

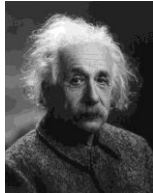
# Paradigm Shifts in P2P

See-Mong Tan

Microsoft

# Paradigm Shifts in Physics

“God does not play dice with the universe”  
- Albert Einstein



Aristotle  
*Classical physics*

Newton  
*Mechanics*

Einstein  
*Relativity*

Heisenberg,  
Schrodinger,  
et. al  
*Quantum mechanics*



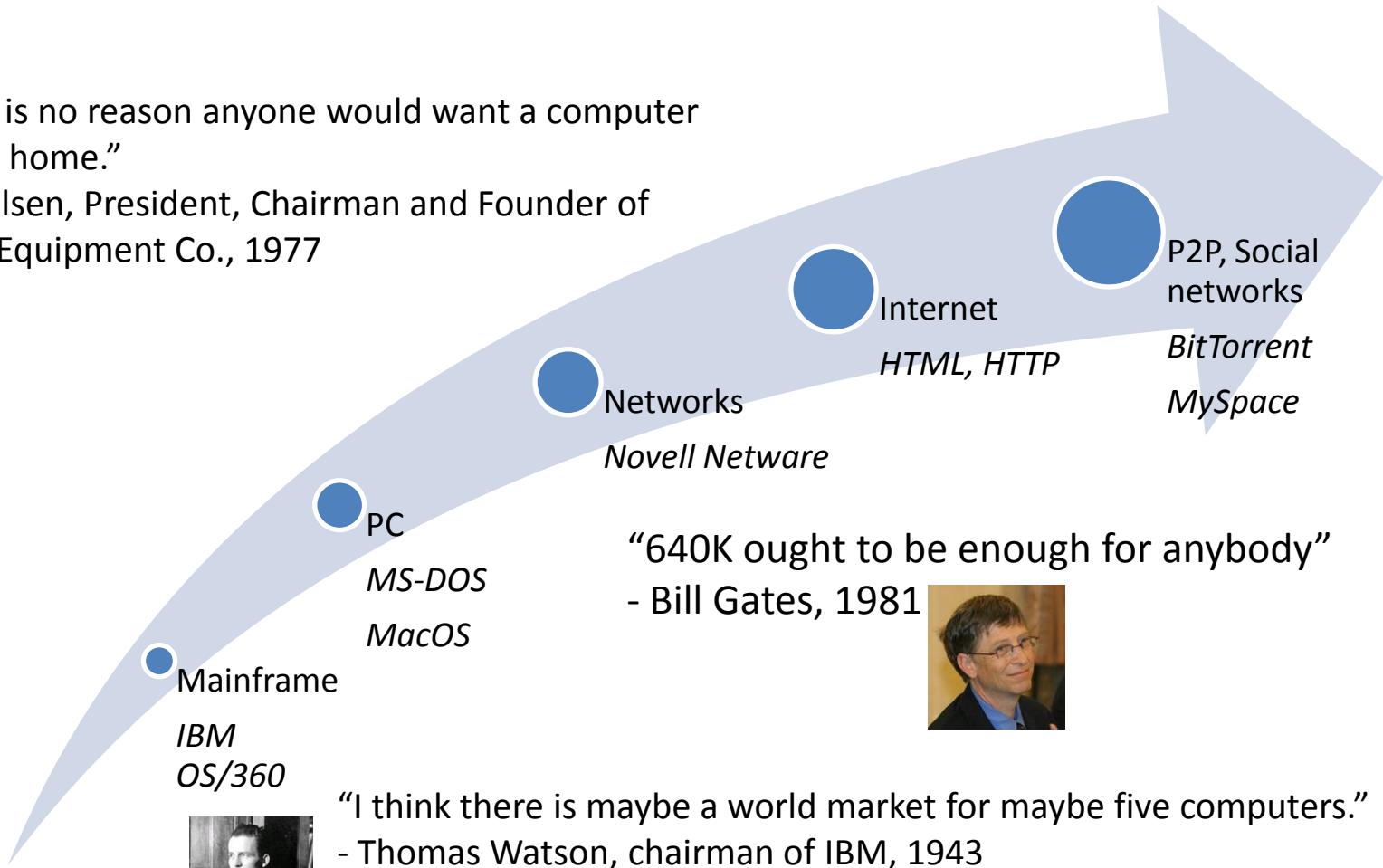
“Not only does God play dice, but... he sometimes throws them where they cannot be seen.”  
- Stephen Hawking



# Paradigm Shifts in Information Technology

“There is no reason anyone would want a computer in their home.”

