Target Corporation: Planting the Seed of Social Media

An Analysis of Target Corporation and the Use of Corporate Blogging as a Vital Tool in Corporate Strategy



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Executive Summary

The Target Brand has had a longstanding history with being an industry leader and a top performer. With one of the most recognized logos in the world, beating out both Apple and McDonalds for the coveted position with brand recognition at 96%¹, the company has enjoyed a history of innovation and financial success. Its humble beginnings started in 1902, when George Drayton opened the first store in Minneapolis, Minnesota under the name, Drayton Dry Goods, Co. Today, the company among the top five largest retailers in North America, among the likes of Wal-Mart, Costco, Home Depot and Kroger. It is ranked number 31 on the list of Fortune 500 companies and continually ranks as one of the best places to work in America.

Target's corporate strategy is one that has changed little over the years: to provide high-quality, stylishly designed items plus all the essentials for life, displayed in a clean, organized and welcoming environment; The one-of-a-kind experience comes that comes from our department store roots and ongoing commitment to great prices and stylish innovations." The timelessness of that strategy has allowed the company to continually strive for excellence, both internally and externally, and to become a favored retailer among a range of demographics- from the chic teen to college aged student, to the hard-working CEO and mother of two. From young or old, rich or poor, and virtually everything in between, Target has been able to appeal to the masses without losing quality in brand, product or services.

In keeping with the notion that Target is a company that is "Always thinking ahead, Always moving forward," it is recommended that company include in its business strategy, the use of corporate blogging as a vital tool for increased success. There have been huge trends among the general populace, potential if not current Target consumers, towards what has been named "non-traditional media," that being weblogs. Referred to by the more common name, blogs have not only infiltrated social fronts from the angle of individuals worldwide, but has also found its way, rather successfully, into corporations around the world.

This report takes an in-depth look into Target Corporation, the industry it operates in as well as the company itself. It sheds light on the company's strength and weaknesses, capabilities and resources as well as it's current strategy and performance. It then delves into the recommendation and provides a background of the blogging phenomenon and the specific value of corporate blogging in particular. By the culmination of this report, it should be clear that while corporate blogging is seemingly new, it should be included in Target's corporate strategy. As a company with a reputation of innovation and trend-setting, one viewed as positioned on the pulse of the people, corporate blogging could be the company's greatest tool yet.

¹ http://sites.target.com/site/en/corporate/page.jsp?contentId=PRD03-001085

Industry Analysis: As a chain of discount department stores, serving chiefly North American communities but recently added operations in India to the portfolio, Target competes chiefly with Wal-Mart and Costco. The companies all operate in the Services industry, specifically in the Discount, Variety Stores sector. With the general trends showing consumers are tightening their wallets and working to keep their earnings within the household, discount retailers are seeing stable to significant growth in sales. Target remains a high performer, with a market capitalization of 43.2 billion dollars, second only to Wal-mart. The following is a brief look into the industry, specifically the industry structure, environment, and trends.

General Industry Performance Figures: (As of May 5, 2008)

	1-Day Price	Market		ROE	Div.	Yield
Description	Chg %	Сар	P/E	%	%	
Services	0.483	3417.37B	22.139	16.319		1.639
Discount, Variety						
Stores	-0.669	310.39B	15.4	20.5		1.521
Fred's Inc.	-5.4	426.28M	39.703	2.891		0.7
Wal-Mart Stores Inc.	-1.09	222.83B	18.026	20.421		1.7
Family Dollar Stores						
Inc.	-0.65	2.98B	14.455	17.047		2.3
99 Cents Only Stores	-0.52	664.17M	105.333	1.198	NA	
PriceSmart Inc.	-0.28	846.34M	45.039	7.776		1.1
Maui General Store Inc.	0	4.20M	NA	NA	NA	
Costco Wholesale						
Corp.	0.3	31.48B	27.384	13.377		0.9
Big Lots Inc.	0.43	2.27B	18.058	17.1		0
Target Corp.	0.47	43.45B	16.019	18.416		1.1
Dollar Tree Inc.	0.55	2.79B	14.88	18.673	NA	
Tuesday Morning Corp.	0.92	226.27M	NA	NA		0
BJ's Wholesale Club						
Inc.	3.12	2.37B	20.867	12.138	NA	
Duckwall-ALCO Stores						
Inc.	4.42	47.75M	NA	-0.23	NA	

