CHAPTER 13

LET IT GO:
CONSUMER EMPOWERMENT AND USER-GENERATED CONTENT –
AN EXPLORATORY STUDY OF CONTEMPORARY FASHION MARKETING
PRACTICES IN THE DIGITAL AGE

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ABSTRACT

The various digital interactions and contributions, which can be grouped under the umbrella term User Generated Content (UGC), can take the form of product reviews, blogs, demonstration of product usage or even “homemade advertising” (Berthon, Pitt, & Campbell, 2008; Fader & Winer, 2012). While current studies on UGC have mainly focused on the motivations that drive consumers to engage and contribute in various forms online, this research aims to explore how organisations operating within the fashion industry are listening to, and taking advantage of, the various consumers contributions defined as UGC in order to innovate and create value for customers and other stakeholders. The findings of the semi-structured interviews conducted show that managers are still struggling in balancing the level of control and in managing a new generation of empowered consumers (Pires, Stanton, & Rita, 2006). Social media and UGC call for a more strategic approach by organisations wishing to succeed. The relationship between UGC and co-innovation was also identified.

CITATION

INTRODUCTION: USER-GENERATED CONTENT AND THE NEW DIGITAL REVOLUTION

Digital technologies and digital media have changed the way marketers approach and communicate with their target customers, as well as the way in which customers interact with each other. Marketers have a new and improved set of tools, which enable them to develop products involving their customers in the various stages of the design process, to identify the amount of value that customers ascribe to market offerings, to support customers in obtaining products through their preferred distribution channels and ultimately to communicate more effectively with them. Equally, customers can engage with each other in online communities and social networks, take part in various brand-endorsed initiatives, review products, services and experiences, and contribute to marketing strategies by supplying creative ideas or feedback, or by influencing other customers. As discussed by Muniz Jr. and Schau (2011), marketing managers are now facing a different marketing landscape where traditional communications ‘with distinct, identifiable corporate spokespeople are giving way to a messy tangle of market-based communications consisting of multiple authors including customers, competitors, observers, employees, and interested collectives’ (p. 209).

If internet and e-commerce represented the digital revolution of the 1990s (Fader & Winer, 2012), with the emergence of new business models and new channels of distribution, the early part of the 21st century was characterised by the emergence and mass diffusion of web 2.0 technologies, social media and user-generated content. Digital technologies have changed ‘the balance of power in marketing’ (Sheehan, 2010, p. 23) and consumers have increased their control within the participatory culture landscape (Jenkins, 2010). They can now purchase existing products more efficiently, but they also contribute to the design and development of new products and influence marketing strategies and plans. This shift in power from marketers to consumers had already been publicly acknowledged in 2006, when Time magazine dedicated the ‘person of year cover’ to the consumer. This generation of ‘prosumers’ (collaborative consumers) plays a very important role in re-shaping the marketing strategies of many organisations (Sheehan, 2010). One year after the Time magazine cover, Advertising Age named ‘the consumer’ as the agency of the year for 2007, celebrating one of the most representative cases of ‘consumer empowerment’ (Wathieu et al., 2002, p. 297): the Diet Coke experiment video. Regarded as the most important piece of commercial content of 2006, the video showed two consumers dressed as scientists dropping a Mentos into a bottle of Diet Coke; this generated a ‘geyser effect’. The video immediately went viral, attracting millions of views (15 million on YouTube) and massive media coverage, and generating a 15% increase in Mentos sales (Creamer, 2007).

The various types of digital interactions and contributions which can be grouped under the umbrella term ‘user-generated content’ (UGC) can take the form of product reviews, blogs,
demonstration of product usage or even ‘homemade advertising’ (Berthon et al., 2008; Fader & Winer, 2012).

Research conducted by Smart Insights in 2016 has revealed some impressive numbers on what they define as a real ‘content shock’ (Allen, 2016). Every 60 seconds, 3.3 million new posts appear on Facebook and 400 hours of new content are uploaded on YouTube. Within the same timeframe, more than 422,000 tweets appear on Twitter and more than 55,000 new images are uploaded on Instagram. The proliferation of the so-called micro-influencers – user with around 1,000 to 100,000 followers on Instagram – has accentuated the importance of developing effective strategies for dealing with digital contributions (Owen & Napoli, 2016). Discovering micro-influencers and finding ways to engage with them effectively is now a strategic priority for fashion brands targeting younger segments of the market and wishing to boost their digital reputation. Micro-influencers can disseminate brand-related content which is perceived as more authentic and help in spreading more reliable social media stories (Owen & Napoli, 2016; Boyd, 2016).

It is therefore of primary importance for managers operating in this fast-changing digital environment to identify the opportunities and challenges posed by the growth of UGC and to devise effective strategies to take full advantage of the various forms of consumers’ contributions. Moreover, managers need to understand if and how UGC can be the catalyst of a process of co-creation and co-innovation, which an organisation can embrace at different levels, including the new product development process (NPD), marketing messages, distribution and channel management. Finally, it is necessary to understand whether, by involving customers in the process of value creation, organisations can discover new and innovative sources of sustainable competitive advantage (Lee et al., 2012).

**UCG and Creative Consumers: exploring challenges and opportunities for fashion marketers**

This research study involved organisations operating in the fashion industry, with the aim of exploring how they were able to take advantage of the recent growth of UGC. The fashion sector has seen examples of successful use of UGC campaigns and diffusion platforms. For example, the traditional British heritage fashion company Burberry has managed to use digital and social media effectively to rejuvenate its image and reposition the brand towards a more ‘edgy and trendy’ market segment.

In 2009 Burberry launched the website The Art of The Trench. The photo-sharing platform, which allows users to upload pictures of themselves dressed in Burberry’s trench coat in various settings, is still regarded as one of the most successful and impressive examples of a brand embracing UGC (Design Council, 2011). The website was supported by contributions of famous
fashion photographers and bloggers, but mainly aimed at the general public. The main objective was to create a digital platform for fans to share their creativity celebrating one of Burberry’s most iconic products (Design Council, 2011).

The company defined this initiative as ‘a living document of the trench coat and the people who wear it’ (Design Council, 2011). The initiative was welcomed by more than seven million visits (Design Council, 2011). Another example of successful UGC platforms is Polyvore. The popular fashion website registers more than 13 million unique visitors each month who can choose from a selection of 45 million product images to create sets – collages of images which appear as a proper fashion magazine (Schomer, 2012). Each item is available for purchase, making Polyvore a user-generated ‘shoppable magazine’ (Schomer, 2012). Various fashion organisations including H&M, Bergdorf Goodman and American Eagle have partnered with Polyvore and solicited various forms of consumer contributions, from styling ideas to new advertising campaigns (Schomer, 2012).

