ABSTRACT

The arrival of social media in the mid-2000s ushered in the fashion blogshop phenomenon in Southeast Asia, which has quietly sparked mass participation in online shopping in the region. Operating as small, rudimentary online shops hosted on blogs and social networking sites, blogshops rely on socially-oriented processes and clever repurposing of simple technological tools to substitute for standard e-commerce practices. The goal of this study was to produce a substantive theory to explain this unconventional approach to online selling. Classic Grounded Theory Research Methodology was used to identify a main concern of blogshop participants and the way they resolve the main concern. Through constant comparison of data gathered from participant interviews and observations of blogshop sites, the main concern of blogshop participants was identified as Becoming Consumer Entrepreneurs, which is a social process of Tentative Entrepreneurial Development comprising of three stages, namely Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy. These interrelated concepts capture a latent pattern underlying participants’ behaviour of creating small, informal entrepreneurial ventures via improvisational use of social media amidst individuals’ passionate pursuit of a personal interest.

This conceptualisation of the blogshop phenomenon as a unique form of entrepreneurial development in a consumption context is the main contribution of this study to the literature. The theory draws comparison with the literature on user entrepreneurship, user innovation, prosumption, informal economy, passion, serious leisure, social commerce, C2C markets and legitimacy. It is timely and important because it offers insights into consumer self-empowerment via an emergent form of consumer-to-consumer (C2C) entrepreneurship based on online social media. The implications of the theory on research and practice are discussed, as well as opportunities for further research.
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DECLARATION

This thesis contains no material which has been accepted for the award to the candidate of any other degree or diploma, except where due reference is made in the text of the examinable outcome;

To the best of the candidate’s knowledge, this thesis contains no material previously published or written by another person except where due reference is made in the text of the examinable outcome

Signed

____________________________________
Rodney Lim
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CHAPTER 1
THE BLOGSHOP PHENOMENON: INTRODUCING THE RESEARCH CONTEXT

1.1 Blogshops

In recent years, a social media phenomenon called ‘blogshops’ has been prevalent in some parts of Southeast Asia. The term ‘blogshop’ refers to simple online retail shops created out of freely available blogging software such as Blogger (formerly Blogspot), LiveJournal, Word Press, Tumblr and other similar self-publishing templates, and is almost exclusively found in the Southeast Asia regions of Singapore and Malaysia. Sometimes referred to as ‘online boutiques’, ‘e-boutiques’, ‘e-shops’ or simply ‘online shops’, the vast majority of blogshops feature fashion themes and have become a significant part of the fashion shopping scene in these regions. Blogshops bear unique characteristics that distinguish them from more conventional forms of e-commerce. These unique characteristics are presented in section 1.3.1, while examples of blogshop websites are shown in Figure 1.1 below.
The blogshop has been defined in terms of its technological basis, in particular the use of blogs as online platforms to host the blogshop stores (de Kervenoael, Hallsworth & Tng 2014, p. 450; Fletcher & Greenhill 2009, p. 43; Yeung & Ang 2015, p. 1). A ‘blog’ is a website that contains an online personal journal with reflections, comments, and often hyperlinks provided by the writer, and is the basis for ‘blogging’. The word ‘blog’ itself is a contraction of ‘weblog’, a term coined in 1997 by Jorn Barger to describe “a Web page where a Web logger ‘logs’ all the other Web pages she finds interesting” (Blood 2004, p. 54). Blogs have been described as personal websites (Blood 2004, p. 53) that feature personal editorship, hyperlinked posts structure, free public access to content, (Aïmeur, Brassard & Paquet 2003, p. 3), frequently modified content arranged in reverse chronological sequence” (Herring et al. 2004, p. 1), and are synonymous with personal publishing (Mosel 2005; Röll 2004; Trammell & Keshelashvili 2005).
Although early blogshops were easily identified by their use of blogs as platforms for online selling, they can now be found on many other types of social media. Following the growth of social media usage in the region toward the latter half of the 2000 decade, blogshops have appeared in large numbers in social networking sites, especially Facebook, where they are sometimes referred to as ‘Facebook stores,’ ‘Facebook boutiques’ or ‘Facebook blogshops’. More recently, many similar shops have also appeared in Instagram, and are referred to as ‘Instashops’ or ‘Instagram blogshops’. Like the classic blogshop, owners of these online stores on Facebook often improvise features meant for social networking for online selling purposes. These observations suggest an evolutionary nature of blogshops as they are able to adapt to emergent forms of online tools to facilitate their activities.

The practice of hosting e-commerce activities on blogs and other social media also appears to be spreading. Blogshop-like stores are now found in other Southeast Asian countries such as Indonesia, Thailand, the Philippines and Brunei. Although the term ‘blogshop’ is usually not used in these regions, the characteristic manner in which they employ social media tools, their unique practices and their focus on fashion associates them with the Malaysian-Singaporean blogshop.

This thesis presents highlights of a detailed research study into the blogshop phenomenon. It explains the purpose of the study, the Classic Grounded Theory Methodology employed and its implementation, as well as the conceptualisation process to arrive at its outcome, that is, a substantive theory that accounts for the blogshop phenomenon.

This chapter provides a context of the blogshop phenomenon, which highlights the rationale, focus and significance of the study. It begins with a background to the study in section 1.2, which describes the emergence of blogshops in the context of social media and e-commerce in Southeast Asia. This is followed, in section 1.3, by an outline of the unique characteristics of blogshops based on a preliminary study of blogshop sites. Section 1.4 provides a brief outline of the aims and motivations of the study, the research area of interest and the research methodology used. Section 1.5 clarifies the terms used in this thesis and section 1.6 gives a structural overview of this thesis.
1.2 Background of the study

As discussed in the previous section, blogshops can be situated at the confluence of social media and e-commerce within the Internet economy in the Southeast Asian regions of Malaysia and Singapore. Subsection 1.2.1 below discusses the beginnings of the blogshop in the context of blogging and social media, while subsection 1.2.2 discusses the prominence of blogshops in relation to e-commerce development in the Southeast Asia region.

1.2.1 Social Media, Blogs and Blogshops

Although an absence of official documentation of the historical development of blogshops makes it difficult to pin point their first appearance, an examination of the word ‘blogshop’ on Google Trends as shown in Figure 1.2 suggests that the term was first recorded before or around 2005, and that its use rose in popularity around 2008-2009. An approximate placing of the beginnings of blogshops in the 2004-2006 timeframe collaborates with observations by Shi (2008) and Shaida (2014, p. 22). It aligns blogshops with the period where the public prominence of blogs and the blogging culture was recognised (BBC 2004; Cornfield et al. 2005). The Google Trends record also shows that blogshops probably originated in Singapore or Malaysia, and that the term was not detected in other places until later when it appeared in places such as Indonesia, Brunei and Australia.
The emergence of the earliest blogshops in the 2004-2005 time period coincides with the dawn of Web 2.0. The term ‘Web 2.0’ was coined by Tim O’Reilly (O’Reilly 2005), founder and CEO of O’Reilly Media, Inc. at the O’Reilly Media Web 2.0 conference in 2004, to describe the continuing evolution of the Web into a more mature and distinctive ‘next generation of the Internet’ based on a set of economic, social and technological trends that enable user participation, openness and network effects (Musser & O’Reilly 2006, p. 5). Where the early Web had primarily been a static medium featuring passive consumption of content created by Webmasters and professionals, Web 2.0 architecture transforms the Web into a participatory platform for users to involve actively in the creation, collaboration, sharing, and tagging of content (O’Reilly 2005). As such, Web 2.0 emphasises the social dimension in the development of the Web, and is closely associated with social media.

Social media has been described as “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user generated content” (Kaplan & Haenlein 2010). It incorporates a range of Internet-based social applications that include blogs, social networking sites such as Facebook, content communities such as YouTube, collaborative projects such as Wikipedia and virtual social worlds and games such as Second Life and World of
Warcraft respectively (Kaplan & Haenlein 2010). These technologies and platforms provide distributed networks and online spaces that make up social software, or software used to support group interactions (Shirky 2003). The resulting online social relations constitute a social Web that forms the basis of much Internet based activity including online shopping, entertainment, and learning.

The versatility and impact of user-generated content in blogs and social media has attracted interest and discussion in areas such as journalism (de Zúñiga et al. 2011; Newman 2009; Wall 2005), politics (Kline 2005; Wallsten 2005), and education (Boulos, Maramba & Wheeler 2006; Downes 2004; Harris & Rea 2009; McLoughlin & Lee 2007; Williams & Jacobs 2004). Blogs have been utilised in many businesses (such as Air Asia’s Tony Fernandes CEO Blog, http://www.tonyfernandesblog.com/) and non-profit organisation settings, (such as the Salvation Army blog, http://blog.salvationarmyusa.org/).

