

Blogging as entrepreneurial sweatshop

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Abstract

Blogging is a complex phenomenon that is hard to define. The more a blog is visible, the more it is capable to attract advertising and consequently to monetize the authors' effort in keeping it alive and appealing. Therefore a blog can be considered as a minimalist organization, a way of doing entrepreneurship. The work is aimed to explore the phenomenon of blogging as entrepreneurial sweatshops, in particular for women.

A longitudinal and comparative analysis has been conducted on an Italian Sample and a US sample individuating the internal and external factors that influence entrepreneurial success of blogs.

Keywords: blogs, entrepreneurial sweatshop, minimalist organizations, women entrepreneurship

Introduction

Starting a venture is inherently a difficult process. From the seminal work of Gartner (1985), entrepreneurship scholars acknowledge that successful new ventures are built on the expertise of the entrepreneur, the network that she is able to build, the resources that she is able to collect and mobilize, and the characteristics of the context in which the new business operates; a new venture is the outcome of the relationships among individuals, environment, organization and processes. Mortality rate is high at start up (Laitinen 1992) because of what literature refers to as liability of newness (Aldrich 1999, Shepherd et al 2000, Start and Bygrave 1992, Stincombe 1965). As the new venture unfolds and the founder activates learning processes (Politis 2005) and builds reputation and business ties, liability of newness is gradually reduced.

Liability of newness appears to be particularly relevant in ventures started by women. Discourses about women entrepreneurship categorize ventures run by women as small sized and with limited profitability (Fasci & Valdez, 1998; Hirish & Brush, 1984; Kelleberg & Leicht 1991; Rosa & Hamilton, 1994; Ahl, 2006; Roper and Scott; 2009). Income generated by women led ventures is often insufficient to support the household (Thompson et Al. 2009). Difficulties in accessing venture capital (Roper & Scott, 2009; Nelson et. al., 2009), weak and less effective entrepreneurial networks (Hampton et al. 2009, Aldrich et al. 1989), male orientation of specific industries (McAdam & Marlow 2008; Metiu and Obodaru, 2006; Nosek, Banaji, & Greenwald, 2002), lack of role models are elements often cited as characterizing liability of newness in ventures started by female entrepreneurs. Notwithstanding the fact that part of the literature is gender biased (Ahl 2006), evidence from literature and real life suggests that liability of newness is particularly relevant for businesses in which the entrepreneur has to reconcile a variety of roles (such as family, community and business; Carter & Allen 1997) and needs to self train for the entrepreneurial role, while at the same time testing the quality of her project.

In this paper, we are interested in analyzing contexts that can contribute to reduce liability of newness in new ventures started by women. Since it is commonly acknowledged that decisions and attitudes toward entrepreneurship reflect, to a large extent, subjective perceptions of the entrepreneur rather than objective conditions (Minniti & Nardone, 2007), gender doesn't represent a limitation to entrepreneurship, but at the same we should recognize that there are differences between man and women in doing entrepreneurship (Ahl 2006) and part of these differences can reflect lifestyle choices. Minimalist organizations (Hallyday, 1987) are characterized by flexible processes, low entry and exit barriers in the market and give their founders the possibility to receive a quick feedback from the market on the quality of the project and the entrepreneurial team. For the purposes of our study, minimalist organizations can act as entrepreneurial sweatshops, in which entrepreneurs can assess their entrepreneurial potential, while at the same time building entrepreneurial reputation, competence, self confidence and useful relationships.

The aim of this paper is to assess how entrepreneurial sweatshops can be a effective and efficient form of entrepreneurial training; in particular it wants to verify under which conditions these sweatshops are successful. Based on the analysis of the emerging phenomenon of blogs, we argue that minimalist organizations can be effective entrepreneurial sweatshops when they enable the entrepreneur to be to build a reputation and to create entrepreneurial networks.

