally meant to serve scientific and military purposes, its users quickly began to use it also for personal communication, and today people use the Internet to look for information and lead all kinds of conversations on all kinds of topics. And this means, among other things, that people are expressing their opinions on products, services and companies.

The question organizations should ask is – what are they going to say about us? As I will show further on, the time when this was simply a question of marketing is over. But first I

will show some of the possibilities the Internet has to offer today.

## Web 2.0

Web 2.0 is a concept that is hard to define precisely. Increasingly it is perceived as just a new meaningless buzzword of the IT community. Nevertheless, this is a misunderstanding of what this term is supposed to mean, and the fact that despite the complexity of this term many IT professionals don't hesitate to use this term to describe their products doesn't help.

My point in this chapter is to outline the possibilities of the Internet today by introducing the most important aspects of the Web 2.0 concept. I would like to show that the Internet is still a largely unexplored territory, and we are currently examining and trying what can be done with it. Already, some of the features of Internet would have seemed unrealistic a decade ago – for example, would you have considered investing in an online encyclopedia, which core feature is that it can be changed by anyone? And yet Wikipedia is a big success, and although it is not recommended as a completely reliable source of information, it serves as a great first point of research on an incredible amount of topics.

As the dot-com bubble burst, it left many people skeptical about the whole "Internet is going to change the world" thing. But the fact is the Internet already changed many aspects of our world, particularly speed of information exchange, and there is no reason to believe that this development is over. Quite the opposite is true – there is so much new, both in technology and ways this technology is employed, that the term Web 2.0 has been introduced to incorporate some of this development.

The concept of Web 2.0 sums up several important aspects of evolution of the Web and the Internet in general. Some of these aspects are technical, some describe new business models and some point out interesting concepts and innovations. Tim O'Reilly tried to clarify the term in his article *What Is Web 2.0*, parts of which I will now summarize.

"Web as a platform" is one of the principles of Web 2.0, meaning basically that instead of programming software and then shipping it to users in the standard product cycle, Web 2.0 developers instead often create services, which are then being offered on the Web and updated continuously according to real time data about usage and customer feedback. An example would be Writely, web-based text editor, recently acquired by Google – it can be found at [<http://docs.google.com>]. There is nothing to download, the user simply opens the Writely site in a browser, logs into his or her user account and they can start working on their documents, which are being stored online. The documents can even be shared and collaborated on with other users, as well as saved in standard Word format or automatically published to a blog.

Also, the development process itself is quite different from what it looked like just ten years ago. First generations of personal computers needed to be programmed directly. The programmers themselves often had to take care of everything from the basics, from getting the keyboard input to drawing pixels on the screen. However, as computers grew more efficient, instead of communicating directly with the hardware, programmers got the option to use layers of code already done by others. It was no longer necessary to adjust the program specifically for new hardware models, because they could use uniform architecture of operating system's drivers. Today, particularly with Web and databases, programmers usually use a high level programming language like PHP, which itself makes use of several

layers, and lots of libraries and functions. So programming a Web application, even "from scratch", is a lot easier than it was just a few years ago. This also contributes to the already mentioned change in approach to the software release cycle.

Software on the Web has become a service instead of being a product which is made, distributed and perhaps later patched or upgraded. O'Reilly says

*Users must be treated as co-developers, in a reflection of open source development practices (even if the software in question is unlikely to be released under an open source license.) The open source dictum, 'release early and release often' in fact has morphed into an even more radical position, 'the perpetual beta,' in which the product is developed in the open, with new features slipstreamed in on a monthly, weekly, or even daily basis. It's no accident that services such as Gmail, Google Maps, Flickr, del.icio.us, and the like may be expected to bear a 'Beta' logo for years at a time. Real time monitoring of user behavior to see just which new features are used, and how they are used, thus becomes another required core competency. A web developer at a major online service remarked: 'We put up two or three new features on some part of the site every day, and if users don't adopt them, we take them down. If they like them, we roll them out to the entire site.'*

However, as we will see in the next chapter, user input is not only useful for developers – it is one of the Web 2.0 most important values.

As to the business model changes represented by Web 2.0, the most important one is

probably "The Long Tail" theory of Chris Anderson, who in his original article describes the impact of data digitalization on media markets. Theory of the Long Tail says that *"our culture and economy is increasingly shifting away from a focus on a relatively small number of ,hits' (mainstream products and markets) at the head of the demand curve and toward a huge number of niches in the tail. As the costs of production and distribution fall, especially online, there is now less need to lump products and consumers into one-size-fits-all containers. In an era without the constraints of physical shelf space and other bottlenecks of distribution, narrowly-target goods and services can be as economically attractive as mainstream fare."* ("The Long Tail FAQ")

Whereas two decades ago a shop selling for example music or films was limited by its size, because each item required either physical shelf space or time (in cinema), data in digital form occupy almost no space and the costs of having them in stock are insignificant. So while many physical stores had to limit their selection of music to what would sell, meaning the hits, and most cinemas couldn't afford to run for example independent films, because there were not enough people in the surroundings who would come, today a company selling music or generally anything else in digital form on the Internet has no such problems. Keeping thousands of items is basically as simple as keeping millions. And while earlier the biggest market was in the hits, today it's in the "long tail", the almost infinite number of often obscure items, which even though they might sell only two copies per year contribute to the overall profit. Chris Anderson has written a book on this topic. It is subtitled *"Why the future of business is selling less for more"*.

*Hit-driven economics is a creation of an age without enough room to carry everything for everybody. Not enough shelf space for all the CDs, DVDs,*

*and games produced. Not enough screens to show all the available movies. Not enough channels to broadcast all the TV programs, not enough radio waves to play all the music created, and not enough hours in the day to squeeze everything out through either of those sets of slots. ("The Long Tail")*

O'Reilly says about the Long Tail: *"Leverage customer-self service and algorithmic data management to reach out to the entire web, to the edges and not just the center, to the long tail and not just the head."*

From the standpoint of Web 2.0, the long tail is in work practically everywhere. In downloads, it is represented by BitTorrent, service which allows (and even requires) the clients to distribute downloaded data among themselves, alleviating the load off of the server where the data was originally stored, in contrast to services like FTP where each user downloads the data from the original server all over again, only for themselves. Another example O'Reilly gives is online advertising. Google AdSense allows placement of ads on practically any webpage, in contrast to the DoubleClick company, which *"bought into the '90s notion that the web was about publishing, not participation; that advertisers, not consumers, ought to call the shots; that size mattered, and that the internet was increasingly being dominated by the top websites as measured by MediaMetrix and other web ad scoring companies. As a result, DoubleClick proudly cites on its website ,over 2000 successful implementations' of its software."* (O'Reilly)

Google serves ads on hundreds of thousands pages, and their approach has been described as a solution, that is "scaling down",. Since the advertisers pay for click, everyone is able to advertise as much as they want and can afford, thus generating revenue not only from the

big advertisers, but also from the “long tail”. And it is actually the revenue from displaying advertisements that allows many sites to pay their bills. Sites that have something interesting to offer will get more traffic, display more ads and thus hopefully make more money.

