

Technology

What to Know About Web 2.0

“Web 2.0” has been a big story for business lately. The term, now frequently used in the media, refers to the Internet as a growing constellation of sites where users can share a variety of information, whether they’re exchanging videos on YouTube, building a common base of knowledge on Wikipedia, networking on MySpace or LinkedIn, or sharing knowledge via blogs and podcasts. In its Web 2.0 incarnation, the Internet has become a prominent medium for personal interaction.

Web 2.0 phenomena are trends that business schools can’t afford to ignore, says Andrew McAfee, an associate professor at Harvard Business School. McAfee’s research focuses on technology, including the effects Web 2.0 promises to have on business. Younger students have become reflexive users of social networking sites and will expect to use these tools to facilitate their interactions with faculty and employers, says McAfee. They will want to read faculty blogs and use collaborative technologies, such as wikis, to build and share knowledge.

Business schools that don’t embrace this technology “may make students feel as if they’re in the Dark Ages,” he says.

In fact, given the increasing use of online social networking sites, McAfee sees many student users turning away from “private channel technologies,” like e-mail, and more to “public channel technologies”



A class in session at INSEAD’s virtual SecondLife campus.

like MySpace. “In e-mail, you send a message and it’s gone; afterwards, no one knows what you were e-mailing about,” says McAfee. “Users of sites like MySpace are turning to public platforms, where you broadcast to the world your activities and intentions. I know I’m not comfortable with that, but the younger generation has grown up with it.”

At least one business school has tapped into this phenomenon to find out where it might lead

business education. In March, INSEAD—which has campuses in Fontainebleau, France, and Singapore—announced that it would be opening a virtual campus on SecondLife (www.secondlife.com). SecondLife is a three-dimensional virtual world, built and owned by its now more than 6 million residents.

SecondLife residents create online personalities, or avatars, to inhabit

Linden, SecondLife’s virtual continent. While there, they can meet with other residents at virtual gatherings. They also can spend virtual Linden dollars to purchase virtual property and build virtual houses. Companies such as Wal-Mart, Intel, and American Express have even opened SecondLife stores to serve Linden residents. Toyota has opened a Scion dealership on the site; the Reuters Group has established a virtual SecondLife news bureau.

Conference Board Holds Virtual Meeting on SecondLife

In June, The Conference Board Council of Telecommunications Executives, in cooperation with Columbia Business School’s Institute for Tele-Information, held its first “virtual” meeting on SecondLife, a three-dimensional online continent. The meeting was a hybrid—half was held in real space, half in virtual space. To set up the meeting, the Council was assisted by IBM, which has held its own employee retreat on the site and is building a business helping companies such as Sears and Circuit City develop virtual stores to serve SecondLife “residents.”

The Conference Board took part in this experiment in response to the growing number of businesses that are establishing a presence in the SecondLife environment, says Edward Roche, manager of The Conference Board Council of Telecommunications Executives.

The meeting featured presentations from a variety of speakers, including SecondLife creator John Lester of Linden Labs. Because half the meeting was held online, the council was able to invite experts to participate from as far away as Finland, Japan, Malaysia, Scotland, Germany, Chile, and France.

"OUR VIRTUAL CLASSROOM IS A RICH ENVIRONMENT, WHERE YOU REALLY FEEL AS IF YOU'RE IN A COMMON SPACE WITH OTHER PEOPLE. YOU CAN WALK TOWARD A PERSON AND POINT TO AN OBJECT. IT'S A WONDERFUL WAY FOR PEOPLE TO INTERACT ONLINE."

—Miklos Sarvary, director of the Centre for Learning Innovation at INSEAD

Now, SecondLife residents can come to INSEAD's unconventional campus to learn more about the institution. Its students and alumni can come to take password-protected classes or to meet for a virtual drink in a local establishment. By tapping into this new medium, INSEAD is building an area where members of its community can interact with each other in a way that's different from what other online interactions have typically allowed, says Miklos Sarvary, director of the Centre for Learning Innovation at INSEAD.

"I'm very bullish about how this platform can help us be innovative in our teaching," says Sarvary. "With video conferencing, you can see the faces of others in the meeting, but they're obviously in another space. Our virtual classroom is a rich environment, where you really feel as if you're in a common space with other people. You can walk toward a person and point to an object. It's a wonderful way for people to interact online."

Although INSEAD's SecondLife existence is still in its early stages, Sarvary sees it as a way to bring INSEAD students and alumni back to "campus" much more frequently. "Most business schools invite their alumni back to campus once every five or ten years. These visits are infrequent because they're very expensive," says Sarvary. "With SecondLife, if you have a free evening, you can go to the INSEAD campus from your home and meet with a few of your classmates from ten years ago. This technology makes such interaction much easier."

Whether or not INSEAD's experiment succeeds, McAfee says that he

wouldn't be surprised to see HBS or other schools open a campus on SecondLife. It's not risky or costly, he notes, and it offers a business school a versatile online environment where it can both interact with its own community and reach out to an entirely different kind of market. "With something this new, we don't know all the ways it's going to play out," says McAfee. "That makes it all the more important to dip a toe in the water, experiment, and see what happens."

