

STATE OF THE ENTREPRENEURIAL BLOGOSPHERE

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ABSTRACT

Existing scholarly research on blogging is limited, despite the widespread and rapidly growing use of weblogs in actual practice among small businesses and the rise of a new business sector comprised of professional entrepreneurial bloggers. One publisher's brand new "flagship" entrepreneurial and small business academic textbook used in college and university entrepreneurship courses (copyright 2007) fails to index either the term "blog" or "weblog." Several other leading textbooks also fail to index the aforementioned terms. There is a paucity of research expressed in scholarly journals in general, with virtually none published in entrepreneurship oriented journals. It is presumed that the lack of coverage within leading entrepreneurship textbooks is a reflection of scant research in the literature.

Nevertheless, the blogging phenomenon is now so large that it has become known as the "blogosphere." The popular press has documented blogging as what could be described as nothing less than a paradigm shift. Blogging is having a profound impact in the business community, with implications for practice on several fronts. This paper is necessarily exploratory in nature, and presents an overview of blogging and its impact within the business community, with an emphasis on possible implications for future entrepreneurship teaching, research, and practice.

INTRODUCTION

The term "blog" is short for Web log, or its shortened form, "weblog" (Blog, 2006). Early blogs were primarily used as online diaries (i.e., personal logs or journals). However, blogging has evolved and has metamorphosed well beyond this original usage. From a technological vantage point, blogs are related to content management systems (CMS). Content management systems serve as a container, in effect, and allow for the entry, storage, archiving, retrieval, and reporting of data. Relative to weblogs, the reporting is ordinarily in the form information that is displayed on an Internet user's computer screen. As such, content management systems are able to capture and present for either private (through password protected access to certain information, for instance) or public view, the expressed knowledge and experiences of individuals or organizations, or whatever other content is placed within a given system.

Most present day blogs are "dominated by text and photos" (Shapiro, 2003), which are perhaps embellished with graphical images such as photos or illustrations within blog entries (also known as posts) and in headers, navigational sidebars, or advertising material that is displayed adjacent to editorial content. On the other hand, photo blogs, audio blogs--also associated with the term "podcasting" (Podcasting, 2006)--and video blogs are emerging as processor speeds, storage capacities, and bandwidth continue to increase and enjoy greater dispersion among Internet users. (For examples, see: Photoblogs.org, Audioblog.com, and Vlogdir.com.) Blogging technologies typically incorporate a capability for remote posting of content by users of a given blog. As examples, in the case of textual blogs, posts can be made by computer either directly through the blog's Website interface, or through e-mail; audio bloggers

can post recordings by telephone. Hence, blogs allow individuals to become roving correspondents, much like journalists (and publishers) in traditional news media.

REVIEW OF EXISTING LITERATURE ON BLOGGING

In an *Entrepreneur* magazine article titled, "Who Let the Blogs Out?," Kooser, observed that blogging has "gone beyond fad to become a full-fledged Internet phenomenon" (2002). The blogging phenomenon has been associated with a paradigm shift, and is so pervasive that the term "blogosphere," has arisen, defined as a "collective term encompassing all weblogs or blogs as a community or social network" (Blogosphere, 2006), in keeping with its immense proportions and social impact.

The Web site Technorati.com actively tracks numerous statistics pertaining to the blogosphere, and is widely regarded as a seminal source for such data. According to its estimates, which are updated continuously, Technorati tracks over thirty million blogs with 2.1 billion links. However, it should be noted that the rate of growth associated with the creation of new blog sites is extraordinary. According to an ongoing study conducted by the Pew Internet & American Life Project, one out of every twenty persons in the United States has created a blog (Rainie, 2006).

The need for this present exploratory paper became evident after a series of searches in the academic literature revealed that rigorous study of blogging as a variable under study in entrepreneurial research has been minimal. Search attempts conducted on databases used by *ProQuest* demonstrated a dearth of scholarly research on blogging in general, and sparse results once blogging terms and entrepreneurial terms were utilized in association with one another. The preponderance of results in the literature at large appeared to be typically associated with aspects of media and journalism, socio-cultural analyses, and the literature of communications.

