Blogosphere Study: Part One

Blogging and Revenue:
The Bloggers’ Point of View
Contents

I. Introduction

II. Executive Summary

III. Methodology and Definitions

IV. Report
   A. Blogosphere Landscape
   B. Blogger Motivation
   C. Blogging Revenue
   D. Revenue Streams
   E. Partnership Fees
   F. Partnership Fee Breakdown
   G. Blogger Relations

V. Credits
Introduction

The blogger landscape is changing dramatically when it comes to the ways bloggers are generating revenue from their blogs. Brands and agencies need to understand where bloggers stand now, and where they plan to be in the future, if they want to be successful in their blogosphere marketing campaigns.

Zig Marketing is a performance-driven marketing agency with extensive experience in digital and social media marketing. We’ve been launching social marketing plans and engagement platforms for major B2B and B2C brands since 2008. As pioneers in the digital and social marketing space, we’ve made all the mistakes and learned how to best incorporate our brands into efficient and effective campaigns.

Zig has been at the forefront of building marketing relationships with bloggers on behalf of brands. With that in mind, we are releasing the first in a series of studies that delves deeper into how bloggers live and work. This series will assist brands and bloggers in understanding how to best work with each other and how to best create mutual value exchanges for their audience.
Executive Summary

We surveyed over 100 bloggers with the goal of helping marketers better understand the blogosphere, specifically in terms of how bloggers generate revenue. In this study, we aim to answer the following questions:

- **Blogosphere Landscape:** What is the average audience size of a blog? How long have bloggers been blogging?

- **Blogger Motivation:** What motivates bloggers to blog? Does blog size or blog category affect their motivations? How many bloggers make money from their blogs?

- **Blogging Revenue:** Does blog size or length of time blogging affect revenue generation? How important is it for bloggers to generate revenue from their blogs?

- **Revenue Streams:** What are the most popular and profitable ways that bloggers generate revenue from their blogs? How does blog size or blog category affect revenue stream profitability?

- **Partnership Fees:** How many bloggers work with brands or agencies, and how many of them charge fees when doing so? Does blog size or category affect their likelihood of charging? Will the number of bloggers charging fees grow in the future?

- **Partnership Fee Breakdown:** How much should you expect to pay when partnering with a blogger for common marketing activities? Does blog size or category affect partnership costs?

- **Blogger Relations:** Do bloggers believe that being compensated influences the genuineness of content? How important is it for a blogger to have a contract when partnering with a brand or agency? Do bloggers find it easy or hard to work with brands and agencies?
Major Findings

Here is a summary of our major findings:

• **Blogs are small; the majority of blogs receive less than 25,000 monthly unique visitors.**
  61.4% of blogs have less than 25,000 monthly UVs. Generally, the longer a blog has been active, the larger its audience is.

• **75% of bloggers’ primary reason for blogging is NOT revenue generation.**
  While many marketers think that bloggers are only in it for the money, the vast majority still blog as a hobby or passion to share their experiences. Only 26.9% blog primarily to generate revenue, with the number one reason being blogging as a hobby.

• **However, 86% of bloggers DO generate revenue from blogging.**
  The top three ways that bloggers generate revenue are from paid sponsored / branded content (92%), advertising networks (90%) and blog sponsorships (68%).

• **The longer bloggers have been active, the more likely they are to generate revenue from blogging.**

• **In general, the most profitable way for bloggers to generate revenue is through paid sponsored / branded content.**
  67% of bloggers say paid sponsored / branded content is their most profitable generator. Even though 90% of bloggers say they use advertising networks, only 17% say it is their most profitable generator.

• **You should expect to pay between $25 and $500 when partnering with a blogger.**
  60% of bloggers do charge fees to work with brands and/or publish sponsored content. Overall fees are in the range of $25 to $500 for most brand marketing activities including reviews, giveaways, online events, posting sponsored content and blogging on a brand’s behalf. A full breakdown can be found in Section F of this study.

• **The number of bloggers charging partnership fees is expected to increase.**
  When asked if they think the number of bloggers charging fees would change in the future, 73% of bloggers expected an increase.
Major Findings (Con’t)

• Bloggers feel that receiving compensation does not influence opinions or the genuineness of content.
  The large majority of bloggers, 84%, feels compensation only sometimes or never influences their blog content and opinions.

• Bloggers find it relatively easy to work with brands and agencies.
  The majority of bloggers say it is fairly easy to work with brands, ad agencies and PR agencies. When working with brands and agencies, bloggers also say that contracts are somewhat to very important.
Methodology

• Online survey was administered via email and conducted from May 6 – 19, 2013.

• Respondents represented a variety of segments in the blogosphere:
  - DIY
  - Fashion
  - Mommy / Daddy
  - Travel
  - Health and Wellness
  - Family
  - Homemaking
  - Coupon / Discount
  - Technology
  - Review
  - Entertainment
  - Lifestyle

• Respondents were asked to answer questions exclusively about their primary blogs.

