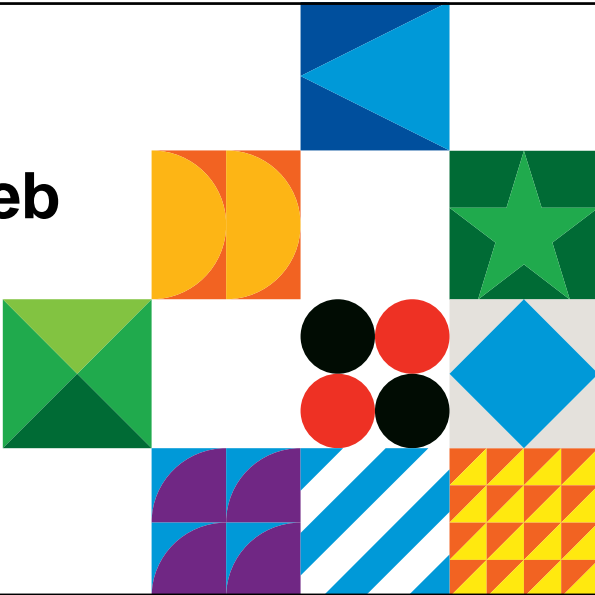


# Lithium

## The Social Web

Michael Wu, PhD  
Principal Scientist of Analytics

August 1st, 2011  
UC Berkeley



### brand nations at the world's best companies



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twitter: mich8elwu  
linkedin.com/in/MichaelWuPhD



agenda


- social media at a glance
- the social anthropology perspective
- what is relationship
- network perspective of the giants
- Q&A

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social media at a glance

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## what is social media

### ▪ The usual suspects



founded: 1998 Sep  
25+ M members  
~26K employees

Just launched  
June 28, 2011



founded: 2003 May  
100+ M members  
~1300 employees



founded: 2004 Feb  
750+ M members  
~2000 employees



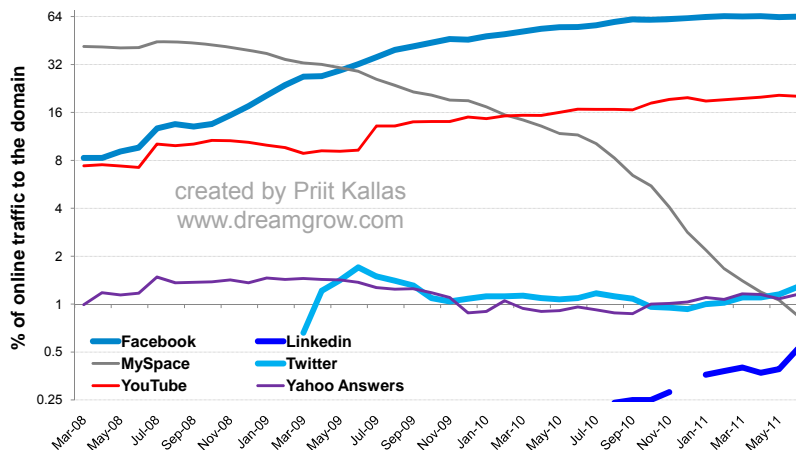
founded: 2006 Mar  
175+ M members  
~400 employees

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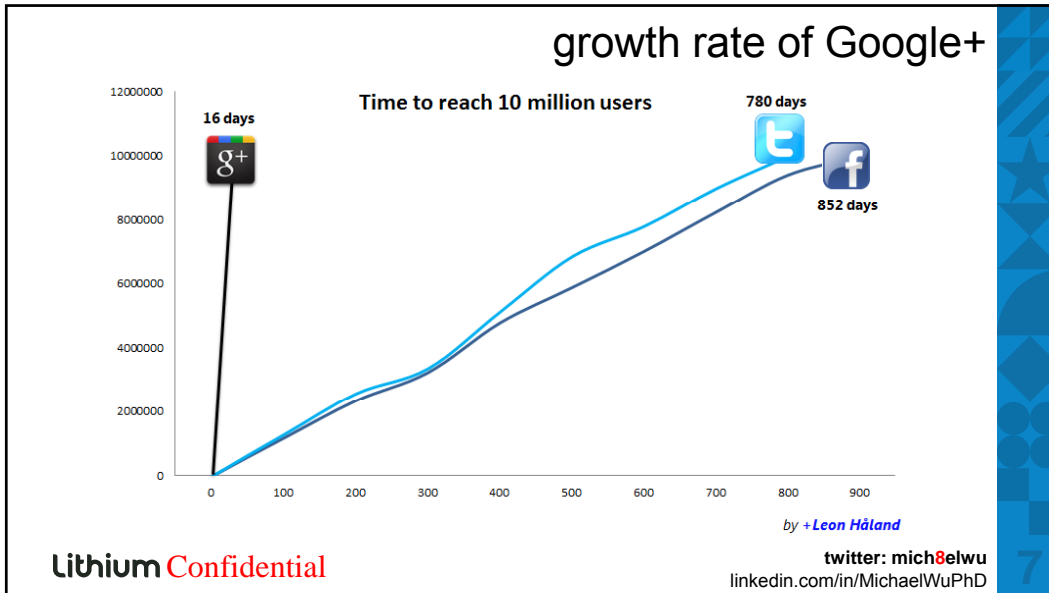
## market share of social networks






