Chapter 56
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 are 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.

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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.