- Ken Olsen, President, Chairman and Founder of Digital Equipment Co., 1977



Mainframe

*IBM  
OS/360*



“I think there is maybe a world market for maybe five computers.”  
- Thomas Watson, chairman of IBM, 1943

PC  
*MS-DOS  
MacOS*

Networks  
*Novell Netware*

Internet  
*HTML, HTTP*

P2P, Social networks  
*BitTorrent  
MySpace*

“640K ought to be enough for anybody”  
- Bill Gates, 1981



# Elements of New Paradigms

- When enough significant anomalies have accrued against a current paradigm, the prevailing discipline is thrown into a state of *crisis*\*

*“A new scientific truth does not triumph by convincing its opponents and making them see the light, but rather because its opponents eventually die, and a new generation grows up that is familiar with it.”*

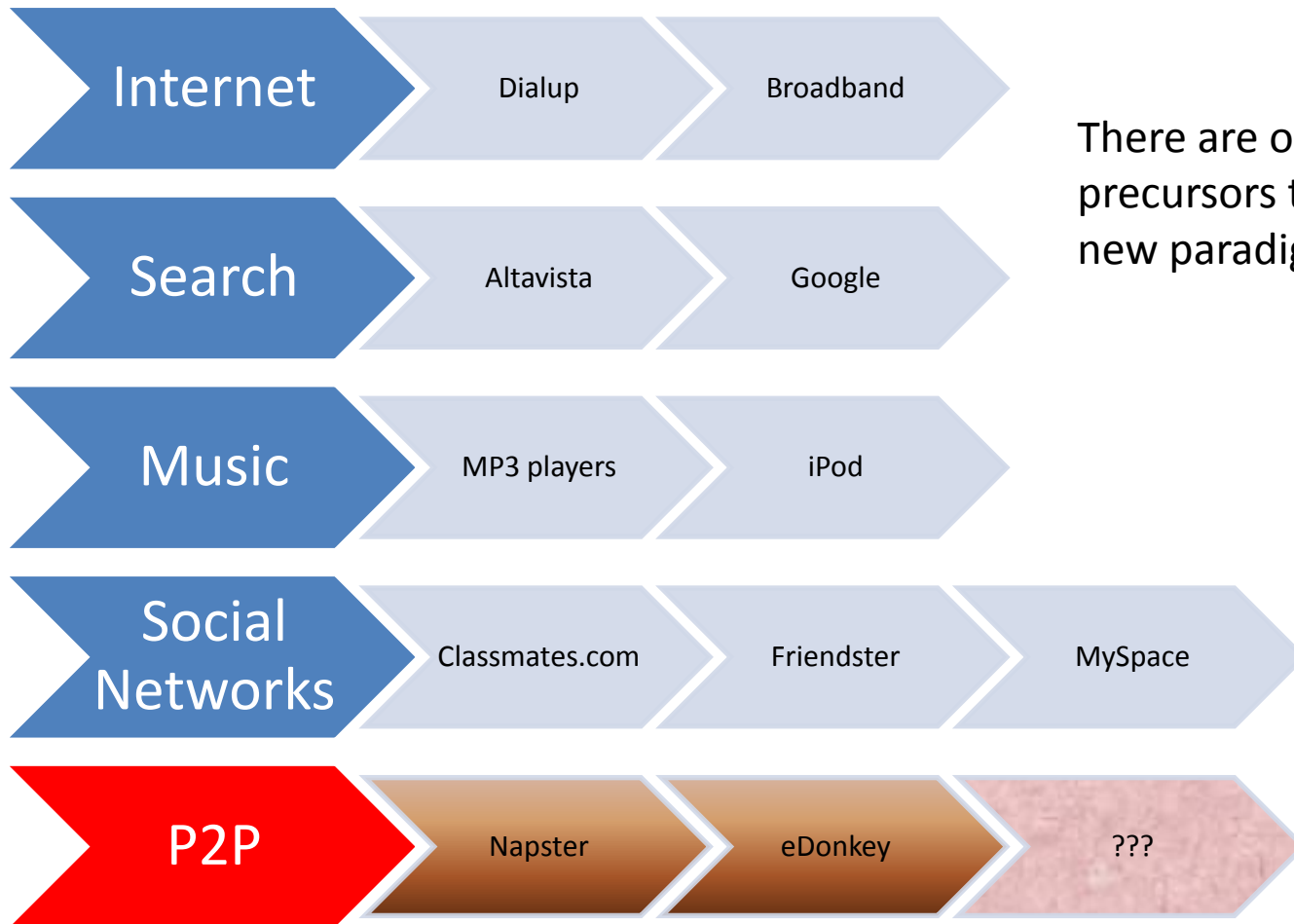


- Max Planck

- Paradigm shifts are hard to foresee when you're living in the old world
- Complacency relegates companies to dinosaur status
- Constant innovation is necessary to survive

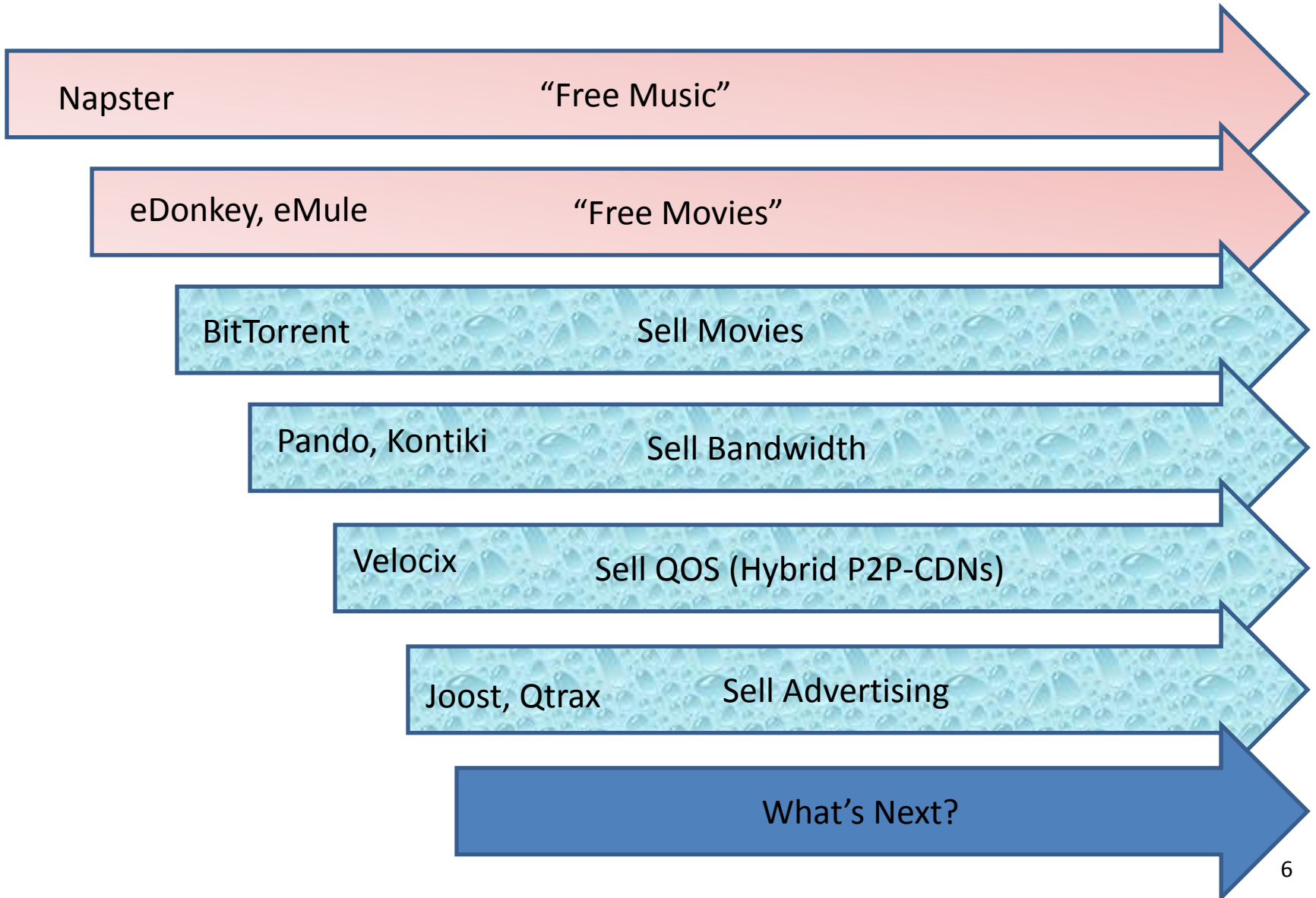
\* Thomas Kuhn, *Structure of Scientific Revolutions*, University of Chicago Press, 3<sup>rd</sup> Edition, 1993.