Blogging is believed to have begun in the late 1990s (Blood 2000) as a relatively exclusive activity involving arduous hand coding of Hypertext Markup Language (HTML) to create web pages. The rapid uptake of blogging occurred around 1999 with the development of automated Web publishing tools such as Pitas, Blogger and Groksoup (Blood 2000; Blood 2004, pp. 53-54). These easy-to-use blogging tools enabled the average person to create and distribute content without technical knowledge of HTML, Extensible Markup Language (XML) or other programming languages needed to manually code websites.

In recent years, blogging and social media-driven activities have grown sensationally across the globe. Blogging, for instance, has become a mainstream activity on the Internet, as evidenced by the estimated 181 million blogs on the Internet by the end of 2011, an increase from just 26 million in 2006 (Nielsen 2012). As a whole, the number of active social media users exceeded the two billion mark in 2014 (Kemp 2014). Social networking has been growing rapidly, and is now the most popular online activity (Radwanick, Lipsman & Aquino 2012). In 2014, social networking websites recorded nearly 1.8 billion global users (Statista 2015b), while previous statistics had showed that it accounted for about 20 percent of all time spent online, up from a mere
six percent in 2007 (Radwanick, Lipsman & Aquino 2012). Facebook is the single most popular social networking destination, with over 1.39 billion active users as of December 2014 (Facebook 2015) and has accounted for one in every seven minutes spent online (Shaw 2012).

Internet users in Southeast Asian countries are enormous users of social media, including blogs. The number of social network users in Asia-Pacific grew from 597 million in 2012 to 796 million in 2014 (Statista 2015a). In Malaysia, the uptake of social media has been rapid, as social media activities have become a prevalent part of people’s daily lives (Muniandy & Muniandy 2013). Malaysians are the heaviest users of social networking. Social networking activities account for one third of all time spent online, while as many as 80 percent of all Malaysian Internet users are estimated to be on Facebook (Radwanick 2011). According to a global survey by research firm TNS, Malaysians spend nine hours a week on social networking sites and have an average of 233 friends in their social networks (Yap 2010). Similarly, blogging has been a popular activity in Malaysia, with estimates of the number of bloggers ranging from the hundreds of thousands (Hopkins 2010a).

The empowering effects of user generated content in the Southeast Asian region can be seen in its impact on the social-political scene in Malaysia and Singapore. The influence of social media, especially blogging, on the outcomes of the national elections in Singapore in 2006 and Malaysia in 2008 has received much analysis and discussion (Gong 2011; Lee & Kan 2009; Sani & Zengeni 2010; Tang 2009; Ulicny 2008), while its central role in grassroots political activism continues to attract much interest (Ahmad et al. 2012).

Social media’s versatility is seen in its ability to accommodate social interactions on a diverse range of professional and leisure subject matter, topics, and interests, via formats such as blogs, forums and other socially-oriented sites. Technorati, the Internet search engine for blogs, categorises the blogosphere into Entertainment, Business, Sports, Politics, Autos, Technology, Green, Living and Science sections in its directory (http://technorati.com/blogs/directory/). Among scholarly circles, blogs have been classified according to their function, that is, for interpersonal communication,
intrapersonal communication or professional reputation (Trammell & Gasser 2004) and according to the nature of the content, that is, personal content in journal-style blogs versus topical content in filter-style blogs (Herring et al. 2004; Hopkins 2010b). Between these, personal blogs that take the form of personal journals are the more popular genre of blogs (Herring et al. 2004, p. 6).

An extremely popular type of personal blog in Malaysia and Singapore is the ‘lifestyle blog’ (Hopkins 2010b), wherein the author blogs about personal interests, activities, experiences and social events such as parties, travelling, and so on. Consequently, lifestyle blogs typically feature themes of food, shopping, gadgets, fashion and various hobbies. An example of a popular lifestyle blogger is Cheeserland (http://cheeserland.com/) in Malaysia and Xia Xue (http://xiaxue.blogspot.com/) in Singapore. Abidin (2013) pointed to the commercial nature of such blogs and argued that these bloggers are essentially engaged in the selling of a lifestyle or a persona based on the bloggers’ social currency, or their reputation in the virtual world. Blogshops appear to have many similarities with these lifestyle blogs. Both are personal in nature and tend to feature content that reflects the blog owners’ personal interests, such as fashion and online shopping. Hence, the blogshop may be seen as an intersection with or a subset of the lifestyle blog.

Despite these commonalities, the blogshop bears unique characteristics that suggest its departure from the lifestyle and other blog genres. Section 1.3 elaborates on these unique characteristics of blogshops.

1.2.3 Blogshops and E-commerce

The appearance of blogshops occurred in the immediate post-dotcom era which had accounted for rapid development of electronic commerce. During the dotcom era, roughly from 1997 to 2001, many dotcoms, or Internet-based start-up ventures, were created to exploit the business potential of the World Wide Web. Electronic commerce, or e-commerce refers to the use of the Internet to facilitate, execute and process transactions (DeLone & McLean 2004, p.31), and represented a major force driving the emerging digital economy.
The e-commerce boom of the dotcom era, however, appeared to have been much less prevalent in Southeast Asia than in the developed western countries. Most Asian countries, including Malaysia and Singapore, trailed the United States and Europe in e-commerce spending at that time. In 1999, at the height of the dotcom boom, the US accounted for 62 percent of all e-commerce spending totalling USD130.5 billion globally, while the Asia-Pacific region commanded just two percent of this figure (International Data Corporation 2000, p. 4). The total value of e-commerce transactions in Singapore in 1999 was estimated at S$1.9 billion, which represented just 1 percent of total turnover in the economy and were mostly B2B business (Masuyama 2000, p. 3). Similarly, Malaysia’s spending of about RM57 million on e-commerce purchases in 1998 was relatively small in relation to her GDP of RM372 billion (Khatibi, Thyagarajan & Seetharaman 2003, p. 78).

In the years following the end of the dotcom boom in 2001, however, e-commerce grew rapidly in Asia-Pacific. From 2001 to 2005 for instance, yearly e-commerce growth rates in Malaysia ranged from 75 percent and 123 percent, and stabilised at a steady average of 24.6 percent from 2006 to 2010 (Kamaruzaman & Handrich 2010, p 114). According to PayPal Malaysia, the size of the Malaysian e-commerce market is expected to reach RM3.43 billion by 2015(News Strait Times 2014). As a whole, the Asia Pacific region had, by 2006, accounted for an estimated 14 percent of all e-commerce revenues (Kamaruzaman & Handrich 2010, p. 93). The region is expected to account for over 33 percent of the global e-commerce market in 2015, and surpass North America as the leading region for e-commerce sales (eMarketer 2014).

The emergence of the blogshop during this period of rapid growth of e-commerce in the region raises curiosities about its role and contributions in the digital economy. Although comprehensive records on the scale of the blogshop-sphere and its actual contribution to overall e-commerce are not available, there are indications that blogshops had quietly emerged to become an important aspect of the e-commerce scene in the Southeast Asia region during this period. In Malaysia, blogshops have been acknowledged as a unique trend and a significant part of the e-commerce economy in the country (Hassan & Ali 2012). Maybank Group, a major banking institution whose
online fund transfer facility has been popular among blogshop owners and shoppers, estimates the presence of 3,000 blogshops in the country with an average of RM20 per transaction and accounting for RM5 million worth of transactions in 2013 (Maybank 2013). Based on this, the bank launched Maybank2u Pay, an online payment service to specially cater to the growing blogshop community in Malaysia, with plans for expansion to other online blog-shopping markets such as Indonesia, the Philippines and Singapore in 2014.

In Singapore, statistics compiled by a blog software platform called *LifeJournal* in 2011 provide an indication of the size and significance of the blogshop market in the country. *LifeJournal* claims that it is host to more than 50,000 blogshops in Singapore, and that 480,000 or nearly half of the 1.2 million monthly visits to its blog platform are for the purposes of online shopping on these blogshops (Webwire 2011). According to Roshni Mahtani, CEO of Tickled Media, the publisher of *LifeJournal* in the Southeast Asian markets, *LifeJournal*-hosted blogshops generated USD72 million worth of transactions in Singapore in 2011 (Singapore Business Review 2011). This figure represents six percent of the country’s forecasted e-commerce volume of USD1.2 billion in 2011 and suggests the significance of *LifeJournal* as a major e-commerce player in the country. Following this, *LifeJournal* has responded by converting its blogging and social media platform into a full e-commerce facility that supports product catalogue, shopping cart and online payment (Wee 2012).

