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MONEY BLOGS

Bloggers are wielding more influence than ever, with some turning a tidy profit and becoming celebrities in their own right. Claire Halliday meets these 'professional hobbyists'.

The spotlight on the catwalk is usually on the latest collections of international designers such as Marc Jacobs and Alexander Wang, but at this year's New York Fashion Week, much of the hype was centred on a 14-year-old girl whose blog has turned her into a media sensation.

Since Chicago's Tavi Gevinson launched her fashion blog, Style Rookie (StyleRookie.com), back in March 2008, her pithy explorations into the world of style have been read by tens of thousands of people, including, importantly, editors of major fashion magazines, stylists and designers. Suddenly, she is everywhere,

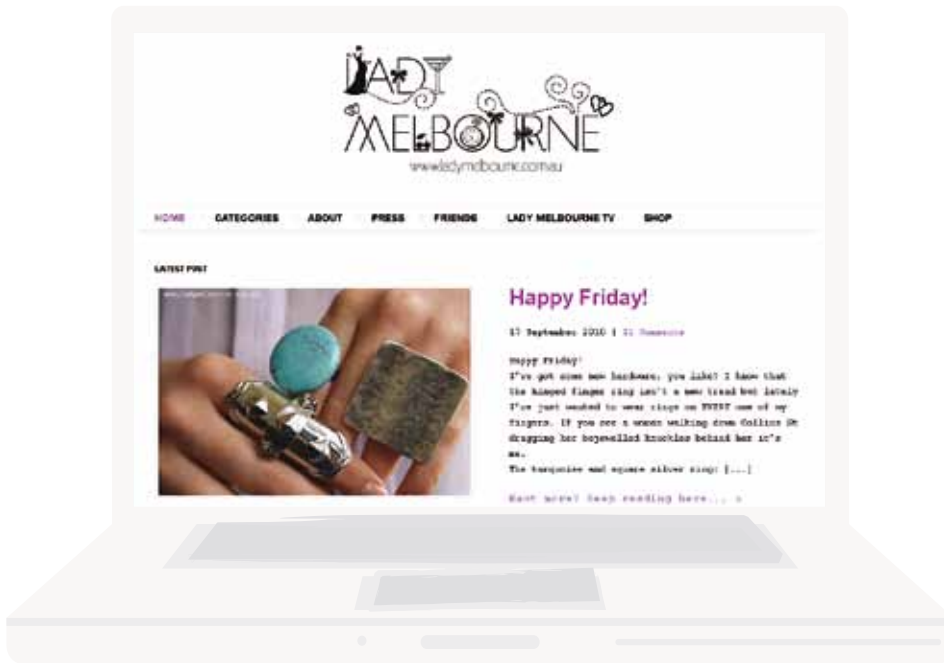
reporting from the major runway shows for Canada's *FashionTelevision*, fielding invitations to be a guest stylist on *BlackBook* shoots, gracing magazine covers and writing copy for *Harper's Bazaar*. She is the latest fashion It girl, all thanks to an internet connection and the niggling feeling that she had something to say.

THE BUSINESS OF BLOGGING

In Australia, a small but growing number of professional bloggers are making their own mark, earning a full-time salary by airing their opinions and insights in cyberspace on a range of topics – without leaving their keyboard. However, is professional blogging a financial viability?

"I don't think it's realistic for the typical blogger to generate significant income from [online] ads," says US-based marketing guru and author Seth Godin. The reason, he explains, is the low revenue raised by such advertising. Godin points out that in the US, where the majority of advertisements sell for about US\$15 per thousand readers – "maybe US\$50 if it's a unique audience" – a blog with 100,000 readers would earn just US\$1,500 from an ad. "Who has 100,000 readers? Most blogs have 1,000," he says.

At the Melbourne office of Nuffnang Australia – the local arm of an Asia-Pacific-wide blog advertising network – director David Lee offers a different perspective. "As an individual blogger it ▷



Above: Having run her own fashion label for seven years, Phoebe Montague (aka Lady Melbourne) successfully turned her hand to full-time blogging.

While Australia is yet to see its own Tavi Gevinson or Perez Hilton, a handful of home-grown bloggers are regularly appearing in local media.

can be hard to make an income,” Lee says, “hence, we sell advertising for the Nuffnang network of bloggers, regardless of size. It’s a revenue share arrangement.”

