

rewardStyle – A new way to ‘disrupt’ in a global digital economy

Masterthesis 2016

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SIGNS: 154.773 – PAGES: 68

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Copenhagen Business School - Cand.merc.Com - September 2016

Executive Summary

Der er almindelig enighed om, at digital teknologi har haft stor indflydelse på den sociale og kulturelle udformning af nutidens samfund. På et organisatorisk plan har digital udvikling medført nye strukturer og nye måder at operere på. Men det kan naturligvis diskuteres, om vores sociale strukturer påvirkes og tilpasses grundet ny teknologisk udvikling, eller om nye teknologier opstår grundet udvikling i vores sociale og kulturelle strukturer.

Inden for forbrugsmarkedet er sådan en udviklingstænkning også yderst relevant. Hvor producenter traditionelt var vant til at arbejde med en direkte og énsidig form for markeds kommunikation, er de nu i langt højere grad underlagt forbrugernes adfærd, og herunder den måde forbrugerne ønsker at blive kommunikeret til på. Dette introducerede nye former for *co-creation* af kommunikation, der i første omgang resulterede i at der blev etableret en dialog med forbrugeren, og senere hen blev eksistensen af en mellemmand mellem producent og forbruger introduceret.

Disse mellemlid viste sig i form af *opinion leaders* og *influencers*, der opererer på de sociale mediers platforme. **rewardStyle** er en digital organisation, der forener disse *influencers* med brands, og udfylder således en mangel eller tomrum for dette på et marked i den digitale modeindustri. Med udviklingen af digitale *influencers*, et fænomen som er opstået fra blogging-kulturen, giver **rewardStyle** disse *influencers* en mulighed for at lave deres produktion af online indhold ind til en kommerciel varer.

Denne udvikling kan betragtes eller forstås som en '*disruptiv*' innovation i en ellers aldrig stillestående industri, og **rewardStyle** er på ganske få år blevet til en organisation der omsætter for millioner, og organisationen har vundet respekt både indenfor modeindustrien i snæver forstand, såvel som inden for den digitale industri i bredere forstand.

Denne afhandling vil søge at forklare grundlaget for betegnelsen af **rewardStyle** som en '*disruptiv*' innovation i nutidens globale digitale økonomi. Omdrejningspunktet være en forståelse af den operationelle struktur af organisationen, for at forstå hvordan andre faktorer af organisationens organisering, i form af *produsage* og *trust & control*, har indflydelse på rewardStyle som en '*disruptiv*' innovation.

Index

1. Introduction	4
<i>Research Question</i>	7
<i>Important definitions</i>	8
<i>Structure</i>	12
2. Research Paradigm	13
<i>Ontology</i>	13
<i>Epistemology</i>	15
3. Theory	17
<i>Disruptive Innovation</i>	17
<i>The multi-sided platform</i>	20
<i>Producers</i>	24
<i>Trust & Control</i>	34
<i>Some conclusions</i>	38
4. Methodological choices	40
<i>Method</i>	40
<i>Limitations</i>	47
5. Analysis	48
<i>Disruptive technology or innovation</i>	48
<i>Structure as multi-sided platform</i>	51
<i>From producers to content producers</i>	55
<i>Fostering trust & control</i>	58
7. Discussion	64
9. References	71
10. Appendix	73
<i>Appendix A</i>	73
<i>Appendix B</i>	74
<i>Appendix C</i>	76
<i>Appendix D</i>	77
<i>Appendix E</i>	79
<i>Appendix F</i>	80

1. Introduction

With the rise of digital technology, new ways of organizing have become a reality, as well as a necessity. Today's society and the majority of citizens are highly influenced by the digital revolution and the constant development of new technology.

As users and consumers, we have come to change the way we interact with producers. Stubbornly enough, consumers do not accept communication through the mass media. In line with social and cultural development being fostered by technological development, new participants sets the agenda for market communication. We operate and interact in a fast moving paste online, and are through this medium able to introduce new mediators of information. Individuals are able to interact from anywhere to everywhere on the globe, at any time during the day, and we as consumers respond profitably towards this. (Peters, 1998) The tools of digital technology are effectively redefining the boundaries between physical and virtual spaces in organizational contexts, and they are constantly challenging the ways in which consumers and organisations are 'used' to operate. As expressed by Peters:

"The popularity of the WWW as a commercial medium... is due to its ability to facilitate global sharing of information and resources, and its potential to provide an efficient channel for advertising, marketing, and even direct distribution of certain goods and information services." (Peters, 1998)

Within the field of digital development, introducing and developing numbers of new needs and opportunities, organizations need to be aware of the constant development within their industry. Organizational studies and digital technology have become an important focus, and virtual organizing has become increasingly common. We are no longer looking at organizations as closed physical systems, but much more as open and adaptable systems. The conceptualization of virtual spaces has blurred the boundaries between face-to-face and online interaction, and this challenges the manner in which we practice social relationships. (Fayard, 2012)

In the fashion industry, the internet culture and the instant global connectivity availability introduced an explosive digital 'virus' into a once secluded, exclusive and excluding world. It can

be discussed whether this was good or bad, but it is certainly beyond discussion that it has changed the opportunities and possibilities for organizations, brands and consumers operating in this industry.

Consumers are slowly committing to new channels of communicating, and brands are becoming dependent on these channels to reach their consumers. The Internet offers itself as a media with potential to create trust with the consumer and build specific and targeted relationships between organisations and consumers. It evolved as an extension of the print media, bringing adverts into banners and placements onto websites, hoping for this to unleash the potential, which the print media no longer could promise to deliver to the same extent. Through the rapid development of the digital world, websites became platforms, which then became networks.

With the world more connected than ever, we are all adapting behaviour and practices to online use. Since 2009, the number of users online has doubled, and today an estimated 44% of the global population uses the Internet, with the number increasing by the year. This has not only increased connectivity and the ability to create relationships, but it has shown in speed and convenience. It has facilitated generational shifts in the ways consumers browse and buy all types of products and services, which again has opened up for new ways for brands to communicate to their consumers through online facilitated media. Online purchasing has become a highly preferred method for acquiring goods, especially within the fashion and apparel industry. Consequently, the interest in online marketing has had to follow suit, and brands are constantly looking for innovation within the digital space to be able to accommodate the demand for online interaction, which is needed in order to make profit in a competitive digital economy.

What the fashion industry and the digital world do not share at this point in time, is the same view on governance. The instant connectivity made possible through the Internet brings people and ideas together globally, no matter location or background. The fashion industry, on the other hand, is ultimately about the important few, and the hierarchy within the industry. You could argue that some things never change, but with the digital world imposing itself on all aspects of *organizational* behavior as well as *social* behavior, the industry is forced to make a change in mindset.

The affiliate network called **rewardStyle** has done this and is a concrete example of an online

organization, which is organized purely on the basis of digital evolution and the development of technology. rewardStyle describes itself as the first and largest invitation-only end-to-end content monetization platform for top-tier digital style Influencers and Brands around the world. (rewardStyle, rewardStyle, 2016)

During the first year in 2011, rewardStyle drove more than \$60 million worth of apparel sales, putting them in a highly competitive position within the existing fashion hierarchy. They did this by empowering a group that was overlooked at the time, emerging with the digital evolution: the fashion bloggers. The organization gathered these bloggers into their 'invite-only' network, offering them new technology and introducing relationships with retailers they would need to make money off through their blogs and profiles. If a blogger's post led to a sale, hereby putting a new customer and a retailer together, he or she got a certain part of the profits.

In 2014, rewardStyle generated \$270 million in sales for its 4,000 brand partners. The top-performing influencers earn at least \$20,000 a month, and some earn up to \$80,000. Together, rewardStyle and their partners have dismantled the power structure of the fashion world and disrupted the traditional manner of marketing and retailing within this industry. Within the first six months, the company signed the online retail website Net-A-Porter, the number one international multi-brand luxury retailer. Major stores like Nordstrom, Neiman Marcus, Sephora and Top Shop with stores all over the world soon followed. By constantly being on top of the fashion industry, the retail industry and the tech industry, rewardStyle aims to fulfill the demands of their partners before they know themselves.

It can be argued that rewardStyles' entrance into the fashion industry, as well as the tech industry, can define the organization and their technology as a disruptive innovation. It is not just the technology behind rewardSyle, which is said to be disruptive, but they have managed to discover a need within the users of bloggers and make them a product to sell. They have created a business model, which pushes boundaries for all members involved and challenging others. I believe that rewardStyle is an organization, which in several different ways can be classified as a disruptive innovation in today's digital economy. It is operating in the fashion industry, but the example is not only relevant here.

Today, after only five years of operating, rewardStyle has over 9,000 global influencers and 1 million brands that leverage their network of tech products, strategic consulting, educational services and marketing tools in order for the members to gain economic profit. (rewardStyle, rewardStyle, 2016)

The digital world has the capacity to widen perspectives, making the world available at a click for everybody, everywhere. No matter who you are, or where you are, you can dive into a global conversation, thus becoming part of a network. Images, chats, videos, it is all there, and it is available instantly for convenient and quick consumption, on the terms set by the consumer. This is still new and uncertain territory, and the terms for organizations to operate in and with the digital world is equally new and uncertain. rewardStyle has been clever to make themselves a powerful intermediate in this unknown territory.

Research Question

The new digital landscape has brought a wealth of new opportunities for many organizations. At a time when traditional marketing is almost non-existent, organizations are forced to think in new ways to promote their brands and create profit. The international online organization rewardStyle is a direct result of our digital age, using its platform to unite influencers and brands to create profit.

In this thesis, I will focus on how the introduction of rewardStyle can be seen as 'disruptive' in the industry of the digital economy. With rewardStyle as a new player in the market, I find it interesting to examine and analyse how this form of digital development in a sense 'disrupts' the international fashion industry, and how it affects and changes the influencer's and brand's behaviour through regulation and control. This leads me to the overall research question being formulated as follows:

How has rewardStyle 'disrupted' the fashion industry in the digital economy?

In order to answer the main research question, I will through my analysis answer the following sub-questions:

- *How has the way rewardStyle operate contributed to this?*
- *How does this affect the participants of the rewardStyle network?*

Important definitions

As I am aware that I might be entering territory which is not known to all readers, I find it necessary to define and explain a few elements used in this study before going into the actual research study. I have chosen to work with a concept and an organization, which is fairly new in their market and due to the exclusivity of the organization, I have found that even scholars and occupants in the field may not be familiar with the organization of rewardStyle. Therefore, I will here introduce the concept of affiliate marketing, which is what rewardStyle handles, the technology behind rewardStyle, which is what they are driven by, and the definition of influencers and brands, who are partners in the rewardStyle network.

rewardStyle was founded in 2011 in Dallas, Texas, and operates from an office there as well as one based in London, UK. rewardStyle is a so called online affiliate network which partners up digital influencers all over the world with selected brands and retailers through rewardStyle's platform.

Affiliates

Affiliate marketing is a way for a company to sell its products by signing up individuals or companies, so-called 'affiliates', who market the company's products for a commission. As a concept, affiliate marketing emerged in the mid 90's, when the technological revolution brought new opportunities to market products and services to consumers through the world wide web, reaching millions of people a day. As search online search engines were developed, the Internet became a massive e-commerce and information machine. The owners behind the websites started to create valuable content and could start to offer benefits to their visitors. With this, traditional advertising and even online advertising started to see competition in more accountable forms of advertising, like affiliate marketing.

At its very core, affiliate marketing is the relationship between three parties; the advertiser, the

publisher and the consumer. An *advertiser* can be the company selling a product, any product, or a service, any service. As an advertiser, you pay other parties to sell or promote your business. A *publisher* is an individual or a company that promotes an advertiser's product or service in exchange for earning a commission. The final party of the affiliate relationship is the consumer. The *consumer* sees the add and then, hopefully, acts upon it. They will be taken from the website of the publisher to the website of the advertiser, and here they will complete the action of purchasing or completing a lead. In the terms of rewardStyle, the affiliate relationship exists between influencers, brands and customers.

Affiliates is a work with technological 'cookies'. A 'cookie' is a technology that stores information like user preferences, registration information and content. Specifically, affiliate marketing is interested in remembering links or ads, which the visitor to a website clicks on. The 'cookie' stores all information on this visit. This information is useful for the advertiser, and the information is created through the publisher. (Entrepreneur.com, 2016)

The technology

rewardStyle is an unique and strong organization, and a very competitive player, because of the technology they rely upon. RewardStyle creates relationships, but they are able to draw profit from this because of their technology, which is their affiliate programme as described above. It can be argued that rewardStyle fosters affiliate marketing, but they create the relationships, and this is their competitive advantage.

Affiliate relationships can work in different ways. A retailer can reach out to the bloggers personally and ask them to sign up for their affiliate program, and following this the bloggers have to sign up and get approved. When building a post, they then have to log into the retailer's website, connect to a special link with a tracking code, and use it in the post. When a follower of the blog clicks through and buys something, the retailer logs that sale. While in a sense simple, it can be a lot of work for bloggers to manage all these relationships.



Own visual of rewardStyle links

This is where rewardStyle has been clever with their affiliate network. By signing up to such a network, the blogger gets access to all the retailers that work with rewardStyle. Once approved, they can put one code into their site so that every time they link to a retailer in the affiliate network, the tracking code gets automatically appended. Moreover, they have a whole site where they can track all of their own data, and every time they are on a retailers website, they will through a pop-up browser be informed about the possible income from the site. (Adcock, How rewardStyle Is Disrupting the Fashion and Blogging Worlds, 2015) This simple premise of affiliate marketing led rewardStyle to a multiplatform sales-driving company that not only serves bloggers, but also celebrities, social media mavens, major retailers and traditional publications as well, adding highly profitable partnerships between influencers and brands to their affiliate programs.

With 65% content consumed on mobile phones, rewardStyle recently extended their affiliate network from web to mobile with LIKEtoKNOW.it. LIKEtoKNOW.it is a mobile content creation and distribution, which is exclusively available for rewardStyle's influencers, who operate via the social mobile app Instagram. Here affiliates are shared the same way as you do through the web, once the consumer has signed up to be part of the network as well. As the influencer shares a post

on Instagram with the LIKEtoKNOW.it link, the consumer can like this picture and will receive an email with the item they liked and a direct link to purchase with the retailer. (rewardStyle, rewardStyle, 2016)



Own visual of LIKEtoKNOW.it links

Influencers and brands

As from the above, an affiliate relationship consists of advertisers and publishers, which in the case of rewardStyle are termed as influencers and brands. 'Influencers' is a term, which stems from the concept of bloggers. Bloggers are the authors behind blogs. A blog is a type of content management system, where anyone with the desire to do so can publish any form of content online in the form of a *post*. Blogs as a software gives opportunity for a number of social features such as commenting, bloggrolls, trackbaks and the possibility of subscription. It is exactly these features, which makes blogs an attractive medium for marketing opportunities. Blogs are essentially a very efficient forum for other social marketing tools as they can be integrated with almost all other tools and platforms. (Zarrella, 2010) Blogs are characterized by a subjective view and approach, and the possibility of engagement by the users of the blog though commenting. (Kaplan, 2010) Blogs can be said do be distributors of viral communication, as blogs are part of bigger network where all are connected and able to share among each another. Blogs emerged spontaneously by individual people to express whatever they wanted to express and as a fun hobby. These days, blogs have become commercial distributors of information and communication.

With the fast developing digital space, the use and concept of blogs has also changed over time. Commercial posts are a common part of blogs now, and being a blogger has consequently become an acceptable profession. Brands and advertisers pay bloggers directly or through a third party, such as rewardStyle, in exchange of promotion on the bloggers' social platforms. Hereby they are becoming a marketing tool, which can be compared with traditional marketing media. As consumers, we trust the opinions of bloggers, because blogging insinuates a relationship and a personal connection. The popularity of bloggers has now turned them into influencers, acting on social media channels. However, influencers are not just a newer name for bloggers. Influencers do not necessarily have to be bloggers, and it is difficult to examine where they emerge. Somehow they emerge from our social culture, where we unconsciously together decide that this person is the current times' influencer. But a main thing is that influencers are connected and have a strong reputation, this is what is critical for the brands.

Structure

This thesis is composed of six sections: Following this **Introduction**, I will present the **Research paradigm and methodology**, and I will introduce the **Theoretical Frameworks**. This will be followed the **Analysis** and a **Discussion**.

The introduction section presents the problem statement, the objectives, and the research question for the paper. The introductory part of this thesis, present the reader with the topic of interests that lays the ground for the research study. The research paradigm indicates the chosen perspective applied in the research study, which will determine the interpretations made. Due to the netnographic nature of this study, the theoretical framework will be presented prior to the methodical choices. This section presents the methods of research, and explains the data collection procedure, why chosen, as well as how this will be utilized further on.

In the analysis section, the work of the theoretical framework, entailing definitions and categories of disruptive innovation, multisided platforms, produsage, and trust and control, will come together with the netnographic research in respect to the research question. The discussion chapter elaborates on aspects discovered during the research work and analysis.

2. Research Paradigm

The following section provides a thorough breakdown of choices taken and methods used for conducting the research of this thesis. In the research paradigm below, I will define the views, which will be followed throughout the thesis. This will include a review of the ontological, epistemological and methodological choices. The choices made in each of these stages of the research paradigm are logically – if not necessarily - determined by each other, based on the nature of the research question. By this, methods for conducting and executing the research can be determined, and a structure for the work process and hereby the design of the thesis will be defined.

