

A Simple Model	Exercise
 Majority rule: I will switch if at least half of my friends switch Example on board Discussion Innovation spreads, but meets natural boundary Tightly knit clusters Outcome: technologies coexist Modeling goals Decision-making process Consequences for spreading behavior in the network 	 4 4<
Networked Coordination Game	Clusters
Each node plays a coordination game on each edge. Board work Recap $\begin{array}{c c} X & Y \\ \hline X & x, x & 0, 0 \\ \hline Y & 0, 0 & y, y \end{array}$ • X = new • Y = old • Node should adopt X if at least $y/(x + y)$ fraction of neighbors adopt X	Some new technologies spread but then coexist with old technologies. What limits their spread? Tightly-knit clusters. Definition : an r -dense cluster is a subset S of nodes such that each node in S has at least r fraction of its neighbors inside S Example on board
Clusters = Barriers to Adoption	Clusters = Only Barrier to Adoption
Claim (informal): if no one inside a dense cluster adopts new technology, it will not enter the cluster Claim (formal): If S is a $(1 - q)$ -dense cluster and no one inside adopts technology, then diffusion with threshold q will not enter S Proof on board	Can spread of innovation stop for another reason (other than dense clusters)? No Claim : suppose innovation spreads according to threshold rule with threshold q and then stops. Let S be the set of nodes that did not adopt. Then S is a $(1 - q)$ -dense cluster. Proof : exercise / on board