Corporate blogs—innovative communication tool or another internet hype? empirical research study

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Abstract—In the following paper the role, potential and perception of corporate blogging among key marketing decision makers from the companies listed on Warsaw Stock Exchange have been presented. The topic of blogs has been widely promoted in recent theoretical and practical publications, however very little information can be found on the scope of blogs usage and real impact of such modern communication tool on the business. Such issues as limitations in corporate blogs implementation, the perception of the blogs' information value or the expected potential of blogs usage have been identified and explained. Author describes various models of corporate blogs and tries to find out whether blogs are truly used as modern communication tool for business or it is just another hype which soon is replaced in media by another ideas and concepts.

I. Introduction

BLOGS, defined as web pages that serves as a publicly accessible personal journals [1] have been attracting media and public eye for the last few years. The amount of registered blogs is huge and still increasing - by the end of 2007, Technorati.com was tracking more than 107 million blogs [2]. Such phenomenon, appreciated and popularized by many internet users, has also been regarded in literature as innovative communication tool for business. That is why the new term has been coined – corporate blog.

A corporate blog is a weblog published and used by an organization to reach its organizational goals [3]. The purposes of blog usage can be grouped in three fields – brand building (incl. leadership), customer service (inc. product development) and promotion (incl. sponsorship and advertising) [4].

Corporate blogs have some unique features which make them perfect alterative or upgrade to typical corporate web pages which are usually exemplified by minor usage of user generated content (UGC) – i.e. the communication is one-sided or asymmetric and the users do not have many opportunities to provide company with valuable information, not mentioning about the possibility of having on-line dialogue with company's employees and other clients.

The key prerequisites for successful corporate blogs are [5]:
- symmetric communication (incl. using comments)
- informal language
- dialogue with readers which results in creating virtual community,
- regular postings,
- integration with other media and other content,
- clear rules and purpose of publishing (regulations).

Setting-up corporate blog often leads to challenges concerning the coordination of the overall on-line communication as companies use various other tools: corporate web pages, product or event sites and co-branded content via e-media presence. That is why 4 models of blog implementation are distinguished.

Scheme 1. Blogs and corporate web site – models of implementation
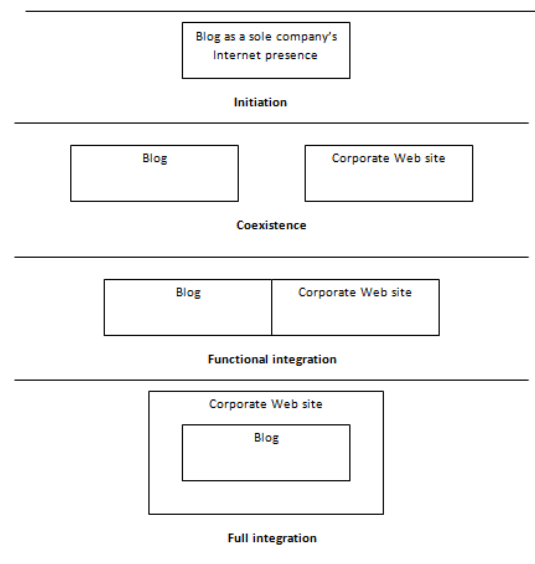
Source: [5], p.22.

The abovementioned characteristics of blog and media attention devoted to the issue should encourage companies to implement such innovative communication tool and widely popularize it among enterprises.

However, even rough market analysis proves that the usage of corporate blogs is very narrow – few companies in fact use corporate blogs. It shows that although blogs have unlimited opportunities and benefits, they have to face also many challenges as, for example: privacy and accountability issues [6], risk of loosing control over the communication

strategy [7] or other issues raised in the presented empirical research.

Because corporate blogging seems to have huge potential in fulfilling various organizational roles, it is important to examine whether managers and specialists – taking into account their company's specific situation – perceive corporate blogs as tools they should use. That is why the second part of the article presents the corporate blog usage and its image among marketing decision makers in companies listed on the Warsaw Stock Exchange.

II. BACKGROUND—BLOG POTENTIAL

There are different types of blogs. Dearstyne defines blogs on the basis of their source and impact and distinguishes two dimensions: external, internal [8]. Mazurek groups blogs on the basis of the three factors: function of blog, topic of blog and blog authorship [9]. In the following study the below mentioned corporate blog typology has been implemented:
- Leadership corporate blogs—in which particular person from company is thoroughly chosen to represent the company not only for brand building, but also for presenting company's views on various aspects. Such blogs are mainly used by companies which are market leaders.
- Group corporate blogs—in which all employees have right to participate in the development of company's blog. In such case, company uses only one blog, which is usually incorporated within the structure of company's corporate web site and the blog has many co-authors.
- Corporate blogs platform - consisting of many blogs written by employees or company's business partners. Such blogs can promote particular individuals as specialists in given fields and are often used as customer service support.
- Promotional blogs – such as sponsored blogs, advertising and contest blogs where the leading role is played by product, event or other marketing action, not by an author.

