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Weblogs as a mean of Marketing Communication

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1 Introduction

In the late nineties the significance of the internet for the business world still was not quite clear. There were plenty of web-based companies and even more innovative, staggering ideas that kept people guessing about the future. A lot of venture capital was spent but very few companies were profitable. The situation has not changed since.

All this does not mean that the internet is not important for doing business successfully. Just because you cannot sell products or services through the internet, this does not mean that the internet does not play a crucial part in the decision and purchasing process. This is where marketing communication on the internet comes into play.

Frosch-Wilke and Raith (2002: 4) illustrate that the internet provides a high degree of interaction potential between the company and the customer. The technological possibilities, the low transaction costs, the continuous availability and the steadily rising rate of internet users present unrivalled opportunities for corporate marketing that reach far higher than the classical direct marketing approach.

Today's marketing experts – Werner (2003: 5) is one of them – agree that all classical marketing communication activities, like media advertising, direct marketing, sponsoring, etc., can be led through in the internet with an equal effect or even better.

Recently, a new kind of communication tool has got more and more attention by experts of marketing communication. So called weblogs have caused a sufficient amount of discussions in the media and related press that it is worth taking a closer look at this phenomenon.

This paper will try to define what a weblog is or can be, discuss its history, give example of where and how it is already used and provide some additional suggestions why weblogs are relevant in business and especially in marketing communication.

2 Weblogs

Although they have existed for some years already, it is still not quite clear to most people what a weblog exactly is. Furthermore, the broad possibilities of use do not facilitate a short and precise explanation. Thus, the majority of articles written about this topic begin with a general, short description. This chapter will not only try to give an accurate definition but also outline the history and the fields of use of weblogs.

2.1 Definition and Characteristics

What is a weblog? Most people who try to explain it use the term “online diary” which is only half of the truth as online diaries are just the most common form of weblogs being used. As Jim Herman (2003: 20; emphasis added) puts it in a more general manner, blogs (short form for weblogs) are a form of *lightweight publishing*, primarily of written content and refer very often to other websites on the internet. With the help of particular software solutions the need for programming knowledge becomes obsolete and helps people to publish whatever they want within some seconds. Jim Carroll (2002: n.pag.), one of the leading marketing professionals in this field, sees it in a similar way and calls them “online journals, most of them maintained by individuals”.

In order to provide a less subjective point of view, it is considerable to have a look at the most frequent characteristics which qualify a website as a weblog (Toyfl 2003: 14):

1. individual maintenance
2. regular updates
3. the particular postings contain selected hyperlinks to sources outside the weblog
4. the postings appear in reverse chronological order
5. archive function with permalinks

According to Ryan Irelan (2003) a permalink is

“a permanent marker or reference point to a certain document on the world wide web. Most commonly used for weblogs, news sites and newspapers. A permalink is denoted through the use of a symbol (pound sign, arrow, dot), date of content creation, the word permalink or image”.

Another recurrent function in weblogs is the so called blogroll (in the toolbar): a compilation of other weblogs that the author is reading on a regular basis.

2.2 History

Herman (2003: 20) indicates that the first weblogs were started around 1997 by HTML experts who were able to create sites of their own. The weblogs then, were very link-intensive websites and commented mostly what was happening in the Internet.

In 1999, Pitas¹ and Pyra² released the first weblog-tools that enabled people to start and write their own weblogs even if they did not have any knowledge of HTML at all. Soon, other services, such as Radio Userland, Manila or Live Journal, were followed and as a result the blogosphere, as the world of weblogs is often called, was destined to rise from that moment. The number of blogs that actually exist varies a lot, but in the meanwhile it is sure that there are a few million bloggers worldwide. Przepiorka (2003: 4-5) mentions that Blogger.com (by Pyra) alone has about 500,000 registered users, which makes them the biggest weblog provider so far.

In Austria, Vienna-based Knallgrau New Media Solutions³ has founded *www.twoday.net*, which already has attracted a few thousand users who have started their own personal weblog. The majority of them come from German-speaking countries.

¹ Pitas, <http://www.pitas.com>

² Pyra, <http://www.blogger.com>

³ Knallgrau, <http://www.knallgrau.at>

Among the most important drivers to popularity in the history of weblogs are the events of September 11 in 2001 and the Iraq war in 2003. As traditional media could not handle the request for information anymore, either because of insufficient infrastructure or oppression of the press through the state⁴, people searched for alternative media channels, such as weblogs, to be up to date about what was happening. Weblogs who treat war topics are also often called “warblogs”.

As Toyfl (2003: 11) points out, there is a significant development of professional and semi-professional users who have realized the potential of publishing through weblogs on the internet, despite the fact that most of the bloggers publish only personal content.

