

# the business value of blogging

LEWIS Global Public Relations

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## Key findings & insights

### Corporate blogging worldwide

A qualitative questionnaire among 10 international blogging experts and a quantitative survey of 300 companies from 10 countries yielded the following results:

- Less than 5% of companies worldwide currently have a corporate blog;
- Only the US is seeing some uptake of corporate blogging across multiple industries;
- In other countries, corporate blogging largely remains restricted to marketing, communication and new media agencies;
- Key barriers for corporate blogging in Asia-Pacific include a great reliance on traditional media outlets, a business culture that values face-to-face communication and government media regulations highly;
- Key barriers for corporate blogging in Europe include uncertainty about benefits and best practices, as well as a traditional caution when adopting new technologies;
- Remarkably enough, every country except the US seems to think it's lagging behind the rest of the world in regards to corporate blogging;
- Which means that in reality, nobody is lagging behind: corporate blogging is just not happening yet.

The survey has focused on 'true' corporate blogs: blogs that are permanent, outward-facing and opinion-driven.

### Deciding on a corporate blog

In the 'Four-Step Guide to Blogging', LEWIS helps companies decide whether or not to start blogging. It offers a set of helpful tools and insights, key among which are:

- Corporations who want to start blogging should either do it well, or not at all. Half-hearted attempts are a waste of money;
- Corporate blogging requires a significant investment of time, skill and knowledge. Time and skill can be sourced externally, knowledge cannot. Ergo, involvement from key company personnel is always needed – for at least 5 hours per week;
- Hiring a third party to write the blog is not necessarily cheaper, as quality content has a price tag;
- The primary power of a corporate blog is its ability to engage in one-to-many conversations, affecting a multitude of company stakeholders at the same time;
- On individual business objectives, such as increasing morale or networking, blogs score worse than traditional methods on a value-for-cost basis;
- Corporate blogs affect marketing, sales, CRM, HRM and PR. Therefore, it stands to reason that these departments work on, and pay for, the blog together.

## Blogs: nice-to-have or need-to-have?

Have two communication professionals enter into a conversation and, before long, they will be talking about blogs. Indeed, with over 70 million bloggers<sup>1</sup> worldwide, it's beyond doubt that blogs will impact the way we communicate with each other, both at home and at work. But *how* exactly remains the question.

Most blogging gurus and marcom agencies will tell you that blogs are revolutionizing the media as we know it, and that you should jump on the bandwagon while you can. Hardly surprising, of course: racing drivers and car salesmen will also advise you to buy a car for commuting, even if your office lies within walking distance.

Unlike car salesmen however, the blogging proponents between them have so much media power that any conflicting views are quickly drowned in the ongoing wave of unbridled enthusiasm. This makes it difficult to assess the true merits of their claims – particularly for those who like to base their decisions on a thorough cost-benefit analysis. So while consumers, politicians and pundits have embraced blogs, companies are struggling to deal with the new medium.

Earlier this month, we ran a short survey among 300 companies in 10 different countries around the world. The aim was to gain a picture of the international corporate blogosphere and see if there was any basis for conducting some in-depth research, where we'd compare blogging practices between vertical markets, company sizes, and the like.

However, the results of the preliminary study confirmed our gut feelings: despite all the hype, corporate blogging is just not happening yet in most markets. That's when we decided to shelve our in-depth research plans for the time being and take a step back.

Because while the Internet is rife with information about blogging advantages and best practice, there's precious little material available that weighs the costs of blogging against its benefits, or to compare blogs with alternative methods for reaching the same goal.

Meanwhile, the question we hear most from our customers is not 'how should I set up my blog?', but 'why should I start a blog in the first place?'. Indeed, why should you? Why should your company spend its money on a blog, when traditional alternatives might offer a much better return on investment?

This paper provides companies with a four-step guide for making this decision. It will not make the decision for you, but it offers you a set of tools and insights that will help you understand what your company might gain by a blog, what it will cost you, and whether or not it's a good investment in your specific situation. In other words, it will help you understand what is, in fact, the business value of blogging.

In addition, it includes the results of the survey mentioned above, as well as the insights of our local experts in each of these 10 markets.

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<sup>1</sup> Technorati, *About Technorati* (n.d.). Technorati, San Francisco, USA. <http://www.technorati.com/about/> (10 March 2007)

## Introduction

### To blog or not to blog?

Why are so few companies blogging? The phenomenon has been mainstream for a few years already, so many have probably considered it. Obviously, this has not yet spurred them to action. This is not entirely surprising. One could imagine a typical discussion about blogging to go something like this:

**CEO:** “This blogging thing, what can it do for us?”

**Marketer:** “Well, it would improve our ability to interact with our audience, among other things.”

**CEO:** “That doesn’t tell me anything. Does it bring in any sales leads? Will our reputation increase? Are there any risks involved?”

**Marketer:** “That depends on a lot of factors. If we...”

**CEO:** “You lost me. Come back when you have a business case. Or when our competitor starts doing it.”

If there’s one thing companies have learned from the past decade of technical innovation, it’s to think twice before investing in anything new that comes along – especially when it’s not clear what the costs and benefits will be. The days of corporations spending money on new technology just because ‘it looks cool’ or ‘everybody else is doing it’ are definitely over (for now, at least).

Of course, making such a cost-benefit analysis is always difficult, but most innovations can at least be compared to their predecessors – making it easier to paint a picture of the impact they might have. A new multifunctional printer, for instance, could lower your printing costs, make your brochures look nicer, offer extra capacity – but in the end it’s still a printer. It will very likely print and scan stuff, but the chances that it inadvertently influences your sales process are minimal.

Not so with blogs. They represent the first truly interactive, one-to-many communication channel that companies have ever possessed, touching on several different

business processes at once. No one has experience with that kind of thing. Moreover, blogs come in different flavors, each with their own strengths and weaknesses. Altogether, there are so many uncertainties involved that most companies that consider blogging often feel they’re about to run blindfold into a dense forest.

Any decision on blogging should therefore start with an in-depth analysis of the business benefits that the various types of blogs might bring to a company, followed by an assessment of requirements for each of those blog types. These are the first two steps of the Four-Step Guide to Blogging.

Once you’ve done that and determined which blog types are most suitable for your needs, it’s time to turn the question around and ask yourself if you could achieve the expected benefits in a different manner. Looking at the alternatives for blogging is step three.

Lastly, you have to consider the factors involved in making a blog successful, many of which you have under your control. However, there are also several key success factors, both within and outside your company, that you cannot influence directly. The fourth step involves looking at the non-influenceable success factors for your own specific situation, and adjusting step 1 to 3 accordingly.

#### The Four-Step Guide to Blogging

1. Identify possible benefits
2. Determine requirements
3. Evaluate alternatives
4. Adjust for non-influenceable success factors

Before we go into more detail on this, we will first take a closer look at what blogs really are, and outline the different type of corporate blogs a company can use.

## Blogs – what are they really?

Ask ten bloggers to tell you what a blog, or weblog, is and you get ten different answers. It's surprisingly difficult to nail down an exact definition of a blog, because the term refers both to a type of web-based publication as well as to the underlying publishing platform, with varying degrees of weight being placed on one or the other.

Some will say that the essence of a blog lies in the personal, subjective approach of the author, who relates about his life and interests as though he was writing a diary. Others will argue that blogging as we know it is made possible through technologies such as RSS and tagging, and that an online publication may only be called a blog if it supports these features. Most will say it's a mixture of both and leave it at that.

On top of this ambiguity, the whatever-it-is that makes up a blog is changing. Blogs in 1998 were decidedly different from the typical blog encountered today, if only because the arrival of consumer-friendly blogging tools opened up the medium to the masses. Although there appears to be an unspoken consensus of what a blog entails, there's no way of telling whether this collective definition will stand the test of time.

Interestingly enough, nearly all bloggers currently active on the Internet seem to be perfectly happy to leave this matter to the linguists. Indeed, even scientists often happily skip the question and talk about blogs as if there was no clearer concept in the world.

This is not as strange as it looks, because the lack of an objective definition is perhaps one of the key characteristics of a social media phenomenon like blogging. In social media, perceptions and opinions supersede facts and truths. Or, to put it differently: a blog essentially is whatever the most influential bloggers of the moment say it is.

For those readers who are relatively new to blogging, however, we've made an attempt to capture the key elements of what constitutes a blog today in a single definition. While this is merely a point-in-time image, it should shed some light on what otherwise would have remained a pretty vague subject.

A **blog** is a web-based publication that adheres to some or all of the following characteristics:

- Postings are listed in a reverse chronological order, with the most recent entries on top
- Postings are informal and subjective, representing the personal opinions and interest of the author(s)
- Readers can respond to postings on the blog and are often encouraged to do so
- Readers can be automatically informed of new postings by subscribing to a newsfeed

## Types of corporate blogs

There are many different ways to categorize blogs<sup>2</sup>, such as by media type (photoblog, linklog) or by genre (political blog, fashion blog). When looking specifically at corporate (i.e. company-branded) blogs, one quickly comes across the classification devised by Ansgar Zerfaß<sup>3</sup>, as shown in Figure 1.