In the next chapter we will focus on the users, “consumers”, who, at least in the Web 2.0 concept, are not a passive mass which has to be manipulated with marketing, but rather an intelligent, active force, which enjoys communication. And as we can presently often see on the Internet, it is not organizations, but rather the users themselves, who is actually the main provider of traffic generating “content”.

## Social Software

We are currently witnessing mass onset of so-called social software, which includes things like chats and forums, but also online shops allowing user feedback and reviews. Social software usually does not mean a program, a standalone application. It can be simply defined as “*software that supports group interaction*” (Shirky). It is particularly on the Web, where we can see the importance of the “social” component.

One of the most interesting things about the Internet, which became obvious particularly with the increasing use of social software, is the prevalence of probabilistic statistics. It is the amount of people who contribute to the many sites and services on the Web that allows systems working on probabilistic statistics to function. Wikipedia, the online encyclopedia which anyone can edit, is an example of how such systems work, Google search is another and del.icio.us, a system for sharing bookmarks and links, is yet another. These systems are not backed by authority. Their authors do not provide content. Instead, they invite other

people, mostly “common” users, and let them come up with the content. There is no scientific commission that would be responsible for articles in Wikipedia, no one is manually selecting links which should have bigger priority in Google's search results, and del.icio.us doesn't offer fixed categories, it just lets its users write in any keywords they want as a description of the links they are saving. However, the more people contribute to these systems, the better and more precise these systems become. While articles in Wikipedia may include errors, and should serve primarily as a starting point for further research instead of being an authoritative source, and while Google may be "bombed" with links to bring certain pages to a higher position in search results, it is a small price for the overall performance of these systems.

The term used for this is "emergent intelligence", in contrast with authoritative intelligence, which we are more comfortable with. We are currently experiencing that while authoritative intelligence is successful and needed, it works only on a limited scale. Encyclopedia Britannica contains about 80,000 articles (some of which inevitably include factual errors), while the count of articles in Wikipedia is close to a million. Emergent intelligence excels with scale. As people add links to del.icio.us, it necessarily means that various people are often adding the same link with different ‘tags’, and sooner or later those keywords used for describing these links will overlap. While with three people commenting on a link the keywords they used may be misleading, because there is no forced pattern on how to tag anything, with hundreds of people, a pattern describing the link's content will usually emerge. Similar systems of keywords, or “tags”, are spreading fast, precisely for the reason that in the end, they can describe items better than a system of fixed categories. ("The Probabilistic Age")

On the Internet, lots of things come for free. Not "for free" with a catch hidden somewhere in the small print, but truly for free. That includes applications, music, films, but particularly all kinds of information. For example, let's say someone is seeking counsel in a relatively simple health issue. The person could meet a doctor, get the information they are looking for, and pay for the visit. However, let's say this person is a frequent visitor of some kind of "social" website, where lots of people are participating in discussions on lots of topics. There is a discussion thread called "Health", and instead of visiting a doctor, our person explains their cause in this forum. Few hours later he or she gets an answer from someone who claims to be a doctor, and this answer is validated by the consent of several other people in that forum, some of them very active and well known on this particular website. This is a very common thing on the Internet.

Why are people acting this way? What do they get in reward? Douglas Rushkoff introduced the term "social currency". As illustrations of what social currency means, he explains that for example jokes and the ability to tell them might constitute a form of social currency. A person able to tell jokes is more likely to get invited to parties, because the jokes can make the party more pleasant. Social currency is something that is appreciated by other people. It might be a joke, an interesting story, a skill or a new mobile phone.

The Internet has quite a long tradition in this respect. Rushkoff states:

*Software was designed by people who wanted to make the Internet a better place. Hackers stayed up late coding new programs and then distributed them free of charge. The early interactive mediaspace was a gift economy. People developed and shared new software with no expectation of financial return. It was gratifying enough to see one's own*

*e-mail program or bulletin board software spread to thousands of other users. It's easy to forget – and it's rarely brought up at board meetings – that, in fact, most of the programs we use today are based on this shareware and freeware. Internet Explorer and Netscape are bloated versions of a program originally created at the University of Illinois and given away. [...] The Internet was built for love, not profit.*

*People became the content, a shift that had implications not just for the online community but for society as a whole. For the notion of a group of people working together for a shared goal rather than financial self-interest was quite startling to those whose lives had been organized around the single purpose of making money and achieving personal security. The Internet was considered 'sexy' simply because it inspired young people to work hard for something other than money." (49-50)*

For people who themselves don't use the Internet much this doesn't mean a lot. However, for those who use it or even participate, and who see the enormous amount of buzz on all fronts, the Internet quickly becomes probably the most important and most democratic (in the sense that everyone can voice their ideas) medium.

The border between authors and consumers on the Internet is, from the technical standpoint, practically nonexistent. Anyone can become an author, a content provider, by doing as little as contributing to a discussion forum or commenting on a blog entry. There is no cost of entry; the only requirement is to be online. And various organizations are leveraging this phenomenon, inviting people to share their thoughts.

An increasing number of people not only participate by creating content (like programming software or blogging), but who also every day use and watch similar products of others. For some sharing stories and having conversations on the Internet has become a foundation for their livelihood. For example, by providing some kind of advice or information for free, on a forum, in a personal blog or elsewhere, this person successfully communicates not only the fact that they have knowledge in that particular area, but also that they are pleasant to deal with. Providing services for free might actually be a very efficient method of advertising. The person who sought the advice in a first place might need a consultation for their company, for example, and there is no reason they should look for someone else to provide it, when they already have a positive experience.

## Stories

While the term “information” is being used very often to indicate, well, information, to our minds a piece of information has to be part of a bigger whole in order to really have meaning. We could say that people usually communicate in stories. As Douglas Rushkoff points out,

*We use stories to understand our world, orient ourselves, motivate our employees, communicate our brand values, and even tout our stock valuations. So our relationship to the stories really does matter. The biggest impact of the newly interactive mediaspace is that it has changed the shape of our stories and leveled the playing field on which they are created and disseminated. Thanks to the Internet, anyone can tell a story to pretty much anyone else. And why the stories, themselves, might not*

*amount to much, the ability to write and share one changes a person's relationship to everyone else's. (Rushkoff, p. 43)*

Among those who consider stories to be the key element of marketing is Seth Godin. Of course, stories are not only told with words. In stories, all the details matter. In his book *All Marketers Are Liars*, Seth Godin writes about what makes a great marketing story.

