

# Social and Technological Network Analysis

Lecture 6: Information Cascades

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#### In This Lecture

• In this lecture we introduce the concept of "cascades" of information in networks and show examples and trade-offs for these to happen.



# Decision Making and Behaviour Influence



- How is new behaviour adopted?
- How does technology usage spread?
- People influence on ideas?
- The social network plays an important role in the decision making process
  - We study how.





#### Early studies on Influence

- Ryan and Gross (1943) on adoption of hybrid corn in Iowa
  - Farmers learned of the corn from salesmen but were convinced on adoption by experience of neighbours in the community.
- Coleman, Katz and Menzel (1966) on adoption of tetracycline in US
  - Map of social connections among doctors.
  - Early adopter had higher socio-economical status and travelled more widely (also in corn case).
  - Decision on adoption was made in the context of the social structure (observing neighbours, friends and colleagues).





#### Model of Diffusion

- Nodes v and w and behaviours A and B
  - If both v and w adopt A, they each get payoff a>0
  - If both adopt B, they each get a payoff b>0
  - If they adopt opposite behaviour they both get a payoff of 0





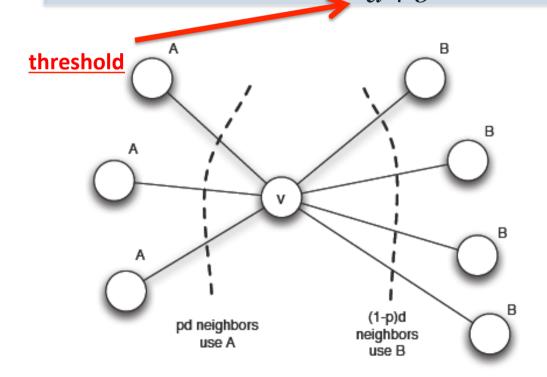
#### **Network Implications**

- p fraction of neighbours choose A
- (1-p) choose B
- d neighbours
   then: pd choose
   A and(1-p)d
   choose B

A better choice if:

$$pda \ge (1 - p)db$$

$$b$$

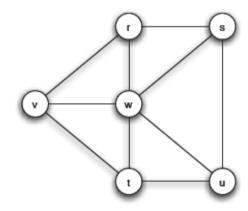




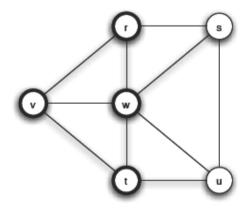
### Larger Horizon



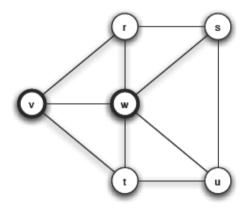
- A is new behaviour
- a=3, b=2b/a+b=2/5



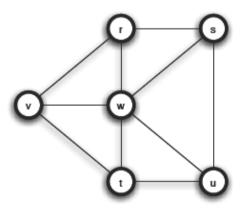
(a) The underlying network



(c) After one step, two more nodes have adopted



(b) Two nodes are the initial adopters



(d) After a second step, everyone has adopted

Light circles=B Dark circles=A





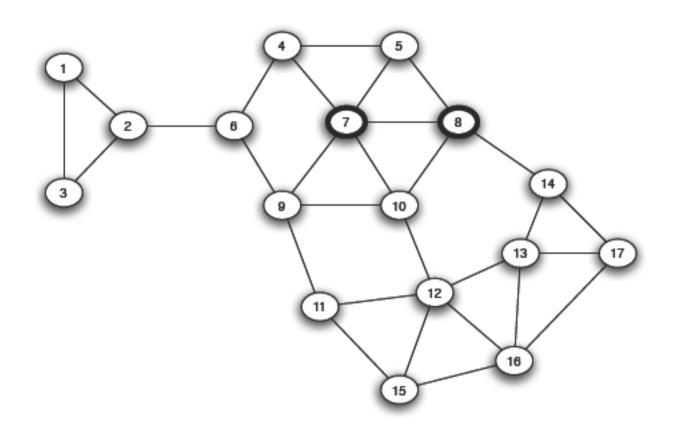
## Example explained

- 1<sup>st</sup> step: only v and w adopt A
- 2<sup>nd</sup> step: nodes r and t switch to A. 2/3 > 2/5
   of neighbours choose A. u does not switch:
   1/3<2/5 of neighbours chose A</li>
- 3<sup>rd</sup> step: s and u switch to A