Zerfaß gives a comprehensive overview of the ways a blog can be put to use in a business environment, listing eight different types of corporate blogs based on their intended objective and functional area.

In the Four-Step Guide to Blogging, however, we will only be looking at a subset of these blogs. We will also be taking a slightly different angle.

Our aim is to discuss only ‘true’ corporate blogs – the types that attempt to fully utilize the power of blogging as a new communications channel. These blogs interact directly with the blogosphere-at-large on an ongoing basis and thus have the largest impact on the environment of the organization.

Several of the blog types in Zerfaß’s classification are not really blogs in this sense of the word, but rather methods for employing blogging technology to enhance existing business processes. A ‘collaboration’ blog, for example, will likely make collaboration easier, but won’t have much impact on other aspects of the organization. The same holds true for ‘knowledge’ blogs and ‘service’ blogs.

Two other of Zerfaß’s blog types, ‘crisis’ blogs and ‘campaigning’ blogs, do try to harness the power of the blogosphere, but only for a very specific goal and a limited amount of time. Because of their limited scope and audience, these temporal blogs and the process-specific blogs mentioned above have a much lower potential impact than a true ‘corporate’ blog. To qualify as true corporate blog, a corporate blog must therefore be:

- permanent
- outward-facing
- opinion-driven

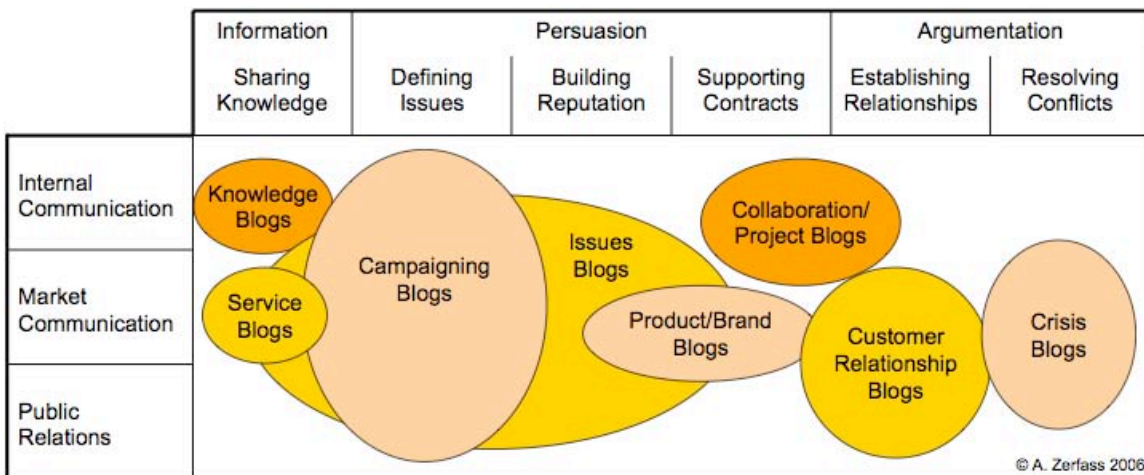


Figure 1: Types of corporate blogs, by business objective and functional area. Source: Ansgar Zerfaß, EuroBlog 2006.

<sup>2</sup> Wikipedia. *Blog* (n.d.). Wikimedia Foundation, St. Petersburg, USA. <http://en.wikipedia.org/wiki/Blog> (10 March 2007)

<sup>3</sup> Zerfaß, Ansgar. *Social Software, Business Excellence and Communication Strategies: A framework for using weblogs, podcasts, wikis and RSS* (2006). MFG Baden-Wuerttemberg, Stuttgart, Germany. <http://www.euroblog2006.org/symposium/presentations/presentations.html> (10 March 2007).



Of the blogs Zerfaß described, the only ones to fall into this category are 'issue' blogs and (depending on how they're implemented) 'customer relationship' blogs and 'product/brand' blogs.

We have narrowed down the category of true corporate blogs further by classifying them according to their focus and authors. This gives us four types of true corporate blogs: the CEO blog, the company blog, the expert blog and the topic blog. In addition, we have included two types of non-company-branded blogs: the guru blog and the industry blog, as shown in Figure 2.

A **CEO blog** is, as its name suggests, written by the company's leader or another high-level executive. The CEO blog will often be used to increase the author's profile, or to capitalize on his fame. Typically, the author talks about his vision and the strategy of the company, but also about events in his personal life – especially when he's a (minor) celebrity.

A **company blog** is maintained by multiple employees with varying backgrounds, often enthusiastic volunteers. They enjoy a high degree of freedom and generally talk about anything, ranging from new product launches to the most recent company party. A company blog is often a good place for an outsider to get a taste of the company's culture.

An **expert blog** is driven by a single employee who is, or wants to profile himself as, an expert on a certain area. This can be a specific product line or service offered by the company, but a broader field of expertise such as online marketing or biosciences. Readers value expert blogs for the unique insights and experience of the author, who is often a technological evangelist or product marketer.

	one person	multiple people
company driven	CEO blog	company blog
subject driven	expert blog	topic blog
vendor neutral	guru blog	industry blog

Figure 2: Types of corporate blogs, by author and focus

A **topic blog** is also about a single subject such as a product or a field of expertise, but is maintained by multiple employees. Unlike the expert blog, the topic blog does not focus on quality but on quantity. It strives to be complete source of news and information for the specific topic it covers.

A **guru blog** is essentially an expert blog that is not company-branded. These blogs may come into being when employees start blogging before their company has developed a corporate blogging strategy, or when a company hires an expert who already has a blog. In some cases, companies also deliberately choose to have their experts set up non-company-branded blogs. It should be noted, however, that the blogosphere frowns upon bloggers who claim independence but are paid to blog by a company. Therefore, guru bloggers usually blog in their own time (or pretend to do so).

An **industry blog** is much like a topic blog but written by multiple people, including employees from different companies, individual freelancers, non-profit organizations and journalists. It also strives to become a one-stop-shop for news and information in a specific industry, but unlike the topic blog, it's vendor-neutral.



## The Four-Step Guide to Blogging

### Step one: identify possible benefits

The difficulty with assessing the potential benefits of a blog is not that we don't know what they are. On the contrary, a Google search on 'benefits of blogging' yields over 77,000 results, many of which are unique. In fact, so much has been written on the subject that it has become fairly hard to get a more or less complete picture of the impact a blog might have.

To address this issue, we have created a visual representation of the most important business objectives, functional areas and stakeholders that might be affected by a corporate blog. This so-called blogging value wheel is shown in Figure 3. The business objectives included in the wheel have been compiled based on our own insights as well as a variety of online sources.<sup>4 5 6</sup>

