Blogging: A New Play in Your Marketing Game Plan

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1. Question

The Chief Executive Officer (CEO) of Emarketer echoes this sentiment by noting that, [Now that] customers are armed with iPods, TiVo machines, Blackberries, search engines, broadband connections, spam filters, and a variety of other digital technologies, they have gained unprecedented control over the media and content to which they are exposed. As a result, marketers are facing an increasingly complex web of challenges, including media fragmentation, excessive commercial clutter and a growing resistance among customers towards marketing messages of all kinds.

(Ramsey, 2006)

This sentiment is also shared in a Yankelovich Partners study (Business Wire, 2005) which found that almost 60% of U.S. customers find marketing to be irrelevant for them personally. Perhaps even more importantly, almost 70% are interested in products and services that would help block marketing attempts. Somewhat ironically, the same study also found that customers respond more favorably to marketing when they have control over what they see, when they see it, whether it can be personalized to fit their needs, and when they can be active participants in the marketing process. Essentially, people may not be averse to marketing messages when they can control their delivery and format, and when the messages are personally meaningful to them.

Businesses must answer several questions: Are ways to reach the target audience in a more effective and time sensitive manner using new kinds of media? Is there a medium that provides more than a simple message directed at customers, but which instead sends a message that engages them and creates an interactive experience that is longer lasting for both the firm and the customer? Finally, in addition to addressing the needs of the customer, is there a vehicle that can also deliver results to the marketer in the form of better market intelligence, and enhanced profits and loyalty?
The term Web 2.0 is attributed to Tim O’Reilly and Dale Dougherty (O’Reilly, 2005). O’Reilly, the founder and CEO of O’Reilly Media, writes extensively about Web 2.0 and its applications, and sponsors an annual conference to explore it. **Web 2.0 has been described by O’Reilly as a “set of principles and practices” that include looking at the web as a “platform,” and aims at “harnessing collective intelligence” (O’Reilly, 2005).** While elaborating on the differences between Web 1.0 and Web 2.0, O’Reilly compares Britannica Online and Double-Click, which are Web 1.0 tools, with Web 2.0 tools like Wikipedia and Google AdSense. He notes that Britannica Online and DoubleClick, while they were pioneers in web services, were driven by a company-centric model that did not foster customer participation. **Web 2.0 tools, however, have changed the focus from the company to the customer. Broadly, Web 2.0 differs from Web 1.0 in that it is customer-centric, user-generated, interactive and dynamic, fosters community participation, and builds on collective community intelligence.** Blogs are one of the leading tools in the next generation of the Internet tools in Web 2.0. Specifically, social computing, interactivity, and customer participation are central to Web 2.0; other Web 2.0 tools include podcasts, vodcasts, social networks (LinkedIn), search engines (Google), and VOIP (Skype).

In essence, it is clear that recent advances in technology have helped migrate the relationship between the firm and the customer where the customer occupies a central role, and technology contributes to brand building by creating and sustaining a long-term relationship with the customer who has become an active participant in the process. Studies report that many of these new marketing tools, such as blogs, e-mail marketing, and search marketing, will occupy a significant percentage of marketers’ efforts and budgets in the coming years.
2. Observation (2) – Blogging for relevance

As noted earlier in this paper, marketing has evolved from marketing a product or service to marketing a feeling, and having the customer experience the product or brand in such a way that the customer remains engaged with that experience.

While the idea of creating a loyal customer is not new to marketing, the tools have certainly changed. In fact, the proliferation of new media has proven to be a double-edged sword for marketers. It has provided marketers with the tools to better target their most lucrative customers, while at the same time it has made customers increasingly powerful by providing them with tools that help them take control of how they are targeted. For example, customers can control and often completely skip advertising and other promotional tactics directed at them through traditional channels such as network TV. However, the same technology has also created opportunities for a different kind of communication between the marketer and the customer.

It is important to note that since corporate blogs are often directed at individuals, a discussion of corporate blogs requires an understanding of customers’ relationships with blogs and their reaction to them. Companies such as General Motors, IBM, Sun Microsystems, Microsoft, GE, Home Depot, Guinness, Honda, and Southwest Airlines, to name just a few, are embracing this medium as a communication platform with individual customers and other stakeholders. Before one can understand how blogs work, however, it is important to review how this medium has evolved.
(1) How blogs began

The early applications of blogging were primarily in the business realm. They were originally used in the late 1990s as web-based project management tools for technology-based organizations.