Background

Entrepreneurial learning and reputation

A central issue in entrepreneurship literature is liability of newness. One of the reasons why a significant percentage of new ventures fail is the fact that new businesses have more difficulties to access strategic resources and are unable to compete effectively against established organization (Stinchcombe 1965, Freeman et al. 1983); therefore, entrepreneurs have to gain legitimacy into a business community and gradually build powerful business relationships (Politis, 2005). Langowitz and Minniti (2007) demonstrate in their work that the existence of opportunities, self-confidence in one's own entrepreneurial skills, and knowing other entrepreneurs are crucial in starting a business.

McGrath and MacMillan (2000) suggest that entrepreneurs with prior start-up experience have developed an "entrepreneurial mind set" that drives them to seek and pursue entrepreneurial opportunities with enormous discipline, and hence, can be expected to pursue only the very best opportunities. This argument also corresponds to Carroll and Mosakowski (1987), who assert that prior start-up experience increases the probability of exploitation of entrepreneurial opportunities, since learning reduces the costs related to this endeavor (Politis 2005). Moreover, previous experiences offer entrepreneurs the right training that can be readily deployed in other ventures, providing them the opportunity to successfully enter in new markets with innovative products and technology (MacMillan, 1986; McGrath, 1999; Politis 2005).

It therefore seems that a good way to overcome difficulties associated with an entrepreneurial start up is to find a context allowing the entrepreneur to be to build business relationships and test the idea at very limited cost, while at the same time receiving early market feedback on the quality of the project and strengthening the self confidence of enduring the responsibilities the entrepreneurial role implies. The example of entrepreneurs starting several businesses suggests that entrepreneurial training in building and exploiting social network and the creation of business reputation help the entrepreneur to secure financial resources and to develop a market for the new venture, thus reducing the impact of liability of newness (Politis 2005).

As over time entrepreneurs can strengthen their entrepreneurial skills and increase the chances of building successful ventures, a good strategy to reduce liability of newness is to find entrepreneurial sweatshops, where entrepreneurs to be can test their idea and develop entrepreneurial strength and reputation. In this paper, we look at minimalist organizations as a favorable setting to overcome difficulties associated with start up, as they are structurally flexible and typically operate in fragmented and relatively non competitive business environment; they require a minimal amount of resources for funding and support and may not replicate the patterns of funding and failures typical of most business organizations (Halliday et al. 1987, Aldrich et al. 1990). Minimalist organizations can act as entrepreneurial sweatshops to the extent they allow entrepreneurs to be to build reputation and visibility.

Women, Entrepreneurship and sweatshops

The start up of a new venture is very difficult for women who aim to find a balance between the private sphere of the family and the public sphere of work (Ahl 2006). The role women typically assume in the family as mothers explains their quest for flexibility for balancing work, maternity and family (Brush 1992; De Martino & Barbato, 2003; Jome et al. 2006; Thompson et al. 2009, Patterson & Mavin, 2009) and drives their entrepreneurial motivations. Underperformance of entrepreneurial ventures started by women does not seem to be related to a lower level of competence (Cromie & Birkley 1992), or to gender differences (Ahl 2006, Du Rietz & Henrekson, 2000; Watson, 2002), rather by contingent factors. Achievement, autonomy and flexibility (Bowen and Hirsh 1986) are the main reasons why women, as well as men decide to set up a business (Brush, 1992; Scott, 1986), together with the need of increased flexibility for personal and domestic commitment (Marlow 1997; Mattis 2004; Cabrera, 2007).

As Ahl (2005) suggests, an integrated lifestyle is thus a necessity rather than a choice, and therefore mothers are looking for entrepreneurial possibilities to reconcile the working sphere and family life. Moreover, as Scherer et al. (1990) suggests, women need self-confidence and the expectation of success in order to fully participate in venture creation. Kourilsky and Walstad (1998) also concluded in their work that educational initiatives addressing both entrepreneurial knowledge and self-efficacy are critical and especially important for females because of their observed self-efficacy bias.

