



January 2006

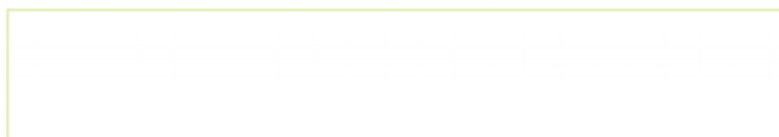
The blogosphere and the media

How traditional media are giving way to blogs.

www.casaleggio.it

The blogosphere and the media

■ Foreword	2
■ Introduction	4
■ The value of links	6
■ Blogs and Influence.....	7
■ Blogs Influence and Traffic	9
■ Differences between blogs and traditional media	12
■ Evolution of Online information	13
■ Glossary	14
■ Casaleggio Associati Reports and Focus.....	18



Journalists and bloggers are occupying the same places in people's minds and are covering the same need: information. Major events like the New Orleans disaster or the Tsunami were better covered by bloggers. Bloggers are becoming journalists and journalists are becoming bloggers. This media battle is not among people, but among the concept of mainstream media and social media. Trust will be a strong indicator as to who will win the battle.

Links are an indicator of trust to look out for to see who will reign in the future. As Jeff Jarvis said, "trust is king in the kingdom of conversation".

To counter-attack traditional media is changing the way they communicate. Large press organisations have already started to adapt themselves. Le Monde in France provides blogs to journalists. The blog world is welcoming in the traditional media organising training courses to for journalists to blog.

Loic Le Meur

Executive VP & Managing Director of Europe, Six Apart

■ Foreword

TV, radio and newspapers are gradually becoming obsolete. They are being swept away by the Internet. The Internet is progressively transforming them into “obsolete media”.

The Internet is a supermedia that tends to absorb and transform every other form of communication. This has been said for years, and though it is true, the old media continue to exist, even though they are living with ever greater difficulties. However it seems that the point of no return, when the Internet will become central to information, is quite close. There are many indicators which support this view. Newspapers and TV News programmes are being overtaken by News on the Internet, and increasingly from individual sources by means of Blogs.

The speed of publication and of access is forcing the traditional media to go online, and this is not happening without transforming the way that information is handled.

New rules exist on the Internet. To stay on line and to make a profit they have to be followed: disintermediation, transparency and trust. The costs of publication and of transformation of the contents, whether its images, audio or text, are extremely reduced on the Internet, and thus can be paid by anyone. Journalists no longer need to have the old media as an intermediary. They can do this on their own. Transparency is obligatory. On the Internet you can't lie. An article with incorrect data is immediately challengeable. Whoever writes it loses credibility as well as the body that publishes it. Lying or even merely being imprecise on the internet, means losing readers. Trust is tied in with the person, the individual journalist, more than to a specific editorial brand.

Trustworthiness on the Internet, is of enormously important economic value and is expressed in the number of links, to a site or to a blog. The greater the number of links, the greater the trustworthiness. This derives from the fact that if an item is considered to be important, or an opinion relevant, it's likely to be cited and its address shown in a web site or in a blog.

Unless there are new strategies or business models, in a time frame of between 5 and 10 years, the “old media”, will have no audience (and thus no profits) and given the progressive move of information to the Internet, they are destined to disappear.

■ Introduction

Blog is a term that came into use in 1999 as a contraction of web log:

“a site on the web that contains a personal on line diary with reflections and hyperlinks of the author and comments from the readers”

The blogosphere is the set of blogs that are on the internet. It is doubling every 5 months at the rhythm of one blog a second, even though only 13% of blogs are updated at least once a week.¹

There are 24.4 million blogs with 1,800,000,000 links.²

The number of posts published every day is estimated to be about 900,000,³ that is about 10 every second.

The most popular blogs are now reaching and overtaking the traditional media on the Internet for the number of visits.

Blogs are appearing in different categories like astronomy, ecology, and sport. They are making more use of “tags” to associate a category to each post.

The most popular blogs are mainly in the fields of politics and information technology.

¹ Technorati 4-1-2006

² Technorati 2005

³ Technorati 2005

■ Blogs and power law

The number of links towards other blogs follows a Power Law that can be seen with the characteristic “long tail”.

The concept of “Power Law” is similar to the “Pareto distribution”, for which the 20% of population has 80% of the richness. The links to blogs follow this law and are concentrated in a limited number of blogs: very few with a high number of links, and a lot with very few.

