

SAM HOUSTON

GAMER, MUSIC LOVER

8.3

TOP SCORER
SWAYLO

“I GO TO GAMING CONVENTIONS, AND PEOPLE COME UP TO ME BECAUSE THEY KNOW ME FROM TWITTER.”





FANCY YOURSELF POPULAR?

The new metrics of social networking can measure just how connected and influential you are—and major brands are lining up to put their money where your mouth is.

Think of the Internet as the ultimate public square, populated at first with businesses, government agencies, media outlets, and then increasingly with blogs and social networks. It makes sense that at some point, every action taken in that public forum would be recorded, analyzed, and perhaps even sold. Because computers, unlike human brains, excel at storing memories—each post, status update, and 140-character passing thought disappears not into the ether but into a server. How could a forward-thinking entrepreneur gaze at such a mass of information—from what you eat to your political views—and not wonder how to profit from it?

Take Jodee Rich, for example. In 2008, the 52-year-old Australian billionaire, who made his fortune in software and telecom in the '80s and '90s, took a look at fledgling Twitter and thought, "How do we transcribe all this data into something meaningful?" For the past three years, Rich's company, PeopleBrowsr, has been storing all those tweets—70 billion and counting, with a billion added each week. That's 1,643 per second on its servers in Seattle, New York, and San Jose. Companies such as General Electric, eBay, and Yahoo pay PeopleBrowsr \$300 a month for access to information that tells them what people are saying about rum, cable TV, Japanese cars, and much more.

Does it sound like big brother is watching you? Just the opposite, says Rich, who calls his company's undertaking "big data for little brother." Because now, it's not only major brands that are privy to social analytics. Anyone can track what's trending on Twitter and which Facebook friends garnered the most comments this week. More importantly, you can see how influential you are online. And work on becoming more influential. And get the kind of reputation—and swag—only quasi celebrities and magazine editors used to get.

IT'S CALLED SOCIAL CURRENCY, and anyone who's ever been on a playground knows exactly what it is—in a word, popularity. The difference between real-life social currency and the online kind is that the latter is measurable. And the companies springing up to measure it dwell right here in SF (all in SoMa, to be exact): Kred, a Twitter-based scoring system launched in September by PeopleBrowsr; Swaylo, a new Facebook application with 6.2 million users; and Klout, an early comer launched back in 2008 that tracks your influence across 12 social platforms, including Twitter and Facebook.

"For the first time in history, we can quantify how you engage with others," says Rich, who calls himself a digital anthropologist. "We can take what everyone is saying and turn it into more accurate social data." That data includes such pinpointed analytics as sentiment analysis, which breaks down posts by positive and negative sentiment, and word clouds, which show what words people use most when they tweet about a client's product. "We see ourselves as social analysts rather than marketers."

SWAYLO THE NEWEST COMPANY to get in on the social analytics game uses Facebook data exclusively to arrive at a score between 1 and 10, based on audience (the number of interactions you have), trends (how quickly you “like” trending topics on Facebook within your network of friends), voice (your posts and reactions to them), and your friend network (based on how many of your friends are connected to each other through you). Swaylo’s colorful charts analyze your sway to show how it’s trending by the week or month.

Cofounder Rob Goldman, a Harvard MBA who spent four years at Shopping.com before it went public, says a focus on Facebook defines the intimate nature of the Swaylo ranking. “We don’t think people spend a lot of their day thinking of how to influence their friends,” says Goldman, who employs 11 people at his HQ in the Stuart Tower. “Much more often, they’re celebrating, commiserating, and supporting. You get the most inbound attention on Facebook on your birthday. Twitter is the public square where people shout their opinions. Facebook is about connection.”

Facebook is also where people spend 95 percent of their social networking minutes. Almost half of young adults ages 18–34 check Facebook upon waking and 28 percent before they even leave bed. And because all that intimate data on Facebook is nowhere near as public as Twitter’s, granting Swaylo access to it is worth a lot to brands who want to know your tastes. Swaylo sells the aggregate data to its corporate partners, whom Goldman declines to specify. He does offer an example of the kinds of demographics Swaylo pulls: SF Giants and Oakland A’s fans both like Will Ferrell and Steve Carell, for instance, but Giants fans are seven times more likely to also be fans of Snooki. A’s fans are eight times more likely to be fans of Tyra Banks.