Social software as entrepreneurial sweatshop

Blogs are personal web journals, arranged in reverse chronological sequence, facilitating mediated communication through texts, images and audio/video objects (Huang et al. 2007, Nardi et al. 2004). This is a reductive definition, if we consider the array of possibilities that the versatility of the medium offers from an editorial, business and sociological point of view (Kumar & Novak 2004). To bloggers, a blog may work as a personal diary, a collaboration space, a political soapbox, a daily pulpit, a collection of links, a set of memories to the world (Figueredo 2005), a place where social relationships are built, to be leveraged also outside the virtual environment (Ali-Hasan & Adamic 2007).

Blogs are nearly real-time communication channels between the primary authors (creators) and the secondary authors (the readers, who email and comment) (Hourihan 2002), where people interact and exchange data in a fluid way. Therefore, this medium can be defined as a Social Software, although of a different nature than social networks or communities, such as Facebook and LinkedIn, because comments are captured locally and not in a shared common spaces (Boyd 2005).

We can therefore define blogs as personal diaries or journals, in which people reflect their own interests and values (Boyd 2006), but at the same time as a medium where bloggers pay attention to the audiences for whom they are wiring for, to their feedback and their feelings (Nardi & Schiano 2004). All these exchanges of social capital occur into the blogosphere, which in turn is an imagined public sphere, the space inhabited by public digital bodies, where each blog is identified by a specific URL that does not represent just a digital space, but a person with her history and features (Boyd 2006).

Blogs represent, for their own nature, a space where public and private sphere meet. As a consequence, the possibility for blogs to contribute to their authors' visibility and reputation is related to the role they play within the network of which they are part. The network is determinant for the blog as it legitimates it and encourages its authors to constantly contribute to it and to keep it alive; blogosphere is based on local communities of blogs that interact and each community exhibits different levels of activity over a certain period of time (Kumar & Novak 2004). For this reason, it is not surprising that bloggers put in action specific networking strategies in linking their blog to other websites and in building relationships: blogs at the center of a networks are linked by several blogs (overall of the periphery) that are looking for visibility; every blog tends to link more selectively to ones that are more valuable, to improve its positioning and gain reputation (Herring et al. 2005). Through the management of a set of communication tools and by constantly updating content (Kumar & Novak 2004), bloggers test their ability to create and maintain a set of relationships vital for blog legitimization (Huang et al. 2007). Beyond these actions of regular 'maintenance' of the blog, bloggers perform other networking activities like the building of the blogroll, commenting other blogs and quoting other bloggers (Furukawa et al., 2008).

We can thus look at blogs as individual and social forms of expression, that are part of a broader network legitimizing its existence and contributing to its reputation. As there are specific actions they can put in place to gain a better position within the network, it is possible that at one point some blogs might decide to monetize from their efforts.

If blogs can be viewed as minimalist organizations, the issue arises on the appropriate metrics to measure their success. Visibility is defined as the extent to which a user is likely to come across a reference to a Web site (Dreze & Zufryden, 2004) and it can be considered as a good proxy for a blog's economic success and popularity; in fact, there is evidence in literature of a

positive correlation between visibility and web site traffic (Dreze & Zufryden, 2004; Wolk & Theyson, 2007). Popularity, expressed as the number of visitors, is a key factor in the success of web business institution because the web traffic is perceived as the leading indicator of future revenues (Benbunam-Fitch & Fitch, 2004) and it measures maximum diffusion of works/activities of the website (Espadas et Al. 2008). The opportunities for a blog to attract advertising grows more and more when it has reached a high visibility or a high web-traffic (Wolk & Theyson, 2007). Moreover, as blogs are social software, maximization of visibility is correlated to maximization of social capital and reputation.

