

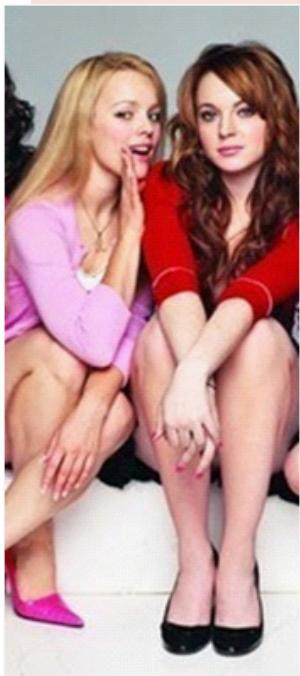
# You Know You Make Me Wanna Klout

## Targeting the Online Popularity Club to Help Your Brand

To over 3500 brands, the world of online social networking is beginning to look a lot like a high school. Cliques are forming, popularity is becoming a tool, Lindsay Lohan is giving high-calorie nutrition bars to the Plastic Queen to sabotage her weight and status...

OK, maybe not that last part. But, when it comes to social media, brands are paying attention to the widening gap between those who matter online and those who don't. By targeting the people who are most likely to influence others – the ones who inspire the most buzz with their tweets and posts – brands can maximize their reach while putting in minimal cost and effort. In essence, this online popularity contest could be the key to doing word-of-mouth marketing right, and Klout, a social metrics service, was made to do just that.

The aforementioned Plastic Queen, Regina George, owns a silver Lexus and allegedly does car commercials in Japan. She's also teen royalty. So not only is she pretty popular, she's also pretty influential. Now, if only there were quantifiable data to tell Mercedes *how* influential Regina George really is, especially on the topic of cars, so they can give her a free SL550 Roadster in the hopes that she ditches that Lexus and tweets about her new Mercedes.



"My Klout Score is so fetch, I haven't paid for anything in months!"

Bingo. Klout is a website run by a team of digital engineers, marketers and analysts who have made it possible to quantify a person's online influence, or ability to drive action on the internet.

Taking data from a person's social networking accounts, Klout measures True Reach (how many people someone influences), Amplification (how much that person influences them), and Network Impact (the influence of the people being influenced), with a single number between 1 and 100 as the result.

No longer is the internet democratic. No longer does everyone's voice hold equal weight online. And far from being ashamed about being the harbinger of online social inequality, Klout is actually partnering up with thousands of brands to take advantage of it!

Brands have started using Klout to give away free stuff, "Klout Perks," to the most popular influencers (or social networking users) in their fields and provide them with a good experience or a good product so they can tweet about it to their friends. For example, HP offered high-scoring film influencers an HP laptop pre-loaded with films from Cinequest film festival, and Audi invited top design, technology and luxury influencers to test drive their new 2011 Audi A8 at exclusive events.

Yeah, but does it work? Influencers who receive Perks aren't required to post positive things about the brand. They're not even required to post anything at all.

To ensure that giving away Perks will be worth a company's expense, Klout has begun to up the demand and cool factor of a high Score and the Perks that come with it. When Spotify, a wildly popular music-streaming service, first came out in 2008, Klout gave free account access to only some of its high-scorers before Spotify was even released in the United States. In addition, some special events, like the annual after-hours shopping extravaganza, Fashion's Night Out, require a Klout Score of over 40 points in order to attend. This not only ensures the exclusivity and coolness of the Perk, but the honor of having a high Score as well.

And it has definitely been working for a ton of brands. Like Virgin America, who offered only 120 free flights to top travel influencers, which generated over 4,600 tweets and, subsequently, led to over 7.4 million impressions and coverage in top blogs and news outlets. And, for a very small price, that's good business.

But it hasn't just been working for brands. While Klout's expertise in generating buzz has been great for building brands' reputations, it's also been building their own. People have been putting their Score on their resume and many competitors and copycats have begun to emerge, like PeerIndex, Twitter Grader and, most recently, PeopleBrowsr's Kred, which will up your Kred based on real-life achievements like degrees and awards.

People have even started attaching it to their wardrobes. Ladies love it.



And while there certainly are downsides for the people being judged on their Score, there are also downsides for brands. How does a brand do damage control when a top influencer receives a product, hates it, and blasts the company on Twitter? The best response is to turn it positive – using Klout, brands can decide which reviews they can ignore and which they need to address. 70% of companies ignore their customer complaints on Twitter, yet nearly half of Twitter complainants expect the company to read them. Plus, 83% of complainants on Twitter who have received a reply either liked or loved the fact that the company responded. So, when a brand comes across a bad review from a top influencer, they should see it as a great PR opportunity.

While the concept of Klout is certainly proving to be integral to brand marketing, its underlying foundation is nothing new. They've recognized social group behaviors and separated the popular from the ordinary, but by mathematically proving the *amount* of a person's popularity, Klout is able to help brands single out the people who will, hopefully, **inspire action** and do a good chunk of their marketing for them. And therein lies the innovation: realizing the marketing potential of good ol' fashioned cliquishness brought into the modern, digital age.