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### what is social media

- The usual suspects
  - 
  - 
  - 
  - 
- The less usual suspects
  - The blog blogosphere: ~150-200 M blogs (via BlogPulse)
  - Online communities
  - Media sharing: flickr, youtube, etc.

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## the world is more complex: functional perspective

- It's a huge ecosystem of tools & services
- The social media revolution



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## but social is not new...

- Humans have been social since they were caveman
- Cyber-anthropology of social media: shift the focus from technology → relationship
- From the relational perspective, there are only 2 major types of social media
  - social network
  - community
- Social in the pre-digital era

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the social anthropology perspective


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### how do social networks form?

A story of how Bob's social network was built

Bob 

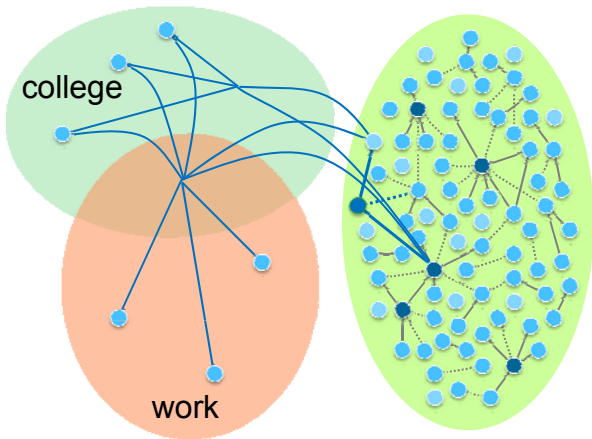


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### how do social networks form?



The diagram illustrates the formation of social networks. On the left, two overlapping circles represent 'college' (green) and 'work' (orange). Nodes (blue dots) are connected by lines within each circle, and some lines cross between the circles. On the right, a larger green circle represents 'Springfield = community', containing a dense network of nodes and connections. Some nodes in this network are highlighted in black.

Springfield = community

Social networks form naturally within communities as people establishes relationships


Social network maintains relationships as people move between communities

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### what do real social network data look like?



A world map visualization where the continents are outlined in a glowing blue light. A dense network of blue lines connects various points across the globe, representing social network data. The lines are most concentrated in North America and Europe.

facebook

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## communities vs. social networks (on/offline)

### ▪ Social Network

- Held together by **pre-existing interpersonal relationships** between individuals
- You know everyone in your network (ego-network), people who are connected to you directly
- Each person has only one social network, despite there are many social network platforms
- Structure: Network

### ▪ Community

- Held together by some **common interests** of a large group of people
- Most people, especially new members, do not know majority of the members in the community
- Any one person may be part of many communities at any given time
- Structure: Hierarchical, overlapping & nested

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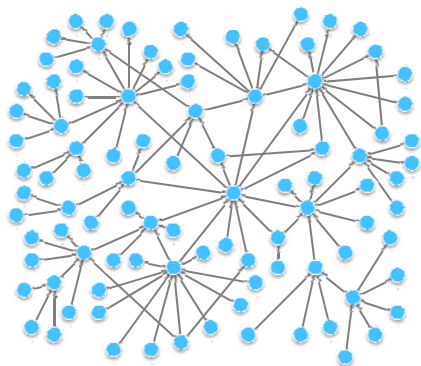
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## communities vs. social networks (on/offline)

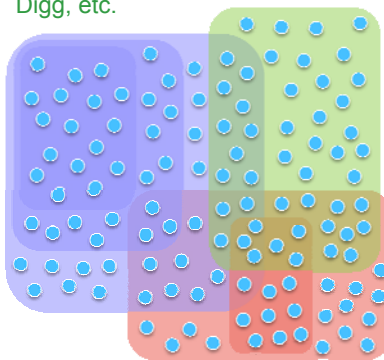
### Social Network

Facebook, LinkedIn, etc.