Meanwhile, similar developments have occurred recently with *Multiply*, another popular blogging and social networking platform that has become the largest online market in Indonesia and the Philippines. In Indonesia, *Multiply*’s platform supports over 90,000 sellers and 7 million unique monthly visitors (Multiply 2012), while in the Philippines, it is home to over 120,000 online stores (PRWeb 2012). The significance of the Southeast Asian markets to the company was highlighted when it made the decision in May 2012 to move its head office from the US to Jakarta (Russell 2012). To support the online retailing activities of its users, *Multiply* upgraded its platform to provide a proper e-commerce system, by providing shopping cart features that support inventory management, detailed product listings and tracking, as well as automated payment options (Dinglasan 2012). In a further move, *Multiply* transition completely from social
networking into an e-commerce market (David 2012), an apparent response to a tendency by customers in Southeast Asia to use Multiply as a trading platform to buy and sell goods, despite the practice being against their terms of service at the time. In Thailand, a report by Econsultancy indicated the presence of over 10,000 similar entities that operate on Facebook pages (Shaida 2014, p. 22).

Although similar statistics about other major blog services such as Blogger and WordPress are not available, these developments suggest that collectively, blogshops probably constitute a vast and significant albeit largely under-recognised force that drives e-commerce in the region, especially considering that the Blogger software is believed to be even more popular (see section 1.3) than LiveJournal as a blogshop platform.

1.3 What are Blogshops?

The manner in which common blogging apparatus is used to accomplish a commercial purpose that is distinctively different from what it is intended for marks a distinguishing characteristic of blogshops. Blog software is originally designed to enable creation, publication and sharing of digital content by users, which is the focal activity of conventional blogging. With blogshops, however, the blog tool is re-oriented to enact an online selling platform. Content creation in typical blogging usually focuses on text and multimedia elements, and contrasts sharply with the selling of goods and related business oriented activities in blogshops. In addition, the persons behind blogshops are called shop owners rather than bloggers, and are engaged in blogshopping, or buying and selling on blogs, rather than blogging.

Blogging and blogshopping do not appear to be mutually exclusive, as the activities of blogging and selling may easily overlap. An instance where this occurs is the ‘blog sale,’ a combination of fashion blogging with occasional sales of the owner’s personal belongings, usually beauty-related items. Here, blog sales resemble blogshops in that they incorporate many of the transaction practices and activities seen in classic blogshop types.
While it is quite common for bloggers to derive monetary benefits from their work, the mechanisms usually employed are very different from the outright selling of physical goods on blogshops. In conventional blogging, opportunities for revenue generation are usually available through schemes such as affiliate marketing, advertising programs such as Google’s Adsense, paid posts, and so on, and are not necessarily a primary goal for the majority of bloggers. The prime activity of a blogshop, however, is the outright generation of revenues through direct sales of goods.

The peculiar practice of reorienting blog software to facilitate online selling purposes has been recognised as unconventional (Fletcher & Greenhill 2009, p. 51; Yeung & Ang 2015, p. 1). Beyond that, Fletcher & Greenhill (2009) acknowledged the complexities regarding this practice (p. 43), and dismissed the blogshop as just another type of blogging (p. 41). Based on observations of teen-owned blogshops in Singapore, they noted the features of the blogshop as indicative of an “anthropologically complex and rich environment that brings together a form of economic need, locational circumstance, technological capacity and non-ethical consumer engagement where business adaptation is drawn upon for personal benefit.” (p. 41). To explore the blogshop as a distinct class of online selling mode that is distinguishable from typical e-commerce systems, an exploratory project was undertaken to delineate some basic characteristics of blogshops.

A sample of 250 blogshops was randomly selected for online observations in late 2010 and early 2011 from listings of Malaysian and Singaporean blogshops in online blogshop directories. Out of this, 160 blogshops were identified as Singaporean-based, 52 were Malaysian-based, while the nationality of the remaining 38 blogshops in the sample was not determinable. This survey was complemented with data from various articles and observations from various online blogshop directories.

Using a content analysis approach (Hsieh & Shannon 2005), each blogshop site was analysed as data. The manifest features, or features that were visibly present, on the blogshop sites were recorded and labelled. Preconceived labels were used where certain elements were expected to be present on the blogshop sites, such as information on ordering, payment and delivery. At the same time, other labels were inductively developed from the analysis, such as the age, gender and the number of owners which were sometimes published on the blogshop sites. These labels were arranged into
various categories in order to organise the observable, unique features of the blogshops surveyed. The features that were identified include: ownership characteristics, business structure, product and market scope, geographical clustering, re-oriented social media platforms and de-automated processes, which are discussed below.

Ownership Characteristics

Where the gender of the owners could be determined, the sample showed that over 90 percent of the blogshops surveyed, or 136 out of 147, were owned by females. Additionally, ownership appeared to be represented by diverse age categories, including high schoolers in their early teens.

The small-scale nature of blogshops is seen in their ownership characteristics and the scope of their activities. Where the number of owners could be determined on the blogshop sites, the vast majority (over 90 percent, or 106 out of 114 blogshops) seemed to be owned by one or two persons.

Business Structure

The majority of blogshops seemed to operate on a home-based business format, utilizing Web-based storefronts to substitute for physical outlets. In the survey, about 95 percent of the blogshops, or 237 out of 250, appeared to operate as click-only storefronts. A small handful of blogshops in the sample appeared to be brick-and-mortar retail storefronts that had blogshop sites to complement their operations.

Most blogshops also feature small transactions, as reported in a LiveJournal survey of shops hosted on its blog platform. LiveJournal’s study showed that blogshops averaged eight transactions per month with a per-item sales price of S$20, and that 80 percent of the blogshops made less than S$500 a month (Singapore Business Review 2011).

In Malaysia, blogshops bearing these characteristics would be classified by the Malaysian National SME Development Council (NSDC) as small enterprises (or commonly referred to as SMEs) or micro-businesses (2011). Small enterprises are
defined as enterprises with sales turnovers of between RM200,000 and RM1 million, or
with between 5 and 19 full-time employees, while micro-enterprises are defined as
businesses employing less than five employees and with annual revenues of under
RM200,000 (SME Corp Malaysia 2011). Similarly, in Singapore, an SME is defined as
an enterprise with an annual sales turnover of under S$100 million, or that employs less
than 200 workers (Spring Singapore 2011, p. 2).

Product and Market Scope

In Malaysia and Singapore, blogshops are essentially associated with sales of consumer
goods, primarily fashion. A survey of popular blogshop directories such as Singapore’s
Blogshopr and Malaysia’s Blogshop Malaysia found that fashion-themed blogshops
featuring apparel, accessories, bags, beauty, cosmetics and footwear seem to constitute
the biggest categories although other product categories were present, such as baby
products, education, electronics, food, home décor, kids’, men’s, pets, sports, toys, and
other consumer goods.

Almost 70 percent of the 250 blogshop sites observed indicated that they did not have
sales outside of the Malaysia-Singapore region, which suggested their localised nature.
Additionally, about 67 percent of the blogshops observed sold four or less categories of
products. Like specialty stores that offer specialised merchandise, many blogshops
were seen to be themed in some way. For instance, a blogshop may be devoted to a
specific product type such as ladies’ footwear, bags, shoes and so on. Others follow a
particular fashion motif such as Korean or Taiwanese fashion, or the fashion needs of a
particular customer group, such as fashion items for Muslim ladies and so on. There
were also indications that various blogshop owners operated multiple blogshop sites
with each blogshop dedicated to a specific product category.

Geographic Clustering

The blogshops sampled mostly clustered in Singapore and Malaysia. Elsewhere, blog-
based or social media-based stores have been detected in other Southeast Asian
countries including Indonesia, the Philippines and Brunei, which suggests this type of
online commerce to be a Southeast Asian phenomenon. The Southeast Asian blogshop appears to have an influence in places like Australia, where a small number of blogshops have been detected. Also frequently referred to as blogshops, these revolved around Asian fashion interests and featured female Asian student ownership. Lastly, a similar form called ‘blog sales’ is found in the US (as mentioned in section 1.3), but did not utilise the ‘blogshop’ moniker. This further supports the presumption that the ‘blogshop’ is a term that is native to Singapore and Malaysia.

**Re-Oriented Social Media Platforms**

The survey of blogshop sites found a variety of blog templates utilised to host blogshops. The vast majority used popular blog templates such as *Blogger* (also known as *Blogspot*), *LiveJournal*, *Word Press*, *Weebly*, *Tumblr* and *Multiply*. Other lesser known templates such as *On Sugar* and *Trulily* were found as well. In this sample, about 73 percent of the blogshops observed were hosted on the *Blogger* platform, suggesting its popularity.

