



Enterprise Ireland – Web 2.0 Conference

Web 2.0 – Key factors for success

Jeff Clavier

SoftTech VC

jeff.clavier@softtechvc.com

Software Only - blog.softtechvc.com (English)

Sans Accent – sansaccent.softtechvc.com (French)



Disclaimers

- “Like for anything, there is no silver bullet”
- “It depends on your expected outcome”
- “We are writing that book as we go along”
 - First chapter in June 2004: Oddpost
- “I would not have invested in MySpace”
- “It’s all BS, I just wanted to come to Dublin”
- “I am glad to have evolved as a human being”



Background

- Startup: Effix (F) 1989-1993
 - Financial Services Applications
- F500: Reuters (F) 1993-2000
- Venture Capital: RVC (USA) 2000-2004
 - \$560M Corporate VC fund (YHOO, VRSN,...)
- Startup: SoftTech VC (USA) 2005-
 - Angel investments & Advising

SoftTech VC “Portfolio”

Communities & Social Media

- Buzznet (Media-sharing)
- Dogster (MySpace for Dogs & Cats owners)
- Stealth cos

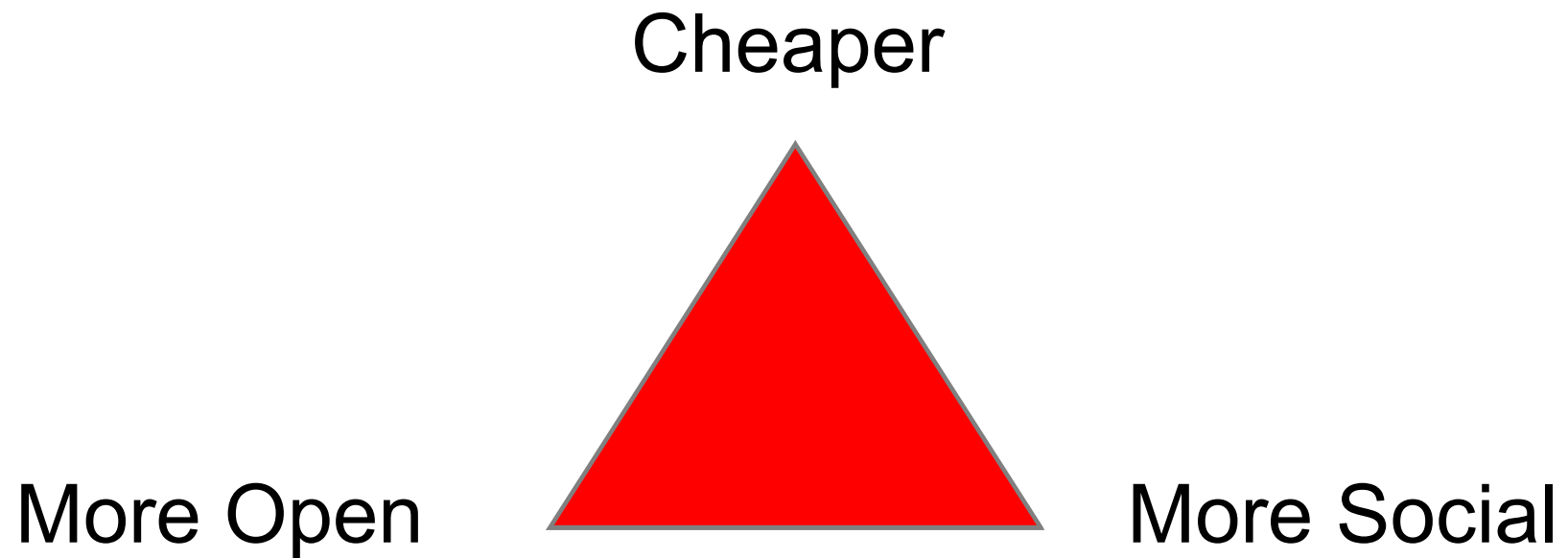
Search & Discovery

- Loomia (Amazon style recommendations)
- Kaboodle (Shopmarking)
- Glenbrook Networks (Vertical Search platform)
- Feedster (RSS Search)
- Truveo/AOL (Video Search)