# Limited Crystal Ball Gazing is Possible



There are often precursors to successful new paradigms

# Evolution of P2P Business Models



# Gedankenexperiment

- What is the next successful paradigm shift in P2P?
- A thought experiment:
  - Pick one scenario
  - Conjecture a business model that will change the whole game, based on *a priori* knowledge
- Scenario: P2P Video
  - Examining the existing landscape, some common features are:
    - **P2P** used to reduce delivery costs and reach scale
    - PC-based **consumer experience**
    - **Advertising** is the monetization vehicle
    - Various types of **content**

# P2P Networking

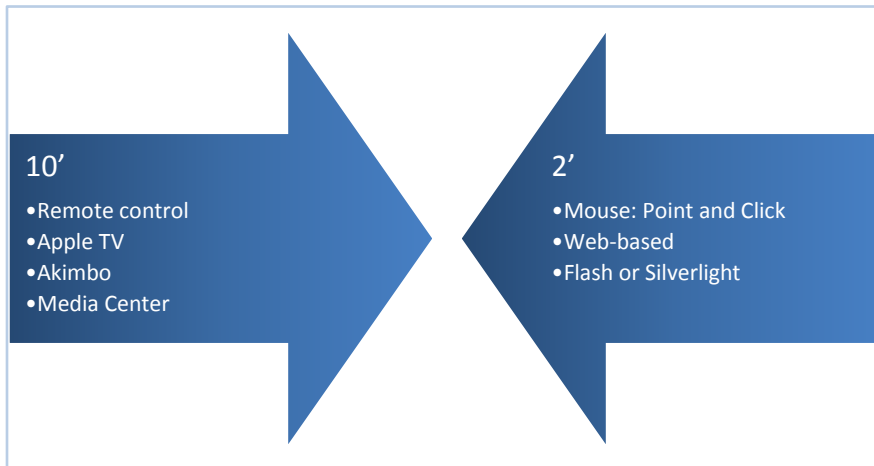
- Respects copyrights
- Collaborative protocols between P2P & ISPs
- Takes advantage of ubiquitous connectivity





# Consumer Experience

- PC vs TV dichotomy
  - Will people watch video on their PCs?
  - Does a generational change have to happen?



SOURCE: Integrated Media Measurement Inc.

Integrated Media Measurement Inc.

Jul 17, 2007 11:00 ET

**Parents Set to Watch More Media Than Kids in 2007**

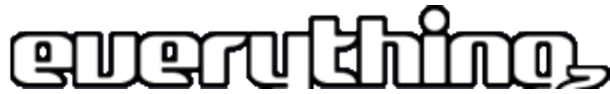
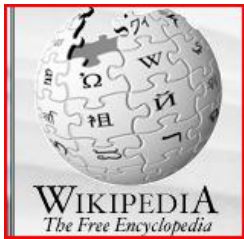
**Study Shows Parents Spending More Time in Front of the Tube, Watching DVDs and Going to the Movies Than Kids**