### Community

Flickr, Yelp, Wikipedia, Youtube, Digg, etc.

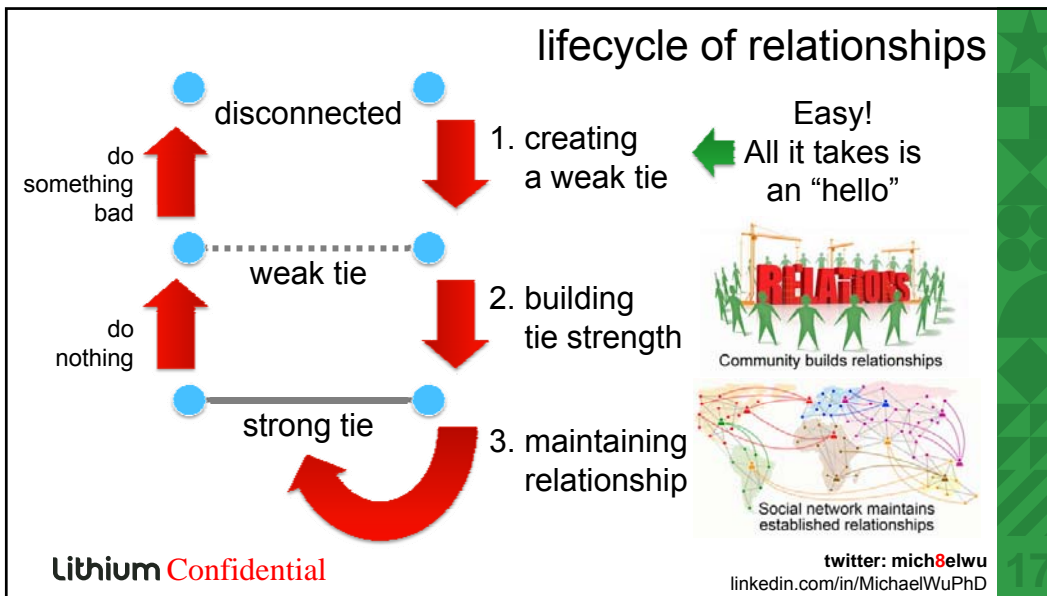


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what is relationship

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## the components of a relationship

- Relationship from the sociology perspective
  - A tie or a connection between two entities (e.g. people, companies, cities, or even nations)
  - Tie strength = strength of the relationship
- Prof. Mark Granovetter identified 4 components of tie strength
  - **Time**: amount of time spent together
  - **Intensity**: emotional intensity and the sense of closeness
  - **Trust**: intimacy or mutual confiding (transparency)
  - **Reciprocity**: amount of reciprocal services
- Strong relationships requires more **time & attention**

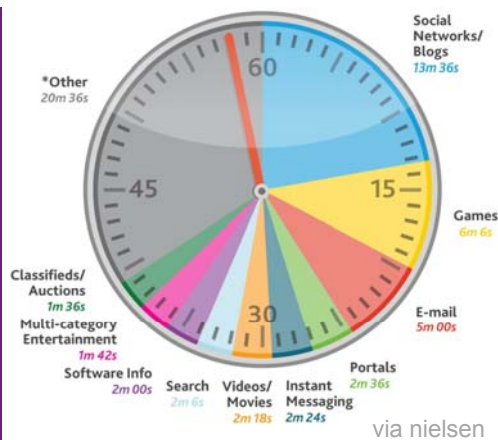
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## the attention economy

- We only have 24 hours a day
- We only have fixed amount of attention
- How many meaningful relationship can we have?



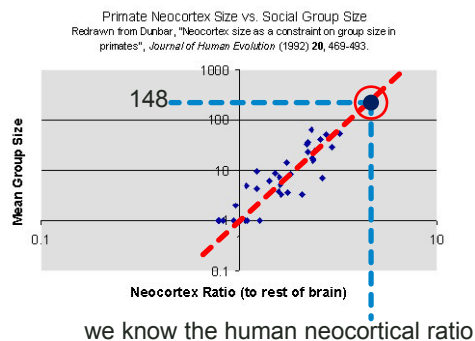
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## ~150: the Dunbar number (or Dunbar limit)

- Prof. Robin Dunbar found a relationship between brain size of primate species and group size of those species
- Extrapolate data from 38 primate species to human neocortex ratio → Dunbar number = 148 (~150)
- Verified by surveying pre-industrial villages/tribes