• Using 31 million as the US blogger population, via blogging.org, this report has a 9% margin of error.

Definitions

Blogger Revenue Types Defined:

Paid Sponsored / Branded Content: Receiving payment from a brand or agency in return for the production and publication of sponsored or branded blog content.

Advertising Networks: Receiving payment from impressions or clicks on text or banner ads made available to networks like AdChoices and Google AdSense that automatically place ads from an ad server onto a blog.

Blog Sponsorships: Receiving payment from a brand or agency in return for featured ad placements and links on a blog.

Guest Appearances / Speaking: Receiving payment for making guest appearances or speaking at events like conferences, seminars or radio, television and Internet programming.

Consulting: Receiving payment for providing advice on blogging or social media.

Affiliate Networks: Receiving a percentage of an online sale that was referred from a blog.
Section A – Blogosphere Landscape

Figure 1.1: Blogs are relatively small.
61.4% of blogs have less than 25,000 monthly UVs and 73.2% of blogs have less than 50,000 monthly UVs.

![Figure 1.1](image)

Figure 1.1
Monthly Unique Viewers - All Respondents

- 14.3% < 5,000
- 24.4% 5,000 to 9,999
- 17.6% 10,000 to 24,999
- 11.8% 25,000 to 49,999
- 9.2% 50,000 to 99,999
- 22.7% 100,000+

Figure 1.2: The longer a blogger has been active, the more potential there is for having a larger audience.
The majority of bloggers with 1–2 years of blogging experience have blogs ranging in size from 0 to 24,999 monthly UVs. The majority of the 2–6 year experience group spans 5,000 to 24,999 monthly UVs. The range of the 6–10 year experience group is largest, spanning 5,000 to 100,000+ monthly UVs.

![Figure 1.2](image)

Figure 1.2
Average Blog Size by Years Blogging

- Average Blog UV Range

Number of Years Actively Blogging

- 1 to 2
- 2 to 4
- 4 to 6
- 6 to 10
Section A – Blogosphere Landscape (Con’t)

Figure 1.3: The majority of bloggers have been active for less than 6 years.

73.2% of bloggers have been blogging for 2–6 years, the earliest of which would have started in 2007. Note that blogging became a mainstream practice around 2003.

![Figure 1.3: Years Blogging - All Respondents](chart.png)
Section B – Blogger Motivation

Figure 2.1: 73.1% of bloggers primarily blog for reasons other than revenue generation.

Bloggers’ number one reason for blogging is as a hobby at 28.6%. Closely followed by generating revenue at 26.9% and sharing experiences at 22.7%.

Figure 2.2: However, the majority of bloggers do generate revenue from their blog.

Although only 26.9% of bloggers’ primary reason for blogging is to generate revenue, 85.7% of respondents still make money from their blogs.
Section B – Blogger Motivation (Con’t)

Figure 2.3: The larger the blog’s audience, the more likely a blogger is to prioritize revenue generation.

At 10,000 monthly UVs, bloggers’ primary reason for blogging switches from hobby to revenue generation.

![Figure 2.3: Primary Reason For Blogging by Blog Size]

Figure 2.4: Revenue generation is the primary motivating factor for bloggers in three major categories.

Bloggers in the DIY, Mommy / Daddy and Cooking categories are most likely to blog primarily to generate revenue. Cooking bloggers had the highest percentage at 34.4%.

![Figure 2.4: Primary Reason For Blogging by Blog Category]
Section C – Blogging Revenue

Fig. 3.1: The larger the blogger’s audience, the more likely he or she is to generate revenue from blogging.

![Figure 3.1: Do You Generate Revenue From Blogging? by Blog Size](image)

Figure 3.2: The longer bloggers have been active, the more likely they are to generate revenue from blogging.

![Figure 3.2: Do You Generate Revenue From Blogging? by Years Blogging](image)
Section C – Blogging Revenue (Con’t)

Figure 3.3: Regardless of category, bloggers feel it is relatively important to generate revenue from their blogs.

On average, bloggers ranked the importance of generating revenue from their blogs a 4 out of 5, with 5 being very important. Note that 48.5% of bloggers said generating revenue is very important, ranking it 5 on the scale. Note that only the top five categories were further analyzed due to insufficient sample size.

Fig 3.4: The larger the audience, the more important it is for a blogger to generate revenue.
Section D – Revenue Streams

Figure 4.1: The most popular way bloggers generate revenue is through paid sponsored / branded content.

92% of bloggers say they generate revenue from paid sponsored / branded content, closely followed by ad networks at 90% and blog sponsorships at 68%.

Figure 4.2: Larger blogs use advertising networks more than smaller blogs.

Advertising networks surpass paid sponsored/branded content as the most commonly used revenue generator at 25,000 monthly UVs. Note that only the top three revenue streams were further analyzed due to insufficient sample size.
Section D – Revenue Streams (Con’t)

Figure 4.3: Paid sponsored/branded content is king when it comes to profitability.
66.7% of bloggers said that paid sponsored/branded content is their most profitable revenue stream. While 90% of bloggers said they used ad networks to generate revenue (see Fig. 4.1), only 17.2% said it is most profitable.