Additional observations revealed that other than blogs, socially-oriented platforms favoured by blogshops include online communities hosted on Web forums, especially those that are devoted to fashion and women, such as the Cozycot ([http://forums.cozycot.com/forum.php#marketplace](http://forums.cozycot.com/forum.php#marketplace)) and Malaysian Babes ([http://www.malaysianbabes.net/forum/](http://www.malaysianbabes.net/forum/)) forums. Online marketplaces such as the Malaysian and Singaporean editions of eBay, as well as in the ladies’ trading section in the popular Lowyat forum ([http://forum.lowyat.net/ StuffForTheLadies](http://forum.lowyat.net/ StuffForTheLadies)) also appear to be popular outlets for blogshops. While some blogshops are embedded within these marketplaces, others place links in these communities to enable potential buyers to click out to the blogshop site to accomplish a transaction.

Over 65 percent, or 163 of the 250 blogshop sites observed indicated usage of another form of social media other than blogs. Of this, 117 or 72 percent utilised Facebook, making it the most popular social media platform used outside of blogs. Other social media such as Twitter and YouTube were seen to facilitate non-selling functions such as promotions and communications. For instance, Twitter was used by some blogshop
owners to notify followers on new stocks. This finding supported observations that blogshops were probably growing rapidly on Facebook, and indicated their evolving nature.

**De-automated Processes**

Observations of the sample of blogshop sites show a general absence of automated tools and processes usually found in conventional e-commerce systems. Instead, the typical blogshop seems to rely on manual transaction processes to circumvent the lack of standard automated facilities associated with e-commerce. These manual processes include inventory management, ordering mechanisms and modes of payment and delivery.

Dedicated e-commerce systems typically provide applications to build an entire online store. Automated tools enable users to easily upload the product catalogue and price list, design the look and feel of the store and manage inventory, back-end administrative tasks and interactions with customers. Automated systems embody the convenience and efficiency associated with online shopping, and is usually synonymous with the term ‘e-commerce websites’. An inspection of popular blog software such as Blogger shows an absence of these dedicated e-commerce functionalities, and suggests a highly manual approach in performing tasks such as inventory management.

Online retailing platforms usually feature the electronic shopping cart, which provides a Web storefront interface with shoppers and tools to manage the site. A typical shopping cart application provides automation for simple purchasing functions such as product selection, shipping calculation, payment processing and order confirmation. Click-to-buy functionalities facilitate an entire purchasing task without the need for the seller to interact directly with the buyer. In the sample of 250 blogshop sites observed, only 26 had installed such dedicated shopping cart facilities. The rest featured a range of substitutes such as order forms, email, short-messaging-service, phone calls and comment boxes used for online ordering.
Dedicated payment gateways typical of conventional e-commerce systems are also largely absent in the typical blogshop. Where PayPal and credit cards processing are standard payment gateways in most e-commerce systems, electronic bank transfers and cash-on-delivery were by far the most commonly seen payment modes in the sample of blogshops sites observed. Bank transfers and cash-on-delivery made up about 75 percent of all payment options listed, while PayPal and credit cards comprised only about 21 percent. Similarly, where typical e-commerce systems rely on the postal services to deliver goods bought, 38 percent of the blogshop sites were observed to utilise the practice of ‘meeting up’. In meeting up, the buyer and the seller meet in person to fulfil payment and delivery.

These observed manual processes appear to be necessary to support the use of social media tools, such as blogs, in substitution of proper e-commerce facilities. What seems puzzling, however, is why these functionalities and practices are preferred over proper e-commerce facilities, considering their apparent hassle and inconvenience in relation to the latter.

These unique characteristics show the ways in which the blogshop departs from conventional e-commerce systems, and suggests the novelty of the phenomenon. They underline the curiosities that provide the motivations to undertake a study, which is further discussed in the next section.

1.4 Research Aims

This subsection provides an overview of the motivations to study blogshops, the aim of the research and the research area of interest.

1.4.1 Motivations to Study Blogshops

The discussions on blogshops in sections 1.2 and 1.3 above, which show the presence of a unique approach to e-commerce that seems to have had significant impact on the fashion scene in Southeast Asia, suggest that the phenomenon is worthy of academic investigation. The notion of blogshops is academically intriguing in that blogshops
seem to represent a sort of contradiction to the concept of e-commerce. As discussed in section 1.3, their peculiar practice of deploying reoriented blogging tools and deviationist online selling practices seems antithetical to the technological tools and practices in conventional e-commerce. As blogshops are relatively new to the e-commerce literature, a gap exists in conceptual understanding of this approach to e-commerce (see section 2.3 in Chapter 2). Thus, a conceptual study of blogshops may shed light into the nature of e-commerce development in a specific context.

As blogshops have gained popularity in many parts of Southeast Asia, as presented in subsection 1.2.2 above, a systematic study is important and timely to gain understanding on the rationale, role and impact of this form of e-commerce. Fletcher and Greenhill’s (2009) assertion that blogshops represented a “new formulation of e-commerce”, a “complex anthropologically rich environment” and a unique “assemblage of technology, culture and location” (pp. 50-51) suggested that they can offer meaningful insights into the capacity of emergent online social media such as blogs and social networks to empower individuals and organisations, and impact aspects of society.

From a personal perspective, I developed an interest in blogshops when I became aware of the phenomenon in 2006. As I followed their rise in Malaysia and Singapore, I contemplated on their potential significance and influence on e-commerce in the region and in other locales given that social media usage itself was rapidly growing worldwide. Hence, I considered that a scholarly investigation to gain conceptual understanding of blogshops can make important contributions to knowledge about the impact of social behaviours brought about by emerging social media technology in these settings. Based on these, I decided to undertake systematic enquiry in the form of this PhD project which officially begun in 2010.

1.4.2 Aim of the Study

As discussed in the previous subsection, this study sets out to make a contribution to knowledge about the blogshop phenomenon centred in Singapore and Malaysia in the context of e-commerce. The aim was to generate a substantive theory that explains the behaviour of blogshop participants in reorienting blogs and other forms of social media.
to construct online selling platforms. Glaser and Strauss (1967) defined a substantive theory as one that is “…developed for a substantive or empirical area of sociological enquiry,” (p.32) and is tied closely to the field where the phenomenon or practice occurs. Rather than applying or testing a pre-existing theory or framework, this study utilised Classic Grounded Theory Methodology which allows a theory to be inductively developed from data.

A substantive Grounded Theory gives understanding of actions in a substantive area from the perspective of participants. It is able to account for the patterns of behaviour that are relevant for the participants as it revolves around their main concern and the way they continually resolved that concern (Glaser 1998, p. 115). As such, this study was not based on a specific, pre-formulated research problem; instead the research problem was allowed to emerge from the participants so that it represents their concern (Glaser 1998, pp. 115-118). To facilitate this, the research questions for this study were framed to allow for openness, flexibility and exploration, with a view to understand what is going on in the substantive area. Following Glaser’s recommendation that research questions should revolve around the main concern and how that concern is continually resolved (1998, p. 115), the broad research questions used to guide this study were: What is the main concern of blogshop participants in re-orienting blogs and other social media tools to conduct e-commerce? How do blogshop participants go about resolving this main concern?

The term ‘main concern’ is used here to broadly refer to a matter of great interest or importance or something which poses worry or problems to participants. It can take many forms, such as actions, motivations, goals, values, beliefs, principles, opinions, feelings, modes of interactions, problems, challenges, outcomes and other matters that relate or are relevant to participants. Although participants were likely to have a number of concerns, this study focused on one main concern that is most able to account for most of their actions, and the latent pattern underlying their behaviour in resolving the main concern.

Hence, the theory developed in this study is a conceptualisation of the main concern of blogshop participants and their latent patterns of behaviours in resolving these concerns.
The application of Classic Grounded Theory Methodology is elaborated in Chapter 3.

1.4.3 Research Area of Interest

In this study, the research area of interest, or the substantive area, is identified as the blogshop phenomenon in Singapore and Malaysia. Although there have been various outgrowths and related manifestations of the phenomenon in other countries, as mentioned in the previous section, the blogshop phenomenon is most readily identified in Singapore and Malaysia which remain a key epicentre of the phenomenon.

Initially, this study adopted Fletcher & Greenhill’s (2009, p. 43) definition of the blogshop as “virtual storefronts that are hosted on blogging platforms”. As the study progressed, this definition was expanded to encompass other forms of social media on which blogshops were found to be hosted on, to accommodate the evolving nature of blogshops, as addressed in section 1.3.1 above.

1.5 Outline of the Thesis

This thesis is organised as follows:

Chapter 1 The Blogshop Phenomenon: Introducing the Research Context. This chapter gives an overview of the study, including its background, a brief outline of the research topic, the research aims, the research area, and an overview of the thesis.