The company, which bills itself as the “Asia-Pacific’s first blog

advertising community”, has 40 staff in offices in Malaysia, Singapore, Australia and the Philippines, where teams of employees actively seek to connect advertisers with Nuffnang’s community of more than 2,000 Australian bloggers. Once they’re matched up, a blogger earns their income through featured display advertising – specifically, sponsored posts (articles) or events – served on their site. For advertisers, including blue-chip companies such as Citibank, Nokia, Sony, Proctor & Gamble, Nike and Nestlé, the costs are comparable to traditional advertising, Lee says.

In the past, bloggers typically generated an income via Google AdWords text-based ads. Through Nuffnang, however, the use of rich media display ads and better integration with advertisers aims to lift the profile of bloggers, ensuring they are seen as a worthy platform from which to promote a product or event.

The benefits of this approach, Lee says, are bloggers “enjoy the opportunity to engage with brands they support and this flows on to their readers with the comments it fosters”, which drives more

traffic and, subsequently, the potential for more advertising revenue.

“ANZ was our first client in Australia for whom we ran display advertising through our Nuffnang blogger network,” Lee recalls. “As advertisers have become more educated and experienced in blog marketing, we’ve run campaigns where we’ve flown bloggers to attend branded fashion shows, test-drive cars, eat chocolates, receive gadgets or meet with [the likes of restaurant critic and *MasterChef* judge] Matt Preston.”

BLOGOSPHERE OF INFLUENCE

The early days of Nuffnang saw some advertisers stereotype bloggers as ‘weird people in dungeons typing away at their computers’, but this perception is changing. With more Australian bloggers joining Nuffnang’s database every day, and more than 130,000 bloggers currently listed in five countries across the Asia-Pacific region, Lee says there has been “a sharp increase in demand from advertisers to engage bloggers in their marketing mix” over the past 12 months.

“It’s great to see that advertisers now appreciate the influence that bloggers have over brands and how Nuffnang can help advertisers to capitalise on the blogging community in a positive way,” he says. “Eighteen months ago, bloggers were telling us that people didn’t even know what blogging was. Today, advertisers are demanding that bloggers be included in their campaigns. Bloggers are also being recognised on the streets – almost like mini-celebrities.”

The catalyst for change, Lee says, is the maturity of the market. “For the first few years, we were building the network of bloggers while educating the market on how to reach them. We had real case studies of successful blogger outreach programs too.”

SELF-STYLED CELEBRITIES

While Australia is yet to see its own Tavi Gevinson or Perez Hilton – whose celebrity gossip website boasts more than six million Australian visits a month, charges upwards of US\$25,000 for ads in its coveted top right-hand corner and blares, “Perez Hilton doesn’t just write about the stars, he is one” – a handful ▷

Depending on the size and marketability of the blogger, some Australian bloggers earn more than A\$30,000 a year as a starting point.

of home-grown bloggers are regularly appearing in local media, making their faces and real names more recognisable.

Australian fashion blogger Lady Melbourne (LadyMelbourne.com.au) is an example. Phoebe Montague, the woman behind the online phenomenon, is a freelance journalist with a background in fashion design who started the blog four years ago. At last year's Asia-Pacific Blog Awards in Singapore, Lady Melbourne walked away with the gong for Best Fashion Blog and was invited back in April this year for the Audi Fashion Festival – complete with a driver and a minder.

With more than 70,000 visitors to the site each month, Montague's opinions and recommendations have attracted the attention of many local designers who are keen to promote their own labels to the enthusiastic readership of young women who subscribe to her blog feeds and watch her on Lady Melbourne TV, a weekly video segment featuring her tips on anything from thankyou card etiquette to the correct way to wear a scarf.

In addition to Lady Melbourne, who is a member of the Nuffnang blogging community, Lee says local bloggers Karen Cheng, Super Kawaii Mama and Chocolatesuze also have a high profile.

"They are successful for various reasons, such as size [the number of followers they have] or influence," he adds.

"One interesting trend is these bloggers are now challenging the readership levels of some of the leading print magazines in Australia.

"Depending on the size, scale and marketability of the blogger, we are starting to see some of our Australian bloggers earn more than A\$30,000 a year as a starting point. We anticipate this will increase significantly over the next one to two years. In our more mature markets, Nuffnang has helped bloggers earn well over A\$100,000 a year."

VIRTUAL MONEY-SPINNERS

Australia's top blogger, Darren Rowse, reached the seven-figure mark in the 2009/10 financial year. For the former Baptist minister, his ProBlogger.net has experienced steady growth since it was launched in September 2004.