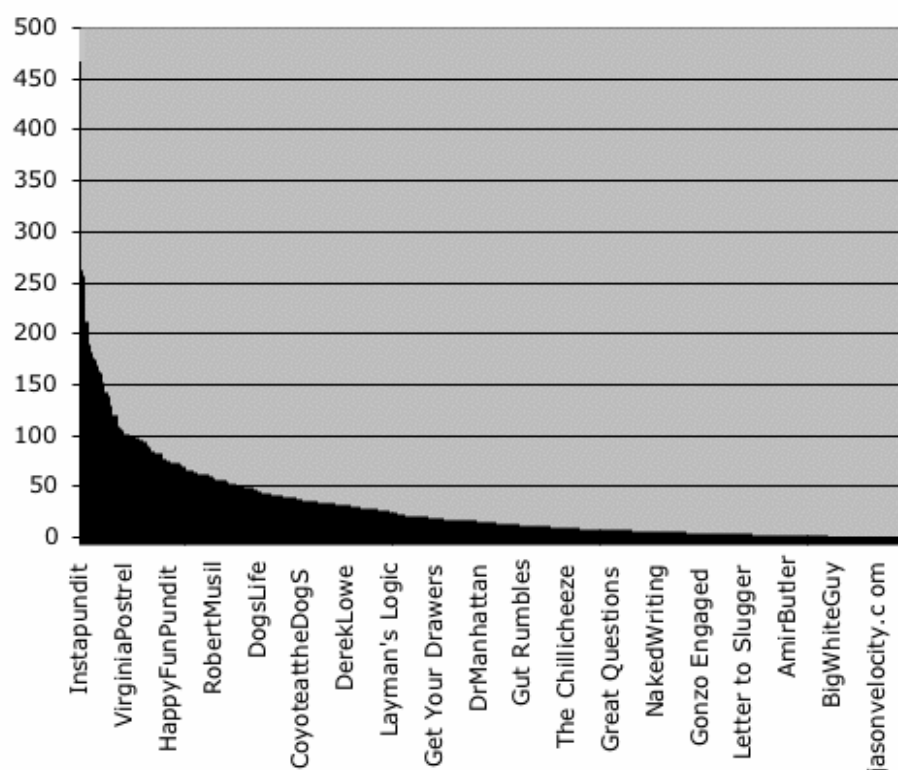


Fig. a. Distribution of incoming links to blogs following a power law. Source: Power Laws, Weblogs and Inequality, 2003

According to the Power Law, as the number of blogs increases, the curve becomes steeper and increases the gap between the number of links to the most popular blogs and the average number of links to a blog. In fact according to the concept of “preferential attachment” the blogs that have a greater number of links tend to have even more.

The blogosphere is not a static and isolated environment. The “long tail” that represents the millions of blogs with few links is in continual transformation. In fact if a blog with few links to it, starts to publish valuable content, the number of links to it will increase. The blogosphere is an auto-regulating system.

■ The value of links

The value of links is subject to at least two variables: their number and the time frame considered.

To count the number of links what is normally considered, as correction factor, is the number of blogs that contain the links (and not the total number of links). The period of time in which the links are considered is variable and continuously actualised to see their evolution.⁴

The blogosphere is subject to the power law: a few blogs with many links, and many blogs with just a few links.

The power law curves normally present one or more phase transition, where the phenomenon analysed changes its nature. In the power law relative to the blogosphere the number of links has at least two phase transitions: conversation -> influence, influence -> trustworthiness.

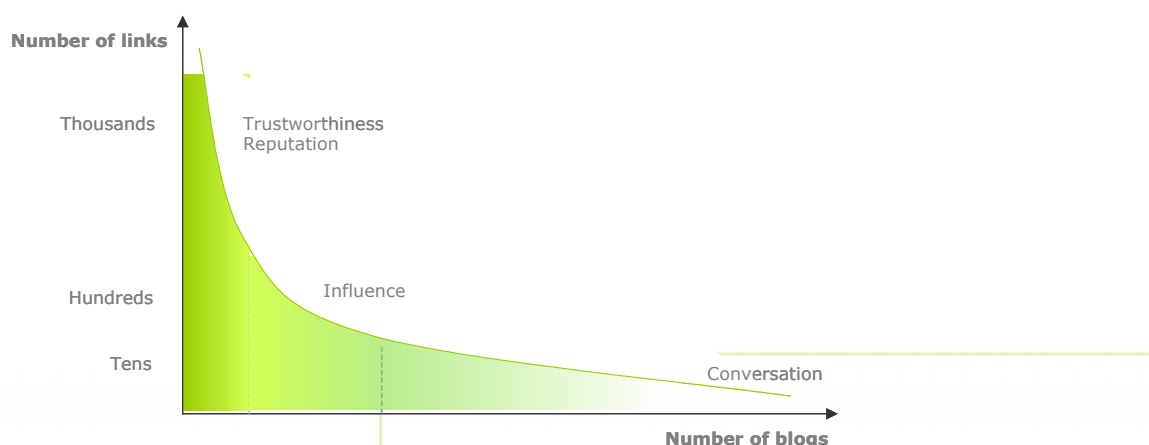


Fig. b. The phase transitions in the link distribution.
Source: Casaleggio Associati, 2006

In the tens of links the blog is the conversation sphere, at the opinion of a limited group of people.
When the number of links is in the hundreds, the blog is influent and well known.
When links get into the thousands and in the tens of thousands trustworthiness and reputation intervene.