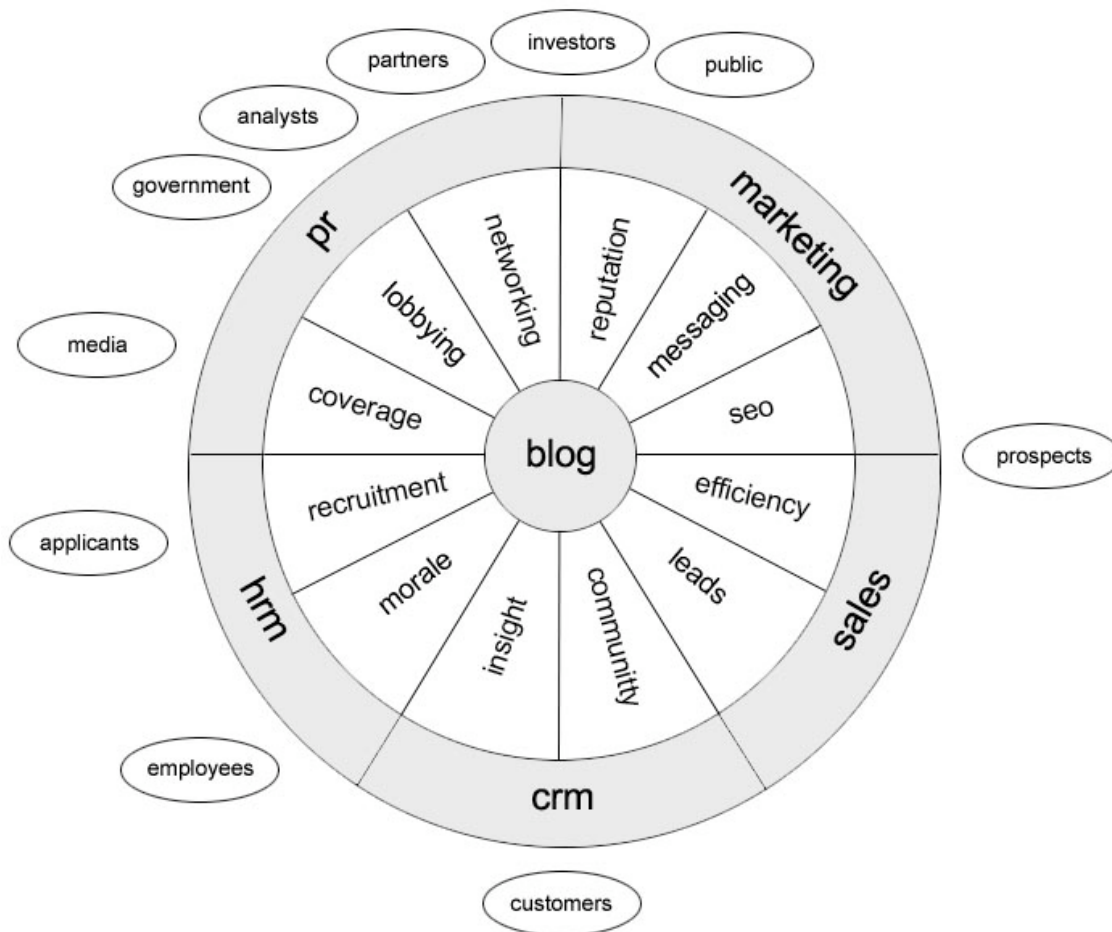


Figure 3: Blogging value wheel & stakeholders.

<sup>4</sup> Bourgeault, Gary. *10 Great Strategic Benefits of Blogging*. (28 April 2006). The @lpha Marketer. [http://www.thealphamarketer.com/2006/04/10\\_great\\_strategic\\_benefits\\_of.html](http://www.thealphamarketer.com/2006/04/10_great_strategic_benefits_of.html) (10 March 2007).

<sup>5</sup> Kharif, Olga. *Bloggng for Business*. (9 August 2004). Business Week Online. The McGraw Hill Companies, Columbus, USA. [http://www.businessweek.com/technology/content/aug2004/tc2004089\\_3601\\_tc024.htm](http://www.businessweek.com/technology/content/aug2004/tc2004089_3601_tc024.htm) (10 March 2007).

<sup>6</sup> Li, Charlene. *New ROI of blogging report from Forrester* (25 January 2007). Charlene Li's Blog. Forrester Research, Cambridge, USA. [http://blogs.forrester.com/charleneli/2007/01/new\\_roi\\_of\\_blog.html](http://blogs.forrester.com/charleneli/2007/01/new_roi_of_blog.html) (10 March 2007).

The functional areas (HRM, CRM, etc.) and the stakeholders largely speak for themselves, but we have included a short overview of the business objectives (the spokes of the wheel) and how blogs might affect them below.

## Human Resource Management (HRM)

### morale

A company that allows its employees to blog on its behalf shows that it both trusts its employees and has nothing (or not much) to hide. Additionally, a blog may enable employees to enter into discussion with senior management, which gives them the impression that management respects their opinion and is willing to listen to them. These two things may positively affect staff morale.

### recruitment

By blogging actively, a company can draw new recruits to its ranks who otherwise would not have considered joining, or who are difficult to reach by traditional recruitment channels. In addition, job applicants can get a taste of a company's culture on a blog, increasing the chance that they fit well into the organization.

## Customer Relationship Management (CRM)

### customer insight

A blog can be used to discuss new ideas, products and services with customers, thus gaining insight into their preferences. This information can be used for product and service development, or new marketing initiatives.

### community building

A blog can serve as a forum for customer feedback, and may even be used to establish a community of users that interact with each other and the company via the company blog and their own blogs. This increases the bond between the customer and the company.

## Marketing

### reputation

Blogging may increase a company's reputation for being open and concerned with

its customers and environment, or may help in rebuilding a damaged reputation by entering the market debate with a different side of the story.

### messaging

Engaging in the blogosphere can make it easier to generate coverage that is on message, thereby increasing market awareness of a company's messaging and positioning.

### search engine optimization

A quality blog in an active blogosphere will generate many links to a company's blog and website, thereby increasing their ranking in Internet search engines.

## Sales

### lead generation

Active participation and a good reputation in an industry's blogosphere may lead directly to inbound calls from prospects.

### sales efficiency

A frequently updated blog may help sales managers to stay on message and provides them with a tool to showcase the company's vision to customers.

## Public Relations (PR)

### media coverage

Other blogs and (online) media outlets can easily link to a corporate blog and (re)use the available material, thus leading to increased coverage and share of voice.

### lobbying

Being an opinion-driven and social medium, blogs can be used to argue for or against upcoming legislation, industry standards or other relevant decisions made by third parties, as well as for mobilizing support for or resistance against such decisions.

### networking

Because of their social networking features, blogs are a good tool for meeting new people and keeping in touch with existing relations.

Of course, the impact a blog may have varies greatly for each of these objectives, and is also different for every type of blog. Because there are so many variables involved, it's practically impossible to determine the impact exactly. However, we can make educated estimates, which is precisely what we've asked a panel of 10 of our international blogging experts to do.

In Figures 4-9, we've visually represented their thoughts on the various blog types by using the blogging value wheel. It should be noted that these estimates are based on the assumption that the blog is well-implemented and updated regularly.

Used in this manner, the blogging value wheel makes it very easy to compare the strengths and weakness for every blog type. The CEO blog, for example, is good for networking, as many people will find it interesting to interact directly with a company executive. Conversely, it's of limited use for lead generation, as a CEO typically won't spend much time talking about products and services in detail.

These are our best estimates of the industry average, but of course there are many reasons why a particular wheel might look different in specific situations. We will be looking closer at this in Step 4: adjust for non-influenceable success factors.



Figure 4: Blogging value wheel: CEO blog

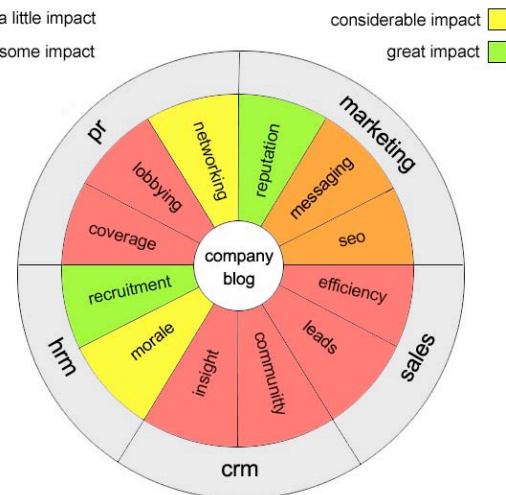


Figure 5: Blogging value wheel: company blog

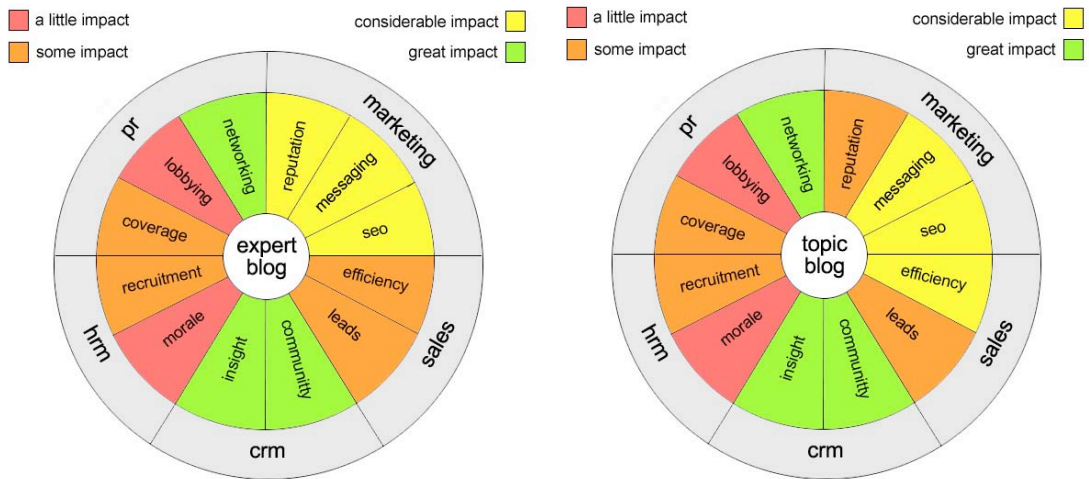


Figure 6: Blogging value wheel: expert blog Figure 7: Blogging value wheel: topic blog