Chapter 2 Review of Background Literature. This chapter surveys the extent of the current literature on the topic of blogshops and e-commerce to ascertain the nature of the field, and to contextualise blogshops in relation to known e-commerce practices in the region of Singapore and Malaysia.

Chapter 3 Research Methodology. This chapter describes the philosophical underpinnings and research methodology used in this study. It provides a rationale for adopting Classic Grounded Theory
Methodology for this study. It explains the procedures of the methodology, and describes how these principles were employed in this study.

Chapter 4  An Overview of the Substantive Theory of Consumer Entrepreneurship and Major Category 1: Tentative Entrepreneurial Development.
This chapter provides an overview of the substantive theory of Consumer Entrepreneurship and its major categories that were developed from this study. It illustrates the development of the Core Category: Becoming Consumer Entrepreneurs. The first major category Tentative Entrepreneurial Development is also presented.

Chapter 5  Major Category 2: Passionate Hobby Consumption.
This chapter illustrates the development of the second major category, Passionate Hobby Consumption as the antecedent, context and condition for development of consumer entrepreneurship.

Chapter 6  Major Category 3: Social Commercialisation.
This chapter describes the development of the third major category, Social Commercialisation. It explains the application of social media tools by blogshops to create structures, revenue models, business processes and practices to support a consumer enterprise.

Chapter 7  Major Category 4: Obtaining Legitimacy.
This chapter describes the development of the fourth major category, Obtaining Legitimacy. It discusses how blogshop participants apply strategies to improve structural, operational and personal legitimacy.

Chapter 8  Conclusions.
This chapter concludes the thesis by assessing the theory of Consumer Entrepreneurship, discussing the contributions to knowledge and practice, limitations of the study and recommendations for future research.
CHAPTER 2
REVIEW OF BACKGROUND LITERATURE

2.1 Introduction

In keeping with Classic Grounded Theory Methodology, the bulk of the review of the literature in this study was conducted after the substantive theory of Consumer Entrepreneurship had begun to take form. Literature review at this stage was guided by key concepts that were developed from the study to be “woven into the theory as more data for constant comparison” (Glaser, 1998, p. 67). It also served to position the emergent theory in this study in relation to extant theory. In this thesis, the post-fieldwork literature review is presented in relation to the key concepts in the Discussion sections in each of Chapters 4, 5, 6 and 7, which helped to develop the theory.

The role of the literature review at the pre-fieldwork stage was given much consideration as it is has been a subject of much debate in Classic Grounded Theory Methodology. In their original publication on Grounded Theory, Glaser and Strauss (1967) had stressed the need to literally “…ignore the literature of theory and fact on the area under study” (p. 37). Glaser’s rationale in this call to avoid the literature prior to conducting fieldwork was to ensure that the researcher is “as free and as open as possible to discovery and to the emergence of concepts, problems and interpretations from the data” (Glaser 1998, p. 67). However, this stance has attracted much opposition and debates (Dunne 2011; McCallin 2003; McGhee, Marland & Atkinson 2007; Nathaniel 2006; Walls, Parahoo & Fleming 2010). A discussion on the opposing views in regards to the literature review is presented in subsection 3.5.6 of Chapter 3. In this study, a decision was made to review the electronic commerce literature and the available scholarly texts on blogshops at the pre-fieldwork stage. Such a review was reasoned to be beneficial to the study in a number of ways.

First, it would provide a clear rationale for the study and the use of Grounded Theory Methodology by ascertaining the extent of scholarly research into blogshops, and verifying paucity of knowledge of the phenomenon (Dunne 2011; McGhee, Marland & Atkinson 2007). If there had been prior enquiry, it was necessary to examine what is
known about blogshops and their place within the e-commerce literature. Second, a broad literature survey would help develop theoretical sensitivity useful for the conceptualisation process in a Grounded Theory study (McCann & Clark 2003b; Strauss & Corbin 1998), to orient myself and broaden my knowledge in the general area of e-commerce. Third, it would help to contextualise the study (McCann & Clark 2003a) by providing a background and help identify concepts and issues that might be relevant to the study of the blogshop phenomenon.

Consistent with Classic Grounded Theory, the pre-fieldwork literature review was conducted not to derive a conceptual framework, but to explore the topic of blogshops and the broader e-commerce literature within which blogshops seemed to reside. It allowed gauging of the extent of research on the blogshop phenomenon, identification of knowledge gaps as well as major themes and issues associated with electronic commerce research. Attention was given to surveying e-commerce in the context of small and medium enterprises, in particular the Malaysian and Singaporean e-commerce research scene which is the immediate setting of blogshops.

Electronic commerce was deemed to be the essential background to studying the blogshop phenomenon and a logical starting point to the research as blogshops characteristically engage in commercial activities situated in the online medium. Reviews of literature in other areas that were deemed to have potential relevance to this study but could not be adequately ascertained without fieldwork were delayed until the theory had been formed. One such area was the literature on entrepreneurship, where I had debated on whether it should be reviewed early in the study. While it was tempting to consider blogshop owners as entrepreneurs at the outset, there were reasons to question this assumption. I noted that many of them displayed behaviours that did not seem analogous to that of typical entrepreneurial firms or entrepreneurs. For example, initial observations of blogshop sites described in section 1.3 seemed to indicate that many blogshops operated in a discontinuous manner, featured sudden closures or suspension of activities or lacked durability. Many owners did not seem to behave professionally, practised questionable etiquette or did not seem to always attend to their blogshops. Since I could not determine whether blogshops were even a type of business entity, a decision was made to review the entrepreneurship literature only if indeed
entrepreneurship proved to be pertinent during the fieldwork stage. Such an approach would be consistent with Glaser’s (1998) argument that “…the researcher does not know which literature is relevant until the main concern of the substantive participants emerges” (p. 68). I also considered that if I allowed for an early review of the entrepreneurship literature, I would also have had to speculate on the potential relevance of literature in many other diverse areas, such as gender studies. Instead, relying on the principle of emergence in Classic Grounded Theory Methodology would alleviate needless speculation and extensive early literature reviews as the emergent theory is allowed to dictate the specific literature to be reviewed (p. 67-71). As it turned out, entrepreneurship literature pertaining to user entrepreneurship, user innovation and informal entrepreneurship was later revealed to be relevant to participants’ core concern and properly reviewed then.

This chapter presents much of the review conducted in the pre-fieldwork stage. As explained above, the review at this stage leaned toward drawing a broad outline of the literature rather than in-depth scrutiny. Certain sub-areas of e-commerce reviewed in the pre-fieldwork stage were followed up later on with more in-depth readings when they were found to be highly relevant to certain aspects of the theory. For example, the topic of social commerce emerged during the course of the study and proved to be relevant to a major category called Social Commercialisation. Hence, social commerce is not presented in this chapter but is elaborated in the Discussion section of Chapter 6 where the major category Social Commercialisation is discussed. Other literature reviewed after the theory had emerged includes User Entrepreneurship, Informal Economy, Prosumption, Serious Leisure and Legitimacy, and are also integrated into the respective chapters where these concepts are relevant.

The rest of this chapter presents the pre-fieldwork review of the blogshop and e-commerce literatures, including the approach used in identifying the literature to be reviewed (section 2.2), a review of the literature on blogshops (section 2.3) and a review of the e-commerce literature (section 2.4). Section 2.5 summarises the chapter.
2.2 Identifying the Literature

The pre-study literature review begun in May 2010. To access scholarly articles, online searches were conducted mainly through the Google Scholar search engine, as well as a number of online databases such as EBSCOhost, Academic Search Complete, Business Source Complete, Emerald Insight, Sage, JSTOR, and Science Direct. In addition, a subscription to the Google Scholar Alert service provided notifications of newly published academic journal articles that matched prescribed keyword phrases. This ensured access to relevant articles during the course of the study to add to the review.

In conducting the literature review on blogshops, I endeavoured to find all the available published academic articles on the subject. For the purpose of determining the extent of research on blogshops through the review, such an exhaustive coverage was necessary and possible since the number of articles was limited. I was able to examine the handful of articles that was returned by the search to determine their relevance. At that time, three of these articles were found where the blogshop was the main subject under study, indicating the extent of research into this phenomenon at that time. These articles included two conference articles co-authored by Ng and Matanda (Ng & Matanda 2009; Ng & Matanda 2008), and a journal article by Fletcher and Greenhill (Greenhill & Fletcher 2011). As my study went underway, additional scholarly works with substantial focus on blogshops began to emerge from the Google Scholar Alert service, primarily Greenhill and Fletcher’s (2011), Shafie et al.’s (2011), Abidin and Thompson’s (2012) and (Yeung & Ang 2015) works on the subject.