Ontology

The ontological question is about the assumption of the nature of reality and social beings. The positivists take a realist position in this question and assume that a single, objective reality exists, independently of what each individual person perceives. The social world, like the physical world, exists as an unchanging structure. In contrast to the positivists, the interpretivists do not believe that only one real view of the world exists. In the view of the interpretivist, reality is socially constructed in the way that ‘all human knowledge is developed, transmitted, and maintained in social situations’. (Ozanne, 1988) Therefore, a number of multiple realities will exist amongst each other due to the different individuals interpreting reality and due to different group perspectives. The order of my research question allows me to apply the interpretive ontology in this research, and this is what I will proceed with throughout my assignment.

This view is dependent on the context of the research question and the systems around them. When asking *How has rewardStyle disrupted the fashion industry?* the intention is to allow different aspects to be analysed in order to conduct the research prior to answering this question. This will not converge on one single reality, since multiple realities exist, and all these realities are changing and affecting each other. For interpretivists, the primary goal of research is to understand the behaviour behind, not to predict it. Understanding is viewed as a process, not as a one-sided product. This means that the process of understanding is driven by the hermeneutic circle, a never-ending process of interpretations, which enters current interpretations and influence future, present and past interpretations. The interpretations will always be incomplete and you cannot expect to achieve *the* understanding, but you will achieve *an* understanding. (Ozanne, 1988)

Throughout my assignment, I will apply the socio-technical perspective in analysing and discussing my research questions. In the research of ontological perspectives on technology, there are several points of view to discuss the technological and social developments and in what form and order they are introduced. A general discussion among theorists is what determines what? In this assignment, I will be working with the mind-set that the process of technological development and the social practices in society are intertwined and dependant on each other.

Theorists of the socio-technical perspective work with the idea that social reality is collaboratively constructed through networks of both human and non-human actors. Bruno Latour is a main theorist in the research field of the socio-technical perspective, and he works with the viewpoint that sociological studies need to include technology, or at least that it must include the sociological reading of technology. (Latour, 1992) The approach that Latour works with is the actor network approach, which arises from the social constructivist approach, adding on the aspect of artifacts as part of the negotiation process. According to Latour, technology can seem to compel certain human actions. He also believes that even the most common technologies can have an effect on our decisions, our actions, and the way we move through the world. Latour's studies of the relationship between producers, machines, and users demonstrate how certain values and political goals can be achieved through the construction and employment of technologies. One of his main points is expressed in the following way;

“[t]echnologies play such an important role in mediating human relationships ... that we cannot understand how societies work without an understanding of how technologies shape our everyday lives.” (Latour, 1992)

To balance and explain the accounts of today's society, socio-technologists believe that we have to turn our attention away from exclusively focusing on humans, but now also look into non-humans. This is where the hidden and despised social masses who make up our morality are to be found. Non-human masses need to have a place in the new social theory for us to understand. (Latour, 1992) Both the science of technology and the science of society and social relations is being rethought, and more and more elements are to be tied together, and more and more shifts to other matters. According to Latour, what appears in the place of the two – society and technology – is not

a simple hybrid object, but it is a collective thing, a course on the front line between programs and anti-programs.

In the case of rewardStyle, I intend to analyze and discuss how they have come to disrupt the digital economy in the global fashion industry. I believe that I can only explore this matter by both looking into the technical aspect and the social aspect of the actors of the site, and the relationship developed between them fostered by the technology. Especially the relationship between rewardStyle – the influencers – and the brands is strongly determined by the technological artifacts present. Latour also argues that it is not possible to separate society from technology, because they are interconnected and interdependent. (Latour, 1992)

I agree with Latour, especially when observing the society we are living in today. Our social actions and our ways of organizing are determined by the opportunities that technology presents us with, but technology is at the same time dependant on us to have an impact on this. Consequently, I believe that the two aspects will always be intertwined, and this is also what I see in the case of rewardStyle and the way the organization is structured.

Epistemology

The epistemological question can be defined as the relationship between the researcher and the reality, in other words, how this reality is captured or known. How do we get the research in order to understand the reality? As per the introduction of the ontological choice, it is logical to proceed with an interpretive view in this stage. In the interpretivists' view, a particularistic approach is taken to the research, by studying a specific phenomenon in a particular place and time. (Ozanne, 1988) This type of explanation is context-dependent, seeking to determine motives, meaning, reasons and other subjective experiences that are time and context bound.

When researching on the epistemological stage, the main difference between the positivistic and interpretivistic view, is the difference in the focus of the research. Positivists will take a generalizing approach to achieving a general law. For interpretivists, the particulars of the phenomenon are the key aspects of the research. As many details as possible of the research is important in order to build a more complex process and thereby achieve a 'thicker' description.

This shows that these two approaches will produce very different knowledge outputs, and it is therefore important to establish your research perspective as a first step from your research question. Through the interpretivist approach, it is however possible to facilitate generalization, but it will be according to the context within the case, and therefore it will not be an outcome, which is applicable to all cases. (Ozanne, 1988)

As by the interpretivist view, as a researcher I am taking a subjective approach in viewing my case and its environment. In interacting within the environment under investigation, I am creating a cooperative inquiry, thereby engaging in a relationship with the occupants of the environment. The interpretivist view believes that if the social reality is based on the perception of individuals or groups, then in order to be able to understand those perceptions, the individuals must be involved in creating the research process. In the case of rewardStyle, with relationships between influencer and brands of the network, I find it necessary to engage with participants of each party in order to get sufficient understanding and perspective of the case. These participants will become a part of my research process, while guiding as well as supplying the information. Thus, they will be an important source for my data collection.

As researcher, I enter the research environment with some existing knowledge and pre-understanding, but by engaging in a conversation like relationship with the participants of the environment, I am allowing a complex and changing pattern of the perceived realities. I am allowing the setting to be open to new information and for the study to unfold with the assistance of my chosen informants. By my research question, I have set a fluid frame for my study, accepting the possibility of change of direction or setting in relation to experiences and information gathered.

3. Theory

In this section, I will outline and introduce the theoretical concepts I intend to make use of in analysing my research question. My chosen perspective will guide my choice of theory. I will start of by introducing the theoretical framework behind the concept of *disruptive innovations*. This concept is essential to cover the nature of my research question. Next, the aspect of *multi-sided platforms* will be covered in order to sufficiently get a structural view of rewardStyle. This is followed by the concept of *produsage* in order to analyse the participants' role in the rewardStyle network, and thereafter the concepts of *trust & control*, which I believe are of importance in this dynamic.

Disruptive Innovation

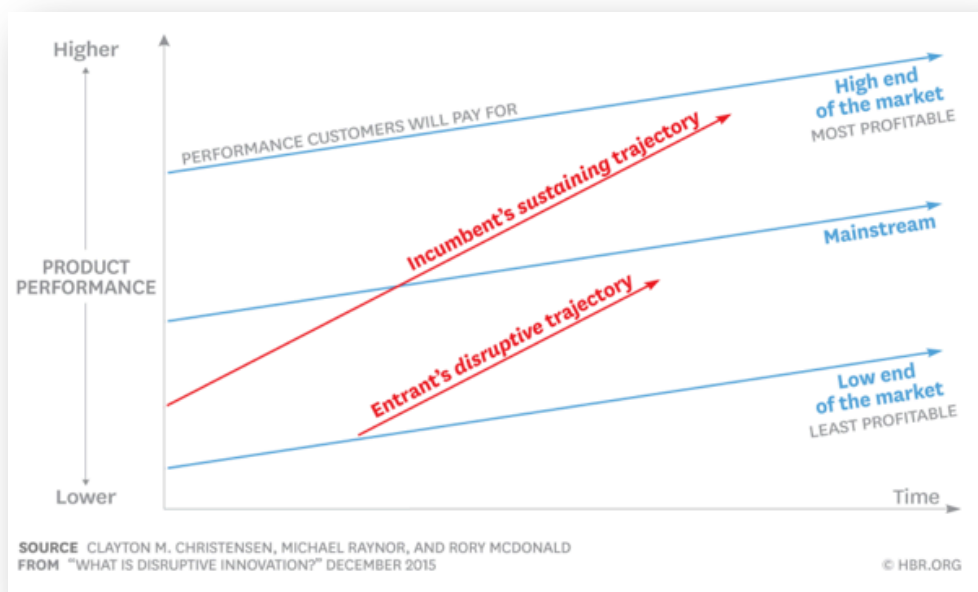
Clayton Christensen invented the theory of disruptive innovation, which more than ever is a relevant and useful theoretical framework to make use of in today's studies of society. My research study entails the study of disruptive innovations, and I am specifically looking into how rewardStyle, as a new emerging digital organization, has disrupted the digital economy. I therefore find it relevant to include the theoretical frameworks of Clayton Christensen in this study.

Clayton started his research on disruptive technologies by analyzing the development of the harddisk industry through time. Every change to the harddisk entailed a disruption in the market, which outperformed every organization in order for the disruptive organizations to enter the market. With his next book, Christensen changed his term of *disruptive technologies* to *disruptive innovations*, because he identified that it was rarely the technology in itself which was sustaining or disruptive. It was rather the business model, which a given organization developed and thereby determined the product or service's disruptive effect on the market. (Clayton M. Christensen M. E., 2003)

'Disruptive' describes a process, whereby a smaller company with fewer resources is able to successfully challenge established businesses. A disruptive innovation is an innovation that solves a problem that is not well understood by the existing market, and thereby they create a "*new market*" for the new market entrant. Established incumbent businesses focus on improving their products

and services for their existing and most profitable customers, but exceed the needs of some segments and ignore needs of others. This is what Christensen defines as sustainable innovation, simply improving existing products for existing segments, within the existing market.

Disruptive entrants begin by successfully targeting these overlooked segments, discovering new categories of customers and thereby creating new markets. This is partly done by harnessing new technologies, but can also be done by developing new business models and exploiting old technologies in new ways, delivering more suitable functionality. Established businesses will always look to chase profitability within their existing segments, and tend not to identify gaps within their market area. New business entrants then move upmarket, delivering what the overlooked segments require, preserving the advantage of early success. When the customers start adopting the new offerings of the entrants on a larger scale, this is when disruption occurs. (Clayton M. Christensen M. E., 2015)



The above figure shows that disruptive innovations will, as a start, perform under the sustaining innovations. However, the disruptive innovations will with time perform better than the sustaining innovations and thereby outperform them.

The theory of disruptive innovation finds that there are two different types of markets, where disrupted innovations get started in. As shown visually by the above graph, the two types of markets are markets, which incumbent businesses overlook and are defined as *Low-end footholds* or *new-market footholds*. *Low-end foothold* markets exist when the incumbents neglect their less demanding customers in favor of their most profitable and demanding customers. This allows for a disrupter to start off by focusing on providing the low-end customers with a just ‘*good enough*’ product or service. *Low-end disruptions* are often new technological developments of an already existing product or service, but in a cheaper and more favorable way, therefore emerging on existing markets. (Clayton M. Christensen M. E., 2003) *New-market footholds* allow the disrupter to create a whole new market. They identify a gap, a demand, in the market and create a whole new consumer group for this. For an organization to be characterized as a disruptive innovation, they as a disrupter have to start from one of those footholds. Either they found a low-end opportunity or they target non-consumers. (Clayton M. Christensen M. E., 2015)

‘*Sustainable innovations*’, compared to *disruptive innovations*, takes existing products and makes them better based on their existing customers’ demands. The improvements can be small upgrades or major changes to a product, but they all enable the organization to make more profit from their existing profitable customers. Disruptive innovations will initially be considered inferior by most of the existing customer groups, and they will wait till they find that the level of quality is high enough. Then they will adopt the new product and accept the lower prices – this is also how disruption can push prices down in a market. Christensen explains that scholars have found that established firms tend to be good at improving what they have long been good at doing, and they therefore build upon this. Entrant organizations are better to exploit radically new technologies, as they often import the technology from another industry, where it is already practiced.

There have been many views and opinions about Christensen’s disruptive innovation theory, combined with some difficulty in characterizing when an innovation is actually disruptive. In recent published research, few points are highlighted, which are often misunderstood when defining disruptive innovations. Disruption is a process, entailing an evolution of a product or a service over time, and not the immediate existence of a new product. Almost all innovations, of every kind, are developed as an experiment, starting from a low-end market or a new market.

Disrupters tend to get the business model right, as they are aware of the incumbent's stability on the market, and this process can take time. It is not merely about launching a revolutionary product. As disruption can take time, incumbents frequently overlook disrupters, missing the opportunity to respond with a counterattack before it is too late and the disrupter has won over the incumbents' customers. This way, disrupters are able to become highly competitive organizations and drive incumbents to collapse. In relation to this, it is notable that disrupters often build business models that are very different from those of incumbents. The innovation of the disrupter is not necessarily the actual product or service, but can also be shaped by the business model. (Clayton M. Christensen M. E., 2015)

The multi-sided platform

As per my introduction, rewardStyle is a network in which influencers and brands are paired together in order to monetize of each other. By hosting a platform, where external partners are able to interact, I characterize rewardStyle as a multi-sided platform. In this section, I will explain the theoretical framework behind multi-sided platforms, in order to understand the business model and the strategic choice behind rewardStyle. This will shed light on how the platform organizes and enables interactions between their multiple groups of surrounding 'users' and 'complementors'.

There can be different definitions of multi-sided platforms, depending of what aspect is core for the platform. Rochet and Tirole use the term of *two-sided markets* and are more focused on how the price structure is defining the platform.

'A market is two-sided if the platform can affect the volume of transaction by charging more to one side of the market and reducing the price paid by the other side by an equal amount; in other word, the price structure matters, and platforms must design it so as to bring both sides on board' (Evans & Schmalensee, 2013)

There is a demand between the two sides of the network, and the pricing structure will be used to balance membership and usage in order to maximize the value of the platform. Therefore, in order

for a business to be two-sided, it must reduce the transaction cost for both sides. There needs to be an economic advantage for the two sides to engage in the platform and for them not to be able to overrule the pricing structure through other payments. Rochet and Tirole put this as a requirement for a business to be two-sided. It can be difficult to only define a two-sided market by this premise, as in practice this might not be the case. Evans uses the example of restaurants' commitment to Open Table, how they could pass the charges they pay to Open Table directly on to their consumers when they book a table. Nevertheless, restaurants still commit to being part of Open Table, probably because of transactions cost, opportunities they get through Open Table and the fact that customers would most likely object to this. (Evans & Schmalensee, 2013)

In their early research, Evans and Schmalense proposed a definition, which is less formal than the one from Rochet and Tirole, and instead underpins the key features of platform businesses. They call a multi-sided platform for an *economic catalyst* and say that the platform;

'has two or more groups of customers; who need each other in some way; but who cannot capture the value from their mutual interaction on their own; and rely on the catalyst to facilitate value-creating interaction between them' (Evans & Schmalensee, 2013)

This definition captures several characteristics, which are highly economically dependent, but more so value and relation focused. The value is created when solving coordination and transaction cost between the multiple sides. The allocation of the value is determined simultaneously, which will determine the sides that engage in the platform and how the platform itself will profit. (Evans & Schmalensee, 2013) This structure will immediately make all parties dependent on each other and make each side acquire the same incentive to do business together for the benefit of oneself.

In multi-sided platforms, externalities are a key aspect, and Rochet and Tirole in their theoretical research on two-sided markets have identified two types of indirect externalities; *usage externalities* and *membership externalities*. (Evans & Schmalensee, 2013)

The *usage externality* exists when the two economic sides need to act together, by using the platform, to create value. In order to engage in a value increasing exchange, they need to get

together and act in a transaction. Usage externalities may in some cases only be positive for one of the economic sides, but as long as the platform can be able to gain from this there will still be a benefit in supporting this interaction. Advertising can be an example of this, where the advertiser benefits from the possibility of communication to consumers, but the consumer may not engage with the product from the add.

A *membership externality* arises when the received value on one side increases with the number of parties participating on the other side. When more participants engage in the platform, it will be more valuable to other parties. A smartphone software platform is an example, where the developers of an application will value a platform more if there are many potential users. On the other side, the potential users of an application will value the platform more if there are more applications. More engagers on one side, attracts more engagers on the other side, which thereby will result in growth. (Evans & Schmalensee, 2013)

Extending on the economic analysis of Evans, Rochet and Tirole's work, I find it relevant to include the works of Kevin J. Boudreau and Andrei Hagiu. Boudreau and Hagiu's definition of a multi-sided platform include the characteristics of Evans membership externality.

'Interactions and interdependence between their multiple sides. More participation on one side attracts more participants on the other sides and vice versa'. (Boudreau, 2009)

Kevin J. Boudreau and Andrei Hagiu have drawn up a conceptual framework, interpreting the non-price instruments used by multi-sided platforms with a focus on the role the multi-sided platform itself plays as regulator of a network, where choices and actions are interdependent. Actions may include decisions regarding entry, investments, technology and design choices, pricing, advertising, and a potentially very long list of other decisions taken across the network. The total value created by the network, is in sum the value created by individual participants. Thereby value is a function of the cumulative set of all payoff relevant decisions or actions taken by all participants in the network. Interdependence is synonymous with the presence of consequences. A participant's choice of own action, will no matter what make other actions necessary and affect the overall value creation. (Boudreau, 2009)

The Participants are connected to each other, even though they have different intentions and goals, and they will influence each other through the indirect network externalities. The different goals of the participating sides are brought together by the platform, which then is expected to appropriately charge all sides. A final decision to engage in the platform will depend on what the platform charges to the sides. (Evans & Schmalensee, 2013) It is thus this element of the interdependency, which Boudreau argues is the regulatory role, which the multi-sided platform can play on. As the third participant, the platform acts as a coordinator, which brings together the participant sides and their activities, subsequently enabling all transactions and relations between the sides.