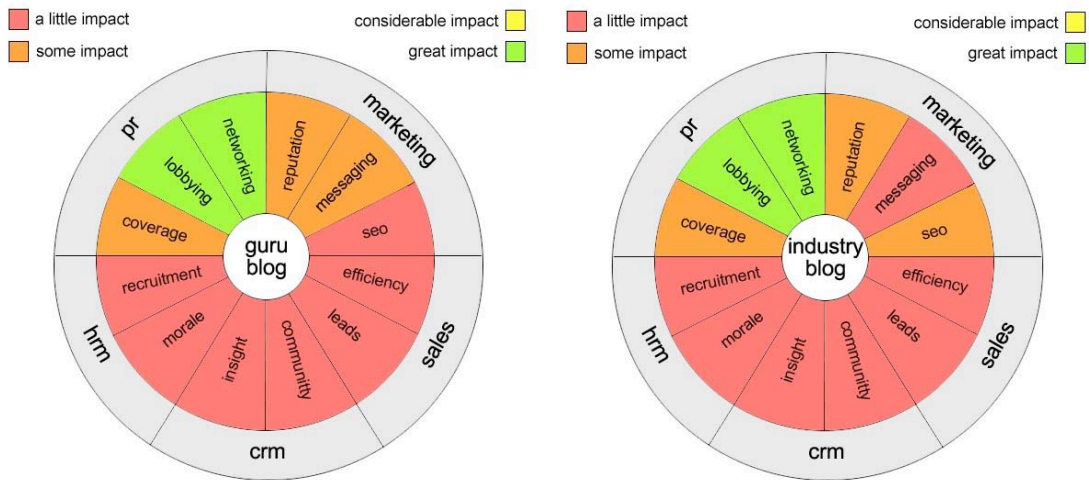


Figure 8: Blogging value wheel: guru blog Figure 9: Blogging value wheel: industry blog

## Step two: determine requirements

Once you've gained an idea of what blogs can do for you, it's time to look at the requirements for setting one up. These requirements are in themselves fairly low, since there are plenty of tools freely available. Anybody with basic web skills can have a blog online in less than five minutes. However, the accessibility of the platform is also corporate blogging's greatest pitfall – because it leads companies to believe that running a corporate blog is easy.

What's easy is having employees post text on a blog. But as every blogger knows, the challenge is to get people to actually read them. In the corporate world, this is perhaps even more difficult, as most business professionals only have so much time in a day to consume news and information.

Marketers and blogging gurus alike sometimes show off with the huge amount of newsfeeds they're tracking, and predict that in a few years time everybody will be reading content from dozens of sources through technologies such as RSS. However, this is far from true yet, and the question is whether it ever will become a reality.

The thing these blogging enthusiasts tend to forget is that most professionals do not have a need to be on top of the news 24 hours a day. Account managers, stonemasons, engineers, dentists, accountants, you name them – they're all perfectly able to do their job without being updated every other minute on what's going on in the world.

Bottom line: in order to convince any professional to spend some of his precious time on reading your corporate blog, you're going to have to offer them some real added value. Moreover, you'll likely be competing against other bloggers and media who also vie for that professional's attention. You only stand a chance of winning this battle when you're able to offer high-quality content on a continuous basis (or very low-quality, but we won't go there now).

Creating high-quality content for your corporate blog typically requires three things: skill, time and knowledge.

### Corporate blogging requirements

**Skill.** Everybody can be a writer, but only some are good and few are truly talented. While a blogger doesn't need to be a Shakespeare, he should be above average at the very least in order to keep his readers coming back. This means having both a way with words as well as being creative.

**Time.** Writing is fighting; creating quality content simply takes a lot of time. In addition, building a reputation and staying in touch with the blogosphere also requires a blogger to read other blogs and engage in discussion with their authors.

**Knowledge.** A corporate blogger needs to know his industry and his company, or he will not be able to create quality postings about interesting insights.

While the first two requirements can be sourced externally (albeit not cheaply), the third typically requires involvement from key company personnel. This means that, in most cases, you can't run a corporate blog unless you free up time in the agendas of the required employees – permanently.

Of course, you can cut back on the time required of your own employees by hiring third party writers – but note that this often will not be much cheaper. Quality writers cost money, and by outsourcing you also gain some extra overhead because of communication and approval processes. The main reasons for outsourcing part of your blogging work are bringing in time and skill you don't have internally – not saving costs.

We've asked our panel to come up with an indication of the minimum amount of time necessary to run each of the true corporate blog types successfully, as well as the hourly wages associated with that time. These estimates are based on the key benefits of each blog as described in the previous paragraph and are listed in Figure 10.



	min. hours / week	going rate
CEO blog	5	company executive
company blog	10	professional
expert blog	25	senior professional
topic blog	40	senior professional
guru blog	5	manager
industry blog	5	senior professional

Figure 10: Blogging requirements: time &amp; money

Note that these estimates are based on the expected benefits as explained in the previous paragraph. You could invest less time in a corporate blog, but that would also mean adjusting your goals accordingly.

A **CEO blog** could do with one post a week or every two weeks, as long as it's good. Most readers will accept that CEOs have busy agendas and won't expect much more. In fact, they might even become suspicious if the CEO is posting too often – because then he's either not involved himself or he's not doing his job very well. Writing this post will likely take a couple of hours; the rest of the time is necessary to deal with comments and track what's going on elsewhere in the blogosphere.

The **company blog** needs two or three posts a week to be of interest. These blogs will typically not draw a large permanent readership outside the company's direct environment, but will be read by occasional visitors such as prospects and job applicants. If these passers-by don't see any recent posts, they may end up thinking that the company isn't taking blogging seriously (and therefore is wasting its money). The company blog is probably the cheapest corporate blog to operate because it doesn't necessarily require senior staff to be involved.

A key strength of the **expert blog** is its community and customer insight potential. This can only be fully realized if the expert makes three to five posts a week, thereby encouraging readers not just to check the posts occasionally, but also to actively engage in the comments. Needless to say, handling the comments and tracking other media and blogs also requires considerable time.

Most time-consuming of all corporate blogs is the **topic blog**. Lacking the authority figure that the expert blog has, a topic blog can only encourage visitors to come back if it completely owns its topic. In other words, it has to become a one-stop shop for information on the topic, covering everything that its target audience is interested in. On the flip side, as long as it can manage this, the topic blog doesn't need the in-depth angle required for the expert blog.

#### Funding a blog: alone or together?

Blogs are usually paid out of the marketing and/or PR budget of a company, but as the blogging value wheels clearly show, they have impact on HRM, CRM and sales. One could argue that it makes sense to ask these departments to help fund the blog.

The **guru blog** is a special case. Because they're supposed to be written by employees in their own time, companies usually don't compensate bloggers for it, or just partly. That's why the time required to run one is relatively low (from the company's perspective!) On the other hand, the required wage is often quite high, because most companies would only consent to funding a non-company branded blog when the blogger is a real authority and / or very senior. But as explained earlier, guru blogs normally only exist for historical or special reasons – so the required time should be investigated on a case-by-case basis.

An **industry blog** is a very good way to start experimenting with blogging for many companies, because it usually provides a large audience for a relatively small time investment. Participants in most industry blogs only need to post once every (other) week; the rest of the time is spent tracking what the others are saying.



**Step three: evaluate alternatives**

After going through Step 1 and 2, you should have a good feeling of what kind of corporate blog types would suit your company best and what it will cost you. Now it's time to evaluate alternative investments, to make sure you're not needlessly wasting your money. To help you do this, we have asked our panel the following hypothetical question:

*“Imagine that the only purpose of a corporate blog is to contribute to a particular business objective. How do you think it compares to traditional alternatives for reaching the same objective on a value-for-cost basis?”*

Examples of such alternatives for every business objective in the blogging value wheel are given below, in Figure 11.

<b>hrm</b>		<b>example alternatives</b>
morale		(financial) benefits, social activities
recruitment		ads, job portals, recruitment agencies
<b>crm</b>		<b>example alternatives</b>
customer insight		focus group, market research
community building		bulletin boards, user portals, user events
<b>marketing</b>		<b>example alternatives</b>
reputation		branding, corporate social responsibility
messaging		advertorials, interviews, advertising
search engine optimization		link management, virals
<b>sales</b>		<b>example alternatives</b>
lead generation		cold calling, industry events, marketing
sales efficiency		sales training, demo material
<b>pr</b>		<b>example alternatives</b>
media coverage		press releases, interviews, press conferences
lobbying		lobbyists, face-to-face meetings
networking		events, drinks, networking sites such as linkedin

Figure 11: Blogs and alternatives

For each of these business objectives, our panel compared the value-for-cost ratio of blogs against the traditional alternatives. To give a specific example: if your only aim is to increase morale, and you have a budget of \$15,000, what would get you the most morale for your money: spending it on a blog or on something else (such as a Top Performer award or a big company party)?

The answers to these questions have been compiled in Figure 11.

The most important conclusion to draw from this chart is that while corporate blogs contribute to many business objectives, they excel in none when their impact is measured against their cost. The power of a corporate

blog therefore lies primarily in its broad scope and the amount of objectives it influences. In addition, a blog can of course do something that other tools can't – interact on a one-to-many basis with multiple parties and (because of that) engage in the conversation.