The phenomenon of links with a negative and critical edge to them are regulated by this system.
In fact, in a quick or medium time frame no one will continue to link a source that they don't consider worth reading and its traffic will go down.
The indicator of the number of links is subject to a problem that is common to all metrics: the manual modification of the indicator. Modifying the number of links with automated tools is possible. The companies that are updating these indicators (e.g. Google, Technorati) are using and creating countermeasure to prevent this phenomenon.

⁴ Technorati evaluates the worldwide ranking of blogs using the number of blogs that link another blog and not the total number of links, it also considers only the last six months as timeframe for its analysis.

■ Blogs and Influence

The number of links to a blog or to a website represent the trust index and therefore their influence.

In other words, if one is cited by a blog or by a website and there is a direct link, this is an indication of credibility.

The authority of blogs is growing in absolute terms and in respect to traditional media: TV channels, newspapers, and radio.

It's possible to imagine that within 2 or 3 years classifications based on influence will be dominated by blogs.

The two rankings shown in the graphs are based on the number of links to websites and to blogs. They compare traditional media on line with blogs at a world wide level and for Italy.

In the world classification of traditional media and blogs, the information blog with the greatest number of links is www.boingboing.net which is at position ten.

The top three positions are held by CNN, www.cnn.com, the BBC, news.bbc.co.uk and USA Today www.usatoday.com.

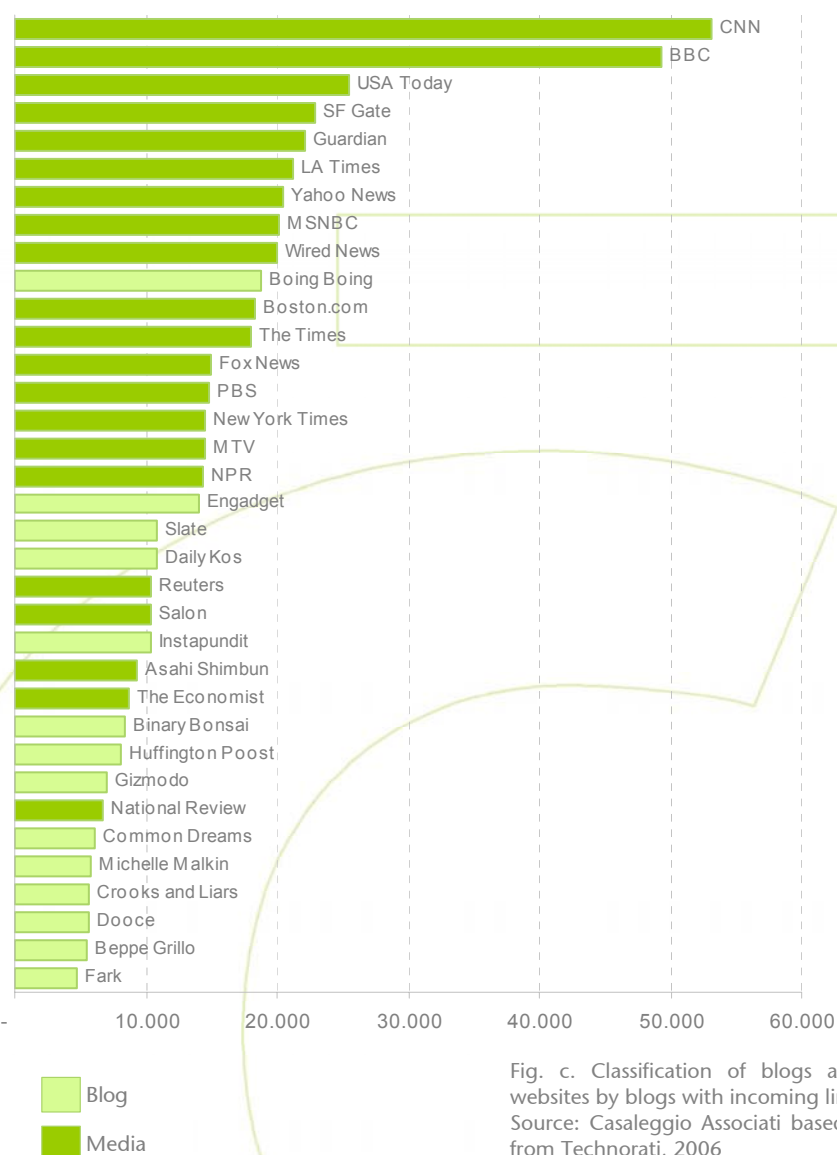


Fig. c. Classification of blogs and News websites by blogs with incoming links.
Source: Casaleggio Associati based on data from Technorati, 2006

In the Italian ranking, Beppe Grillo's blog www.beppegrillo.it is in the top position and is followed by the websites for *la Repubblica*, www.repubblica.it and *il Corriere della Sera* www.corriere.it.

www.beppegrillo.it is the only Italian blog in the first 100 world blogs measured by the number of links according to Technorati (12th with 16,148 links from 5,495 blogs, on 04/01/2006).