SAN MATEO, CA--(Marketwire - July 17, 2007) - It may be the parents telling their kids to stop watching so much television, but it's the parents who are glued to their TV sets, according to

- There are other devices like cell phones
- P2P as a central part of the experience

# P2P Experiences

## Knowledge sharing



## Compute sharing



## Social networks

### Content sharing



## P2P Games



## P2P Lending

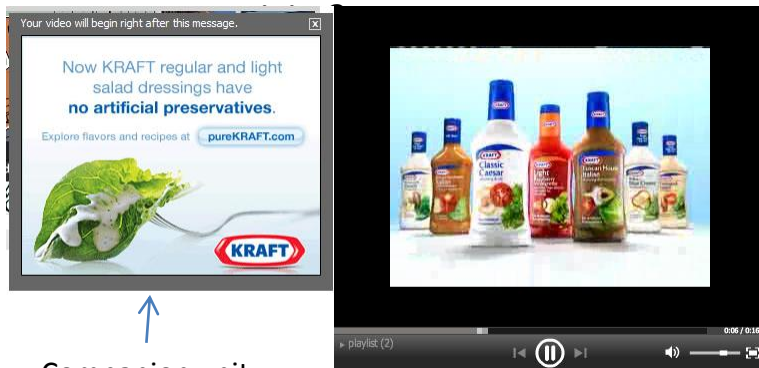


## Search sharing

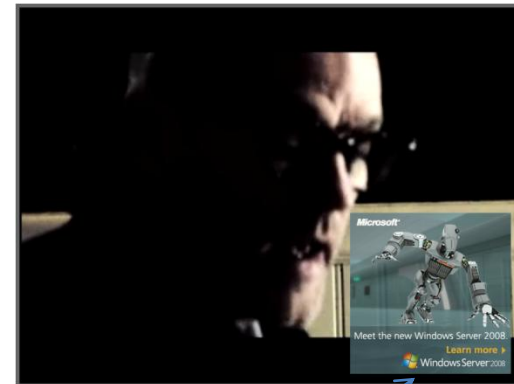


# Advertising

- Free is very appealing, and that's why most solutions gravitate toward it over subscriptions
- There is a lot of room for experimentation and improvement
- Advertising can and should go beyond the traditional 30s spot and present day TV ad loads
  - Companion units, Bugs, Click to continue, ...



Companion unit

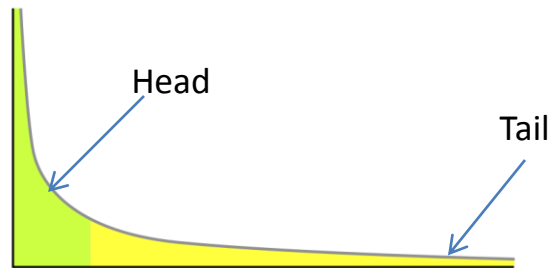


Bug

- After the initial flowering of experimentation – standardization is probably crucial
  - Ad industry won't scale to *laissez faire* chaos
  - Settle on a small set of standard ad formats
- Many opportunities in targeting and customization

# Content

- Pareto Principle (80/20 rule):
  - 80% of the usage will derive from 20% of the content
  - Typically popular TV shows and movies
  - P2P works very well against head content



Vilfredo Federico Damaso Pareto

- Anderson Principle (The Long Tail):
  - Amazon, eBay, Google and YouTube all monetize the long tail
  - We can expect P2P video to have same attributes
  - Many sources
    - Smaller production houses, independent content
    - Peer produced content – anyone can publish (legitimate content), anyone can watch
  - P2P works poorly here – most systems may be hybrid P2P-CDN



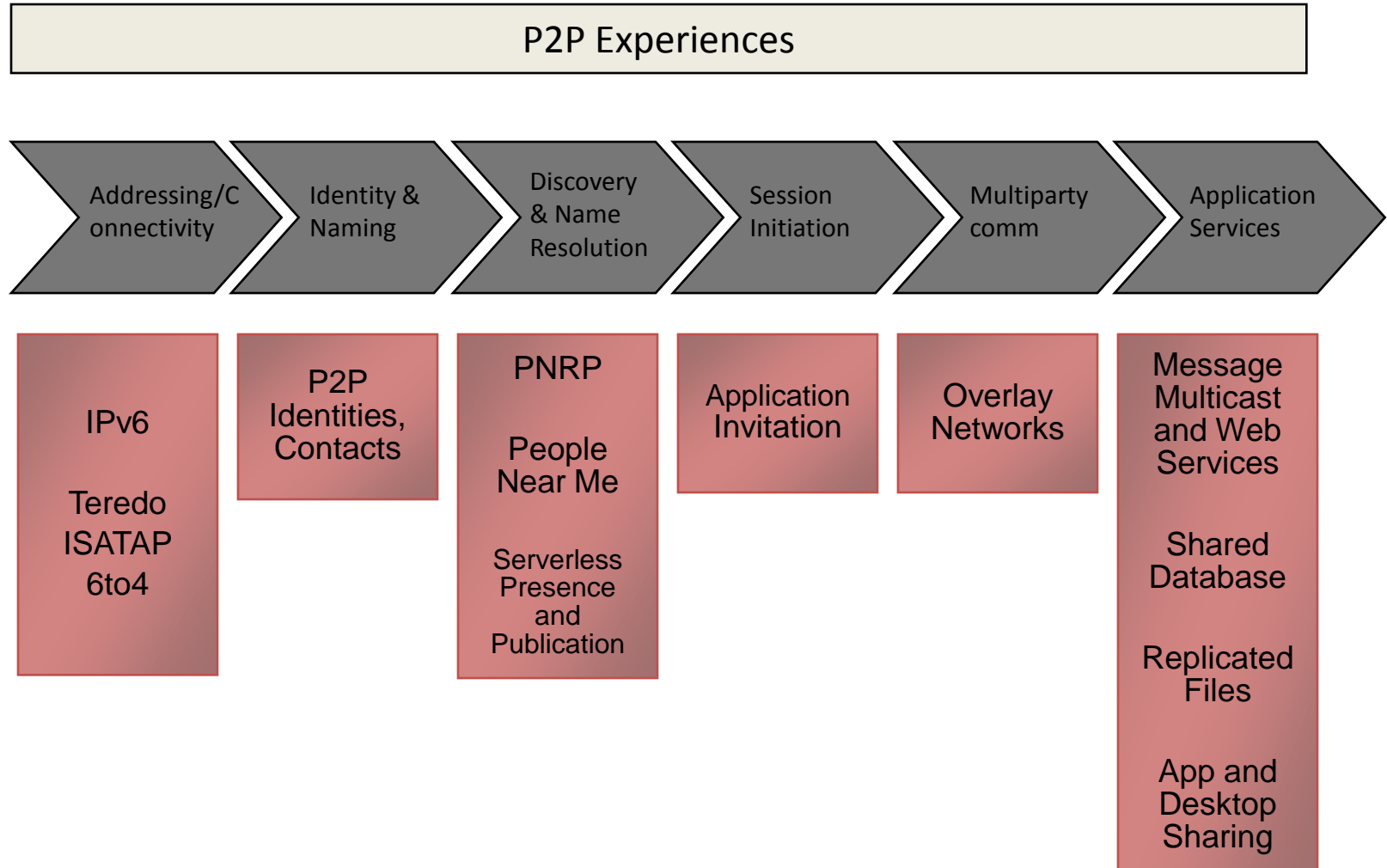
Chris Anderson\*

\* Anderson, Chris (2006). *The Long Tail: Why the Future of Business Is Selling Less of More*. New York: Hyperion.

# The Next Big Thing?

- A new paradigm in P2P video could be:
  - A compelling **consumer experience** where P2P is a central part of the experience
  - (Small set of ) new formats in **advertising**
  - Compelling **content**, including tail content
  - Likely a hybrid P2P-CDN system
  - Reaching a critical mass of users
- All of the above may be totally wrong (it'll be a new paradigm, after all), but it will be **cool**.
- The true heroes of this revolution are the entrepreneurs who will run the experiment for real
- They are the people in this room
  - My hat off to all of you

# P2P Platform in Windows Vista



**BACKUP**

# Paradigm Shifts in Astronomy