Due to its vast size and spread, any attempt to exhaustively review all the available literature on e-commerce would have posed a most daunting challenge. Thus, to make the review task manageable and to ensure systematic coverage of most of the essential works in the area, a top-down strategy was undertaken to broadly profile the literature to characterise the e-commerce literature and identify relevant e-commerce research sub-domains and themes. To accomplish this, a survey of the existing meta-reviews of the e-commerce literature was conducted as a starting point. A number of articles that aggregated literature reviews and meta-analyses of e-commerce literature were identified (Doherty & Ellis-Chadwick 2006; Dwivedi et al. 2008; Lee, Hwang & Kim
This initial analysis guided further review of the literature by directing attention to particular e-commerce subject areas that would later prove to be relevant to the study of blogshops. For instance, e-commerce classifications gave insights into the nature of the blogshop as an e-commerce entity and enabled it to be placed in relation to the various types of e-commerce business models. The preliminary review also indicated prominent journals and key authors associated with this research field, and helped identify various relevant keywords and key phrases that were useful for further search efforts. For instance, due to the variety of terminologies that were found to be associated with e-commerce, it was necessary to use a number of terms and phrases associated with electronic commerce such as Internet commerce, Web commerce, e-business, electronic markets, e-retailing, e-marketing, and other variants to enhance the search parameters.

The review of publications on blogshops is presented in section 2.3, while the review of the selected e-commerce literature is presented in section 2.4.

2.3 Blogshops Literature

The three articles that represented early forays into blogshop research acknowledged, to varying degrees, the newness and uniqueness of the blogshop as an online retailing format. Fletcher and Greenhill (2009) called the blogshop a “new formulation of e-commerce practice” (p. 50) that is based on adaptation of the blog “beyond more conventional uses as a personal public diary” (p. 51), and surmised that it has significant...
implications on the “meaning and extent of e-commerce and social networking” (p. 51). They offered a definition of the blogshop as covering “all small scale shops that employ or reference swapping and spree forms of exchange and that are facilitated through hosted blogging technologies as their main trading platform” (p. 40). At the same time, they also acknowledged that the complex practices seen in blogshops transcend a neat and concise technologically-oriented definition. Through observations of blogshop attributes and practices, they rejected the possibility of dismissing the blogshop as “just another type of blogging” (p. 41) or “another form of Web-based communication or social network” (p. 51).

As pioneers, Fletcher and Greenhill (2009) introduced the blogshop to an academic audience by identifying a previously unstudied phenomenon and answering first order questions to clarify what blogshops are, how they work, and why they thrive in their specific geo-cultural context. In their views, the blogshop is an element of uniquely Singaporean teenage subculture. Based on an observational study of predominantly teenager-owned blogshops in Singapore, they surmised that the blogshop phenomenon is a convergence of localised circumstances, Singaporean youth culture, technological capacity, grassroots business practices, consumer empowerment and non-ethical consumer engagement (p. 52). Trust is seen as a key issue that has prompted various eccentric practices associated with blogshops, such as sprees and meetups. They also offered a tentative typology of blogshops based on their relative stages of development.

Fletcher and Greenhill’s (2009) pioneering work alerted researchers to a niche aspect of e-commerce practice and an otherwise unstudied area. It established significant baseline insights into the nature of the blogshop as a type of e-commerce that can be classified as customer-to-customer, or C2C.

Ng and Matanda (2009) did not provide an explicit definition of blogshops, and actually preferred the term blog retailers rather than blogshops. Like Fletcher and Greenhill (2009), they recognised the blogshop as a new retailing format (Ng & Matanda 2009, p. 5), but instead of examining the elementary nature of this online retailing format, they investigated into issues common in online shopping and retailing. These issues include how blog-based retailers attract and retain customers (Ng & Matanda 2008) and how e-
loyalty is affected by the quality of e-services and online citizenship behaviour as a moderator (Ng & Matanda 2009). Thus, in both these works, the blogshop served as a setting for investigations into these variables, rather than the subject of the study.

Ng and Matanda (2008) utilised a qualitative case study approach featuring semi-structured interviews with nine blogshop owners to study their strategies in enhancing e-loyalty and customer patronage. They identified e-trust, credibility, security, interactivity, Web design and incentives as factors that contribute to e-loyalty and customer patronage. Ng and Matanda’s (2009) survey involving 503 respondents found quantitative data support for order fulfilment and credibility as significant predictors for e-loyalty. They also investigated into the moderating effects of ‘citizenship behaviour’, which was explained as the roles of active consumers who act as partial employees or co-producers in performing e-service delivery. Online citizenship behaviour was found to have partial moderating effects on the relationship between e-loyalty and online order fulfilment and credibility.

Shafie et al. (2011) also attempted to identify trust attributes relevant to blogshops in Malaysia. Based on a sample of 60 active blogshops, they compiled a list of blogshop functionalities which were inferred as indicative of trust attributes. Although the absence of a theoretically anchored research framework and the small sample size placed limitations on the study, addressing trust issues in the blogshop scene seemed appropriate as trust has occupied a central position in e-commerce research.

In their follow up work, Greenhill and Fletcher (2011) investigated the blogshop as a non-conventional, grassroots, and non-hierarchical mechanism created to satisfy the brand consumption desires of the Singaporean teenage owner. Building upon their earlier work, they argued that the organic, user-oriented designs of the blogshop “…represent the interests of the individual blogshop hosts designed by them on their terms and in a style that appeals primarily to them personally” (Greenhill & Fletcher 2011, p. 2).

Greenhill & Fletcher’s (2011) central assertion that the blogshop is a display of consumer empowerment has also been the point of interest in a recent study by Abidin
and Thompson (2012), who sought to investigate the blogshop in terms of cyber-femininities and economic value creation. Drawing insights from eight blogshop participants who acted as blogshop fashion models coupled with analysis of their blogshops and personal blogs, they argued that as female-oriented entities, co-creation of value and profit occurs through persona intimacy, or the cultivation of emotional attachment between customers and the online personas of the models via their blogs (p. 468). They found blogshops to engage in “a cycle of modelling, role-modelling and role-playing” to stimulate customer interest, and that the “processes of value (co-) creation in the blogshops hinges on the persona of models rather than the products they are selling” (p. 470). They noted that the blogshop has to skilfully negotiate between the pursuit of economic profits and the propagation of idealised femininity and self-empowerment (p. 475).

Similarly, de Kervenoael, Hallsworth and Tng (2014) explored the blogshop as a manifestation of consumer empowerment. They argued that blogshops represent “everyday, mundane, yet collectively powerful, non-institutionalised actors” (p. 453) that are able to challenge entrenched corporate retail powers. Based on a survey of 349 blogshop users, they found that the attributes that led to shopping on blogshops compared to other retail formats are linked to close cultural ties (or localness), a search for individualist novelty and excitement. They argued that blogshops are urging an emphasis on people rather than technology and local specificity over standardised shopping experiences (p. 462).

Finally, Yeung and Ang (2015) interviewed 22 blogshop owners to study the rise of Singaporean blogshops, which they found was attributed to a number of factors: low barriers to entry, access to technical platforms, a lax formal regulatory environment, support from informal institutions and the development of a self-regulatory regime. They outlined a general developmental path for blogshops as involving movement from virtual spaces such as blog platforms and multi-brand online shopping ‘malls’ to physical spaces such as flea markets, shelves in multi-brand boutiques and brick stores.

These prior researches on blogshops focused on a number of themes. The first is trust, which was a significant theme in a number of these studies (Abidin & Thompson 2012;
de Kervenoael, Hallsworth & Tng 2014; Fletcher & Greenhill 2009; Ng & Matanda 2008; Shafie et al. 2011). Trust is seen as the main underlying factor driving the distinctive practices and modes of exchange amongst blogshop participants (de Kervenoael, Hallsworth & Tng 2014; Fletcher & Greenhill 2009), and which is an important precursor to e-loyalty and customer patronage in successful blog retailing (Ng & Matanda 2008). The observable attributes or functionalities present in a typical blogshop site have also been associated with the creation of trust (Shafie et al. 2011). The dynamic balancing between persona intimacies versus commercial relationships studied by Abidin and Thompson (2012) also suggests the centrality of trust in the relationships amongst blogshop participants.