Swaylo clients get detailed demographics that help their marketing efforts, and you get emails showing who your top fans are and which of your friends’ posts were most popular in the past week. For high scorers, Swaylo offers perks such as tickets to movie screenings and gift cards to online fashion sites. Users are free to share their experiences online or not. Upping your score, Goldman says, is not strictly about posting brilliant or clever content. It’s also about responding to others. “One thing we see in our data is a correlation between the amount of attention you give and the amount you get,” he says.

KRED IF YOU’RE ON TWITTER, YOU HAVE A KRED SCORE. Tweets are by default “broadly and instantly disseminated,” in the words of Twitter’s privacy policy—that is, unless you opt to “protect my tweets.” The score is dual: One rating (1–1000) shows your influence based on retweets, followers, and replies, and the other rating (1–10) reflects how often you respond to others. Signing up at *kred.com* gives you instant and in-depth visibility into your score, allowing you to see exactly how each tweet affects it. You can also see the Kred score of anyone on Twitter, track your friends’ scores, and add to your score by providing copies of degrees, club memberships, and even frequent-flyer programs.

Should you despair about your modest 500 overall score (even mildly active tweeters will rank in the 300s), you’ll find comfort in the 200-plus communities and endless locales Kred tracks. You may not be Kelly Ripa (influence: 946), but you can aspire to be like marketer Cheryl Marquez, whose score of 765 makes her the most influential in the mothers category in San Francisco. You may not be Rachael Ray (908), but you can compete with cooking blogger **HEATHER HAL (782), A HIGH SCORING LOCAL IN THE FOOD CATEGORY.** Hal’s popular food blog, Heather in SF, includes photos of the recipes she cooks at home—think homemade pizza, truffled duck, and perfectly caramelized onions. “For me, the key to popularity is actually interacting with others versus using social media just to retweet, share links, or self-promote,” says Hal, who wasn’t even aware of her stellar Kred score until 7x7 got in touch. Kred’s motto: We all have influence somewhere.

The benefits of all this, besides the ego boost and bragging rights? If you’re interested in using social media to build your personal brand, your Kred badge is an instant

measure of your Twitter power. It can also be displayed on your own website. More tangibly, if you go to *kred.com/wishes*, you can ask for anything you want: opera tickets, a round of golf, three days in the Bahamas. Kred’s corporate clients—Visa, American Airlines, or any of the same folks who watch Kred’s Playground dashboard during Super Bowl commercials and national debates to see how you’re reacting (your tweets show up in Playground 15 seconds after you post)—might just grant your wish, depending on your score and the number of “boosts” (similar to “likes”) the wish gets from the community. When a wish is granted, a tweet automatically goes out to publicize the grant.

“It’s tit-for-tat viral marketing,” says Scott Milener, Kred’s senior vice president of social strategy.

Of course, influence goes both ways. Does social scoring not just reflect but, to some extent, control how a user behaves online? “That is a great question,” says Rich. “If you measure something, do you change the nature of it? Human beings want a level playing field. On the other hand, they want to be ranked. You want to know how you’re progressing and be better than others. It’s a basic tension between the two.”

“PEOPLE HAVE ALWAYS BEEN TREATED SPECIAL BASED ON HOW MUCH THEY SPEND. NOW IT’S ABOUT INFLUENCE, AND ANYONE CAN BUILD AN AUDIENCE.”

KLOUT FOUNDER AND CEO **JOE FERNANDEZ** SAYS he knows about the tension Rich speaks of. Fernandez is one of the first to have thought of analyzing social data to determine people’s influence, having built Evalulogix, a web-based psychological testing program for schools. But his focus switched to social media in 2007, when he was stuck in bed post-surgery with his jaw wired shut. “Even my mother couldn’t understand anything I said,” he recalled. “I completely relied on Twitter and Facebook to communicate. In the process, I became fascinated with the idea that word-of-mouth was finally scalable.” His Twitter obsession paid off after he tried unsuccessfully to buy the domain name *klout.com*. He tracked down the previous



HEATHER HAL
FOOD BLOGGER

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VERONICA
BELMONT

TECH GEEK

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TOP SCORER

KLOUT

owner via Twitter at Café Flore and then proceeded to walk in and hand him \$5,000 cash. The transaction was completed in the restaurant.