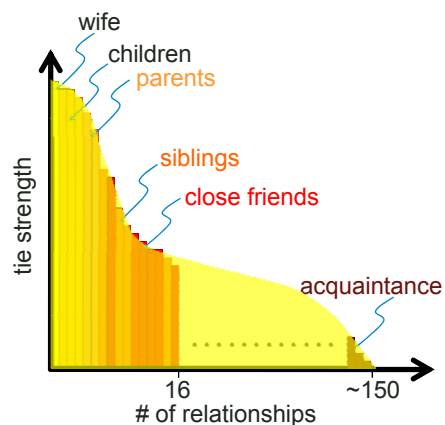
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## does Dunbar limit still applies in modern society?

- Order our relationship from the strongest (immediate family) to the weakest (acquaintance)
- This creates a relationship profiles for each person
- In pre-industrial villages & tribes, people only know ~150 people



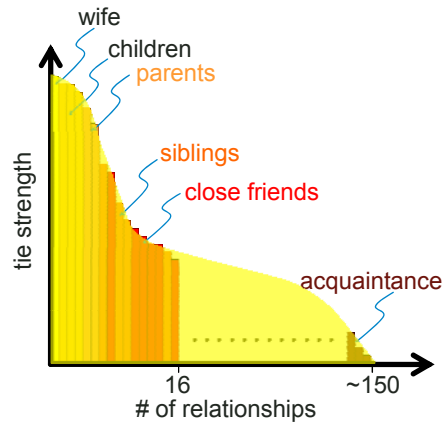
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## does Dunbar limit still applies in modern society?

- Dunbar's limit may not apply in modern society b/c
  - incentive and necessity for social cohesion is substantially lower
  - communication (an important part of socializing) is much more efficient
- But our brain hasn't changed for millennia...