Within the context outlined above, this study seeks to explore how organisations operating within the fashion industry are listening to and taking advantage of the various consumers’ contributions defined as UGC in order to innovate and create value for customers and other stakeholders. In particular, this research aims to investigate how UGC can be integrated into consumer-led marketing strategies to develop a sustainable competitive advantage in order to respond to the challenges brought by the ‘network society’ (Lee et al., 2012). This study aims to make a theoretical contribution to the literature on UGC by establishing a meaningful set of relationships between consumer empowerment, UGC and consumer-led competitive advantage. Building and maintaining a sustainable competitive advantage is a key priority for organisations, since they have to operate in a constantly evolving global environment. ‘Empowered consumers’ (Pires et al., 2006) can be the catalysts of co-innovation and co-creation processes that can support organisations in developing new strategies, products and experiences.

UGC: CONCEPT, DEFINITIONS AND SCHOLARSHIP

UGC is still an emerging field of study. The existing literature has investigated the motivations behind consumers’ online contributions in different contexts (e.g. Halliday, 2016; Muniz Jr. & Schau, 2007), product ratings and reviews (e.g. Moe & Schweidel, 2013; Moe & Trusov, 2011) and the influence that UGC can have on consumer behaviour (e.g. Malthouse et al., 2016. In reviewing the concept of UGC, Berthon et al. (2012) distinguished between the media (e.g. video sharing websites such as YouTube or social networking websites such as Facebook) and ‘creative consumers’ (p. 263). According to the authors, consumers are the ‘dynamo of this new media world’ (Berthon et al., 2012, p. 263). In the social media environment, consumers and not organisations ‘produce much of the value-added content and it is their networks of friends and associates that constitute the social element’ (Berthon et al., 2012, p. 263).
The various consumer contributions which can be grouped under the umbrella term UGC represent the central focus of this research. These contributions have sparked the interest of academics and practitioners and have raised important questions for organisations, which are now evaluating how to promote, engage and answer to consumers producing and disseminating content via digital and social media. Companies also face the issue of managing the intellectual property that consumers generate when producing and disseminating content online (Berthon et al., 2015).

UGC can take different forms, as consumers are now able to engage in discussions about products and services on social networking sites and create more structured reviews in the form of text and videos. Furthermore, they can become involved in the creative process by developing ‘homemade advertising’, by taking part in promoting their favourite brands and by engaging in collaborative design and development initiatives (Berthon et al., 2012; Fader & Winer, 2012).

**UGC: The OECD 2007 Definition**

There are numerous definitions of UGC in the literature which focus on its defining elements (Christodoulides et al., 2012) and on the shift of control from company to consumers (Hennig-Thurau et al., 2010). In a report on the status of the participative web presented to the Working Party on the Information Economy (WPIE), the Organisation for Economic Co-operation and Development (OECD) highlighted the fundamental characteristics of UGC. According to the OECD (2007), UGC should be / should exhibit:

1. ‘Content made publicly available over the Internet’: the content that users produce must be published in some context (a website, a social networking site). This characteristic identifies UGC as a ‘many to many’ form of communication and differentiates it from bilateral forms of communication such as emails or instant chat messaging systems.

2. ‘A certain amount of creative effort has to be put into creating work or adapting existing work to construct a new one’: to be considered as such, UGC must demonstrate a certain amount of ‘creative effort’. Simply posting or sharing content is generally not regarded as UGC. Consumers are generally expected to generate text, videos, pictures or sounds. However, the OECD report does not provide any clear indication concerning the minimum amount of creative effort which must be detected for an artefact to be classified as UGC.

3. ‘Which is created outside professional routine and practices’: User-generated content is generally produced in a non-commercial context by ‘non-professionals’ and ‘without the expectation of profit and remuneration’.
The relationship between Web 2.0, Social Media and UGC

In reviewing the challenges and opportunities of social media marketing, Kaplan and Haenlein (2010) defined Web 2.0 as the ‘platform whereby content and applications are no longer created and published by individuals, but instead are continuously modified by all users in a participatory and collaborative fashion’ (p. 61). This definition clearly highlights the collaborative and participatory nature of Web 2.0 technologies and how these have naturally supported the diffusion of social media, as well as the production and dissemination of UGC. To an extent, Web 2.0 technologies are the platforms on which social media and UGC have flourished and developed to become a mass-market phenomenon.

One of the most accepted definitions of the Web 2.0 concept is attributed to Tim O’Reilly (O’Reilly, 2007), who defined Web 2.0 as:

[T]he network as platform, spanning all connections devices; Web 2.0 applications are those that make the most of the intrinsic advantages of that platform; delivering software as a continually updated service that gets better the more people use it, consuming and remixing data from multiple sources, including individual users, while providing their own data and services in a form that allows remixing by others, creating network effects through an architecture of participation and going beyond the page metaphor of Web 1.0 to deliver rich user experience (p. 17).

Blank and Reisdorf (2012) suggested that O’Reilly’s definition of Web 2.0 lacks clarity and had generated growing confusion around this concept. In their views, O’Reilly and his followers have approached Web 2.0 from the point of view of large organisations. This producer stake has not enabled them to fully understand the revolutionary power of Web 2.0 technologies. According to them, the real revolutionary power of Web 2.0 lies on the user side.

Blank and Reisdorf (2012) focused mainly on the two core elements of Web 2.0: the ‘network effect’ and the ‘platform’ (p. 538). On the basis of the network effect concept, technological innovations are more valuable if more people are involved and contribute. For example, the success of the email is due to its diffusion and the possibility to reach more and more people. In the digital environment, the network effects have a stronger effect compared to an offline environment. This network effect is made possible by the diffusion of software applications such as Facebook or Twitter, which reduce the cost of users’ participation. These applications (or ‘platforms’) enable users to easily contribute content online.

Building on these two components, Blank and Reisdorf (2012) defined Web 2.0 as ‘using the internet to provide platforms through which network effects can emerge’ (p. 539). This more concise definition highlights in a more powerful manner the nature of Web 2.0 and its relevance
from a consumer perspective. It offers a more meaningful platform for the analysis of the role that Web 2.0 played in the diffusion of UGC. According to the authors, interpreting Web 2.0 as a combination of network effect and platform enables an understanding of some of the recent ‘successful and disruptive stories’ (Blank & Reisdorf, 2012, p. 539), which have characterised the evolution of the internet. For example, users can now very easily share music via iTunes or Spotify, and share thoughts, experiences, opinions and various forms of content on social networking sites such as Facebook, or use micro-blogging services such as Twitter. More recently we have also seen how these platforms can be used to organise powerful collective actions. For example, various authors have noted how the success of the Arab Spring of 2011 could be largely attributed to the ability of people to communicate via social networking sites.

Various authors have attempted to provide definitions and to clarify what social media is and what it is not. Berthon et al. (2012) presented a framework which addresses the differences and similarities between the concepts of Web 2.0, social media and UGC. According to the authors, social media ‘comprise both the conduits and the content dissemination through interactions between individuals’ (Berthon et al., 2012, p. 263). Although the concepts Web 2.0 and social media are strictly connected and very often used as synonyms, it can be argued that social media represents ‘the product of internet-based applications that build on the technological foundations of Web 2.0’ (Berthon et al., 2012, p. 263). Social media can be broadly divided into four categories: text-based, picture-based, video-based and networks (social networking sites, SNS) (Berthon et al., 2012).