With parameters for the searches set to select only scholarly journal articles with full-text availability and results in the citation and abstract, the low number of articles in search results from those in *ProQuest* databases suggested an opportunity for future studies of blogging as a hybrid entrepreneurial form, or as a tool which might impact entrepreneurial success or failure by virtue of its characteristics, such as an ability to allow organizations to create blogs for purposes of marketing outreach. Using the settings described above, terms used in combination with one another such as "entrepreneurship AND blog," "small business AND blog," "entrepreneur AND blog," and "weblogs AND small business," produced no returned results from the respective search queries. A search on the term "weblogs" returned only 73 documents.

In addition, the index sections of several leading entrepreneurship textbooks were consulted, and the two terms, "blog" and "weblog" (with variations thereof) were observed to be conspicuously absent. One publisher's brand new "flagship" entrepreneurial and small business academic textbook used in college and university entrepreneurship courses (copyright 2007) failed to list either the term "blog" or "weblog" in its index. It is presumed that the lack of coverage within leading entrepreneurship textbooks is a reflection of scant research in the literature.

Subsequently, search results derived from the use of Internet search engines encompassing the business press, practitioner journals, and magazines, revealed that, "blog" "blogging," "blogger," and the like were likely to produce millions of listed "hits" in search results. A *Google* search on the term "blog" returned the results statement: "about 2,070,000,000

for blog” (retrieved March 16, 2006). It should be noted that the author of this paper recognizes the inherent instability, bias, and lack of precision associated with commercial search engines. However, as has been indicated, the body of scholarly literature available for review is limited, yet blogging is widely recognized as an important part of the entrepreneurial and landscape.

USES TO WHICH BLOGGING TECHNOLOGIES HAVE BEEN APPLIED

Relative to specific subjects and types of blogs that have proliferated on the Internet, virtually every topic imaginable has been touched upon. Blogs enable any individual or group to access what amounts to a publishing platform, through which they can address anything under the sun, and reach a worldwide audience while doing so. Individual bloggers are expressing their views from within or outside organizations, and developing audiences as a result of their commentary. One might critically observe that the Internet itself enabled Web site creators to reach the same worldwide audience. However, that analysis would short change an essential difference between static Web sites and blogs, which enable users with limited technical skills to create, and update their blogs with content which is (or can be) constantly refreshed.

The dynamic nature of weblogs is an attribute that is attractive to both frequent visitors as audience members who wish to stay current with the content addressed on one or more blogs, and to Internet search engines. Blogs are also associated with a variety of newsfeed aggregators, which allow individuals to subscribe and to be notified when blogs are updated. These newsfeed services can make blog reading a habitual behavior, much like viewing the weather, traffic, and local news might become a habit before heading off to work.

Blogs have been set up for myriad purposes and attract audiences accordingly. Blogs have been used effectively by individuals who have developed followings that are so large, that their authors compete head-to-head for attention and audience share with mainstream media pundits. As suggested by at least one study from Intelliseek (Blackshaw & Nazzaro, 2004):

Although influenced or stimulated by traditional marketers and marketing activities, online word of mouth is nonetheless owned and controlled by consumers, and it often carries far higher credibility and trust than traditional media, especially as media channels become more fragmented and less trusted. The growth of its influence poses challenges and opportunities for marketers. (p. 2)

BLOGGING AS A PLATFORM FOR PROFESSIONALS AND ENTREPRENEURS

For a number of reasons, but particularly because blogs are relatively inexpensive and easy to set up, small businesses have found that they can represent themselves through blogging platforms. Because blogs are updated dynamically, as compared to what might be described as predecessor Web site technology, which was static in nature (as introduced above) and also known as “brochure sites” (Baker, 2005). Blogs are rapidly becoming if not already recognized as a superior platform for small business marketing communications.

Hence, blogs are being used for purposes of marketing outreach. Real estate firms (Fleming, 2005), accountants (Geerts & Kim, 2005), attorneys (O'Keefe, 2006), and numerous other small businesses (Bender, 2006) have discovered the outreach potential of weblogs: even students have discovered the profit potential in blogging (DollFacePunk.com, 2006).

