

DIGITAL REPORT

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BLOGS FASCINATE, FRIGHTEEN MARKETERS EAGER TO TAP LOYALISTS

OUT OF CONTROL: Content may be out of advertisers’ hands, but they’re still embracing high-traffic ‘conversational media’

By KATE FITZGERALD

WARNING TO MARKETERS seeking to explore the blogosphere: The world of blogs is still evolving, along with how advertisers can stake out a place in it.

If they’re even called blogs. Already the term “conversational media” is replacing blog in many discussions about feedback-based online media, even as advertisers seek efficient ways to manage blog environments.

“We definitely need a new way to define the kind of professional, high-quality blogs that have real value to consumers and advertisers,” says John Battelle, chairman of Federated Media Publishing, which packages high-profile, independent blogs for media-buying agencies on behalf of brands including Nike, Nissan and Absolut.

Federated now has more than 100 independent blogs divided among 10 interest group “federations” that can be served up to advertisers in various forms. The company plans to go to more than 200 this year; Digg and Boing Boing are two of its most popular.

Mr. Battelle’s complaint about blog definitions underscores the blurring of the line between independent blogs written by popular authors and the rapidly expanding mass of blog-like content created by marketers and millions of individuals. It’s a large world. Blog measurement and search site Technorati now tracks more than 66 million blogs.

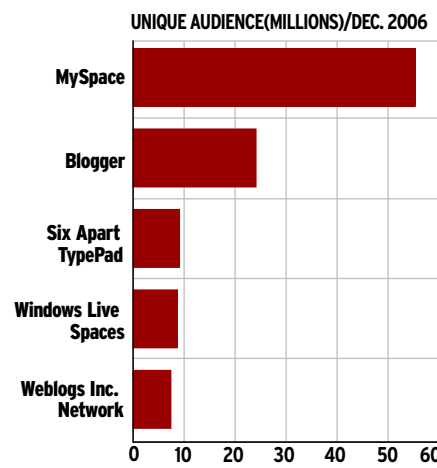
Media buyers readily agree that marketer-created blogs have become valuable in gathering consumer opinion to help shape products, brands and advertising (see sidebar at right). Many marketers hesitate to advertise on blogs they don’t own because of their lack of control over the content, says Art Sindlinger, VP-activation director at Publicis Groupe’s Starcom USA, Chicago.

“What happens in blogs can be unpredictable, and a marketer has to be prepared to stick with it no matter what happens,” he says. “Marketer participation in blogs requires total immediacy and a willingness to let go of control. Many aren’t prepared for it.”

Despite these growing pains and the awkwardness of evolving definitions, it’s undeniable that blogs with consistently high traffic are attracting ads. The much-maligned, old-

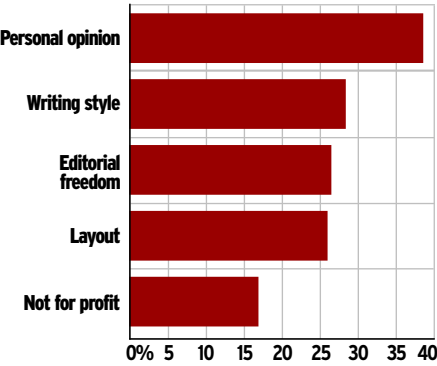
TOP 5 BLOGS

As ranked by the Nielsen/NetRatings



WHAT MAKES A BLOG

Some of the attributes that blog readers say make a blog work



Source: Based on 10 surveys using the research network of Vizu Answers (vizuanswers.com). To see more results from these blog-themed surveys, go to http://answers.vizu.com/pdf/Blog_Readership_Report_March_07.pdf.

media newspaper industry, ironically, seems to be a hotbed of ad-supported blogging. Nielsen/NetRatings reports that traffic to newspaper blog sites rose 210% in 2006.

The New York Times is rolling out about one new blog each week, says Vivian Schiller, general manager of the newspaper’s website. Derived from the Times’ best-known columns and writers, its most popular blogs include “DealBook” and David Carr’s “The Carpetbagger.” Times blogs have drawn advertising from mar-

keters including Paramount Pictures, Skyy vodka, Deutsche Bank and Intel Corp.

“We expect to see significant growth in blog advertising this year,” says Denise Warren, The New York Times Media Group senior VP-chief advertising officer.

CNN last month sold its first blog ad package; travel site Orbitz bought a sponsorship through the first three quarters on Anderson Cooper’s blog. The deal includes Mr. Cooper’s CNN.com web page and blog, and Orbitz gets some on-air promotion on the cable network, says Greg D’Alba, CNN’s chief operating officer-ad sales and marketing. Mr. D’Alba expects to sign more blog ad deals this year.

General Motors Corp. has become an active blog advertiser, especially on auto-enthusiast sites such as Edmunds’ “Inside Line” and through broader ad buys on blogs via Google AdSense, says Mike Devereux, GM’s general director-corporate digital marketing and customer-relationship management.

“I wouldn’t call our blog spending huge, but it’s going to grow significantly this year,” Mr. Devereux says, though he declines to specify spending. GM Planworks, Detroit, handles blog advertising and planning.

Blog specialists may emerge to provide assistance. Ogilvy North America recently announced plans to use Technorati’s Conversational Marketing System to help clients develop their own blogs and other user-generated media.

“Blogs reach consumers who are intensely engaged in specific subjects like cars or sports or politics, and this can be a powerful environment for advertising,” says Davis Brewer, manager-digital technologies at Publicis’ StarLink, Chicago. “I think it’s more important to reach the audience than to be too queasy about losing control.”

But the effort required to seek appropriate blog environments and monitor the results may not be worth it for many marketers.

Randall Rothenberg, chairman-CEO of the Interactive Advertising Bureau and an Advertising Age columnist, cautions that it’s too soon to gauge blogs’ relevance as a stand-alone ad medium. “Someday we may see the Vanity Fair of blogs, and it will attract that type of advertising. But right now, that model has not yet evolved.”

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GM, Suzuki use medium to connect with car junkies



‘FASTLANE’: GM blog

CAR LOVERS, seemingly as passionate about their vehicles as they are about their human significant others, are filling the blogosphere with material on everything from alternative fuels to vintage racers.

And often it’s the automakers that are providing enthusiasts with their digital soapboxes.

Suzuki has offered a series of temporary blogs, soliciting consumer feedback on everything from its products to advertising. Currently running at suzukifilms.com is a company-created movie spotlighting Suzuki vehicles and the carmaker’s attitude about its products.

The marketer has become so enamored of the two-way medium that Suzuki’s core website is being redesigned to be more blog-like, incorporating better feedback technology, says David Harris, e-business and customer-relations marketing manager for American Suzuki Motor Corp.

General Motors Corp.’s “FastLane” blog, penned by top GM executives including Vice Chairman Bob Lutz, includes both negative and positive comments from readers. Although GM reviews reader feedback for relevance and appropriateness, the company says it’s open to all shades of feedback.

“If there is a big gap between GM’s excellence and people’s perception of it, we believe blogs are a great opportunity to help change those perceptions,” says Mike Devereux, GM’s digital marketing chief.

The Word of Mouth Marketing Association is one of the few organizations that offer guidance to marketers setting up their own blogs and participating in others. Among WOMMA’s tips: Never engage in “astroturfing,” where corporations plant pro-brand comments in blogs as if they were the genuine opinions of bloggers.

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