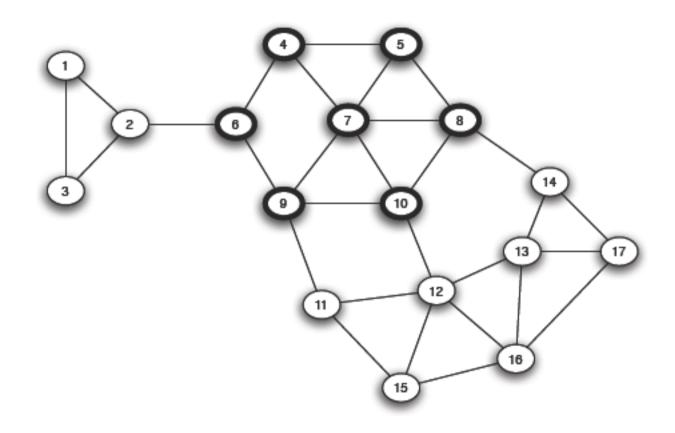
#### **Chain Reactions**







# Cascade Stops!







#### Cascades

- In some cases initial adoption by some nodes generate a complete cascade [for a specific threshold]
- Note that changing the threshold would change the behaviour in previous example
  - Threshold of 1/3 would generate a complete cascade





## Viral Marketing

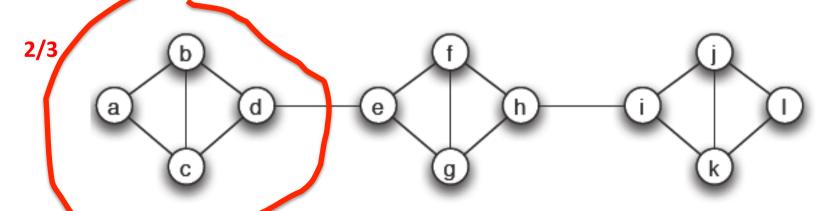
- How to penetrate new areas of the network
- Dissemination does not depend only on the network structure but also on this threshold!
  - Change the payoff! I.e., change the quality of the product [make a product slightly more attractive].
- When threshold cannot be changed
  - Convince key network nodes to switch (e.g nodes 12/13 good, but nodes 11 and 14 bad).







- Tightly knit communities sometimes cannot be penetrated.
- A cluster of density p is a set of nodes such that each node in the set has at least a p fraction of its neighbours in the set.

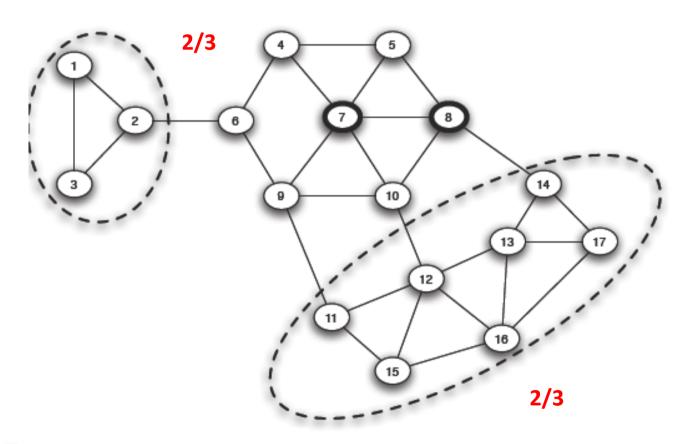




Btw all networks are clusters of density 1

# Clusters as Obstacles to Cascades







# Clusters and Cascades Relationship



- Set of initial adopters of A (S), threshold q
  - 1. If the remaining network contains a cluster of density greater than 1-q then set S will not cause a complete cascade.
  - 2. Whenever set S does not cause a complete cascade with threshold q the remaining network must contain cluster of density greater than 1-q



#### Proof of Part 1

- Consider S and q in a network.
- Let's assume the network contains a cluster of density >1-q
- We need to prove:
  - No node in the cluster will ever adopt A.
- Let's assume that node v inside the cluster is the first to adopt A (at time t).
- At time t-1 no neighbour of v in the cluster adopted A.
  - Neighbours must be outside the cluster.