*A great story is true. Not true because it's factual, but true because it's consistent and authentic. Consumers are too good at sniffing out inconsistencies for a marketer to get away with a story that's just slapped on.*

*Great stories make a promise. They promise fun or money, safety or a shortcut. The promise bold and audacious and not just very good – it's exceptional or is not worth listening to.*

*Great stories are trusted. Trust is the scarcest resource we've got left. No one trusts anyone. Consumers don't trust the beautiful women ordering vodka at the corner bar (they're getting paid by the liquor company).*

*Consumers don't trust the spokespeople on commercials [...] and consumers don't trust the companies that make pharmaceuticals (Vioxx, apparently, can kill you). As a result, no marketer succeeds in telling a story unless he has earned the credibility to tell that story.*

*Great stories are subtle. Surprisingly, the less a marketer spells out, the more powerful the story becomes. Talented marketers understand that the prospect is ultimately telling himself the lie, so allowing him (and the rest*

*of the target audience) to draw his own conclusions is far more effective than just announcing the punchline.*

*Great stories happen fast. They engage the consumer the moment the story clicks into place. First impressions are far more powerful than we give them credit for. Great stories don't always need eight-page color brochures or a face-to-face meeting. Great stories match the voice the consumer's worldview was seeking, and they sync right up with her expectations. Either you are ready to listen to what a Prius delivers or you aren't.*

*Great stories don't appeal to logic, but they often appeal to our senses.*

*Pheromones aren't a myth. People decide if they like someone after just a sniff. And the design of an Alessi teapot talks to consumers in a way that a fact sheet about boiling water never could.*

*Great stories are rarely aimed at everyone. Average people are good at ignoring you. Average people have too many different points of view about life and average people are by and large satisfied. If you need to water down your story to appeal to everyone, it will appeal to no one. Runaway hits like the LiveStrong fund-raising bracelets take off because they match the worldview of a tiny audience – and then that tiny audience spreads the story.*

*Great stories don't contradict themselves. If your restaurant is in the right location but has the wrong menu, you lose. If your art gallery carries the*

*right artists but your staff is rejects from a used car lot, you lose. [...]*

*Consumers are clever and they'll see through your deceit at once. (8-11)*

With the Internet, we are currently finding out what happens if anyone is able to tell a story to almost anyone else. As Seth Godin states, and shows further in his book, there is today a kind of inflation among stories. There is way too much of them for a person to be able to remember even a tiny fragment. According to Douglas Rushkoff, we live in an "attention economy" (54). Attention is a scarce resource, for which impulses all around us have to compete. Companies who want to succeed in winning customers' attention have to be built on stories that are believable and worth spreading.

This brings us back to the concept of social currency.

*HBO understood this well enough to base an entire season's advertising campaign on the ,water cooler' effect. In a series of fake ads, the water cooler industry thanks HBO for giving workers something to talk about the next day at the water cooler. The message of these ads was clear: watch these shows to gain social currency. [...] Many business authors, consultants, and advertisers caught on to the idea of cultural contagion and came to believe that a savvy market their needed to find only a few key individuals who could provide the right word of mouth (or word of Internet), and a campaign would propel itself. This led to an industry of ,viral marketing,' where hip advertising agencies find people they consider to be cool or trendy, and then induce them – or pay them – to hawk a particular brand of shoe, book title, or camera phone to their friends and followers.*

*But they've got the horse and cart reversed. [...] It's not about convincing a few key individuals to sell products; it's about creating products that provide everyone the currency they need to forge new social connections.*

(79-80)

Rushkoff bases his claims on his understanding that *"for the majority of consumers, their cars, electronics, and even their sneakers are ways of communicating to and connecting with other people."* (81) and further on *"it's not products consumers want; it's the experiences that these products, or the brands they represent, can offer"*. (Rushkoff, p. 86)

The term "viral marketing", invented by the same Douglas Rushkoff a decade ago, seriously influenced the world of marketing. Still, as he himself states, many of the marketers who began using this concept didn't really understand (or perhaps they didn't care, in case of external marketing agencies) that marketing should come as icing on the cake of a quality product. Rushkoff however sees this misleading approach as common in marketing and business in general: *"Designers [...] look at the consumer as an impulsive creature, capable of being led, or at least coaxed, into buying more stuff if treated just right. [Marketing often results in] manipulative, mechanical approach toward the retail environment, where customers are to be stimulated and directed like cattle."* (87)

On the Internet, we can see this manipulative tendency all too often. Aggressive ads, popups and spam are everywhere. Are their authors hoping that they can win customer goodwill by essentially annoying them? These methods yield only limited results, mostly from people who don't have enough experience with the Internet yet, but they are employed on such a scale that even tenth of a percent brings enough revenues for the campaign to be worth it. However, as Seth Godin says about intrusion of such marketing in

the e-consultancy.com interview: "Like everyone else, I ignore it. What a waste." I don't think any serious business would want to intentionally annoy their customers, but there are some who simply didn't understand what people are looking for.

But aggressive online advertising is just a part of a more general topic – many people are bored with the classical marketing pitch and corporate boasting, at least on the Internet. A lot of companies simply cannot be trusted, and that includes the big brands. Too many companies claim that their products are the best, when they turn out to be mediocre at best. Too many products remind us of Michael Douglas in the Falling Down fast food scene, where he orders a beautifully looking hamburger from a picture display only to get a flat, sorry piece of food. Too bad, because whoever made these products not only didn't provide their customers with social currency, or at least not in its positive sense, but they also lost their trust. It could be argued that some customers want cheap products, and they don't mind if the product doesn't really work or breaks soon. But if they checked online review sites first, like for example epinions.com, they would find out that even among the cheap products some are better than others. On the other hand, in every field of business there are outstanding products and services, things that are so innovative or just plain good that people talk about them voluntarily. With products like the Apple iPod people even become 'evangelists', intentionally spreading the word of what they consider to be sheer goodness.