Kaplan and Haenlein (2010) also provided an interesting analysis of the challenges and opportunities offered by social media. The authors defined social media as ‘a group of internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of UGC’ (Kaplan & Haenlein, 2010, p. 61). They also proposed a classification of social media based on a combination of theories of media research (social presence and media richness) and social processes analysis (self-presentation and self-disclosure).

UGC AND CONSUMER EMPOWERMENT

The introduction to this chapter discussed how the ‘digital revolution’ (Sheehan, 2010, p. 9) has had a profound transformative effect on the practice of marketing. It is important to point out that in some industries the integration of Web 2.0 technologies, social media and UGC into marketing strategies is already a mainstream phenomenon. Some organisations were able to launch innovative initiatives and understood how to interact with customers online. These companies were real innovators in the way that they managed to integrate traditional marketing and digital marketing channels. Other organisations have been more cautious and are still struggling to understand how to take full advantage of the growth of social media and UGC.
These companies have not yet recognised what value, if any, digital and social media can add to their marketing strategies and tactics. From the user’s perspective, the diffusion of digital technologies and the growth of social networking sites have resulted in a new generation of ‘empowered consumers’ (Pires et al., 2006, p. 939). Consumers are able to exchange information and opinions, influence attitudes and behaviours of other consumers and shape and influence the image of their favourite brands. Marketers have assisted in a real power-shift from the organisation to the consumer. Consumers are now in control of a series of variables which were previously managed by managers. According to Pires et al. (2006), ‘control is being ceded by business to consumers’ (p. 937), who are becoming ‘increasingly empowered in the decision-making’. The authors point out that as businesses take advantage of the opportunities arising from the diffusion of social media and UGC, they must realise that consumers have an ‘enhanced ability to access, understand, share’ (and even create) ‘information’ (Pires et al., 2006, p. 937).

The concept of empowerment has been studied in psychology and in the social sciences from different perspectives. Academics have focused both on empowerment as a process and empowerment as an outcome. As a process, empowerment requires the individual to be given the option to control a specific issue (for example, the various stages of the decision-making process). As an outcome, the empowered individual should ‘feel a sense of control, understand his/her socio-political environment, and become active in efforts to exert control’ (Zimmerman & Warschausky, 1998 as cited in Pires et al., 2006, pp. 938–939). Various authors consider the outcome of empowerment to be subjective. A significant number of the studies on empowerment have focused on the concept and implication of employee empowerment, enhanced internal decision-making and so-called ‘creative rule breaking’ (Bowen & Lawler Edward, 1992; Lindgreen & Crawford, 1999). An important contribution to the theory on consumer empowerment was made by Wathieu et al. (2002), who argued that increasing consumer control does not always produce positive effects and it is not always translated into the perception of empowerment.

In their view, consumers feel empowered when three elements are present:

1. **Control of the choice set**: the authors challenge the general assumption that providing consumers with more choice generates a perception of empowerment. In their view ‘the experience of empowerment derives not from more choices, but from one’s flexibility in defining one’s choices’ (Wathieu et al., p. 299). According to this perspective, the possibility to reverse a choice (for example, to unsubscribe from a website or online service) or to specify preferences and personal configurations will be perceived as empowering;

2. **Progress cues**: controlling the progress of a process is perceived as an empowering experience. Having the possibility to verify the progression of a process (e.g. while
configuring a product or service online, uploading material, engaging in an online discussion) is perceived as an empowering experience;

3. **Information about other consumers**: having information about the opinions and choices of others will support consumers in the decision-making process. This assumption has important implications. Consumers feel empowered if they are allowed to evaluate the point of view of other consumers on a brand, product or service. If the communication is controlled solely by the organisations concerned, consumers will not experience empowerment.

The consequences of consumer empowerment can have an impact on the various stages of the marketing process. Consumers can influence the content and diffusion of marketing messages, play an active role in public relations and ‘buzz marketing’ strategies or support the process of product design, innovation and development. Consumers can also play a role in shaping the various aspects of a brand’s identity and personality, thus undertaking what Wipperfürth (2006) defines as ‘brand hijack’.

**Co-Creation, Co-Innovation and Competitive Advantage**

The second broad theoretical perspective adopted in this research study offers a platform to interpret how consumers’ contributions and UGC support the design, development and implementation of innovative marketing strategies fit to compete in the evolving external environment.

Technological advances, the diffusion of ICT and the growth of social media had a profound transformative effect not only on organisations’ marketing strategies, but also on society at large. Lee et al. (2012) argued that information and media technologies ‘are transforming our society from a producing culture focusing on manufacturing to one that focuses on information exchange’ (p. 818). Organisations must recognise the strategic role that innovation plays if they have to adapt to the new challenges posed by this ‘network society’ (Lee et al., 2012, p. 818).

The view on marketing strategy adopted in this project follows the perspective of West, Ford, and Ibrahim (2010). The authors argued that marketing should be evaluated as a business philosophy rather than being narrowed down as a mere function within an organisation. The authors defined competitive marketing strategy as ‘a market-oriented approach that establishes a profitable position for the firm against all forces that determine industry competition by continuously creating and developing a sustainable competitive advantage from the potential sources that exist in a firm’s value chain’ (West et al., 2010, p. 50). In this perspective marketing strategy plays a key role in matching organisational capabilities to the opportunities arising from the external environment with the aim of creating a ‘strategic fit’ (West et al., 2010, p. 93).
In the study cited above, Lee et al. (2012) argued that it is becoming increasingly more difficult for organisations to build a sustainable competitive advantage. The authors identified that innovation remains a key priority for organisations operating in hyper-competitive markets. Innovation is strictly linked to the idea of value creation. In this fast-changing environment, organisations must find ways to innovate how they perform the various value chain activities in order to maintain a sustainable competitive advantage. This is embedded in the idea of building a successful competitive marketing strategy.

Many authors have analysed the role played by consumers in instigating innovation and co-developing innovative market offerings. Various studies have investigated the role the customer could play in the NPD process through the implementation of ‘toolkit strategies’ (von Hippel, 2001). Thomke and von Hippel (2002) suggested that involving customers in the innovation process could create considerable value, but organisations must be able to reconfigure their business model to make sure they are able to capture this value effectively. Other studies have investigated the process of co-production and co-creation of value (Prahalad & Ramaswamy, 2004) in various settings. Harwood and Gary (2010) highlighted how co-creation is increasingly taking place within virtual consumption communities.