2.3 Fields of use

- a) Personal use: As already mentioned, the most common way to use a weblog is to use it for personal purposes, for instance as an online diary. It is noteworthy that the authors mix professional and personal content quite often.
- b) Link-collection: Collecting links and commenting on them was the original intention of weblogs, but is not the most popular form of them anymore. These sites are often dedicated to one single topic.
- c) Journalism: Whether professional or semi-professional, weblogs are a popular medium for journalists as a second way to distribute their opinion. One of the most popular and renowned bloggers among them is Andrew Sullivan⁵.
- d) Political weblogs: A lot of politicians already have realized the power of weblogs and are using them to get closer to their voters. Weblogs played a crucial role in the 2004 presidential campaign in the United States. This topic is dealt with in section 4.1.

⁴ mostly the United States, but also all the other states which were involved in the war

⁵ Andrew Sullivan, <http://www.andrewsullivan.com>. Accessed on 30 April 2004

- e) Weblogs in business: Recently, weblogs seem also have gained importance in helping corporations in several kinds of ways. The next section will give some examples of these possibilities, although only in short as the focus of the paper should be on chapter 4 Marketing Communication.

3 Weblogs in a business context

As a side effect of the crash of the New Economy in the end of the nineties people got very suspicious about everything that is said to be innovative or revolutionary. As for weblogs, they may not cause any revolution in the way of doing business, but surely could serve as an innovative tool for companies, helping them to do some things more effectively or just different. Moreover, they are a very inexpensive instrument, so that experimenting with it is worth the risk.

Currently, weblogs are acknowledged as one of the major trends on the Internet and some pioneers are working on ways of integrating them successfully into their businesses. They can be internally and externally useful.

3.1 Content Management

This point will not be discussed in detail as weblogs are appropriate to be used as content management systems through their very own characteristics. This is suitable especially for smaller companies. Roell (2003: 2) agrees on this point.

3.2 K-Log

K-Log is the short form for Knowledge-Log. They are an instrument for informal knowledge management. Roell (2003: 3) states that they push knowledge transfer and the building of communities of interest. A knowledge log can be very useful to add transparency to a company's inside life.

Many experts of all kinds of sectors are already taking advantage of this tool. Most notably Harvard⁶ and Stanford⁷ have adapted some kind of K-Logs for their purposes, but also the E&I Institute of the WU⁸ is experimenting with this method.

3.3 Project Management

Using a weblog assisting the process of project management can be very helpful. It is not only an efficient documentation tool, but also supports to reduce entry barriers for new project members.

Anil Dash from Six Apart, one of the leading software vendors, says:

"You can do things like start one weblog for each project and have it run its course. As the project continues along, everybody can do status updates and be able to link to every other relevant resource, whether it's on the Web or in a Word document or in a proprietary company database. So for internal use, you have a lot of flexibility, and it respects the firewalls and the other boundaries you've already put in place" (Rosencrance 2004: 23).

Naturally, there are some prerequisites necessary for assuring the usefulness of such a project-weblog. A certain corporate culture and staff open-minded towards new digital media, for example, would be very important.

3.4 PR-Log

It was only a matter of time before companies realized that they could use weblogs for external communication with their customer and clients. Like everything, this tool has advantages and disadvantages. Chapter 4 will discuss them in detail and will also provide a broad list of examples of companies which have already adapted weblogs for their marketing communication.

⁶ Harvard Blog: <http://blogs.law.harvard.edu>. Accessed on 30 April 2004

⁷ Stanford Blog: <http://www.stanford.edu/dept/itss/projects/blog>. Accessed on 30 April 2004

⁸ Vienna University of Economics and Business Administration

4 Weblogs as a mean of Marketing Communication

4.1 Political Weblogs

Either as a company or as a candidate for the presidency of the United States, weblogs are a magnificent tool to communicate with a lot of people on the same wave length, getting in touch with public opinion or even raising money over the Internet.

As a article by Cone (2003: 32) explains, Howard Dean was the first person to use the Internet for his presidential campaign and even if he does not run for the Democrats, he has shown how helpful weblogs can be for marketing reasons. In addition to this, he managed to raise a record 7.4 million US Dollars in online donations and whereas his blogging played a significant role in achieving this sum.

The biggest advantage of all is the cost factor. Compared with millions of Dollars spent on TV ads, setting up a weblog costs a fraction of this amount. Taking the risk of giving up a fair share of marketing control, the strategy nevertheless has proved successful. Lots of information about Dean can be found, actions and discussions of him are reviewed, comments can be written and it is even possible to start an own weblog. "Blog for America", the weblogs' name, has become the meeting point for volunteer workers, journalists and potential voters at once.

The main purpose of the weblog, though, is not to get votes but to get people to spread the word and to build up reputation. Furthermore, the weblog is another kind of way of bringing politicians closer to the people.

Also other politicians are using the advantages of weblogs for their purpose. In Austria for example, Benita Ferrero-Waldner⁹ used one for her presidential campaign and also other politicians, such as Marie Ringler¹⁰ and Peter Pilz¹¹ are blogging for reasons such as self-marketing and direct communication with the people.

⁹ Benita Ferrero-Waldner, <http://www.benita-ferrero-waldner.at>. Accessed on 30 April 2004.

¹⁰ Marie Ringler, <http://marieringler.twoday.net>. Accessed on 30 April 2004.