It is all too easy to check what other people say about a product before buying it, and it is no longer the case only with expensive products and global companies. As qualitative market research by R. McLean and N. Blackie has shown in 2004,

*people currently use the Internet for research projects and services, and increasingly fail to complete transactions online. [...] Consumers are using*

*the Internet to gather and share knowledge about products and companies. [...] There has been an increase in the amount of sites such as epinions.com [...] where, significantly, consumers have conversations with each other, and share their experiences or stories of interacting with companies and using products. (McLean)*

## **Online Marketing**

While the Internet provides a great medium for marketing, it poses a challenge to the status quo. The Wired.org magazine reports

*Simon & Schuster is one of five publishing houses that jointly filed a lawsuit against Google last week. The suit charges the search company with willful infringement of copyrights for its Google Print Library Project, which involves four university libraries and the New York Public Library. Google wants to scan all or portions of their collections and add the text to Google Print's searchable database. [...]*

*Google's plan to scan library book collections and make them searchable may be drawing fire from publishers and authors' advocates, but some obscure and first-time writers are lining up on the search engine's side of the dispute -- arguing that the benefits of inclusion in the online database outweigh the drawbacks. (Glasner)*

While from the point of view of companies like S&S, Google should be paying fees for being allowed to host and perform searches on copyrighted materials, it might be actually Google

who is providing companies like S&S with a priceless possibility of having their books included and available for anyone to find in the world's most popular search engine – for free. From Google, whose corporate mission is to index all information, this is a logical step in enhancing their search portfolio. However, they were not planning to show ads on results of book searches precisely for the reason that it would be viewed as making money on work of other people. From Google's point of view, they are the ones providing publishers with a service. On the Web, if you do not want to be indexed in search engine databases, you have to state it explicitly. But you don't usually have a reason to do that, because you want more exposure for your content.

The possibility to electronically search through printed books increases sales of books that might otherwise never come into customer's focus. Authors increasingly often publish excerpts or their entire works for free in hope of gaining reputation. In many cases, publishing the book online for free increased the sales of the printed copy - someone downloads the book, reads it, a bit uncomfortably perhaps, and likes it. Even if they don't buy it for themselves, they might buy it as a present for example. Or they just mention they liked it and someone else will buy it.

Similar situation seems to be in the music industry. The sales of mainstream music are declining. Recording Industry Association of America statistics for 2005 show that its member's sales are in decline sixth year in a row (Leeds). In the eyes of the music industry giants, this is a result of increasing amount of piracy, which they have been trying to fight using various methods for years. Well known are RIAA's lawsuits against music downloaders. In past years, the recording industry also introduced several methods of protecting CDs from copying, even though according to the US copyright laws customers are

legally entitled to make a backup copy. Not only did all these attempts fail, but as a recent case with Sony's DRM method shows, the copyright protection and the whole approach of RIAA might actually be one of the reasons people stop buying original music, or at least the music these giants are producing. Instead of being valued as paying customers, people perceive that they are actually seen as potential thieves, distrusted, denied their rights to own a backup copy, and in case of Sony, their computers are infected with dangerous, virus-like software without their knowledge or consent. (Doctorow)

However, just like some writers and publishers embraced the Internet and, having a good product in the first place, succeeded to sell more even though they were offering entire copies of their works for free, there is an increasing amount musicians and bands who managed to either keep or boost their sales and popularity despite (or because of) the fact that they offered their product, or part of it, for free. It is nevertheless logical that if the recording industry used the classical model of releasing CDs a few songs are hits and the rest is there just to fill up the space, and offered this thing for free, the chance of this act boosting the sales is quite low - the customer, having heard the hit singles from an album, buys the whole thing expecting the rest will be of similar quality, and if they had a chance to listen to it a few times before buying, they might just buy the singles. (Techdirt.com)

It is understandable that particularly the large corporations might have trouble with flexibility and innovation, because innovation often carries with itself a huge amount of risk. It is easier to keep doing what originally brought success to the company. However, this approach might result in a decline in the long term. Seth Godin, in the interview with e-consultancy.com, being asked why so many corporations still have reservations about the Web, answers: "*Big brands got that way by doing the things that worked over and over.*"

*They're not good at the new, and they're horrible at experimenting."*

Michael Hammer, respected business author who developed the idea of corporation reengineering in the eighties, provides his insights about the landscape of business these days in the preface of his last book *The Agenda*. He says that we are living in what he calls "customer economy".

*In short, we are playing a new ball game, and those who play by old rules and follow old strategies are doomed. But while the customer economy is a new game, it need not be a hopeless one. Some companies [...] are learning how to succeed in this environment. They are writing new rules for the new game. [...] They do not succeed through financial engineering or government relations. [...] These companies operate at lower costs and with higher quality than their competitors; they are faster to market and provide better service; they grow not through acquisition but by taking share from competitors. Very important, these companies succeed through imagination and finesse rather than brute force. They do not merely out-execute their peers; they out-innovate them. [...] The winners in the customer economy find new and powerful ways to do their work. They are masters of operational innovation and they never relent, constantly searching for new ways of working that will put them even further ahead of their competitors. (XIV-XV)*

He then continues to explain what a company needs to do in order to reach and maintain success. Although he despises the uninformed glorification of the Internet in times of the dotcom bubble, he considers the integration of Internet in companies a necessity. The

Internet is to be integrated and used, because there is no other way to attain the goals he is proposing further on: "*Companies need to break the walls that separate them from customers and suppliers, integrate their processes across corporate boundaries, and position themselves as parts of collaboratives rather than as stand-alone entities.*" (XVI)

In short, creating mediocre products and using marketing campaigns to boost sales is not exactly a strategy for leaders of the field, who want to build a brand people can trust and identify with. As Hammer puts it, "*in a marketplace made up of commoditized product offerings and intense competition, you cannot afford to do anything less than extremely well.*" (206)

Guy Kawasaki, a former Apple "evangelist" who is credited for bringing the concept of evangelism into the IT business, says that companies have to set their goals high. He gives an example of a company that invented daisy wheel printer, for which innovation meant adding bigger Helvetica font. Instead, true innovation would be to "*jump to the next curve*" and invent laser printing.