"It was about 12 months after I started my first personal blog [no longer active] that I started experimenting with making money from blogging," says Rowse, 38. "I didn't intend to make a full-time living from it, but within six or so months I began to see the possibility that it could at least replace one of my part-time jobs. It was about 12 to 18 months after I started making money from blogging that I hit a level where I considered it a full-time thing."

Today, ProBlogger.net is read by about 550,000 people a month. A second blog, Digital-Photography-School.com, started in April 2006, has about 3.5 million readers a month, and TwiTip.com, which Rowse launched in October 2008, attracts about 130,000 visitors a month.

When he read about blogging for the first time, back in 2002, Rowse was fascinated by "the voice it gave a blogger and the ability it had to build a community around the person". His advice for creating an attention-grabbing blog? "It's still about whether the content is relevant and useful to my life and partly about the community and their participation on the blog."



Left: Former Baptist minister Darren Rowse (aka ProBlogger) stumbled upon an article about blogging back in 2002 that changed his life.

In his own blogs, Rowse says, his ultimate goal is to be useful: “I want to solve problems and meet the needs of my readers. In the case of my blogs, that means teaching people how to do something – how to blog, how to take better photos, how to use Twitter. If I can teach people how to do those things, then I’m well on the way to building a site that people will keep coming back to.”

Though advertising revenue was, until recently, the only source of his blogging-related income, Rowse says he has started experimenting with selling his own products and services to his community of followers, creating e-books on his areas of expertise and establishing private-member forums where people pay a monthly subscription fee to receive information he does not release publicly. “Then there are other income streams,” he adds, “such as speaking at conferences, running my own events and royalties from the book I wrote as a result of my blogs.”

While the blogosphere is becoming increasingly crowded, Rowse believes there is still space for savvy bloggers to build a profitable business. “I think there’s plenty of room for people who want to use a blog to promote their existing business or who want to sell themselves as an expert in their field,” he says. “Most bloggers who try to make money from blogging just put [Google] AdSense ads on their blogs and effectively sell other people’s businesses, but smart bloggers are now looking at what they can sell from their blogs, whether it be actual products or their own services.”

Despite that, Rowse believes that ad networks such as Nuffnang – and AdSense, which is one of his major income sources – can be a great place to start “and, in some cases, continue if they work well”.


CYBER CAREER

The woman behind KarenCheng.com.au has been blogging for more than 10 years but says she has only considered herself professional for the past three. “Very few people make a living from blogging,” says the 32-year-old. “The struggle is to create the niche content your readers value while learning how to run a business. For most bloggers, it’s either a fun hobby or a way to develop professional-level experience as a

Above: For Karen Cheng, what started out in 1999 as a ‘personal website’ (before the days of blogs) has evolved into an award-winning blog about fashion and life.

he started blogging about his passion for entrepreneurship in January 2005, it was a hobby rather than a career.

“I started making some small change at around six months. After a year, I was making about A\$1,000 a month from a combination of advertising and selling products other people had created,” he recalls. “Today, I make half a million dollars a year with my blogging business.” Based on statistics that count subscribers via RSS feeds and email, Starak says his blog, Entrepreneurs-Journey.com, has more than 95,000 followers.

While some may argue that the blogosphere is overcrowded, Rowse and Starak believe opportunities still exist for bloggers who are committed and consistent. Of course, not every blogger will make big bucks, however, the online world is continuing to grow, and more advertisers will aim to take advantage of its connection to an ever-expanding audience. For a committed blogger with something to say, and the feeling that someone might actually want to listen, there has never been a better time to make your mark and some money on the side. 

writer or a photographer, or a reputation as an expert on some topic.”

Successful professional blogger Yaro Starak says the best marketing advice he can give for attracting traffic to your blog is to leave comments on other blogs. When



TOP SIX BLOGS

- Created by Darren Rowse, ProBlogger.net helps bloggers to add income streams to their blogs.
- At Digital-Photography-School.com, Darren Rowse again offers tips, in this case to help digital camera owners get the most from their equipment.
- Yaro Starak’s lucrative Entrepreneurs-Journey.com is a how-to site for other online entrepreneurs, including bloggers.
- Duncan Riley engages writers and correspondents on his Inquisitr.com to cover news, technology, sports, entertainment and offbeat news stories.
- Gizmodo.com.au editor Nick Broughall delivers up-to-date coverage of the latest electronic gadgets.
- The Gizmag.com team covers innovations and emerging technologies in computing, communications and automation.