A second theme involves the view of the blogshop as a vehicle for self-empowerment (Abidin & Thompson 2012; de Kervenoael, Hallsworth & Tng 2014; Greenhill & Fletcher 2011). Self-empowerment is enacted through the design of the blogshop which is viewed as an adaptation of conventional forms that are reframed for self-representation and self-expression to benefit the user’s particular interests and motivations (Greenhill & Fletcher 2011). In the gendered context, the blogshop acts as an agent for self-empowerment by bringing together feminine ideals and economic value (Abidin & Thompson 2012). The role of the blogshop as a tool for female empowerment is seen in the co-creation of value, which is a third theme (Abidin & Thompson 2012; Fletcher & Greenhill 2009; Ng & Matanda 2009). Customer co-creation is the idea referred to by Ng and Matanda (2009) as customer citizenship behaviour which pertains to the roles played by customers in co-production of value and service delivery. Collaborative co-production among blogshop participants is seen as a form of resistance to prevalent forms of commerce (de Kervenoael, Hallsworth & Tng 2014; Fletcher & Greenhill 2009, p. 42). It is also seen as a process of co-creation of feminine ideals which is the result of persona intimacies, that arise from close engagement between customers and the blogshop models who represent the blogshops (Abidin & Thompson 2012).

Most prior blogshop studies have been empirical, and have approached the blogshop phenomenon from mostly an electronic commerce (Fletcher & Greenhill 2009; Shafie et al. 2011; Yeung & Ang 2015), marketing (Ng & Matanda 2009; Ng & Matanda 2008),
retailing (de Kervenoael, Hallsworth & Tng 2014) or Web design (Greenhill & Fletcher 2011) perspective. Abidin and Thompson’s (2012) use of a feminist lens to highlight the notion of persona intimacy stands out from the other studies. Taken together, these studies suggest that the blogshop promises to be a fertile, diverse and multi-layered research topic. However, the number of systematic enquiries into this phenomenon remained limited, with some utilising under-developed conceptual frameworks.

From a methodological standpoint, most of these studies (Abidin & Thompson 2012; Fletcher & Greenhill 2009; Greenhill & Fletcher 2011; Shafie et al. 2011) have employed forms of qualitative research methodology based on analysis of data found on blogshop sites. Analysis of information that is selectively disclosed to the public, especially narratives of blogshop activities that are mainly concerned with what blogshops do or how blogshops function, helps to construct an emic perspective based on observable content on the blogshop sites. However, this technique alone may not sufficiently help researchers gain insights at a more personal and deeper level, such as why they do what they do. Deeper insights could come from a methodology that utilises direct interaction with key participants, which echoes Fletcher and Greenhill’s (2009, p. 39) own recommendation for a complementary ethnographic inquiry to accompany their study. Yeung and Ang (2015) conducted semi-structured in-depth interviews while Abidin and Thompson (2012) incorporated Grounded Theory techniques, although details were not provided. A quantitative survey of 349 blogshop users was employed by de Kervenoael, Hallsworth and Tng (2014).

Finally, on-going developments in the blogshop-sphere bear significant implications on these studies. First, the claim that the Singaporean blogshop is predominantly a teenage activity (Fletcher & Greenhill 2009, p. 40) is dispelled by a Web search which easily uncovers many blogshop owners from diverse age groups and backgrounds. Even if it had begun as an invention of teenage consumers (a contention that is difficult to uphold given the lack of formal records), the blogshop is clearly more demographically and ethnically diffused now as it has penetrated various socioeconomic strata. Second, blogshops are now widely found in large numbers outside of Singapore, especially in neighbouring Malaysia. Similar entities are also found in other parts of Southeast Asia, particularly Indonesia, the Philippines, and Brunei (albeit operating under different
monikers). These developments raise questions on some of the geographic and cultural assumptions frequently seen when presenting the blogshop form as a uniquely Singaporean phenomenon. For instance, where certain locational peculiarities, such as Singapore’s Mass Rapid Transit (MRT) public transport system used as blogshop delivery and fulfilment systems, are viewed as a pivotal defining element of the Singaporean blogshop (Fletcher & Greenhill 2009, p. 51), it remains to be seen if and how geographic conditions peculiar to other locales may affect the development of the blogshop. Lastly, mass migration of blog-based stores to other social media platforms such as Facebook and Instagram has resulted in the term ‘blogshop’ itself being expanded to include these variants. The impact of the popularity of these platforms, notably Facebook, and its enhanced social networking potential on the blogshop format has yet to be studied in depth. As a result, studies that account for expanded geographic and social contexts where blogshops are found may be necessary.

The above review established the blogshop as a new phenomenon and suggested opportunities for further study. One particular area that had not been fully examined at the time appeared to be the nature of blogshops as business entities. Their non-conventional business functionalities and modes, as described in subsection 1.3.1 of Chapter 1, raise questions about what sort of business entities they are in relation to conventional firms. Similarly, questions on whether blogshops are a novel form of entrepreneurship had not been examined either. In conclusion, the review provided a background to this study and supported its rationale, which was to contribute a theory to explain the phenomenon. It also established paucity of knowledge in the topic, which gave credence to the use of Grounded Theory methodology to study the phenomenon.

2.4 E-Commerce Literature

The e-commerce research domain is broad and diverse. Efforts to profile the literature include works by Ngai and Wat (2002), Urbaczewski et al. (2002), Ngai (2003), Wareham et al. (2005), Lee et al. (2007), Dwivedi et al. (2008), Wang and Chen (2010) and Lee et al. (2011). A review of these works show that e-commerce research is interdisciplinary in nature with much of the publications distributed across a multitude of journals (Ngai & Wat 2002; Urbaczewski, Jessup & Wheeler 2002), including e-
commerce specialty journals, journals devoted to Information Systems, as well as journals in the fields of marketing, business, management, and economics (Lee, Hwang & Kim 2007; Ngai 2003). The diversity of the e-commerce literature can be seen in terms of the discipline areas (Ngai & Wat 2002), subject areas or units of analysis (Lee, Hwang & Kim 2007; Ngai & Wat 2002), the research methodologies employed (Lee, Hwang & Kim 2007; Wareham, Zheng & Straub 2005), the theoretical perspectives (Urbaczewski, Jessup & Wheeler 2002), and the researchers’ academic background or field affiliations (Dwivedi et al. 2008; Lee, Hwang & Kim 2007). Most e-commerce publications appear to be western-centric in that the contributors tended to be located in North America and Europe, with relatively little contribution from researchers located in the Asia-Pacific region and elsewhere (Dwivedi et al. 2008; Wareham, Zheng & Straub 2005). However, a later study by Wang and Chen (2010) showed increased contributions from South Korea, Taiwan and Hong Kong/China.

To keep up with industry practices, e-commerce research has evolved, and has shifted its focus from technology to management orientation (Wang & Chen 2010). Lee et al. (2011) found that research methods and themes have grown more sophisticated and rigorous and that the field has begun to attain maturity. While empirical studies have overtaken conceptual studies, survey research has remained as the dominant research method employed. In recent years, however, other techniques such as laboratory experiments and the use of automated data collecting software agents were found to be increasingly employed. In terms of research areas, certain base themes have remained popular, such as adoption of e-commerce, retailing and user behaviour, while others such as auction, privacy/fraud/piracy, trust, word of mouth and payment systems have emerged as popular research topics in the 2003 to 2009 period. Appendix 1 shows excerpts from these profiling studies.

An earlier meta-review by Ngai and Wat (2002) showed that academic research on e-commerce conducted between 1993 and 1999 can be broadly classified into four types, that is, studies that focused on applications, technology issues, support and implementation, and others. Lee et al. (2011) developed an integrative framework that classified research topics into nine broad categories consisting of technology, consumer, intra-organisation, inter-organisation, e-marketplace, product and service, society,

The e-commerce research frameworks developed in these various profiling works (Alzougool & Kurnia 2008; Doherty & Ellis-Chadwick 2006; Dwivedi et al. 2008; Lee, Hwang & Kim 2007; Lee, Hwang & Lee 2011; Ngai & Wat 2002; Wareham, Zheng & Straub 2005) are broadly similar, and are outlined in Appendix 1. Taken together, these profiles indicate the scope of the e-commerce literature. The popularity of particular themes or topics identified by these profiling works suggests their significance in the e-commerce field. Hence, e-commerce research texts such as those pertaining to e-commerce/innovation adoption, trust/security/privacy and retailing/online shopping which have been found to be prominent in e-commerce research were selected for review as contextual topics for this study. Others such as business-to-business, supply chain and e-banking were deemed to have less likelihood of direct applicability to the study of blogshops, and were thus not covered in the review.

