

## How Indian Tech Companies Can Benefit From Web 2.0

**by Anirban Dutta**

### **About the author**



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**Abstract:** *Ask a few techies in your company about the latest industry buzzword and I bet you will hear the name web 2.0. Now if you ask them what it means, you will get about three different answers. Some define web 2.0 by site names such as 9rules, Infinity Box, Flickr and Drunkdial - all of which sound more like college bands playing gigs at frat parties rather than serious business enablers. Others categorize web 2.0 based on functional groupings like wikis, mashups or blogs . Some may even choose to go underneath the hood and call it by programming language sounding terms like RSS or AJAX. Behind all the hype, lies the possible future of web. The purpose of this article is to provide a brief overview of web 2.0 and explore how Indian companies can use it as a strategic advantage in today's flat world.*

### **Why Indian Tech Companies Need To Understand Web 2.0**

Traditionally a lot of the bigger American and European companies had tremendous success when they outsourced back office operations to India. The outsourced model helped those large outsourced accounts keep their customer pricing competitive compared to their small and medium business (SMB) competitors because of low IT costs. Now a lot of the SMB's from all over the world are turning to outsourcing. This new wave of smaller companies outsourcing operations have made lower IT costs the de facto standard and not necessarily a strategic advantage. With lower costs already in place, many customers are looking for other differentiators to outdo their competitors. This new phenomenon has created more pressure to Indian outsourced vendors to deliver services or products better, faster, cheaper while putting a lot of emphasis on innovation in delivery. In this new demanding environment, Indian tech companies are looking for creative ways to deliver services to their customers while adding value and keeping the costs down. One such way would be to leverage different components of web 2.0. Before I dive into those components, here is a refresher on what web 2.0 is all about.

## **Web 2.0 Simplified**

The term Web 2.0, also coined as enterprise 2.0 refers to the second generation of services available on the Web. Web 2.0 sites are more services where some work is being done real time – and in most cases, the work is done collaboratively with other users. Many web 2.0 websites demand virtual active participation and social mingling. Most of these web 2.0 sites uses mass publishing software and are free form where role based positions do not exist. There are no built in workflows or authorization check points. Below is a look at some most common terms used in web 2.0 world and how they fit together:

Blog, the shortened form of weblog, is a type of website where entries are made. A typical blog combines text, images, and links to other blogs, web pages, etc. A mashup, is another type of website or web application that uses content from more than one source to create a completely new service. Mashups are revolutionizing web development by allowing anyone to combine existing data from sources like Amazon.com, eBay, Google etc to create on time, on demand relevant content. Wikis are websites that allow users easily to add, remove, or otherwise edit and change most available content, sometimes without the need for registration. This ease of interaction and operation makes a wiki an effective tool for collaborative writing. A "folksonomy" is a collaborative internet based tagging system that enables users to categorize content like web pages, links etc. The user driven tags help improve the search engine's effectiveness. Del.icio.us is a popular example of folksonomy in use. RSS which stands for RDF Site Summary but is often referred as Real Simple Syndication is a family of web feed formats, specified in XML and used for Web syndication. RSS is used by Web sites, weblogs and podcasting to constantly feed interested users relevant content. AJAX (Asynchronous JavaScript and XML) is a web development technique for creating interactive web applications. The intent is to make web pages feel more responsive by exchanging small amounts of data with the server behind the scenes, so that the entire web page does not have to be reloaded each time the user makes a change. This is meant to increase the web page's interactivity, speed, and usability. Most web 2.0 sites uses AJAX as the underlying programming tool. Below are some reasons why Indian tech executives need to care about web 2.0

### **How Web 2.0 can benefit Indian Tech Companies**

#### 1) Speed of Execution and Effectiveness

Most web 2.0 vendors provide easy to execute tooling that helps create applications and do back office efforts faster and cheaper and in many cases better. Indian best of breed workforce coupled with best of breed web 2.0 tools and mashups of applications can keep Indian's outsourcing drive front of the curve.

#### 2) Developing Creative Services

A lot of Indian companies are trying to be creative service providers. An example would be Tutor Vista, which uses web 2.0 like services in Skype, Google talk etc. to provide tutoring over the web. In today's flat world, Indian Companies can use their tech savvy to its advantage by creating interesting new services that can be delivered via low cost web 2.0 technologies over the web. Web 2.0's very low to free cost models for services offered will bring in new businesses out in the open – business that were not given access to delivering and selling because of high infrastructure costs in the past.

### 3) Leveraging Community in Solution Building

A lot of the web 2.0 participants are techies who love solving other people's technical problems online especially if they are challenging. Using blogs, wikis and other web 2.0 sources, engineers working in India can leverage global tech talents in solving critical technical issues for the client.

### 4) Create Consumer Driven Cult Following

If you look at the most popular TV shows in America today, you will get a glimpse of how consumers are true bosses. Most popular shows like American Idol, So You Think You Can Dance etc. are literally driven by consumer votes. This power harnessed by the people and not by some buttoned down judge helps create a cult following. For the first time ever, an un released movie called "Snakes On a Plane" has received mass publicity through blogs, podcasts etc. all of which were driven by fans (read consumers). Heck they even made demands through web 2.0 forums on what some dialogues would be in the movie. The production unit went back and shot scenes as demanded in blogs showing true power in the hands of consumers. Drawing parallel to it in the tech world, active open communication and mind sharing through blogs, or managing requirements real time without putting a structural workflow around it can provide you a pathway to make a true connection with your customers and create a sense of stakeholder ownership.

### 5) Being Early Adopters

A lot of the Indian tech Companies have been in business for less than 10 years. They maintain a dynamic culture, which is willing to try out things. This highly contrasts some traditional IT shops in American where change is resisted in all possible ways. Industry trends suggest that web 2.0 is the way of the future. Time will tell if this analysis will hold true. However, if web 2.0 reigns supreme in the years to come, Indian companies will leap to the forefront of that movement by being early adopters of web 2.0 technology and fine tuning it to fit their existing business model. This may be an opportunity for Indian tech companies to be leaders in web 2.0 movement by not only being power users but being lead developers of new tools and content.

### **Putting It All Together**

Faster, cheaper and better is the web 2.0 mantra that gets people excited. However, just like any new trend, there is a lot of buzz around web 2.0, when the reality is that a lot of

the players will get strike out very soon. Besides, the web 2.0 architecture needs some work. Developers still struggle from switching between API's. RSS have competing formats and so on. Beyond all the hype, the emerging web 2.0 standard, combined with cheap tools, AJAX programming and open source platform may truly reshape the tech industry of the future.

One suggestion for the Indian tech companies who would want to understand how web 2.0 can benefit their model is to put a small pilot team in place to start studying what web 2.0 is all about. One good place to start looking at it would be to read about it from the founder of the term web 2.0, Tim O'Reilly

<http://www.oreilynet.com/pub/a/oreilly/tim/news/2005/09/30/what-is-web-20.html>

This could be followed by taking a look at the top web 2.0 based services and understanding if these could add any value to your existing business strategy. The Reditt site <http://web2.redddit.com/top> ranks all the web 2.0 services based on popular votes. The final step would be to evaluate if you want to join the web 2.0 caravan or not. If you feel that web 2.0 adoption would add value in your operations or delivery, one option would be to try it out with a small group and see how it works. One you have lessons learned, you can roll it in a bigger way. I wish you all the best.