				Price To Free
	Debt to	Price to	Net Profit Margin	Cash Flow
Description	Equity	Book	(mrq)	(mrq)
Services	3.435	-2.013	7.241	116.223
Discount, Variety				
Stores	0.686	3.75	3.4	1254.3
Fred's Inc.	0.097	1.145	-0.887	16.262
Wal-Mart Stores Inc.	0.691	3.465	3.813	36.1
Family Dollar Stores				
Inc.	0.215	2.562	3.454	16.377
99 Cents Only Stores	0.015	1.253	2.93	77
PriceSmart Inc.	0.09	3.587	3.253	20.118
Maui General Store				
Inc.	NA	NA	NA	-15849.1
Costco Wholesale				
Corp.	0.259	3.526	1.933	-113838
Big Lots Inc.	0.256	3.613	6.515	12.186
Target Corp.	1.116	2.858	5.173	47.459
Dollar Tree Inc.	0.273	2.822	7.292	12.487
Tuesday Morning				
Corp.	0.136	0.963	-2.632	-8.225
BJ's Wholesale Club				
Inc.	0.002	2.445	2.026	23.392
Duckwall-ALCO				
Stores Inc.	0.308	0.446	0.696	2.174

Environment: As consumers reel from a weak US economy, a weaker dollar and record food and gas prices, most companies are feeling the effects, particularly Wal-Mart. Target, however, has been able to increase same store sales, often at times doubling those numbers put up by Wal-Mart.² Overall, the Discount, Variety Stores Industry has felt the effects of the economy and numbers are down, but given their

² http://www.investorguide.com/stock-analysis.cgi?ticker=TGT

nature of quality items at lower prices, leaders in this sector are able to maintain. Reports are in that the companies within this sector are expected to have same store figures 2.5% greater than last year's figures at this time.³ Overall, it seems as if the extreme size chains are the ones that are performing as well and industry figures represent a downturn, with a composite value of 1120.3,down.67% during the writing of this report. Extremely large discounter Wal-Mart (down 1.09%) and smaller chains like Fred's Inc. (down 5.40%) and Family Dollar (down.65%) are three of the industries key underperformers, stable to decreasing stock prices.

Industry Trends: Looking outside of the recent economic woes that have occurred, industry trends as of late have been two folds: collaborate with smaller partners and expand upon subsidiary holdings. Many companies have created strategic partnerships with other service related businesses in order to increase sales and provide the total user experience within its walls. Companies like Wal-Mart have partnered up with McDonalds, bringing the international fast-food chain into a majority of its retail stores across the globe. It has also brought in financial services companies like H&R block to provide consumers with the ability to handle financial issues at a low cost in a familiar setting. Due to Wal-Mart's chief locations in sub-urban areas, this has been particularly beneficial. Target has partnered with other fast-food chains like Taco Bell and Pizza Hut, again to cater to consumer desires for food while they shop, hoping to increase same store sales. The fact that Target has been able to infiltrate the urban market at a much better rate than Wal-Mart has helped to make these strategic partnerships successful.

³ http://www.cnbc.com/id/24485912/?__source=yahoo%7Cheadline%7Cquote%7Ctext%7C&par=yahoo

In terms of subsidiaries, many discount retailers have opened up "superstores" in addition to their original retail stores. Wal-Mart has Wal-Mart Supercenter, Wal-Mart Neighborhood Market, Sam's Club and a plethora of private labels under its belt. Target has Target Greatland, which carries more general merchandise and groceries than the traditional Target store and Super Target, which unlike Target and Target Greatland, carry all the same essentials, including a full service grocery with a bakery, meat department, fresh produce and a SuperDeli. Most new locations will also include a Target Optical, Jamba Juice and Wells Fargo Bank on its premises.

Industry Structure:

Competitors; Due to market capitalization and sheer size, Wal-Mart continues to be the leader of this sector. Target has created a strong second place, with companies like BJs and Costco and Duckwall-ALCO in a constant battle for third.

