

opinion of party insiders and pundits. "The beauty of Twitter's ad unit is that it's the best rapid-response tool that exists in politics right now," he says.

None of these advertisers are the unreserved evangelists Twitter might hope them to be. GM's Ewanick says his Twitter ads during the Super Bowl nearly doubled the carmaker's number of followers, to more than 80,000. He also says that maintaining a Twitter presence and supporting a Twitter ad campaign is more resource-intensive than running old-fashioned TV and print ads. All that engagement and authentic-seeming messaging can be exhausting. A company tweet "can't look like it came from some corporate thing," he says. Verizon's Harrobin says the wireless carrier may have overwhelmed its followers with promoted messages from time to time.

Another common gripe is that advertisers can't target segments of users on Twitter in quite the same way as on Facebook, which typically knows a member's age, work and education history, and hometown. People don't volunteer the same data to Twitter, and its targeting tools are not as refined. Costolo says he's not concerned because there's so much promise in targeting users based on an "interest graph"—the set of characteristics that can be gleaned from users' followers and what they click on. He gets animated talking about a treasure trove of data

that's both revealing and noninvasive. "These accounts I follow paint a very compelling picture of the kind of person I am, even if it doesn't paint a picture of exactly which uniquely identifiable individual in the world I am," he says. "I think that allows us to deliver powerful value to advertisers, and powerful value to those who want to speak freely."

He pauses again. "I killed that answer, I absolutely nailed that answer," he says. He gestures at a public-relations colleague. "He's so disappointed in me! 'Why the post-modern ironic references?'"

A few days later, Costolo, done joking around, discusses the company's new headquarters, where most of Twitter's 900 employees will move this summer. Last year, Twitter finalized a lease for a 75-year-old former wholesale furniture market, a building that squats amid an economically depressed area on San Francisco's Market Street filled with panhandlers, dollar stores, and litter-strewn empty lots. It's an unusual location for an Internet phenom, but Twitter, which received tax breaks from the city, is making the space its own. Workers are installing modern elevators and 21st century Web company accoutrements such as coffee bars and two-person conference rooms. They're also turning the roof into a covered deck and cafeteria with towering views of the imperial rotunda

of nearby City Hall. The building is full of art deco details the company plans to keep—a marble lobby and exposed mail chutes, those bygone purveyors of the analog tweet. "We're trying to build a lasting company, a company that will change the world in interesting and beneficial ways," says Costolo. "The new space, in this incredibly historic building, lends gravitas to the mission of the company and the future ahead of it. I think it's consistent with the way we are building the company, as a lasting part of the media world."

Questions for Discussion

1. How would you describe the personal leadership style of Dick Costolo?
2. What are Costolo's sources of power?
3. What behaviors does Costolo appear to engage in?
4. Do you think Costolo is a transformational leader? If so, in what ways has he been a transformational leader? If not, why not?

Source: Brad Stone, "Years of Chaos and Fail Whales Didn't Stop Twitter. Now the Company that Couldn't Kill Itself May Be About to Take Flight." *Bloomberg Businessweek*, March 5–March 11, 2012, 62–67. Bloomberg L.P. Copyright © 2012. All rights reserved.