Value-Creation in Brand-Related User-Generated Content on Youtube

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Drawing on user-generated YouTube videos featuring two apparel brands, this research identifies distinct types of value-creating activities in content communities that are not brand communities. It develops an inventory of the potential value creating elements of these videos, and identifies the types of value other consumers derive from these contributions.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/1009844/volumes/v39/NA-39

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theorized the marketing implications of the “creative activity” of online communities and its influence on word-of-mouth and promotions (Kozinets 1999).

Almost a decade later, Prahalad and Ramaswamy (2004, 5) proclaimed that “[c]onsumers now seek to exercise their influence in every part of the business system. Armed with new tools and dissatisfied with available choices, consumers want to interact with firms and thereby co-create value.” This proposition that the consumer has become a desirable co-creator of value is also central to another widely-lauded contribution, the service-dominant logic approach/brand proposed by Vargo and Lusch (2004).

These reflections have initiated a stream of research on consumer culture, marketing, and related fields that explore the possibilities, outcomes, and implications of a co-creation between businesses and communally-situated consumers. Within this literature, two oppositional perspectives emerged. First, a critical perspective conceptualizes co-creation and the new business practices proposed by its advocates as a reconfiguration of marketers’ exploitation and control of consumers. From this standpoint, “the co-creation economy is about experimenting with new possibilities for value creation that are based on the expropriation of free cultural, technological, social, and affective labor of the consumer masses.” (Zwick, Bonsu, and Darmody 2008, 166).

Similarly, it has been proposed that when marketers foster experimentation, creativity, and interaction among consumers, they are merely investing in elements that will result in the alienation of consumers and the expropriation of their free labour by the company (Arvidsson 2005; Foster 2009). A more positive view of the phenomenon points to the (mostly non-economic) rewards and benefits available for consumers who engage in co-creation processes. Scholars subscribing to this perspective understand co-creation as an agentic and expressive act, not a deterministic response (Etgar 2008). They have investigated, for example, the personal and social benefits obtained by consumers who engage in value-creation within brand communities (Kozinets 2001, 2007; Kozinets, Hernetsberger, and Schau 2008; McAlexander, Schoutern, and Koening 2002; Schau et al. 2009) and the psychological implications of consumer participation in co-creation (Bendapudi and Leone 2003).

What is lacking, from both perspectives, is a consumer-centric understanding of what community members themselves think about the allocation of value when participating in co-creation projects with companies. Inspired by cognitive studies of consumer knowledge development (Ahlwalia and Burnkrant 2004; Campbell and Kirmani 2000; Friestad and Wright 1994, 1995), culturally situated investigations of consumer attitudes toward corporations (Giesler 2008, Arsel and Thompson 2004, Kozinets 2002), consumer thinking about their rights and responsibilities (Henry 2010), and on the development of “moral economies” in fan communities (Jenkins, Ford, and Green, forthcoming), we investigate the collective development of co-creation expertise by consumers who congregate using social media. By looking at how consumers develop co-creation expertise and build a repertoire of strategies to negotiate co-created value with marketers we hope to advance our understanding of how marketers and consumers should share economic and non-economic benefits of co-creation.

To be clear, our focus is not on the development of co-creation knowledge at the individual level, nor at the widely shared, cultural level. Rather, we argue that an intermediary level of co-creation intelligence development can be identified in collectives that evolve around conversations in social media. Social media have increased consumers’ ability to share, cooperate with one another, and engage in collective action with very little interference from companies. Therefore, the opportunities available for consumers to learn about collaborating with marketers have also multiplied. In order to explore this new environment for understanding consumers’ perspectives on co-creation, we conducted a qualitative study of the geocaching community.

Geocaching is a “global treasure-hunt” for enthusiasts who combine online communities and GPS technologies to play hide-and-seek with various “caches” in locations around the world. Geocaching was initiated in 2000 by a group of GPS enthusiasts and soon grew into a hobby practiced by an estimated 2 million people. From its inception, geocaching has motivated heavy reliance on collaboration and sharing to the refinement, development, and maintenance of the game. Currently, geocaching is a fascinating hybrid of interwoven commercial and gift economies. The main website concentrating information essential to the game is a commercial enterprise to which hundreds of volunteer players willingly contribute, and thousands of others subscribe (at an optional paid membership). Several open-source developments unfold within this website and in peripheral non-commercial websites. Geocaching is a consumer community context in which we can study the lived complexity of the commercial intertwining with the communal, and where collaboration between consumers and companies can be traced beyond the creative stage, in multiple online sites.