A nice example of what innovation can do, how established companies tend to treat it and what word of mouth can do for marketing, is the official story of the Dyson company, selling bagless vacuum cleaners. After James Dyson realized how quickly traditional vacuum cleaner clog up and loose suction power, he set out on a five year long journey to find a solution to this problem. He came with a new solution, a so called cyclonic vacuum cleaner, in which the air rotates and heavy dust and dirt are thrown aside by the force of inertia. Only clean air then passes through. He went to major manufacturers with his invention, and was turned down by all of them - which is not surprising, considering that selling bags for vacuum cleaners is a big part of their business. Mike Rutter, Hoover vice president for

Europe, even said that he regrets not buying Dyson's invention - he would have laid it on the shelf and it would not be sold at all. So Dyson began to manufacture his cleaners himself. It took only two years for Dyson to become the UK's best selling vacuum cleaner. Main force behind this achievement was not advertisement. It was word of mouth. (Dyson)

Brands are supposedly one of the main assets of companies and marketing is constantly trying to associate brands with positive images. But do people really tend to associate with products and brands as much as marketers would want to believe? For example, an America's Research Group study showed that the number of customers who believe that brand names are 'extremely important' for choosing holiday gifts has been decreasing by about 10 percent a year. (Rozhon)

Douglas Rushkoff states:

*Brands arose as a way to compensate for the dehumanizing effects of the Industrial Age. The more people had previously needed to trust the person behind a product, the more important the brand became as a symbol of origin and authenticity. [...] Over last several decades, all these brand have become something of commodities, themselves. Do we want the cookies made by elves in a hollow tree, or those brought to the supermarket by a little man in a lab coat? They all taste the same, and one commercial is pretty much as entertaining as another. Why pick one cookie or computer over any other?" (94)*

Nevertheless, according to Rushkoff, brands still play an important role, but they have to have solid foundations in products or services which prove their value by being worth



including ready-made blog templates, and all anyone needs to do is sign up and start posting whatever they want. Blogging systems include many possibilities – authors can turn on commenting, the system automatically takes care of publishing a so-called RSS feed, which is then syndicated by services like Technorati, and among many other possibilities it is also possible to see when someone else mentions your post on their own blog, so that blog authors are often citing and commenting on each other.

Among the millions of blogs (the number of blogs tracked by the Technorati service is over 60 times larger than it was 3 years ago, although large part of these blogs are either spam blogs or abandoned) almost every thinkable topic is covered, since the recommended way to create a good blog is to have something to say, a topic to cover.

Good blogs have become quite influential. Not all blogs are good, but in the collective intelligence of the Internet, good things eventually get recognized and recommended. A relatively small amount of bloggers helps to shape public opinions about politics, business and many other matters.

What makes blogs so persuasive is the authenticity they can have – the possibility to see that a live person stands behind the writing, to see that they have been writing for a longer time, to see how they deal with various issues. While suggestions and ideas presented in a trustworthy way tend to be taken quite seriously (although it should be common knowledge to do a quick research before committing one's trust to a source), a blog which is obviously only trying to sell something will probably not be successful. People are surprisingly capable of distinguishing a "honest" blog from most of corporate advertising. A personal blog tends to be maintained for personal reasons - the authors might enjoy the popularity and also the possibility of advertising revenue a good blog brings, or they simply want to share what they

found, know or been through.

A typical corporate "blog" on the other hand is just trying to lure the reader in, and then sell them some goods or ideas. While this may have limited success, depending on the quality of the website and on the amount of experience of individual visitors, it actually shows a lack of understanding of how to grow a brand and build a sustainable business. The things or ideas being sold have to be worth talking about. If they are, marketing them will be like rolling a snowball downhill. Commenting on or even recommending a product on a honestly appearing blog will have much more marketing impact than if the blog is obviously commercial. As Seth Godin says in his blog post Recommendations, "*the best recommendations are authentic and personal and trusted, which makes it easy for you to take action on them.*"

Of course, it was only a question of time until blogs began to be seen either as a potential source of revenue, or as a new way to advertise one's company or its products. Advertising agencies began to offer blogs as another, modern and chic way of advertising online. However, creating a webpage and calling it a blog doesn't necessarily mean anything by itself, as the blog contents is what matters. Traditional "corporate speech" and boasting can be recognized easily, which is a topic that was brought up in both in the mentioned works of Seth Godin and Douglas Rushkoff, as well as in many discussions and blogs. It is also examined for example in the controversial Cluetrain Manifesto. The first third of "95 Thesis", contained in the book, sums this topic up in a strict and uncompromising tone:

*1. Markets are conversations.*

*2. Markets consist of human beings, not demographic sectors.*

3. *Conversations among human beings sound human. They are conducted in a human voice.*
4. *Whether delivering information, opinions, perspectives, dissenting arguments or humorous asides, the human voice is typically open, natural, uncontrived.*
5. *People recognize each other as such from the sound of this voice.*
6. *The Internet is enabling conversations among human beings that were simply not possible in the era of mass media.*
7. *Hyperlinks subvert hierarchy.*
8. *In both internetworked markets and among intranetworked employees, people are speaking to each other in a powerful new way.*
9. *These networked conversations are enabling powerful new forms of social organization and knowledge exchange to emerge.*
10. *As a result, markets are getting smarter, more informed, more organized. Participation in a networked market changes people fundamentally.*
11. *People in networked markets have figured out that they get far better information and support from one another than from vendors. So much for corporate rhetoric about adding value to commoditized products.*
12. *There are no secrets. The networked market knows more than companies do about their own products. And whether the news is good or bad, they tell everyone.*

13. *What's happening to markets is also happening among employees. A metaphysical construct called "The Company" is the only thing standing between the two.*
14. *Corporations do not speak in the same voice as these new networked conversations. To their intended online audiences, companies sound hollow, flat, literally inhuman.*
15. *In just a few more years, the current homogenized "voice" of business—the sound of mission statements and brochures—will seem as contrived and artificial as the language of the 18th century French court.*
16. *Already, companies that speak in the language of the pitch, the dog-and-pony show, are no longer speaking to anyone. Companies that assume online markets are the same markets that used to watch their ads on television are kidding themselves.*
17. *Companies that don't realize their markets are now networked person-to-person, getting smarter as a result and deeply joined in conversation are missing their best opportunity.*
18. *Companies can now communicate with their markets directly. If they blow it, it could be their last chance.*
19. *Companies need to realize their markets are often laughing. At them.*
20. *Companies need to lighten up and take themselves less seriously. They need to get a sense of humor.*

21. *Getting a sense of humor does not mean putting some jokes on the corporate web site. Rather, it requires big values, a little humility, straight talk, and a genuine point of view.*
22. *Companies attempting to "position" themselves need to take a position. Optimally, it should relate to something their market actually cares about.*
23. *Bombastic boasts—"We are positioned to become the preeminent provider of XYZ"—do not constitute a position.*
24. *Companies need to come down from their Ivory Towers and talk to the people with whom they hope to create relationships.*
25. *Public Relations does not relate to the public. Companies are deeply afraid of their markets.*
26. *By speaking in language that is distant, uninviting, arrogant, they build walls to keep markets at bay.*
27. *Most marketing programs are based on the fear that the market might see what's really going on inside the company. Elvis said it best: "We can't go on together with suspicious minds."*
28. *Brand loyalty is the corporate version of going steady, but the breakup is inevitable—and coming fast. Because they are networked, smart markets are able to renegotiate relationships with blinding speed.*
29. *Networked markets can change suppliers overnight. Networked knowledge workers can change employers over lunch. Your own "downsizing*