The platform's main interest is to handle transactions between the participating sides in order to make as much profit for themselves. In order to do this, they have to handle attractive transactions for all sides. In contrast to one-sided markets, the platform has to provide for several members in order to create the demand needed in such a dynamic. The platform set the prices and the terms for all sides and has to do this in an appropriate manner to benefit all, including themselves. This is how externalities can either be by usage fee or membership fee as mentioned earlier. An important aspect to the later is that externalities cannot be internalized for the participating sides to handle themselves. Only by using the externalities can transactions occur, and therefore it is very important for the platform owners to have solid knowledge of the strengths and relations of the networks' externalities'. (Evans & Schmalensee, 2013)

The platform can have different methods for reducing transaction costs to meet all members. According to Evans, there are three different kinds of multi-sided platforms. (Evans & Schmalensee, 2013) *Market-makers* enable members of distinct groups to transact with each other. Each member of the group will value the service of the platform more highly if there are more members of the other group. More members on each side will thereby increase the possibility of match and reduce the time spent reaching each other. An example is trade on ebay and the existence of shopping malls. *Audience-makers* match advertisers to audiences. Advertisers will value the service of the platform more if there are more members of the audience, and the audience will value the service more if there are more useful messages. Examples of audience makers are advertising supported media such as free television, magazines and newspapers. *Demand-coordinators* make goods and services that generate indirect network effect across two or more groups. These platforms

do not strictly sell transactions like a market-maker or messages like an audience-maker. Examples of such platforms are often software platforms like Windows and mobile phones. (Evans & Schmalensee, 2013)

When a network is organized as an MSP with surrounding participants, the owner of the platform effectively controls a 'bottleneck' essential to other players. There will necessarily emerge an asymmetric one-to-many relationship between the platform owner and the participant parties. As the owner of the MSP, you can say to have 'bouncer' rights, in the sense that as platform owner you are also able to exclude and include the participants in the network and thereby the role implies a power to set the terms of access. This implies a power of regulator and thus plays a role as public regulator. By this, it has also been shown that the platform owner can take up different kinds of roles, and it will therefore be interesting to see how rewardStyle uses its role as platform owner.

Produsage

The objective of this is to acquire an understanding of the interaction between the influencers, rewardStyle and the brands when producing content. More specifically, it is to look into, who takes up the role as *producers* and *users* respectively when operating on the platform of rewardStyle. I will draw upon the concept of *produsage* by Axel Brun to look into the way that rewardStyle is challenging the traditional way of producing services. (Bruns A. , 2008)

From traditional service-dominant logic perspective, true value of market offerings can only be evaluated by the view of the customer. It is not the actual market offering, which is in focus in this perspective, but the actual value creation process of the customer where value emerges. Earlier marketing research has been based on a separation of production and consumption, where customers are viewed as passive responders and buyer of what others produce, rather than active participants in the value-creation process. (Vargo, 2004) In the new form of market, the consumers enter a role as co-producers, being regarded as active participants. By the words of Prahalad and Ramaswamy;

‘customers are fundamentally changing the dynamics of the marketplace. The market has become a forum in which consumers play an active role in creating and competing for value’ (Prahalad, 2000)

In contrast to old views of the market, consumers have now become a new source of competence for companies. Through the phenomenon of *prosumtion*, a process to really engage with your consumers, customers become principal participants in the creation of competition for value, which blurs the distinction between consumers and producers. In order to understand the customer competence, companies should consider customers as equal in dialogue, mobilize customer communities through the possibilities of the internet, manage customer diversity and co-create personal experiences. They have created opportunities where the customers make the decisions. Through the internet, Prahalad and Ramaswamy also note that a shift in power occurs as customers are able to be just as informed as the company. With such a new power structure, the market can be perceived as a forum where value comes in the shape of experiences (Prahalad, 2000)

Co-creation goes hand in hand with innovation and experiences. The basis of value is co-created, and the technology facilitates the experience and integrates the company and the customer.

The basic idea behind rewardStyle is that they provide a platform where content is created by the participating influencers for the benefit of the participating brands. With more than 9,000 global influencers, rewardStyle as an organization relies one hundred percent on them to produce content to offer their brands. rewardStyle is basically the facilitators, and intermediates, behind the platform, and then it is up to the influencers to create the content.

Produsage, as a concept, stands in direct contrast to the traditional modes of industrial production, where the industrial production value chain was composed of: producer → distributor → consumer. In this traditional type of value chain, it is not intended that the consumer should have anything to say in product or service development. Consuming was not regarded as a matter of choice, but rather a necessity and an expectation, and any communication from the consumers was un-heard off. Product development in such set-ups is organized along highly hierarchical lines, and takes place in a context of fierce competition with other organizations. (Bruns A. , 2008)

But consumers have all the say. Even in monopoly markets, consumers have the last and final say, because they have the power to withhold consumption, and in competitive markets consumers have the power of exercising choice between competing brands. Thereby consumers can be seen to be the primary indicators for development, manufacturing and pricing options for organizations. With the evolvement of mass media and digital technology, consumers are able to communicate back and provide feedback to the producer. With the access to smarter and more flexible production techniques, producers are able to call upon consumers more directly to personalize and customize the products and services. (Bruns A. , 2008)

Now the production value chain consists of a different link between the consumer and the producer, because they are in direct type of contact, and the producer is actively engaging with their consumers. The user now also plays the role of the producer whether they are aware of this hybrid role or not. Fundamentally Bruns states that the affordance of the techno-social framework of the networked environment is what the produsage process itself is built upon. (Bruns A. , 2008)

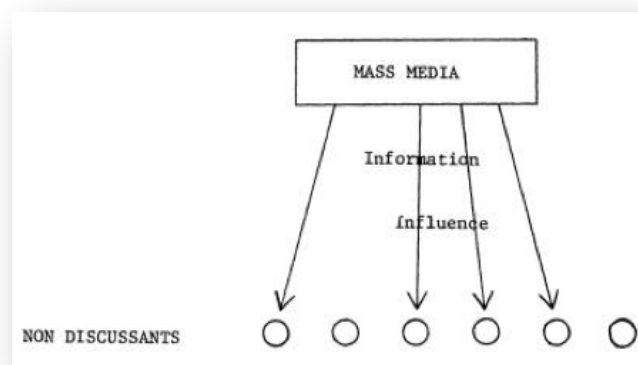
The rise of the internet as a mass medium and facilitator introduces a number of important challenges to the traditional, industrial model of production and distribution. Consumers are no longer just consumers; they are now becoming actively involved in shaping their own network usage. Access to information sources does not take place on a product-push basis by the organization anymore, but is now challenged by an information-pull basis by the consumers. The focus here is less on technology and more on social interactions.

Lazarsfeld introduced the two-step flow of mediated information in 1944, when he challenged the widely held assumption that media messages were extended directly from the content producer to participants of the audience. In a study on the process of decision-making during a Presidential election campaign, he however discovered that informal impersonal contacts had a much more frequent and effective influence on the voters' voting behaviour, and thus arguing that influencers actually moderated messages and acted as filters for mass media communication. Together with co-author, Elihu Katz, they introduced the two-step flow of information theory, proposing that opinion leaders, who are widely aware of the mass media, add their own thoughts and interpretations to messages before they are passed on to the intentional audience. (Katz, 1957) They hypothesized that information from the mass media moves through two distinct stages. Firstly, individuals who

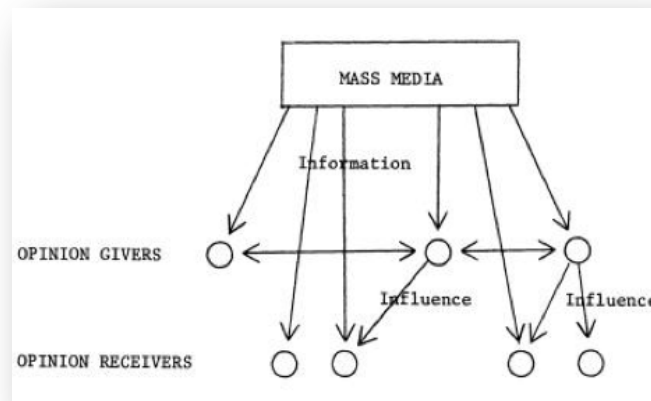
may pay close attention to the mass media and their messages receive the information. Then these individuals, the opinion leaders, pass on their own interpretations to others within their reach of influence.

Through their study research, Katz and Lazarsfeld found that 16 opinion leaders acted as influential modifiers of information distributed through mass media sources. By a study of fashion trends for a particular season, the information that was distributed through the mainstream media was caught by a specific group of the general population who had an interest in this field. Topic-specific influencers like these then have the ability to shape the opinion of the topic by translating and providing additional context for the audience. (Katz, 1957)

Following Katz and Lazarsfeld's two-step flow model, several communication scholars have questioned the simplicity of the structure, which is built upon the influencers as interpreters and mediators of information. It was suggested that information more often actually tends to travel in multi-step flow processes with multiple different flow directions and interactions. This process is a more complex process, where the influencers themselves are influenced by others in the same topic area, creating an exchange of information where opinion leaders become both mediators and recipients of influence.

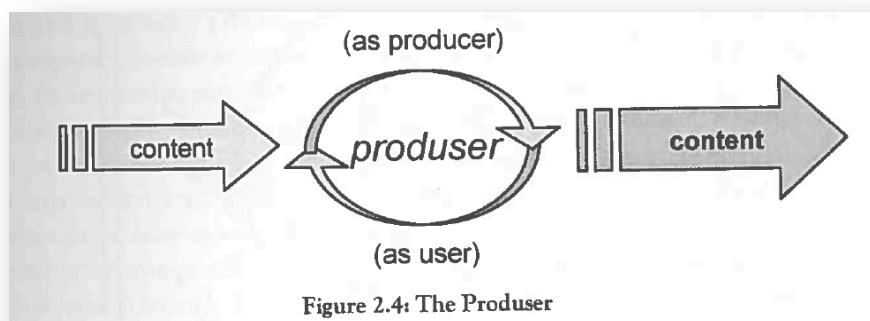


Two-step flow model



Multi-step flow model

With interaction and creation from the users, the new production value chain begins and ends with content. In what Bruns calls *The Produser model*, participants are both *users*, utilizing existing resources, and *producers*, adding new information. (Bruns A. , 2008)

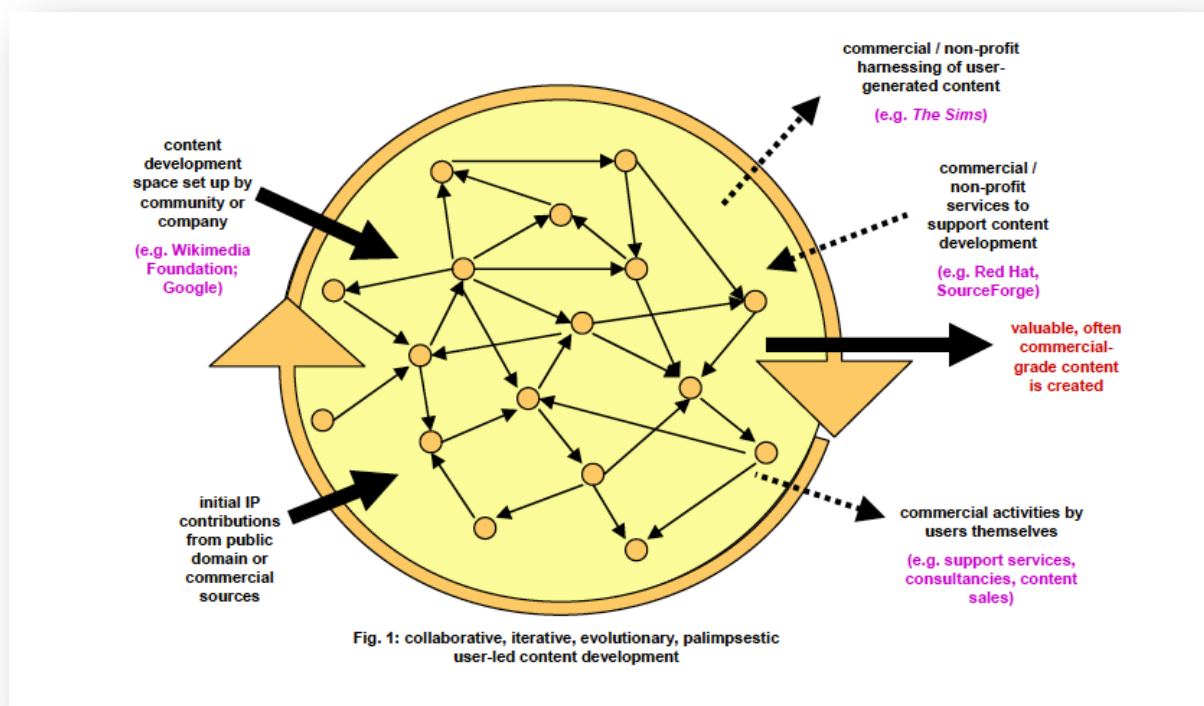


Within *produsage*, some actors participate more strongly with a focus only on their own personal use, and some participate more strongly in ways, which are more constructive and productive of social content. Bruns builds his research on what the inventor of the World Wide Web, Tim Berners-Lee has described as intercreativity. *Intercreativity* is an elaboration of interactivity, where users collaborate in an environment of developing and extending shared informational resources of common interest. Rather than just interacting with the material provided, the consumers are actively

taking the tools provided into their own hands and creating content to be consumed, hereby creating a more participatory culture. Consumers are no longer just consumers, but by participating, they are active users in the creation process as well as in the usage of media and culture. (Bruns A. , 2008)

The framework around produsage is not just about the actual production of a product. Produsage is a social and cultural affected action, which has affected our present-day systems and has implications for the institutional structures, which supports this. The collaborative produsage of information and knowledge has created a networked community intercreativity and a culture characterized by participatory attributes.

We see a move from industrial content production towards community-based intercreativity, but this though can hold the potential for severe disruptions to the established status quo.



Bruns presents here a further developed produsage model when applying it in a commercial approach. As per the figure, the model takes a much more complex shape, where the artifacts are created by users themselves, acting as producers, within a produsage environment. Distributed

knowledge and creativity of the produser community can be used to build in initial inputs to traditional producers or product and thereby revise the work. (Bruns A. , 2007) Because the creation of shared content takes place in a networked, participatory environment, the boundaries between traditional producer and user can be broken down, and this instead enables both parties to be users as well as producers and subsequently their very patterns of usage become direct input to the continuing process of produsage.

What emerges from produsage is that in an online, networked, information economy, participants are no longer traditional passive consumers, but they have themselves chosen to become highly active users and creators of content. Some will focus on own personal use, where others participate in ways, which are constructive and productive of social networks and contents. This aspect is what is relevant in the case of rewardStyle and the network created by them. From his research findings, Bruns outlines four key principles of produsage that signify when user-led online creation works the best in an online environment.

1. ***Open participation and communal evaluation.*** The approach of produsage assumes that the more participants that are to add to the contributions, the more likely a strong outcome with increasing quality will be. No matter the form of the contribution, the extent of substantiality, or whether it may be as content, social engagement or administrative services to the community, all contribution are valuable to the overall project. A key principal of produsage is inclusivity, not exclusivity. Bruns quotes Miller and Stuart who say;

‘It is in a group’s interest for its members to engage with other organizations, to get involved in other issues, because it helps each group extend the impact of its message and actions. The network-centric approach encourages members to acces their social network’ (Bruns A. , 2008)

Participants of the process must be invited from wide range of contributors, in order to draw on qualified knowledge, skills, talents and ideas available. By using the networks of the participants, the organizational structure of produsage communities will be non-hierarchical and network-centric.

2. *Fluid heterarchy and ad hoc meritocracy.* With open participation, all contributions are welcome in the process of produsage. All contributions may not have the same degree of relevance, and all skills and abilities of participants may not be equal, but all have an equal ability to make a worthy contribution to the process. As the produsage process is in a constant developing process, the leaders will emerge based on the quality of their contributions at the given time and stage of the process. The process remains in constant flux and along fluid and flexible lines. This way of organizing does however depend on the individual participants to be able to work as individuals or in small teams, and not depend on decisions of the whole community. Where this condition is met, produsage networks organize their processes through ad hoc forms of governance.

3. *Unfinished artefacts and continuing process.* As mentioned, produsage is a constant developing process, which does not work towards the completion of products. It is an evolutionary process with the intent of gradually improving the network's shared content. In a community network, where all contributions are welcome, negative contributions are bound to be found as well. But in order to ensure an overall positive development from the contributions, where the negative contributions are identified and neutralized, the produsage communities rely on a combination of community and technology-based processes. By the community aspect, the fluid hierarchical structure of the network will automatically diminish these negative contributions by social status. The longer the community has existed and the stronger the network is, such contributions will be regarded more critically and users behind these contributions will improve their presence in the concerning community.

Of course, the technologies behind the coordination of the produsage processes are an essential tool in filtering these contributions. These offer advanced tools for examining the development history of specific content elements within the overall information search and the contribution history of individual participants. Outcomes from such social processes will take upon them some aspects of the processes themselves, and thereby they will come to resemble cultural artefacts more than commercial products. Bruns introduces Artist Brian Eno who suggests that we should;

‘Think of cultural products, or art works, or the people who use them even, as being unfinished. Permanently unfinished.’ (Bruns A. , 2008)

The content development within a produsage community will always be incomplete due to the structure of the network and the order of social and technological developments.

