

# What Will It Take For a Web Hang Site To Be the Next No. 1?

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Second only to watching a company achieve great technological and business success, there is nothing Silicon Valley enjoys more than figuring out how, once attained, that company's success might be outdone. A great deal of this scheming is currently directed at MySpace, the social-networking site that has become the online equivalent of the local mall, a place for teens and twentysomethings to spend lots of time -- lots! -- hanging out.

Because the MySpace business story couldn't be simpler or more spectacular -- two friends start it in 2003 and 24 months later it's bought by [News Corp.](#) for \$580 million -- there are now dozens of start-ups trying to do to MySpace what MySpace did to the first big social-networking site, Friendster. (Buyouts are being made all the time, like the \$102 million [Viacom said it will spend](#) for Xfire, a gaming site.)

Hundreds of business books and untold thousands of hours of consultants' time have been devoted to advice on how to make these sorts of industry "disruptions" happen. Many are a combination of deft strategizing, shameless copying, wishful thinking -- and some grasping at straws.

Always curious about how entrepreneurs approach the chessboard of competition, I found four MySpace pretenders and asked each the same question: If there is going to be the next MySpace, why is it going to be you? The question is necessary because to the casual observer, most of these sites look the same.

In two cases, the answers involved technology; in one, utility; in the last, simple modesty.

TagWorld is making what might be called the next-generation technology play. "The No. 1 reason is better technology," says Paula Gould, TagWorld's spokeswoman, in answer to the question. The site, for example, has a drag-and-drop interface that allows users to create multiple-page Web sites easily for themselves. Features such as video and blogging are more advanced than on MySpace, she says.

TagWorld is also keen on introducing features like Web shopping, and giving users the ability to store files online. "We are going beyond simple socializing, and allowing people to live their lives online," Ms. Gould says.

While TagWorld and the other sites use standard Web browsers, Imeem, another entrant, requires users to download a special piece of software to participate in the network. Co-founder Jan Jannink says that's a crucial part of his company's strategy.

Right now, he says, MySpace users spend a lot of time flipping back and forth between MySpace and their favorite instant-messaging programs. Imeem, he adds, has both IM

and social-networking functions built into its software, implemented in a more robust manner than is possible using generic Internet technologies, the way the other sites do. "When interacting with friends, you want to do so in as direct a way as possible," Mr. Jannink says. "Web sites can be an artificial barrier."

Tagged, no relation to TagWorld, has another approach entirely: targeting a subset of MySpace users -- teenagers, and especially high-school students. Tagged's co-founder, Greg Tseng, says he is a great admirer of Facebook, a college-oriented version of MySpace that has been nearly as successful.

Mr. Tseng says Facebook made the inroads it did because it offered specific services its constituency found useful. Fraternities and sororities, he says, now do much of their business via Facebook. His goal for Tagged is to provide the same sort of laser focus on teenagers that Facebook did on college students. But Mr. Tseng declines to say how exactly his company would be doing that. Stay tuned, he says.

Finally, VarsityWorld's very name conjures up cheerleaders and pom-poms, and it is, indeed, banking on wholesomeness to grow. (Many parents of MySpace users are appalled at how sexualized the site is, and often try to keep their children off it.) Kelly Hoffman, CEO, is a father of three daughters, in contrast to most other social-networking entrepreneurs, who are barely out of college.

VarsityWorld, Mr. Hoffman says, is monitored. The staff is instructed to maintain "a safe environment" while not being hectoring or prudish around kids trying to have some fun. "It's a fine line," he says. "If someone posts a picture from spring break, and there are no beer cans in the shot, then that's fine. But if a girl is in a thong and has her rear end up to the camera, well, then, that crosses the line."

VarsityWorld now has 250,000 users; the head counts at the others range from 50,000 for Imeem to three million for Tagged. MySpace has 70 million, and the kicker is that there is no universal agreement on how it got to be that big, a fact that weighs heavily on its challengers. Many people believe it simply had the good fortune of being in the right place when the youth Zeitgeist zigged in its direction instead of zagging in another.

The whim of youthful tastes actually will play an enormous role in deciding the fate of MySpace and its next challenger. But no one can admit "Let's hope we get lucky" is the company business plan. All of the MySpace challengers, then, have a Plan B: a strategy. **Write to** Lee Gomes at [lee.gomes@wsj.com](mailto:lee.gomes@wsj.com)