

## **Top online trends in 2006 and what to do about them**

Internet in 21<sup>st</sup> Century is an exciting and dynamic place - this document is intended to characterise its trends, fads, and their meaning for businesses.

### **Top growing trends:**

#### **Data Aggregation**

Technically speaking - it's creating places which gather all the possible relevant contents and allowing users to access it in a single location.

This reduces the amount of labour final users have to execute to find exactly what they're looking for - instead of browsing for all Used Cars Dealerships they can simply log onto [www.autotrader.co.uk](http://www.autotrader.co.uk), put their postcode and view all the relevant offers from their region - and filter them as they wish.

#### **Business impact**

Crowded niches need to move to aggregation services - because increasing number of people will find it very hard to compare in a reliable way offers of all available companies. And sooner or later someone will create an aggregator for any niche - when this time comes, it's best to be the owner of the system, but this isn't frequently possible - the second best is to be present in the system's data.

The big losers of that battle will be companies which fail to register with these services.

#### **Feed aggregation**

This is a slightly different flavour of data aggregation - it covers "news and updates".

Nowadays, people start to shy away from "surfing the web", they follow links from their known websites to discover new ones - and then usually try to find the "XML/RSS" icon on them, to sign up for the updates, if they find the contents of the site relevant to their interests.

This enables users to track activity on a number of websites/forums simultaneously without constantly visiting them.

#### **Business impact**

First one is obvious - falling advertisement revenue. If your website relies on CPM (cost per thousand) advertising, then it's against your interests to allow your content to be syndicated, and effectively - viewed without the accompanying advertisements.

Second one is subtle - if you don't want your feed to drown in the avalanche of information sent to the user - you need to constantly provide quality stream of relevant news and updates.

This however has a great value - if your company needs to be able to broadcast a message to a wide audience, RSS feed is a great medium to achieve that - it isn't endangered by spam filters, or full inboxes of your clients!

### **Search - dominance**

Up until recently most users were using "horizontal portals" like Yahoo! to find the information they were looking for. These portals usually offered a structured directory of other websites, so the whole Internet adventure was quite controlled by the Portal.

Recently however, the percentage of all Internet sessions starting with a "search" command has overtaken the "browse" habit.

This means, that more and more people are starting their research by using search engines, instead of following links from "known" websites.

### **Business impact**

Businesses should try hard to speak the clients' language - if your company offers "bespoke, custom-tailored garment solutions" - cut the amount of buzzwords to minimum and focus on your real field - being "clothes", or any other basic word people know and use. Your guide for achieving that goal should be: The Plain English Campaign. Simplifying your language makes it much easier for search engines to index, people to actually "hit" the appropriate keywords, and visitors -to actually understand your contents.

The growing number of Search-dominant users also stresses the importance of appropriate Search Engine Optimisation of your site, so you can actually be found when you're sought after.

### **Social interaction**

"OK, that looks like a nice laptop, but do other users still think so after the purchase?"

This, and all sorts of similar questions are always on your clients' minds. Nowadays, there's nothing simpler to find out - the number of websites offering product reviews have soared significantly in recent years, and more and more consumers use them to make decisions on their future purchases.

### **Business impact**

In “offline business” it was a rule that a satisfied client will tell about your company to 3 others - but a unsatisfied client will tell about the unpleasant experience to 10 others.

In the current state of affairs - this is even more dramatic. Satisfied user may tell someone about you - when he’s asked.

But unsatisfied client - will definitively let the steam off on one of online forums, which are automatically indexed by search engines and included in the search results.

What this means is simple - the facts about your customer service are permanent. You won’t be able to delete that comment from Google’s cache. You won’t prevent other customers from finding that out. This might be an impulse for medium enterprises to actually start value Customer Care teams and strive for excellence in that area. At this point in time, however - this is only their ”mission”, not the daily reality.

It’s time to change that.

### **Rich user interfaces**

Now things are getting really interesting.

For example - discovered Today a web-based solution for table seating arrangements<sup>1</sup>. This clearly represents the power of rich user interfaces, these are no longer boxes where you put text into - this is a full-featured application, but run from the Internet, not from your computer!

The proliferation of AJAX, Flash (and Macromedia Flex) makes the boundary between Desktop and Web applications slowly disappear, the natural move seems to be to port desktop applications to web environment.

This movement has already begun, for example - GMail instead of a client application like Outlook.

### **Business impact**

Rich web applications are here to stay.

Using them can allow you to lower barriers for your software/services, reach new audiences, and most importantly - develop applications quicker than before, because you no longer have to check if your software operates correctly on a Windows98 machine with Chinese character set.

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<sup>1</sup> <http://www.solutionwatch.com/503/simpleseating-web-20-seating-charts/>

Even if you are after an “internal system”, the web platform is a much better choice than desktop - the only difference being hosting the application in your internal, secure environment.

But even in the case of internal systems - central management is essential and makes everyone’s lives easier.

## **Web 2.0**

This is the current state of Internet applications, significantly different than anything we had before. Well - at least in terms of marketing.

The real meaning of Web 2.0 is the same as “dot com bubble” - we have lots of new companies being formed without a clear business model, and their only exit strategy is to be bought by Google.

This isn’t real business in that sense. However, the whole different aspect of Web 2.0 is the technology behind it.

The new technologies are:

- **RSS** (covered above)
- **AJAX** - this is kind of a nerdy one. Basically this allows the Web Page to ask the Server for information this page doesn’t have at the moment of being generated. For normal people it means only that the Web Page doesn’t have to reload/refresh in order to show the results of the form being submitted. A good example of it is an Autocomplete feature present in Google Suggest.
- **Tagging** - say goodbye to categories. Tagging involves describing “items” (e.g. web links) with keywords that spring to mind when trying to categorise them. You are no longer limited by rigid category structure and you no longer have to worry about the “appropriate category”, but you can simply describe the link to Google’s search engine as for example: “search” or “google” - whatever you like. You will see the list of your tags afterwards and will be able to navigate through them quickly.
- **Social Bookmarking** - what most people like is to share and be surrounded by like-minded people. That’s where social bookmarking comes into play - users can share links to their favourite things (websites, photos, films, music) with others, and browse the link collections of other people. The most popular content automatically ranks higher on the “top 10” list, and a social rating system is being born this way.
- **Podcasting** - this is a new phenomenon, however the technology it uses has been on the market for quite a while. Basically podcasts are amateur radio programs compressed to MP3 format for others to download and listen to.

## **CPA advertising**

The fact of the matter is - advertisers don’t want to pay for the sole fact of their advertisements being displayed. They want real results. And this caused the rising popularity of “Cost Per Action” advertising model. The

mode of emission of the advertisements is unchanged, being still the banner ads and similar “broadcast” types of advertisement, however the advertiser actually measures the amount of people that actually make a desired action - for example fill out a registration form, or buy an item.

And this number of actions undertaken by users - is then converted into cash value. This way advertisers are protected from spending zillions and having no return from the investments - however this model skews the scale towards advertisers, forgetting about websites which offer the advertising.

### **Business impact**

CPA takes the risk out of online advertising - that’s a big bonus for all advertisers, so if you still weren’t sure whether to consider online marketing in your next campaign - now you ran out of excuses.

For owners of smaller sites this is also a chance - up until now advertisers were reluctant to commission campaigns to smaller sites because of the lack of trust - in my opinion, the CPA model helps to eliminate that risk, so if you have a small/medium site, this might be a possibility for you to earn a few quid towards the costs of hosting. But don’t expect much, the CPA model doesn’t usually pay all that much as CPM did.

### **Standards compliance**

With the proliferation of different browsers and mobile platforms, it was never more important than now - to follow the World Wide Web Consortium coding standards for sites and systems. This is The Way to go, and will ensure your application to work in wide variety of browsers and platforms. Of course the utopia is - you won’t have to check them on each and every platform separately, but I believe we’ll get there one day. In the meantime, XHTML+CSS is doing a pretty good job in detaching the documents presentation from its actual contents, and both designers, developers and users lives easier.

### **Business impact**

This isn’t a thing that businesses have to care about - this is a task of the agencies commissioned to take on online work, but the Standards Compliance should be high on their clients’ checklists.

### **Open environments**

I think you wouldn’t use Outlook if it didn’t allow you to send e-mail only to other Outlook users, would you?

This is exactly the point of open environments - when you create a new system, or platform, also provide at least a way to export users’ information to other platforms/systems, if not in a well structured (OMPL file being a

prime example), then at least allow people to export their data in a CSV format so they could view it in their Excel.

This will reduce the "walled garden" effect your users might be afraid of. Take a look at iTunes - their music is only playable on an iPod, and it's incompatible with any other MP3 players available.

Few of us have the market power at the beginning to risk that attitude. So - be open, allow your customers to cancel at any time, and get their data somewhere else.

## **Big falling trends:**

### **CPM advertising**

As described above, the Cost Per Thousand (Mille) model is slowly going to an end, however it is still popular in some circles, especially multinational corporations, which like to submit campaigns for "10 millions of impressions". But as life shows, only the high-end content proviers can count on the interest of these advertisers.

### **Flash-only websites**

What's the use of a nice and flashy website, if you can't find it listed on Google? So - always provide an alternative, plain text (HTML) format of your contents in order to be found by people who are looking for you.

Flash only websites are a big no-no in 2006.

### **Walled gardens**

This is the opposite of Open Environments - you keep your clients' information for life, and if they want to get away from you - it's their loss, the only thing they can do is to make screenshots of their information, print them out and re-type into another system. This is a big no-no, avoid that when you can.

## **About the author:**

Marcin Brzezinski is a software developer and the director of [ReliableSystems.co.uk Ltd](http://ReliableSystems.co.uk), a software consultancy based in Maidstone, Kent.

We at [ReliableSystems.co.uk](http://ReliableSystems.co.uk) aim to improve efficiency of other businesses. We are always learning about new trends and are actively seeking new ways of harnessing them in order to maximise their positive effect on our clients.

Our division, [Comeonline.co.uk](http://Comeonline.co.uk) specialises in website design and e-commerce solutions.