Examples of these contexts could include virtual worlds, online gaming, social networking sites and various content-sharing sites and ‘crowd sourcing’ platforms. Some organisations have taken a very active stance in promoting co-creation, for example by launching various forms of competition. These initiatives designed to solicit the production of UGC can be an important source of ideas and inspiration (and ultimately generate innovation). Füller et al. (2011) have analysed the role of ‘virtual design competition’, where users are asked to provide creative ideas, and demonstrated the considerable advantages of these co-creative platforms in the process of innovation. Their study also highlighted the importance of the co-creation experience for the customer and suggested that ‘fully featured community platforms’ are more effective than ‘single idea submission websites’ to attract engaged and creative consumers (Füller et al., 2011). O’Hern et al. (2011) analysed the impact of UGC on product innovation and demonstrated how consumers’ contributions can provide invaluable insights which affect the process of product design and development. They identified that UGC has value both as a marketing communications ‘mechanism’ (integrated with word-of-mouth and buzz marketing strategies) and as a source of inspiration for product innovation. The authors distinguish between ‘idea-centric UGC’ (reporting to product developers how the product performs or how it can be improved) and ‘solution-centric UGC’ (reporting solutions to product-related issues) (O’Hern et al., 2011, p. 3). It is important to highlight that co-creation can benefit organisations across different areas: NPD, marketing communications (suggesting ideas for marketing campaigns), brand building (providing new meaning for the brand, for example as a result of the interaction between consumers in an online community) and even channel management.
From the studies reviewed above, it has clearly emerged that the processes of innovation and value creation can no longer be approached as a closed system (innovation generated in the research and development department, behind closed doors and through a secret process). Organisations should instead think of a model of open innovation to include contributions of various stakeholders. In this perspective, Lee et al. (2012) proposed a theoretical framework to link innovation processes with the value chain system. According to the researchers the diffusion of ‘collective intelligence, crowdsourcing, and social networks’ (Lee et al., 2012, p. 824) and the consequent growing importance of UGC, has made it possible for organisations to engage with external customers and to innovate the processes which create value for them. They defined co-innovation ‘as a platform where new ideas or approaches from various internal and external sources are applied differently to create new value or experience for stakeholders including customers’ (Lee et al., 2012, p. 824).

**METHODOLOGY**

In this research study thirteen semi-structured interviews with various managers of fashion organisations, agency professionals and consultants were conducted over a period of two months. The use of semi-structured interviews allowed for an in-depth exploration of informants’ views of the opportunities and challenges posed by UGC, and of the strategic responses and managerial implications, while maintaining a certain degree of consistency. When possible all questions were asked and all the core themes discussed. This type of interview also allowed for an exploration of different topics building on the specific background and functions undertaken by each informant. Each interview lasted about 30 minutes and was audio-recorded when permitted. The various informants were invited to take part in this study via email and received an information sheet detailing the topic and characteristics of this research.

**Sampling**

Sampling in qualitative research is less critical than in quantitative research. Qualitative researchers are more concerned with issues such as access to informants or whether or not informants are able to provide them with the relevant insights. It is not a requirement for the sample to be representative, as the aim of the research is not to make statistical generalisation to a population, but to explore a topic in depth. In this research study a non-probability sampling strategy is adopted based on a purposive approach. According to Saunders et al. (2009, p. 237), purposive or judgemental sampling ‘enables the researcher to use his judgements to select cases or informants that will best enable him/her to answer the research question(s) and meet the research objectives’. More specifically, two groups of informants were selected to take part in this research study. Group A included marketing / branding consultants, bloggers and social media specialists and professionals working for media agencies and digital marketing agencies.
Group B included marketing / brand managers working for organisations operating within the UK fashion industry.

Informants asked to remain anonymous and have been referred to with generic codes. The same policy is applied to company names. Consultants and managers interviewed have experience in working for fashion retailers and/or fashion and designer brands at different levels of the market (value, high street and luxury). Tables 1 and 2 provide some generic details on the informants and the organisations they work for.

<table>
<thead>
<tr>
<th>Informant</th>
<th>Organisation type</th>
<th>Position</th>
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<tbody>
<tr>
<td>Informant A1</td>
<td>Independent Consultant</td>
<td>Retail Consultant (pilot)</td>
</tr>
<tr>
<td>Informant A2</td>
<td>Agency (Media)</td>
<td>Head of Digital</td>
</tr>
<tr>
<td>Informant A3</td>
<td>Academic institution / Independent Consultant</td>
<td>Consultant / Researcher</td>
</tr>
<tr>
<td>Informant A4</td>
<td>Academic institution / Independent Consultant</td>
<td>Consultant / Researcher</td>
</tr>
<tr>
<td>Informant A5</td>
<td>Agency (Strategy)</td>
<td>Account planner</td>
</tr>
<tr>
<td>Informant A6 (2 interviews)</td>
<td>Independent Consultant</td>
<td>Journalist / Media expert</td>
</tr>
<tr>
<td>Informant A7</td>
<td>Independent Consultant/ Fashion Blogger</td>
<td>Fashion Blogger</td>
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Table 1: Group A informants – marketing / branding consultants, bloggers and social media specialists

<table>
<thead>
<tr>
<th>Informant</th>
<th>Organisation type</th>
<th>Position</th>
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</thead>
<tbody>
<tr>
<td>Informant B1</td>
<td>Fashion Retailer (Medium)</td>
<td>Digital Marketing Manager</td>
</tr>
<tr>
<td>Informant B2</td>
<td>Fashion Retailer (Medium)</td>
<td>Digital Marketing Manager</td>
</tr>
<tr>
<td>Informant B4</td>
<td>Fashion Brand (Small)</td>
<td>Head of Digital Marketing</td>
</tr>
<tr>
<td>Informant B5</td>
<td>Fashion Retailer (Large)</td>
<td>Senior Press Officer</td>
</tr>
<tr>
<td>Informant B6</td>
<td>Fashion Retailer (Large)</td>
<td>Digital Marketing Manager</td>
</tr>
<tr>
<td>Informant B7</td>
<td>Fashion Brand (Large)</td>
<td>Head of Legal Affairs</td>
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Table 2: Group B informants – marketing / brand managers working for organisations operating within the fashion industry

**Approach to data analysis**

The qualitative data collected through the semi-structured interviews were analysed with a coding process with the help of the CAQDAS (Computer-assisted data analysis software) NVivo. The data analysis followed the six-step process presented by Creswell (2009) and involved a coding process. The coding procedure was organised in a semi-structured way using Tesch (1990) guidelines for the analysis of qualitative data. A qualitative code-book was
developed using a combination of emerging codes – codes developed ‘on the basis of the emerging information collected from participants’ (Creswell, 2009, p. 187) and pre-determined codes: these are codes emerging from the review of the relevant academic literature (e.g. that on empowerment).