Figure 4.4: Regardless of category, paid sponsored / branded content is bloggers’ most profitable revenue stream.
Section D – Revenue Streams (Con’t)

Figure 4.5: Only the largest blogs find blog sponsorships to be the most profitable revenue stream.

Once blog size surpasses 100,000 monthly UVs, paid sponsored/branded content is replaced by blog sponsorships as the most profitable revenue stream. This is most likely due to bloggers selling their own premium ad space at higher margins than both ad networks and paid sponsored/branded content.
Section E – Partnership Fees

Figure 5.1: 60.7% of bloggers charge fees when working with brands or agencies.

Figure 5.2: Regardless of blog category, the majority of bloggers charge fees when working with brands or agencies.
Section E – Partnership Fees (Con’t)

Figure 5.3: The majority of bloggers who receive more than 5,000 monthly UVs charge fees when working with brands or agencies.

81.2% of bloggers who receive less than 5,000 monthly UVs do not charge fees or work with brands and agencies.

Figure 5.4: 73.3% of bloggers expect the number of bloggers charging fees to increase.
Section F – Partnership Fee Breakdown

Figure 6.1: On average, bloggers charge $25 to $500 to work with brands or agencies for common marketing activities.

Common Blogger Activities Defined:

Reviews: Bloggers receive products from a brand or agency and create blog content sharing their opinions on the product.

Giveaways: Bloggers run giveaways on their blogs for their followers to win prizes provided by a brand or agency.

Online Events: Bloggers hold online events, like Linky Parties, on their blogs around products or ideas provided by a brand or agency.

Sponsored Content: Bloggers develop posts about external content, like a brand sweepstakes, provided by a brand or agency.

Blogging on Brand’s Behalf: Bloggers develop content for a brand’s blog or website that lives outside of their own blogs.
Section F – Partnership Fee Breakdown (Con’t)

Figures 6.2 & 6.3: Average Review Fee Range by Blog Category and Blog Size

**Figure 6.2**
Average Review Fee Range by Blog Category

**Figure 6.3**
Average Review Fee Range by Blog Size
Section F – Partnership Fee Breakdown (Con’t)

Figures 6.4 & 6.5: Average Giveaway Fee Range by Blog Category and Blog Size

Figure 6.4
Average Giveaway Fee Range by Blog Category

Figure 6.5
Average Giveaway Fee Range by Blog Size
Section F – Partnership Fee Breakdown (Con’t)

Figures 6.6 & 6.7: Average Online Event / Linky Party Fee Range by Blog Category and Blog Size

Figure 6.6
Average Online Event Fee Range by Blog Category

Figure 6.7
Average Online Event Fee Range by Blog Size
Section F – Partnership Fee Breakdown (Con’t)

Figures 6.8 & 6.9: Average Sponsored Content Fee Range by Blog Category and Blog Size
Section F – Partnership Fee Breakdown (Con’t)

Figures 6.10 & 6.11: Average Blogging on Brand’s Behalf Fee Range by Blog Category and Blog Size

Figure 6.10
Average Blogging on Brand’s Behalf Fee Range by Blog Category

Figure 6.11
Average Blogging on Brand’s Behalf Fee Range by Blog Size
Section G – Blogger Relations

Figure 7.1: 84% of bloggers believe compensation only rarely, sometimes or never affects the genuineness of blog content and opinions.

Figure 7.1
Does Compensation Influence the Genuineness of Blog Content - All Respondents

Figure 7.2 – 7.4: On average, bloggers rank the importance of contracts with brands and agencies at 3.49 out of 5, with 5 being very important.

The majority of bloggers are on the upper end of the scale, with 25% of bloggers ranking the importance of contracts at a 5 out of 5 and another 25% ranking the importance at a 4 out of 5.

Figure 7.2
Importance of Contracts by Blog Category

1 = Not Important / 5 = Very Important
Section G – Blogger Relations (Con’t)

Figure 7.3
Importance of Contracts by Blog Size

Figure 7.4
Importance of Contracts by Years Blogging
Section G – Blogger Relations (Con’t)

Figure 7.5: Bloggers generally think it is fairly easy to work with brands, PR agencies and ad agencies.

![Figure 7.5: The Ease of Working with the Following - All Respondents](chart)

1 = Very Easy / 5 = Very Difficult
Credits

Bloggers and Zig Marketing, Inc.

Jeff Skal, Social Media Strategist – Writing, blogger discovery, survey implementation, analysis

Jack Gazdik, Social Media Strategist – Blogger discovery, survey implementation, analysis

Kris Patel, Research and Social Media Director – Blogger discovery, survey implementation, analysis

Lorraine Bivin, Art Director – Graphic Design

Mike Smith, Creative Director - Writing

Howard Zoss, President – Writing and survey implementation