III. METHODOLOGY

The findings presented below are taken from a survey conducted between May – 10 June, 2008 which was focused on the perception and usage of business blogs among marketing managers and specialists from the companies listed on the Warsaw Stock Exchange (GPW). Two research methods have been implemented in the survey. Firstly, corporate web sites of the listed companies have been examined in order to find out whether corporate blogs are used and what are their basic characteristics. Secondly, on-line and off-line questionnaire has been distributed among the marketing specialists and managers from the companies.

The overall research study was focused on five key areas:
1. Usage of corporate blogs—existence, function, model, aims
2. Reasons—why are the corporate blog used and why not
3. Perceived benefits—what are the top advantages of corporate blogs mentioned by those who don't use them yet
4. Blog information value—perceived value of information from corporate blogs for readers
5. Potential usage—whether respondents consider using corporate blogs in their companies.

IV. RESULTS

A. Population

In the first part of research, 332 corporate web sites have been analyzed by experts which comprise ca. 98% of all listed companies. In the second part of research, based on on-line questionnaire supported by telephone and e-mail invitations, 57 managers and specialists from the listed companies responded to the survey. In addition, the off-line questionnaire has been answered by 39 managers and specialist from the total sample of 332 companies. In general, the response rate of answered questionnaire can be estimated on 29% of the total population (96 respondents).

B. Usage of corporate blogs

All analyzed web sites were corporate sites, which means that the main aims they fulfill are: company brand building and information providing. Therefore, corporate blogs could have been perfectly implemented in such web pages in order to widen the scope and character of corporate communication with the environment. As the research shows, the companies using blogs as corporate communication tool are in vast minority. Only 17 (5% of the sample) of them use such tools and among them:
- 4 use leadership blogs,
- 4 use blog platform,
- 7 use promotional blog,
- 2 use corporate blog platform.

All the implemented blogs come from companies which deal with service sector. In particular, the blogs are published in companies from media, finance and insurance markets.

What is interesting, only few of the blogs noted significant comment publishing, most of them have had posts without any feedback from the readers—10 out of 17 identified corporate blogs have entries practically without any comments.

C. No usage of blogs—reasons

Managers and marketing specialists from the listed companies are aware of corporate blogs potential (96% of respondents declares to know what corporate blogs are). Among the main reasons which were mentioned as important, very important or crucial in discouraging them from using blogs are:
1. Company's organization culture which doesn't accept such tools and informal way of communication ("closed companies")
2. Perceived problems with disclosure of important, secret information from the company to the public.
3. Lack of topics to write about which in consequence would lead to project failure.

The complete list of results are shown in Table I.

Among other reasons the respondents mentioned a few times were also: risk of spamming and flooding through comments function, black PR danger, no need as company uses other modern communication tools (discussion groups, chat rooms) and waiting for competitors and avoiding their mistakes afterwards.

TABLE I.
OPINION ON POTENTIAL CORPORATE BLOG BENEFITS

Reason why to use blog in the future	1	2	3	4	5	Resp.	Total score	Average
1. Improve basic e-marketing results (increased popularity among users)	1	5	17	44	29	96	383	3,99
2. New, informal way of communicating with the environment (less formal)	1	6	23	32	34	96	380	3,96
3. Create the leadership and innovative brand image	3	10	41	23	19	96	333	3,47
4. Alternative way of customer service	1	23	39	19	14	96	310	3,23
5. Get feedback from customers	9	29	38	12	8	96	269	2,80
6. Promote the best employee and company's personalities	1	48	29	11	7	96	263	2,74
7. Improve media relations	10	33	39	5	9	96	258	2,69
8. Create virtual community	1	53	28	8	6	96	253	2,64
9. Improve SEM position	10	49	18	12	7	96	245	2,55
10. Sell products on-line	41	29	16	7	3	96	190	1,98

Scale: 1 = Not a factor, 2 = Some, 3 = Important, 4 = Very important, 5 Primary reason

D. Perceived potential benefits

Another issue raised by decision makers is the perceived advantages of corporate blogs usage. The results of the study shows that respondents considering corporate blog usage appreciate mainly the basic e-marketing benefits – increased traffic of users, information providing and on-line brand image creating. Such issues as: another channel for customer service, valuable information feedback from the readers or improvement of media relations on-line are not widely appreciated, whereas – potential community building, search engine positioning and selling on-line are practically unnoticed by respondents.