Barriers to Entry: Despite the expansive network of suppliers needed to become a viable company in this sector, successfully adding a company to the mix in order to compete against the likes of BJS, Costco, Wal-Mart and Target is highly unlike. Especially because of the nature of the business- to provide all types of quality items at a low cost, unless one angles to come in as niche discounter (like with the 99 cent/Dollar stores), there are enough barriers to entry in place to keep most companies out of the discount retailer competition.

Substitutes: there are very few substitutes for discounted retailers, thus making it a profitable industry. Either consumers shop at traditional retail outlets with higher prices, or stay within the industry itself.

Buyers: as mentioned prior, buyers, though feeling the pinch of a weakened economy, are still looking towards Target and its peer competitors for the best products at the lower prices. While demand in the sector has slowed little, Target continues to perform well above industry.

Suppliers: Individual discount retailers have a vast network of suppliers from all over the globe and even under their own private label. Target has its own label for furniture and home goods that operates in Minnesota. Many of its competitions, including the Family Dollar Chain and the 99 Cent chain also have networks of suppliers, mostly in Asia, in addition of their own in-house suppliers. It's not yet clear what affect the weakened state of the dollar has had on suppliers in the last guarter.

Internal Analysis:

The Target Brand has had a longstanding history with being an industry leader and a top performer. With one of the most recognized logos in the world, beating out both Apple and McDonalds for the coveted position with brand recognition at 96%⁴, the company has enjoyed a history of innovation and financial success. Its humble beginnings started in 1902, when George Drayton opened the first store in Minneapolis, Minnesota under the name, Drayton Dry Goods, Co. Today, the company is among the top five largest retailers in North America, among the likes of Wal-Mart, Costco, Home

⁴ http://sites.target.com/site/en/corporate/page.jsp?contentId=PRD03-001085

Depot and Kroger. It is ranked number 31 on the list of Fortune 500 companies and continually ranks as one of the best places to work in America. This section briefly delves into the company's strategy, performance, resources and capabilities.

Strategy: Target's corporate strategy is one that has changed little over the years: to provide high-quality, stylishly designed items plus all the essentials for life, displayed in a clean, organized and welcoming environment; The one-of-a-kind experience comes that comes from our department store roots and ongoing commitment to great prices and stylish innovations." The timelessness of that strategy has allowed the company to continually strive for excellence, both internally and externally, and to become a favorite retailer among a range of demographics- from the chic teen to college aged student, to the hard-working CEO and mother of two. From young or old, rich or poor, and virtually everything in between, Target has been able to appeal to the masses without losing quality in brand, product or services.

Integral to the success of the corporate strategy is what the company prides itself in the most, its pioneering nature in store design. As noted on its corporate website: "What does design have to do with diapers, digital cameras and deck furniture? Everything. We design our stores to be easy and intuitive to shop, with related departments conveniently placed next to each other (décor next to home improvement, toys next to sporting goods) and a "racetrack" central aisle to speed you on your way. And, thanks to our department-store roots, we concentrate on the aesthetics; we know that things like artistic seasonal displays can turn a weekend shopping trip into a fun family outing. We also work hard to make sure your experience is consistently

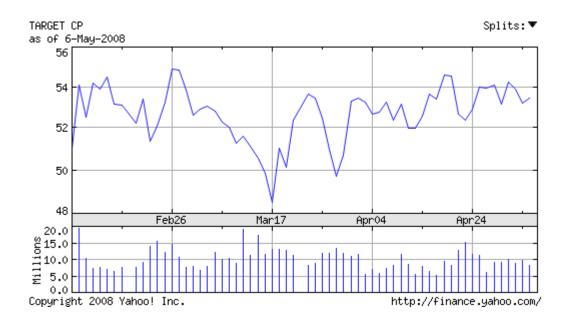
enjoyable, with a clean environment, friendly team members and feel-good details on all sides." This commitment to excellence, to stylish and chic, yet affordable items presented with the user in mind has allowed the company to gain and maintain a strong foothold in the industry, carving out its own niche and distinguishing it from competitors. The company's strategy has also allowed Target to remain flexible and able to change significantly with its consumers, allowing it to seek substantial growth opportunities in various branches and extensions of the brand.