Therefore, if your sole goal is to achieve a few specific business objectives with a limited budget, it's likely that you'd be better off with traditional methods. On the other hand, if you're interested in the unique advantages of blogs, or willing to put a blog to work for your company across the entire range of business objectives – and you've got the money to spare – then a blog might be the thing for you.

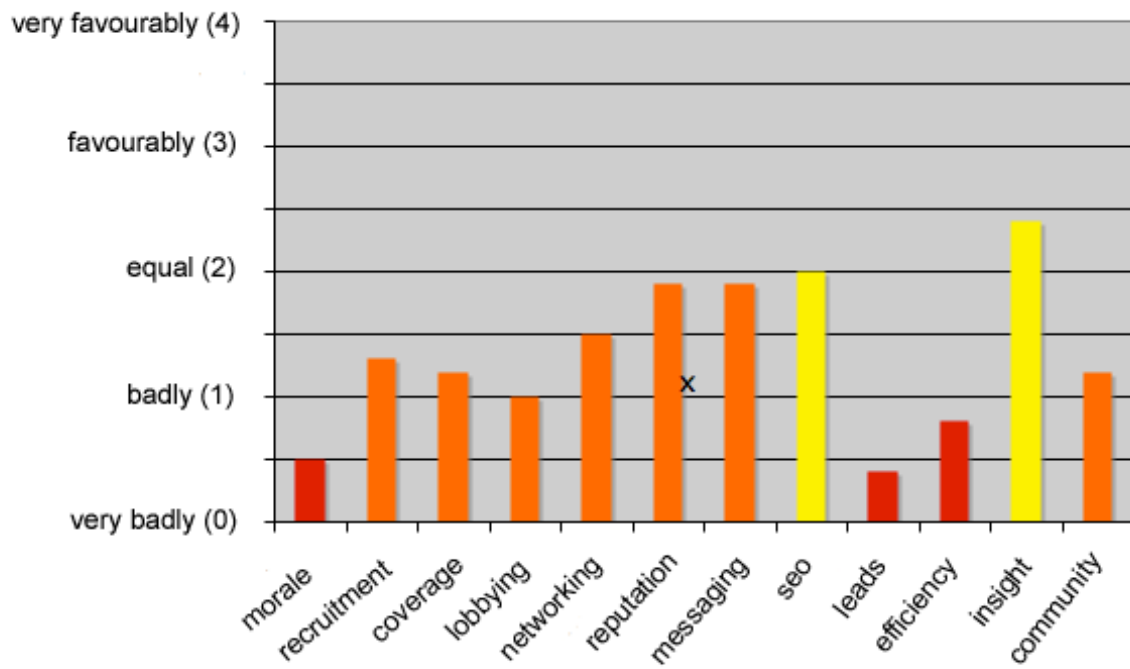


Figure 12: Blogs versus alternatives on a value-for-cost basis

## Step four: adjust for non-influenceable success factors

Up to now, the focus of the guide has been about blogs in general and what they can do for you. The aim of the last step is to look at the specific situation of your company and check if there are any factors that will make implementing a corporate blog easier or actually more difficult.

A lot has been written already on blogging success factors, most notably by Carl and Cass<sup>7</sup>. They identify five key success factors for a corporate blog: *culture*, *transparency*, *time*, *dialogue* and *entertaining writing style & personalization*. However, while these factors are all very important, only two of them should play a direct part in a company's decision to start blogging: culture and transparency.

Why? Because they are so-called non-influenceable success factors – they cannot be changed, or at least not immediately, by the team that runs the corporate blog. It's simply not possible to change a company's

culture or transparency overnight, and therefore, these factors could become real barriers for implementing a blog.

The other three success factors Carl & Cass mention can be controlled by the blogging team, for example by hiring third party writers or training the corporate bloggers. Depending on the available resources within the company, this might require extra funds, which is something to consider during Step 3: determine requirements. However, in most cases they're not hurdles that are impossible to overcome.

Since the aim of this guide is to assist companies during the decision-making process, Step 4 only focuses on non-influenceable success factors. An overview of the most important factors is given below in Figure 13. You should study each of these factors, determine whether they're barriers or enablers for your corporate blog, and then go back and adjust your analysis in Step 1 to 3 accordingly. Note: this is not a complete overview. In specific cases, other non-influenceable factors may be equally important.

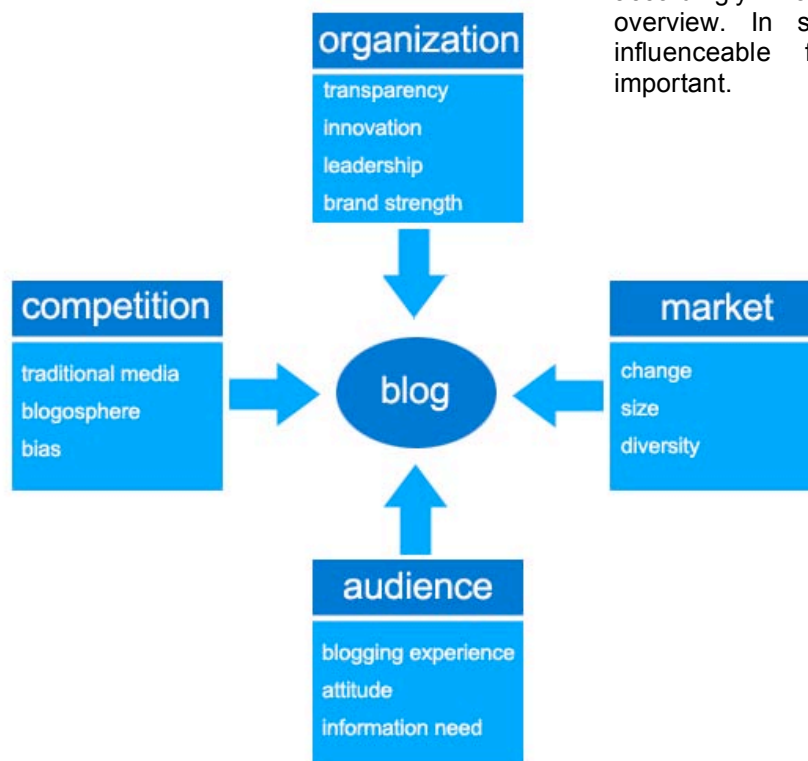


Figure 13: Non-influenceable success factors of blogs

<sup>7</sup> Carl, Walter & Cass, John. *Blogging Success Study* (2 November 2006). Northeastern University & Backbone Media, Boston, USA. [http://www.scoutblogging.com/success\\_study/](http://www.scoutblogging.com/success_study/) (10 March 2007)

## Organization

The first place to look for non-influenceable success factors is your own organization. Carl already identified two of them: transparency and culture. However, we left culture out of the overview above, as this often is only relevant for the company blog. The factors included in Figure 13 can have impact on every blog type.

**Transparency** refers to a company's ability and willingness to disclose internal information to the outer world. For example, if your company works with a lot of highly confidential information, or if you're struggling with internal problems such as lay-offs, it might be unwise to allow employees to blog freely. In such cases, a CEO blog is probably the best option.

A high rate of **innovation** is important to keep the news flowing. If your company is highly innovative, it will be much easier to write an interesting corporate blog than when you hardly ever do something new.

**Leadership** in this context can either mean market share or mind share. If you're the biggest company in your market, or a technology leader, people will be more inclined to read your blog. On the other hand, if you're a start-up or a niche player, claiming share of voice can be quite a challenge.

Blogging could be an issue for companies who rely heavily on *brand strength*. Blogs are by definition difficult to control, which means they may have an unexpected impact on the perception of a brand. For some companies, this is unacceptable.

## Market

The nature of the marketplace is also important for a corporate blog's chances of success. If there is a lot of **change** going on, both your corporate blog and others will have plenty of things to talk about, thereby increasing the chances of creating a lively blogosphere. The same is true for the **size** and **diversity** of the market.

Many companies with varying opinions means lots of more food for discussion. For the same reasons, a small, stable market with commodity products is not a good blog breeding ground.

## Audience

Then you've got your audience to consider. **Blogging experience** relates to the audience's awareness and knowledge of blogs. For example, the average software engineer is more likely to know how to use blogger and where to find them than a truck driver. If your audience has little blogging experience, it's obviously going to take longer before your blog has any impact.

The **attitude** of your audience is particularly important when you open your blog for comments. If a sizeable portion of your audience is very critical or skeptical towards your company, you have to be prepared (at least in the beginning) to deal with negative feedback. On the other hand, if people are curious or otherwise attracted to your organization for more positive reasons, creating a successful blog will be easier.

**Information need** refers to the amount (and kind) of news and information your audience needs to do its job. If they have a large need for information, there's a bigger chance your blog will be successful, and vice versa.