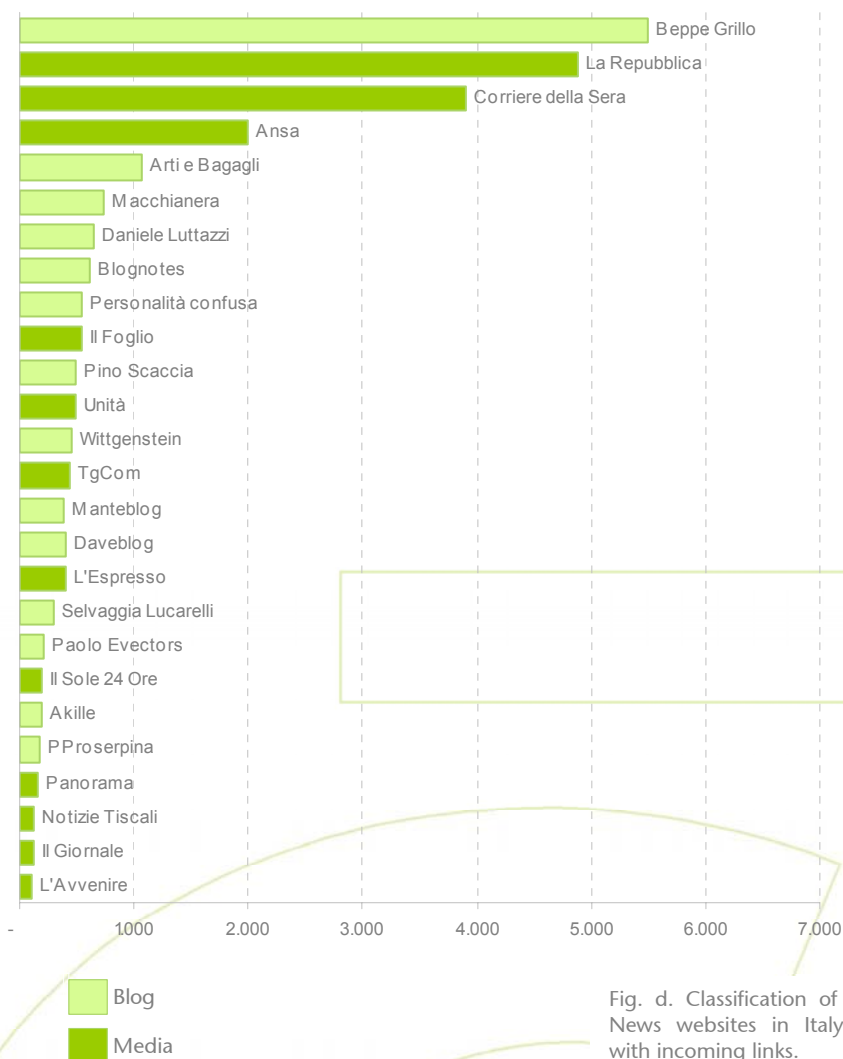


Fig. d. Classification of blogs and News websites in Italy by blogs with incoming links.
Source: Casaleggio Associati based on data from Technorati, 2006.

■ Blogs Influence and Traffic

The influence of a blog is not only measured by such quantitative parameters as visits, unique visitors or the number of pages visited. It's also necessary to consider comparisons with major world blogs: www.boingboing.net with the Economist, www.economist.com and Le Monde, www.lemonde.fr, ...

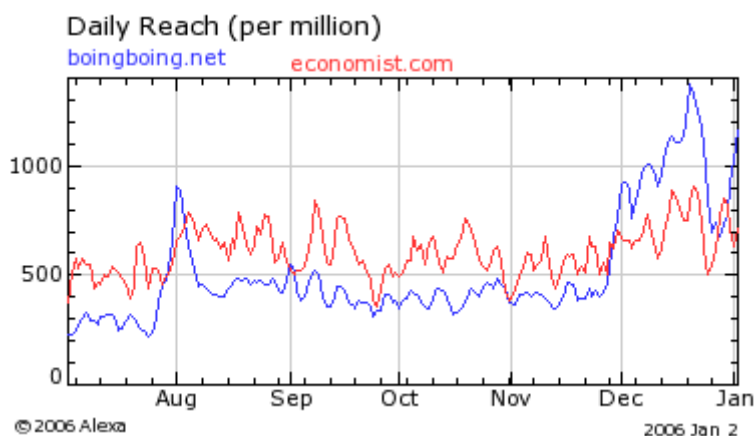


Fig.e. Estimate of visitors of boingboing.net and economist.com
Source: Alexa, 2006