**FINDINGS ANALYSIS AND DISCUSSION**

In presenting the findings a thematic approach was adopted. Instead of summarising the views of the various informants following the interview questions, their ideas and opinions were summarised in relation to the key themes emerged from the analysis process. This was deemed to be a better approach for two reasons: although interviews were semi-structured, informants were also allowed to partially drive the conversation and came up with interesting and emerging ideas not always linked to the specific question asked. A thematic approach in the presentation of the findings allows these insights to be captured more effectively. In addition, summarising the findings using a thematic approach offers more relevant insights and creates a more solid base for the following discussion and managerial recommendations. The following sections present and discuss the result of this analysis. Quotes from respondents are included to illustrate the various key points that emerged from the discussion.

It is important to point out that the goal of qualitative research is not to make generalisations across the informants interviewed or to a wider population. The goal is to advance a lack of academic understanding of the topic investigated by providing the views of the people interviewed. Particularity and individual perspectives based on each respondent’s experience and expertise are actively sought and favoured as opposed to wider generalisations leading to more absolute findings about what fashion organisations are currently doing in relation to consumers’ contributions.

Interview data were analysed using a coding approach. The initial list of codes was reduced to a more manageable number of macro-codes which were then linked into key categories or themes discussed. These are represented in Table 3.

<table>
<thead>
<tr>
<th>Theme 1:</th>
<th>Towards a definition of user-generated content</th>
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<tr>
<td>Theme 2:</td>
<td>Strategic implications of consumer empowerment</td>
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<tr>
<td>Theme 3:</td>
<td>Managing user-generated content campaigns and platforms: opportunities and potential issues</td>
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<td>Theme 4:</td>
<td>Internal organisation and the new social media marketer</td>
</tr>
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</table>
Theme 5: Co-innovation

Table 3: Themes that emerged from the coding process

Theme 1 – Towards a more comprehensive definition of UGC

The concept of UGC has often been defined using three parameters set by the OECD 2007 report, namely publication requirements (UGC must be made publicly available on the internet), creative effort (consumers must demonstrate a certain amount of creative effort), and creation outside professional routines and practices. Various authors have commented upon this definition, arguing that it no longer represents the current digital environment (e.g. Christodoulides et al., 2012). UGC can be produced within self-contained communities and can be disseminated through a variety of channels, in particular mobile phones applications. More broadly, UGC also includes product reviews, ratings and more general posting activity (Pires et al., 2006).

As a preliminary question, informants were asked to outline their own understanding and definition of UGC. Overall all informants tended to define UGC in broad terms by including product reviews, general posting activity, blogging and visuals or ‘anything produced by people, users, customers … everybody but managers’ (A5). One informant highlighted clearly the difference between the concepts of social media and UGC: ‘Social media fosters a need for communication and exponentially grows that. UGC feeds more the need of being creative. Not every form of communication on social media will have a piece of UGC’ (A2). The presence of creativity clearly emerged from the outset as a defining feature of UGC.

An interesting spin to the concept is provided by informant A6, who talks about content which represents ‘a service provision and revolves around the consumer or user’ (A6). The consumer might not be involved in the process of creation of the content, but the content is at the service of the user (e.g. a virtual view of a store which a user can customise). For A7, UGC is produced as a result of collaboration between a brand and the consumer. According to A7, ‘despite the fact the person does not take the photograph […] he still plays a role in commenting and sharing online’ (A7). In perspective, UGC can be investigated as an outcome of a process and as a creative experience for the customer.

It was also evident in the interviews that informants tend to classify various forms of UGC according to two parameters: whether the content produced by consumers is brand-related or not and whether the content is produced and submitted to take part in a contest or spontaneously.

By linking these two criteria, four macro types of UGC can be identified. These types are represented in Table 4.
<table>
<thead>
<tr>
<th></th>
<th>Brand-related</th>
<th>Non-brand related</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Solicited</strong></td>
<td>UGC produced to take part in a brand sponsored event or content</td>
<td>Content produced by user with no specific ‘commercial’ focus but solicited as part of a contest (e.g. art and design projects)</td>
</tr>
<tr>
<td><strong>Spontaneous</strong></td>
<td>Users engaging on various ‘non official’ forums – e.g. unofficial Facebook fun page</td>
<td>Content spontaneously produced and disseminated by users focused on various topics other than a specific brand or product (e.g. environmental issues)</td>
</tr>
</tbody>
</table>

*Table 4: Classification of the different types of UGC that emerged from the interviews*

In the brand-related scenario an organisation makes a clear attempt to communicate and build a relationship with its customers (directly – solicited, or indirectly – spontaneous). Although some informants argue that only the brand-related content really adds value, others argue that even in non-brand-related content the brand can still find sources of inspiration and ultimately decide to engage in the conversation or not. For example, fashion brands like Stella McCartney successfully undertake a dialogue with customers on current issues relating to sustainability and ethical trade. Supporting consumers’ discussions and contributions on aspects which are very close to the brand’s DNA represents a powerful enhancement mechanism. One informant (B7) highlighted the value of spontaneous brand-related initiatives, such as unofficial Facebook pages. According to B7, a brand needs to be aware of these parallel initiatives and find a way to engage successfully with them. Condemning these initiatives can have a very negative return in terms of word of mouth and ultimately reputation.

By building on the review of the literature and on the views of various informants collected during the primary research phase, the following definition of UGC is proposed:

*UGC is content in the form of text, sound, visuals or videos, which has been created by or in collaboration with consumers and disseminated through social platforms across various digital and non-digital channels. UGC can be centred on a brand, product or service or revolve around a topic/issue of interest to the consumer. It can be either solicited as part of commercial or non-commercial initiatives or contributed spontaneously by the consumer.*

It is submitted that this definition better captures the nature and the complexity of the phenomenon as well as its evolving nature by capturing its key elements: nature of the content created, relationship between the consumer-producer, the content and the brand, nature of dissemination platform and technological channel of communication.
Theme 2 – The strategic implications of consumer empowerment

The interviews clearly showed that one of the key implications of UGC relates to the control of the brand. Various informants recognised the impact of a ‘power shift’ from marketers/brands to consumers, and highlighted that dealing with this new generation of ‘prosumers’ (Sheehan, 2010) or ‘empowered consumers’ (Pires et al., 2006) can give rise to both advantages and potential negative issues.

In particular, one informant associated empowerment with the real innovation brought by social media and UGC. According to A2, by engaging with UGC, ‘you allow [the customers] to be product designers, to decide your pricing strategies. You allow them to be marketers. This is the true real innovation which social media and UGC are bringing to us. They are no longer just consumers’ (A2). Another informant used the expression ‘let it go’ (A7) to summarise effectively how brands should approach the issue of control and the power shift towards consumers. According to A7, a brand should have an ‘open forum’ for the customers to contribute and allow conversations to ‘spiral’. This approach could potentially take the brand far from the original strategy, but could also lead to the emergence of interesting topics and ideas on which the brand should capitalise.