## Competition

Lastly, there is the competition – and by that we don't mean your business competitors, but the media competitors. As previously explained, your company is not the only one vying for the audience's attention. Both the **blogosphere** and **traditional media** compete with you in this area, and both their size and quality will directly impact your success.

**Bias** is an additional factor to consider in this area. If competing media and blogs are strongly biased on a particular subject or towards your company, it can be very worthwhile to join the fray with a different opinion – even if there is much competition.

## Corporate blogging worldwide

### Survey background

In January and February this year, we initiated a survey of 300 companies in 10 different countries around the world. The aim was to gain insight in the status of corporate blogging worldwide, as well as to compare corporate blogging across different countries, industries, companies sizes, and the like.

Urged on by the likes of Jupiter Research<sup>8</sup>, who reported in June 2006 that 35% of large companies had plans to implement weblogs in 2006, we felt that there would be enough corporate blogs out there to collect for some interesting finds. Unfortunately, this turned out not to be the case.

Of the 300 large and mid-sized companies included in the survey, only 16 had one or more true corporate blogs as defined in the first chapter – permanent, outward-facing and opinion-driven. Ergo, only slightly above 5%.

What was worse, our local experts indicated that even if we were to expand the survey to include more companies, this percentage would drop dramatically.

The majority of companies surveyed are active in tech-savvy markets such as IT, media, telecoms and professional services. Outside these markets, our experts reported, corporate blogging is still virtually non-

existent – meaning that the 5% we found is, in reality, probably much lower.

In fact, the most remarkable find was that, with the exception of the USA, practically every country seems to think it's lagging behind the rest of the world when it comes to corporate blogging. The reasons for this, however, vary strongly per country, with different barriers hampering the uptake of blogging in each part of the world.

We would have liked to present some nifty-looking charts and graphs about corporate blogging around the world. However, with only a handful of companies blogging in each market, it just would not make any sense at this time.

Therefore, we've decided to share the insights of each of our experts on their local market instead below, as well as the results from our preliminary survey. Hopefully, the real charts will come later, once corporate blogging truly takes off on a global scale.

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<sup>8</sup> Dowling, Gregory. *Corporate Weblogs: Deployment, Promotion, and Measurement* (26 June 2006). Jupiter Research, New York, USA. [http://www.jupiterresearch.com/bin/item.pl/press:press\\_release/2006/id=06.06.26-corporate\\_weblogs.html](http://www.jupiterresearch.com/bin/item.pl/press:press_release/2006/id=06.06.26-corporate_weblogs.html) (10 March 2007).

## Asia Pacific

Our survey included 90 large and mid-sized companies from Australia, China and Singapore. Five of these companies, or 5.5% of the total, had a true corporate blog – two in Australia, three in Singapore.

### Australia

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Despite the popularity of corporate blogs in markets such as the US, very few organizations in Australia have chosen to enter the blogosphere, relying instead on more traditional marketing tools such as PR and advertising. The reasons for this lack of interest vary, but often it either comes down to a lack of time or just fear of the unknown.

The more successful and well-known blogs tend to be those written, or at least with input from, very senior personnel, including the CEO. Up to now, however, most Australian companies don't see enough value in blogs to make the necessary time and effort of such senior people worthwhile. In addition, there's also the fear of a negative backlash amongst readers, resulting in open – and potentially unrelenting – criticism.

This comes down to how well the blog is executed, and is often measured by how authentic it is. If readers smell a rat in the form of a 'flog' (fake blog), or feel they are being subjected to corporate spin, then a backlash is certainly possible. By ensuring the objective of the blog is clearly stated and that the blog stays true to that objective and is genuinely authentic, companies will help ensure any backlash is minimized.

The reluctance of Australian companies to start blogging stands in stark contrast with the ongoing trend of contraction in the media market (especially in print) and continuing media consolidation. These two factors mean there are now fewer media vehicles for companies to convey their message – be it paid or unpaid – than ever before.

Surely this means organizations need to consider other methods to get their message out to key stakeholders and the broader market? It is therefore only a matter of time until Australian companies will begin to realize the benefits associated with engaging stakeholders in sustained open dialogue via a corporate blog. Devised and managed well, corporate blogs hold the potential to deliver significant value in areas as consumer research, customer relations and media relations.

### China



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The blogosphere in China has a strong social value rather than an economic one. Although blogging is thriving in China with about 20 million bloggers<sup>9</sup>, most of them are not commercial or corporate by nature. We do see the beginnings of some corporate blogs, but these are still few and far between.

Some non-profit organizations in China use weblogs to raise funds or explain how their donations were spent. In other cases we see educators use blogs to share their knowledge

<sup>9</sup> China Daily. *China has 20.8 million bloggers* (11 January 2007) . China Daily, Beijing, China. [http://www.chinadaily.com.cn/bizchina/2007-01/11/content\\_781038.htm](http://www.chinadaily.com.cn/bizchina/2007-01/11/content_781038.htm) (10 March 2007).



on a certain subject but, besides these forms of blogging, only a few corporations use blogs to profile their company.

The reason why blogging hasn't been very popular among companies in China is twofold. Firstly, bloggers are closely watched by the central government. In order to control the flow of information in the blogosphere, the administration proposed a 'real name' policy that would require bloggers to register their real names and identities with their blog hosting services, and to publish under their real names.

Although this policy doesn't directly affect corporate blogs (companies will publish under their real names anyway) the proposed system would be hard to implement without destroying the business of many blog-hosting companies. Therefore most companies still wait and see what the outcome of the planned legislation will be, before starting a blog of their own.

Another reason why blogging isn't very popular among Chinese companies yet is that most of them still depend on the print media to profile their market and business. A lot of companies have enough problems updating existing digital media assets like websites, let alone being able to add and maintain a new medium like a blog.

We do see some corporate blogs creating a ripple effect. One of them is the weblog of Li Kai Fu, president of Google China, in which he discusses China's education system and gives advice to students on their future careers and life. His well-read blog is used by many students trying to craft a future life in this rapidly-changing country.

Another 'success story' is that of Wan Ke, a local property developer. He used his blog to take responsibility for the death of two children on one of their sites, and to publicly apologize. This form of public repentance was widely appreciated and made many customers regain their trust in the company.

Slowly, corporate weblogs are making their way into the corporate arena. Although the primary function of blogs in China is social, the enormous popularity of the medium could enthrone corporations to take up blogging for business purposes as well.



## Singapore

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In Singapore, blogging itself is rapidly gaining popularity among consumers, but business uptake of corporate blogging has been minimal. There are several reasons for this, most notably that companies find it difficult to assess the ROI of blogging. Although this is a problem for corporations everywhere, it's more prominent in the Asia-Pacific region.

Because, like in many other Asian-Pacific countries, face-to-face contact is still the most valued way of doing business in Singapore. So even though Singapore has one of the highest Internet penetration rates in the region, senior decision makers tend to place less value on online networking and even online communication in general than they do in other parts of the world.

We know that there are a few private corporate blogs in the region, but they are not made public, as the bloggers are still nervous about exposing their opinions. This is partly due to uncertainty about the medium in general, and partly due to existing media regulations. While the government has eased its stance towards the media in recent years, there are still things that are better left unsaid – which makes companies hesitant to allow their employees to blog freely.

Meanwhile, traditional outlets continue to dominate the professional media landscape, which also means that advertising still is the key channel for companies to reach their customers. Corporate blogging will eventually take off in Singapore, when communicators within organizations see the benefits of reaching out to the wide online audiences. But for now, the impact of blogs on the corporate world remains limited.



## Europe

In Europe, we looked at 160 companies from France, Germany, Italy, the Netherlands, Spain and the UK. We only came across four true corporate blogs (2.5% of the total): one each in France, Italy, the Netherlands and the UK.

### France

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Like in most European countries, corporate blogging is still in its infancy in France. The blogosphere itself, however, is huge. According to research by Ipsos MORI<sup>10</sup>, 7% of French Internet users have their own blog, while the European average is only 3%. Consequently, France counts close to 7 million blogs today, with a much higher penetration rate than in other European countries.

A great driver for the huge penetration of blogs in France is Skyblog. This is a free blog hosting service launched by Skyrock Radio. Skyrock was one of the first media companies in Europe to offer a blog publishing platform to its audience in 2002. Skyblog now hosts close to 5 million blogs, mostly by teen listeners.

Blogging also plays an important part in the campaigns for the French Presidential elections as well. Several of the main candidates use blogs to convey their ideas. This initiative has clearly raised the awareness of blogs as a vehicle to bridge the gap between politicians and citizens.

Despite the great popularity of blogs among

consumers, few corporations have yet entered the fray. Michel-Edouard Leclerc, CEO of discount retailer E. Leclerc, is one of the exceptions. He uses his corporate blog as a key lobbying tool to comment on French policies as well as to communicate his own moral values. His example is not followed by many other CEOs, as it requires a certain expressiveness that doesn't always fit well into corporate communication strategies.