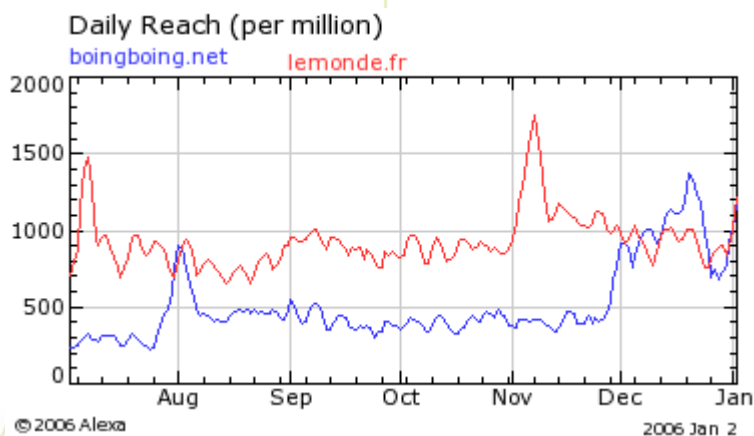


Fig.f. Estimate of visitors of boingboing.net and lemonde.fr
Source: Alexa, 2006

...and between the leading European blog for trustworthiness: www.beppegrillo.it, La Stampa, www.lastampa.it with Il Giornale, www.ilgiornale.it, show that access increases as their influence increases.

It's thus worth noting that their credibility on the Internet increases their economic value.

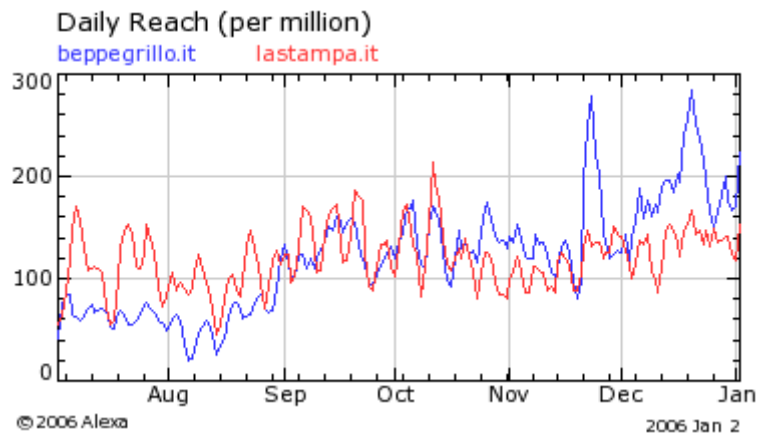


Fig.g. Estimate of visitors of beppegrillo.it and la stampa.it
Source: Alexa, 2006

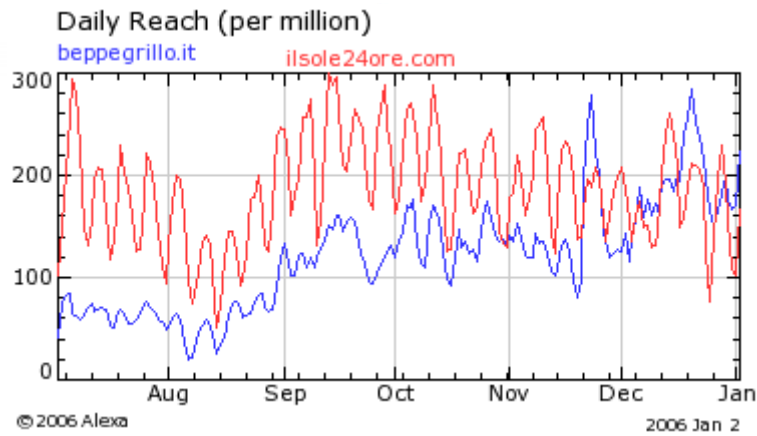
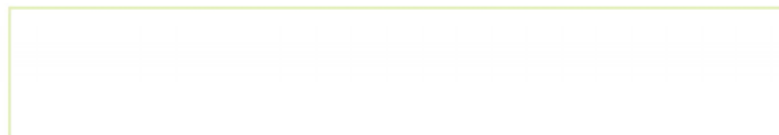


Fig.h. Estimate of visitors of beppegrillo.it and ilsole24ore.com
Source: Alexa, 2006

■ The Crisis of Traditional Media

The growth of alternative information sources like blogs can be seen as traditional media on line are facing difficulties. Relevant factors include:

- Opinion and analysis has a greater value on the internet. In comparison straight information tends to be seen as a commodity.
- The business model based mainly on publicity used by traditional media, is not transferable online.
- Intermediation has no value online. Thus a journalist doesn't need an editor to act as an intermediary.
- Digital contents have low costs for production, updating and publishing. This is the opposite for traditional media. It's easy to support the costs of a digital magazine.
- Distributing contents online increases their value. This contrasts with current models where payment is made for access.



■ Differences between blogs and traditional media

Blogs differ from traditional media in almost everything. The most important differences include the interaction with the public, the end of the connection journalist-editor, with the possibility to publish content without having to be subject to preventative controls and the decrease in the use of copyright in favour of content that can be reproduced completely, "copyleft", or in part, "Creative Commons".