¹¹ Peter Pilz, <http://www.peterpilz.at>. Accessed on 30 April 2004.

4.2 Customer Relationship / Communication tool

It was only a question of time before companies were starting to look for how to turn weblogs into appropriate marketing machines. Already some success stories are reported and as a result, those who were among the first to try received a fair share of media-echo as an extra bonus.

One of the more famous marketing weblogs is the Raging Cow's Blog of Dr.Pepper/Seven Up Inc., which was started in the spring of 2003. With the intention of introducing a new milk-based drink, the company not only marketed through traditional media but also included a weblog in its campaign, written in the voice of the cow. After two weeks and a half, the blog had been visited by 20,800 registered users in one day. Obviously, the project created enough buzz to satisfy the responsible people at Dr.Pepper/Seven Up, but also made it possible to communicate directly with consumers and build up trust (Arnold 2004: 1).

Nonetheless, this approach had its dark sides as well, as Gallagher (2003: 32) points out. The blogging community is well known for its suspicious attitude towards bogus and manipulation (as its political commitment shows). Thus, the marketing campaign of Dr. Pepper/Seven Up was regarded as too misleading. One of the reasons was also that teenagers were hired to push the product on their personal blogs. One of the protesters even tried to boycott the Raging Cow drink.

Another company trying out new marketing methods was Macromedia, a software developer. Carroll (2002: n.pag.) explains that selected employees were chosen to start weblogs, each dedicated to a different product. The authors write about news, updates, bugs and related sites, thus giving the customers a personal link to the company and the product. Doc Searls, a well-known blogger and former public relations executive, points out that

"Weblogs give companies a way to relate to customers and other members of the marketplace in a truly human way that may be more authoritative than anything public relations organs can produce. They also give companies a living presence on the Web, rather than just a brochure or a replica in pixels of a headquarters lobby" (Karpinski 2003: 1).

So far, it seems that they have been rewarded for their efforts. Tom Hale, one of Macromedia's senior developers, states that they have achieved a lot with very little marketing. Marketing campaigns can be very expensive and there is always the danger that the message is not received properly. Weblogs on the other hand are exceptionally inexpensive and assure that there is no misunderstanding. Mostly, communication takes place with opinion-leaders which creates some kind of snowball-effect.

In an article in *Fast Company*, Jena McGregor (2004: 84) talks exactly about this lead user effect. She writes that companies which earlier used to ignore weblogs are now monitoring them in order to find out what is going to be hip in the real world soon. In addition they even contract bloggers to attract attention in the blogosphere. Books are sent to bloggers for reviews and Nokia even sent free cell phones for being checked out. However, the negative experiences from Dr. Pepper/ Seven Up show that these strategies do not always work.

What nearly everyone agrees to is that weblogs are a wonderful way to get closer to the customer, build relationships and trust between companies and their consumers. Ross Sleight (2003: 19) describes in an article how a friend of his has successfully promoted his own book through a weblog and got in touch with a lot of potential readers. He also mentions that even non-profit organizations, such as Greenpeace¹², already are embracing weblogs to develop closer relationships with their supporters.

Before a company decides to work with and communicate through weblogs, there are certainly some things to keep in mind. First of all, the blog has to stay personal and has to be updated regularly; otherwise readers will lose interest. Further complications, as McGregor (2004: 84) points out, are the informality of weblogs. Companies have to

¹² Greenpeace, <http://weblog.greenpeace.org>. Accessed on 30 April 2004

give up a lot of (marketing) control when deciding to let staff members speak in the name of the corporation. Rough guidelines and/or declaring the weblog as private and non-official might be some protective measures but do not eliminate the risk entirely.

Gary Stein, marketing and advertising analyst at Jupiter Research, in San Francisco gives some further advice to companies which are planning to use weblogs as a marketing tool. He recommends: "Pick the most colourful individual within the company to build a weblog", warns that "Weblogs must remain personal or they lose their integrity" and finally says "Don't sell anything via weblogs, and don't charge users to use them" (Gilbert 2003: 16).

5 Conclusion

The main concern of this paper has been to show that weblogs are a phenomenon to be taken seriously. The mistrust towards innovations on the Internet finally has to be thrown over board, which does not mean that mistakes should be repeated.

Weblogs may not be a revolutionizing management or marketing tool, but when implemented properly they can be a big help for businesses, regardless of what size. It is crucial to examine beforehand whether the circumstances for a successful adaptation are given or not and to evaluate if the risks associated with communication through weblogs are reasonable. Taking the attitude of the blogger community into account, seeing weblogs as a pure one-sided marketing channel is pretty unwise. Rather, it is advisable to use them to facilitate relationship-building and cooperation with the customer. In this manner, companies have the opportunity to move themselves into a "win-win situation": On the one hand they get valuable information from lead-users and on the other hand they build reputation and trust among their customers.

As a relatively new trend, weblogs still have to prove their efficiency in a lot of success stories before becoming established. Nevertheless or maybe especially because of this, they provide a good opportunity for modern and young companies to

achieve a head start against more conventional companies which are not that fast in adapting new management and marketing tools.

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