Internet (and more specifically blogs) seem to be a good entrepreneurial sweatshop, particularly for female entrepreneurs to be. The web offers higher flexibility as opposed to traditional 'brick and mortar' businesses (Jome et al., 2006), provide opportunities to build networks that would otherwise be limited in size and range (Hampton et al., 2009), allow for the creation of entrepreneurial networks through deliberate strategies targeted to specific individuals with whom the entrepreneur feels a degree of empathy and in whom she has a high degree of trust and confidence (Aldrich et al. 1997, Olm et a 1988, Hampton et al 2009). As costs of setting a blog are very limited and barriers to entry and exit are low, they are suitable for women that want to test their entrepreneurial ability and possibly set up a company, but can't afford too many risks.

The aim of an entrepreneurial sweatshop is to foster entrepreneurial learning, experience and training. Previous studies have demonstrated that success of an organization depends a lot on the experience and the skills of the entrepreneur (Gartner 1965). Moreover reaching the success means to be able to overcome to the liability of newness (Politis 2005), therefore in the next paragraphs we want to demonstrate how is possible to reach success in entrepreneurial sweatshop and how it can be considered valuable for female entrepreneurship.

Method

Sampling of minimalist organizations is problematic, since the sample taken could not be representative of the whole universe. For this reason, we have decided to work with two samples of blogs started by women built using different sampling methods, in order to increase robustness of results.

Our empirical base consists of 450 blogs, divided into two groups, 250 blogs started by Italian speaking women and 200 blogs started by American women.

The Italian sample has been created using a 'snowball method' (Herring 2005): the 30 most visible blogs according to Technorati rank¹ have been identified and blogs started by women in their blorgroll have been included in the sample. On the other hand, blogs in the American sample have been picked randomly through search engines like Google.

Each blog has been codified in terms of seniority, editorial content, number of posts and comments, number of blogs in blogroll, presence of advertising revenues.

Technorati rank has been used as a proxy for visibility, and therefore treated as dependent variable. In turn, following Wolk and Theyson (2007), visibility has been considered as a proxy for performance, as direct revenue streams are very modest; in the Italian sample only 10% of blogs have some form of advertising (Google adsense, banner, pop-up), while nearly 20% of blogs in the US sample have advertising. Advertising through posts has not been taken into consideration and considered as an indirect form of revenue stream.

¹ A Technorati Ranking relates to the number of sources that point to a particular weblog relative to other weblogs. The more sources referencing a weblog, the higher the Technorati ranking.
(<http://technorati.com/help/faq.html#ranking>)

Each blog in the Italian sample has been put in relation with the other blogs in the sample, so as to be able to perform a network analysis to assess the role played by each node in shaping and being shaped by the network.

Blogs in the Italian sample have been analysed twice at six months interval in 2009, while blogs in the American sample have been analysed once. Around 55% of the American sample was started between 2003 and 2006 with a peak of births in 2006, whereas 55% of Italian blogs were started between 2003 and 2007 with a peak in 2007. 65% of the Italian blogs was started between 2007 and 2008. Mortality rate² of blogs in the Italian sample between the first and the second observation was around the 25%. Around 50% of discontinued blogs was started in 2008; this is not surprising, as minimalist organizations show a very high mortality rate early on, but gradually consolidate. New blogs were inserted in the Italian sample at the second observation, to grant a stable sample of 250 observations.

Reputation was operationalized by looking at the amount of content posted and the feedback received, measured by the number of comments to the post. Size of network was operationalized by looking at the number of blogs in the blogroll.

Analysis

In the first model, an Ordinal Logit Regression (OLR) has been run on the overall sample of 450 observations, setting visibility as the dependent variable. Average and the maximum ‘number of comments per month’ and the average ‘number of posts’ per month were considered as independent variables.

The first regression model (table 1a,b) is significant, and shows a positive correlation between visibility and content related independent variables: the more a blog is able to ‘produce’ in terms of content and the more is capable to attract people attention, the more successful it is. To be successful entrepreneurial sweatshop should be able to gain reputational standing from the market.

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	919,714			
Final	778,776	140,938	3	,000

Link function: Logit.

