

THE FORTUNE 500 BLOGGING INDEX:  
**Corporations and the Conversation**



Burson•Marsteller

## Introduction

As the communications landscape continues to evolve and Internet based 2.0 services become more mainstream, companies are increasingly looking for new ways to reach stakeholders. The shift from monologue to dialogue in marketing and communications has been well discussed in the media, but companies continue to struggle with the implications of having open conversations with stakeholders. In a world where marketers are used to completely controlling their message, they are trying to adapt to an environment that only allows them to influence their message, and thus their brand positioning.

Participatory marketing is comprised of consumer-generated media including blogs, social media, video-sharing websites, and other environments that encourage web users to create and archive content that may live online indefinitely and impact a brand. There are many ways for companies to engage in participatory marketing, with perhaps blogging being the easiest and least expensive. It is also one of the most challenging as it requires a shift in mindset that companies are still coming to terms with. Traditionally, companies have carefully controlled their messages within corporate communications departments. Blogging requires a more freeform communications style that is outside the normal workflow of many corporations today.

Burson-Marsteller uses the following framework to delineate an organization's engagement in the blogosphere:

**Proactive blogging** – development of company sponsored blogs to create dialogue with stakeholders.

**Blog monitoring** – collection and analysis of blogging activity in order to understand chatter about an organization and thus the company's online reputation.

**Blog response** – blog participation in the form of responding to blog posts by others to either correct misinformation, to put forward an alternate point of view, to add value to the discussion, or to extend a conversation.

**Blogger engagement** – outreach to bloggers within a particular category to build relationships on topics of mutual interest.

This report considers data on participation in proactive blogging activities within the Fortune 500 – that is, an investigation to the number, type, and industry-category of Fortune 500 blogs. A second paper will be released during the summer of 2009 that will supplement this report's objective figures with a contextual analytical approach via content analysis of those Fortune 500 blogs listed measuring tonality of voice and subjectivity/intent of posts. Burson-Marsteller used the Fortune 500 index as the data set due to its role as being representative of general corporate communications best practices, leadership in adopting technology, and general enthusiasm for creating innovation in marketing communications.



## Companies in the Fortune 50 with Blogs

| F500 Rank | Company Name        | Industry Type                            |
|-----------|---------------------|--|
| 1         | Wal-Mart            | General Merchandisers                    |
| 2         | Exxon Mobil         | Energy & Utilities                       |
| 3         | General Motors      | Motor Vehicles & Parts                   |
| 6         | General Electric    | Technical & Scientific Research Services |
| 7         | Ford                | Motor Vehicles & Parts                   |
| 11        | JP Morgan           | Securities Brokers & Traders             |
| 13        | Verizon             | Telecommunications                       |
| 14        | HP                  | Computers, Office Equipment              |
| 15        | IBM                 | Computers, Office Equipment              |
| 25        | Procter and Gamble  | Household and Personal Products          |
| 28        | Boeing              | Aerospace and Defense                    |
| 34        | Dell                | Computers, Office Equipment              |
| 36        | Johnson and Johnson | Pharmaceuticals                          |
| 41        | Wells Fargo         | Commercial Banks                         |
| 48        | Time Warner         | Entertainment                            |
| 49        | Microsoft           | Computer Software                        |

## Blogging within the Fortune 500

Approximately 14.8%, or 74 companies<sup>1</sup> of the Fortune 500 have blogs. This number represents a significant shift in blog adoption among America's leading corporations compared to Wired Magazine's initial study indicating 4% or 20 companies blogging within the Fortune 500<sup>2</sup>. Since 2005, the Fortune 500 blogging index has grown 270%.

More than one-third (35.1%) of those Fortune 500 companies with blogs have two or more blogs associated with the company.

