

MEDIA TRENDS:

Blog Marketing

Luminosity Perspectives

September 2008

As bloggers grow in influence, many marketers seek ways to leverage the blogosphere in their marketing efforts. This edition of Luminosity Perspectives considers the importance of incorporating blogs into your communications mix and identifies specific tactical options for implementing a blog campaign.

The Blogosphere

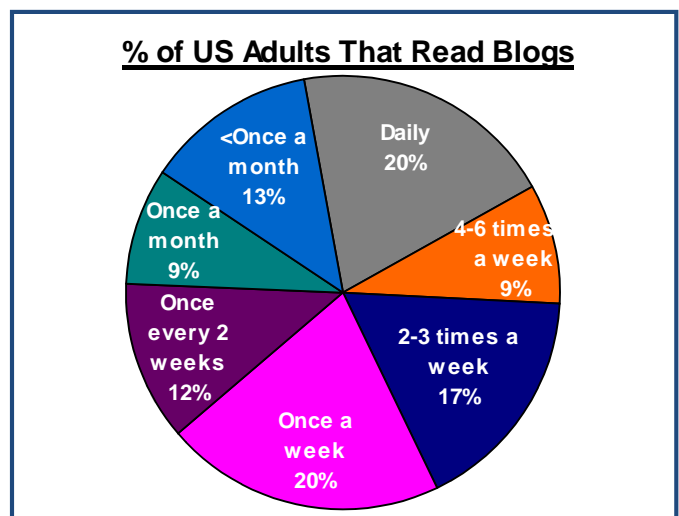
In the early 90's, people began using web logs as online diaries to express the user's feelings and details of personal events. Since then, a "web log" has been abbreviated to "blog" and evolved from its earlier purpose as an online diary to a broader form of communication incorporating multimedia and dynamic feedback mechanisms. Blogs have become a modern version of the water cooler or sewing circle where consumers share information in every category across news, pop culture, investing, food, technology, education, parenting, sports, gossip and opinion. Technorati, a research authority on the blogosphere, is currently tracking over 112.8 million blogs.

Why Do Blogs Matter?

In 2008, eight out of ten people in the US consider the Internet as an important source of information. This figure is up from 66% just two years ago in 2006. Americans also viewed the Internet as a more important source of information than television (68%), radio (63%), and newspapers (63%). (State of the News Media 2008, Annual Report on American Journalism).

Blogs Reach Your Customers

People develop regular internet patterns. Blogging and blog reading has become an internet ritual. Similar to how Americans are addicted to email, they've become addicted to their favorite blogs (CBC News, "Blog reading becomes a habit, study says" 9 Apr 2008). While many advertisers still perceive blogs to be the communication tool of tech nerds, today's reality is that blogs reach into widespread communities - reaching both women and men, and communities from Silicon Alley to stay-at-home moms.



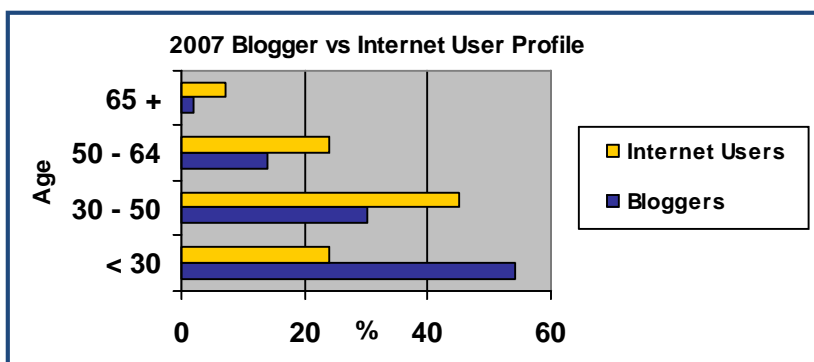
Word of Mouth Influences

Blogs have credibility as people rely heavily on word of mouth for specific products and services. "According to Zocalo Group, word of mouth proves effective since, "92% of Americans say a recommendation from a friend or family is how they make their purchasing decisions (PRweek, "Convincing clients to implement new tactics" 17 Dec. 2007)." Consumers turn to blogs because they trust blogs, the information is timely and accessible and because they believe perceive a personal connection with bloggers.

- **Trust:** A February poll from We Media and Zogby Interactive shows that "72% of adults said they were dissatisfied with the quality of American journalism today. Another 55% said bloggers are important to the future of American journalism (Ad Age, "Who Blogs")." When seeking information from blogs, 65% of people look for opinions (PR Newswire, "New Study Shows Americans' Blogging Behaviour" 30 Aug. 2007). Consumers also trust a blogger's word before purchasing. According to a late 2006 Ipsos MORI survey, consumers looked to blogs for trustworthy information over advertising or e-mail marketing. "One third of respondents said they had decided not to buy a product after reading a negative blog post, while 52% were persuaded to buy after reading a positive review" (Ad Age, "Who Blogs").
- **Timeliness:** Blogs constantly provide a constant stream of fresh, new content. Due to fewer editorial controls, bloggers often post news items and commentary before traditional news outlets. A full 39% of Americans claim to get new content from blogs, equivalent to the percentage (38%) who get entertainment content (PR Newswire, "New Study Shows Americans' Blogging Behaviour" 30 Aug. 2007)."
- **Accessibility:** Blogs typically allow a two-way conversation with mechanisms for collecting comments and feedback. The short writing style typically used for comments is quick and easy, which encourages responses.
- **Personal Connection:** The conversational style of blogs creates the perception of a personal conversation between friends and many readers feel as though they personally know the blogger. Blog readers remain loyal as 46% of them frequent the same blogs regularly as opposed to surfing for new ones (PR Newswire, "New Study Shows Americans' Blogging Behaviour" 30 Aug. 2007)."