In a sector such as fashion, where attention to new and emerging trends is paramount, the process of involving consumers at different levels can lead to innovative strategies. Not all views on empowerment are, however, completely positive. According to some informants, marketing managers should still be concerned with reputation issues and make sure they restrict consumers’ involvement to ‘on-brand’ contributions (B1). The main concern in empowering consumers is linked to the idea of losing control of marketing messages and/or of specific marketing campaigns. This could result in what Wipperfürth (2006) defines as ‘brand hijacking’: consumers take control of the brand marketing communications with potentially negative return in terms of word-of-mouth. These consequences are also worsened by the ‘network effect’ generated by social media (Blank & Reisdorf, 2012; O’Reilly, 2007). For example, A7 quoted a recent Twitter campaign launched by the retail chain Waitrose as a significant example of brand hijack. The company asked consumers to post comments and images about their experience of shopping at Waitrose using the formula ‘I shop at Waitrose because’. This immediately resulted in a series of ridiculing comments posted by users. A similar issue happened with McDonald’s Campaign MCStories. In discussing the process of dissemination of content on social media, one informant pointed out the difficulty in predicting how the voice of the brand will be interpreted and how it will spread online. According to B7, ‘social media create a global amplification effect in a very short period of time. It is difficult to react. It is difficult to predict what is going to happen when you put a message out there. In the past it was local press, national press, international press. Now it is just about global social media’ (B7).
To minimise these potential threats, brands could use strategies of ‘controlled empowerment’ (Pires et al., 2006, p. 939). In other words, the organisation decides and regulates what the consumer is allowed or not allowed to do in the digital environment. One informant (A7) worked on a campaign which can be classified as a successful form of controlled empowerment. The campaign involved consumers sharing images relating to a specific theme on social media. Instead of letting the customers generate the images completely autonomously, the brand invited them to a series of in-store events where professional photographers were taking the pictures in collaboration with the consumers. This ensured that the content generated was of high quality and in line with the objectives of the campaign. The brand could also create a very useful visual archive, which was then used for other promotional activities. The campaign was also extremely successful in generating a 25% increase in sales during the period in which the events in store were taking place. However, A7 pointed out that although the campaign was a success, it failed to reach the large scale which social media initiatives can reach. The control element enabled the brand to minimise risks, but did not allow for the network effect to fully take place.

The concept of engagement also emerged in various discussions with informants. Engagement is seen as strictly connected to the concept of empowerment and therefore perceived as a key success factor for a campaign that revolves around UGC. One informant in particular pointed out that the potential of UGC ‘lies in the level of engagement between the brand and the consumer. This determines whether the communication is open or not’ (A6). Another interesting perspective is offered by B1, who believes that a campaign recently launched was successful because it was relevant and therefore the customer could relate to it, and as a consequence engage with the process of generating content. To create this engagement, competitions and/or contests can be used. This gives customers additional incentives to take part in the UGC initiative. Engagement is also seen as an intended outcome of a social media strategy, or more specifically of a UGC campaign. By engaging in the social sphere a brand can create very effective advocates, ‘people who are passionate about the brand and who will truly want to engage’ with it (A2).

Theme 3 – Managing user-generated content campaigns and platforms: opportunities and potential issues

Informants were asked to identify both opportunities and threats associated with integrating UGC into their marketing strategies. They were also asked to identify some of the key success factors in running UGC initiatives (campaigns or contests). If appropriate (e.g. informant working for a brand in a marketing position or for an agency) they were also asked to discuss how they run UGC initiatives.

1. Opportunities offered by UGC
Engaging with creative and empowered consumers (Pires et al., 2006) in a series of initiatives and campaigns based on UGC can generate a series of benefits and opportunities for brands. The key factor which informants highlighted during the interviews is credibility: a message endorsed by consumers is perceived as more credible and authentic; consumers trust each other more than they trust the official messages coming from the brand (A4). This is also linked to the idea of authenticity and offering customers a more believable brand experience (B2). For brands which do not invest in expensive advertising campaigns, UGC (in line with other social media strategies) also offers the opportunity to get wider exposure and create digital hype around various marketing initiatives. A3 believes that UGC and social media in general are especially beneficial for smaller / new brands. These tools offer the opportunity to build a presence relatively quickly. However, the extent to which this ‘presence’ is sustainable needs further investigation.

Other informants believe that UGC initiatives are an effective vehicle to foster customer relationships and build engagement. As discussed above, involving customers in the brand universe can create very effective brand advocates (A2). In a sector like fashion, where consumers’ decisions are influenced by the interplay between opinion leader and opinion formers, leveraging consumers’ contributions and UGC can be a very powerful influencing mechanism (A6). Other important benefits include the opportunity to gain invaluable insights and feedback from customers, as well as to generate new ideas (A2). UGC can be a vehicle of innovation (A6) and ultimately foster design and creativity.

2. Potential threats

Informants were also asked to reflect on the potential threats arising from the growth and diffusion of UGC. The analysis reveals a series of factors which fashion brands should consider when deciding on a UGC marketing approach. These include: the risk of generating negative contributions, the lack of understanding of how consumers relate to and use social media and UGC (A6), and using social media as a self-standing channel and failing to integrate it within other channels/communications tools (A6/A2). Informants also highlighted how some brands still manage social media and UGC as an ‘add-on’ to a more complex campaign (A2 and A7), thus not recognising the strategic role that social media play in a consumer-led marketing strategy. The potential loss of control over the brand message was also highlighted as one of the key concerns. Various informants also highlighted a need for transparency as information is publicly available and is disseminated very quickly online. This raises new issues in terms of information management both externally and internally. Various informants also believe that transparency is even more difficult to manage for brands positioned in the luxury part of the market as they tend to be concerned about maintaining a tight control on their brand messages across the different touch points involved in the communication process. The ‘shareability’ element of social media can also erode the value and exclusivity of a luxury brand.
3. Issues arising when running UGC campaigns

Those informants who had experience of campaign planning agreed that in order to maximise engagement a UGC-led initiative should involve some sort of contest / competition or a way of providing some form of value to the customer. These initiatives can range from getting customers to represent the brand with images, to asking them to design a limited edition product or allowing them to take part in contests and prize draws.

Objectives of UGC-based campaigns vary from increasing the number of followers and supporting the campaign with a process of PR amplification (B4) to creating brand awareness, exposure and engagement (B1). For informant B2 the key objective of a recent UGC initiative was to increase the integration between the physical retail experience and the online customer experience.

Some informants provided a detailed description of how they manage the campaign (e.g. B1 and B2). It is interesting to note that these campaigns require a considerable amount of internal engagement to review the various consumers’ contributions and to answer customers’ queries. For this reason, informants point out the importance of keeping customer service informed about the evolution of the campaigns, as well as working on clear terms and conditions before asking customers directly to engage. One informant (B4) explained that the planning process happened in a very spontaneous way, following the evolution of consumers’ contributions. B4 believed that the lack of theoretical support and pre-established managerial practices makes planning a social media campaign very difficult, mentioning a process of 'trial and error' (B4).