Largely comprised of technology related corporations, such as Amazon, Microsoft, Sun Microsystems, Google, Hewlett-Packard, Intel and Cisco Systems, this unique data point expands upon the reach of various communication channels, whether that means hosting developer related blogs on behalf of Microsoft or announcing new features for Google's numerous products on their corresponding blogs. Fortune 500 companies are following consumers, more rapidly than ever before, in embracing many-to-many participatory streams compared to the traditional one-to-one Fortune 500 companies have implicitly placed increased trust in their stakeholders in order to build lasting relationships. Commenting functionality within the Fortune 500 index fosters not only increases interactivity, but also increases transparency among company-related discussions which effectively builds engagement.

|  |   |
|--|---|
| Computers, Office Equipment                    | 6 |
| Internet Services and Retailing                | 5 |
| Network and Other Communications Equipment     | 4 |
| Semiconductors and Other Electronic Components | 4 |
| Airlines                                       | 3 |
| Hotels, Casinos, Resorts                       | 3 |
| Household and Personal Products                | 3 |
| Information Technology Services                | 3 |
| Motor Vehicles & Parts                         | 3 |
| Advertising, Marketing                         | 2 |
| Commercial Banks                               | 2 |
| Computer Software                              | 2 |
| Diversified Financials                         | 2 |
| Entertainment                                  | 2 |
| General Merchandisers                          | 2 |
| Home Equipment, Furnishings                    | 2 |
| Insurance: P&C                                 | 2 |
| Pharmaceuticals                                | 2 |
| Scientific, Photo, Control Equipment           | 2 |
| Telecommunications                             | 2 |



## Open for Participation

Practically all Fortune 500 companies have commenting functionality on their respective blogs (99.5% penetration rate for blogs with comments). In other words, the leading corporations of America are opening their conversation to stakeholders in hopes of displacing old tendencies toward monologue with active dialogue instead.

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## Representative Fortune 500 Industry Types

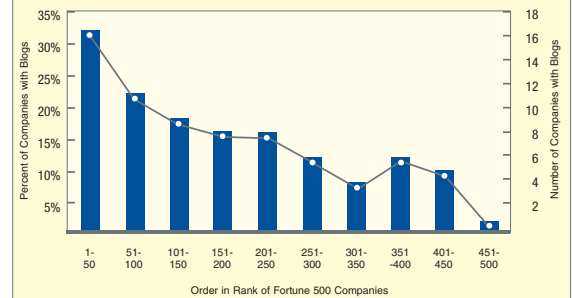
More than one-half (51%) of the Fortune 500's 74 "Industry Types" have at least one company with a blog. Additionally, 27% of those industries listed in our research have more than one company with a blog.

As can be seen above, the industries with the greatest number of representative blogs are computer/technology/internet related comprising associated industry types: Computers, Office Equipment (Hewlett-Packard, IBM, Dell, Xerox, Sun Microsystems and Pitney Bowes), Network and Other Communications Equipment (Motorola, Cisco Systems, Lucent Technologies and Avaya), Semiconductors and Other Electrical Components (Intel, Texas Instruments, Advanced Micro Devices and Micron) and Internet Services and Retailing (Amazon, Google, Yahoo! and eBay).

## Larger Companies, More Participation

In order to understand the impact of company size on likelihood to blog, we individually evaluated each set of 50 companies within the Fortune 500. There is a clear trend that larger companies have a greater propensity to blog, as 32% of the Fortune 50 have blogs, 16% of the Fortune 201-250 have blogs and only 2% of the Fortune 451-500 have blogs.

Fortune 500 Companies and Blogs



There may be many reasons for this, such as the largest companies have more resources to devote to exploring and implementing new digital communications tools such as blogs; or, it may also be that the Fortune 50 garner the most consumer and investor attention, thus compelling them to leverage new communications tools such as blogs to engage their extensive stakeholder communities. Monitoring this trend in the coming years will determine if the smaller Fortune 500 companies will eventually catch up to their Fortune 50 peers, or if the largest companies will continue to lead the way in digital communications growth.



