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Add Sponsored Conversations To Your Toolbox

Why You Should Pay Bloggers To Talk About Your Brand

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EXECUTIVE SUMMARY

Kmart gave some bloggers a free shopping spree in exchange for a blog post about the experience — a practice we call sponsored conversation. With appropriate protections for disclosure and authenticity, this practice will take its place alongside public relations and advertising activities in the blogosphere. Marketers should take advantage of sponsored conversation as an entrée into the online conversation. To succeed, you should get to know the bloggers you plan to work with and set expectations across your organization.

SPONSORED CONVERSATIONS MAKE SENSE

Kmart recently gave free shopping sprees to bloggers including Chris Brogan and Joseph Jaffe in exchange for “sponsored posts” about their experience with the brand. We call this practice “sponsored conversation,” which we define as:

A marketing technique in which marketers provide financial or material compensation to bloggers in exchange for their posting blog content about a brand.

Sponsored conversation is controversial; many bloggers believe it threatens bloggers’ reputation for independence. But we think this practice is here to stay. Why? Because bloggers want to get paid and marketers want to pay them.

How Sponsored Conversations Fit Into The Marketer/Blogger Landscape

Marketers already try to influence bloggers through public relations activity. They also pay for ads on blogs. Seen in this context, sponsored conversations are an extension of existing activities. As long as bloggers don’t hide who’s paying them and have freedom to write whatever they want, we think sponsored conversations will fit in well with the other forms of marketing through blogs (see Figure 1).

- **Public relations professionals already target bloggers as they do reporters.** Some PR firms have even developed specialized skills in “blogger relations,” and bloggers appear on email influencer lists maintained by companies like Cision. Marketers often send press releases to bloggers and attempt to influence them with personal communication. Public relations pros will often send free review products to blogs like *Engadget*, just as they do to reporters and analysts. These relationships can transcend the occasional product review; for example, Wal-Mart’s Elevenmoms, a group of independent bloggers the company recruited, receive free sample products to review and then decide on their own which ones to review and what to say about them.

- **Marketers already have found various ways to advertise on blogs.** Marketers buy ad space on popular blogs like *TechCrunch* and *Huffington Post* just as they would on any other site; Intel recently worked with blog ad network Federated Media to have 100% of the ads on a gaming blog created by *Boing Boing's* bloggers. Best Buy went further, working with Six Apart's blog network to deliver not just ad units but a sponsored question-of-the-day that inspired bloggers to respond to in their personal blogs.
- **Sponsored conversations add a new twist.** Sponsored conversations like Kmart's provide a feature that public relations and blog advertising can't provide: a guaranteed review of the marketer's brand in the blogger's own voice. Since actual cash or merchandise changes hands, this has the potential to undermine the blogger's credibility, which is why it only works if bloggers disclose the payment and can write whatever they truly feel. For instance, Ford recently offered Jessica Smith of *Jessica Knows* a Ford Flex car for one year; she now blogs about her family's experience with the car and participates in Ford events. Colleen Padilla of *Classy Mommy* is a paid online brand advocate for Energizer Rechargeables. And Panasonic recruited influential bloggers to create content during the popular Consumer Electronics Show earlier last month.¹

Figure 1 Sponsored Conversations: A New Way To Market With Bloggers

	Public relations	Advertising	Sponsored conversation
What is it?	Attempts to influence bloggers in your space by providing relevant information (e.g., press releases, sending product for review)	Paying for ad space within a blog to reach the target audience (e.g., display ads, sponsorships)	Paying bloggers to create transparent and genuine content about the brand (e.g., sponsored posts, spokesbloggers)
Objective	Buzz	Reach	Buzz
Benefits	<ul style="list-style-type: none"> • Genuine • Trusted • In the blogger's own voice • Low cost 	<ul style="list-style-type: none"> • Controlled message • Guaranteed reach 	<ul style="list-style-type: none"> • Genuine • In the blogger's own voice • Low cost
Challenges	<ul style="list-style-type: none"> • Hard to get noticed • No guarantee of positive review 	<ul style="list-style-type: none"> • Not conversational • Response rates low • Can be costly 	<ul style="list-style-type: none"> • Lack of message control • No guarantee of positive review • May raise trust questions
When to use it	You have a product or service that actually interests bloggers.	You need reach in appropriate contexts to augment your media buy.	Your brand is unlikely to interest bloggers without an additional incentive.