Professionals are using blogs to chronicle their observations, advice, and commentary as well as specific responses to public posts in a forum-like atmosphere. According to the site Lexblog.com (home page), a leading provider of turnkey blog sites for attorneys:

Lawyer blogs offer you marketing at its finest. They are more tasteful and less expensive than other lawyer advertising. Blogs are far superior to law firm Web sites in search engine rankings. Best of all your law blog enhances your reputation as a trusted and reliable authority in your area of the law....Lawyer blogs offer you a return to traditional law marketing. Your marketing will be education based. You'll be providing helpful information to current and prospective clients. Lines of communication will be established through a personal and down to earth approach of communicating with people. You'll be proud of the way you market your legal services.

Kooser's aforementioned *Entrepreneur* magazine article also quoted Peter Scott, whose site, The Weblogs Compendium, provides a comprehensive directory of blogging information. According to Scott: "For a small business, the beauty of using a Web log is that you can promote your business and you can also get other people to work with you on your business" (2002). Other implications for entrepreneurship teaching, research and practice have arisen through the literature review process associated with this present paper. For instance, blogging has emerged as a business unto itself, and a technology and marketing support community has emerged specifically to service the needs of small business and professional bloggers.

Andy Wibbels, who calls himself a "blogging evangelist," (Wibbels, 2006) has published several electronic courses and books, and provides workshops and seminars. Wibbels has developed a series of products solely for individuals who wish to become full time blogging professionals and entrepreneurs. His products include titles and programs such as "Six Figure Blogging," "Blogwild," and "Podcasting Bootcamp," through which he provides training for professional bloggers who are reporting substantial incomes from their blogs, which they are operating as businesses unto themselves.

It is also the case that with "with very little or no money you can be on the Internet" (Shapiro, 2002), and as such, blogs might be considered ideal by bootstrappers. Numerous providers allow users to set up free blog accounts. This seeming generosity on the part of providers is typically supported through one or more means of revenue generation or support in other forms: 1) blogging communities, wherein individuals participate in an open forum-like atmosphere, including making technical and financial contributions as well as members' assisting one another; 2) blog accounts are free, but they incorporate advertising; 3) free blogs with limited services, such that the blogging account holder may choose to upgrade (perhaps after growing his or her blog from inception to a more substantial body of work, sometimes with a significant audience; 4) donations or tips; 5) other: such as direct sponsorship relationships or the sale of goods and services (ArticlesontheWeb.com, 2006).

Relative to communities, some bloggers have banded together as a collective to create social networks (and blogging networks). These blogging networks are otherwise known as "enterprise blogs" (Orr, 2004).

OPPORTUNITIES CREATED BY BLOGGING TECHNOLOGIES

Approached as a business unto itself, blogging has a number of appealing benefits. In particular, for those individuals who may have a serious hobby, musings about their personal or work lives, strong political views, or expertise on any subject, blogs provide a technological platform from which the blogger can broadcast his or her message. Although the overall number

of blog readers and blog creators has not saturated the audience of Internet users, “readers and writers are highly influential” (Li, C., Bernoff, J. & McHarg, T., 2004). Hence, the adage “do what you love” has a real possibility of becoming a reality for a dedicated blogger, given an appreciative audience. According to an article in *MIT Technology Review* (Madden, 2005):

Several factors have contributed to the emergence of blogs. First, they can be started with very little, and very inexpensive, editorial content yet are capable of exerting extraordinary influence. Blogging software is inexpensive--or often free--and easy to use. Low bandwidth requirements and Web-hosting fees keep the ongoing infrastructure costs of maintaining a blog very low. And new, easy-to-use advertising services such as Google AdSense, which frees content creators from having to deal with actual advertisers, have breathed fresh life into online media....More-serious bloggers, however, have increasingly approached their sites as they would any other sort of editorial platform, with regular publishing schedules and clear editorial missions.