■ **Course Develops 'Search-Savvy' Students**

Now that the Web is often the first place where consumers turn to buy or research products, many companies are looking for graduates who know how to use search engines to attract consumers, strengthen brands, and boost online sales. A new course at the Fisher College of Business at The Ohio State University in Columbus aims to give marketing students search engine savvy.

The new Internet marketing course, Principles in Electronic Marketing, was created for the Fisher School's Department of Marketing

and Logistics by Laura Thieme, president of Bizresearch, a Columbus-based search engine marketing company. Thieme points to a recent survey conducted by the Search Engine Marketing Professional Organization that found that companies spent \$9.4 billion on search marketing in 2006.

"While that's a 62 percent increase over 2005, companies lag in tracking results, measuring successes,



and achieving goals," says Thieme. "That's due, in large measure, to the lack of the staff expertise necessary to think strategically about search marketing."

The course will teach senior marketing majors the fundamentals of search marketing, including search engine optimization, viral and affiliate marketing, Web site analytics,

Tuck Goes Interactive in India

In May, The Tuck School of Business at Dartmouth in Hanover, New Hampshire, launched its new global distance learning initiative with a virtual learning series aimed at Citibank managers in the Indian cities of Chennai, Delhi, and Mumbai. Each installment of the monthly learning series will comprise 90 minutes of instruction and allow the executives to interact in real time with Tuck faculty.

The first installment of the series focused on the research of Professor Vijay Govindarajan's "Ten Rules for Strategic Innovators," and the July and August installments will feature the work of strategy professors Richard D'Aveni and Sydney Finkelstein. The entire series serves as a model for Tuck as it works with other global companies in online learning environments, says Anant Sundaram, faculty director of Tuck Executive Education at Dartmouth.

Technology

and the use of blogs and e-mails as tools for marketing. Students will become familiar with a variety of Web analysis tools, including Google Analytics, Clicktracks Professional, Net Tracker, WebPosi-

tionGold, Wordtracker, and Dreamweaver. They'll also learn basic formulas for determining customer acquisition costs, prepare monthly visibility reports, and make Web sites achieve their market potential.

NEWSBYTES

■ GIFT FOR TECH



The Bryan School of Business and Economics at the University of North Carolina at Greensboro will receive \$2 million of a \$3.85 million gift to UNCG from Microsoft vice president Robert McDowell and his wife Lissa Shelley McDowell. The funds will establish the McDowell Research Center for Global Information Technology. The center will be among the first in the U.S. to investigate the international applications of IT, says Prashant Palvia, professor and Ph.D. program director in the Bryan School's department of information systems and operations management. The remainder of the McDowells' gift will support UNCG's art museum and its communication-across-the-curriculum program.

■ INNOVATION LAB

Grenoble Ecole de Management in France has launched the first French Discontinuous Innovation Lab (DIL), an international network designed to bring together researchers and managers to explore new directions for business and create new business models, best practices, and market opportunities. The DIL will be led by the school's Centre for Innovation, Technology, and Entrepreneurship (CITE).

■ \$1 MILLION FOR "COLLECTIVE INTELLIGENCE"

Business Objects, a Paris-based software company, and Zerofootprint, a nonprofit environmental organization, recently launched an online community designed to tap the "collective intelligence" of users to solve global problems. The objective is to provide online visualization tools and an environment where academics, scientists, and others can work together. Any visitor can suggest a problem to solve—the person who posits the most interesting challenge, as judged by the community, will receive up to \$1 million to solve it. For more information or to view the project in action, visit insight.businessobjects.com.

■ INTERNET 2009

The U.S. National Science Foundation recently tapped tech company BBN Industries, a government contractor, to redesign the Internet from the ground up. According to the Associated Press, BBN will receive up to \$10 million over four years to plan and design the new project, which has been dubbed the Global Environment for Network Innovations (GENI). NSF has funded several similar projects, but GENI is seen as a way to build a new Internet without yet dismantling the old. The GENI project is set to start in 2010 and is estimated to cost \$350 million.

■ More Faculty See Value In Podcasts, Blogs

Faculty are becoming more comfortable using technology, according to a survey by Thomson Learning, a publisher for higher education based in Stamford, Connecticut. Its survey of 677 professors from the disciplines of business/economics and humanities/social sciences revealed more interest in social networks, blogs, and podcasting.

According to the survey, nearly 35 percent of respondents view podcasting as a valuable communication

tool to reach students. Ten percent of faculty actually write their own blogs, compared to only 8 percent of the general population. In addition, of the faculty who reported familiarity with social networking sites such as MySpace, nearly 90 percent said they knew students used the sites to rate their professors. Sixty-seven percent have actually checked the sites to see how they had been graded.

The takeaway from the survey: Faculty need to become comfortable with emerging technologies to teach students how these technologies are changing society, says Shirley Biagi, a professor in the department of communication studies at California State University in Sacramento. Says Biagi, "It is essential for us to pay attention to all emerging technologies as a way to help our students understand the importance of mass media in our lives today." ■

DATABIT

According to the Sloan Consortium, nearly **3.2 million** students in the U.S. were enrolled in an online course during the fall of 2005, compared to 2.3 million in the fall of 2004.