#### Proof of Part 1 Continued

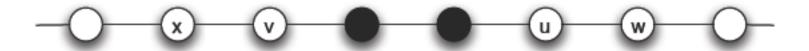
- Since cluster has density >1-q, more than 1-q neighbours of v are inside and <q neighbours are outside.
- The threshold to switch is q and number of v's neighbours who have switched before time t is
   <q so it is impossible that v switched.</li>
- [we do not prove part 2 here]



## Cascade Capacity of Networks



- Cascade Capacity of a network is the largest value of the threshold q for which some finite set of early adopters can cause a complete cascade
- In the following case cascade capacity is ½
  - Even if the network is infinite

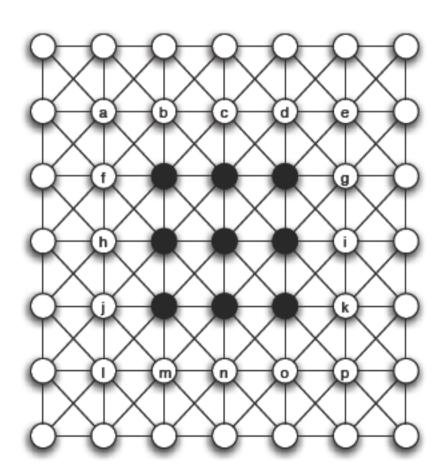






## Cascade Capacity on a Grid

- If q <=3/8 there is a complete cascade
- If q is smaller (eg 2/8) cascade spreads even faster.
- Cascade Capacity is 3/8
- A network with a large capacity is one where cascades happen easily.









- Can it be higher than ½?
  - This would mean for instance that an inferior innovation can displace a superior one even when the inferior innovation starts with few initial adopters.
- No: we will show that no network has a capacity higher than ½.



## No Network has Capacity >1/2

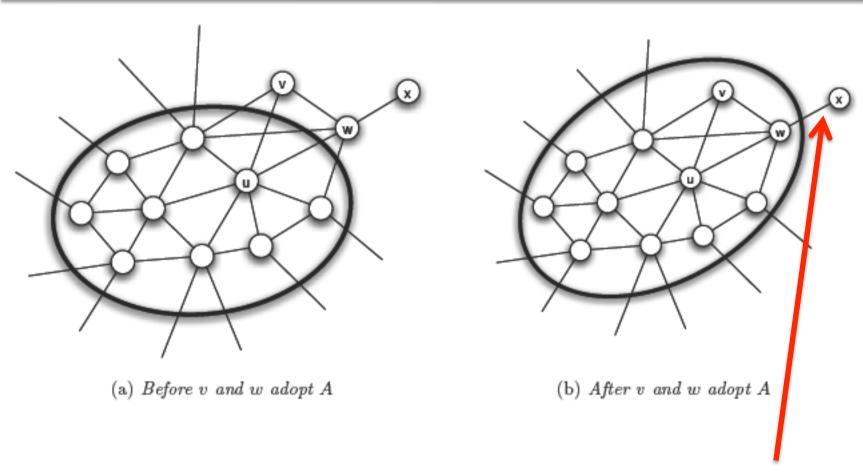


- We need to show that when q>1/2 the spreading process cannot reach all nodes.
- Interface set: set of edges between A and B nodes.
- We will show that at each step the size of the interface set decreases.
- Initial interface set: finite I<sub>0</sub> from initial adopter set S.
- If interface set decreases, the process runs only for I<sub>0</sub> steps and terminates with only a finite number of nodes adopting A.