Comparison criteria	Media	Blog
Influence	Brand	individual
Contribution	Control/ Editorial/political dependence	Free
- Ownership of content	Copyright	Creative Commons and Copyleft
- Specialty of the content	Information	Opinion, news
Publication	Planned	In real time
Distribution	Broadcasting	Broadcasting and narrowcasting
Relations with the public	Indirect (surveys, sales volumes)	Interactivity participation
Return on investment	Products to be paid for, Mass publicity	Subscription to additional or complementary content / Precision publicity / Individual promotion.

Fig.i. Characteristics of traditional media and blogs
Source: Casaleggio Associati, 2006

■ Evolution of Online information

The traditional media, particularly the TV channels and the generalist newspapers will not be able to compete on line with current business models and the newspapers will see their paper distribution numbers decrease.⁵

In the near future, paper-based newspapers will no longer be produced.⁶

TV and newspapers will move their investments to the Internet, as the BBC is doing, otherwise they will disappear completely.

Blogs will have social and political relevance. It's possible that they will limit the influence of the powerful groups that currently control the media.

Blogs will become multimedia, using tools like vlog and podcasting.

Blog contents will evolve:

- specializing by topic;
- with panels of the sector's opinion leaders on a single blog;
- with the entrance of traditional communication specialists (journalists, actors, politicians) who are very visible and have a strong reputation;
- with mass contributions published without controls.

Blogs will spread mainly in democratic countries where the English language predominates, as this is likely to remain the dominant language of the blogosphere.

The use of blogs as political opposition will increase in volume and in importance, obviously outside countries with dictatorships or with limited freedom of expression, as is happening with blogs in Iranian and Chinese languages.

⁵ Print runs will reduce by 10% by 2011. European Journalism Observatory

⁶ Philip Meyer, predicts the end of paper by 2040. The Vanishing Newspaper: Saving Journalism in the Information Age

■ Glossary

Audioblog. A blog whose posts are predominantly “voice”, often sent with an SMS from a mobile phone.

Blog (o Web log). The term blog is the contraction of “web log”. The blog is a space corresponding to an http address on the Internet where a person can publish their own multi-media personal diary. In most cases, anyone can comment on what is written.

Blogger. The author and controller of a blog.

Blogosphere. Collection of blogs with some elements in common. For example you can use the term Italian blogosphere to talk about all Italian blogs.

Blogroll. The list of links to other blogs contained in a specific blog. It can be a way of indicating the quality of the contents of other blogs or to express a relationship with another blogger.

Blogstorm (blog swarm): Publication of an enormous number of posts on the same topic in a short time frame. This is a phenomenon associated with events of world-wide relevance.

Blogstar. A well known and influential blogger. They usually have a significant number of interconnecting links (above average) with respect to the blogosphere and a base of loyal readers.

Broadcasting. Distribution of a message to a broad public.

Captcha. From “Completely Automated Public Turing test to tell Computers and Humans Apart”. This is a program that can generate tests that can be tackled by humans, but not by computer programs. Captcha is used, for example, to prevent access to the automatic registration of email accounts.

Click fraud. Fraud resulting from the use of programs that imitate the behaviour of a person clicking repeatedly on an online advertisement.

Comment. Message entered by blog users, referring to a specific post, to communicate with the author and with other users.

Corporate Blog. Company blog where information and news about the company is posted. The information can be visible only within the company and/or also external to the company.

Creative Commons. The possibility to take and reuse the content of sites visited with certain restrictions laid down in a license (www.creativecommons.com).

Copyleft. The opposite of copyright, represented by the letter “C” turned round. It indicates the reuse of content with no restrictions.

Fake blog. Blog created by programs. They seem real and have numerous posts about a specific topic. Fake blogs are created for the purposes of Click fraud.

Feed reader. A feed reader is a program that can download data or information from the Internet in different ways, for example RSS. It's sufficient to indicate to the program the web address of the feed to get new data or information in real time.

Folksonomy. Categorization of key words on a spontaneous and collaborative basis on the Internet without any central control. It is often proposed on the Internet as an alternative to the classical classification based on predefined categories.

Friendblog. Blog made up of posts written by people with similar interests.

Hyperlink. Hypertext link within a web page using text and images often highlighted. The link can lead to a web page that is internal or external to the site.

Incoming link. Link coming in to a site or blog.

Influence (level of authority). The influence of a blog is a function of the number of sites or blogs that link to it. They have one or more references to that blog.

Link farm. An extended collection of web pages created by computers with links between them or to a specific page. Link farms are mainly created to increase the popularity of a page, to deceive search engines.

Long tail. A property connected to a particular statistical distribution in which a high frequency of a particular event is followed by low gradual frequency.

Meta Tag. Meta tags are keywords associated with a web page to describe their content.

