

Entering the social networking dimension

By Bruce McCabe

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Its not what you know, its who you know.

An old saying, but it rings true. In business, having the right connections and knowing where to turn for advice or an introduction is often the most valuable information asset of all.

Which is probably why the phrase 'social networks' is being whispered more and more frequently between web technologists and computer scientists.

You are most likely to have encountered web-based social networking via something called LinkedIn (see www.linkedin.com). If you are a well connected professional in Australia, especially in the technology community, where early adopters and experimenters are thick on the ground, then chances are that sometime in the last six months you have received an email from a professional acquaintance inviting you to join their social network on LinkedIn. You may have hit the delete button because the invitations do, unfortunately, look a lot like spam, but if you signed up then you would know that LinkedIn aims to generate connections to help people share their own networks and leverage the networks of people they know. It helps professionals, in other words, to contact their contact's contacts!

LinkedIn happens to be a business focused example of many social networking sites targeting anything from teenagers to singles and shared-interest communities. Prominent examples of the non-business variety are Myspace (www.myspace.com) RSVP (www.rsvp.com.au) and 43 Things (www.43things.com.au). It has been interesting to watch all of these unfold. None are particularly complex, some have downright ordinary execution, but all are based on a legitimate, powerful value proposition. A few, therefore, will end up making a lot of money.

Based on initiatives like these, business people will find it easy to dismiss social networking as an interesting but ultimately lightweight matchmaking tool, but the phenomenon is much deeper than that. Over the next five years, it will unlock vast new sources of value in ways that haven't been thought of yet.

First, social networking data will increasingly be exploited within organisations. Large companies have already begun to analyse the rich data provided by interactions between employees. Email databases often represent the most powerful resource here, but they are by no means the only one. The Mars food company last year used RFID tags and other mechanisms to map interactions between research scientists and other employees to better understand key dependencies and critical job roles. Other companies have conducted similar exercises incorporating data from employee/client interactions.

To get a visual appreciation of the potential value of analysing email-based social data, take a look at the Enron Corpus Viewer (<http://jheer.org/enron/>). Using technology developed by The University of California at Berkeley, this technology creates visual maps of the email database for Enron which, through a quirk of the US legal system, was made available to researchers. The Enron Corporation, you may recall, collapsed in 2001 after a monumental energy trading scandal (two of its executives received hefty prison sentences for fraud and conspiracy only last week). The visual maps make prominent any nodes in the network that are unusual, and one stands out a mile for the very high proportion of incoming versus outgoing emails to and from senior executives. Whose email account is it? The person that masterminded Enron's manipulation of California energy markets.

Social network data will also be exploited more and more between organisations. The FOAFCorp experiment (<http://rdfweb.org/foafcorp/intro.html>) uses publicly available data to map social connections between directors that sit on the boards of American corporations. It tells you, to use a popular Aussie expression, 'who might be up who'. Under the right circumstances (when closing a large deal, or considering an acquisition, for example) that information is priceless. FOAFCorp builds on semantic web concepts and Sir Tim Berners-Lee's vision of a web richly populated with metadata to make it more machine-navigable. This prototype only scratches the surface of what will one day be achievable through analysis of interorganisational social networks, especially when privacy-preserving technologies make it easy to analyse shared datasets across business partners.

These are just a few initiatives, but I have come across countless others.

Up until now, business use of the web has been largely constrained to exploiting textual information, but we are entering an era in which entirely new 'data dimensions' are becoming available to managers for the very first time. Social network information is one such dimension. One day, social network tools will be imbedded in every decision-support system. They will bring substantial changes to the conduct of everyday business.

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