Nearly five years later, more than 100 million people have Klout scores, and 5,000 companies, including Nike, Hewlett Packard, and Virgin America, offer them perks via Klout. The company's 70-plus employees work in a lofty space off Stillman Street—adjacent to Kred on Bryant Street, coincidentally. Klout is currently the most talked-about score, and if you read the forums at Mashable, TechCrunch, and CNET, it's apparent that its users take it seriously. When Klout changed its algorithm back in October, for instance, many lodged complaints about their scores mysteriously decreasing.

"It wasn't something I thought through in the beginning—the psychological aspects of a score," says Fernandez. "People who don't have high scores are often very motivated to increase them. People with high scores are generally happy. The hard part is when the score drops. It's painful. It's tied to your ego."

The score, which ranges from 1 to 100, measures your reach across 12 social networks including Facebook, Twitter, Google+, Foursquare, Tumblr, WordPress, and more. On Klout, your score is broken out into true reach (the number of people you influence), amplification (how much you influence them), and network impact (the overall influence of your network). Klout also tells you which topics you're influencing the most and assigns you a style of communication (socializer, broadcaster, syndicator, observer, etc.). The average Klout score is 20. A score of 50 puts you in the 95th percentile.

KLOUT PERKS HAVE INCLUDED TEST DRIVES OF THE AUDI A8 AND GIFT CERTIFICATES TO AN ONLINE SITE FOR ARTISANAL WINE.

The Perks tab though, is where the goodies are. Amy Higgins, for instance, a social media and community manager at GOGII with a Klout score of 64, recently got a free weekend in Seattle courtesy of the Seattle Convention and Visitors Bureau and a free Windows Phone, among other freebies. These companies hope Higgins will share her experiences online, but it's her choice whether to do so. "The 2DaysInSeattle perk gave us not only the trip itself but gift cards to key places like Fran's Chocolates and the Seattle Art Museum," Higgins says. "All of us on the perk really enjoyed the little extras and were more than happy to tweet, blog, share on Facebook, and photograph our experiences. We also talked about the trip with all of our friends." Other Klout perks have included weekend test drives of the Audi A8 and gift certificates to Lot18, an online site for artisanal wine.

In the end, you have to wonder whether your friends' honest opinions have been influenced by the temporary high of getting something free—but this is nothing new. With a few exceptions, journalists and other "old media" have for decades sampled free goods and experiences before writing about them. "Advertisers recognize that we're all becoming somewhat blind to traditional advertising," says Fernandez. "But we all trust our own friends' word of mouth."

Of course, social analysis is an embryonic science, and there are issues to iron out. In addition to the privacy problems that have plagued Facebook, there are small annoyances, like Klout users' complaints that they sometimes receive emails about perks for which they're ineligible, and larger concerns, like the possibility of potential employers using social-influence scores in the hiring process. But for millions of users, these negatives are outweighed by the prospect of popularity and free stuff—and to be fair, perhaps by a more vague but noble notion.

"People have always been segmented or treated special based on how much money they spend," says Klout's Fernandez. "Unless it's a nightclub and then it's based on how good-looking you are. What I love is that now it's about influence, and anyone can build an audience and influence. Democratized influence has never existed before."

ROBIN RINALDI is a former 7x7 executive editor. She is working on her memoir, *The Wild Oats Project*.

KLOUT

FOUNDED: 2008

CEO: JOE FERNANDEZ

INVESTORS: KLEINER PERKINS CAUFIELD & BYERS, INSTITUTIONAL VENTURE PARTNERS, VENROCK, GREYCROFT PARTNERS

REVENUE: DECLINED TO STATE

The Klout score, 1–100 based on activity in 12 networks, is further analyzed by your reach, amplification, network size, and by topic. High scorers get freebies via Klout perks.

KRED

FOUNDED: 2011 (PARENT COMPANY PEOPLEBROWSR, FOUNDED 2006)

CEO: JODEE RICH

INVESTORS: NONE (SELF-FUNDED)

REVENUE: \$5–6 MILLION

PROJECTED FOR 2012

The dual Kred score measures influence (1–1000) and outreach (1–10), based on Twitter activity. Kred can be categorized across 200 communities (food, fashion, LGBT, etc.). High scorers get perks (or "grants") from client companies via Kred Wishes.

SWAYLO

FOUNDED: 2011

CEO: ROB GOLDMAN

INVESTORS: MAVERON, AUGUST CAPITAL

REVENUE: DECLINED TO STATE

The Swaylo score (1–10) is based on Facebook activity. Graphs and charts pinpoint your audience, track how fast you adopt trends, and show where you sit within your network. High scorers get perks called "sway."