4. ***Common property and individual rewards.*** The act of participating in produsage projects is generally motivated by the ability of producers to contribute to a shared and communal purpose. With network technologies enabling larger projects of collaborative content produsage, the possibility of providing direct rewards for the contributors is less likely than in smaller collaborations. The fact that produsage projects have the ability to foster a shared motivation relies on the projects ability to ensure that such is managed and protected effectively from exploitation and remains open for all contributions. Even though information and contributions are commonly shared in produsage networks, individuals will be able to be rewarded accordingly, which will give further motivation for participants to keep contributing. Individual merits like this will reward the participants in their social capital and can go beyond the community, in tangible rewards professionally and prove positive track records. (Bruns A. , 2008)

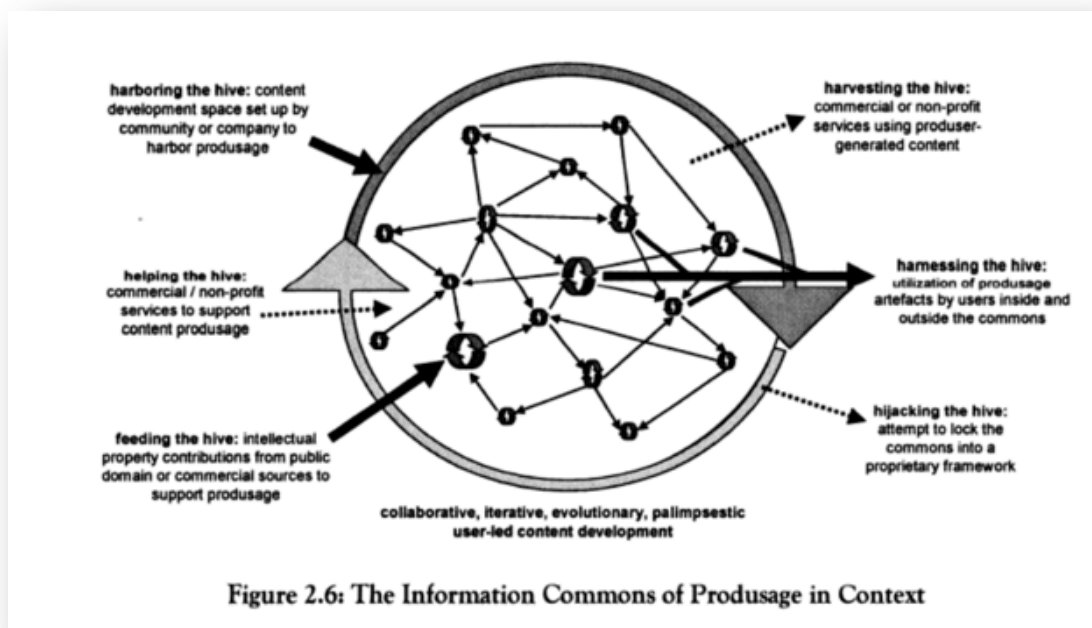
As mentioned above, Bruns original produsage model has developed further with a commercial approach. With the central role that information production plays in our societies and organizations, produsage has achieved a central role in our economies. Extending into a wide range of information development, knowledge development and creative work, produsage has come to affect our culture itself. According to Bruns, Jenkins describes this as a '*participatory, convergence culture*'. (Bruns A. , 2008)

'This is what happens when consumers take media into their own hands. ... Within convergence culture, everyone's a participant – although participants may have different degrees of status and influence' (Bruns A. , 2008)

Cultural convergence eliminates the mass media age, where media organizations served as producers and distributors of cultural content. They are now at the level of all other participants in the network and interact with all across all channels. However, there is potential for dominant new corporations to emerge in this culture. Such corporations will be driven by technology and will emerge by the need to feed businesses and make it easier for consumers and businesses to use key services, which requires help from specialists. A way to commercially embrace the produsage

communities is through the ‘crowdsourcing’ model. Here an organization releases ‘public beta’ versions of their product to gather in-depth feedback, thereby engaging in the collective intelligence – *the hive mind* – of the produsage communities. Other commercial approaches can be analyzed by the following models:

- *Feeding the hive*: an extension of the crowdsourcing model where all contributions of content goes into supporting the produsage environment.
- *Helping the hive*: commercial or non-commercial services to help the content production of the produsage community.
- *Harbouring the hive*: Hosting of the produsage community and another form of helping the hive.
- *Harnessing the hive*: utilizing the produsage artefacts by organizations inside and outside the produsage community.
- *Harvesting the hive*: using the pruduser generated content as value-added services with non-participants.
- *Hijacking the hive*: attempting to lock down the content of produsage communities for financial gain. (Bruns A. , 2008)



Buns highlights that a commercial exploitation consisting of lock-in of produsage communities can seem profitable in short term, but for long-term a more sustainable strategy will need to include more open and impartial collaboration with the produsage community itself. Produsage communities develop their own alternative organization for established and emerging knowledge, but this raises the question about of what should be considered to be established knowledge. With the produsage framework, participants of the information economy transit from reader to writer, from consumer to user, from user to producer, which further shifts the way we organize society, economy and democracy itself. (Bruns A. , 2008)

Trust & Control

For organizations that rely on partnerships with external stakeholders, some researchers claim that trust and control are opposite ways of achieving a successful partnership, where others insist that trust is essential for all partnerships. (Gallivan M. J., 2008) There will inevitably always be a discussion on the extent of trust and control, and how much these aspects influence the success of organizations. Trust is perceived to be necessary for the success of a partnership, but too much trust leaves one partner vulnerable to opportunistic behaviour, whereas too much control can lead to distrust, cheating and other problems.

Defining Trust

The success of the partnerships created through rewardStyle relies on trust. Several organizational theorists have defined trust as a concept, and the relevance of the concept has in fact also been questioned. However, a general view is that it is necessary to understand the concept of trust when dealing with organizational contexts, and that virtual organizations are believed to require high levels of trust in order to ensure effective performance. (Gallivan M. , 2001) Michael J. Gallivan explains that the condition of vulnerability is the key to any definition of trust. He further elaborates, with input from several other theorists, that in defining trust, the *truster* must willingly place himself in a vulnerable or risky position in relation to the *trustee*. (Gallivan M. , 2001)

Consequently, trust can actually be interpreted as confidence in another party's behaviour, as confidence in a partner is achieved through a combination of trust in and control over a partner's behaviour. Although confidence results from either trust or control, a partner's trust is only present

when a possibility to control the other party's behaviour is absent. (Gallivan M. J., 2008) Virtual organizations do not rely on actual trust per se, but more so on a set of overarching set of control mechanisms, which ensure effective performance. Trust is thereby non-existing without some amount of risk, and trust is not needed without the opportunity of risk. Through his research, Gallivan has identified five styles of trust;

- *Knowledge-based* trust: trust based upon a prior history of transactions between two parties
- *Characteristic-based* trust: trust that is assumed, based on certain attributes of the other party
- *Institutional-based* trust: a trusting environment, as ensured by guarantor agencies
- *Justice-based* trust: related to the concept of procedural justice (i.e. ensuring fair procedures)
- *Swift-trust*: a 'fragile' form of trust that emerges quickly in virtual workgroups and teams

Further in his studies, Gallivan however challenges the concept of trust. He argues that effective performance may in fact occur in the absence of trust, given a variety of mechanisms that may ultimately ensure high-quality, reliable performance and other attributes of successful organization. (Gallivan M. , 2001)

With global competitiveness and the rise of the digital industry, organizations are forced to adopt it-enabled opportunities and are facing the reality of 'competing on internet time'. This also means that businesses are adopting new organizational forms, *virtual organizations* as defined by Gallivan. (Gallivan M. , 2001) This allows certain processes, like strategic alliances, joint ventures and partnerships, to be performed outside the traditional boundaries of organizational forms, referring to an increased reliance on external agents. A main characteristic of such organizational forms is that they involve external relationships as a much more central aspect of the structure than traditional organizations.

Using this structure, organizations are able to focus on their core competencies and then outsource other non-core functions and processes to agents that excel in those tasks. A virtual organization can assume the appearance of a much larger entity as it achieves many of its goals by relying on close coordination with external parties and partners. Gallivan refers to Sawhney and Parikh, who explain that in a networked world, economic value behaves differently compared to the traditional,

bounded world. Economic value creation will lie in creating modules, which can be extended to as many different value chains as possible and the ability to coordinate among the modules will become the most valuable business skill. (Gallivan M. , 2001) A virtual organization is goal orientated and consists of global geographical distributed agents who might never even meet face to face.

Many researchers within the field argue that trust will be increasingly important in the context of virtual organizations. With all organizations having to rely on outsourcing of various functions to other agents, trust will be a main denominator for the success of the partnerships as trust is critical in monitoring and controlling geographically distributed employees. (Gallivan M. , 2001) Gallivan, amongst other theorist in his field, has examined some of the first work on the need for trust in virtual organizations;

'it is easy to be seduced by the technological possibilities of the virtual organization, but... the managerial dilemma comes down to the question, How do you manage people whom you do not see? The simple answer is, by trusting them... If we are to enjoy the benefits of the virtual organization, we will have to rediscover how to run organizations based more on trust than on control. Vitality requires trust to make it work: technology on its own is not enough' (Gallivan M. , 2001)

Several research papers argue that trust is critical for the success of virtual organizations and interorganizational alliances, but the act of ensuring the trust is a difficult one. Gallivan argues that trust is not a critical aspect for the success of virtual organizations. He believes that by controlling the conditions for collaborations and norms of behaviour, any agent of the network can have confidence in the other members of the network and thereby obviating the need for trust.

Defining Control

Trust and control are two aspects, which are interdependent. Wanda J. Orlikowski examines the extent of information technology in work processes, and how this facilitates changes in forms of control and forms of organizing. In determining the extent of control behind the organizing of rewardStyle, I intend to use Orlikowski's research on forms of control. This will help me in my further analysis of the aspect. For an organization to ensure that the production runs in accordance

with the organization's plans, standards, quality criteria, goals, and values, it will implement various control mechanisms. These mechanisms can both be *enabling*, by facilitating actions in the production process, and *constraining*, by constraining outputs of individuals' actions. (Orlikowski, 1991) Orlikowski focuses on the aspect of control in terms of the workers in the production process, the definition of production knowledge, the execution of production tasks and the conduct of employees in the workplace. Orlikowski distinguishes between two types of control; *internal* control and *external* control.

The internal forms of control are further segregated into *personal* and *systemic* control. Personal control is identified in terms of dyadic relationships between supervisors and subordinates, involving direct supervision and close monitoring of actions. The second form of internal control, systemic control, deals with a more transparent, indirect and impersonal form of control. This is further vested in three interrelated structural properties of organizations; technology, social structure and culture. (Orlikowski, 1991)

Through *technology*, control is embedded in the technical infrastructure of the production process, built into the technology by external system designers. It is the technological process, which will determine the workers process and hereby also change the role of managers from direct supervisors to enforcers of the operations of the technical systems.

Through *social structures*, control is embedded in the policies, procedures and rules of the organization. Standards and requirements for the adequate job performance are set out to specify how tasks should be accomplished.

Through *culture*, the workers' shared norms and values shape behavior, order perception and influence attitudes. A shared ideology provides a philosophy of interest and norms, from where members can deduce specific and suitable rules for varying conditions.

Orlikowski's definition of external control is defined by professional control, by delegating certain forms of training to outside institutions. Organizations resort to external forms of control as production processes become complex and need for highly specialized skills and knowledge increase. By employing professionals outside of the organization, individuals whose training and

orientation has been created elsewhere are incorporated in the organization. Control is hereby exercised indirectly and impersonally through a range of institutional, technical and normative regulations.

This type of power does not rise from directly or physically from individuals. It is common for multiple control mechanisms to coexist within one organizational structure as control usually works in levels and cycles, and if one level of control fails, then other forms will assume the dominance. Both types of control can be exercised both indirectly and impersonally through a range of institutional, technical and normative regulations and does not have to be directed from individuals. Therefore, individuals can unintended reproduce forms of control through which production tasks are shaped. (Orlikowski, 1991)

Orlikowski uses these types of control in her research on how technology has changed the modes of control in organizations that have implemented technology. Her research showed that there is no need for new mechanisms of control, but rather there has been an intensified form of existing forms.

“contrary to certain expectations in the literature, information technology is not necessarily associated with flexible or de-bureaucratized forms of organizing. Instead, we see the emergence of technical control, and the augmentation of personal, social structural, and cultural control through electronic mediation.” (Orlikowski, 1991)

Some conclusions

Through the process of my research study, I have chosen to enter into a reflection of my theoretical framework at an early stage, prior to my netnographic research. In such an approach, I am able to acquire knowledge that I can bring into my netnographic field research. From a socio-technical perspective, where both technological and social factors affect the view of the study and are equally participating in shaping an on-going process, I found it necessary to understand such aspects from a theoretical framework to start with. The hermeneutic research frame I am applying, allows me to bring this theoretical framework into the next process of my research, in order to build understandings and reflections. I will therefore at any point in the process be able to go back to this material and bring it into play with further knowledge attained.

Disruptive innovation theory is initially a contribution to verify or disprove my hypothesis on rewardStyle, acting as a disrupter within their industry. There are different ways for new market entrants to act as disrupters, and in several case studies it has been documented that we are in fact not really talking about a disruptive innovation. In order to determine whether or not this is the case of rewardStyle, I need to have an understanding of disruptive innovation theory beforehand, to know what to look out for in my netnographic research. For this purpose, I will investigate the organization of rewardStyle and understand how they operate. The theory of the multi-sided platform will further assist me in exploring the structural and operational works of rewardStyle. Multi-sided platforms are organised as networks where the acting participants are interdependent of one another, both economically, but also by other value-adding factors.

rewardStyle offers a unique technology of affiliate programs, and equally important, they offer relationships. What they need from their participants is content. The influencers of the network are producers of content, hereby the relevance of produsage. Users have, with the development of communication from producer directly to consumer, become part of the production stage, and they taken upon themselves to perform the role of producers. Produsage as a commercial concept is the driver of the rewardStyle network. The brands want content, and the influencers create content. But with economic value as an incentive for content creation and produsage networks working as fluid and non-hierarchical systems, a certain form of trust and control is needed amongst participants.

4. Methodological choices

It is easy to simplify the data-gathering techniques to qualitative and quantitative techniques and allocate quantitative techniques to the positivist approach and the qualitative techniques to the interpretivist approach. In order to get a multisided and in-depth look into the research environment, I believe that both qualitative and quantitative techniques are necessary, though dependant on the information need. In embedding the same techniques within different research processes, I can influence the technique and the data produced by the technique.

With the Internet as base for this research study, it is important to remember that it is a constantly changing field. Qualitative techniques can help to draw the map of such rapidly changing terrain and examine the small sets of constructions, which interrelate with each other. (Kozinets, 2010) However, during such a process, qualitative research can also help introduce overlooked constructions and relationships. (Kozinets, 2010) I have chosen to primarily rely on qualitative research methods, which will be useful for exploring and understanding meanings. To help me discover the underlying and relevant aspects of rewardStyle and the social practices of the environment, I have made use of quantitative research methods. This has mainly been done in the introductory stages of my research, but also to some extent in the later stages to explore new aspects or reconfirm my findings.

Working with online communities such as blogs, forums, social networks and virtual worlds, the internet is an important site for research. Netnography, the conduct of ethnography over the internet, is a method specifically designed to study cultures and communities online, and it offers an excellent resource for qualitative research.

As one research method is not inherently superior to another, I find it relevant to draw upon several, which can support each other.

Method

My role as researcher changed throughout the research process. In order to experience the network society, which rewardStyle has created, I have engaged in netnographic research and conducted several interviews.

Netnography

The main type of research method used in this assignment is the method of Netnography. I believe that this method is the most relevant research method for the assignment and the research findings. Netnography is a newer qualitative research methodology that adapts an ethnographic research technique to the study of cultures and communities emerging on internet-mediated communities. Netnography uses the information publicly available in online forums and on online platforms in order to identify and understand the needs and decision influences of relevant online participants.

‘Online communities form or manifest cultures, the learned beliefs, values and customs that serve to order, guide and direct the behaviour of a particular society or group’ (Kozinets, 2010)

Because my case study is a digital organization, acting online, and because I intend to discover their role online, a netnographic research method is necessary as this is where the ‘action’ happens. Netnography compared to ethnography is capable of being conducted in a manner that is entirely unobtrusive and is conducted using observations of participants in a context that is not fabricated by the researcher. By this method, as researcher I am provided with a window into naturally occurring behaviours and communication between participants. As it is both naturalistic and unobtrusive, I am allowed continuing access to the participants in a particular online interaction and hereby able to revisit the chosen situation, using a hermeneutic interpretation of data.

Traditional ethnography refers both to fieldwork, practices and artifacts of particular social groups and the representations based on such studies. It is based on participation and observation in particular cultural arenas and acknowledgement on researcher reflexivity – meaning that this research method relies heavily on *‘the acuity of the researcher-as-instrument’* (Kozinets, 2010). Ethnography is thus grounded in a type of knowledge, which is particularistic and specific, providing rich qualitative content. With networked, online communication and engagement, the practice of netnography has changed some particulars of the traditional ethnography procedures. Mainly allowing a new level of access to the behaviours of interacting participants.

Netnography, as ethnography, follows five common procedures, which Kozinet recommends:

1. **Entree**, consists of two initial steps. The formulation of a research question for the study, and identification of appropriate online communities. In the world of digital network, platforms and social networks, there are unlimited groups and forums available for access. The identification of relevant communities and online search engines will prove invaluable to the quality of the research. As I have chosen to conduct my research based on an organization, my case study, I have been restricted in some way to specific networks and communities acting with and around my chosen case of rewardStyle. Still, thorough research and understanding of the characteristics of the online communities is necessary before initiating contact and data collection.

2. **Data collection**, which entails two important elements of direct copy from the computer-mediated communications of online community members and observations of the community and its members, interactions and meanings. Again, by the easy access and availability online, data collection will be plentiful and easy to obtain. As rewardStyle is a relative young organization and the subject of my research is about the fact that it is a new player on the market with a new way to operate, I have found that there is limited pre-produced data online. Therefore, I have made more use of my observations of the networks, its members, interactions and meanings. My research question will again guide my data collection in this step, as it determines what data I need and which members will be of importance in order to answer my research question.