Informants also pointed out that they were concerned about negative consumer contributions, or contributions not being ‘on brand’ (B1). However, they felt fairly confident that they had the right tools to manage them (e.g. terms and conditions, good link with customer service and a positive approach in answering customers’ queries). These tools are essential, as campaigns on social media can quickly spiral out of control (A3). As a consequence, the ability to effectively manage the control shift from the brand to the consumer is a key aspect of a successful social media and UGC campaign strategy.

4. Key success factors in running UGC initiatives

The analysis of the interview findings highlighted some evident key success factors which fashion brands must take into consideration when embedding UGC in their marketing strategies and campaigns. These are represented in Figure 1 and discussed below.
A UGC initiative must be relevant to targeted customers, to the brand and to the external environment (current). B1 pointed out the importance of linking the campaign to what ‘customers are feeling at the moment’ (B1). A UGC initiative should be perceived as authentic, with the aim to generate genuine consumers’ engagement and not focused only the commercial gains and conversion (A3 / A2 / A4). The concept of ‘clear understanding’ should be interpreted from two perspectives. On one side, managers need to have a clear understanding of UGC (what are the key issues, how it is evolving) (A5, A3, A6) and about the target customers, including their behaviour online; on the other side, from the consumers’ perspective, a UGC initiative should be simple and user friendly (A3 / B2). Innovation is also perceived to be a critical success factor in developing UGC campaigns. Especially in the context of the fashion sector, innovation plays a key role in successful UGC initiatives (A5). To be successful you need to be ‘on top of innovative campaigns also across other sectors’ (A6). Representing new trends and responding to the ‘next social media phenomenon’ (A6) emerges as a crucial element in order to remain relevant to a generation of highly digital and hyper-connected consumers.

As discussed previously, providing some form of incentive through a contest or competition is seen by many informants as a key success factor. It is important to keep a constant engagement
with the target customers throughout the duration of the campaign (A7), and an interactive contest could help in achieving this. Consumers should also feel safe when taking part in UGC initiatives across various social media platforms (A7). This refers in particular to the sharing of information and personal data.

Finally, a strategic orientation is necessary to be successful (A4) with UGC. On many occasions this component is missing. Digital and social media campaigns are approached tactically with a focus on the tool, without understanding how consumers use the channel and how the brand can communicate effectively with them. Strategy also involves managing the control shift and the fear of losing control when consumers become active collaborators.

5. Social Media, UGC and Brand Strategies

Various statistics on the evolution of social media were discussed with informants during the interviews. They were then asked to comment on the current state of social media marketing at industry level and, if appropriate, more specifically on their organisation. The common theme that emerged is that social media need a more strategic approach (A2). Although fashion brands have managed to establish a presence on various platforms, this presence is often not aligned with a clear campaign strategy. In particular, one informant had a very strong view of this issue:

‘You find most websites have an F for Facebook and a Twitter connection but they don’t know how to use it. They are not thinking strategically how the consumers are behaving, they are thinking about the tools, so they are looking at the functionality of the social media rather than of the lifestyle of the consumers, what social media means to them […] and what tools the consumers use to achieve their goals’ (A6).

This quote synthetises clearly some of the recurring issues which emerged during the interview process in relation to the approach to social media marketing. Companies, and fashion brands in particular, often lack the overarching strategic direction that a campaign based on social media and UGC should have. There is often an underlying tension between strategy and tactics: social media are being approached fundamentally as tools and not strategically as core communication channels (i.e. as in traditional advertising).

Various informants also critiqued the use of social media as sales promotion tools, again identifying a tension between the concepts of ‘good’ content dissemination and using the tools just as another channel for various promotional activities (i.e. content vs. promotion) (e.g. A7).

Reflecting on how social media have changed the practice of marketing, one informant highlighted that Twitter in particular ‘enables the brand to have a point of view – POV’ (A6). Through this platform, a brand can deliver this POV instantaneously. This can be more effective than a more traditional push communication on mass media.
6. The need to ‘think through’ a UGC content strategy

When reflecting specifically on how fashion organisations have approached UGC, some informants believed that various brands had not found a clear way to include UGC in their strategies (A2). Some brands have managed to establish enduring relationships with fashion bloggers (i.e. the process of Blogger outreach) and use social networking platforms such as Facebook. A number of good practices on the use of UGC platforms emerged, but once again organisations were said to lack strategic direction and a clear understanding of consumer behaviour online (why consumers engage in the process of creation and dissemination of UGC) (A5). One informant (A3) used the expression ‘thinking through’ to explain that further reflections are needed on how fashion organisations are approaching UGC. A3 linked this idea of ‘thinking through’ with the need to train people properly on how to operate on these tools.

Similarly, another informant (A7) believes that fashion brands are ‘not taking full advantage of the opportunities of UGC’. According to A7, brands are still communicating ‘heavily’ with traditional push strategies, using social media as another channel but not really understanding the distinctive features of social media platforms and UGC.

An interesting perspective is offered by B1, who ‘toned down’ the discussion, arguing that brands should not rely too heavily on UGC alone. Instead ‘it had to be part of an overall [digital strategy]’.

Theme 4 – Internal organisation and the new role of the marketer

Having the right team of people and structuring an appropriate internal department to manage social media and UGC campaigns was identified as another important issue by many informants. In particular, A7 pointed out that many organisations still associate social media management with the ‘intern job’ and therefore allocate young and inexperienced staff to manage it. Other informants (e.g. B1, B2) point out that their organisations have invested more in the area, allocating one person to manage social media and UGC campaigns. Links with external agencies (content feeders or PR agencies) are still regarded as important and beneficial, although an organisation should have an internal structure to manage the communication on these tools. Informant B7 highlights how critical the communication through social media is and how difficult it can be to manage various consumers’ contributions. This calls for more experienced and senior people to take ownership of these areas and to oversee social media strategies more closely. Ultimately social media management should not be seen in isolation within the organisation but it should be integrated with other departments, including customer service (B1, A5).
The skills of the marketers have evolved in response to this changing media landscape, and whether or not professionals operating within the fashion industry are able to adapt effectively to these changes. The social media revolution and the growth of UGC has put marketers under pressure to become more analytical and to keep up to date with various technological changes. Overall there is a shared perception that current professionals do not fully understand how to use social media and in particular how to maximise the opportunities arising from UGC. Employing young people may be seen as a potential way forward, but this could result in inexperienced managers dealing with a very delicate part of marketing communications (A2, A6, A5). Informant A7 also points out that many marketing managers still believe that social media is a ‘free tool’ and are therefore reluctant to allocate a proper budget to support these campaigns.

**Theme 5 – Co-innovation**

UGC clearly emerged as a source of innovative ideas, especially through the mechanism of co-creation. As this issue in particular turned out to be an interesting avenue of research, a second round of interviews was conducted with the same informants, who were invited to share their ideas around the role of UGC as innovation catalyst and the organisation functions which were more likely to be influenced by the process of co-innovation.