A second example of corporate blogging in France is that of Vichy. The skincare company, owned by L'Oreal, launched a blog to introduce a new anti-aging product. The campaign was quickly slated because the Vichy-team used a fake character and filtered the comments. Later, Vichy began a new blog where bloggers went through the anti-aging treatment and provided their honest feedback.

These mixed successes with existing corporate blogs, combined with uncertainty on how to maintain a blog and what its effect will be, causes French companies to be reserved towards using blogs. Nevertheless, the public attitude towards weblogs is very positive; therefore, the future for corporate blogging looks promising.

### Germany



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Germans are fairly well known for not adapting new technologies rapidly. It took a while until the Internet really took off, and the same goes for blogs. Today, Germany is still lagging far behind other countries in Europe in the number of blogs and blog readers.

<sup>10</sup> Deere, Gareth. *The Power of Blogs in Europe* (21 November 2006). Ipsos MORI, London, UK.  
[http://www.ipsos-mori.com/polls/2006/blogging\\_shtml](http://www.ipsos-mori.com/polls/2006/blogging_shtml) (10 March 2007)

Credible sources say that there are about 300,000 German blogs and about 10 per cent are really thought as a public platform to talk about relevant public topics. So far blogs in Germany are still most of all read by other bloggers and by journalists. They are not at all perceived as an important source of knowledge or opinion by the general public.

This obviously has an impact on corporate blogs. There are only few examples of very successful corporate blogs and everyone is quoting them all the time (like the Frosta blog). If a corporate communications department today considers a blogging strategy, this still mainly involved blog watching, blog clipping and evaluation / interpretation of other blog posts. One problem certainly is that a German corporate blog will have limited power on an international level – as it will have to be in German to be read in the country, but it will not be read elsewhere because of the language. Any German wanting to be read internationally therefore will have to blog in English – or will have to run two versions of the blog.

Some big brands purposefully don't want to launch their own corporate blogs. This especially goes for very well-established brands who are in danger of spoiling their brand by inviting the public to openly to discuss company matters or even customer wishes. An example is BMW, which runs blogs – but only referring to its sports sponsorships.

Mainly blogs are still perceived as a danger to companies, who might suffer from this barely controllable communication channel. Recent examples of blogs damaging companies and management are Siemens' CEO blog by Klaus Kleinfeld, which in 2006 triggered a country-wide witch hunt on Mr Kleinfeld. Still, the blog only really had this impact when SPIEGEL ONLINE (one of Germany's biggest online news site) reported about the employees' attacks on their CEO.

Interestingly enough there is another group of people, who don't really take blogs seriously – journalists. Most often you hear that they don't like bloggers because they

would not follow the same ethical standards as journalists and also that they don't research their blog entries as well as a "proper journalist". Obviously this all can easily be contended, but the fact remains that many journalists up to today are not convinced of the value of blogs.

Certainly this all is just going to be a question of time. Since January 2007 the new German website ethority.de has been creating a Word of Mouth (WOM) index for 500 brands in 15 industry sectors – and in 4 languages. This certainly will trigger awareness of the importance of these new unofficial online communications. Radio stations are increasingly converting their content into very popular podcasts and the weekly video podcast by Chancellor Angela Merkel is getting more and more traditional coverage – as if she had given an interview. So times are changing. And so will the German way of dealing with blogs.



Italy

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When talking about blogs in general, Italy doesn't have the same advanced culture as some other European countries like France. This reflects in the blogging behavior of corporations: the overwhelming majority of companies don't blog either. Even more striking is the fact that most of the people inside companies don't even know what blogs are.

How is this possible? An important explanation lies in the fact that Italy has always been a bit reluctant to adopt new technologies. No one knows for certain why,

but perhaps our national heritage of leadership in areas such as arts, music and painting is somehow mutually exclusive with being a technology leader.

While Italians still tend to rely on traditional outlets like newspapers for news, Internet usage is on the rise. Increasingly, the Internet is perceived as a valuable source of information and a good alternative for traditional media – especially now that blogs are picking up breaking news faster than traditional media.

2006 heralded a massive shift of power away from the media and analysts towards user-generated content and social media. Online media and blogs are becoming more diffused, gain a larger readership and are perceived as more authoritative than traditional printed media. Especially individual bloggers who write on topics like technology and human interest (gossip, celebrity, movies) are very popular.

Corporate, brand and employee blogs are still rare compared to consumer blogs, but they are gaining territory. Blogs also play an important role in purchasing decisions. When buying a product, Italians prefer to look for personal opinions on blogs rather than checking advertisements. Blogs are perceived as more honest and sincere.

Therefore, Italian companies that haven't already done so should definitely consider a blog. Not only do blogs ensure real-time presence in, and communication with, the market and end users, they also are trusted more by the online population than traditional communications tools.



## The Netherlands

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Like most of their European counterparts, Dutch companies have, up to now, been reluctant to start blogging. Quite unsurprisingly, the professional blogosphere in the Netherlands largely revolves around marketing, media, communication and innovation. Although this sphere is gaining a lot of traction, with over 150 active marcom blogs<sup>1</sup> alone, it's still a far cry from the numbers seen in the UK and the US.

In nearly all other industries, corporate bloggers – if they exist at all – are still isolated. Typically, these are employees that blog on their own initiative, with little or no support from their employers. The lack of interaction and debate makes it hard for them to gain a loyal audience beyond their immediate personal environment, and several have already given up trying.

Most of the popular blogs in the marketing space are not run by large companies but by individual advisors, guru types and, interestingly, traditional media outfits. Several marketing publications have successfully leveraged their offline industry network and reputation to sign up influential third-party bloggers for their online initiatives. These cooperative industry blogs continue to play a key role in the Dutch marketing blogosphere.

Although marketing and PR agencies say they recognize the value of blogging, the overwhelming majority of them have, as of yet, failed to claim a noteworthy share of voice. So while many in the blogosphere have predicted that the growing popularity of blogs will go at the expense of traditional publishing houses, the latter have responded

<sup>11</sup> Derksen, Marco. *Marcom Top 100* (1 March 2007). MarketingFacts. <http://www.marketingfacts.nl/marcom100/> (10 March 2007)

more effectively to this new medium than the business world.

A barrier to the uptake of corporate blogging in the Netherlands is the nation's orientation on Anglo-Saxon economy and culture. For example, American movies and TV shows are extremely popular and are hardly ever translated, as most Dutch have a fairly good command of the English language. The same holds true for the corporate world, where people are heavily influenced by insights and developments from overseas.

As a result, Dutch professionals who consider blogging are often tempted to launch their blog in English and become part of an existing American or UK sphere in their industry. This offers them more possibilities for interaction and a much larger audience than pioneering a local-language blog would. The downside of such an international focus is that these bloggers often steer away from local issues, which in turn causes their local audience to lose interest.

The best corporate blogging opportunities in the Netherlands currently exist in the ICT and professional services space, particularly in niche areas that are underserved by traditional media. Since professionals in these areas are relatively tech-savvy and have a high need for information, quality corporate blogs with a local angle stand a good chance of attracting a sizeable reader base and yielding a good return on investment.

Companies in other markets will find it more difficult to establish a successful business blog, as it will probably take longer for their audience to embrace blogs as a trusted source of news and information. The only exception to this are CEO blogs: because no major (non-media) company has launched a Dutch CEO blog yet, the first CEO to do so will probably attract massive attention.

Aside from missing out on these opportunities, for most Dutch companies there is no immediate need to get involved with blogging. For the time being, they can sit back and watch the future unfold. Marcom companies, however, no longer have that luxury. They will need to get their

blogging strategy sorted out if they have not already done so. Here, at least, the blogging train is running, and it's not going to stop to wait for them.



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## Spain

If we had to describe the current Spanish corporate blog market in one word, it would be 'absent'.

It took most Spanish companies a really long time to adapt their communications strategies to the Internet, developing their websites a few years after the US, UK and northern European countries did so. With blogs, the situation is more or less the same.

This is not a matter of cultural barriers or any country-specific habits, because a lot of Spaniards are developing their own personal blogs. Their number has grown from only 1,800 in March 2003 to approximately 1.5 million now. So blogging as a concept has caught on in Spain.

The delay that Spanish companies experience with regard to the 'Web 2.0' phenomenon is mainly due to a complete lack of knowledge and information. Only a few experts and professionals have access to blogosphere statistics and scientific analysis; most companies only know that blogs will bring them much closer to their consumers than they are used to. Unsure on how to deal with that, Spanish corporations are hesitant to begin blogging and prefer to wait before opening the doors of their 'casa'.

However, a few people – some of them famous decisions makers – have recently launched important initiatives. For example, Carlos Blanco, a Spanish IT guru and the president of the Grupo ItNet, decided last



summer to buy the First Tuesday meetings copyright for Spain and relaunch the forum, well-known at the end of the Nineties. The latest meeting of First Tuesday took place in Barcelona on March 6, where a few analysts tried to explain the benefits of new networks, blogs and Web 2.0.