3. **Providing Trustworthy Interpretations**, is very different in netnography observations than in traditional ethnography. Ethnography observes people, where netnography observes and re-contextualizes conversational acts. Here conversation occur through computer mediation and generated in written text form, whereby the conversations are much more difficult to discern. Kozinet introduces Ludwig Wittgenstein, and he suggests that the posting of computer text is a social action, and then every aspect of the action, the act, type and content of the posting, the medium, and so on, is relevant as observational data and capable of being trustworthy.

4. **Research ethics**, can be an issue in conducting netographic research. Information retrieved through netnographic research ways is not given with specific permission or in confidence. When engaging in online forums and networks, everyone has the possibility of knowing what you are

doing and what you communicating, everyone has access and there is no specific line between what is considered private and what is considered public. Everyone is allowed to express what they want on the Internet, and it can therefore also be easy to damage certain participants in the networks. It can be easier to find participants who have expressed damaging opinions online, than trying to get people to express such things through face-to-face interviews. I have found it an advantage online to be able to find negative opinions about rewardStyle. As well as opinions towards rewardStyle, which are supportive of them. This way I get an all-round interpretation of rewardStyle and what their network thinks of them.

Another ethical concern around netnography is that as a researcher you are 'pretending' to be part of a network, which you might not be if you had a choice. You are engaging in relationships only to retrieve information and letting the existing participants believe that you are engaging on equal terms with them. Personally, I engage regularly in most of the communities, which I have observed for this study, so I have not had to pretend to be part of an unknown community. Online it is possible to use any information, if nothing else is stated, and put it in another context, which the original producers are not aware of. It is a great advantage as you might not have been able to find this and experience certain behaviors otherwise, but you can argue that it does raise a question concerning the ethics. Of course Kozinet recommends ethical procedures to follow when engaging in online communities, in order not to create any damage or harm.

5. **Member checks**, are relevant in relation to the research ethics, and are procedures where research findings are presented to the people who have been studied. This allows people to add further insights to your study and acts as an approval, which is particularly valuable in conducting unobtrusive observational netnography. As netnography is an ongoing, open-ended research method, this also establishes an ongoing information exchange between you and your participants.

Netnography is participant-observation research, but there are different ways of conducting the research. It can be purely observational of online cultures and communities, where the researcher can be said to be a type of 'lurker', but it can also take the form of a more participative approach, where the researcher fully participates as a member of the chosen online community. The latter approach will provide you with a 'thicker description' by the immersion in the life of the online culture. My netnographic research has been dominated by an observational approach, engaging on

the platforms of the influencers who are part of the rewardStyle network and observing how content is produced by different influencers.

I have here acted as user of the platforms, engaging by actively being on the platforms and digesting the content that the influencers produce. I have visited platforms in forms of different blogs, engaging in the content production by redirecting myself through to the brands behind the products being promoted by the influencers. I have also done research through Instagram, where influencers are also producing content through and promoting brands here. Here I have acted both as a consumer and as a user by signing up to rewardStyle's program in order to receive further information on content. I have engaged in forums where participants discuss the organisation of rewardStyle and gotten insight into different opinions and experiences from influencers trying to be part of the rewardStyle network. I have also gained access into the actual use of how to use rewardStyle as an influencer, which has given me an opportunity to fully participate as a member of the network, and this has given me the technical back-end knowledge into a more economic perspective of the case. Moreover, this participative approach has given me a hands on opportunity to communicate with rewardStyle and get to know these procedures.

By using this research method, the data collected can take the form of data that the researcher directly collects, data that is generated through capture and recording of online community events and interactions, and data which the researcher sketches as field notes. Further to the netnographic approach, it is important to understand how and when to combine this with ethnography of in-person and face-to-face interactions of studies. As I am studying an online organization in an online environment, I am limited in terms of ethnography approaches, but to give me a broader perspective on the various issues, I have made use of the method of xx, which complements and extends my current research methods.

Interviews

Interviewing and ethnography are virtually inseparable, as online interviews have become a staple of netnographic research. I have made use of both face-to-face interviews, in-depth interviews by phone and on-line interviews. It cannot be denied that online interviews are complicated by lack of individual identifiers and body language, and therefore can challenge the data for social and cultural understandings. However, in relation to this research, which investigates digital relationships within

digital networks, I found that it has been an advantage to conduct interviews online. It reinforces the possibilities in digital spaces, and this is where the participants of the network interact.

To answer the question of how rewardStyle has disrupted the digital economy of the fashion industry, it is necessary to discover how rewardStyle as an organization operates and how they operate within the environment. The rewardStyle network consists of three categories - rewardStyle, the influencers and the brands. In my data collection process, I chose to do in-depth interviews with all three parties, both in order to gain an all-round knowledge base, but indeed also to get three sides of the story. When working with disruptive innovations, boundaries are being pushed and new ways of acting and organizing are being developed, and I therefore find it very important to gain knowledge of as many perspectives of the situation as possible. I have conducted in-depth interviews with all parties as a supplement to my netnography research.

I have conducted an interview with an employee from rewardStyle, Senior Account Manager Heather Prucell. (Appendix A) I have studied the organization of rewardStyle through netnographic observation and participation, but an in depth interview with Heather will give me a better understanding into how procedures work within the organization, what their goals and intentions are, and how they perceive their relationship with the influencers and the brands. I have also conducted a phone interview with Fiona Jane, who as an influencer who got employed at rewardStyle as well. She became part of the rewardStyle network as an influencer before becoming a rewardStyle employee. She is no longer working at rewardStyle, and even though she is still acting as an influencer, she is no longer part of the rewardStyle network. This has given me further insight into the way rewardStyle operates, and also provided me with an insight into an influencer, who has tried the rewardStyle way as well as the non-rewardStyle way if you will. (Appendix B)

In representing the influencers' perspective, I have also interviewed two high profiled bloggers, people I got to know through my own on-line investigation and who are part of the rewardStyle network. Pernille Teisbæk is currently one of the most renowned influencers and therefore very desirable to use for brands, and therefore for rewardStyle. However, Pernille has never been dependant on being part of the rewardStyle network, and she therefore does not make regular use of the network and only engages in a few chosen partnerships. (Appendix C) Irina Lakicevic is another

well-known influencer, and contrary to Pernille Teisbæk she is an active participant in the rewardStyle network, creating content for brands on a regular basis. (Appendix D)

Before conducting both of these interviews, I did not know that this was the case with each of them. I therefore used the same research questions for both, expecting similar outcomes, which I could use to compare answers and verify my findings from both interviews, and thus justify my conclusions. This was not the case, but has shown to be very beneficial for me anyway, because the interviews have given me two different perspectives from the influencer perspective. It has also reinforced my position that my chosen interpretive and qualitative research method has been the correct one for my research studies, because it proves that there is not one general view, but very subjective views and experiences. As mentioned earlier, it is inevitable to enter a research study with pre-existing knowledge and pre-existing assumptions, which I did in this case. I did not expect the insight I gained from the interview with Pernille Teisbæk and therefore chose to revise the interview with additional questions.

To get insight into the brands' perspective, I conducted an in-depth phone interview with MATCHESFASHION.COM, which is a major online destination for luxury retail. I interviewed Head of Affiliates and Partnerships, Simone Parchment, who handles all communication and strategy with rewardStyle. As MATCHESFASHION.COM is one of the largest online retailers of the world, they have initiated their own affiliate program as well as working with rewardStyle. They are therefore not as dependent on working with influencers through rewardStyle, but do partner with rewardStyle. In doing my netnography research, I found MATCHESFASHION.COM to be a top brand, which influencers are using, but through my interview, I gained more insight into how rewardStyle operate with their brands, which have been a very interesting perspective to my studies. (Appendix E)

I did not find it relevant to do surveys for this research study. Through my netnographic research, I believe I gained full insight into and understanding of the other participants of the network. However, I did decide to do a small interview group of people, some whom I know are familiar with rewardStyle and some whom I know are not familiar with rewardStyle. I chose to do this to get another outside view on rewardStyle's role in the industry. I used the same series of short questions, open to short or more in-depth answers after choice. This will also be a helpful addition to my own

nethnographic research and can help in verifying and supporting findings used further in my analysis. (Appendix F) My in-depth interviews will give me an understanding of how rewardstyle as an organization is structured and how they operate, together with an insight into their relationships with their participants in form of influencers and brands, which I can use as data.

Limitations

There are many aspects to look into regarding the aspect of rewardStyle and their position in the digital landscape. As mentioned, I have chosen to work with the socio-technical perspective, which automatically will limit my research, but also focus my research in the direction of my research question. According to the socio-technical perspective, the belief is that technological and social actions are intertwined, and that the co-relations of both is what determines the outcomes. Thereby I will base my research on the social and cultural actions of the participants of the network, but also look into the technical aspects of rewardStyle as a multisided platform and see how they affect each other. I have chosen to focus my research study on rewardStyle itself, and to understand how they through a certain control of their participants, the influencers and brands, have attained a disruptive status in their acting industry. I could have chosen to include a consumer end perspective as well, which I do see as relevant, but due to the focus of the study and the idea behind my research question I have not done this here.

For further research beyond this assignment, I do find it very interesting and relevant to get insights from competitors of rewardstyle, like magazines, to see how the technology of rewardStyle has affected them and how they perceived the change in the industry. As the brands are the participants bringing profit into the equation of this case, it has been difficult to get in touch with multiple brands. It would be interesting to know, why other brands chose to invest in partnerships with the rewardStyle and chose this as a channel for promotion, rather than using advertising or other forms of marketing.

5. Analysis

There is no doubt that the organisation of rewardStyle has clever and innovative minds on board, but experience indicates that this is usually not enough to be able to excel and be successful in the time and speed that they have.

Disruptive technology or innovation

As per my research question, I have set up a hypothesis stating that the organization of rewardStyle is acting as a disruptive player in the fashion industry. I have introduced my theoretical framework by looking into this aspect of my study at first hand, in order to set the grounds and to decide if the study could go forward in the direction of this pre assumption, or if insights to another matter would take the study else where.

As an organization, RewardStyle offers two things. They offer a unique technology, and they offer relationships. Amber Ventz, the 28 year old co-founder of the organization wanted to develop something that solves real problems, whereas most new technical launches are done just for the sake of the tech and the sake of something new. Of course, the natural development and evolvement of our social world has created needs for other tools than there has been before, but thinking of new technical developments, it is notable that many are developed for the sake of it. Only creating a need for the tool or product after it exists, and not creating tools for a specific and real need.

Starting out as a blogger herself, Ventz had experienced the way marketing had changed over time, and how bloggers and influencers now were being used as a marketing tool in creating high valued content for brands. But seeing how brands chose to use bloggers to produce content for them as a cheaper option for them than that of other marketing approaches, and gaining much more value back, she wanted to create a tool, which would both be economically profitable for her and her fellow bloggers and attractive for brands. Affiliates were a well-known phenomenon in the tech industry, but not a very attractive tool in other industries, and had never been introduced in the fashion industry. Ventz introduced a new technology in an industry she was very familiar with, in order to fulfil a need she had identified.

Disruptive innovation theory started with disruptive technology theory. In the case of rewardStyle, it is in fact as well the technology behind the organization, which is the factor behind defining the organization as a disruptive innovation. According to the Christensen study of disruptive innovations, there are multiple ways in which a new entrant can start off their 'disruptive innovation. One way is by exploiting old technologies in new ways; by taking the concept of affiliates from the tech industry and applying it in the fashion industry giving it a suitable functionality here.

For a particular context, there will always be a complex relationship between customers, the performance of the products and services offered to the market segment, and the capabilities of the organisations operating in those markets. And this dynamic will change overtime due to constant technological and social developments. As the circumstances around the customers change, so will the performance characteristics that attract them to one product or another also change. This is exactly what Ventz acknowledged. And she new what she wanted to do by introducing the technology of affiliates in the fashion industry, and thereby she started to create the business model she and others demanded.

RewardStyle instantly filled a gap in the market with their technology, and at the same time creating a new market for bloggers. The affiliate technology was an attractive tool for existing bloggers to engage in, simply because this was an immediate way for them to make money of their content production and postings. It did not take long for rewardStyle to establish itself at the low end of the market, moving towards the mainstream part of the market and quickly entering the high end part of the market. rewardStyle entered by a new-market foothold, creating a whole new market in an identified market gap, and creating a whole new consumer group for this market. Both in terms of the brands they acquire and the influencers they acquire.

As per Chsritensen's research, it is not just the application or introduction of new technology, which will define an organization as a 'disrupter'. Moving from disruptive technologies to disruptive innovations and a more complex framework, the business model of the organization is of importance too. As mentioned above, rewardStyle offers a technology, but they also offer

relationships. Their business model is built on creating relationships between influencer and brand through their technology of affiliates. Hereby creating affiliate networks.

In defining rewardStyle as a disrupter, it is also interesting to look at a company such as MATCHESFASHION.COM, whom I investigated and conducted in depth research with. MATCHESFASHION.COM is a major partner in the rewardStyle network. They are one of the largest global online destinations for luxury retail and have established themselves as a worthy competitive player in this market. Through my research, I came to notice that an overwhelming amount of affiliate links from blogs and influencer platforms referred to the MATCHESFASHION.COM website, which is the reason I decided to investigate them. Noticeable though, MATCHESFASHION.COM also has their own affiliate program and affiliate department, which can be said to meet the demanding requirements of existing, mainstream, top end customers who wants such a service as well.

However they are still a part of the rewardStyle affiliate network. MATCHESFASHION.COM has seen how rewardStyle has been able to drive customers to brands that apply their technology through working with influencers. Customers want content, and influencers are able to create valuable content for brands. Here MATCHESFASHION has upgraded their organization by adding such services to their repertoire, characterizing themselves as a '*sustainable innovation*'. Unlike rewardStyle, they have not created a new consumer group or a new market, and this is probably also why they still need to be part of the rewardStyle network. This shows, as Christensen found, that established firms tend to be good at improving their successful corporations and therefore expand on the existing components. Contrary to this, new entrant organizations like rewardStyle will be successful in exploiting radically new technologies, which they have imported from their practiced industries.

MATCHESFASHION.COM now themselves make their own affiliate partnerships with influencers, but when approached by rewardStyle with great opportunities for partnerships, they do this too. Simone Parchment, head of Affiliates and Partnerships at MATCHESFASHION.COM, explains that because they are such a big corporation with their own affiliate programme, they don't always need to work through rewardStyle, but of course rewardStyle still has the advantage as market owner and are able to negotiate favourable partnerships. She further explains that what

rewardStyle has is the technology. The technology is their force and their advantage. They are able to foster relationships, which they do through their own affiliate programme, but the technology comes from rewardStyle.

Disruptive innovations do not attempt to bring better products to established customers. Instead, they combine a new technology that has the potential to evolve rapidly, with an innovative business model. This brings a new value proposition to the market with new performance characteristics that appeal to a different set of consumers. When discussing rewardStyle influencers, Fiona Jane and Irina, why they joined rewardStyle and what is significant about the organization, they explained that rewardStyle were a first mover in affiliate networks in the fashion industry. They could not get this anywhere, and they didn't realize the advantages of having a facilitator such as rewardStyle beforehand. Being a first mover is not a theoretical characteristic for being a disruptive innovation, but it can be seen that it does contribute to other characteristics.

The two influencers further explains that no other organization will be able to host such a range of influencers and brands, available for all participants to interact with and gain value from. rewardStyle provides such a platform for their participants, and they also offer them a unique service they won't get elsewhere. As Irina highlights, rewardStyle knows you as an influencer and knows how you can perform well. By their technology, they are also able to monitor all their participants and try to suggest how they best will succeed.

rewardStyle have created new needs for influencers and brands, they have created new tools for the industry and hereby they have created a whole new market within the global fashion industry. And no one really saw them coming.

Structure as multi-sided platform

rewardStyle as an organisation is built around a network of themselves, their influencers and their brands, and therefore structured accordingly. It is a complex organisation where the technology of affiliate networking is the product to sell, but just as importantly, they foster relationships around this technology. Due to the complexity of the organisation and to try to fully understand the way they operate, I find it relevant to analyse the organisation itself. RewardStyle is an exclusive and

closed organisation. They have the control of any entrants and participants of their network, and as an outsider it is very difficult to see how they operate. This is very deliberate by rewardStyle. But as a researcher, it forces me to explore alternative ways to explore them!

As per my theoretical framework, I characterize rewardStyle as a multi-sided platform and find this an important aspect to explore, in order to get insights into the way rewardStyle operates amongst their influencers and brands, and to understand what the features of a multi-sided platforms means for the organisation.

In defining multi-sided platforms, Rochet and Tirole highlights an economic definition in their theories. The relationship between the multiple sides of the platform has to be somewhat economically dependant on each other, in order for the parties to engage in such a platform. Before rewardStyle introduced affiliate programmes to the fashion industry, bloggers themselves were in charge of negotiating partnerships and collaborations with individual brands. Having to act as the product, the brand is buying as well as being the actor to negotiate the circumstances entailing it. This is a tricky position to be in, especially as 'professional blogging', so to say, was still a new thing to the way of promoting and advertising. The brands, that have the money, were in a superior position to the bloggers, and it could be difficult for them to make profit in terms of the time and work they put into the jobs.