Performance: As noted in the chart below, despite the slight dip the Discount, Variety Stores Sector (recognized on under the ticker YHOH837), Target has consistently managed to outperform or parallel the entire industry



Targets performance can be attributed to many things, including a corporate decision to follow a path of brand extension and cautioned expansion. Operating less than 1,600 stores worldwide, the company has managed to increase its market base by catering to both a slightly more up-market, more price-insensitive customer base while managing

to preserve its reputation as a discount retailer and catering to those consumers. While the entire industry is expected to continue to be effected by increasing gas and food prices, Target sales are not expected to dip significantly, or below industry standard. Its three month figures are as follows. (Notice a recent upward trend in the data provided)



Last Trade: **53.44**

Trade Time: May 6

Change: 0.00 (0.00%)

Prev Close: 53.44

Open: N/A

Bid: N/A Ask: N/A

1y Target 59.85

Day's N/A - N/A

Range:

52wk Range: 47.01 - 70.75

Volume: 0

Avg Vol 10,298,700

(3m):

Market Cap: 43.45B

P/E (ttm): 16.02

EPS (ttm): 3.34

Div & Yield: 0.56 (1.10%)

Resources & Capabilities: Among some of Targets key strength is its niche like holding in the industry, its ability to cater to wider market without losing the essence of

what it has became known for as well as the ability to act and move in a way that larger and smaller competitors cannot afford to. The section highlights three resources and capabilities that allowed for the company to have such a command in its sector, including the flexibility of the institution and its corporate culture, its financial activities and the Target brand itself.

Flexibility and Corporate Culture: Target's size is most beneficial as it allows it to do what big competitors (like Wal-Mart and BJs) cannot do due to sheer size, and what smaller competitors (ALCO, Freds Inc) cannot afford to do due to lack of resources. It can cater its services and products to change with consumer trends more quickly and at prices that are affordable to the customer and profitable to itself than any other. Further, Target has created a corporate culture conducive to a constant call of innovation and a group of people who are committed to the success of the brand. As reported on Vault.com: Spread throughout the nation, Target employees praise the "flexible" corporate structure that offers "frequent chances for promotion." "The upward mobility is the best part of working here," reports one insider, "I have increased my income 25 percent in the past year!" While advancement "sometimes requires relocation," the size of Target's chains enables employees to stay "committed to a single geographic region." The size of the company also makes generalizations difficult. Pay, dress, and hours vary by location and department. While one insider in Information Services reports, "the job pays really well" and another insider describes it as "very competitive," others call the pay scale "unimpressive."

Finances: As mentioned prior, the company has been able to align its investments with its strategy to produce increased same store sales over the last year. Its subsidiaries have been very successful and Target.com serves as the company's face online. With millions of hits per day, the company's online arm provides a significant percentage in the company's overall revenue.

This month, the company announced the deal it struck with JP Morgan regarding its credit receivables. As noted via its corporate website, under an agreement with "Target Corporation, JPMorgan Chase would invest in Target's credit card receivables. At closing Target would sell an undivided interest in its credit card receivables to JPMorgan Chase for cash proceeds of approximately \$3.6 billion. This interest would represent approximately 47 percent of the principal amount of Target's outstanding receivables at that time." This decision is very much in-line with Target's current strategy and the influx of cash holdings increase its financial capacity significantly. "This unique agreement accomplishes the goals set forth in the review of receivables ownership that we initiated on September 12, 2007," said Doug Scovanner, EVP and Chief Financial Officer of Target Corporation. "It provides significant liquidity to Target from a single source unrelated to debt capital markets, provides an appropriate sharing of the portfolio benefits and risks between Target and JPMorgan Chase, and allows our guests to continue to benefit from the creativity and expertise of the world-class team at Target Financial Services. Most importantly, this innovative transaction marks the beginning of a long-term credit card relationship between Target and JPMorgan Chase, which we believe will create substantial financial and strategic rewards for both of us over time." As the website notes, this transaction is expected to provide Target with

sufficient liquidity to implement its business plans, including previously announced capital investment and share repurchase activity, without the need to access term debt capital markets again this year. Additionally, this transaction was expressly designed to have no impact on Target's guests and the Target team members who provide financial products and services to them.