Table 1a: OLR, Drivers of visibility for 450 blogs

² The Mortality rate is the percentage of blogs terminated between two subsequent observations. A blog has been considered terminated if:

- It has been inactive (without posts) in the previous six months
- It has been deleted from the web

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval		
						Lower Bound	Upper Bound	
Thresh old	Visibility = 0	-,252	,311	,657	1	,418	-,862	,358
	Visibility = 1	2,305	,286	65,100	1	,000	1,745	2,866
	Visibility = 2	3,379	,306	121,729	1	,000	2,779	3,980
	Visibility = 3	4,576	,338	183,787	1	,000	3,914	5,237
Location	Average # of comments	,177	,072	6,048	1	,014	,036	,318
	Max. # of comments	,283	,058	23,830	1	,000	,170	,397
	Average # of posts per month	,426	,056	57,828	1	,000	,317	,536

Link function: Logit.

Table 1b: OLR, Drivers of visibility for 450 blogs

We then performed the same type of analysis on the two samples separately. The model built on the Italian sample at the first observation - setting visibility as the dependent variable and average number of post, average number of comments and number of blogs in blogroll as independent variables (tables 2a,b) - is significant, thus showing that at early stage of development blogroll influences visibility, together with content. Network and reputation are both critical factors to drive early performance.

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	336,138			
Final	245,481	90,657	3	,000

Link function: Logit.

Table 2a: OLR, Drivers of visibility for Italian blogs

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Thres hold Visibility =0	-,286	,855	,112	1	,738	-1,962	1,390
Visibility = 1	4,386	,661	44,021	1	,000	3,090	5,682
Visibility = 2	6,295	,750	70,366	1	,000	4,824	7,766
Visibility = 3	8,980	,905	98,436	1	,000	7,206	10,754
Locat ion Average # of posts per month	,458	,108	17,924	1	,000	,246	,670
Number of blogs into the blogroll	,453	,128	12,592	1	,000	,203	,703
Average # of comments	,741	,148	25,212	1	,000	,452	1,030

Link function: Logit.

Table 2b: OLR, Drivers of visibility for Italian blogs

When we run the same model on Italian blogs at the second observation, the model was not statistically significant. Instead, considering content/comments on a single model and networks (number of blogs in blogroll) on another, the OLRs obtained are significant (Tables 3a,b; 4a,b). The second observation depicts blogs in a more mature phase of their life cycle; over time, visibility is still strongly influenced by reputation, but the amount of relations is less relevant than before in driving performance.

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	323,377			
Final	284,634	38,742	2	,000

Link function: Logit.

Table 3a: OLR, Drivers of visibility for Italian blogs – second observation

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Thres hold Visibility =0 Visibility = 1 Visibility = 2 Visibility = 3	,688	,344	4,001	1	,045	,014	1,363
	1,921	,360	28,399	1	,000	1,214	2,627
	3,023	,397	58,109	1	,000	2,246	3,800
	4,538	,469	93,479	1	,000	3,618	5,458
Locat ion Average # of posts per month Average # of comments	,306	,077	15,628	1	,000	,154	,458
	,422	,107	15,496	1	,000	,212	,632

Link function: Logit.

Table 3b: OLR, Drivers of visibility for Italian blogs – second observation

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	67,489			
Final	62,420	5,069	1	,024

Link function: Logit.

Table 4a: OLR, Drivers of visibility for Italian blogs – second observation, the influence of the blogroll

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Thres hold Visibility =0 Visibility = 1 Visibility = 2 Visibility = 3	,293	,690	,181	1	,671	-1,059	1,646
	1,461	,698	4,385	1	,036	,094	2,829
	2,387	,709	11,334	1	,001	,997	3,776
	3,696	,736	25,208	1	,000	2,253	5,139
Locat ion Average # blogs into the blogroll	,322	,151	4,553	1	,033	,026	,618

Link function: Logit.

