



Socializing Search Part 2

By Brian Wool, vice president of content distribution, Localeze

In my last column, I interviewed Alson Kemp, CEO of DaYa?, and his company's plans to make the most of Facebook's new open platform for applications. Just off the heels of Kelsey's "Drilling Down on Local" conference, I'm further convinced that human interaction and user generated content is going to drive a significant share of the local search market. After all, humans have been social networking for 100,000 years – we like face to face contact.

As promised, here's what Laurence Hooper, co-founder of Loladex, another search application launched for Facebook, had to say about his company's vision for socializing search:

Q. Can you provide an overview of your Facebook application?

A. Loladex helps consumers find local businesses and services that are recommended by their friends and other personally trusted sources.

It's easy to use. Type in a query: 'Chiropractor' near Alexandria, VA, for instance. Your results will be a group of business listings, as you might expect. What's great is that recommendations from your Facebook friends appear the top. To the right of the results, you can see everyone who gave you advice.

If your friends haven't already rated chiropractors, or if you want more recommendations, you can also send out a request for help. After your friends click into the site to share their recommendations, Loladex notifies you that advice is waiting.

Basically, it works the same as real-life word of mouth — except it's faster and takes less effort.

We also feature advice from third parties that users can choose to trust. For example, our users in Washington, DC, can choose to trust picks from *Washingtonian* magazine.

Q. How did you weigh the advantages of creating a local application on Facebook over building a standalone local directory?

A. My co-founder Dan Goodman prefers to quote the bank robber Willie Sutton. When asked why he robbed banks, Sutton explained: "Because that's where the money is."

Friends make Loladex work. And these days, people's friends are on social networks such as Facebook — so that's where Loladex has to be, too.

Facebook has built an impressive platform that allows us to access their enormous network without having to build any infrastructure ourselves. In addition, Facebook provides some great communication tools. Loladex users can easily send 'ask a friend' requests to selected friends, for instance, or broadcast a query to their whole social circle.

Lastly, Facebook allows users' actions on Loladex to be visible to all their friends — a great form of free advertising.

As a practical matter, a standalone site simply can't replicate these advantages.

Q. What business categories do you anticipate gaining the most traction within your application and social overall?

A. The first thing we ask people to do in Loladex is rate businesses. We present local restaurants as a default, but they can rate anything. As you might expect, we've gotten a majority of restaurant ratings.

Once people get this initial burst out of their system, however, we see behavior shift a little. They move into more service-related categories, both in their searching and in their ratings.

Home contractors, dentists and vets loom large, as does auto repair and dry cleaning. Salons and spas, too. Restaurants remain a big factor, along with bars and coffee shops. In retail we see shoes, clothing, books and wine.

As times goes on, I believe people will find Loladex most useful for finding home contractors and specialists of all kinds: medical specialists, specialty stores, and specialty trades. Loladex is all about word of mouth, and these are the businesses for which people tend to seek advice.

The other day, for instance, I used Loladex to get recommendations for a local accountant. I think that'll be a fairly typical use.

Q. How do you plan on monetizing your application?

A. Loladex users are performing highly directed searches, so advertising is an obvious source of revenue. If we do it right, our users will welcome this. We're experimenting with some off-the-shelf ad solutions and we also want to develop our own premium opportunities.

Unlike some local-search companies, however, we don't plan to build a sales force that offers ads directly to individual local merchants. Right now we don't see this as a scalable model for startups.

Our users also create a lot of valuable data via their actions, and we'd like to aggregate that data into a sellable product.

Q. How does the personalization aspect of social search impact user experience?

A. Personalization is at the very core of Loladex. Advice from one's friends is inherently personalized. Because of this, we don't think about personalization as a feature that impacts the user's experience. It's more like air for us — without it we don't function.

To me, it's more interesting to consider how the *lack* of personalization impacts user experience on other sites. On most sites, everyone who submits a query will get the exact same answer. 'Dentist in New York, NY?' The same top ten listings will appear, in the same order, no matter who does the asking.

On a high level, what Facebook offers is an environment in which 'friends' (defined loosely) maintain a two-way communication channel that can inform and enhance their actions on the Web. Building applications around this channel is a big idea, I think, not a passing fad.