Barcelona, incidentally, looks like it's trying to become a center for new technology in Spain. During the latest Barcelona 3GSM Congress in February this year, a few companies showcased their corporate blogs. One of them was Vodafone España, whose management team used its blog to expose their opinions about the 3GSM Congress and also to promote new products.

Curiously enough, the few decent non-consumer blogs that are currently active have been developed by or for public entities. Examples include the Regional Government of Navarra that used a blog to promote its IT cluster, and the Zaragoza City Council that promoted the 2008 Universal Expo.

However, among the top corporate bloggers in Spain it's hard to find any large corporate company. Most of them are in fact marketing agencies or companies dedicated to Web 2.0.

But with local offices of international companies leading the way, it won't probably take very long for Spanish companies to emulate the international ones.

## Sweden

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Swedes seem to be quite skeptical towards corporate blogging, since there are still only a small amount of corporate blogs with high circulation and extensive reader commitment. The reason is most likely that corporate blogs are thought of as a hidden kind of

advertising, while they also lack the entertainment factor that entices people to read private blogs.

Private blogs, on the other hand, are a kind of casual entertainment that people choose to spend their spare time on, the same way that they choose to read books or magazines – to satisfy their hunger for entertainment and information based on personal interest. One category of private bloggers that has found great success in Sweden are the fashion bloggers. For instance, when the most popular fashion bloggers write about a garment, this immediately disappears from the shelves.

In Sweden there is a site called *Bloggtoppen* that categorizes blogs using their different topics and profiles, rates them after their popularity and keeps track on all the associated blog's statistics. This way, visitors can search for new blogs to read and can also easily see which blogs are the most popular. With help of this tool it's easy to distinguish that thriving corporate blogs (more than 10,000 unique readers per week) are still remarkably few and that most corporate blogs have few readers and a low number (if any) comments.

The leading corporate blogs are those of innovator feber.se, Sweden's largest blog network that operates fifteen daily updated blogs in the areas of technology, lifestyle and entertainment. Feber's blogs are followed by corporate blogs written by people within the PR and media industry. All other corporate blogs have less unique readers per week than 5,000.

For Swedish corporate bloggers who want to increase their readership, my first piece of advice would be to try and write in a way that's interesting for the visitors, instead of treating the blog as just another advertising tool. The second is to work hard on the credibility of the blog. As long as they don't do that, attracting new visitors will remain a struggle.

## UK

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It might be the reluctance for the British to reveal too much, a symptom of our aloofness, the fact that we don't see the value in it, or a combination of all of the above – but corporate blogging in Britain isn't as advanced as you might expect.

US companies seem to be embracing the phenomenon as a great excuse to extend the marketing reach into the blogosphere's unique 'two-way broadcasting' approach. While the UK is expected to follow the US in many of its business and marketing techniques, it is only those companies that are particularly progressive, keen to tap into the youth market or sufficiently 'out there' that are fully exploiting the opportunities presented by the blogosphere.

One example of these is Innocent Drinks – a beverage manufacturer that prides itself in being approachable, socially responsible and health conscious. Two-way conversations with its customer base (mainly young, cash-rich and time-poor professionals) are made possible by its blog, which sits behind the 'news' button on its homepage.

Unlike the usually stagnant news page on a normal corporate website, the blog format ensures the page is constantly updated with customer comments, tips, recipes and images – often more than two or three times every day. What Innocent has created, along with its annual Fruitstock music festivals and dedication to pushing the boundaries of marketing – is a huge movement of brand-loyal supporters that don't just consume the product but feel part of a wider community.

Another great proponent of the power of corporate blogging in the UK is the charitable sector – with Greenpeace, Oxfam and Amnesty International's blogs leading the charge. These, and many more, are using the community-building power and transparency of communications inherent in the medium to send a powerful message to both their target market and the UK government.

One other key – and some might say surprising – group of companies that have embraced blogging is the media. National newspapers (such as the Guardian's 'Comment is Free' site), television channels (see the BBC's blogs page), and monthly glossy magazines (a good example of a blog-driven site is Stuff's recently-relaunched online alternative, Stuff.tv) have all leapt on the newest content delivery channel to streamline the way they deliver news and engage with their audience.

The mass adoption of blogging by the traditional media outlets could be seen by some as a panic to fight for mindshare over the 'bedroom blogger' who, empowered by how easy it is to publish anything, any time to anywhere, threatens their hold over the nation's consciousness. For the publishers – and this is directly from a conversation I had with a senior industry figure in national newspaper publishing – it's a way to ensure that people, not editors, shape the news agendas.

But what of the large corporate enterprises? Can't they see that the blogosphere is a great way to engage with customers on a more personal level? So far, in the UK at least, it seems they can't. In fact, just two of the FTSE Top 100 companies have a corporate blog. While personal blogging continues to grow at a startling rate – with sites such as MySpace, Facebook and LiveJournal continuing to draw more and more people into starting an online 'perzine' – it seems that, aside from a few early adopters, the blogosphere is set to stay largely non-corporate.

## USA

Our US survey sample included 50 companies. Of these, seven were found to have true corporate blogs, which comes down to 14% of the total.

## USA

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In the US, corporate blogs have emerged as a viable means by which to engage audiences in a two-way dialog. Their popularity has been driven by their ability to provide not only greater visibility and an opportunity to demonstrate thought leadership, but also a means by which to interact with an audience that bypasses the 'filter' of the media.

As many of the blogging software companies started in the US and thus so has much of the blogging evangelism, it comes as no surprise that corporate blogging in America is further down the line on the same growth curve that other countries will eventually experience. What helps is that Americans believe strongly in the relevance of the opinion of the individual, and can more easily relate to ideas if they come from a recognizable figure. This provides a strong driving force for CEO and expert blogs in particular.

The technology sector was among the early-adopting industries, probably because of greater familiarity with web-enabled tools and a pre-existing wide use of the Internet for research. This was followed soon after by the retail and CPG industries, because of blogs' abilities to reach the critical 18-30 demographic. Now, we're seeing blogs from a variety of industries, from automotive to non-profit to energy.

HP is an example of a company that is increasingly implementing externally-facing corporate blogs, with dozens of options available, some written by top-ranking executives, others by subject matter experts. A-List CEO bloggers include Bob Lutz of General Motors, Bill Marriott of Marriott International, and even McDonald's Bob Langert has a blog – incidentally, not on french fries, but on corporate social responsibility.

The main barrier to further uptake of blogging is that often, those with the most relevant opinions at companies are simply too busy to share them. This is arguably even more common among growing companies in the mid-market, which comprise the majority of the potential future adopters in the US. It is also possible that, in the future, regulators may more closely examine the content produced by corporate bloggers. If this occurs, many companies may simply choose to discontinue the practice rather than put measures in place to mitigate the risk.

In the future, we will likely see companies making greater numbers of significant announcements using their blogs as the first outreach mechanism, both for sneak previews and buzz building as well as for actual official announcements. Meanwhile, employees at all levels will be joining the ranks of the current corporate bloggers.

In addition, the use of video and audio in the form of podcasts and other linked media will become increasingly pervasive. There will be increased use of blog reader polls and surveys, and the information gathered will be shared publicly more often. Companies will also focus more on measurement of the return on time investment that these blogs bring.

Busy corporate blogs will engage their readers in a complex ongoing dialog, evidenced by multiple threads of reader postings and high participation in blog-hosted polls and surveys. In the end, it is these corporate blogs that are most effective. They not only give companies and executives the platform for their key messages, but they also provide the deepest and most relevant customer and community feedback.



## About LEWIS

LEWIS specializes in global media relations, including financial, personal and corporate PR. It is headquartered in London with 20 wholly-owned subsidiaries in Europe, Asia Pacific and North America. The company has one of the fastest growth rates in its sector. LEWIS has a turnover currently of more than £12 million and employs over 200 staff.

### Methodology

The market analysis is based on 300 mid-sized and large companies in Europe, North-America and Asia-Pacific, and partly on qualitative interviews with LEWIS experts in various markets around the world.

Roughly half of the companies involved in the research are clients and relations of LEWIS. The other half have been randomly selected from national stock exchanges. 60% of the total is active in ICT, telecoms or high-tech equipment; the remainder operates in a variety of industries.

The results of the qualitative survey should be interpreted as indicative only.

The Four-Step Guide to Blogging is based on contemporary theory in the academic world and the blogosphere, as well as insights from LEWIS experts.

### Disclaimer

The information contained in this document represents the current views of LEWIS Global Public Relations. Because LEWIS must respond to changing market conditions, these views are subject to change without notice. The document is intended for informational purposes only and should not be interpreted as a commitment on the part of LEWIS. LEWIS makes no warranties, express, implied or statutory, that the information or the opinions in this document are accurate, complete or up-to-date.

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