As suggested in Kozinets (2010), we combined netnography with traditional, in-person ethnographic techniques to investigate the online and offline activities of individuals who play geocaching. The dataset used in this paper focuses on the online aspects of the activity, and includes hundreds of pages of online data representing geocachers’ interactions on different social media (e.g. online forums, blogs, Twitter) which were collected over a three-year period of participant observation online.

Preliminary results suggest that in observing, posing questions, sharing stories, and discussing critical episodes online, community members learn to differentiate between three types of co-creation projects, each of which is accompanied by a specific frame for economic and non-economic value negotiation: volunteer +community projects; company+community projects; and volunteer +company projects. Consumers draw from community-specific values and broader, external logics (e.g. work/play, market logics, web 2.0 culture) to determine adequate frames to each type of collaboration. Observing that consumers collectively gauge their expectations and demands in relation to value that is created in different collaboration modes, our study complements current understandings of consumers as co-creators of value.

Value-Creation in Brand-Related User-Generated Content on YouTube

EXTEDNTED ABSTRACT

The production of online, brand-related, user-generated content (UGC), is one way consumers can potentially co-create value. UGC is published content that demonstrates a degree of creative effort, which may draw on marketers’ offerings, and is “created outside of professional routines and practices” (OECD 2007; Kaplan and Haenlein 2010, 61). It takes on many forms, including product reviews, social network site posts, blogs, advertisements, and contributions to collaborative projects. It may be created independently by online users, or facilitated or sponsored by firms (Berthon, Pitt & Campbell 2008; Christodoulides 2009). While research on the benefits or perils of brand-related UGC is nascent (Burmann 2010), some scholars have investigated the value that specific forms of online UGC might create for firms. For example, Chevalier and Mayzlin (2006) find that increases in positively valenced user reviews on Amazon.com and Barnesandnoble.com predicts increases in book sales, and that extremely negative reviews have a greater impact on sales than do extremely positive ones. Studying forums hosted on company websites, Chiou and Cheng (2003) find that favourableness
and frequency of brand-related UGC can influence consumer brand perceptions, with negatively valenced messages having a greater impact on low-image brands. While these studies focus on UGC more narrowly, there is also community-level research (e.g. Kozinets, Hemetsberger, and Schau 2008; Füller, Matzler and Hoppe 2008) that conceptualizes UGC as part of collective consumer innovation processes that create value for firms. Collectively, these studies provide important substantiation of the value of online UGC for firms.

Complementing research that examines the value created for firms, some research also suggests that UGC creates value for other consumers; brand community research (e.g. Kozinets 2001; Muñiz and Schau 2005) is the most prominent in this regard. For example, in a recent meta-analytic study of brand communities, Schau, Muñiz and Arnould (2009) conceptualize the practices and processes through which brand communities create value. They identify twelve value-creating practices, grouped across four thematic areas: social networking, impression management, community engagement, and brand use. Online UGC is a component of a number of the practices identified.

While it has been extremely fruitful to explore value creation in brand communities, not all brand-related UGC is created within brand communities. Indeed, the majority of consumers are probably not impassioned brand advocates or brand community members. It is thus important that we develop a better understanding of the potential value to consumers of UGC that is not generated within a brand community. Our research takes up this challenge. It examines the applicability of recent brand community research on value creation (in particular Schau, Muñiz and Arnould’s (2009) ) but also looks for additional types of potential value-creating elements in online brand-related UGC generated in a context that does not require or presuppose a brand community: YouTube.

YouTube is a content community (Kaplan and Haenlein 2010) and popular social media site (Burgess and Green 2009) that draws approximately 490 million unique visitors per month (Elliot 2011). More than other popular user-driven social media channels (e.g. Facebook and Twitter), YouTube hosts consistently rich UGC and more permanent and accessible records of responses to posted content. This makes it an appropriate context for exploring how value may be created in brand-related UGC, such as consumer-created videos, and the value that other consumers, such as those responding to the videos, derive from that UGC or fail to derive from that UGC. While some have argued that the practice of viewing, but not responding to UGC, itself offers value to other users by supporting contributors and the overall community (e.g. Jenkins 2006), this study will focus only on those who do publicly respond online.