Now, with rewardStyle offering of relationship building and the affiliate technology, bloggers have an intermediary to coordinate, manage, negotiate and structure their collaborations. By entering into the rewardStyle network, as a blogger, you have the possibility of making profit by using the affiliate links in general postings. Through the assembled database of links from their participant brands, influencers do not need to approach individual brands themselves, nor do they need to keep track of individual brands' platforms themselves. This actually means that influencers can also mix several different brands in their post, making a better chance for themselves to earn profit.

From the brands' perspective, a main advantage of rewardStyle is again the introduction of the technology to the industry, thereby giving them a new tool in marketing and advertising. It was a minority of brands that had started working with bloggers as influencers to promote their products, and because it was a new area to enter into, the circumstances around such partnerships were

uncertain. So for many brands, rewardStyle was essentially a new project to enter into, but showed great potential as the nature of the industry was developing in the area of content production by influencers. For the brands, as for the bloggers, rewardStyle offers a full platform of influencers to work with, and rewardStyle puts their brand out through the affiliate links for influencers to use. Instead of contacting individual influencers and negotiating deals, they as well have rewardStyle as their *intermediary*. rewardStyle partners influencers and brands based on what they through their technology can prove works best, in terms of users, target groups, price range and other measurable characteristics.

The brands are initially the entity that puts profit into the network, but as with other marketing tools, they will in the end get profit back through the end consumers. Going back to Rochet and Tiroles economic requirement in defining a multi-sided platform, the parties of the platform therefor have to have an advantage in doing business through the platform, compared to doing direct exchanges. Some brands and influencers do still do direct collaborations, but for both parties this shows that there are both economic and other value adding advantages in doing business through rewardStyle.

Looking at MATCHESFASHION.COM, who are hosts of their own affiliate programme as well as being part of the rewardStyle programme, it shows that even though they are recognized as a renowned and attractive brand to work with, it is not sufficient enough for them to only rely on their own affiliate programme. Head of Affiliates and Partnerships at MATCHESFASHION.COM, Simone Parchment, explains that because rewardStyle has the technology behind them, they still *need* to be part of the network. The fact that rewardStyle gathers all brands and influencers under one roof will always be to their advantage, which no brand will be capable of on their own.

She further explains that because MATCHESFASHION.COM has become such a massive entity, they do have the resources and the ability to host their own affiliate programmes and make exclusive collaborations with the ‘bigger’ and more established influencers, who can also handle working out of rewardStyle. However, such an affiliate programme will not be attractive for the majority of rewardStyles’ ‘smaller’ influencers, because it will worth it from an economical point of view.

This also confirms the characteristic, which Evans and Schmalensee highlights in their less formal definition of multi-sided platforms. They focus on the economic dependency of the parties on the platform, and as explained, rewardStyle acts as a catalyst in order to facilitate the value creation between the influencers and the brands. Not only in terms of economic aspects, but as well in terms of value and relation creation. (Evans & Schmalensee, 2013) In order for a multi-sided platform to exist, and in this case, in order for rewardStyle to exist, different parties need to engage in the platform for any actions and relations to occur. They all enter on simultaneous conditions and will immediately all be dependant on each other. RewardStyle would not exist if they only could acquire brands or only influencers, and each of these parties would neither engage in the platform if the other party did not. Each of these three participants are engaging in this network for their own benefit, but they still have a profound interest in one another in order for this to be a reality. The platform basically initiates these terms and conditions.

It can be argued that in the case of rewardStyle, both *usage externalities* and *membership externalities* are key aspects of their multi-sided platform. All parties need to engage actively in the platform in order to create a value increasing exchange. This value increase within each of the parties will result in popularity and attractability of the influencer or the brand, thereby increasing the number of participants of the opposite. The platform as a whole will be more valuable for the hosts, in this case rewardStyle, and be more valuable for external parties. rewardStyle quickly showed rapid growth by accepting a large number of already valuable bloggers into their network, and also by signing on several of the industry's most valuable and economically profitable brands, which drove others to engage as well. This also helped rewardStyle in being able to choose to reject entrants in their start-up phase.

The role of rewardStyle in the platform practice is to act as the intermediary between the influencers and brands, but in addition to this also act as a regulator. They are enabling influencers and brands to get in touch and make value from one another, and rewardStyle can regulate the conditions of the partnerships being made through their platform. The types of regulatory roles which rewardStyle can decide to take upon them can be many. As mentioned, rewardStyle decides who can enter the network, and they can have rather strict restrictions in regards to this matter. But of course, as all influencers can make use of all brands through the available affiliate links, rewardStyle needs to control who is exposed to whom in order to meet expectations off all.

rewardStyle can also control how much an influencer can make on using specific brands if they can see that if a specific blogger promotes a specific brand, then it will benefit the brand more, thereby giving the brand an incentive to invest more in rewardStyle. rewardStyle can adjust and regulate individual factors in the network in order to benefit their participants, and obviously in the end benefit themselves, and overall benefit the network as a whole. It is by this that value is a function of the cumulative set of all payoff relevant decisions and actions taken by all participants, but indirectly regulated by rewardStyle.

In the multi-sided platform studies by Boudreau, he states that participants are connected, even though they have different intentions and goals. (Boudreau, 2009) It is the common economic incentive which drives influencers and brands to be part of the network. In addition to this, participating amongst other acknowledged influencers and brands adds brand value to the participants and makes them more eligible to engage in partnerships with. Brand value is for example more of an incentive for MATCHESFASHION.COM in participating in the rewardStyle network. They appreciate being part of the network and realize that they are dependent on each other, but they will often say no to collaborations offered by rewardStyle or choose to handle bigger ones themselves. This relationship is an example of usage externalities and more of a 'show' relationship, but still a necessary one.

The same is almost the case of influencer Pernille Teisbaek, who has never been dependant on their affiliate links for economic profit. Pernille Teisbaek explains how she has been approached several times and on a regular basis by rewardStyle to engage more in their network, but due to bigger collaborations, some facilitated by rewardStyle and some not, she has no need or incentive to do so. But for rewardStyle to be able to offer partnerships with one of the world's most influential influencers to their brands is highly attractive for them. Some of the brands that Pernille Teisbaek collaborate with, like MATCHESFASHION.COM, still uses the technology through rewardStyle, and therefore she has to be part of the rewardStyle, even though she is not a very active participant.

From producers to content produsage

In the network of rewardStyle, the users are also the producers. The concept of 'produsage' is a relevant aspect to this study, because as a digital organization, rewardStyle is actively using their users for content creation and selling this content creation. In the industrial production value chain, there was a great need to constantly produce, build and maintain the means of production. Product development was organized in highly hierarchical lines, and every single entity had its own very secretive environment. (Bruns A. , 2008) The manufacturers and organizations dictated what the consumers wanted, and the consumers had no other choice than to accept or not accept the offerings.

Bloggers entered the digital industry as consumers, wanting to share personal anecdotes, highlighting certain products they used or liked. Hereby promoting certain products they as consumers preferred over others. With the changes in consumption of information by consumers, from mass media directly to consumers, to a two-step flow of mediated information, the role of influencers was introduced. In the studies of Lazarsfeld, these influencers acted as mediators of information. The influencers or opinion leaders as also called in his studies, adapted the information intended for the end consumers, from the mass media and interpreted the information themselves before passing it on to the end user. With the concept of blogging, bloggers are able to take the role as influencer upon them and act as this mediator. Extending on Lazarsfeld concept of the two-step flow model, later on the multi-step flow process, within the time that the influencers processes the information from the mass media and interpreting accordingly, it can be said that this is where content is produced.

It has been seen that through time, the way of communicating to consumers and making an impact with consumers has gone from dictating through mass media, to influencing through fellow consumers.

Influencers have become part of the production value chain, adding them as a new link between the producer and the consumer. They have also become actively involved in shaping their own networks, and compared to the producers, who actually do not participate in the communities where their consumers operate, the influencer is considered to have greater knowledge of the needs of the consumers. The act of produsage hereby becomes a much more socially and culturally dependant process, rather than just a technological one.

RewardStyle is organized and structured accordingly, to being the mediators of the relationships between influencers and brands. Through my interviews and research, I have been able to confirm any direct contact between influencers or brands in initiating collaborations. This only happens if the collaborations are initiated outside of the rewardStyle network or in later stages, where influencers actively are part of a campaign or production handled by the brand. Bloggers have always been producers, but where they may not have had any tools to create content with, rewardStyle are now the facilitators of tools for this. Through rewardStyle, influencers are able to produce economically valuable content, hereby also providing an economic incentive for the influencers to produce content.

Taking produsage to a commercial level, the boundaries between 'traditional' producers and users are broken down and enables both parties to be users as well as producers, and produsage thus becomes a continuing process. When influencers choose to promote brands on their platforms by using affiliate links, or through collaborations, they intend to portray a credible recommendation of the product. They have to create content, which promotes the product in such a way that they will persuade their audience to have interest in the product, and in a way that would be an advantage for the brand in terms of further business. With traditional blogging, all was personal recommendations, but as the economic factor has come into play, this can now be questionable.

Produsage of content is essentially the product that rewardStyle is selling by the use of their technology and through their relationships. Bruuns outlines some key principals that signifies when produsage on online platforms works the best. (Bruns A. , 2008) As an influencer, you can be active in the rewardStyle network in two ways. The main service that rewardStyle offers their influencers is the use of affiliate links for all of their brands. Once you are accepted into the rewardStyle network, you can make use of as many or few links as you wish. The more links you use, in the right way of course, the higher is your chance of gaining economic revenue both for influencers and brands. The more brands are represented, the more chance the influencers will make use of the links, and the more influencers there are, the more brands will want to be part of the network. Hereby an open participation will always be favourable and will represent a non-hierarchical network structure.

The other service rewardStyle offers their brands and influencers is the possibility of tailor made collaborations. In a fluid hierarchy like this, where the participants themselves are in charge of creating content to the extend they wish, there will be a certain differentiation in the relevance and success of the content created. With produsage as a constant developing process, the leaders in the network, the high performers, will emerge accordingly. The task of rewardStyle will therefore also be to monitor this and pair up compatible brands and influencers. rewardStyle also rewards the network leaders by giving them more attention or giving them economic rewards. For influencers especially, another incentive for joining the rewardStyle network is also being part of a common project with common property.

Fiona Jane, an influencer who joined the network at an early stage, explains that being part of the rewardStyle network, is like having your own manager who wants the best for you and knows what you and your platform will perform well with. They also introduce you to fellow influencers to network with and get experience from. Only a handful of the most successful bloggers have a full team behind them, but otherwise you work mostly on your own. It is also an advantage for rewardStyle to get their participants to learn from each other in order for them to perform most successfully.

Fostering trust & control

As indicated in previous sections, I find that the aspects of trust and control in the rewardStyle network can be questioned as a consequence of exploring and analyzing rewardStyle as an organization and the relationships they foster.

Referring back to the development in communicating with consumers, where another link has been introduced into the process, in terms of the influencer, the brand behind the product does not have the ability to control what is being communicated to their end consumers anymore. Traditionally, the producers would plan and execute a communication strategy aimed directly at their end consumers. As consumers started to demand co-creation, influence and personal relationships, such a strategy did not hold anymore. As we have seen, consumers value opinions and recommendations from opinion leaders, and therefore opinion leaders have become producers of content, received by the brands to interpret and forward to the consumers.

This structure and manner of organizing relies on a certain degree of trust amongst the participants in the communication exchange, hence the importance of the network that they operate in. The influencers will interpret the message they receive individually, no matter how well the brand manages to communicate their message on through the influencer. This is essentially what the consumers want, because they see the influencers as a part of their community and therefore trust their opinion more than one sent directly from a major organization. But in the end, the brand does not have full control over what is being communicated by the influencer.

It can therefore be argued that rewardstyle as an organization to some extent relies on trust. As a brand, you need to trust that the influencers chosen by rewardStyle will, first of all, make use of your brand through affiliate links, and secondly that the content they produce is relevant and will appeal to the right audience. rewardStyle is in the same position as the brands, because they depend on influencers producing well and relevant content, which will get users through the links and will live up to the expectations of the brands. Neither rewardStyle nor the brands can control if a certain influencer in the network uses their brand in a post they do not think is suitable for their brand. The open participatory aspect of produsage allows all participants to participate in the network in their own way. Some influencers will work well with certain brands, and some will not match well. It is then the responsibility of rewardstyle, as host and facilitator of the network, to monitor this and build successful relationships on such terms.

Trust as a concept has been defined by several organizational theorists, and the relevance of the concept has in fact also been questioned. A general view though, is that it is necessary to understand the concept of trust when dealing with organizational contexts, and that virtual organizations are believed to require high levels of trust in order to ensure effective performance. (Gallivan M. , 2001) Michael J. Gallivan explains that the condition of vulnerability is the key to any definition of trust. He further elaborates, with input from several other theorists, that in defining trust, the *truster* must willingly place himself in a vulnerable or risky position in relation to the *trustee*. (Gallivan M. , 2001)

Trust is thereby non-existing without some amount of risk, and trust is not needed without the opportunity of risk. Since the emergence of bloggers and then influencers, there has always been

some element or degree of risk associated with this new way of communicating and interacting with consumers. However, through rewardStyle, you have a facilitator on both sides of the relationship and you, either as influencer or brand, pass on some amount of control to rewardStyle with some kind of valuable return.

The type of trust experienced in the rewardStyle network can be defined as 'swift trust', which is a fragile form of trust that emerges quickly in virtual organizations. (Gallivan M. , 2001) But while trust develops quickly among members, it may also easily be destroyed. The technological features of rewardStyle are also ways to secure trust between members. Through rewardStyle you use technological affiliate links, which immediately directs the users through the influencers' platform to the platform of the brand.

Fiona Jane and Irina elaborate that rewardStyle is in constant contact with you, monitoring, examining and keeping you up to date. Both influencers were approached by rewardStyle to participate in their network, but when applying to be accepted into the network, rewardStyle is very critical in allowing influencers to come in. They access you through your ability to pass consumers on through actual sales and the audience you appeal to. With this extensive acceptance process, not only is rewardStyle as a network being portrayed as a very exclusive network, but also as a brand you feel that rewardStyle has chosen to only include eligible candidates in the network, thereby fostering some kind of trust towards the brands. As a brand, you can only guess, to some extent predict, how influencers will interest and portray you as a brand within their own platform. Based on this understanding, I would argue that swift trust is present in these relationships, and that the trust can be easily destroyed.

The way that rewardStyle fosters trust, is in fact by the act of control. First of all, rewardStyle is able to foster trust with end consumers by the way that their technology is designed. It is very difficult as a consumer to see and detect when an influencer is using affiliates through rewardStyle, which is the point of the matter. rewardStyle is a network and a technological tool, which is beneficial for influencers and brands. But it is not designed to be visible to end consumers. rewardStyle is a host of these participants, but the participants are still the ones creating content and relationships with end users. When conducting field research within groups, actively engaging in several influencers' platforms, the majority of them had never heard of the digital organization of

rewardStyle. The majority had never noticed how their clicks, though affiliate links, were passed through rewardStyle, or how through Instagram, affiliate links have been introduced here.

Through my interviews with different influencers and through my netnographic research it is interesting to see how rewardStyle manages to perform control in one way or another. As mentioned above, trust will always be accompanied by risk or vulnerability, even if the influencers and brands are dependent on each and insinuating some extent of trust. An immediate act of control is performed by rewardStyle when influencers and brands apply to be accepted into the rewardStyle network. rewardStyle is in full control of this, and no one can make use of their technology without being part of the network. Getting approval of your platform is a process handled by a rewardStyle manager. Preferably they want to see numbers on your performance and they investigate all your platforms.

In my research process, I contacted rewardStyle when setting up a brand new platform for an existing company. As I did not have any numbers yet, I had to compile other strategic information on the background of the hosting company. rewardStyle found interest in the strategic position of the company, its profile and targeted market segment, and I could therefore proceed to several phone interviews with our possible future account manager from rewardStyle. Here I had to sell our future platform, our intentions with it, our expectations and so on. Our platform got accepted into the network, on the attractiveness of a high-end fashion market in the Scandinavian fashion industry. Further entrance into this market would be favourable for rewardStyle as well. Here the dependency of one another in the network becomes visible again. We were now able to make use of affiliate links, but of course we had to prove our platform before rewardStyle started to pitch us in collaborations.

As rewardStyle has grown to the size it has now and gained success at such a rapid speed, where they facilitate exchange of services across the globe, they need to be able to implement various control mechanisms to ensure that everything runs in accordance with the organizations plans, standards, expectations, quality criteria, goals and values. And since they have clients in terms of influencer and brands as well, they also need some way to be able to be sure to meet the standards and expectations for themselves and their clients.

As influencer, managing your own platform, you are delegated to an account manager within rewardStyle who is your point of contact in the network. You have your own login and password to the rewardStyle platform, and here you have your own homepage where you can monitor and follow your use of affiliate links, activity through rewardStyle, earnings and so on. You can communicate with your account manager through this structure, and rewardStyle will send you special offerings and notices about extra earnings on specific brands for example. Just as the influencers themselves can monitor their activity, so can rewardStyle. The account managers check in often with their influencers, mostly through offerings of deals in promoting specific products.

Pernille Tesibaek explains that rewardStyle would at least try to get in contact with offerings, promotions and collaborations every week. As she is not dependant on income from rewardStyle, she is not responding to this outreach, but will make use of the rewardStyle platform to the extent she wishes. Others like Fiona Jane and Irina, who also do not depend on rewardStyle, but do get economic value and other advantages from being part of the network, are positive towards the high level of engagement and interest from rewardStyle.

rewardStyle makes use of an enabling control mechanism by facilitating actions of the process. (Orlikowski, 1991) They do not put the influencers under contract or adjust the content created by the influencers, or dictates which brands to use and how. First of all they simply cannot do this as this is not the name of the game, but also, the influencers would never support this as this is not the way they work. But if rewardStyle see unused potential of a platform, they do offer to support this in one way or another, and if they see popularity of a platform or a brand, they will try to push these with the opposite parties. rewardStyle proposes, suggests and influences through their way of controlling, but by no means are they constraining as they do not interfere in the outputs.

Orlikowski examines forms of control before and after the implementation of technology. She distinguishes between internal and external forms of control, where the internal types are present in this study. I draw upon the internal form of control when assessing the influencers and host as rewardStyle, since being part of the rewardStyle network, influencers are not just the users, but also the producers. The control of rewardStyle is acted out through both personal and systemic ways. RewardStyle are in contact with their influencers and brands, but it is done by systemic structures.

The systemic way of control is further vested in three interrelated structural properties of organizations; technology, social structure and culture. (Orlikowski, 1991) Through technology, control is embedded in the technical infrastructure of the process. It is the technology of rewardStyle, which determines the content they are able to produce through rewardStyle. You can only use the technology of rewardStyle on the rewardStyle platform, which is controlled by technological feature. rewardStyle also fosters certain social structures by their way of organizing procedures, rules and their incentive scheme. There are certain procedures, which have to be followed. The manner in which you acquire economic value is set up by the technology behind rewardStyle. You are only able to gain economic revenue, by using affiliate links from the brands of the network, and only if users choose to interact with this content.

As influencer you will only be offered collaborations if your platform does well and you as influencer is attractive among users. And as brands the same terms and requirements are applied. The culture between the parties of the network is also controlled by the shared norms and values, which shape the behaviour and attitudes. By the nature of multi-sided platforms, the participants are interdependent of each other. Trust and control are interdependent of each other and by this all participants indirectly control each others' behaviour.

The existence of technology in organizations does not facilitate new mechanism of control, but they intensify existing forms of control. I believe this is evident from the structures of control of rewardStyle presented above, which shows that all aspect of the organizing in the network, is somehow touched upon to be controlled by the platforms host. There is not the same traditional hierarchical system of control, due to the interdependency of the users, which has also increased decentralization. By this way of control, the goal for rewardStyle is to create predictability of their influencers, productivity amongst their influencers, and independence between the influencers and the brands.

7. Discussion

This study provides an insight into the digital organisation of rewardStyle, and how the organisation has managed to 'disrupt' the global economy of the fashion industry. To arrive at this insight, I have used the methodology of netnography, which is the core research approach to structure and directs the study. In the course of the study, exploring theoretical frameworks, conducting research, evaluating and analysing findings, I have through an on-going process identified key areas, leading me towards answers. This has been done by exploring the areas of disruptive innovation theory, multi-sided platforms, produsage theory and the aspect of trust and control.

The primary purpose has been to find the answer to my research question of '*How rewardStyle has disrupted the fashion industry in today's global economy*'. On the basis of collation of several theoretical frameworks, all found to be relevant to this matter and a netnographic field research process in investigating rewardStyle and their environment, there seems to be no straight forward and simple answer to the research question posed.

However, it can be documented that rewardStyle can be defined as a disruptive innovation when applying a theoretical framework on the organisation. Through the process of the study, other aspects to the research question have come up. By exploring these aspects, it seems to be evident that rewardStyle might not just act as disrupter in a framed theoretical sense, but other characteristics affect this in a more social and contextual way. In the following pages, I will engage in a discussion, using the additional findings and insights to shed light on this matter.

Through the process of my study and the knowledge my netnographic research approach has given me, I quickly came to the conclusion that there were more aspects of defining rewardStyle as a disrupter, than the theoretical classification from Lazarsfeld. The aspects of trust and control were aspects, which kept having some degree of influence in most areas of my research. Even though represented in different forms. I therefore find it necessary to start my discussion by elaborating further on this aspect. The nature of this discovery has of course resulted in my study focusing on this and given it the application of a more organizational research study. I found that what actually happens within the operational structure of rewardStyle, shapes and influences the communication

and relationships between the participants of influencers, rewardStyle as hosts and the brands. This then forms the way they are perceived and operate within the industry.

The active relationship, which is the service that rewardStyle offers, is dependent on the aspect of trust & control. The structure within the organization is built in such a way that the participants only communicate with each other through their account managers provided by rewardStyle. The digitally driven world we live in, and the manner in which we organize our social culture, has fostered a totally different way to interact, engage, communicate and way of behaving in society. We have to accept certain terms and conditions, where one important dimension is that online interaction and communications involves a degree of trust in order to ensure effective performance.

From the traditional point of view, trust was a factor, which was built over time. You had to earn your trust. Time is however not an option anymore. As a new organization in the industry, rewardStyle adopted the type of *swift-trust*, mostly occurring in temporary organizational settings. rewardStyle would not be able to exist if it was not for the trust of their participants. Here the trust is a factor in their business model and organization, but also, and more importantly so, trust is an aspect between participants. In order for brands to be able to work with influencers, they have to trust that the influencers can perform in content produsage. And in order for influencers to be able to work with brands, they have to trust that rewardStyle will provide them with users and thereby collaborations and economic profit.

Several theorists within this field come to the conclusion that trust and control are interdependent factors. Some even say that trust within organizational contexts will only occur in the absence of trust. A surprising discovery to me in my research was that rewardStyle does not put their participants under any form of contract. Using myself as an example, starting up a whole new platform, I have not at any point been asked or required to live up to certain criteria or benchmarks to be able to be a member of the rewardStyle network. Neither have my interviews with influencers documented that they have been asked to. Even though you have to be accepted into the network, this factor of no contractual dependency of one another seems to foster a very open participatory system. This also points to the fragile nature and type of trust.

According to the theoretical frameworks visited in this study, then no trust exists without control. Theoretically I can understand that control and trust are needed in order to balance or neutralize each other, but in this case I have found that the aspect of control is guiding the main organizational structures to an extent, which affects the output of produsage and thereby the output of content created to the respective brands involved. From the point of view of rewardStyle, this is a strategic choice, which is not shared with the rest of the network.

Through observations in my netnographic research and through interviews, I have come to see how rewardStyle influences their participants in a way, which at first seems to be a sign of trustworthy concern, but which I have found to be primarily coming from a need of control. An obvious indicator is the participants' own page within rewardStyle's digital platform, where they can follow their own progress, communicate with their account manager and see opportunities with brands. A sign of trust, but which is in fact an opportunity and ability to control the influencers' actions.

An aspect of control, which I believe have impacted the industry hugely through the example of rewardStyle, is the way that rewardStyle is able to control the content production of influencers. The emergence of content creation has been set on terms of individuality, opinion leadership, interpretations and relationship building. But with the business model being used by rewardStyle, an economic factor has entered this equation and now appears to have more to say within decision and opinion making of influencers. Scrolling across oddly placed recommendations on social platforms is something we as users are getting used to, but we somehow still connect with a 'real' personal interpretation of a product to be valuable. Through a questioning of a small group of users of social platforms, I found that, surprisingly enough, they do not detect this in postings by influencers. And if they do, they do not see it as an issue, but will make their own decision on the product according to the credibility of the influencers' content.

Engaging in the network of bloggers and influencers, I came across successful and influential influencers, who had been a part of the rewardStyle network, but no longer are part of the network. As an influencer, getting beyond the point of just making use of affiliate links, meant that you either on your own have to gain the position as an important influencer, like the example of Pernille Teisbaek, or you have to let yourself surrender to the control mechanisms of the organization. Some influencers left the network because they felt pressured by rewardStyle to take upon them

promotions, which they would not do by own choice. As blogging and produsage has entered a commercial level, it is up to the individual influencer to decide if they are strong enough to merge individuality and commerciality on their own or if they need and want a manager to help them with this.

Bloggers and influencers arose with the development of the industrial production value chain, where the user became produser and the producer became user. This introduced a new mediator in the production chain, and a new demand with the end users by co-creation and relationship building. End users were not convinced by mass media communication methods or interested in entering a dialogue with big corporations and their advertisements. rewardStyle is balancing on a fine line in bringing back the commercial aspect of marketing communication again. This can both harm themselves as a successful corporation, their influencer and their brands.

Using the example of relationship that influencer Pernille Tesibaek has with rewardSyle, it becomes evident that they will do all it takes to try and promote their participants in such a way that it is beneficial for themselves and their influencers. Yes, Fiona Jane and Irina explain how they feel nurtured and taken care of by rewardStyle, understanding their profile and being able to present them with economically favourable deals with certain brands, which they associate them with. This can certainly be interpreted as an expression of trust, but it should be emphasized that this goes hand in hand with control when they accept such deals due to economic profits.

As a user of affiliate links, I experienced the amount of offers and favourable usage of certain brands at certain times where brands have probably agreed to offer a higher percentage of revenue by using their brands. Of course, an economic incentive is going to be considered favourable within a segment of influencers who mainly do not have any steady income, but makes the most out of their online collaborations and partnerships.

When an influencer choses to follow such a deal, their users will assume that they themselves have chosen to promote this certain thing because they really wanted to. Not because they saw a god economic opportunity in it. As mentioned, it is no secret that influencers have turned into commercial mediators now, but it has been done by matching suitable influencers with suitable brands. Summing up, my interpretation of this aspect is that influencers are starting to move

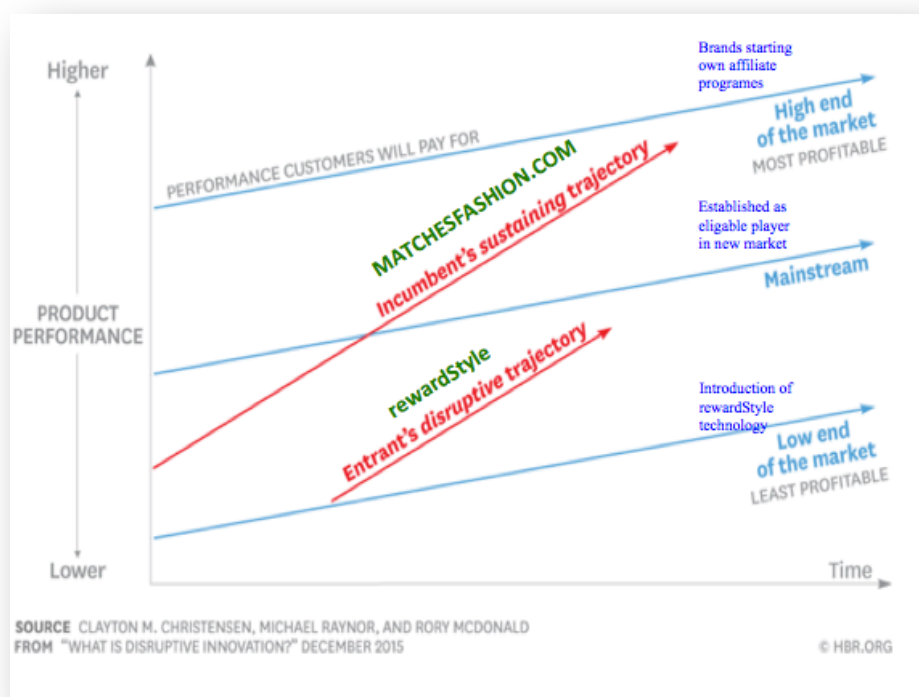
towards a mass medium, neglecting their own choice and being controlled by the commerciality instead.

Within the theory of disruptive innovations and from the theorists' research studies, it has been documented that the typical '*disrupter*' will emerge quickly and take existing organizations by surprise. They intend to cater for a new market segment they have found to be insufficiently provided for, and they will over a short period of time have taken over the low-end market and quickly move up past the mainstream market. rewardStyle identified a neglected market segment and thereby created a new market within the fashion and digital industry. rewardStyle is therefore a one of a kind company!

All participants in my research study and all information gathered confirm that this organization is seen as unique, and it can be argued that they do not have any competitors. rewardStyle possess a technology which no one else can copy, and their business model follows suit. Looking at the environment they operate in, the organizations behind the brands of the fashion industry are through their competitors. The brands, which are now part of the rewardStyle network, are organizations which they are competing along side. They neglected to see what their users were asking for.

It seems that this was not an expected development, and rewardstyle had quickly taken dominance over the technological side of market communication within the fashion industry. Competing brands just had to follow suit by either engaging in this new network, or standing back and missing out on new technology, which would be beneficial for them. It is from the knowledge gained by my participation within the industry, and information from the participants outside as well as within rewardStyle that I can see this organizational behaviour. Wanting to plot rewardstyle on the Clayton Christensen chart for disruptive innovations, I have found challenges, as they do not have particular competitive organizations in which to compare them with. However, by discovering that the organization of MATCHESFASHION have found a way to accommodate what their existing customers and producers are striving for, I find a competitive concern for rewardStyle. Not that MATCHESFASHION.COM are now a direct competitor to rewardStyle, but the fact that they are expanding their organization with an affiliate department working with, and alongside rewardStyle, is a competitive factor, which needs to be addressed from their side.

RewardStyle has, until now, not been seen as a 'regular' disrupter, because they have not lost market share due to established organizations overruling them. But as brands themselves are adopting affiliate programs as well, the brands might be able to overrule rewardStyle. From the scaling timeline of disruptive innovation theory, a disruptive innovative organization will at some point loose their market share to established organizations being able to out perform them in their market offering. It has not happened to rewardStyle yet, but there could be underlying indications of it happening in the near future, with brands adopting affiliate programmes themselves.



I believe it has been shown that rewardStyle 'controls' their network, even though perceived otherwise. Aspects of multi-sided platforms also provide the host with a regulatory role within the platforms. The characteristic of interdependency amongst parties of the multi-sided platform is what forms the host of the platform to be a regulator. And true to the fact, rewardStyle is the mediator of relationships between influencers and brands in their multi-sided platform. Without rewardStyle, such relationships would not occur. In multi-sided platforms, the main interest is to handle transactions, and favourable, economically profitable transactions for one or more participant parties would be seen as a success. rewardstyle as a regulator on their platform possesses a position,

which determines the structure of the platform and thereby being able to regulate interactions and relationships here.

Therefore, rewardStyle as an organization meets the characteristics of a disruptive innovation. They developed a new market, facilitated new market segments and introduced a new technology into this market. My research hypothesis of rewardStyle being a disrupter has therefore been confirmed. The question of how an organization like rewardStyle has disrupted the fashion industry came to include and involve more facets than first considered necessary. By affirming the theoretical characteristics, the aspect of a 'disrupter' brought this study to other organizational structures. rewardStyle is not just a disrupter by their presence within a new market in the existing global fashion industry, but the way they interact within their organization and thereby what is extended beyond the organization is of disruptive character as well. Influencers and produsage were known and used within market communication before the existence of rewardStyle, but through the appearance of rewardStyle, the characteristics of these has changed.

Going further beyond this thesis at hand, it would be relevant to put the organization of rewardStyle into a bigger context of the industry and assess what these disruptive features means for competitors and other actors in the industry. Also to look at how this impacts the whole value chain of the organization.

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10. Appendix

Appendix A

Interview with Senior Account Manager, Heather Purcell.

There is no documentation of this Interview, as due to company policy nothing was allowed to be recorded by myself. After our interview I followed up with the questions to be answered over e-mail, but again these answers had to be approved according to the policy. I have not been able to receive this approved document in time for the deadline of this thesis.

For verification of my correspondence with Heather Purcell, I here provide a contact:

Heather Purcell heather@rewardstyle.com

I have here provided the questions used.

- Please describe your role at rewardStyle.
- Can you describe the role of rewardStyle in the digital fashion industry. What does rewardStyle provide?
- How does the relationship between rewardStyle and their brands and influencers work?
- How does these relationships come about? Do you mostly contact brand and influencers to engage in your network or do they approach you?
- What are the requirements to be accepted into the rewardStyle network?
- What do you require from the brand and influencers once they are accepted into the network?
- Influencers can freely make use of affiliate links available through rewardStyle, but how do you pair up brands and influencers when doing specific partnerships?
- Can you mention your best influencers and brand profit wise and popularity wise?

- The influencers in your network are the producers of content for the brands, but what role does the brands have?
- Do you find it difficult to control the content that influencers produce so it lives up to the expectations from the brands?
- How do you push your brands with the influencers? Do you propose more rewards for influencers if they use a certain brand? And does this usually get a influencer to post with that specific brand then?
- Do you see an issue in influencers maybe promoting items they only choose from a profit perspective?
- Can you explain, how you see that rewardStyle has changed the way fashion is being portrayed and commercialized through influencers instead of magazines and ads?
- Do you find that brands are now putting more money into this way of promoting their brand instead of magazines and so on?

Appendix B

Interview with former rewardStyle influencer, Fiona Jane

How did you become aware of the organisation rewardStyle?

They contacted me directly and sat up a call.

How did your collaboration with rewardStyle come about?

I had an introduction call with rewardStyle and they run me through all the tools and opportunities to earn commission, to connect with other bloggers etc.

What does your collaboration with rewardStyle entail?

That I get my own login with a backend to oversee my favourites items, to control my earnings, views etc.

Can you describe a collaboration you have recently done with rewardStyle? What processes are part of an affiliate program with rewardStyle? ***A collaboration with rS is taking care of in the sense of they organise it, negotiate your deal and make sure its on brand. As an influencer you sign a***

collaboration agreement which outline guidelines that you need to follow to ensure a succesfull collaboration. For example the affiliate links like [LikeToKnow.it](https://www.liketoknow.it) need to be added correctly to ensure sales for a client.

Can you describe the relationship between you and rewardStyle? *They are your consultant and act like an agent, so always happy to help you and ensure that you grow as an influencer.*

How is the communication with rewardStyle? *Very professional and always on point. They have the interest in you growing as a influencer.*

How does collaborating with rewardStyle benefit you? *It benefits in the sense that I have the opportunity to make earnings and to get exposed to a big audience (on social media) for example for brands like Topshop & Net-a-Porter.*

How many of your collaborations come through rewardStyle? *20%, but mostly its through affiliate links - to be a succesful influencers at rS you need a huge audience for it to benefit you.*

Would you say you are dependent on rewardStyle in terms of your collaborations and your income? *No I wouldn't say that - many collaboration comes through personal contacts.*

How does your collaborations through rewardStyle influence your way of sharing and promoting brand? *It's important to see the different between an rS affiliate earning and a collaboration. Only few bloggers get to take part of the collaborations at rS, where most bloggers even small nice for example have the opportunity to make earnings as long as they have a loyal readers who also shop. It does influence in the sense that there are some guidelines to follow, but I would always stick to my personal style and be authentic.*

Percentage wise, how many of your sharing's are through affiliate links from rewardStyle? *20 %, but again this depends from blogger to blogger.*

How would you describe the role of rewardStyle in the fashion industry, from you as an influenser's perspective? *Very important and the only place where everything is on point from the communication and to their events. They were also first movers on this!*

Appendix C

Interview with current rewardStyle influencer, Pernille Teisbæk

How did your collaboration with rewardStyle come about?

- rewardStyle contacted me to be part of their network and I accepted yes and got a login to be able to use their affiliate links on my blog.

What does your collaboration with rewardStyle entail?

- I mostly make use of the affiliate links on my blog. And then I have done some collaborations with brands through them. But I am mostly contacted directly by brands to do bigger collaborations such as campaigns, design collections, do appearances and talks, which is outside of rewardStyle repertoire. But when I do collaborations with them it is to promote one of their brands by using the products and showing them in my posts.

I have observed that you are great user of LIKEtoKNOW.it, but didn't really engage in affiliate links through your recent blog. How come you chose this partnership?

- As I don't rely on collaborations through rewardStyle as much, and just use affiliate links when I feel they suit it, then it is easier for me to use this aspect of their platform. This is easy and quick and I use instagram almost more than my blog now.

Can you describe the relationship between you and rewardStyle?

How is the communication with rewardStyle?

- My team and I don't communicate as much to rewardStyle as they do to us. We get weekly and constant emails about how our affiliate links are doing, what we could do to improve traffic and revenue for us. They really want to set up calls all the time to discuss what to do next and so on. Through the collaborations I do directly with brands, they are actually still part of rewardStyle affiliate network, so often I will also use rewardStyle in other collaborations, but it is just set up by the brands instead.

How does collaborating with rewardStyle benefit you?

- Of course, what rewardStyle has created benefits me as this is how I earn money. But I do not depend on income from affiliate links through rewardStyle at all. I more use this to get users through my page because they want to see where they can get the items I recommend or wear.

How many of your collaborations come through rewardStyle?

-As mentioned, not so many of the collaborations come from their initiative, but I often end up using them.

How does your collaborations through rewardStyle influence your way of sharing and promoting brand?

- It makes it much easier, because I can just take a link from rewardStyle instead of finding it at each brands website. So I do this much more than I would have before, and now also on Instagram. And if the brand wants be to promote them through rewardStyle because I do other things with them in a collaboration, then I am happy to do this in favour of the brand and our relationship.

Percentage wise, how many of your sharing's are through affiliate links from rewardStyle?

- Uh, don't know how many, but really not a lot. I do different kinds of collaborations now, but when I do do posts with links then they are mostly from rewardStyle.

Appendix D

Interview with current rewardStyle influencer, Irina Lakicevic.

How did you become aware of the organisation rewardStyle?

RStyle got in touch if I remember correctly, However I was on The outlook for a good affiliate that isn't too complicated but works with the biggest retailers. -they got in touch- every area has a designated manager and mine got in touch.

What does your collaboration with rewardStyle entail?

I am currently on the path to launch a new magazine and so we just work on link basis

right now.

Can you describe a collaboration you have recently done with rewardStyle? What processes are part of an affiliate program with rewardStyle?

I think that rAtyle is good in engaging and finding suitable partners for one's brand. Through revenues and clicks they match the most responsive content with right partners.

Can you describe the relationship between you and rewardStyle?

How is the communication with rewardStyle?

I think they are very good and very hands on.

How does collaborating with rewardStyle benefit you?

It is a wide network that connects brands and online platform-it means you can make it or break it.

How many of your collaborations come through rewardStyle?

Would you say you are dependent on rewardStyle in terms of your collaborations and your income?

No, not at this point.

How does your collaborations through rewardStyle influence your way of sharing and promoting brand?

It makes me more aware of my influence, what my readers react to and love, how and which brands sell via my recommendations etc...

Percentage wise, how many of your sharing's are through affiliate links from rewardStyle?

20-30?

How would you describe the role of rewardStyle in the fashion industry, from you as an influencer's perspective?

A clever one. They have taken a tediously boring work and turned it into engaging platform.

Would you say that rewardStyle are able to control you and your postings by the way that they can make you good deals and collaborations?

Hm., no, I wouldn't allow that.

Has your way of blogging changed since you became a part of the rewardStyle affiliate program?

I have become more aware of linking yes.

In general, do you feel that bloggers and influencers today stay true to them selves or are too influence by the commercial aspect of blogging?

Well, everyone has to earn money one way or the other.

I think it is more brands responsibility to govern the aspect of luxury and quality in the way they work and with whom they collaborate.

So far they have been the ones pushing poorly believable product advertising-I don't think that influencers are to blame-they get a job and they do it, the brands should be the one asking if they are staying true to their heritage.

Appendix E

Interview with Head of Affiliates and Partnerships at MATCHESFASHION.COM, Simone Parchment

How did the collaboration between MATCHESFASHION.COM and rewardStyle come about?

- When rewardStyle launched, they contacted us and we set up a few meetings to discuss the possibilities of a partnership.

What does the collaboration between MATCHESFASHION.COM and rewardStyle entail?

- We are represented in rewardstyle through affiliate links in their database. All influencers in their network can freely make use of links directing to our website. We also do collaborations with rewardStyle, which are handled by them. Since we ourselves have adapted our own affiliate programmes, we are not as active with rewardstyle as we previously were.

Can you describe a collaboration MATCHESFASHION.COM has recently done with rewardStyle. We have recently done a big shoppers and influencers event in Dubai with rewardStyle.

RewardStyle pitched the idea with us as they have many influencers in Dubai and we have many customers there. We did a collaborative event, where influencers and main shoppers were invited to see some of the collections we represent. Many shoppers spent money at the event and influencers saw what we could offer so they in the future make good use of our affiliate links and this will draw shoppers to us.

Can you describe the relationship between MATCHESFASHION.COM and rewardStyle?

We have a strong and mutual relationship with rewardStyle. We know that we are dependant on one another, so therefore we are in regular contact and. It is mostly rewardStyle who contacts us with ideas and proposes for collaboration and events, such as above. If we feel that it could be beneficial enough for our brand, then of course we are more than happy to collaborate.

How does collaborating with rewardStyle benefit MATCHESFASHION.COM?

Well, rewardStyle has the technology of affiliate programmes. They have a huge database of influencers, which are essential for us in drawing customers to our site.

Appendix F

Interview with small study group

Please state your sex:

- Female
- Female
- Female
- Female
- Female
- Male

Please state your age:

- 25
- 24
- 30
- 26
- 28
- 28

Do you follow social media influencers (bloggers, celebrities, designers ...) through blogs and social media channels?

- Yes, on Instagram and Facebook. I do not actively visit the blogs – only for work, as I work with paid social content in advertising and marketing.
- hardly, but yes. Dont trust what i read.
- Yes
- Yes
- ? I have followed fashion influencers in the past, but now mainly follow popular culture personas (The Fat Jewish, Lena Dunham etc.)
- Yes though Facebook and Instagram

If so, how often do you do so?

- I only follow social influencers on Facebook and Instagram. Thereby, I do not actively have to go to their blogs to get updated – but I am updated more “automatically” through the news flow on both media channels. I like how both Instagram and Facebook become like these news and inspiration hubs.
- inconsistently, maybe ones every two weeks, or ones a week
- I check Instagram and blogs out minimum once a day.
- Every day, several times a day, especially though Instagram.
- Every day - mainly on Instagram
- Continuously though the day on Instagram – so at least seven times a week.

Why do you follow these influencers? (just to look, for work purposes, for shopping advice, other)

- Instagram is very much for inspiration and shopping; I have bought several items after seeing it on Instagram. Instagram is perfect for getting familiar with small and more independent design brands from all over the world. Facebook is more for activities; concerts, events etc.
- Just to look
- both work and inspiration
- To get inspired for both my own style but also to keep track of new trends for work.
- Entertainment and to stay updated on popular opinion and trends.
- Mostly for inspiration and work purposes

Have you followed/been familiar with bloggers since they started to emerged?

- No, I wouldn't say so. I'm not really into reading blogs – as I get tired of the staged format. I know it works the same way on Instagram and Facebook, however – somehow – it does not seem to bother me that much, as it feels more like a natural part of the rest of the news flow from other channels and friends.
- been familiar and conscious about that channel of communication
- Yes
- Yes
- Yes
- Yes

Have you noticed a change in the way bloggers 'blog' in recent years? Please elaborate on how.

- It feels way more commercial than just a couple of years ago. Earlier you could just reach out to the bloggers personally – now most are organized through Bloglovin, Buzzanov etc. It's been commercialised a lot. I of course understand the development – however the personal touch that made blogs so unique is lacking a bit compared to just a couple a years ago; as a consumer it makes me trust the bloggers' recommendations less.

- Yes, its more product oriented, sponsored, and commercialized trough the blog channel. I feel when bloggers first erupted they were personal and wrote about casual things in their lives, also passions. Now the retailers etc use the bloggers way of communication, which is very personal and «down to earth», to promote products, clothes, lifestyles etc. I sometimes find it tricky to know whether a blogger really likes and use a product or if he/she writes about it for personal profit(wages, money and so on)
- The bloggers I followed in the beginning had a more personal and low-key style, everything has gotten more high-end and business minded.
- I think that bloggers through the years have changed their way of blogging, so that they can be paid to do whatever the brands wants them to do.
- Yes. Former star bloggers have turned to Instagram instead. Many have closed their blogs and are now working on other projects, but maintain an audience by using Instagram and Snapchat. I also think people have grown tired of just seeing someone dressed in nice clothes. That's no longer enough to make it. People demand opinion and personality - something more relatable.
- It's certainly gotten more popular and i've noticed more producing other content besides articles, such as videos for youtube or their website.

It is no secret that bloggers can make a lot of money today. Do you feel this shows in their postings? (only through banners, paid posts, sponsored deals, others)

- Yes, I think it's very obvious – which I also feel impacts whether I seem to trust their adverts or not. The content being sponsored/promoted influences how believable I find it; would Team ChriChri or Emily Salomon actually use that skin product? – Or is it just because Sephora has paid them loads of money to do so and blog about it? I like to follow smaller influencers – who might not yet be too controlled by marketing forces. They appear to me less commercial, which I like; it makes them more trustworthy from my point of view.
- haha, yes. Didn't see the question before i wrote the last stuff..
- Both yes and no, some of them I follow stays true to their style, but if content sticks out like food on a fashionblog it becomes less trustworthy.
- Yes, especially after the new law in Denmark regarding marketing.
- There's more transparency today than there was a couple of years back. Partly due to jurisdiction on this area and partly due to the fact that people were tired of shameless product placement. But I think people are starting to accept that advertorials etc. are the only way to make online content available without charging people a fee to read a post/an article. The same goes for magazines. But at the same time, editorial efforts still need to be made to optimise commercial content, both for the sake of advertisers and users.
- Varies from blogger to blogger, but most of the ones I follow, you cant really feel it. Of course you'll run into banner ad's on website occasionally and also the sponsored post on Instagram once in a while.

Do you still find blogs to be credible and trustworthy platforms?

- No. Being a blogger is a job like any other; they get paid to try to influence my consumer behaviour. – I still like to get inspiration from them though – but I try to remain critical to the content they post. However, I do not feel that you can't trust all of their recommendations.
- No
- Yes
- I still find them inspirering, but not as trustworthy as they used to be.
- Depends what kind of blog this question refers to. But I think a blog is just as credible as fashion sites and most fashion magazines today. Have bloggers and social media personas contributed to a decrease in expert journalism and critical analysis? Yes. But on the other hand, political journalists have also started blogs and use it as a very successful outlet for credible opinions and observations.
- As long as they don't over do it
-

When bloggers and other influencers recommend products and items, do you think about the possibility of it being paid for or sponsored?

- Yes, very much. But having worked in digital marketing and with paid social content, I know the insights and how much they actually are paid. So I might not be that representative in regards to the overall population.
- no I'm not the kind of person to put myself in senter like that. Also, if i was considering it, it would be important for me to promote a healthy and real lifestyle. And include all the «bad» days, «bad» food, «bad» experiences with an item.. and so on. as well as the horrible things in the world. However that is not what the consumers want to read, neither will the retailers want to see their clothes, makeup, dieting or tanning products in a bad way.
- I guess it should be mentioned if the post is sponsored.
- Yes
- According to the law in most Western countries, a blogger has to indicate if something is sponsored, but of course, I'm sure some bloggers choose not follow these rules. Personally, it doesn't bother me. It's more important that I find the content they are delivering interesting and relevant.
- Yes, but that might be because of previous work within the public relations and marketing industry.

Does this possibility of a recommendation being a paid job change your view on the post?

- Yes. I remain more critical in regards to their recommendations; I'd recommend Sephora skin products or a Sony Xperia anytime, if I were paid 30.000 DKK to do so.
- yes, but no. It's a clever way of advertisement. What is clear is that trough the post a product may certainly make an impression on me/people. Even if you didn't believe or trust that blogger, the name and the brand/style would be in my mind, and i would check the facts if i was interested
- No, I trust that they make a real recommendation anyways – but of course depends on the blogger.
- Some times. When you can see that the item is something that the person would never wear or use normally.
- In some way. But I don't rely on these bloggers to be experts. Today, I see them more as the it girls of our time
- Yes, it loses some credibility if the paid job feels out of place on the blog. If it doesn't then I'm fine with it.

Would you compare a bloggers post to an advertisement? Do they have the same effect on you?

- Yes, I would. However it still has a more human and personal touch. I'd say it really depends on the specific influencer; ChriChri being a team e.g. – thereby, it kind of loose the personal touch most social influencers have. Contrary, an influencer like Cana Buttenschøn seems more personal and closer to her readers.
- Yes
- I don't compare, but of course the bloggers advertisement seems closer to the viewer/customer, than in a magazine. Bloggers also have the possibility to make it more personal than an overall advertisement for a magazine or poster.
- It depends of the blogger. Some bloggers are one big advertisement them self, but others I trust that they can't be paid to do everything.
- It really depends. Both are evolving and merging, so it's hard to compare and contrast them.
- That's a really good question – one I havent given much thought. But I'd say yes, they have the same effect. They could both convince me to buy a product. But this is really hard to generalise on, since each blog and advertisement is different.

Do you spend more or less time on blogs than magazines?

- I do not read magazines really; I prefer blogs – especially food blogs for recipes.
- Less
- More time on blogs, but love my magazines
- More time on magazine
- More, I would say. It's free, available and a quick fix. And unfortunately, a lot of publications are failing to provide content that is worth paying the increasingly higher price for.
- A lot less

Do you ever follow a link posted on a blog?

- Yeah, I do – however I am quite aware when doing so that they track me. This is kind of annoying to me. So I am very selective about clicking the links. It is the same when I am exposed to content on Instagram or a video on Facebook e.g. – I try to pass the content quickly, as I know time spend with brand is registered after a couple of seconds.. Unless the content is really good and doesn't feel like advertising ..then I'm more like; okay, you can track me, because you actually did a really good job with this ad content.
- No
- Yes, if I like the item.
- Some times, but not a lot.
- Yes sometimes
- Yes, often. But not "shop now" links or links that send me to the sponsors website.

Have you ever bought a product after reading or seeing it on a blog or the bloggers social media profiles?

- Yes, did so two weeks ago. A sweatshirt from a French label 'Fuck Art Make Tees' – after a friend in the Danish fashion industry posted it on Instagram. I loved it and went to purchase it.
- Not as I recall
- Yes
- Yes, but mostly fashion items.
- No, but I have been tempted to.
- No

Are you familiar with the organization rewardStyle?

- No.
- No
- Yes
- No
- Yes
- no

Did you now that rewardStyle is an affiliate network, which partners up brands and influencers to make money through influencers' blogging's and postings?

- Ah okay, like Buzzanova and Bloglovin?
- No
- Yes
- No
- Yes
- no

Does it bother you that today most of the bloggers' and influencers' posts and recommendations are paid for by brands?

- Not really – it's all a part of the digitization of marketing I think – that's the way it goes. I believe good marketing and advertising is subtle – and social influencers have the perfect breeding ground and arena for doing subtle marketing I believe.
- no, it is the new way to communicate target the advert, and its easier to reach a vulnerable demographic. In the end it is business, and money makes the world go around.
- No
- Not really, since I work with it myself
- Not really. As someone who has worked in the fashion industry, I am aware that this is a necessary premise. If these people are to earn anything and turn their online presence into a full-time gig, they have to charge money for services. But I believe full disclosure of commercial interests is important.
- No, bloggers have to live as well – just has to be transparent.

Have you noticed rewardStyle links when browsing around post of bloggers and influencers on their social platforms?

- No, I don't know it and have not stumbled upon it.
- No
- Have seen them yes, but never noticed them like that

- No, I have never noticed and don't know what it means.
- Yes, I am familiar with it.
- Yes i've noticed it – it's a shop now link, right?