## Example of interface set change







Edge xw is now an interface edge

#### Proof

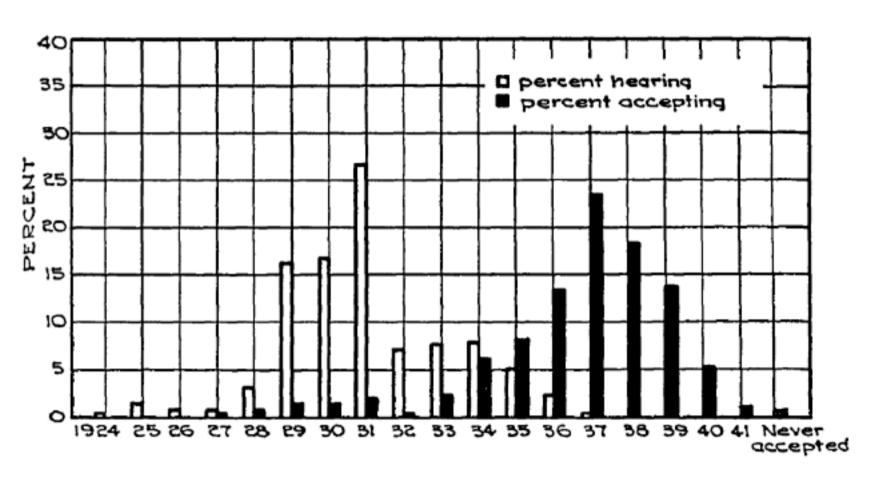


- Let's consider node w switching at time t.
- At time t-1 w has "a" edges to nodes adopting A and "b" edges to nodes adopting B.
- w now switches to A so the "b" edges are now interface edges and "a" edges are not any longer.
- Since q>1/2 and w switches, it must be that a>b.
- Hence the interface set decreases at each step.





## Learning versus Adopting

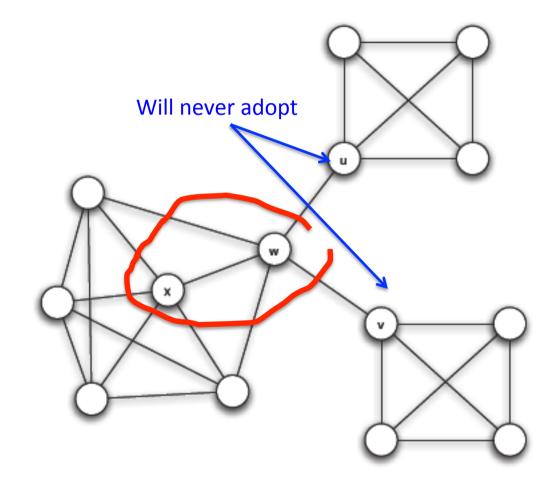






#### Role of Weak Ties

- v, w initial adopters
- q=1/2





# Weak Ties Role and Behaviour Adoption



- Weak ties are very powerful in spreading new information.
- Weak ties are weak at transmitting behaviours that are somehow risky and costly to adopt.



#### Heterogeneous Threshold Model



 What if nodes value choices of different behaviour differently:

$$\begin{array}{c|cccc}
 & A & B \\
 & A & a_v, a_w & 0, 0 \\
\hline
 & 0, 0 & b_v, b_w
\end{array}$$

• Then 
$$p \ge \frac{b_v}{a_v + b_v}$$
.

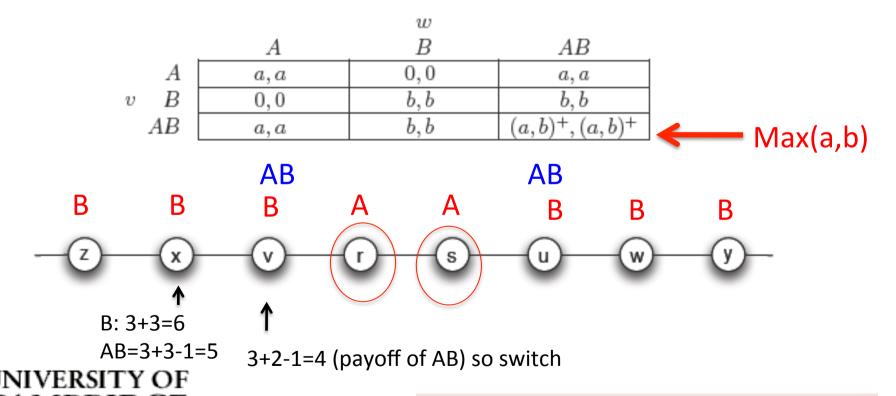
- Each node will have a different threshold (q<sub>v</sub>)!
- Blocking cluster: set of nodes (v) which have more than  $1-q_v$  neighbours in the set (where  $q_v$  is different for each of the nodes!).
- Similar rule about complete cascade can be defined using the blocking cluster concept.





## Cascades and Compatibility

- Example of Bilingual behaviour
  - In some cases nodes may want to play 2 strategies



#### Another Example



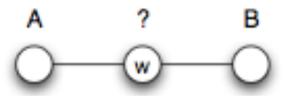
B will slowly disappear!



# Capacity of Cascades (A,B, AB case)



- Let's fix b to 1 for simplicity.
- In this case it all depends on the relationship between a and c.
- What is the best strategy for node w in the following example?



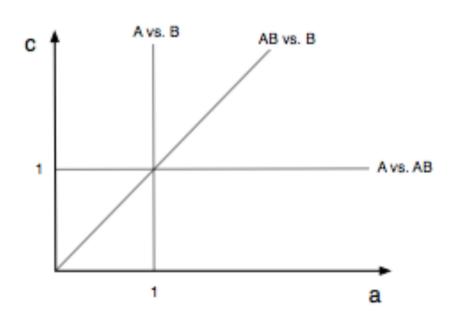
payoff from choosing A: a payoff from choosing B: 1

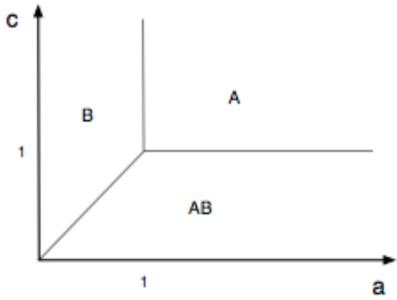
payoff from choosing AB: a + 1 - c





# Dependency on a and c



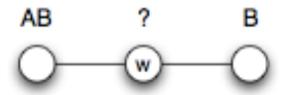




#### Second case



 Payoff of B is now 2 as it can interact on both sides:



payoff from choosing A: a

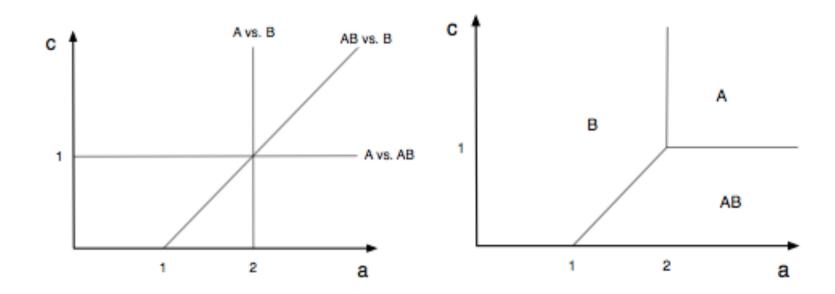
payoff from choosing B: 2

payoff from choosing AB: a + 1 - c (if A is better)





# Graphically again...



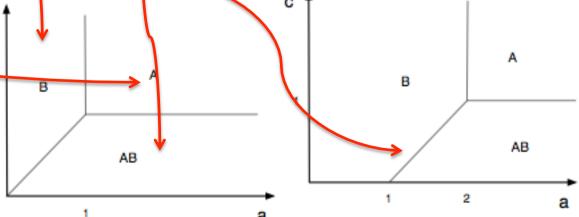


# For what pair (a,c) does A spread?



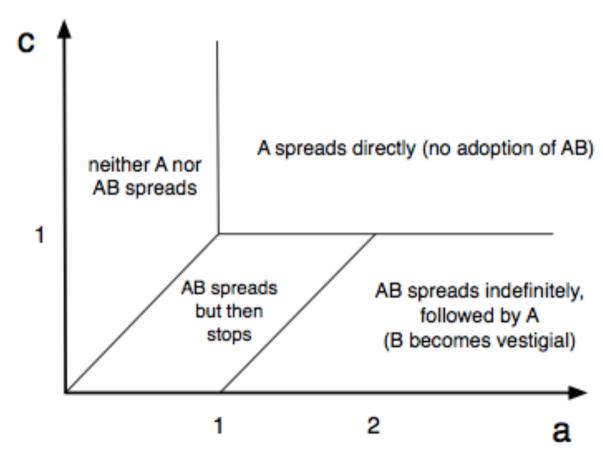
- Consider u adjacent to initial adopter of A
- Here B will stay
- Here A will spread to the network (cascade)
- Node u will behave like here, but his next neighbour will be like here (but same values of a and c).







#### Summary





#### Discussion

- Tips for technology producers
  - Suppose b=1 and a=1.5 [new technology]
  - For which values of c is B surviving?
- If easy to maintain both technologies [they are compatible] then AB will spread and then A [as it is better].
- If incompatible boundary people will choose [some will choose A] and this will spread.
- If in between some regions will maintain B and some will switch and there will be a bilingual buffer in between.



#### References



• Chapter 19