2.4.1 Definitions and Nomenclature

Although definitions of e-commerce seem many, varied and lacking in agreement (Coppel 2000, p. 4; Kaynak, Tatoglu & Kula 2005, p. 625; Ngai & Wat 2002, p. 415; Wigand 1997, p. 5), there is consensus that it describes, to various degrees, the impact of technological applications on business exchange processes. The term e-commerce has been defined both broadly and narrowly. As an example, a popular definition holds that e-commerce is “the process of buying, selling, transferring, or exchanging products, services, or information via computer networks, including the Internet” (Turban et al. 2008, p. 4). E-commerce is associated with a wide range of technologies, including email, intranet, extranet, LAN and wireless area network (WAN) and Voice over Internet Protocol (VOIP). Examples of definitions that focus on the technological basis
of e-commerce include definitions of e-commerce as the use of the Internet or computer networks to buy, sell or support products and services (Gibbs, Kraemer & Dedrick 2003, p. 4; Kalakota & Whinston 1997, p. 3), and a definition of e-commerce as an electronic marketplace or electronic market system that allows participating buyers and sellers to exchange information about prices and product offerings (Bakos 1998). Although the growth of e-commerce is often attributed to the rise of the Internet and the World Wide Web, some scholars have suggested that e-commerce practices have occurred since the 1960s, in the form of Automated Teller Machines (ATMs), point of sales, credit cards and Electronic Data Interchange (EDI) systems which allowed businesses to exchange information and conduct business electronically (Molla & Licker 2001, p. 131; Zwass 1996, p. 3). These definitions acknowledge the impact of technology and electronic networks on business and exchange processes, including financial and non-financial transactions. From a business process perspective, e-commerce may be defined in terms of technological transformations of key business processes, including product development, manufacturing, supply chain management, and customer service (Keating et al. 2000, p. 21). Other definitions of e-commerce include a communication perspective, a service perspective, an online perspective (Kalakota & Whinston 1997), while yet others add a learning perspective, a collaborative perspective and a community perspective (Turban et al. 2008, p. 4).

When e-commerce is defined broadly, it tends to overlap with the term e-business (Fillis, Johansson & Wagner 2004, p. 179; Thoben et al. 2002, pp. 2-3; Turban et al. 2008, p. 4), which often result in confusion. For example, Wigand’s (1997) broad definition of e-commerce as “seamless application of information and communication technology from its point of origin to its endpoint along the entire value chain of business processes conducted electronically and designed to enable the accomplishment of a business goal” appears indistinguishable from IBM’s (see http://www-03.ibm.com/services/ca/en/ams/asp/glossary.html) definition of e-business as “the transformation of key business processes through the use of Internet technologies”. A narrower definition of e-commerce limits it to electronic retailing where transactions and payment occur online. An example is Turban et al.’s (2008) definition which focuses e-commerce on the business transaction activities of marketing, buying and selling of goods and services on the Internet, where transaction is the key aspect. A
narrow definition such as this delineates it from e-business which is broader and refers to the application of technology in all business processes of an organisation such as manufacturing and logistics, as well as the extended connections of the organisation with its suppliers, intermediaries, customers, employees and other business partners (Rodgers, Yen & Chou 2002, p. 184; Zwass 1996, p. 3). In this sense, e-commerce is considered an aspect of, or a subset of e-business (Kim, Kim & Oh 2006; Pavic et al. 2007). Thus, while a broader definition recognises that e-commerce has existed for decades, a narrow definition suggests it to be a relatively new phenomenon (Colecchia, Pattinson & Atrostic 2000). In this thesis, the term e-commerce will essentially refer to technologically facilitated transactions, involving commercial, communication and other exchanges, while e-business will refer to the broader organisational processes and connections within which e-commerce occurs.

E-commerce transactions can be classified according to transactions between businesses, consumers and government organisations (Coppel 2000, p. 4; Turban et al. 2008, p. 8), which provide settings for many e-commerce researches into business-to-consumer (B2C) transactions, business-to-business (B2B) transactions, consumer-to-business (C2B) transactions, consumer-to-consumer (C2C) transactions. These transaction contexts are also referred to as electronic marketplaces, which are generally understood as virtual environments that accommodate commercial exchanges (Bakos 1998; Grieger 2003). B2C types of e-commerce refer to online retailing, or e-tailing where the Web serves as a retail channel for goods and services (Dennis, Fenech & Merrilees 2004), while B2B transactions refer to electronically mediated exchanges between organisations. C2C and C2B transactions indicate consumer-initiated sales to other consumers or businesses, and usually involve sale of personal items and services on classifieds, auctions and online forums.

In fitting the blogshop into these classifications, it was inferred at the outset of the study that blogshops could be considered as a form of e-commerce entity (Abidin & Thompson 2012; Fletcher & Greenhill 2009; Hassan & Ali 2012; Yeung & Ang 2015) that engage in B2C or C2C e-retailing (Shafie et al. 2011; Yeung & Ang 2015), since they interface directly with end consumers. While the blogshop’s small size appeared to
exclude it from significant transactions with the government sectors, their role as suppliers in a B2B or C2B capacity was unknown at the start of the study.

In summary, these definitions provide clues as to the likely position of blogshops within the levels of e-commerce domains discussed above, as shown below.

2.4.2 E-Commerce Business Models

Business models in the context of e-commerce attracted much interest after the dotcom boom of the mid-to-late 1990s, and the subsequent crash in 2000, which led to much enquiry of the subject (Mahajan, Srinivasan & Wind 2002; Razi, Tarn & Siddiqui 2004; Rosenbloom 2002). E-commerce enterprises in that era, known as dotcoms, were criticised for lacking regard of conventional business strategy in the euphoria of the early days of the digital revolution (Hilton 2010; Porter 2001) while post-dotcom e-commerce enterprises were noted to have renewed focus on business modelling and strategy (Fletcher, Bell & McNaughton 2004; Laudon & Traver 2001). As the e-commerce economy resurged in recent years, the concept of business models, especially e-business models, has attracted much study and discussion among scholars, contributing to a diverse and growing literature on the topic.

Much of the literature on business models has centred on definitions, and capturing the meaning of the concept of business models. The concept has not been well defined and has underdeveloped theoretical foundations (Chesbrough & Rosenbloom 2002; Magretta 2002; Morris, Schindehutte & Allen 2005; Teece 2010). The term *business model* has a number of variants, including *Internet business model* (Afuah & Tucci 2001), *e-business mode’* (Pateli & Giaglis 2004), *business model on the Web* (Rappa 2003), *business model in e-commerce* (Mahadevan 2000) and even *business design* and
business strategy (Kalakota & Robinson 1999). The popularity of the term surged at the end of the 1990s when Internet technology was being rapidly incorporated into business, which suggests that the emergence of the business model concept may be linked to the rise of the Web economy (Amit & Zott 2001; Osterwalder, Pigneur & Tucci 2005; Shafer, Smith & Linder 2005). In particular, the term business model itself has been applied in relation to e-business (Shafer, Smith & Linder 2005; Zott, Amit & Massa 2011). Despite the many definitions, there is still a lack of consensus on what a business model actually means (Lambert 2003; Linder & Cantrell 2000; Zott, Amit & Massa 2011). Although the subject has found interest among diverse groups ranging from business practitioners, consultants, researchers and other professionals, the term is likely to mean different things to different people, depending on how it is used within their own contexts and needs (Lambert 2003; Zott, Amit & Massa 2011). A list of the more popular definitions is provided in Appendix 4.

A business model has been popularly used to describe the architecture of an organisation (Dubosson-Torbay, Osterwaldeer & Pigneur 2002; Osterwalder, Pigneur & Tucci 2005; Timmers 1998; Venkatraman & Henderson 1998), a conceptual tool (Osterwalder & Pigneur 2004), a structural template (Amit & Zott 2001), a method (Afuah & Tucci 2001), a representation (Morris, Schindehutte & Allen 2005), the logic of the business (Linder & Cantrell 2000; Magretta 2002; Osterwalder, Pigneur & Tucci 2005; Petrovic, Kittl & Teksten 2010; Shafer, Smith & Linder 2005), and a device that connects technology to economic value creation (Chesbrough & Rosenbloom 2002). There is consensus in the notion of business models as value creation (Gordijn, Akkermans & van Vleit 2000a; Linder & Cantrell 2000; Petrovic, Kittl & Teksten 2010; Shafer, Smith & Linder 2005), or value network relations (Osterwalder, Pigneur & Tucci 2005), although not all definitions include internal operations and resources of the business (Lambert 2003). Value or value creation has received prominent attention as it is thought to be the core of Internet business models (Amit & Zott 2001; Haksever, Chaganti & Cook 2004; Sharma 2002), especially in relation to how the Internet has changed the processes of value creation (Currie 2004; Laudon & Traver 2001; Weiber & Kollmann 1998). Similarly, the role of value networks is significant in linking suppliers, distributors, e-commerce service providers and customers (Tapscott &
Williams 2007), and drives value creation as a collaborative venture between the firm and its business partners (Chesbrough & Rosenbloom 2002).

A pivotal debate in the literature on business models concerns the distinction between business models and strategy. Some researchers (Leem, Suh & Kim 2004; Seddon et al. 2004; Venkatraman & