

APPLYING WEB 2.0 TO YOUR BUSINESS CHALLENGES

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ANNOUNCER: Welcome to TechWiseTV on the Cisco Interaction Network. Please remember to submit your questions in the field provided at the bottom of the viewing console. You can also email questions, comments, and suggestions to techwisetv@cisco.com. Thank you for joining us and enjoy the show. **VALERIE ST.**

JOHN: A revolution can sneak up on you, even while the elements are wide out in the open. Today, we look at how the technology of the masses is profoundly changing the way we do business as we explore applying Web 2.0 to your business challenges.

ROBB BOYD: Businesses are facing new modes of production where you can either acknowledge and adapt or ignore and potentially perish.

VALERIE: We're hearing from Don Tapscott, author of Wikinomics, as he identifies four drivers of change in this new collaborative economy.

DON TAPSCOTT: What is this?

AUDIENCE COMMENT: Well, something big, and it's called self-organization.

VALERIE: We talked to Jeremiah Owyang from Forrester Research.

JEREMIAH OYWANG: So the real challenge for companies is to learn how to use the same communication tools that consumers are.

VALERIE: And the always outspoken Robert Scoble, Managing Director of FastCompany. TV about how businesses will use social computing and web strategy to keep up and get ahead.

ROBERT SCOBLE: There is business opportunity with these communities now if you build communities online. It's just, you know, if you don't do it, you don't see that opportunity.

VALERIE: And we'll take a look at the tools you can use to get started today with David Knight, Senior Director of WebEx Connect.

DAVID KNIGHT: So if I can cut the cycle time now, well we resolve this today. That means I get that proposal back today instead of tomorrow or the next day. That adds up and that leads to real shortening of business process.

VALERIE: What do you consider yourself technically minded, business focused or somewhere in between? Pay attention, your world is already changing. This is TechWiseTV on the Cisco Interaction Network. Welcome to a special edition of TechWiseTV, I'm Valerie St John along with Cisco Solutions expert, Robb Boyd.

ROBB BOYD: Valerie.

VALERIE: Robb, our focus today, Apply Web 2.0 to your Business Challenges, so what would you say, are we in the middle of a revolution?

ROBB: Well, I wouldn't say that they are tearing down the palace walls because you can certainly feel the streets rumbling. You know social networking is exploding. MySpace, Facebook, new blogs every second of the day, but are these to revolution itself or simply the more obvious indicators to something much deeper, something more meaningful?

VALERIE: And what does it all mean? There are fundamental changes in the way we do business, how we create wealth and how we innovate.

ROBB: Well, businesses are facing new modes of production, where you can either acknowledge and adapt or ignore and potentially perish. It's always difficult to tell when you are in the middle of a change, there is this tendency to look at the evidence and dismiss it as not applicable to me or to my situation or to my business model, but dismiss it at your own peril.

VALERIE: At your own peril indeed. Well okay let's go there first; we are seeing new models of production that are based on community, collaboration and self-organization rather than on hierarchy and control.

ROBB: Well, and this is a direct result of profound changes in the nature of technology, demographics and the global economy.

VALERIE: What we are talking about is Wikinomics author Don Tapscott's vision of a collaborative economy, I love this book.

ROBB: Well Tapscott makes a very compelling argument that a growing number of firms see the benefit of mass collaboration and this new way of organizing will eventually displace the traditional corporate structure as the economy's primary engine of wealth creation. Cisco has fully embraced the intimacy of TelePresence as one of the collaborative technologies that can be used to bridge expertise across a large geography.

VALERIE: So give us if you can kind of a just a one sentence definition of TelePresence.

ROBB: I will be as short as I can.

VALERIE: Good luck.

ROBB: Imagine with TelePresence, high definition video-based meeting where you literally forget that you are not in the same room with all the people that could be scattered around the world, around the country. In fact, we recently hosted an interactive TelePresence meeting led by Don Tapscott. We were able to visit with 149 customers in 23 different cities all within one day.

VALERIE: Well, that's a lot of not traveling.

ROBB: It's a lot of not traveling, and as he spoke with us, Tapscott identified four drivers as evidence for this revolution. The first driver, web 2.0.

DON: The new web is based on XMLs, it's very different. The old Web is based on HTML. What was HTML? That was a platform standard for the presentation of content which is why during the dot com period everybody talked about websites, and eyeballs and stickiness, (inaudible) page gears. Content is king, remember that.

ROBB: What does web 2.0 mean to you? Blogs, wikis, chat rooms, social networks, mashups, instant communication on devices from mobile phones to your refrigerator, as Don Tapscott says, this ain't your daddy's Internet.

DON: The world really needs, one, computers, it's called the Internet, a computational platform and every time you go on to the web and you do something, you create an XML tag, you are programming this thing called the Internet, think computer.

ROBB: Wikinomics explores the concept of pervasive ambient computing, and the way it is changing how we think, interact and do business and of course this new web must be integrated with IT.

DON: We all have this challenge of moving IT onto the web. That's a big challenge, the irresistible force if this new web meets up with an immovable object of \$4 trillion of installed base of heavy metal. And many of the systems in your companies are old enough to vote and drink.

ROBB: Tapscott goes on to say that this technology revolution intersects with the demographic revolution which takes us to the second key driver, the net generation. We are talking about kids who are growing up digital, teenagers today live and breathe the online world. It's a seamless part of a fabric of their life.

DON: I came to the conclusion they have no fear of technology because the technology is not there, it's like the air.

ROBB: As Tapscott says, this is the first generation to be bathed in bits. That means less TV, more YouTube, quality time with friends, may be on Facebook, not face to face. It's not consuming, it's presuming. It's an interaction that seeks not just to personalize, but to improve and it all happens almost in parallel. Members of the net generation are the ultimate multitaskers.

DON: They come home and they turn on their computer and they're in three windows, talking on their cell phone, got an MP3 file going and the video game on the side. Three magazines open, and on yeah, they're doing their home work at the same time.

ROBB: This generation actually processes information differently. For them even email is old school.

DON: She said email, well that's kind of like a formal technology say for sending a thank you letter to one of your friend's parents.

ROBB: Tapscott is convinced that within their culture is the new culture of work. Their behavior in the market is the new brand, consumer value proposition and the new model of marketing. Children are now an authority on something important and if we combine web 2.0 with a new net generation, you get a social revolution which is our third driver for change.

VALERIE: So why is this one significant, could you say Robb?

ROBB: Well web 2.0 creates a platform or people can collaborate and build communities and this has never been possible before because it was prohibitively expensive.

ROBB: The Internet has dramatically reduced the cost of collaboration; it has taken the transaction cost virtually to zero. In fact, in this one example, Don shared an advanced copy of this book with his 20-year-old son, who liked it so much -- get this, he setup a Facebook page. Listen to this to really understand the power of community.

DON: He says, I think I'll create a community on Facebook, he said do you mind if I walk 15 minutes later, he has created the Wikinomics community. Another 15 minutes later, he has got six members. By the time we're eating turkey on Christmas night on the same day, he has got 130 members from seven countries. Seven regional board members, he has a president, secretary and CIO for the community. He has created a PDF for the first few chapters of the book, sent it out, I got kids writing back and saying Mr. Tapscott we found errors in your book and the community is placing demands on me to create value for them. How exactly will Mr. Tapscott be contributing to our community? What is this? Well something big and it's called self-organization.

ROBB: Self-organization is not a new concept. What's new is the speed in which it can happen. What used to take decades or years can now happen much faster and this takes us to our fourth driver, what is now called an economic revolution. The emphasis here is on collaboration and it's a huge change to business.

DON: Peers can now come together and create value, because collaboration costs continue to plummet especially with the new web, which now is, if I had to say, what is it in a couple of words, it'd be a collaborative platform, it's a platform in operation.

ROBB: People working together in nontraditional ways. People working across historically closed organizational boundaries. It's creating an exciting new business environment.

VALERIE: I can see how this is a huge enabler for small businesses, it really flattens the world for them, allows them to compete with the big guys, right?

ROBB: Well absolutely, you have this notion of a multinational SMB now. So many smaller companies are really playing very critical parts to much bigger pieces of the bigger wheel, right and so let's summarize little bit on these points, so first of all, web 2.0; this is the first driver that Tapscott mentioned. This is not your daddy's Internet.

VALERIE: Right.

ROBB: A lot of the technologies there, we are going to talk about that throughout the show. Second one is the net generation, we've got kids growing up bathed in digital bits and what that means is they have got different expectations, different realization of how to interact with technology. You combine those two together, you get a social revolution.

VALERIE: That is a really scary image, bathed in bits.

ROBB: Absolutely, well we need to accept it, right, but I just liked the way he said that. It is inevitable, right, with the first two drivers we are going to get this social revolution which is his third point. Number four, combine all that together, you get an economic revolution, you get all this, I mean how can it not affect the economy?

VALERIE: And how fast will it happen? Recognizing change is certainly a good first step, knowing what to do about it, where to get started, a logical second, so naturally that's where we are headed next. We'd like to welcome two guests who are thought leaders in this revolution. Jeremiah Owyang is a senior analyst with Forrester Research; he specializes in social computing and web strategy. Robert Scoble is Managing Director of FastCompany. TV and author of Naked Conversations, How Blogs are Changing the Way Businesses Talk with Customers, gentlemen welcome. **ROBERT SCOBLE**

JEREMIAH Owyang: Thanks.

ROBB: Guys, good to have you here. Well today we want to talk about how businesses can take the technology, a lot of which is bubbled up from the consumer side and help us make sense out of this, right. So I think that makes a good logical first place to start, Jeremiah I'll start with you. How would you describe this revolution that we have been talking about already, but how would you describe this revolution taking place and what is the relevance to business?

JEREMIAH: Well the key indicator is now anybody can publish using some of these easy to use tools, and that really changes the way that communication is done. The middleman has been cut out. Consumers can talk directly to prospects and tell them about which products they want to buy and which ones that are relevant. For a lot of the companies, this is really disruptive, including internally. So the real challenge for companies is to learn how to use the same communication tools that consumers are.

ROBB: How would you answer that same question?

ROBERT: Same thing, when I helped run a camera store here in Silicon Valley, in the 1980s, 80% of my sales came from word of mouth. It's just that that word of mouth was very inefficient back then. Now it is a worldwide audience, you can go on Twitter or Facebook or MySpace and talk to the worldwide audience, friends all over the world and instantly pass around recommendations or information or work with somebody on a project.

ROBB: All that consumer power has given a lot of that bottom up power that says businesses now need to react a little bit differently. What kind of tools would you guys sight, because both of you are not only do you actively report on and essentially help companies understand the transitions taking place, but you are also avid users of these tools yourself. Some I am kind of curious also from a personal perspective to get a better feel for the tools you use. Robert, I am going to start with you on this one, because I think you are probably one of the most avid new tool adopters I have ever seen.

ROBERT: Oh yes.

ROBB: What kind of things are your favorites?

ROBERT: Well I am using a Nokia phone right now to broadcast live video to my blog's audience and they can interact with me as I'm filming you, and we can work together on a video. So I was doing interviews at the world Economic Forum on the floor and people were asking me, hey ask Don Tapscott this question, you know live, while we were talking.

ROBB: And actually I was following you in Switzerland while you were doing that, and I thought it was fascinating because the number of people that were there and the interactivity and it has gone all out. So you have embraced tools quite a bit, what kind of

things are you seeing that has bubbled up and you are seeing companies start to adopt Jeremiah?

JEREMIAH: Yes, we always look to Robert to find the new greatest tools and I always look for the tools that he ends up throwing away because I can discard those as well, so, you know, really what him for what he picks up. But here is what I tell clients, a lot of Fortune 5000 companies, rather than just finding the latest shiny tool, take a look first at what are the tools your own market is using and then learn how to answer back with the same tools that do that. It's really easy to have the shiny hammer syndrome, but it's more important for companies to take a look at the bigger picture building the house.

ROBB: Well, what kind of process would you say needs to be put in place for how to make those kinds of decisions because I think what you are saying there is let's not get the technology horse in front of the process cart or something like that?

JEREMIAH: Right, well I mean companies can't always have an objective, just because these things are new, doesn't mean you throw the strategy playbook right out window. So the first thing to do is really take a look at what we call technographics and this is what we really focus on at Forrester.

ROBB: Techographics, alright.

JEREMIAH: Now there is the term demographics, which you are familiar, who are people, where do they live, how old are they? And then there is psychographics, what do they care about? Now technographics are what are the technologies that they're using to communicate? In Robert's case, he is a creator; he creates lots of different content. My kid sister, she uses social networks, she likes to join them, those are called joiners, so we look at that type of data.

ROBB: And so what you are saying is a business needs to understand what is the propensity of your customer to adopt these kinds of tools that you are communicating essentially in their language?

JEREMIAH: That's right.

ROBB: And that's the concept of technographics?

JEREMIAH: And also where to find audiences, right. Most people, when I get outside of the bubble, the geeks that hang out here in Silicon Valley and talk to normal people and watch how they use the computer, they know how to use the search box. In fact most people if you talk to the guys at Google, they say one of the top searches is actually Yahoo because people don't know how to use the address bar anymore. They go to the search box so if you know that, now you have to create content for the searchers and businesses are still struggling to get up to date on that. That's why blogging was so popular or such a good business tool because blogs are the best way to get into the search engines, which is where a lot of the traffic is.

ROBB: Okay, and I think one of the things -- one of the points you made in your book in the Naked Conversation is you talked about establishing a conversation. And using blogs actually is a low-cost tool to be able to initiate the conversation, kind of dissolve the corporate walls, so to speak, and kind of engage back and forth. In fact you and I have talked about a lot of this as well; you get a lot of your ideas on your blog from your audience essentially. You put out a statement, sometimes it's even a question and it's the interactivity with your audience that actually causes some of the learning. So now we have this notion of, tell me if I'm using the term correctly, crowd-sourcing, it's not crowd-sourcing, but it's kind of that crowd knowledge?

JEREMIAH: Yes, there are a lot of different terms for it you know; wikis are this collaborative knowledge, collaboration community, crowds, wisdom of crowds. I mean at the end of it is it's two-way now and that's the big takeaway that people are communicating back and forth.

ROBB: What tools would you cite that businesses seem to be latching onto more easily? I mean blogs have come about, now what we are seeing actually is businesses, they understand, okay I got to do a blog. But then how you properly do a blog, the transparency that you reveal, you are famous for being in transparency to Microsoft in terms of how you interacted and made the company more human and lot of advances made and there's a lot of people following that example. And so that's one of the best practices that you talk about. So we see blogs, people maturing in their use of that. Wiki now is a very common terminology, we're may even see some abuse of wikis, not fully understanding, how do we use that as a collaborative technology. Are there technologies like that that you'd cite as best practice examples?

JEREMIAH: Yes, the one that we continue to see and I think it's around 30% of companies that deploy these they are not new technologies, they are web 1.0 forums, online forums or discussion boards. Those work very well for product support and they are still around and people are very familiar with that. A lot of companies are deploying these new tools, wikis actually in most cases, very few companies have deployed them correctly. They tend to have a lot of problems or people who can come in here and change or modify content and overwrite it. There are a lot of problems with that. Blogs a lot of companies don't do it right. They just don't put on their voice of authenticity like he did at Microsoft. So it's not so much the tools, but the real framework of understanding how to use these tools correctly.

ROBERT: And even at Microsoft, I watched communities, companies aren't really good tending gardens of communities and the problems with wikis as Jeremiah points out, if somebody vandalizes your wiki, you have to be there and tend it. It's like a weed that pops up in your garden. You have to kill that weed before it grows completely and takes over your garden.

ROBB: Well, it's a two-way street, right, and let's define wiki to make sure if there is anybody in our audience that doesn't quite understand what we are talking about. A wiki basically it's a Hawaiian word for short or quick, I believe it is quick, thank you, and the idea behind it it's a self-editing website right. So we are removing the notion of having to understand HTML or any other web

languages out of it and saying if you can work on a Word document, if you are familiar with that technology, then you can edit a Wiki. And the idea is that multiple people can collaborate. So I think the first thing is that business has to be willing to let those -- there is a desire to want to always control the information content and say I am the one who knows everything and I will produce it for you in this broadcast. And here we are saying let me provide the platform or the structure for you to come in and weigh in on it. And that's a see change for a business to understand that wait there is knowledge out there; I'm going to provide this platform, let them command. Do you think that's hard for businesses to get over?

ROBERT: It is, so it's sometimes hard for a product manager to swallow that. Customers actually know more about the products that they do collectively.

ROBB: Yes.

ROBERT: So the end result of a wiki, and like you know, I am looking at the big picture here, its collective knowledge of everybody, so if you can just harness and harvest that information, you have an opportunity to do that. When I deployed the wiki at Hitachi Data Systems, I let anybody in the community add content, including pointing to competitors. As a result it became a trusted source for the entire industry in its course, and very high in Google with these search results. So there is an example of how you use these tools, unfortunately, it was vandalized as you turn over the powers or the keys to anybody and we actually had to lock it down and only provide keys to certain trusted individuals that are really hard to manage.

JEREMIAH: One way to do that is to make a wiki only for your employees and keep that inside the firewall. We are seeing companies use that WYSIWYG for instance which is an enterprise-level wiki tool. And if you go and work at Google, there is a company wiki where any employee can share information with themselves and then you don't even get into some of this stuff because you are not going to get vandalism by employees themselves.

ROBB: Well, that's a good way to put it internally right because you can tie it in the back-end directories. You have got some accountability, it's internal, might be a good way, as a best practice to get used to understanding how that technology could use it and then as you get more comfortable with it, may be open it up outside. One of the things we had talked before, Robert, about the fact you've worked for big companies, and now you are essentially your own business, so to speak, on your own. I am curious from a small-medium business kind of example.

ROBERT: Well, I'm working at Fast Company now, so I'm not quite on my own.

ROBB: Yes, that's true, it's a balancing act there, but you have certainly been in this world recently.

ROBERT: It's a smaller business than Microsoft or NEC.

ROBB: How important are these tools to you in terms of running a small business and the resources you have available to you now versus what you'd would have...

ROBERT: They are invaluable, my calendar now is on Google calendar and now anybody can see my calendar around the world. So if you want to get on my calendar you know exactly what to ask for. You can say hey I saw you had a slot at 11 o'clock, you are going to be in San Jose, because I know that I can see your calendar, so can we come out and get after you, that sort...

ROBB: You're more transparent than some, do you find that intrusive at all?

ROBERT: Not usually. It actually makes me a lot more efficient to be sharing that information; otherwise somebody is going to have to call me on the phone and do a negotiation and it's like when are you going to be in San Jose, when are you going to be in Amsterdam or what not? People around the world can know when I am visiting their city, because I use the service called Doppler and let them know I'm a heavy business traveler, so I'm around the world a lot. And that way people can say, oh you are going to be in Amsterdam next month, let's meet up for some beers.

ROBB: So you think there is a lot of business efficiency to get out of that kind of tool?

ROBERT: Absolutely.

VALERIE: Well I was talking about how intrinsic digital communication is for teens or children even. How has that impacted now or beginning to impact the way that we do business?

JEREMIAH: I really liked Don's -- some of the quotes that Don had in his book. My kid sister who is in college right now said I only use e-mail to get a hold of old people like you Jeremiah. So she actually communicates with her peers using Facebook, private messaging or using text messaging or the phone. This is a real big change and I asked her and some of her friends what are you looking for in a company? They don't want to work at a company that doesn't allow them to participate in a social network or may not even have one internally; part of the experience for this next generation is to communicate with their peers. There is a huge opportunity and risk for companies that want to get involved in this space. When you hired a new employee, this new workforce, they are going to come networked with your customers, prospects, competitors, partners and employees and they can touch all these people. There are a lot of good things and bad things that can happen out of that.

VALERIE: So companies that aren't doing social networking then risk becoming dinosaurs, they risk just phasing out?

ROBERT: Well they risk missing opportunities that happen, I mean I was at MySpace yesterday and they were telling me we can

organize a concert in six hours because we go out, we have a secret website where we have all of our best customers. and we tell we can pull out; hey we are going to have a band like the Killers in Fresno, California. And we can go up there and in six hours we can have a thousand people and that's the opportunity. There is business opportunity with these communities now if you build communities online. Its just, if you don't do it, you don't see that opportunity, you don't see that the fact that the audience, the people who participate with you make you smarter, tell you feedback about your product, which is feedback you would never get in a focus group.

ROBB: Well let me ask you Jeremiah, I know you deal with this question quite a bit, is how does a business measure success? So I'm going out, I'm trying these things, it feels a little bit -- it's not comfortable for me as a business person. How do I know that I am doing the right thing, and how will I know at what point to look back and go glad we did that, that was a good thing, let's do more of this?

JEREMIAH: The ROI question is in my top three FAQ social media questions I get whenever we go out and he gets it as well. The first thing to do is start with what was your objective? What are you trying to accomplish by launching that blog or that social network? Were you trying to connect with customers, reduce your sales cycle, reduce support cost, what is it? And for any single one of those objectives, you can measure against it, so you define what actually lines up against it. So if you are trying to reduce support cost by letting your customers' self-support each other, how many calls did not go into the call center because of this tool? How much information was put in there from customers? How did they rate and rank it and what did they actually say? So that's how you can measure a success.

ROBB: And those objectives are after you've already determined what you mentioned earlier, which is the technographics profile of your customers?

JEREMIAH: Right.

ROBB: You mentioned technographics and then getting into understanding that, getting into setting the objectives, so you know what are we striving for, so we know we'll get it, what's next do we need to be aware?

JEREMIAH: Good, so this is actually what unfortunately we call the post methodology, and this is really a framework, a game plan for any company or individual to step into the social commuting space. So POST stands for POST, people, is understanding who are you trying to reach and that's that technographics part we just talked about. Secondly is the objectives, there is a bunch of different ones you can look at and then finally you are figuring out a game plan, what's your strategy? Then you look at finally what are the tools you are going to pick and don't do that in an order, so pick the tools last.

ROBB: Most people go wait tools that's the fun part right? That's what Robert -- I look at Robert's blog and I go ooh, new tools. I had misspelled Doppler a couple of times until you finally blogged about it a couple of days ago. Well, that's okay, that's where we go, that's how you spell that, because it sounds like good tools, but you are saying don't put the tools first.

JEREMIAH: No leave that to the experts: let them figure that.

ROBERT: Even then, I am trying to reach certain kinds of audience and I watch very closely what kinds of tools they talk about. I read about 800 Google reader feeds and just to see that I want to see what kinds of tools are coming on Jeremiah's radar or Mark Cuban or all these experts. I want to see what they are using and what they are reporting that I'm missing.

VALERIE: See you kind of do need to understand the demographics of your audience before than understanding the technographics.

ROBB: It's a twist on it right. It's the technographic profile of that demographic, something we may not have had to ever consider before. How do you want to consume information? How do you like to communicate, do you create, are you a creator versus an absorber -- I know I'm not using the right terminology.

ROBERT: In MySpace yesterday they were talking about people want to expose, to share their stuff. They'd spend a lot of time understanding how people want to be creative and share themselves and they start with that. And then they say, okay how do we hook that behavior into a community where people are talking to each other because it's one thing to be expressive, but it's another thing to have a conversation.

ROBB: Alright.

VALERIE: It got to be liberating in a way as a business owner to finally understand what people want and to be able to hone in on that as opposed to all the guess work that goes on.

JEREMIAH: Don't get confused because the feedback you are giving is a little skewed, right; it's the loud mouths like me who are telling...

VALERIE: Self-selected group.

JEREMIAH: Jason Calacanis runs Mahalo and these search engines and I have to take that with a grain of salt. I have to still design the way we think it should be designed, because if you ask Porsche owners what they want, they'll tell you more trunk space, a bigger engine, a smoother ride or they just designed a Volvo, right, so you got to take that into...

ROBB: Or just buy a minivan, right, that's not what I want to drive, well exactly. On that point, so closing thoughts guys, Jeremiah,

you first, what kind of key take away do you think people need to understand here?

JEREMIAH: Yes, the first thing to understand is change, this movement; it's a bottom up movement. The power has shifted away from organizations and governments and companies and it has moved to the participants. And that seems really scary, but if the powers move to the participants then these big organizations need to also become participants and then they become relevant.

ROBB: That's a good point, Robert.

ROBERT: I ditto that one.

ROBB: Yes, you'll do with that one?

JEREMIAH: No argument?

ROBB: I need a little bit of an argument strategy there. So interesting, I really appreciate the time you guys have taken to spend with us. I know you guys both produce an incredible amount of information both on your blogs, what's the best way to keep up with you; do you recommend that as a source?

ROBERT: Twitters, blogs and search Google for Robert, I'm like number one or two, I switch back and forth.

ROBB: Yes scobleizer.com and the webstrategies.com.

ROBERT: Webstrategies.com, by the way which demonstrates the power of the blog to get even higher in Google. This is the game. If you want your business to be found on Google on that first page of results, which is really the only place that matters in business, you guys start sharing it online and participating.

ROBB: And you got to be active about. You guys are very consistent, in fact I have trouble reading as much as you guys write it's fun to try and keep up, because it's good stuff. So thank you both for taking the time. **VALERIE:** We are all going to have to become better speed readers, Robert Scoble, Jeremiah Owyang, thank you so much. In today's economy, sustainable competitive advantage will be awarded to those firms who are quick to recognize these market transitions that are now gaining critical speed. As a reminder, for more on the methodologies of social media, you can check out Robb's conversation with Jeremiah on the podcast at cisco.com/co/interact.

ROBB: You know awareness is of course the first step, but taking action and saying where do we go next, where and how is the next one we need to answer?

VALERIE: Right, moving onto our next segment, we'll look at WebEx Connect, the Cisco innovation that addresses that question. Online, on demand and on the go, this is a special edition of TechWiseTV on the Cisco Interaction Network. I am Valerie St John along with Cisco Solutions Expert Robb Boyd. Today we are looking at applying web 2.0 to your business challenges, throughout history there has always been someone in-charge. It's not exactly mutiny on the bounty, but profound changes are giving rise to community and self-organization.

ROBB: Providing the right tools for success in this paradigm is essential for today's firm. Bringing people together and enabling knowledge workers to be more productive is core to the success that WebEx has enjoyed. In fact, WebEx has been creating collaboration tools and services since the mid '90s.

VALERIE: So who better to ask what kind of innovation is available right now today than David Knight, Senior Director of WebEx Connect. Welcome David.

DAVID KNIGHT: Good to be here.

ROBB: Hey Dave, it's good to have you here. First of all, the one thing I want to discuss with you is this notion of how do we take technologies that are known for being something bubbling up for the consumer side and make them relevant? How do you describe web 2.0?

DAVID: I think it's a really good question and Jeremiah touched on this in his section. You just can't take the consumer products and plot them down into the enterprise. What is the strategy, why are you doing that? And let's not forget what the killer app of MySpace and Facebook was, or LinkedIn, right, just finding a date or getting a job. Those are pretty important motivators and explain a lot of the spread and those aren't all that relevant to most businesses.

DAVID: But that doesn't mean that the same concepts aren't important and can't be used in the business world. And where that same kind of collaboration finding people can be used is to accelerate your core businesses, your core business processes. How is it that firms in today's global economy that are working to bring goods and services to market as part of an ecosystem? How do they find each other? How do they collaborate? How do they work together on documents and proposals and stay in constant contact? If we apply the same sort of technology principles of the web to that problem, that's pretty compelling.

ROBB: The only thing that can help us lay a foundation here. So you are going to walk us through some technologies that WebEx has been percolating for a while now. I think WebEx has been known obviously as a collaboration company, and there are some things that you guys have done an excellent job building your brand around. But you are really taking it to another level now, but there are some things we need to understand about why the environment is right, right now for these type of technologies, WebEx Connect

specifically, can you explain?

DAVID: Yes, sure, so what we are trying to do with WebEx Connect, which is our next generation collaboration platform, is build a platform that allows enterprises to apply these web 2.0 technologies to their businesses.

ROBB: Okay.

DAVID: Why do you need to do that? Why can't you just like your employees go out and use Facebook or any of the consumer solutions. Well because businesses have different requirements, right. They have got security concerns, intellectual property concerns, policy concerns, and they also want just professionalism. I'm david.knight@webex.com, not DiscoDave42 or whatever my handle might be.

ROBB: You are not supposed to give your email out of on the show Dave.

VALERIE: You don't look like DiscoDave.

DAVID: And so all of those things are different in a business world. So what we have got with WebEx Connect is a technology platform, that brings the key concepts of communication, collaboration, social computing but does it in a business-centric and professional way.

ROBB: So the principles we learned from the consumer's side still apply. At the same time, this sounds like it's going to be a good answer for people that are concerned about how do I make this apply to my business specifically?

DAVID: Correct, all we are doing is, we are enabling businesses to build what we call collaborative applications, that bring together people, process and data to help around your business process, whether that's selling, training, marketing, etcetera.

ROBB: Okay, and by collaborative applications can you explain what you mean by that?

DAVID: Yes sure people often think, and let's take sales; I think most of our audience is probably familiar with it. People think of the CRM system as, automating the sales process, right, now I've got salesforce.com or Oracle-on-Demand or Sebel, it doesn't really think about it, it doesn't really automate the sales process, it records the stats of a space.

ROBB: It's a snapshot.

DAVID: Oh, I sent out this proposal or I contacted you on this date or I owe an RFP response on such and such a date, it tells me what the status is.

ROBB: Well any collaboration in that environment is based on the sales person's ability to collaborate, may become the kind of the central gating factor.

DAVID: Right, and so what we have essentially done is automated the data entry portion, keeping track of things but what is the real process? The real process is, the sales person working with their sales engineer and their partner on responding to that collaboration. It's negotiating what the pricing might be, even just going over the red lines of the contract. And today that's all e-mail, fax, phone call, instant messaging, plane trips, WebEx meetings, etcetera.

ROBB: Well the idea is you have got all these other applications that the sales person has to be the gating factor to bring those together because essentially that's the only way you are going to get those things talk to each other through a person that's going to be the translation.

DAVID: Correct, and so if we can begin to organize and automate the high value knowledge worker, we can take substantial amount of time and dollars of whatever that process is, whether it's bringing a new product to market or velocity through your sales channel and that's a real competitive advantage.

ROBB: Well, I think one of the things we like to do here is I'm going to look at some stuff, right, so you brought some toys with you, we can take a look at WebEx Connect?

DAVID: Absolutely, no need to wave our hands when we can actually take a look at one of these collaborative applications. So what I have here is the WebEx Connect collaboration clients, actually what we call the rich client, this is also a web-based version. And you'll see that at its core it's a unified communication client, has everything you might expect. The ability to do instant messaging, do quick calls, video calls, all from this environment.

ROBB: That's not threatening, obviously that's something we're used to seeing.

DAVID: Absolutely and this is a tool that I live in everyday, as a matter I think maybe I'll make myself invisible, there is multitasking and then there is.

ROBB: Oh, where did you go bad joke.

DAVID: Yes, and so that's pretty familiar to most people, but what's really powerful is that our research shows us that the collaboration really is about communication. And so what we have done is we have integrated right into this unified communication

tool a full set of collaborative workspaces. So I click around this space tab, you'll see that I get a brief snapshot of everything that's going on across all my various projects. And I get these alerts that tell me what's going on, whether a new message, new documents have been uploaded, who's where?

VALERIE: So for each project you can see when people have left you messages?

DAVID: Oh absolutely, and so what I'm going to do is take a look at --.

ROBB: That reminds me the tag space on there as well, things of different sizes.

DAVID: Absolutely, depending on how active they are. So I can very quickly scan and say what do I need to be paying attention to right now, which of these projects has new activity? So what I have done is I have gone into the Microspore opportunity space and this is a demo space that shows how sales team might collaborate around that complex RFP.

ROBB: Microspace being a made up company name?

DAVID: Being a made up company name, yes, a little too creative in the demo production department.

VALERIE: And are the tags at the top all customizable?

DAVID: Yes, these tabs are all customizable and I'll show you how we can do that in just a little bit. What you'll see here is at the heart of the system I have got information about who all my team members are, and I have got their presence. At any given time I could double click on one and start a conversation. I know whether they are online or not, but I also actually know whether they are currently in this space. So it's kind of like being able to walk by a conference room and say hey, who is the team here and what are they working on?

ROBB: And it's the people associated with that project now, so we are not looking at your entire list of people.

DAVID: No absolutely, these are just the people I am working with on this project, which is great and then I have the ability to communicate with them. So up here I have got these persistent threaded chat conversations and so each one of these is a topic. So right here we're having a discussion about this RFP document and you can see John Franklin has redlined his proposed changes to document here in the text. And I can say, thanks John, I'll take a look later, right, and so now I have responded back so John can know that I have seen his comments.

ROBB: Now this is one of the things I want to make sure I understand here, persistent threaded chat?

DAVID: Yes.

ROBB: So what we're saying here we actually have the ability to have a chat conversation with somebody who is not online right now and is not only attached to the project, it can be attached to a document that we're both working on.

DAVID: Exactly, so we are working on this document right here, this RFP and if I wanted to go look at his comments, I just click and I'm going to launch this document right from within the space. And this is going to retrieve the document and I can view his comments, etcetera and I then I can comment back if I so choose.

ROBB: Okay excellent.

DAVID: Now where does that document come from? Well, it's over here, it's in the files tab and you see here are all the documents that we have been working on including those documents and you can see where documents are and where new comments have been added. So I can scroll over, and I can say well here are the comments on that competitive analysis document right from within this same space.

ROBB: Yes, usually you'd never know that information.

DAVID: Exactly and so.

VALERIE: And you can post the documents related to Microspore.

DAVID: To just this project. And so what we have done is, is we have created the sort of conversational space where everything that the team needs access to, is here and we can do all that back and forth conversations instead of the endless e-mail chains that people are most typical for.

ROBB: Well I see some innovation here obviously with the threaded chat and there's persistency and something like that, but we have got chat; we have got places where we can group documents together, that doesn't strike me as being very revolutionary. I assume there is more too it obviously in that, is this setup?

DAVID: Yes absolutely, a few things. It's not just the collaborative aspects that matter to me, right. If I am selling, there is key information in my underlying systems; there are transactional systems we talked about that are still relevant.

ROBB: It's still funny to hear a WebEx person say it's not just the collaborative aspects that mean the most to me.

DAVID: No, there is lots of really valuable data locked up in the CRM system for instance. And so here I have got this widget that's going into our CRM system, salesforce.com in this case, and is pulling back all the latest information, what phase in the sales process is that/ How many employees are -- customer and I could click on these other tabs and get additional information. Well that's really valuable, because it puts it here where it's relevant to me. I don't have to go log into the CRM system, I see it right here. And it's not just that information right, I could also pull in external information. So let's click over here, I now have all this information about the account itself. So this is who I am calling on and this is the Microspore team.

ROBB: Now in sales, we would email around the PowerPoint with the document showing here's the people --.

DAVID: Right, you know who all the team is right, but let's say that oh Sam Adams seems like I remember him, I worked with him before. Well if I wanted to verify whether I know him or not, I could log into a tool. In this case, we are going to partner Visible Path, which is a social networking tool, it lets me search based on people and company and say oh is Sam Adams somebody I know, is he in my network right from within this tool.

ROBB: Okay.

VALERIE: Can you see his photo as well?