Hence, blogging, as a business, is suitable for bootstrappers, as it represents a low cost startup opportunity “to individuals who have little or no collateral, little or no cash, little or no entrepreneurial experience, little or no training, and little or no choice but to pursue an entrepreneurial dream without the benefit of resources which would ordinarily be nice to have” (Lahm, 2005).

BLOGGING REVENUE SOURCES

As derived from the publication, *Making Money Blogging on the Side: For Stay-at-Home-Moms and Dads, Students, and Anyone Else Who Needs Extra Cash*, (ArticlesontheWeb.com, 2006), bloggers often have multiple ways to generate revenue streams. A short list of these might include: 1) advertising arranged through formally established affiliate programs such as Google AdSense; 2) direct sponsorships; 3) the sale of ancillary products such as calendars, t-shirts and bumper stickers; 4) consulting services as arranged based upon the expertise of the blogger (and as evidenced by the blog itself); 5) the sale of published products or compilations of blog content in the form of electronic publications as well as those created through traditional publishing technologies.

Glenn Reynolds, who is otherwise employed as a Law Professor by the University of Tennessee, operates a weblog known as Instapundit.com. Reynolds utilized advertising content in his blog from a North Carolina based advertising brokerage company called BlogAds, which has arisen specifically for the purpose of matching bloggers with advertisers. As observed by Pender (2004):

Reynolds says he’s been pleasantly surprised at the results. Ads on his site cost \$375 a week (\$1,000 a month), and he made \$4,000 in each of the last two months. “I don't think I'll make that much this month. There's an initial wave of excitement which is likely to phase out,” he says. His site gets about 150,000 page views and 110,000 visits per day.

BLOGGING AS A PUBLISHING PLATFORM

Bloggging, as an activity that is based on creating a body of content, also has interesting implications relative to traditional publishing. (Indeed, a Google search conducted on March 14, 2006, using the phrase “blogging book deal” returned 1,380,000 hits.) Journalists are searching blogs for the latest “buzz,” and bringing bloggers to the attention of agents (Radosh, 2004). According to one review article written by an author who is also employed at Google and

assigned to its Blogger in an titled, *How To Get A Book Deal With Your Blog*, some bloggers have been approached by book industry representatives and presented with publishing contracts (Stone, n.d.).

One such author (cited by Stone, above), is a Long Island City, New York, secretary named Julie Powell who decided to cook 536 Julia Child recipes in 365 days and recount her experiences on her weblog in an effort that she dubbed the “Julie/Julia project” (Powell, 2003). According to Powell’s own account:

So, the cat’s out of the bag already, a bit, but I should tell you all officially. There’s no easy way to say this -- certainly not without arousing the ire of those who may think I’ve already gotten Too Big For My Britches. But it’s true. I have landed a book deal. A *really* obscene book deal. I am, in fact, officially What’s Wrong With Publishing Today. For which I am endlessly grateful, not to mention a wee bit terrified.

Bloggers who build an audience may also create media attention, and are therefore perceived (perhaps correctly so) as authors who are likely to be effective at marketing their books (Kremer, 1988).

CONCLUSION

According to a February 2006 report published by Technorati’s founder, David Sifry, “the blogosphere is over 60 times bigger than it was only 3 years ago” (Sifry, 2006) and growing at a rate of 75,000 new blogs, per day. Sifry further estimates that the growth rate also means that “on average, a new weblog is created every second of every day” (2006). Beyond the business press, mainstream news and media outlets have swarmed around the subject of blogging. The Internet powerhouse Google.com has now purchased one of the most popular free blogging membership sites on the Internet (The Story of Blogger, 2006). Numerous other technology companies are actively developing products and services to address the needs of emerging blogs, as a viable market.

Blogging has been called a “paradigm shift of how we disseminate and communicate” (Cunningham, 2005) and a “key part of online culture” (Rainie, 2005). As this paper suggests, blogging is a phenomenon that deserves far more attention from scholarly researchers. Given the relevance of the subject to the practical community, entrepreneurship researchers in particular should aggressively pursue blogging as a subject under study in their future scholarly endeavors.

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