Companies such as Pyra Labs and Userland were some of the earliest entrants in the blogging space. Pyra Labs launched Blogger in 1999, which was acquired by Google in 2003. What made early blogging particularly attractive was that users did not need a technical background to engage in blogging. In fact, they did not need to know HTML or even own a computer to blog; they simply needed to have access to a computer. In addition, because many blogging tools were server-based, users did not have to install anything on their computers. This ease of creation and use contributed to the growth in blogs by individuals. The acquisition of Blogger by Google added further legitimacy to the practice and to the business model itself (Stone, 2004).
2. Observation (2) – Blogging for relevance

(2) Why blogs are important

The blogosphere, which is the term for the collection of all blogs on the Internet, is made up of more than 60 million individual blogs, and the number is growing daily (Murphy, 2006). There are approximately 50,000-70,000 blogs launched every day, with 29,100 updates every hour (Martin, 2005). Approximately 90% are U.S.-based (Martin, 2005), although blogs are also gaining momentum in the UK, across Europe, and in Asia, particularly in China despite recent attempts to regulate content.

There are six ways in which blogging can provide a means to cultivate communities that are critical to a firm’s success.

First, firms that use blogs are finding that it provides them a new way to stay relevant to their customers.

Second, since differentiation is one of the key drivers to companies’ interest in blogs, marketers can use blogs to address the challenges arising from changing media dynamics.

Third, blogs provide a way to bridge the generational gap. Younger customers who are technology savvy are often skeptical of marketers’ overt attempts to sell to them. However, 71% of 16-34 year olds in the U.S. have participated in a blogging activity, and they are three times more likely than people 35-49 to manage or write their own blog. These blogs can provide marketers with an unadulterated look at the likes and dislikes of Gen-Next customers.

Fourth, blogs are used by thought leaders to share their expertise and experiences with interested people.

Fifth, blogs are global by nature. Publishing a blog provides a global platform for firms to reach a world audience.

Finally, because blogs provide an opportunity for ordinary people to voice their opinions, they enable firms to see their organizations from the viewpoint of the customer.
(3) Blogs and their marketing potential

Some are geared towards gaining marketing intelligence, while others provide an on-going dialog between the customer and the marketer.

① Blogs as marketing communication tools
Blogs offer firms the ability to connect with customers in a unique and personalized manner where everything from brand promotions to new product ideas can be effectively communicated.

② Passive or limited applications
Limited use companies recognize the value of word-of-mouth and customer feedback, and use this knowledge to stay relevant to the customer. These companies may utilize various sources, including blogs, replies to blog entries, customer review sites, and message boards to gain customer insight.

③ Tactical applications
Most tactical use companies have corporate-sponsored blogs but, unlike user-generated blogs, these are used to increase awareness of their brand or to drive traffic for specific promotional events.

④ Strategic applications
These companies use blogs for internal communication, external communication and feedback, to conduct market research, initiate customer communication, gather competitive intelligence, generate new product ideas, and supplement promotional efforts.

Strategic-use companies recognize that insights gained through these tools provide valuable information on customers, markets, competition, and trends. These companies value the ability of blogs to allow them to share information with the customer, garner feedback and respond to customer concerns, gain competitive intelligence, and drive product development. All these exercises are geared toward building brand loyalty and customer connectedness.
3. Proposition – Making blogs work for you

(1) Real information and valuable market research
   Furthermore, a well-designed blog also gives the company insight into the customer and his or her thinking. More importantly, since many blogs are anonymous and the postings are almost always unsolicited, the information that most people provide is candid and uncensored. This unfiltered look at the customer is perhaps the biggest advantage for the marketer. In addition, the interactive nature of blogs allows a company to participate in its own market research, and to respond to feedback provided by the customers.

(2) Brand loyalty
   Blogs can play a significant role in engaging the customer through on-going communications, which in turn can help support brand loyalty. Because blogs tend to be time-sensitive and driven by customer-defined interactions, the message involves the customer, and is relevant to the customer. Customers use blogs to reflect their brand experience, both bad and good. Firms can empower customers by enabling them to have a role in the product or brand. This in turn can help build loyalty by providing them with a feeling of ownership in the brand.

(3) Targeting
   Corporate blogs are ideal for targeting, as the customer has already been segmented and, in some cases, has already expressed an interest in the product. As a result, many marketers currently target customers and users via blogs to fine tune their product or communication message.

(4) Relative ease and efficiency
   Blogs provide a relatively easy portal, whether for the dissemination of information or receiving feedback. Many software and related product companies now facilitate the process for the startup, and provide extensive monitoring of blogs and blog content.
   As companies become more sophisticated in the use of blogs, and better understand what is required for the on-going management of the blog sites, the cost of participation, data filtering, and analysis of content will become more reasonable.
4. Outcome

The universe of blogs: Ensuring your firm has a presence

In order to realize the full potential of blogs, firms must first identify the specific objectives for which its blogs are being created. It is also advisable to establish a performance matrix for each objective to evaluate whether or not blogs are achieving their intended effects. For example, the objectives of enterprise blogging are very different from those of blogging for media relations. While each has its place, it is important to understand that the expected outcomes for enterprise blogging are quite different than those for media relations.

(1) Enterprise blogging
(2) Blogging and relationship building
(3) Dynamic market research and competitive intelligence
(4) Potential for targeting