Microformat. A set of data formats that can be shared on the internet open data constructed on the most common standards.

MSM (Main stream Media). Traditional media like radio, television or daily newspapers, already existing on the Internet. MSM tend to keep their communication structure even online.

Narrowcasting. Targeted distribution of a message at the level of a group or individual.

O.T. (Off Topic). Comment not relevant to the topic of the post to which it relates.

Pay per click advertising. The presence of advertising on a site, when it's paid for in function of the number of clicks it receives.

Ping. Automatic signal sent to a blog to indicate the publication of a link to one of its posts by another blog.

Permalink. (Abbreviation of "permanent link") a URL address referring to a specific post.

Podcasting. Possibility to use RSS technology to distribute audio content to mobile devices and PCs.

Post. Thoughts, text and images published by an author (or authors) of a blog.

Power Law. Describes a statistical distribution, according to which as values increase exponentially their frequency decreases.

Keyword stuffing. The repetition of the same keyword in the Meta Tags of web pages, or even in the text of web pages, with the intention to make them visible to search engines.

No follow. This refers to a link whose address must not be taken into account by search engines. A typical example of nofollow are the links associated with a blog's comments

RSS, Really Simple Syndication. A standard format for the distribution of the contents of web pages on different channels. RSS is the de facto standard for the exporting of Web content. It has been adopted by numerous information sites such as online daily papers, information providers and above all blogs.

Social Network. This is concerned with the relationships existing within different social groups. It is typically analyzed in terms of nodes and links that connect nodes.

Spam blog. A blog created to influence the results of search engines with the insertion of automatic posts.

Tag. When related to posts of a blog they indicate the category to which they belong, for example: ecology, politics.

Technorati. A search engine that tracks the evolution of the worldwide blogosphere, the set of all blogs present on the internet.

Trackback. A system that allows for the automatic communication between blogs by using published posts. A blog that wants to refer to an article published on another blog sends an automatic signal (called a ping) to indicate this.

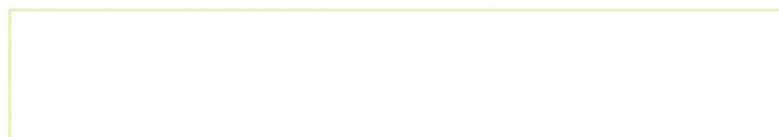
Trackback spam. The use of the trackback mechanism to insert unwanted links in a blog. Filters protecting against trackback spam are present in many systems that publish blogs.

Troll. Someone who repeatedly inserts comments in a blog that are not relevant, offensive, advertising or promoting a particular topic. Trolls often use pseudonyms and cause discussions that insult the others who comment. From this derives the expression: "Don't feed the troll": It's best not to respond to a troll so that their activity is limited.

URL, Uniform Resource Locator. The global address of documents and other resources on the World Wide Web.

Vlog. A blog that publishes mainly or exclusively video. Video posts are associated with text, images and other meta data relating to the video content.

XML eXtensible Markup Language. This is a system of rules developed by the World Wide Web Consortium (W3C), to define text files that allow data to be structured independently of the platform used and thus it makes the interpretation of the content unique.



■ Casaleggio Associati Reports and Focus

Casaleggio Associati's editorial activity has the goal to create a culture of the Net going in depth on the use of Internet in single sectors with thematic studies.

The objective of the Focuses is to point out the highlights of the complete Report and help the creation of a culture of the Net.

On Casaleggio Associati's website (www.casaleggio.it/rapporti) you can find the following research:

Focuses on Social network e the blogosphere (free):

- **Focus:** The "Social Network" of Italian board of directors (ita, eng)
- **Focus:** The "Social Network of the Italian blogosphere.(ita)

Reports on Digital Economy (on sale):

- **Report:** On line Italian Supermarkets (ita, eng)
- **Report:** The on line Food sector in Italy (ita, eng)
- **Report:** The on line Consumer Electronics sector in Italy. (ita, eng)
- **Report:** The on line Fashion sector in Italy. (ita)
- **Report:** The on line Tourism sector in Italy (ita)

Focuses on Digital Economy (free):

- **Focus:** The on line Fashion sector in Italy (ita)
- **Focus:** The on line Food sector in Italy (ita)
- **Focus:** The on line sports sector (ita)
- **Focus:** The on line Artists in Italy (ita)
- **Focus:** The on line insurance companies in Italy (ita)
- **Focus:** On line Trust (ita)
- **Focus:** The on line toy sector in Italy (ita)
- **Focus:** The on line manufacturing sector in Italy (ita)
- **Focus:** The on line furniture sector in Italy(ita)
- **Focus:** On line Political Parties in Italy (ita)