## Conclusion

Corporate blogging, part of the rapid emergence of consumer generated media, has undergone an immense shift commiserate with the marketplace. With 74 companies of the Fortune 500 actively engaged in dialogue amongst stakeholders, corporate blogs are certainly not “dying off,” as addressed in Boston Business Journal’s March 14, 2008 edition. “Launched a few years ago to great fanfare, corporate blogs dealt with everything from industry trends to product developments,” writes the author, “But in short order, many have shifted from providing torrents of executive commentary to mere dribs and drabs.” While this may be the case for some corporate blogs, the Fortune 500 index is representative of a dynamic trend within leading and admired companies: company blogging has grown 2.7 times since 2005.

Although the Fortune 500 represents only a fraction of businesses throughout the world, companies listed within the index represent not only leaders in their respective industries but more importantly, trendsetters. Now, more than ever, Fortune 500 companies are building engagement with their stakeholders from both a business-to-business and corporate perspective. As evidenced by the trend toward companies with more than one blog, companies are increasingly using blogs to introduce content-specific blogs for relevant parties, thus making these interactions more meaningful.

This is critically important as digital media surrounds today’s web user and they are inundated with communications messages all day every day. Therefore, they have had to find a new system to filter what content they chose to absorb. Web users have largely determined to filter based on trust – that is, absorbing content they inherently trust without consideration. Blogs are generally trusted due to principles of transparency, openness, and conversation that are inherent in successful blogs. Burson-Marsteller believes that when conducted appropriately, blogging presents a valuable opportunity for businesses to interact and create dialogue with their stakeholders in a meaningful and sustainable way.

Burson-Marsteller has created an index of the companies within the Fortune 500 that are blogging. It can be found at <http://bit.ly/f500blog>. The index and accompanying tallies will be updated on an ongoing basis as new data becomes available.

## Methodology

For our research and methodology, a blog is a website where entries are commonly displayed in reverse chronological order with a clearly visible author. To be included, a company blog had to detail participation under the company/subsidiary name, including sponsorship of the blog<sup>3</sup>. Some blogs had many contributors, but each individual post is clearly attributed to one person. Companies may participate in blogging as long as participation is clearly attributed to the company in addition to hosting a company blog, entailing corporate branding and sponsored content/media. To be counted as active, a blog had to have had at least one post during the twelve months ending March 2008.

This research was conducted during February and March 2008. It should also be noted that this report may mention clients of Burson-Marsteller by name, within the context of their blogging activity. Clients will not be disclosed in this report as this edition is a pure review of blogging within the Fortune 500.



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## About Burson-Marsteller

Burson-Marsteller is a fully integrated communications agency with a core competency in digital media. The agency develops communications strategies around social media/community, online reputation management, interactive experience design, digital business management, and mobile marketing on behalf of corporations, consumer brands, government agencies and other large organizations. In the past year, Burson-Marsteller's digital practice has led award winning programs such as the Treasury Department's digital unveiling of new the \$5 bill, Second Life on behalf of The Mexico Tourism Board, Hormel Foods digital overhaul, and integrated communications planning and execution for Transitions Optical. Burson-Marsteller is a part of Young & Rubicam Brands, a subsidiary of WPP (NASDAQ:WPPGY), one of the world's leading communications services networks.

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<sup>1</sup> Fortune 500 companies and associated subsidiaries with more than one blog are valued as one company or subsidiary in our tabulation.

<sup>2</sup> Chris Anderson of Wired Magazine announces the first Fortune 500 blogging index on December 29, 2005:  
[http://www.thelongtail.com/the\\_long\\_tail/2005/12/announcing\\_the\\_.html](http://www.thelongtail.com/the_long_tail/2005/12/announcing_the_.html)

<sup>3</sup> As part of analyzing the total number of Fortune 500 blogs, Burson-Marsteller considered subsidiary companies of the Fortune 500. Twelve of the 74 Fortune 500 companies are included within the index due to their subsidiaries' blogging activity.