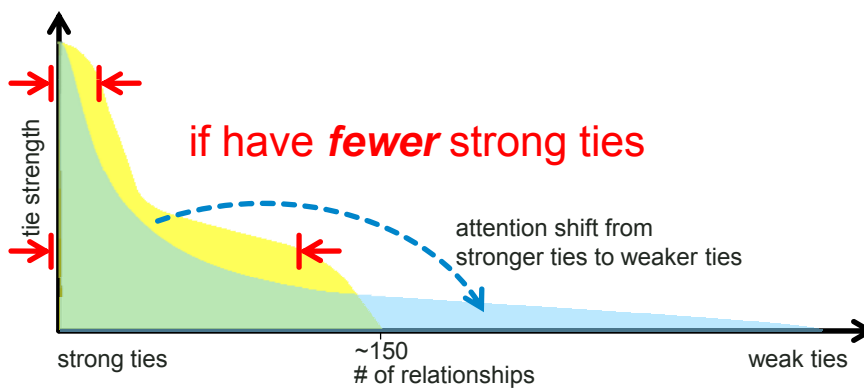


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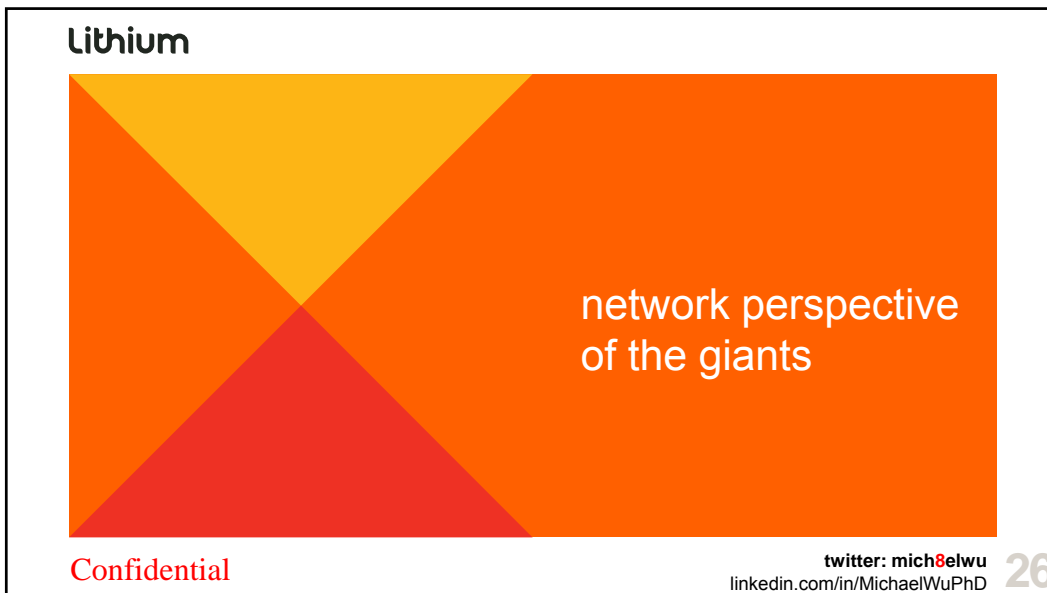
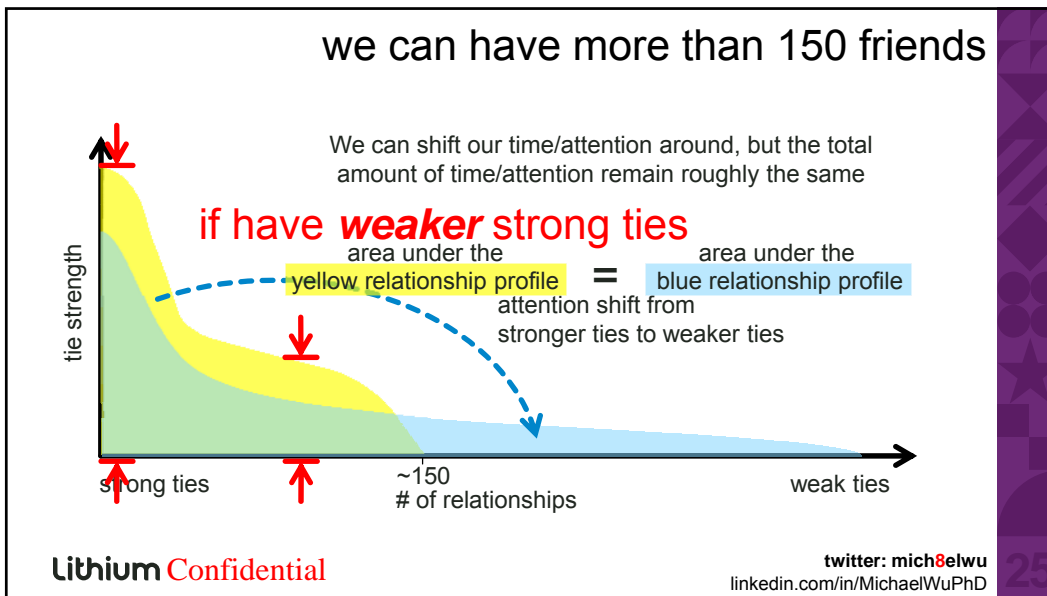
## we can have more than 150 friends



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## Facebook's irony

- Facebook contains a lot of our strong ties:
  - Immediate families, close relatives, childhood friends, high school buddies, etc.
  - By definition, these stronger ties will demand more attention, and will win more of your limited time/attention. So you won't have any left for the weaker ties
- Irony: because Facebook is too good at maintaining our strong ties, it created problems for Facebook:
  - The conflict of social sphere:
    - people from different communities may not mix
    - information for one group of friend may not be appropriate for another
  - In the presence of strong ties, weaker ties are harder to develop into strong ones

} This will limit Facebook's usage and growth rate

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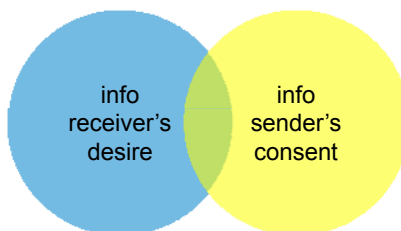
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## the network effect on Facebook

- The utility for getting on Facebook  $\sim n \cdot \log(n)$ , where  $n = \#$  of users
  - Once enough people are on it, the benefit is so great that you must get on it
- Stickiness:
  - The more connected a user is, the more utility he derives from the network  $\rightarrow$  the less likely he is to leave the network

- Not everyone on Facebook can talk to everyone else
- Facebook connections are **bidirectional**



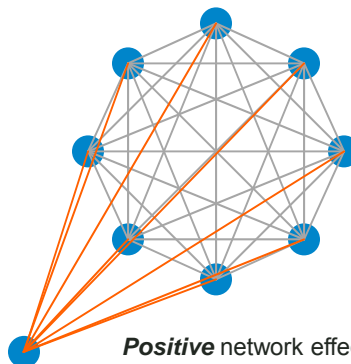
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- Stickiness:
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**Positive** network effect:  
The bigger network always wins, because the rich gets richer at a faster rate!

