

# Twitter's AdWords is coming...

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For various reasons I was forced to consider once again [how Twitter will pay for itself](#) and begin to deliver value back to investors that have so far handed over \$55m in funding.

As I was doing so – and having just discussed with Radio 5 Live the Microsoft-sponsored [Exectweets.com](#), which collates tweets from CEOs in one place – I notice that, in my own Twitter homepage, Exectweets is being promoted to me, complete with link, in my profile box.

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The screenshot shows the Twitter interface for user Philip Buxton. At the top, the Twitter logo is on the left, and navigation links (Home, Profile, Find People, Settings, Help, Sign out) are on the right. The main content area starts with a text input field for a tweet, with a character count of 140. Below the input field is a 'Latest' tweet from @markhillary. A list of tweets follows, including one from Philip Buxton himself, one from GeorgeHopkin, one from Hitwise\_UK, and one from gsghtseeing. On the right sidebar, there are navigation buttons for Home, @Replies, Direct Messages (64), Favorites, and Everyone. Below these is a 'Following' section with a grid of user avatars. A featured widget titled 'Exec-tweets' is also present, describing it as a curation of top business executives on Twitter.

Exectweets is just one of the ways that Twitter has identified (or that has been identified for it) as a potential revenue source. It considers that advertisers might want to build and sponsor areas that collate particular types of Twitterer in one place, in this case business CEOs. Microsoft has sponsored Exectweets and it's been built by a firm called Federated Media. What's not clear, [from Twitter's own comments](#), is whether Twitter has taken a cut of the revenues.

## Twitter as an agency?

The fact it is promoting the area to users might suggest it is, but it might equally suggest it just wants people to have a look because a. it thinks it's interesting and b. it can begin to gauge the popularity of such services. One can imagine Twitter wondering whether to devote proper development resource of its own to building such areas for advertisers. But I can't see that happening. First, it would either have to close down its API to prevent other agencies from building services just as good or better or have to go head-to-head with those agencies.

Plus, it's resource-heavy. Facebook has tried this route with branded pages but it just doesn't have the automated genius of AdWords that Twitter is looking for and needs.

## Twitter as AdWords

No, what's most interesting and the reason I think investors are going to get all of their money back and a whole lot more is the idea of e-commerce accounts. Twitter CEO Evan Williams [told Techcrunch last Summer](#) that charging e-commerce businesses per follower, per update or per sale [or per click?] was a possibility. In them there hills lie gold.

So, imagine Amazon. Book fans follow Amazon to learn about new books for sale and special offers with links. Every time I click on one, Amazon pays Twitter a fee. The company would set up an account for each of its departments (clothes, houseware, games etc.) and sub-classifications (horror books, trainers, Xbox 360 games). Automated update systems plugged into product inventories will be built. Entire update strategies will be conceived (when? how often? what copy?). And, of course, marketing strategy will begin to ask "how do we attract followers?" rather than "how do we get to the top of search rankings?"

I can see it already and "if I [was Google](#)" I would be worried I already missed the opportunity to bag Twitter for a song.

## An e-commerce strategy for Twitter

So, let's take that vision and extrapolate it into a "Twitter strategy" for advertisers. Any advertiser would have to consider a user's Twitter journey. The usual "conversation" must take place "the process by which users build perceptions of a brand or product. Integrated into this is the "navigation" that facilitates the research (and acquisition) of a product they're looking to buy, as well as the purchase. Where I have positive brand associations and/or a business is very strong in a particular online retail sector (Amazon for books, for example) "I might choose to follow that business, particularly the specific feed that deals with the products I am interested in.

Even in this part of the journey, we are talking about a lot of work that needs to be done. We must:

a. **Build a brand perception that encourages people to follow us**

b. **Build accounts around specific product types that encourage people to follow us**

From this we are into the business of identifying an "update strategy". This will ask:

a. **When and how often should I update? (this will differ entirely for different product categories)**

b. **What copy works best?**

c. **Should "traditional [social] tweets be mixed in with product updates?**

Then, we might think payment models. I'm assuming Twitter will go [BFC](#) since it offers the right balance between risk and reward for both "media owner" (Twitter) and advertiser. Twitter after all won't

want to be relying on what happens after a user clicks and advertisers want performance-based models.

So:

a. **What [RPC](#) levels will emerge? Surely higher since users are truly opted in?**

b. **How will these be set? A bidding system is not relevant since you're not competing directly with other advertisers (it's your personal feed).**

Then:

a. **How will updates and payment be automated?**

b. **What aggregator services might emerge? (Here come the affiliates!)**

c. **How many e-commerce feeds will users be able to cope with?**

### **Twitter as media owner giant**

Advertisers (and their affiliates and their agencies and their tech suppliers) will need to address all these questions and more. In the meantime, as long as Twitter continues to innovate (as Google has) to remain the dominant messaging platform, it can reap the rewards of being the host to this new marketplace. In this it has a big advantage – it's harder to switch social network than search engine. But its scale will be compromised in comparison with Google since the need to be followed will limit how many users advertisers can reach and therefore how many impressions they deliver.

I find all this very exciting. If Twitter makes it work – the question – what will replace Google? – will have been answered, except – as with most media – we'll discover that the replacement to Google will actually prove to be complementary. However, Twitter is where conversation and navigation truly coincide and I for one think it'll be enormous.

**No TweetBacks yet. ([Be the first to Tweet this post](#))**