Table 4b: OLR, Drivers of visibility for Italian blogs – second observation, the influence of the blogroll

Tables 5(a,b) and 6(a,b) show the results of a OLR performed on the US sample. Also in this case, the overall model (considering all the variables together) is not statistically significant, while reputation affects visibility, if considered separately from network.

Since American blogs have on average a longer track record than their Italian counterparts, we interpret these results as an evidence that over time successful new entrepreneurs become more interested in the quality of their network rather than on their scope. The lack of significance in the model doesn't represent a lack of influence of relationship in visibility, but a more mature way of facing relationship based on quality in network building. On the other hand, reputation keeps an heavy weight in determining blog success also in the US sample.

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	237,935			
Final	176,216	61,719	2,000	

Link function: Logit.

Table 5a: OLR, Drivers of visibility for US blogs – second observation

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Thres hold	1,802	,444	16,507	1	,000	,933	2,672
Visibility = 2	2,438	,456	28,626	1	,000	1,545	3,331
Visibility = 3	3,262	,482	45,760	1	,000	2,317	4,207
Locat ion	,778	,166	21,908	1	,000	,452	1,104
Average # of posts per month	,273	,103	7,072	1	,008	,072	,474

Link function: Logit.

Table 5b: OLR, Drivers of visibility for US blogs – second observation

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	71,266			
Final	67,989	3,277	1,070	

Link function: Logit.

Table 6a: OLR, Drivers of visibility for US blogs – second observation, the influence of the blogroll

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Thres hold Visibility = 1	-,548	,294	3,472	1	,062	-1,125	,028
Visibility = 2	-,023	,291	,006	1	,937	-,593	,547
Visibility = 3	,627	,294	4,544	1	,033	,051	1,204
Locat ion Number of blogs into the blogroll	,143	,078	3,337	1	,068	-,010	,297

Link function: Logit.

Table 6b: OLR, Drivers of visibility for US blogs – second observation, the influence of the blogroll

The analyses so far have shown that as entrepreneurs train in an entrepreneurial sweatshop, drivers of performance change as a result of entrepreneurial learning: reputation builds up, while networking becomes more selective. Yet, results show that size of network is determinant in the early stages of blog activity, to establish its positioning into the market. This can be considered a condition of survival in the long run, according to population ecology theory (Hannan and Freeman 1977). While number of relationships influences visibility early on in blog lifecycle, quality of network becomes gradually more important. It thus becomes apparent that as the new venture unfolds and reputation grows, quality of relations matters more than the number of relations. It seems though that position in the social network becomes relevant. While at inception blogs need to accomplish a unitary strategy targeted to gain reputational standing through content and enter in a network as wide as possible, the effect of entrepreneurial learning is a capitalization on the reputation gained to create a positive relation between reputation and network (Herring 2006). Size of the network becomes progressively less important as visibility is created reinforcing the reputation created via content.

It therefore seems that building a position within a network is part of the outcome of entrepreneurial sweatshops; to verify this assumption, we considered the relative position of the blog within the network in the Italian sample and the density of the network as proxies of quality of network (Hampton et al. 2009). Since centrality is a quality measure within a network, we wanted to verify whether it influences visibility.

Network analysis using UCINET was thus performed, building a non symmetrical matrix reporting all the relationships that existed among the blogs belonging to the sample. Figure 1 portrays the network generated by the software package. The links of the network are the relationship between blogs through their blogroll; if a blog was reported in another blog's blogroll, then the relationship was reported.