WHY AND HOW TO SPONSOR CONVERSATIONS

Because bloggers have a following, the blogosphere can be a powerful marketing channel — even consumer bloggers know they have more influence than their peers. That's why you should start now to recruit bloggers who will act as evangelists for your brand. Working with bloggers is:

- **Cheap and scalable.** Kmart worked with Izea, a company that manages the process of reaching out to bloggers for sponsored conversation. The payment to each blogger was only \$500 in shopping credit.
- **Far-reaching.** The number of people reading blogs alone has grown by 50% in the past year and now one in three Americans online are doing so at least once a month.²
- **Great for search engine optimization.** Because blogs generate links and change frequently, they rank high in organic search results.
- **Persuasive.** Blogs represent relationships with communities of readers. Through blogs, marketers can listen to, talk to, energize, and support potential fans and new customers.

How To Do Sponsored Conversations Effectively

The rewards of sponsoring conversations are promising, but there are risks as well, including brand backlash if you conceal your relationship with bloggers. To participate effectively:

- **Mandate disclosure.** Require that any sponsored content includes disclosure of the paid sponsorship and that any sponsorship network you work with has similar requirements. Don't even think about paying without this disclosure because the resulting backlash will obliterate any positives you might hope to achieve, as Wal-Mart found out when its PR agency paid the "Wal-Marting Across America" bloggers.³ Izea's previous service, PayPerPost, flopped because it lacked this disclosure; Google punished these undisclosed paid posts with a page rank of zero.⁴ (Izea's new service, Social Spark, requires disclosure.)
- **Ensure freedom of authenticity.** It's tough to let go, but it's best to let bloggers you work with write whatever they feel is appropriate, rather than trying to coerce them to write positively about your brand. For example, in soliciting strategies that save money on food from the female blogger network BlogHer, Prego found it far more effective to encourage people to publish any money saving strategy they wanted, not just those using Prego. According to Wal-Mart's Senior Manager for Emerging Media John Andrews, the company has learned that even posts that generate negative feedback are the "biggest opportunity to connect with customers and really understand what's going on."
- **Partner with popular blogs that are relevant to your brand.** Relevance and context are the keys to working with bloggers. Behind every blogger there is a person, and each person is

different. Some will work with marketers, and some won't. Some are personal, and some are professional. Some consider themselves journalists, and some don't. Ford picked *Jessica Knows* since it makes sense to work with a popular blogger known as the "chief mom officer." Intel expected the Boing Boing bloggers to have a big audience that matches the target it's aiming at. Like these companies, you should identify the big bloggers or blog networks that can help you reach your customers.⁵

- **Don't talk and then walk away.** The bloggers we interviewed noted that marketers are used to pushing their message but not used to listening to feedback from their marketing channels. Unlike traditional advertising, relationships within the groundswell need to be nurtured.⁶ Your relationships with bloggers should be a long-term commitment used to listen to feedback to help improve marketing in other channels such as advertising, public relations, merchandizing, and CRM.

Look Out For Pitfalls

We've told you how to succeed with bloggers, but it's easy to go wrong. Here's how not to fail:

- **Make sure blogging fits with your objectives.** One of the biggest mistakes marketers make when incorporating Social Computing into their marketing is starting with the technology rather than leading with objectives and strategy. If no Social Computing strategy exists, develop one first and then determine whether you should sponsor blogger content, which works for both talking strategies as well as listening strategies.⁷
- **Use metrics that work with blogs rather than traditional metrics.** You're going to need proof that your investment is paying off. Identify all of the potential metrics available such as blog reach, comments, tweets, clicks, and online sales.⁸ Start with available traffic with tools such as comScore, Compete, and Quantcast. Once you scale the initiative out, look for increases in buzz using tools such as Nielsen BuzzMetrics and then look for any correlating lifts in sales.
- **Prepare your marketing management.** Social media allows for a variety of feedback — including negative feedback. Make sure that you prepare your management to understand both the risks and the rewards; case studies are a good place to start. And look to turn naysayers into allies early on. Getting all parties such as legal, accounting, and regulatory staff involved early on will help avoid any potential problems down the road.
- **Be quick to respond.** As Motrin recently discovered with its viral back pain video, the groundswell can be a dangerous place if not approached correctly. Motrin didn't have a response mechanism in place when it launched the ad and then it was slow to respond once the backlash hit. Like any form of Social Computing, working with bloggers requires commitment. You should have a dedicated team and corporate blog and Twitter account in place so you're ready to respond to any potential negative feedback occurring online.

WHAT IT MEANS

A NEW INDUSTRY IS BORN

The growth of sponsored conversation could lead to a whole new industry within the interactive marketing space and will have some dramatic effects on the blogosphere.

- **Standards will appear for sponsored content.** As many of the people we interviewed for this document noted, the blogosphere tends to regulate itself. This regulation will help create standards and graphics that identify sponsored conversations — similarly to how Google AdWords is easy to distinguish from natural results. Those bloggers and marketers who don't follow these rules for transparency will become pariahs to other bloggers and their own readers.
- **Bloggers will become an integral part of the communication mix for marketers.** When marketers look to release new information, they will include their network of bloggers to communicate it just as they now do with their public relations, advertising, and CRM efforts. Blogs and their communities will also play a role as quasi-research panels advising brands on how they can improve all aspects of their business.
- **Sponsored conversation will help create more clarity in the blogosphere.** Much of the debate around the subject of sponsored content rested on the argument of whether or not bloggers are journalists. Well, some are and some aren't. Sponsored conversation will help create a bigger wedge between these two groups: The journalistic types will eschew sponsored conversations; the others will embrace them.

SUPPLEMENTAL MATERIAL

Companies/Blogs Interviewed For This Document

BlogHer	IZEA
<i>ChrisBrogan.com</i>	<i>Jessica Knows</i>
<i>Classy Mommy</i>	<i>Jaffe Juice</i>
Federated Media	Six Apart
<i>GeekMommy's WebLife</i>	Wal-Mart

ENDNOTES

- ¹ Source: Brian Morrissey, "Brand Tap Web Elite for Advertorial 2.0," *Adweek*, Jan 12, 2009 (http://www.adweek.com/aw/content_display/news/digital/e3ice058ab1756ad165b5f0adfee7a9a151).
- ² Source: North American Technographics® Media And Marketing Online Survey, Q2 2008.
- ³ See *BusinessWeek* for more detail on the Wal-Marting Across America campaign. Source: Pallavi Gogoi, "Wal-Mart's Jim and Laura: The Real Story," *BusinessWeek*, October 9, 2006 (http://www.businessweek.com/bwdaily/dnflash/content/oct2006/db20061009_579137.htm).

- ⁴ For more detail on Google's changing PayPerPost's page rankings, see Wired.com. Source: Betty Schiffman, "PayPerPost Fights Back Against Google," *Wired*, December 4, 2007 (<http://www.wired.com/techbiz/media/news/2007/12/payperpost>).
- ⁵ Marketers who did their homework first — by joining social networks, reading or commenting on blogs, or participating in forums — were far more productive in ideation sessions, since they had developed a clearer understanding of how this stuff works. See the October 6, 2008, "[Lessons From The Groundswell](#)" report.
- ⁶ Companies often fail to interact with their social communities. See the July 18, 2008, "[Best And Worst Of Social Network Marketing, 2008](#)" report.
- ⁷ Forrester's POST methodology outlines a strategy for Social Computing technologies. See the October 9, 2007, "[Objectives: The Key To Creating A Social Strategy](#)" report.
- ⁸ Marketers should take a strategic approach when choosing the right metrics for any social application based on the three principles of; 1) Measure what matters; 2) think in terms of assets, not campaigns; and 3) evolve metrics as you evolve your applications. See the October 17, 2008, "[Metrics For Social Applications In A Downturn](#)" report.