DAVID: Oh yes, absolutely, and then let's say that I do know Sam, I need to let the team know that I know him, right? So I can click here; and remember how I had a conversation about a document, we can have a conversation about any asset, I'm going to have a conversation about Sam. I say hey team, I know Sam from a prior life, he is a great guy, you know I'll give him a call, whatever right. Now the team all knows that I know Sam and we can start a conversation about what our sales strategy is relevant to him. And if we go back just to be clear what we are doing, notice there's now a new discussion that I have started back in the discussion tab.

ROBB: But you were pulling elements from things that normally are caught in these other silos, right?

DAVID: Exactly.

ROBB: Like the CRM system which is on my internal servers, then I have got Hoovers, which is offered as a service in an external basis. Do all my team members have to be company employees and such like that or?

DAVID: Right, so that notion of bringing data together for multiple systems is what we call national. And these are collaborative mashups if you will, focused around collaboration and it can span company boundaries. Anybody can be a member of this space not just from within your own company and then well you say well what about security policy, etcetera.

ROBB: That's a nice question.

DAVID: Well there is a whole policy layer in there to ensure that they only see what they are supposed to see.

ROBB: Well so for example, and to make sure we understand this, because this is always critical to me. Let's say that I have chosen to see data from a financial perspective that's unique on our internal system and is part of the space. Then I have got Valerie on my team, now Valerie doesn't work for Cisco. She is a contractor brought on for this particular project but maybe she doesn't have the rights to see specific pieces of data, you are saying that she would be at a different level?

DAVID: Right, so she wouldn't have any privileges to that opportunity widget for instance, because while she can see the account and the RFP etcetera. she can't see what I'm bidding the project for.

ROBB: And that's set by the IT department system?

DAVID: Absolutely.

ROBB: So we are not relying on users to make security decisions?

DAVID: Correct, there's actually both. IT can set the minimum set that has to be enforced, but if you want to be more conservative you could do that.

VALERIE: How tough is it for a small or mid-sized business to set up these mashups you described?

DAVID: Well it's actually pretty straightforward, even end-users can do -- let me just extend this space here on the fly. So let's say I have got everything setup that I want and I have got these additional tabs, but let's say I want to add a tab for the project plan. I'm just going to click that button say add a tab and we are going to say project plan and so everybody can keep track of the tasks. So I have created a new tab and now I am going to actually go out to the library. Looks like Steve has launched a meeting. He wants to review that RFP we have been talking about in real-time, I'm just going to ignore them for the moment, but we will come back to that in just a moment. But it notified me that there is now a meeting going on in my virtual space here.

VALERIE: So anybody can just launch a meeting at any time?

DAVID: Yes if they are a member of the space, just like I have dedicated a conference room just for this project.

ROBB: But that was like one of the other spaces, right?

DAVID: No that's right here.

ROBB: That's that space, okay.

DAVID: That's right here. So let me just add this project management tool and what I have is a widget, one of these micro apps from our partner Dream Factory and --.

VALERIE: And so that's your library widget.

DAVID: And that's my library widget, since I have just selected the project management widget and clicked okay, and what this is going to load is this project management widget right here into the shared team space.

ROBB: Now let's suppose that I'm a company using this and I don't use Dream Factory, I have got a certain interface or a certain company I like to work with for project management, that's not one of them, am I stuck?

DAVID: No there is actually a whole ecosystem of partners, dozens of them that are building widgets for this environment.

ROBB: And could I encourage the company I am with to be a partner of your developer community to do that if they want to do that?

DAVID: Yes absolutely, and joining the developer community is free, there is a full set of documented APIs on how to do it. And if you have an internal map that you wanted to mashup into this environment, you could do that yourself as well.

ROBB: That's genius, I like that.

DAVID: Now let's get back to this issue of this RFP, right. Steve launched this meeting to say that he wanted to review the RFP and what would a download from WebEx be without showing WebEx Meeting, right?

ROBB: Absolutely.

DAVID: So let's just click this join button, and I am going to launch right in at the click of the button and now I am in a live WebEx meeting. And now we could actually share out that RFP proposal between us. It knows who I am, so of course it's going to call me right back on my desk phone and away you go.

ROBB: So you popped a WebEx meeting here, so within the space now we can actually open up, all the things that you would be used to from a WebEx perspective.

DAVID: Correct.

ROBB: Now for anyone that may not be familiar with WebEx how would you describe some of the differentiators just from a WebEx perspective?

DAVID: Absolutely, so what I have done is I have launched into a real time meeting and instead of Steve and I going back and forth with these endless comments about this document, what we can do is just share that real-time and jointly edit it. So I am going to click share application, I am going to bring up that RFP that we just opened and we are talking about in the team space and now I am sharing it, right. And now he on his computer screen is seeing exactly what I am seeing here, and so we can --.

ROBB: So no re-vision issues, so people email stuff back and forth saying I have got version 4.

DAVID: Right and so I am sharing it and so I can even do things like start annotation and I can be annotating the section and we can be going back and forth and saying well I really don't think that the peripheral gateway is the right thing here, whatever it is that we need to do. And then once we have made all of our re-visions I can simply exit the annotation and the sharing, save that document back to the team space, and get it out to the customer.

ROBB: You know what powerful about that is you know that Steve is online right now.

DAVID: Right.

ROBB: And you say, hey let's get together, let's get this done, so you have got the presence combined with the actual ability to collaborate on the document in real-time and you are done, you are out.

DAVID: Absolutely and think about how many times that happens over the course of the project. Hundreds of times, so if I can cut the cycle time now where we resolve this today, that means I get that proposal back today instead of tomorrow or the next day. That adds up and that leads to real shortening of business process.

ROBB: And then everything we have captured in there obviously is saved into the workspace and we are back into that.

DAVID: Right and let's just go back to that space and you'd see that there is that document we were just editing.

VALERIE: When you launch a meeting, everyone is notified?

DAVID: Everybody in that team space so if I go back here...

VALERIE: That's a nice thing.

DAVID: Everybody in the team space right here, see this little WebEx box? So there is a meeting going on right now. So any of the other team members could just say oh I have been trying to get a hold of the team and they can simply click on launch their space; they'd see that same join link and be able to join right into that meeting.

VALERIE: Is there an opportunity to notify them on the road?

DAVID: Absolutely, so I can absolutely send a notification to SMS, email, etcetera, to get people pulled into this meeting in real time.

ROBB: It seems like we have gotten a good overview of it, do you feel like -- are we getting it? Is there anything else we need to see here is because one of the questions that I am thinking of here and I just want to make sure we don't lose track of this. How would you say this fundamentally changes the way we do business, how do we make sure we don't away or miss that?

DAVID: Well, how we have done business already has changed and in some ways the technology is catching up. Over the last 10 or 20 years, we have seen a dramatic change in the global economy. Everybody now operates, as we talked about before as part of some global value chain. Cisco is a perfect example, at the highest level we build nothing, we sell nothing. In fact we've got an entire supplier network that builds things for us and we have a hired distribution network, many of those partners are probably online today, who help us bring it to market. Our tools haven't kept pace, even though we are all operating in this world where we have got team scattered around the world across company boundaries. We are using hodgepodge tools, emails, IM, phone, faxes and quite frankly it's a pain in the neck.

ROBB: Absolutely.

DAVID: And so the technology is beginning to catch up, right. We are beginning to design these collaborative applications that help people work the way they all need to work in today's economy. And the companies that do a good job of leveraging this technology are going to be way more efficient. They are going to take time out of their release cycles. They are going to increase their sales volumes and that's where sustainable competitive advantage is going to come from.

ROBB: I love the fact that you have created a platform here, that you are not saying that the innovation is -- because you're walking your talk here. You are not saying the innovation is limited to the smart people we have at WebEx and Cisco. You are saying we have created an ecosystem that people can plug into and continue to add value and grow it and that's the very definition of web 2.0 and the value we get, is it not?

DAVID: Absolutely, there's two key parts to web 2.0, one is the technology. The second is that community driven innovation, right, end-users, creating new apps that we haven't even dreamed of by the thousands, right? Well how are we going to enable that in the business setup? And how are you going to marry end-user innovation with corporate policy? They would seem like totally at odds.

ROBB: Right, two worlds.

DAVID: That's what Connect is about, creating that platform to foster that web speed innovation on very rapid cycles yet maintain the reliability, security, intellectual property protection, regulatory compliance that businesses need.

ROBB: Where can people go to learn more?

DAVID: webex.com.

ROBB: That's hard to remember. Well, good, and obviously there's information there on the developer network as well as so both sides of the equation?

DAVID: Absolutely.

ROBB: Okay, David fantastic information, thank you so much.

DAVID: Great, thanks for having me.

ROBB: Absolutely.

VALERIE: Robb, a lot of information to digest here, what would you say is the bottom-line takeaway?

ROBB: I think the one thing that jumps out at me is this notion; we really need to remember to resist the urge to dismiss the things that we have covered today as being irrelevant to your particular situation. These changes can catch you off guard because they are bubbling up from below from the consumer side and not from the top down like we are so used to.

VALERIE: Our guests have provided a number of ideas with respect to where to get started. So other than say hiring a teenager to guide your business, where do you recommend beginning?

ROBB: Well here is the thing, without trying to go through and repeat every best practice and idea that we have heard from our guest today because I think they have actually done a very good job of it, couple of basics I think, one of which is, I think you need to be well read. First of all, learn how to read blogs, if that's not something that you are doing on a regular basis, and that's certainly something that you can pick up from, is that blogs offer a lot of good information and they link to more information. You can start with the guys we have had on the show today. They all maintain a lot of very good information. Learn how to read those things and you will get ideas, you will stay in touch. Its up-to-the-minute advice, not waiting for publications. I think that's a one good place to start.

VALERIE: So what can we actually go and do? I want to roll up my sleeves and get a real dirty in this...

ROBB: Something more actionable.

VALERIE: Where do I start, get me some actionable items.

ROBB: I think it's possible to actually assign yourself some web 2.0 projects, if you will. First of all, one of the things that we learned is some things may be going on in your organization from your users, and you may not even be aware of it, so be on the lookout for that type of thing. The other thing is to potentially go on and create a wiki, create a blog, get experienced with that, understand what an RSS feed can do for you personally and you'll be able to begin applying that to your business. I think these are great places to start. Look for the peering opportunities that already exist in your business, think about how you work with your suppliers on a different basis. There is lots of ways to begin taking advantage of those technologies because as we mentioned earlier, a lot of them are free to take advantage of and if you are not trying it, learning how it may apply then you are probably wasting your time.

VALERIE: So there is a lot of great information to follow up on here, a lot of great people and ideas. You'll find more information including notes on where else, but our wiki, check out mytechwisetv.com.

ROBB: In fact the wiki is a fantastic place not only to get notes about today's show, but shows we have done in the past, shows we have got coming up, that we are working on. We may not have all the ideas ready to go, but you can contribute, you can start discussion threads, you can correct mistakes that we have made.

VALERIE: Yes.

ROBB: That's what it's all about, add value, right.

VALERIE: Right and you can start doing it right now. For Robb Boyd, I'm Valerie St John, thanks for joining us on this special edition of TechWiseTV.

ANNOUNCER: Cisco Live is Cisco's premier annual educational and training conference for its customer and partner communities and is home of the US Networkers Conference. At Cisco Live, you will join 10,000 of your peers and gain the practical information and visionary guidance you need to get the most from your Cisco solutions. Networkers at Cisco Live features thought provoking keynotes, hands-on labs, intensive eight-hour techtutorials, pre-certification testing, hundreds of technical sessions and customer and partner case studies that are all designed to help you succeed and give your company a competitive advantage.

JENNIFER COX: I think the sessions that they offer are amazing, they have a lot of opportunity, they have a lot of information, and the networking, that's a huge benefit as I understood you, have to know people that are the only way you get the answer.

TONY HOWELL: I'm learning a lot of new things; it's exciting to be around a lot of motivated people, learning the same thing.

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