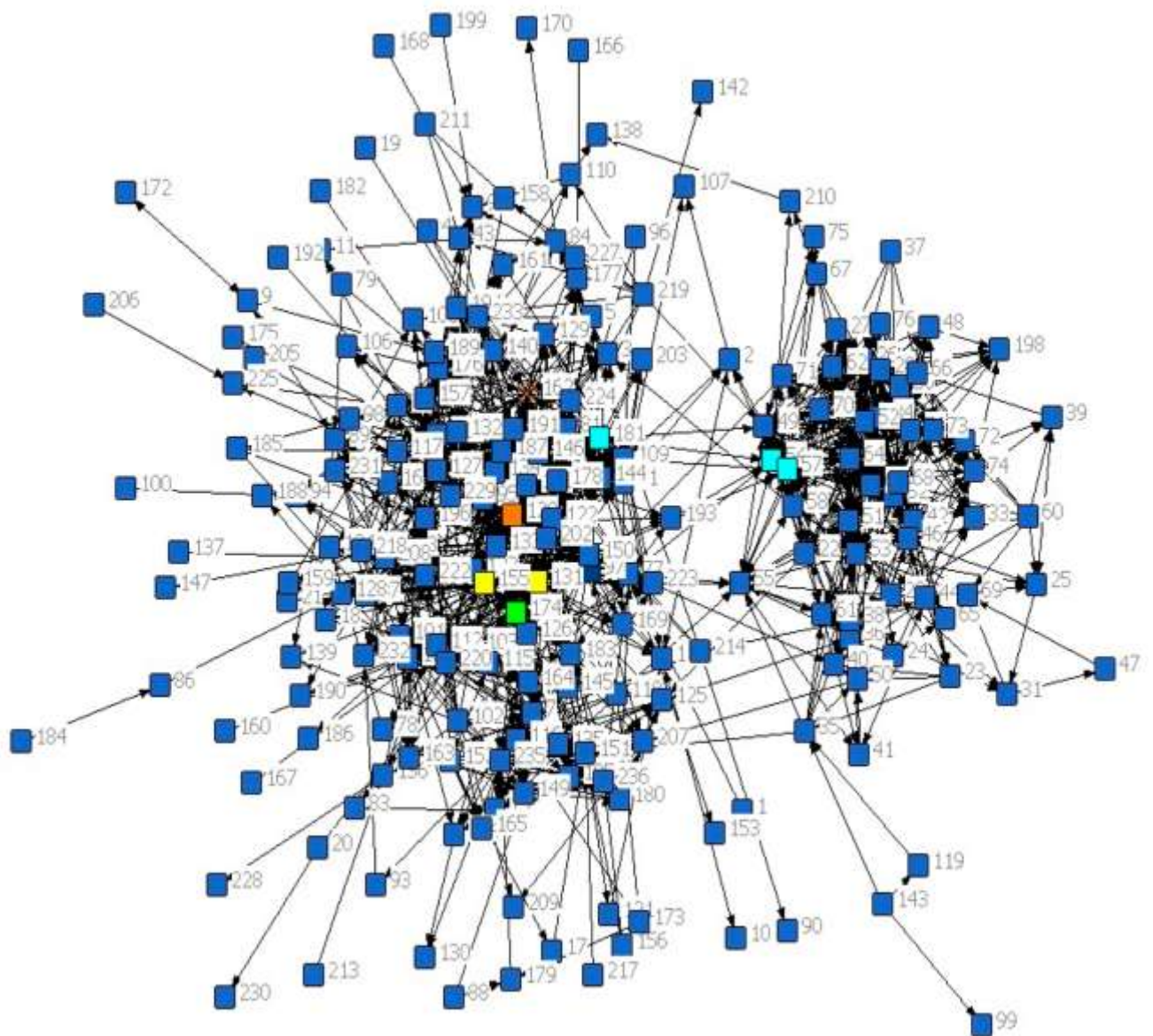


Figure 1: Network of blogs – Italian sample

Centrality measures of the blogs within the network highlight two blogs maximizing the score for degree centrality (blog155= 23,47; blog131= 21,26), betweenness (blog155= 10,03; blog131= 9,46), eigenfactor (blog155=31,65; blog131= 34,18) and closeness (blog155= 45,80; blog131=47,12). Three other blogs have a very high level of closeness (blog109= 45,41; blog77= 44,84; blog174= 44,19). These two blogs are the real *central nodes*, given the number of ties they have, and the closeness to the other nodes in the network. At the same time, these measures suggest that such sites are also as brokers within the network, since they allow the access to some nodes that otherwise would be unreachable. According to their positioning and importance within the network, they have a role of ‘prestige’ within the network. An actor can be defined as *prestigious* if he is the object of extensive ties, thus focusing solely on the actor as a recipient (Wasserman & Faust,1997). The entire network is built and kept by the prestigious blogs, and the prestige, like centrality, could be a symptom of success on the whole web.