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## the Facebook-killer social network

- What kind of user would you attract first?
  - **Answer:** you want to get users who have lots of friends, since they are the ones who can bring the most friends to your network
- But Facebook is very cohesive, or sticky
  - Users with lots of friends are least likely to leave, they are the hardest to get
  - Users you can get are users with few friends, but they don't bring many users to your new network
- To break a cohesive network you need to move a huge chunk of their users to the new network in a short time
  - So user only experience a short period of communication outage (lost utility)

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## what can we learn from Twitter?



average degrees of separation = 4.12  
utility  $\sim n^2 > n \cdot \log(n)$

### Uni-directionally connected

- Faster growth rate
  - smaller world
  - information spreads faster
  - more viral
- Less relevant relationship
  - weaker ties
  - fragile & less sticky network
  - easier to switch



average degrees of separation = 5.73

### Bi-directionally connected

- Highly relevant relationship
  - stronger ties
  - cohesive & sticky network
  - network effect cost-to-switch
- Slower growth rate

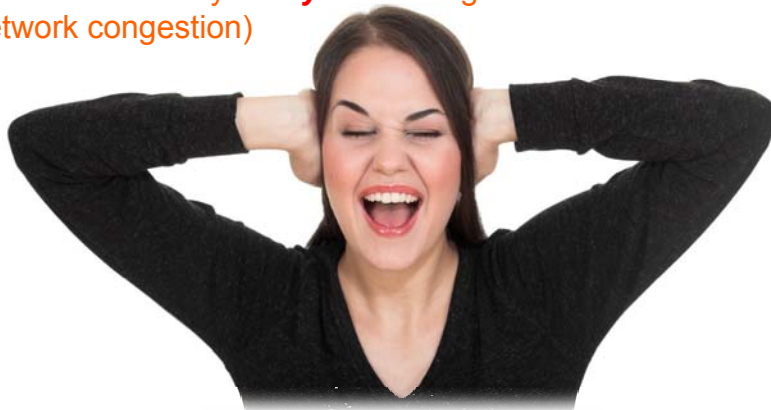
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## the main problem with uni-directionality

- The content is very **noisy** due to negative network effect (network congestion)



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## curation mechanism for dealing with noise



average degrees of separation = 4.12  
utility  $\sim n^2 > n \cdot \log(n)$



average degrees of separation = 5.73

### Receiver curation

- Use *lists*
  - require user (content receiver) to organize their following into lists
  - not very effective
  - people basically search for content

### Automatically inherits both sender *and* receiver curation

- no user effort required
- but user also have no choice
- this is the reason why content on these platforms have such high signal-to-noise ratio (SNR) at the first place

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## then comes Google+

- **Uni-directional consent to connect**
  - To grow fast and break a cohesive network
- **Circles: it's a very important advance in social web**
  - Fixes the conflict of social sphere
  - A receiver curation mechanism
    - If users spend the time/effort to organize their connections into circles
  - A sender curation mechanism
    - If users make use of circles when sharing
- **Also have a lot of community/relationship building tools**
  - Spark & Hangout
- **Biggest problem now = *noise***
  - Users don't organize connections into circles
  - By default user share content to public






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## the clash of titans

connection mechanism	<b>bi-directional consent</b> ⊕ highly relevant relationship: → stronger ties → cohesive & sticky network → network effect cost-to-switch ⊖ slower growth rate	<b>uni-directional consent to connect</b> ⊕ faster growth rate → smaller world → information spreads faster ⊖ less relevant relationship → weaker ties → fragile & less sticky network → easier to switch	
			
curation mechanism	<b>sender &amp; receiver curation mechanism</b> ⊕ more relevant content → higher signal-to-noise ratio (SNR) ⊕ inherited from bi-directionality: → no user effort required → user also have no choice	⊖ uses <i>Circles</i> : requires user to → organize connections into circles → share content to proper audience via circles	<b>receiver curation</b> ⊖ noisy content → lower SNR ⊖ uses <i>Lists</i> : requires users to → organize connections into lists → not strong enough filtering
	huge developer network & biz/partner ecosystem	too young to have these external infrastructures	huge developer network & biz/partner ecosystem

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linkedin.com/in/MichaelWuPhD



Thank you

Q&A + discussion

Lithium help great companies build *brand nations* for their most engaged customers. With Lithium, *clients* turn their customers' passion into marketing, product development, sales, and customer service assets.

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