- Omnidrive (Storage 2.0)
- Edgeio (Classifieds 2.0)
- Userplane (Communication tools)

Consumer Infrastructure

Web 2.0 Applications Characteristics





Web 2.0 Applications: Cheaper

- Costs
 - Infrastructure
 - Hardware, Software (Open Source), Bandwidth
 - Personnel (if distributed/off-shore)
 - Metric:
 - \$3M to build and launch in Web 1.0 vs. <\$100K in Web 2.0
 - Much lower costs to failure
- But
 - Real scale costs
 - Get the right money from the right people at the right time



Web 2.0 Applications: More Open

- Innovation
 - Specs and Software in the Open
 - Web Services & “Mashups”
 - Blogs for Communication & Customer Engagement
 - Launch: Get on TechCrunch
- But
 - Need to establish key sustained differentiation
 - End user value
 - Distribution



Web 2.0 Applications: More Social

- Products: Architecture of Participation
 - Users become Producers
 - Share across Networks
- Process: Sharing
 - Group work, Events, Un-conferences

MONDAY

9-10:15

Opening Session

Session Title, Type Your Name
Propose sessions into the mic

F 20+ people
Nook w/ Tables
Good for Hacking

G 30+ people

H 1/2 Auditorium
50+ people

I 1/2 Auditorium
50+ people

J 50+ People
Back of Grand Hall

10:00 - 11:30

Monetization & \$
\$ Business Models
Dave Nielsen
StrikeIron
Elenor - Yahoo

Mobile Mashups

- What are they?
 - How do they work?
 - What are the tools?
- Rodney A.

API Best Practices
like the BEST vs SOAP
smackdown
also with APIs that people can understand
Chris Radcliff

1-2:15

MARY HODDER
Video Mashups
Discussion

JIGGERS & CONTAINERS
Google Homepage API
Yahoo! Widgets
MicroSOFT live.com
APPC Dashboard
(adam sah)

Amazon Web Services
JEFF BARR

Venture
Jeff (AT THE END OF THE LUNCH ROOM)
Claire
time + bid

2:30 - 3:45

LARRY LESSLER
Creative Commons + Mashups
Discussion

PODTECH.NET
OPEN MICROPHONE
PODCAST.

4:00 - 5:15

Alan Lewis
eBay Web Services
Need Data for your Mashup?
We got data

Tools for Analytics

Things that help you
navigate & share ideas
Word Cloud (for 5
Blogs) From Twitter

Search Mashups
DeWitt Clinton
qsearch.api.com

HOUSING MAPS
(THE MAKING OF)
- Ben Ruppert



Web 2.0 Applications: More Social

- Products: Architecture of Participation
 - Users become Producers
 - Share across Networks
- Process: Sharing
 - Group work, Events, Un-conferences
- But
 - Don't force me to enter all my friends to get the first bit of value
 - Not everybody can be “The Wikipedia of ...”



Questions

- Value ?
 - To the end user
 - If in the equation, to the advertiser
 - “Appeal to one of the seven sins”
 - KISS!



Questions

- Adoption ?
 - Initial: Reduce friction to the maximum
 - Repeat: Introduce addictive functionality
 - The Counter!
 - Network effect: Get friends/family/associates
 - Limit attrition: Keep users happy
 - Think new types of aggregation (Eg: 30Boxes)



Questions

- Differentiation ?
 - Be 100% better
 - Be 100% different
 - Market: Aim Big
- Distribution ?
 - Service
 - How do you get to the first <NUMBER> user ?
 - Real network effect ?
 - Search Engine
 - Building a brand costs \$\$\$\$\$\$\$



Questions

- Business Models
 - Prepare for it
 - More than one: advertising, branding, referrals, premium subs,...
- Technology ?
 - “Who cares!”
 - But don’t re-invent the wheel!
 - Maps, Reputation, Recommendation, Storage, Pictures,...



Questions

- Team ?
 - Track Record
 - Why you
 - “Who is/are your next hire(s)?”
- Plan ?
 - Funding needs
 - Milestones
- Ambition ?



Q&A