The data for this study consists of approximately 50 UGC ‘haul’ and ‘outfit-of-the-day’ videos, and all accompanying comments for those videos, sampled around two brands – Lululemon and American Apparel – that were posted to YouTube between June, 2010 and January, 2011. The posts were selected at random from Google search results for: ‘brand’ on ‘site:YouTube.com’. The two brands were sampled because they generate enough interest from consumers to be featured in UGC in this content community, and are in the same category: clothing manufacturing and retailing. The number of comments per video start at zero and run into the thousands, although most range from the tens to the low hundreds.

While YouTube is not a ‘brand-community’, it is conceivable – since only a small percentage of social network participants create content (Burgess and Green 2009) – that brand-related video postings and comments will be dominated by motivated Lululemon or American Apparel brand community members or brand ‘haters’; this does not bear out in the data set, and the focal brands are often featured, with equal emphasis, alongside a constellation of other brands. Analysis of the data set suggests that some of the value-creating practices found in brand communities, such as ‘evangelizing’, are mirrored in content elements of UGC found on Youtube; other community practices are not. Moreover, the UGC of these less brand-involved consumers involves elements that may not feature in UGC created within brand communities. For example, one type of content we frequently observed was “multi-brand integration,” in which consumers suggest appropriate pairings of multiple brands, none of which appears focal or central to the ensemble. Analysis also seeks to establish the connection between these potentially value-creating elements of UGC and what types of value ‘vocal’ consumers indicate they are deriving. This research seeks to contribute to the discussion on the socially engaged consumer by broadening our knowledge of the elements of UGC that may create value, and on the types of value consumers appear to derive from UGC when they are not embedded in brand communities.

**“Hey, what’s in it for us?”: How to Initiate and Maintain Participation and Collaboration with Creative Consumer Crowds**

**EXTENDED ABSTRACT**

You guys have been along long enough to know”: The collective development of consumer co-creation knowledge in social media

Social media have fundamentally altered our view of the consumer – from the ‘passive recipient’ to the ‘active agent’. Literature on how to monetize social media’s potential to activate consumers has exploded in recent years (Florida, 2004; Surowiecki, 2005; Tapscott & Williams, 2006) yet, the insights are mainly of tactical nature; its strategic implications are still under-theorized. But how should we initiate and maintain online cooperation with consumers? A classic answer would be to use all available channels to get access to online communities and social networks via promotional initiatives. Yet, typical exploitation strategies that aim to integrate consumer-users into marketing efforts of business organizations have also provoked susceptibility and conflict in social online media. A recent cross-cultural investigation into Facebook users’ reactions to advertising attempts indicate that the respondents do not find Facebook ads informative or funny and have a low threshold level for irritation. A large majority would definitively or possibly leave Facebook if commercials on Facebook became more dynamic or mixed with friends’ content (Kornum, Christensen, and Hemetsberger, under review). Similarly, Kozinets, de Valck, Wojnicki, and Wilner (2010) problematized the tensions that arise in consumer communities when community bloggers are asked to act as both, a continuing community member, as well as a marketing agent, in order to establish a trustful, credible and persuasive word-of-mouth campaign. Their findings suggest that messages need to be consistent with the goals, context and history of the blog and the bloggers, acknowledge and discharge commercial-communal tensions, and fit with the community’s norms and objectives. Based on ample empirical evidence, researchers concordantly suggest that consumers should actually be treated as equivalent partners in a co-creative process of joint engagement in various value-creating practices (Merz et al., 2010; Schau, Muniz, and Arnould 2010; Kozinets, Hemetsberger, and Schau 2008). Consumers are creative, innovative participants and networked collaborators in a web of collective intelligence and partners for commercial endeavors in various ways. They are approached by companies as creative force (Tapscott and Williams 2006; Vargo and Lusch 2004; Lévy 1997), as innovators (Füller et