Three blogs have a high degree of betweenness centrality (blog57= 10,213; blog54= 8,05; blog181= 7,67). They also act as brokers, since they are bridging nodes, they allow the two networks to be connected, their value stands in their intermediation role more than in the number of links that are able to create.

Two other blogs are ‘visibility seekers’(blog120= 31,07; blog162= 29,56), as they are

characterized by a high level of eigenvector. These sites gain visibility, because they succeed in creating links with more valuable blogs, they are the ones who put in place a deliberate strategy to acquire visibility mirroring the success of the others.

To verify if quality of network influence visibility of a blog, another ORL model has been built (tables 7a,b), with visibility as a dependent value and centrality as the independent variable. The model is statistically significant; the more central to the network, the higher the visibility of the blog, which derives from a reputational advantage that has been built over time.

Model Fitting Information

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	280,670			
Final	276,308	4,362	1	,037

Link function: Logit.

Table 7a: ORL, Positioning within a network and visibility

Parameter Estimates

	Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Thresh old							
Visibility = 0	-,731	,202	13,148	1	,000	-1,127	-,336
Visibility = 1	,413	,196	4,458	1	,035	,030	,797
Visibility = 2	1,304	,214	37,045	1	,000	,884	1,724
Visibility = 3	2,545	,280	82,862	1	,000	1,997	3,093
Locati on							
Degree – Centrality Measures	,060	,028	4,566	1	,033	,005	,115

Link function: Logit.

Table 7b: ORL, Positioning within a network and visibility

The more a blog is central into the network, the more is successful. Entrepreneurial sweatshops are therefore successful if they are able to gain a favorable positioning into a network of peers.

Concluding remarks

In this paper we have looked at blogs as entrepreneurial sweatshops, in which entrepreneurs to be could test at limited cost and risk and with rapid feedback their ability to build reputation and networks, while putting in place entrepreneurial learning processes.

Liability of newness is a big risk for a new entrepreneur, literature agree that overcome this big challenge is determinant for future success of the entrepreneur (Politis 2005).

A big question is where is the risk of the liability of newness? Literature tells us that the main risk that an entrepreneur has to face is the financial risk: try to be profitable in the long run and repay the investments. In order to repay the investment, the entrepreneur should be able to build entrepreneurial networks, since they are a very important component for the formation of a new venture, and business reputation; indeed is well known that having well developed entrepreneurial skills, training and education can enhance self-efficacy and consequently the growth and the success of the venture (Langowitz and Minniti 2007).

This issue can be considered relevant in very different contexts. For example we analyze the case of female entrepreneurship. Sometimes women need more flexibility than man to balance private sphere of the family and public sphere of the work (Ahl 2005). A lot of times they are constrained to take a choice between the two spheres. Entrepreneurial sweatshops allow them two conceal the two spheres: they allow women in doing entrepreneurship at low risks. The same is true also for men that are in the same situation.

Moreover these organizations allow women to build personal networks that can be exploited not only for personal reasons: literature (eg. Aldrich et al. 1989) defines women entrepreneurial network as personal. These organizations would allow them to transform this weakness in a strength, in the case of blogging, the personal network is the main source of sustainability.

Under the light of these assumption, sustaining of development of entrepreneurial sweatshop at policy level, could be very useful for fostering entrepreneurship.

Internet can be considered a good developer of entrepreneurial ideas at 'low cost' but the success of this minimalist organization could be replicable in other context. In this case the analysis has been limited just to the web-environment, but in future can be replicable also in smaller environment.

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