*initiatives" taught us to ask the question: "Loyalty? What's that?"*

*30. Smart markets will find suppliers who speak their own language.*

*31. Learning to speak with a human voice is not a parlor trick. It can't be "picked up" at some tony conference.*

*32. To speak with a human voice, companies must share the concerns of their communities.*

*33. But first, they must belong to a community.*

*34. Companies must ask themselves where their corporate cultures end.*

*35. If their cultures end before the community begins, they will have no market .*

Hugh MacLeod's blog GapingVoid started as a place where he posted his cartoons, drawn on the back of business cards, and increasingly began musing about the world of advertisement, marketing and business. He proves his concepts about the way blogging might work for businesses with his work for the South African Stormhoek wine. He began working with Stormhoek, a small winery, one year ago, and basically all he has done is that he has mentioned on his blog that he will try to show what blogs might do for businesses if used in the right way. He mentioned he liked the Stormhoek wine, and offered to send a bottle for free to bloggers who will meet his conditions, and who would be willing to try it out. He was explicitly saying that Stormhoek doesn't want praise in reward for the free wine. They would welcome a honest opinion, but the bloggers were free to drink the wine and not to do anything else about it. They didn't have to write about it, nor were they

obliged to anything else. He sent out about a hundred bottles to various bloggers in UK, Ireland and France, who were of legal drinking age and had a regularly updated blog at least three months old; size of the readership didn't matter.

However, lot of these bloggers actually did write about Stormhoek, and they did like it. In one year, the sales of Stormhoek wines doubled (which means tens of thousands of cases), and moreover a Google search for south african wines brings Stormhoek much closer to the top, because it gets mentioned a lot on the Web. Hugh says *"Blogs are a good way of making things happen indirectly. [...] There are hundreds of thousands of vinyards in the world, all trying to sell to the twelve or so mass market wine buyers in the UK. So you need a story that cuts through the clutter. And the best stories have market disruption baked-in. [...] My advice with business blogs is not to think of them as sales channels, but as disruption channels. Much more effective."* In other words, he is saying that one of the effects of blogs is that they disrupt the traditional ways. They open issues which have previously been ignored. His marketing strategy with Stormhoek worked because it disrupted the traditional ways of selling wine, it was really something unheard of, and that was noteworthy.

However, it is just as important to note that it wouldn't work that well if the wine itself was not good. He is also noting Microsoft's Robert Scoble - *"How Robert Scoble's blog affects Microsoft internally is a far bigger story than how his blogging affects external sales."* (MacLeod)

Another example of how blogs can add up to profits is The English Cut, a blog started by Thomas Mahon, tailor, together with Hugh MacLeod. Instead of growing his business of tailoring suits, he decided to go for what Hugh MacLeod describes as a „global microbrand“, a small, tiny brand, that sells all over the world. On his blog, Thomas Mahon talks both

about suits in general and about the suits he makes (and for whom), and from his talk about suits (and from the list of his customers) it becomes apparent that he knows his business very well. The traditional way for him would be to grow his brand. He doesn't do it. He likes tailoring and in combination with his blog, he has enough customers who will gladly pay thousands of dollars to have a suit from him. He does what he likes and he is very well known for it. What could he want more?

For organizations, blogging can be a great benefit. Blogs can improve communication – they may be used as a simple, yet effective tool for things like project or knowledge management, and they give people inside the organization a possibility to have direct contact with the outside world. Instead of having the engineers go through the filter of sales to gain feedback from the customers, the engineers can have a blog (or use a wiki or a similar system of social software) and they can come in contact directly not only with the customers, but with anyone else, if they wish.

Sun, a technological company with a strong embrace of open source projects, has many bloggers on all levels, including senior management. Although some of their blogs are only internal, Sun is also using blogs to communicate with the public, and a community interested in Sun's products has developed around them. And while Sun has a set of policies, which employees have to follow, (they can't talk about secret projects, they have to avoid legal matters etc.) they are actually encouraged to speak freely on their blogs.

By enabling comments on its blogs, people at Sun can be in direct contact with their customers, partners, developers and of course their own employees.

Customers who used to interact only with their salesperson can now communicate with members of the product team. *'This is a fantastically effective listening device.'*

*Customers are coming to us directly as bloggers. People see us do something wrong or stupid, or missing a chance, and they tell us. We get dozens of comments a week that can help us, and they go to the right people - how else is a smart guy in Cleveland going to find the relevant person at a computer company with 30,000 employees?' (Cone)*

By making some blogs public, the company draws feedback from outside itself. When developers write about a new feature being implemented, customers are reacting to that immediately, voicing their opinions and suggestions. Instead of following the classical product cycle, where a company gets customer feedback only after releasing a product, this is way more effective.

However, there are organizations who do not, for various reasons, want to become more open. Doing something like Sun did would require a massive change in company values and policies, which can be perceived as not being worth the trouble. Some companies may feel that they know well enough what they need to do, that they don't need to invite strangers to criticize their every step. It is even harder when leading people in the company know that they need to hide what they are doing, and it doesn't matter whether it's because something illegal is happening or whether revealing themselves would just repent the customers.

But wouldn't it sometimes be better, at least for the insiders, to be able to see what gets done, what are the problems being faced, what issues are currently worked on and how? Blogging could be an easy way to expose redundant bureaucracy and non-performing parts of the company. The amount of work required for blogging is minimal and often much smaller than the amount of work required to keep up with some of the contemporary

collaborative or knowledge management solutions, while the price is in most cases zero.

Sun had to deal with the fear of losing some of its competitive edge by providing information about their products even before they are finished, nevertheless they say the trade was worth it. Their customers "*apply specific pressure for features they want*" and it is also a morale booster in the company - the employees are encouraged to talk about their jobs honestly, so that instead of living with often personal issues boiling under the surface, it is possible and actually encouraged to let the issues emerge and be dealt with. (Cone)

Another example of a large corporation that began to use blogging is Microsoft. Robert Scoble was a "technical evangelist" at Microsoft until summer of 2006, and his blog still belongs to the so-called "A list" of hundred most read bloggers. He was credited by giving Microsoft a human voice. Following is a post in his blog, where he is responding to another post on the blog of Tara Hunt, who raised the classical issue of big companies being rigid and unable to even notice their customers and react to them.

*Personal note to Tara Hunt: you don't exist.*

*Oh, sorry, for everyone else, I'm just having some fun with Tara. She notes that big companies like Microsoft are gonna have a tough time getting it.*

*Totally agreed.*

*But, we have our secret weapons: Technorati and Bloglines and Feedster and NewsGator and IceRocket and other blog search engines.*

*They let us listen like a small startup.*

*The problem is, even when we hear, it takes a lot of convincing internally.*

*But, even there, we have another secret weapon: internal blogs. Email mailing lists. Lunch meetings. And social pressure.*

*Tara applies the social pressure. Which is why she's not invisible.*

*She's also onto something.*

*Big companies don't get small things. I was talking about that with a bunch of MBA students last night. The average billionaire executive doesn't understand why you'd speak to 100 MBA students. After all, Bill Gates could buy a full page ad in the New York Times and not notice the money missing from his account, right?*

*But, that's why my email is on my blog. Why my cell phone is on my blog (it's down at the right, and, yes, I do answer it, if I'm not in an interview or something like that). (Scoble)*

Although blogging is just an arbitrary name for a way of publishing information, it has shown a large potential.

*Bloggers and internet pundits are exerting a "disproportionately large influence" on society, according to a report by a technology research company. Its study suggests that although "active" web users make up only a small proportion of Europe's online population, they are increasingly dominating public conversations and creating business trends.*

*More than half of the internet users on the continent are passive and do not contribute to the web at all, while a further 23% only respond when*

*prompted. But the remainder who do engage with the net - through messageboards, websites and blogs - are helping change the national conversation, say researchers. (Johnson)*

Blogging is a way to share one's knowledge, it brings feedback and new ideas. Blogs could be a way for students to show how their learning has progressed, and their results will be available for other people to learn from. Teachers can use blogging to provide deeper insights into their subjects. And we have just covered what blogs can do for companies.

## Conclusion

It is certainly an oversimplification to say that there is an Old Way and a New Way, however the table from Kathy Sierra definitely has a point - and even if it didn't represent an aspect of reality, it shows what people online think about reality. The Internet and Web 2.0 brings with itself new ways. It doesn't mean that the "old ways" are automatically wrong, however, there are new possibilities and what has

Old Way	New Way
Hire a creative, award-winning advertising designer	Hire a creative, user-focused product designer
Focus groups	Field trips for employees (take them to where real customers are doing real work)
Print ads	Training articles
Hire a PR firm	Buy Typepad accounts for every employee in your company, and maybe some users too
Ads that talk about how you're better than the competition	Articles that talk about what you've <i>learned</i> from the competition
Buy the rights to a top-40 song for your commercials	Sponsor local musicians
Slick product brochures	Online case studies from real users that talk about how those users kick butt, not how YOU made it all possible...
Conference sponsorships	Conference <i>scholarships</i>
One 30-second commercial	200 dairy cows for poverty-stricken families through Heifer International
Ads that imply you'll get laid if you drink/use this product...	Develop and support a socially-oriented online community and/or local user groups where people might get laid for <i>real</i>
Promotional newsletters	Online learning for users
Big ad campaign	Stop outsourcing your tech support and customer service
Product placements in a "fake" (TV, movie) world	Product placements in the "real" world, by donating samples to those who could benefit
Hire a word of mouth marketing firm	Create something worth talking about
Hire a "branding" expert	Hire, no-- <i>promote from within</i> -- a "user happiness" expert
Run ads featuring "hot babes" in bikinis	Sponsor online fitness articles to help users get in bikini shape (or, your know, swim trunk shape)
Hire someone who knows how to create and spread compelling--but fake-- stories	Encourage employees and users to tell the <i>real</i> story, and spend the money internally to make sure the <i>true</i> story is a good one

worked for decades might not be so successful anymore.

However, there is no precise “Web 2.0 way”. There is no checklist of things to do to become Web 2.0 compatible. That is the reason I don’t provide any negative possibilities of integrating the Web 2.0 approaches in an organization. That is why following what happens on the Internet, or maybe it would be better to say *to* the Internet, is so important. Any action has to stem from understanding how and why people communicate.

People want good and interesting stories. But stories are not only created by marketers and told in advertising. Behavior of the entire company creates a story. The customers’ experience creates a story. It is impossible to bring these stories under control by some kind of force. If the employees are only able to tell a story of boredom or bureaucracy, an embargo on telling stories will not help. If the company is built on deceiving the customers, chances are they won’t like it when they find out. And even if they have no other choice, what will happen when things change? So if an organization wants to tell a worthwhile story, it often has to change from the inside. It may need a true culture, which was enabled to grow from the bottom up instead of being forced from the top, or it may be that the core story the company is telling is outdated, or it may be something else. But unless the company sees this and is willing to change, it is risking a slow, creeping death. “*Death by risk aversion*”, as Seth Godin titled one of his blog posts.

Blogging isn't the answer to everything, it is just an arbitrary name for some of the ways people can use the Internet for. There will probably be new ways and new names. The Internet will make only as much difference as we allow it to. I wanted to bring attention to important changes that are happening around us every day. It is a cliché to say that the Internet brings the world together, but that is exactly what happens. To those who want to

learn and understand, the Internet offers an incredible amount of resources - so much actually, that we need a whole new skill set to be able to handle all this information - find it, evaluate it, store it...

Effective personal recommendations will only stem from worthwhile products, but they are one of the most effective ways of marketing. Worth-talking-about products also have the potential to create communities around themselves, but this needs understanding and cooperation from the company. Products that can be improved and modified encourage user participation, but a company can show appreciation even by encouraging and acting upon feedback. Open companies tell a story that makes them easier to trust.

Becoming more open requires organizations to fight the tendency to do things the safe way, the way they were always done. To never stick with the idea that we have found the best (or even a good enough) way to do something - only because it seems to be a working solution right now. Such an idea might be a dangerous thing in this age of rapid development.

And we also have to remember that it is not enough to adopt a few measures into a system, when it needs to be torn down, have its core values changed, and completely rebuilt to finally thrive. Looking at the Internet, it is possible to see that things which were practically considered constant are changing. It might be necessary to reconsider even the cornerstones of our ways of thinking.

It helps to be able to admit mistakes, it helps to have human voice, and it helps simply to be an organization that people can love. While it may require courage and enough will to get our hands dirty, the possibilities of what the Internet can do for us are overwhelming. And

that is not something to fear, it is something to welcome and embrace.