Who Blogs?

While blog readership is widespread, certain types of people are more likely to author a blog. For example:



- **Age:** The profile of a typical blogger tends to skew younger than the average internet user, with 54% of bloggers fall under the age of 30. Comparatively, the majority of all internet users (45%) are between the ages of 30-49. (Pew Internet & American Life Project, July 2008).
- **Location:** Most bloggers come from the U.K, Germany, Japan and the U.S. From these four countries about 20% of the early adopters blog. (Ad Age, "Who Blogs")
- **Ethnic Reach:** Compared with general internet users, bloggers tend to come from more diverse backgrounds. Only 60% of bloggers are white compared with the 74% of internet users. 11% are black and 19% are Hispanic. In fact, influential Hispanics read blogs and discussion boards 4.1 hours per week (PRweek, "Online Hispanic opinion-makers" April 7 2008).

Four Approaches to Marketing via Blogs

1. Public Relations Effort

Big companies recognize the growing importance of blogs and the PR that comes with them. Last year Johnson & Johnson’s BabyCenter unit and Federated Media formed a partnership to create BabyCenter Parenting Federation which highlights 17 mom blogs. Though the sites are not big, they attract the different influential moms that Johnson & Johnson wants to reach. Following suit, Proctor & Gamble’s Pampers brand sponsored trips to their company headquarters for 15 “mommy bloggers”; this gesture is viewed as a way to inform bloggers instead of bribing them (Advertising Age, “P & G relies on power of Mommy bloggers” 14 July 2008). However controversy can follow a paid PR effort, which Microsoft experienced when it paid for tech bloggers to meet Bill Gates.

2. Corporate Blogging

Corporate blogs provide strong control over messages. A corporate blog is a good option for companies that have a large amount of intellectual capital that can be leveraged, for small companies that may not attract the attention of many blog writers and also for very conservative companies that wish to have strong control over the message. As corporate blogs tend to have trouble attracting traffic, corporate blogs are often most effective when used in conjunction with other tools.

3. Banners on Blogs

Many larger blogs are part of blog advertising networks. Other blogs can be purchased independently directly from the blogger. It is possible to purchase advertising on these networks, just as one might purchase banners on any other site or ad network. With banners in blogs, the advertiser is also able to control the form and content of the message. The major advantage of pursuing banner advertising in blogs, is that the initiative can be planned, managed and measured in conjunction with other banner advertising efforts. Cost-Per-Thousand, Cost-Per-Click, Click-Through-Rate, Cost-Per-Conversion and other metrics can be easily compared versus other online efforts to evaluate the return on investment of the effort. Sample blog banner networks include:



4. Paid Blog Posts

A number of media companies offer paid blog postings. Paid blog postings work essentially like magazine advertorials, where readers are not necessarily aware that the product showcase pages of many magazines are paid content. Although some advertisers shy away from paid advertorials, paid blog media is becoming mainstream with major advertisers across multiple categories, such as HP, Levis, Microsoft and Overstock.com using the medium.

Paid Blog media vendors act as middleman facilitating purchase of paid posts. With these services, a company makes an offer to bloggers to mention or write a review about the product or service. Some sites offer “cherry-picking” services where an advertiser selects specific bloggers for the offer and others have marketplace exchanges where any blogger who fits a set of criteria can respond. In either case, the blogger reviews the offer and only accepts opportunities they find interesting or content that they believe will fit with the editorial of their blog.

One advantage of doing a blog media campaign over a public relations effort to bloggers is the cost to manage the program is typically much lower and the results are more immediate. A paid blog media campaign is also useful for advertisers in highly competitive categories where earned media (public relations) is more difficult to obtain.

Each blog media company has strengths and weaknesses and different companies may be appropriate for different advertisers/efforts depending on campaign goals. For each effort, the advertiser should evaluate blog media vendors based overall size of blogger pool, caliber of bloggers (page rank/traffic rank, etc.), depth of blogger bench in topics of interest, customization opportunities, ability to deliver posts within campaign timeframe, reporting capabilities, etc. In cases where multiple blog media vendors are used, careful attention should be paid to posts as some bloggers subscribe to multiple blog media services. A sampling of paid post networks include:



Take Away

Marketers seeking to reach influential consumers should consider investing in a blog effort. Blogs can be an efficient tool for advertisers who can't afford a broad-scale online awareness campaign. They can also help generate momentum for a promotional program or increase credibility for a product or service. When launching a blog effort, keep in mind that there is more than one way to join the blogosphere and different methods may be appropriate for marketers with different resources and goals.

About Luminosity Marketing

Luminosity Marketing provides media consulting and marketing research services. We specialize in connection planning, including target development, competitive intelligence, touchpoint mapping, content strategy, media planning and media buying. Analysis for this edition of Luminosity Perspectives by Daphny Taitel.

To learn more about how to advertise in blogs, please call Elizabeth Dolinski at 646-213-4860.

Visit us online at www.luminositymarketing.com