■ Casaleggio Associati, Social Network e Relazione Digitale

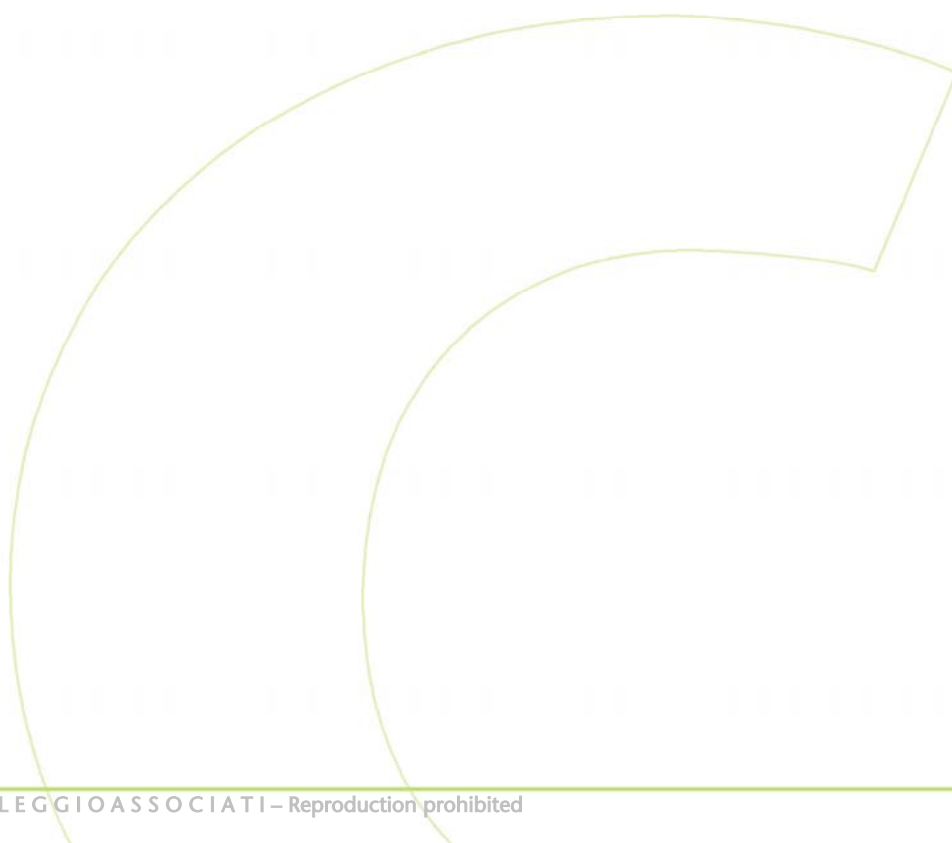
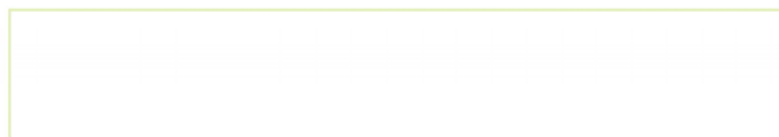
The mission of **Casaleggio Associati** (www.casaleggio.it) is to address strategic Net consulting for companies through the specific skills of associates, affiliates and partners and to produce Reports on the digital economy.

The company's objective is to develop a Net culture through original studies, consulting and articles, books, newsletters, seminars and through the creation of brainstorming and focus groups.

Casaleggio Associati defines the structure, purpose and implementation path for sustainable and profitable business models for the use of the Net and identifies web marketing strategies through the study of the target of reference, the message to be conveyed and the channels to be used.

Casaleggio Associati identifies Social Networking techniques for companies that operate in the "relationship business" (such as CRM, sales processes, Intranet marketing, etc.) and develops social network applications for the analysis, management and direction of relationships.

Casaleggio Associati creates digital relationship models, that include the creation, the marketing and the management of public personal or corporate blogs.



CASALEGGIO ASSOCIATI

Via Morone n. 6
20123 Milano Italy
T. +39 02 89 01 14 66
F. +39 02 72 09 37 41
E. focus@casaleggio.it

www.casaleggio.it

The information contained in this text, including the URLs and other references to web sites are subject to change without notice. The user will bear all risks deriving from the use, or the consequences of the use, of this information.

This information is provided without assistance and warranty of any kind, either explicit or implicit.

The user will be responsible for the failure to observe any copyright laws.

Without limits of copyright, no part of this document may be reproduced, entered or inserted in an archive or transmitted in any form or by any means (whether electronic, mechanical, photocopy, recording or other) or for any purpose without the explicit written authorization of CASALEGGIO ASSOCIATI.

CASALEGGIO ASSOCIATI may have patent, trademark, copyright or other intellectual property rights to the subjects dealt with in the document. With the exception of the requirements of Casaleggio Associati's written license contract, the supply of this document does not give any license to these patents, trademarks, copyrights or other intellectual property rights.

Casaleggio Associati, all rights reserved. Purchasers of this document may copy, reproduce or use the figures and graphics contained in this document in other presentations one time only. Additional reproduction is prohibited. The names of the real companies mentioned in this document may constitute trademarks and belong to their respective owners.