We cannot integrate what we don't understand. I was trying to present a short overview of what the Internet is, what it can do, and that it is a matter important enough to challenge the basic assumptions about the ways business is done. Organizations might not be watching the Internet, but the Internet definitely is ready to watch them. Let's make it a well used opportunity instead of a threat.

## Works Cited:

Anderson, Chris. "The Long Tail FAQ." The Long Tail. 8 Sept. 2005. 16 Nov. 2005

<[http://www.thelongtail.com/the\\_long\\_tail/faq/index.html](http://www.thelongtail.com/the_long_tail/faq/index.html)>.

Anderson, Chris. "The Long Tail." Wired Magazine (2004). 15 Nov. 2005

<<http://www.wired.com/wired/archive/12.10/tail.html>>.

Anderson, Chris. "The Probabilistic Age." The Long Tail. 18 Dec 2005. 10 Apr 2006

<[http://www.thelongtail.com/the\\_long\\_tail/2005/12/the\\_probabilist.html](http://www.thelongtail.com/the_long_tail/2005/12/the_probabilist.html)>.

Cone, Edward. "Rise of the Blog; The tide of simple, low-cost publishing and collaboration software is rising within companies, whether technology management is ready or not." CIO Insight 1.52 (2005): 30-32. ProQuest. 15 Nov. 2005

<<http://proquest.umi.com/pqdweb?did=823423751&sid=1&Fmt=3&clientId=47581&RQT=309&VName=PQD>>.

Doctorow, Cory. "Sony anti-customer technology roundup and time-line". Boing Boing. 14 Nov. 2005. 10 Apr 2006

<[http://www.boingboing.net/2005/11/14/sony\\_anticustomer\\_te.html](http://www.boingboing.net/2005/11/14/sony_anticustomer_te.html)>.

"The Dyson Story". Govacuum.com. 10 Apr 2006 <<http://govacuum.com/dysonstory.html>>.

Glasner, Joanna. "Writers Side With Google in Scrap." Wired News. 25 Oct. 2005. 10 Apr. 2006 <<http://www.wired.com/news/business/0,69289->

1.html?tw=wn\_story\_page\_next1>.

Godin, Seth. "Recommendations." Seth's Blog. 19 April 2006. 22 April 2006  
<[http://sethgodin.typepad.com/seths\\_blog/2006/04/recommendations.html](http://sethgodin.typepad.com/seths_blog/2006/04/recommendations.html)>.

Godin, Seth. All Marketers Are Liars. 1st ed. New York: Penguin, 2005.

Hammer, Michael. The Agenda. 1st ed. New York: Three Rivers, 2003.

"Internet plays bigger role in life decisions: poll." Reuters. 19 April 2006. 22 April 2006  
<<http://go.reuters.com/newsArticle.jhtml?type=technologyNews&storyID=11884136>>.

Johnson, Bobbie. "Ignore bloggers at your peril, say researchers". The Guardian. 18 April  
2006. 22 April 2006.  
<<http://technology.guardian.co.uk/news/story/0,,1755777,00.html>>

Kawasaki, Guy. "The Art of Innovation." Signum Sinne Tinnitu. 10 Jan. 2006. 10 Apr. 2006  
<[http://blog.guykawasaki.com/2006/01/the\\_art\\_of\\_inno.html](http://blog.guykawasaki.com/2006/01/the_art_of_inno.html)>.

Leeds, Jeff. "Music Industry's Sales Post Their Sixth Year of Decline." The New York Times. 1  
Apr. 2006. 15 Apr. 2006  
<<http://www.nytimes.com/2006/04/01/business/01music.html?ei=5090&en=ace9ad90dcea3d72&ex=1301547600&adxnnl=1&partner=rssuserland&emc=rss&adxnnlx=1144037165-ZFWLPuSxcaYNcIFDw9qOQA>>.

Locke, Christopher, Rick Levine, Doc Searls, and David Weinberger. "The Cluetrain  
Manifesto." 15 Nov. 2005 <<http://www.cluetrain.com/book/index.html>>.

MacLeod, Hugh. "The Global Microbrand Rant." Gapingvoid. 11 Oct. 2005. 10 Apr 2006  
<[http://www.gapingvoid.com/Moveable\\_Type/archives/001976.html](http://www.gapingvoid.com/Moveable_Type/archives/001976.html)>.

Mahon, Thomas. "About Thomas." English Cut. 6 Jan. 2005. 15 Apr. 2006  
<<http://www.englishcut.com/archives/000003.html>>.

McLean, Rachel, and Nigel M. Blackie. "Customer and company voices in e-commerce: A qualitative analysis." Quantitative Market Research 7.4 (2004): 243. ProQuest. 15 Nov. 2005  
<<http://proquest.umi.com/pqdweb?did=702146581&sid=1&Fmt=4&clientId=47581&RQT=309&VName=PQD>>.

O'reilly, Tim. "What is Web 2.0." O'Reilly. (2005). 30 Sept. 2005. 16 Nov. 2005  
<<http://www.oreillynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-web-20.html>>.

"Pearl Jam Shows How Giving Away Music Can Help Sales." Techdirt. 22 Mar. 2006. 10 Apr. 2006  
<<http://www.techdirt.com/article.php?sid=20060322/1030219&cid=366>>.

Rushkoff, Douglass. Get Back in the Box. 1st ed. New York: HarperCollins, 2005.

Scoble, Robert. "Tara - Invisible to Microsoft." Scobleizer. 27 April 2006. 27 April 2006  
<<http://scobleizer.wordpress.com/2006/04/26/tara-invisible-to-microsoft>>.

Searls, Doc. "Saving the Net: How to Keep the Carriers from Flushing the Net Down the Tubes." Linux Journal. 16 Nov. 2005. 18 Nov. 2005  
<<http://www.linuxjournal.com/article/8673>>.

Shirky, Clay. "A Group Is Its Own Worst Enemy." Shirky. 30 June 2003. 17 Nov. 2005  
<[http://www.shirky.com/writings/group\\_enemy.html](http://www.shirky.com/writings/group_enemy.html)>.

Sierra, Kathy. "How to Spend Your Marketing and Ad Budget." Creating Passionate Users. 29 Oct. 2005. 10 Nov. 2005  
<[http://headrush.typepad.com/creating\\_passionate\\_users/2005/10/how\\_to\\_spend\\_y\\_o.html](http://headrush.typepad.com/creating_passionate_users/2005/10/how_to_spend_y_o.html)>.

Tracie Rozhon. "Brand Names Are Paying the Price for a Change in Shopping Trends." New York Times. December 10, 2003