The complete list of results are shown in Table II on the following page.

Among other potential benefits mentioned a few times by respondents we can find: employee integration, creating corporate identity among employees and reducing costs of traditional PR activities.

E. Information value

The problem of reluctance in corporate blog implementation probably also comes from the managers' and specialists' opinion on the value of information they have from reading other blogs. 76% of respondents declare to read or scan through blogs and 45% of them are disap-

pointed with the value them get from blogs. The respondents indicate that among the negative characteristics of blogs they have contact with, there are such disadvantages as:
 - the entries are not interesting (54%),
 - the entries are irregularly updated (45%),
 - the communication is one-sided (not comments or without comment option) (37%),
 - the entries are heavily promotional (23%),
 - the same texts can be found in other sources (12%).
In general, the perceived value of information gained from blogs the respondents read is estimated of 3.5 on 1-5 scale (1—not valuable, 5—very valuable).

On the other hand, perceived credibility of the massages presented on the read corporate blogs is estimated of 2,7 on 1-5 scale (1—not credible, 5—very credible). Such results prove that the blogs the respondents have contact with cannot be perfect examples of blog usage as they do not encourage the marketers to use the same tools in their companies.

F. The perspective of blogs usage

The abovementioned results show that the image of blogs can hardly be called as very positive. However, more than 33% of respondents consider establishing corporate blog till the end of the coming year.

TABLE II.
DEFINING REASONS FOR NOT USING CORPORATE BLOGS

Reason why not use blog	1	2	3	4	5	Resp.	Total score	Average
1. Company's "closed" organization culture	8	6	10	27	45	96	383	3,99
2. Perceived problems with disclosure of important information	3	3	24	32	33	95	374	3,94
3. Prospective lack of topics to write about	8	12	13	34	29	96	352	3,67
4. Employees reluctance to write	2	8	38	25	23	96	347	3,61
5. Risk of receiving many negative comments and difficulty with dealing with them	10	18	21	25	22	96	319	3,32
6. Having seen bad examples and users disappointment with blogs	12	22	19	33	10	96	295	3,07
7. Risk of legal rights to text and other legal issues	24	18	31	20	4	97	253	2,61
8. Lack of know-how in blog project management	37	21	16	17	4	95	215	2,26
9. Risk of loosing valuable employees who promote themselves through blogs (head hunting)	27	38	21	2	8	96	214	2,23
10. Budget constraints	34	36	15	4	6	95	197	2,07

Scale: 1 = Not a factor, 2 = Some, 3 = Important, 4 = Very important, 5 Primary reason

50% of respondents who want to set up corporate blog in that time think about the promotional blog, 28% consider establishing group blog, 16% declare to create the blog platform for employees whereas only 6% think about the leadership blog.

On the other hand, more than 41% of respondents don't intend to implement any blogs in their e-marketing strategy.

In general, 57% of respondents agreed that the role of corporate blog usage will be increasing in the next years, 30% have opposite opinion, 13% couldn't say.

V. CONCLUSION

The research study clearly illustrates that using corporate blogs can be described as being in the embryonic stage and the overall results – in the context of the advancement in corporate blog usage - are similar with the conclusions deriving from the analysis of corporate blogs in Fortune 500 companies where only 3.6% of companies used such tool in 2005 [10]. In 2008, among 332 companies listed on Warsaw Stock Exchange only 17 use corporate blogs (5% of the sample). The marketing managers and specialists from the researched companies very critically look at the real potential of corporate blogs for their specific situation – they acknowledge mainly brand building, web traffic improvement and information providing. Worth mentioning here is the fact that the most important reasons for postponing the corporate blog implementation in the listed companies were: the unfavorable organizational culture of company and perceived problems with disclosure of important information.

The respondents also declared that the value and credibility of information they receive from other blogs are not very high – such issues – combined with the others also mentioned in that study lead to the conclusion that the real image of blogs among marketing decision makers differ from the media hype around virtual diaries.

On the other hand, such critical view on blogs doesn't discourage the decision makers from using corporate blogs— still many of them consider using the tool—33% of respondents think about setting up corporate blog till the end of next year and 57% of respondents agreed that the role of corporate blog usage will be increasing in the next years

Those results are in fact encouraging as indicate that if corporate blogs emerge, they will by based on good situation analysis and critical view instead of short term fascination.

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