Brand: Finally, among Target's greatest strength, its not the greatest, is its brand. Among the most recognized brand in North America, Target has worked to create a sense of affordable style that has not yet been accessible to others. As one of the store founders, Douglas J. Dayton, one of the Dayton brothers, explained, John Geisse's chief concept regarding the store has lived on: "We will offer high-quality merchandise at low margins, because we are cutting expenses. We would much rather do this than trumpet dramatic price cuts on cheap merchandise. To successfully adhere to this vision, Target Corp has a deep and extensive Marketing/Advertising team. It is divided in to the following groups:

MARKETING PLANNING

The Marketing Planning team identifies marketing opportunities and develops integrated marketing campaigns. Additional responsibilities include writing creative blueprints, developing media plans, overseeing project execution and managing budgets.

MARKETING CREATIVE

The Marketing Creative team communicates the Target brand through various advertising media and campaign strategies including in-store marketing, promotions and packaging.

STRATEGY AND RESEARCH

⁵ http://findarticles.com/p/articles/mi_m3092/is_n18_v29/ai_8970766

The Strategy and Research group explores new business opportunities, strengthens existing business relationships, and applies consumer insight to marketing messages. The Market Research team analyzes shopping behavior through focus group interviews and observation. The Strategy team uses the resulting data along with other tools to recommend changes regarding product mix, content, display and marketing.

RESEARCH AND PLANNING

The Research and Planning Team researches and interprets major retail market climates to prepare for new store sites and remodels. The team conducts competitor analyses, demographics and geography research, and transfer estimations. The resulting data inform the team's recommendations on store locations, sizes and site assessments.

INTERACTIVE MARKETING

The Interactive Marketing team uses state-of-the-art digital technology including innovative marketing strategies and compelling creative material to drive sales and engage customers.

EVENT MARKETING AND COMMUNICATIONS

The Event Marketing and Communications team communicates the Target brand through exciting, highly visible events. This team also creates all internal print, intranet and company messaging.

COMMUNITY RELATIONS

The Community Relations team helps allocate Target's \$3 million-per-week charitable contributions to neighborhoods, programs and schools across the country. The team also develops and manages the corporate community involvement programs.

STRATEGIC ALLIANCES

The Strategic Alliances team partners with internal groups to develop new business ideas and corporate partnerships. The team also works to generate innovative product development and special projects.

MARKETING OPERATIONS

The Marketing Operations team strengthens guest loyalty by delivering high quality, cost-effective, timely execution across all media outlets including Circular, In-Store Marketing, Packaging, Broadcast, Promotions and Printing Services. Marketing Operations also partners with Marketing Planning, Marketing Creative, outside

agencies, manufacturers, newspapers and distributors to execute and deliver all marketing creative to guests.⁶

The remainder of this paper delves into the recommendation of utilizing corporate blogging into the marketing/advertising strategy of the company, particularly under the under the Interactive marketing component for increased company success and market expansion.

Recommendations:

Since the first official Target store opened its doors in 1962, it has been an industry leader in discount merchandising. It has a history of building off success, as the company, started by George Dayton, grew from a chain in Minnesota with four units to over 1600 stores in 44 states with sales figures surpassing 60 billion dollars.

With a slogan like *Expect More. Pay Less* it is clear that the company values its ability to provide the consumer with the "ultimate store experience" while offering continuous product improvement and innovation within those units. The chain's executive team takes pride in designing the stores to be easy and intuitive to shop. The chief focus is aesthetics, working off the idea that "that things like artistic seasonal displays can turn a weekend shopping trip into a fun family outing." The consumer experience is further enhanced by the company's ability to consistently provide an environment, friendly team members and feel-good details on all sides. When the company speaks of innovation, it isn't just in regards to its dedication to good design; it doesn't just mean how something looks, but also how it satisfies a need, how it simplifies the consumer's life, and how it makes the guest feel.

⁶ http://sites.target.com/site/en/corporate/page.jsp?contentId=PRD03-000500

It is because of these highlights, that I recommend the company engage in a different type of medium involving the consumer experience, that being corporate blogging. The reasons noted above make me confident that Target is ready to continue its innovative and trend setting ways by developing a corporate blog like no other- one that is aesthetically pleasing, informs and entertains the consumer about Target happenings and products and solidifies Target as "chic, discount retail" icon.

A Corporate Blog...Why?

In the wake of recent technological advancements, we feel that it is in Target's best interest to utilize the blogging⁷ tool to take the company into its next phase of creativity and to further engage shareholders- employees and consumers alike, in the Target moving. From a strategic management perspective, this allows the company to build upon the traditional tools of marketing, advertising and branding capabilities from a physical to a virtual platform with an ability to access a global audience.

As it stands, the company outspends competitors like Wal-Mart in marketing and continues to be described as "one of the most creative marketers in the field." What would bring it to new heights, particularly in terms of creativity, consumer and employee engagement would be an employee produced corporate blog. Just spending a few moments in "the blogosphere" allows readers to see that there are several sites singing the praises of the company, particularly a blog entitled, *Slave to Target*. Also noticeable is the lack of a more personal, less intuitional voice of the brand in the blogosphere.⁸

⁷ a weblog -- or blog -- is a frequently updated website of personal ideas, thoughts, musings, news, information, or discussions. Corporate blogs tend to divulge information about company happenings, headlines, promotions etc. (http://www.wired.com/culture/lifestyle/news/2002/05/52380)

⁸ *Blogosphere* is a collective term encompassing all blogs and their interconnections. It is the perception that blogs exist together as a connected community (or as a collection of connected communities) or as a social network. (http://en.wikipedia.org/wiki/Blogosphere)

Many wonder why the innovative, guest drien company has yet to let the consumer know more about it, yet to discuss some of the people and events behind decision making and yet to bring forth some of its greatest tools. Other than an eye for design and aim of affordability, those interested in the company, from whatever angle, are in the dark regarding some of the very interesting parts of its operation.

People, guests for whom the company has expressed huge commitment too, have expressed wanting more knowledge on the people who continue to bring the most stylish and chic products to them every day. They want to meet the designers of the spring lines, want to get Targets view on upcoming modern and tre-chic technologies. In creating the Target Corporate blog, the company would make the user experience even more personal. It would be a platform to inform and entertain those interested and perhaps even another financial vehicle for the company. Target would have the opportunity to talk about its philanthropy activities, an effort that gets very little attention, though has done a significant amount of good work in the community. Further, the company would be able to engage more with consumers and better position itself to predict and pioneer upcoming trends, on every facet, very much in alignment with company strategy.

Speaking specifically in regards to consumers, by setting up a corporate blog, consumers would be allowed to go inside, behind the doors of a company they already know and love, to meet the people who make the magic happen every day. Employees have already voiced their desire to participate in a project of this nature should it occur. Due to a positive corporate culture, Target employees are dedicated to the brand, its

consumers, products and Target events and a corporate blog would be one of the first outlets for employees to pass that dedication and loyalty on to consumers.

On the issue of designers, Target was among one of the first companies to bring in designers to create signature pieces. From clothing to furniture to beauty products, Target has utilized the brilliance and creativity of designers from Iaaac Mizrahi (formally of Liz Claiborne) to Sonia Kashuk. By highlighting members of the team, new designs, promotions, etc, it could encourage many to actually go into the store and purchase the items or engage in discussion with others about it.

Last but certainly not least, a corporate blog would allow Target a mechanism to address certain criticisms more quickly and efficiently than it has in the past and again, highlight its new product, key people, upcoming events and Target's signature philanthropy efforts.

Company Criticisms and Response

With regards to criticisms, the company has seen much negative press over several decisions/acts made in the last few years. These instances include:

In 2002, the company was alerted to sporting caps and shorts having the number "88" embroidered on them. This number has been used by known white supremacist groups as slang for "Heil Hitler." A customer informed the company of the offensive merchandise. Target did not pull the merchandise or issue public apology until the Southern Poverty Law Center echoed its concern and the media began reporting on the issues.

- In November 2005, the American Family Association criticized Target and other retailers for not using the word "Christmas" in its holiday advertising. Target responded by introducing words like "Christmas" and "Hannukah" on its website and in-store signage, and by showing holiday ads that included the phrase "Merry Christmas"
- ❖ In February 2006, when an influential consumer (her name) wrote in to Target regarding her distaste for a an add that depicted a woman with her arms and legs spread over a Target, the company responded that it did not engage in dialogue with non traditional media, igniting a firestorm of negative press for months afterwards.

With the corporate blog, Target would be able to handle the responses to these issues quickly, warranting less of a negative response from media and the general public. With blogging technology, the company has a unique opportunity to start the conversation, rather than having to join it days, weeks, months after comments and responses have been made.

Risk or Opportunity?

There are certainly risks associated with every new and innovative undertaking, and it is important to highlight them so you make the most informed decision possible.

 Blogs are supposed to be witty, entertaining and welcoming among other things. They tend not to prosper in companies that demand complete control over what is said and written. While we doubt that Target is one of those types of companies, it is important to set guidelines in terms of how the company wants to present itself given the new platform, and the extent to which writers and contributors can act within this context.

- 2. Blog Voice- once readers feel as though a blog is inauthentic- set up only to advertise to them or not characterized by a successful blend of personality, humor and information, it tends to lose its audience, which can have a negative effect on overall brand imaging.
- 3. While blogs can provide a way to talk informally to customers, vendors and employees, saying the wrong thing or revealing trade secrets could come back to haunt a company. It is important that posts are reviewed and approved prior to postage.

While it is important to consider all of the above, because of Target's superb brand recognition and its overall "stylish factor" I believe that with proper set up and guidance, the company can avoid these issues for blogging success. Further, the following is a list and a link to other businesses who have successfully engaged in corporate blogging:

Google (http://googleblog.blogspot.com/)

Sun Microsystems (http://blogs.sun.com/jonathan/)

Boeing (http://www.boeing.com/randy/)

Stoneyfield Farms (http://stonyfield.typepad.com/bovine/)

Gartner (http://weblog.gartner.com/weblog/weblogindex.php)

Dell (http://direct2dell.com/one2one/default.aspx)

Southwest Airlines (http://blogsouthwest.com/)

Microsoft Internet Explorer (http://blogs.msdn.com/ie/)

Kodak (http://1000words.kodak.com)

Netflix (http://blog.netflix.com)

Yahoo! (http://ycorpblog.com)

General Motors (http://fastlane.gmblogs.com/)

37Signals (http://www.37signals.com/svn/)

Dreamhost (http://blog.dreamhost.com)

Note that none of Target's competitors have entered this form of media, thus providing Target with yet another opportunity to flex its muscle and gain first mover advantage in this area.

The Plan

The following recommendations are in place for for Target Corporation

- Expand Interactive Marketing by including a 3-4 member team that work with GoldBerry consultants regarding blog design, blog content and blog maintenance.
- 2. Gather five employees, from different aspects of Target Corp, from CEO Ulrich to the buyer of favorite consumer products. After each participates in a corporate blog writing workshop, ask each to write one post a week on various aspects of Target- from anecdotes associated with running the company, to favorite employee products.
- 3. Though this will be expanded upon in the workshop, ensure that blog contributors understand the importance of not divulging trade secrets and maintaining proper representation of the company, but also are encouraged to infuse their own personality and creativity into their writings.
- 4. Seek to average one post per day, and allow up to 25 consumer comments.

- 5. On the blog, have a section encourage consumers to give Target ideas on product innovation, the introduction of new products or whatever else consumers feel may add to the value of the company and the brand.
- As the site grows, use it as a mechanism to announce Target events and sponsorships in addition to providing reports on Targets charitable activities and donations.

Conclusion: In conclusion, with a 96% logo recognition percentage, a strong foothold in the Discount, Variety Stores Industry and revenues in the upwards of 60 billion dollars annually, it is clear Target is a company consumers know and love. It continues to provide the best quality, best designed, most stylish and chic items at an affordable price for any and all ages, genders and economic status. A tool that the organization can benefit from utilizing in future corporate strategy is that of corporate blogging. As an innovator with a strong corporate culture and a workforce dedicated to continuing in its award winning ways, I feel it is in the best interest of the company to create a blog- a platform where the voice is less institutional more personal and engages those interesting in the brand further. If implemented correctly, this could be the organization's vehicle for access to international markets, a way to further differentiate itself from its competitors and perhaps another tool for financial success. Giving the company even more of a personality and allowing consumers in while highlighting key Target activities and charitable undertakings via a corporate blog would further solidify Target as a retail icon.

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