The answers received generally acknowledged the value of consumers in generating innovative ideas for the organisation. Consumers’ contributions should play a fundamental role in the development of marketing strategies. This should at the core of the ‘marketing philosophy’: putting the customer back at the centre of the organisations (A4).

It is important to clarify that the role of consumers in promoting innovation varies between those brands which are fundamentally consumer driven (e.g. mass market fashion) and those brands which are more design driven (e.g. luxury fashion brands). For the former, UGC can spark innovative ideas across various areas including product design and development. For the latter, the process is still very much managed by designers and product specialists. Customisation, personalisation and bespoke services are more relevant and critical in the case of a luxury brand (A6, B7).

In relation to the functions and processes which can be injected by innovative ideas generated by consumers, informants mentioned: the new product development process, spotting new trends, identifying new ideas for marketing communications, image development and visual merchandising and implementing new approaches for market segmentation. Interestingly, these ‘user-generated ideas’ (B1) can emerge spontaneously (brand related or non-brand related UGC) or be actively solicited by the brand through various contests and competitions. Fashion brands such as Burberry, Hermes, Gucci and Top Shop were cited as examples of organisations which were particularly able to take advantage of UGC.
MANAGERIAL IMPLICATIONS

UGC campaigns: building on the key success factors

Leveraging on consumers’ contributions and building campaigns on UGC offers both advantages and a series of potential threats. On the one hand, consumers would perceive these initiatives and messages as authentic and genuine, generate word-of-mouth and engage with the brand. The brand however, loses control of the marketing messages. It emerged clearly that social media platforms pose a number of managerial challenges, which are not yet addressed effectively. The list of key success factors discussed above and represented in Figure 1 should be used as an initial set of guidelines for organisations approaching UGC.

Overall it emerged that fashion brands are still struggling to understand how to balance control and empowerment. Examples of successful strategies that are based on a ‘controlled empowerment’ model (Pires et al., 2006, p. 939) (e.g. Ted Baker campaign or Burberry The Art of Trench) can be the way forward for organisations operating at the high end of the market (the luxury brands). These initiatives allow the production and dissemination of high-quality content while ensuring that consumers’ contributions are fundamentally ‘on brand’. Although some informants recommend abandoning the concept of control (‘let it go’, A7), this strategy would require an extra ‘thinking through’ (A3) to make sure that risks are minimised.

Strategies, tactics and organisation

A fundamental issue that emerged from the interviews is a tension between a strategic and tactical approach to the management of social media and UGC. To an extent, organisations can be segmented according to their approach on two dimensions:

Strategic vs. tactical approach: brands which approach social media and UGC invest strategically in understanding the behaviour of consumers online and in particular how they engage on UGC platforms. When they develop a campaign, the campaign has a clear narrative/story/message (i.e. strategy) and is integrated with other marketing communications initiatives and tools. Those brands that approach social media tactically focus on the tools and the features of the tools, do not really understand how to communicate effectively on social media platforms and do not invest in understanding how the customers are using the media.

Internal organisation: some companies have invested in building an internal structure (i.e. a dedicated department) to manage social media and UGC. These companies have also invested in inter-functional integration, making sure other departments are integrated when running campaigns or initiatives which involve UGC. At the opposite extreme there are companies which believe that managing social media and UGC is still the ‘intern’s job’ and do not invest in building an appropriate internal structure.
By combining these two dimensions four types of approaches to the management of social media and UGC can be identified. These are represented in Table 5.

Table 5: Alternative approaches to the management of UGC initiatives

<table>
<thead>
<tr>
<th>Low inter-functional integration</th>
<th>Tactical approach</th>
<th>Strategic approach</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Digital laggards</td>
<td>Digital wannabes</td>
</tr>
<tr>
<td></td>
<td>Social media is not considered a strategic channel. Other more traditional channels are prioritised</td>
<td>The strategic role of social media is recognised but insufficient resources are allocated</td>
</tr>
<tr>
<td>High inter-functional integration</td>
<td>Digital fashionistas</td>
<td>Digital strategists</td>
</tr>
<tr>
<td></td>
<td>Heavy investments/ focus in technology/new platforms but the strategic approach is still missing</td>
<td>Strong expertise and sustainable competitive advantage through social media integration</td>
</tr>
</tbody>
</table>

CONCLUSIONS

The analysis of the interview data has highlighted a number of interesting issues and tensions (both external and internal to the organisation), which can have an impact on the way in which digital marketing strategies are formulated and implemented. Although informants recognise the importance and relevance of UGC as a social phenomenon, they generally agree that organisations (and in particular fashion organisations) have not yet found a proper strategic approach to take full advantage of the various consumers’ contributions. The recent negative publicity that social media received following various cases of inappropriate comments, and various examples of unsuccessful campaigns, has contributed to generate a sort of managerial confusion on how social media should be managed. The various types of consumer contributions can support the organisation in finding innovative sources of competitive advantage. For example, this can involve the co-creation of products and services, the development of new marketing messages or even setting up distribution channels. However, organisations wishing to take full advantage of the opportunities offered by UGC need to consider a series of factors.

The interview findings highlighted that a relationship exists between UGC and innovation processes within organisations across various functions. The interviews also highlighted that the core areas affected are design and new product development, marketing communications and service provision including customer service. Informants see value in involving customers in co-creation processes that can lead to innovative ideas (or ‘user-generated ideas’, B1). Processes of
co-innovation or open-innovation (Lee et al., 2012) can offer new potential sources to develop a sustainable competitive advantage. However, informants could not fully explain if and how these processes can take place.

This study has provided for an exploration of the implications of the theories of consumer empowerment for the process of marketing strategy development. In particular, the study has uncovered the tension that affects the strategic decision of whether or not to transfer control to the consumer. The scenario of controlled empowerment was also analysed, with examples provided by informants. The study also explored if and how UGC can be considered a catalyst for generating innovation and to what extent organisations in the fashion industry are considering processes of co-innovation and what areas within an organisation can be potentially affected. Furthermore, this study has provided a number of practical implications and suggestions for organisations wishing to engage with UGC initiatives. Of particular practical value are the key factors that organisations should consider when planning UGC-based initiatives.

**FUTURE RESEARCH DIRECTIONS**

Although a relationship between UGC and processes of innovation was identified, it was not possible to fully conceptualise it and to identify how this process can be operationalised. Burberry was cited consistently as an example of best practice in the industry. A single critical case study centred on this brand could offer the opportunity of further theorising in this direction. With 3D-printing devices becoming more affordable, further research could also involve an exploration of consumer-generated products through addictive manufacturing (AM) methods (Kietzmann et al., 2015) and its implications for NPD, supply-chain and manufacturing processes. The focus of this research was to explore responses to UGC from a marketing management perspective. Further research could involve a consumer-centred study to explore antecedents of consumers’ engagement with UGC, with a specific contextualisation within fashion purchases.
REFERENCES


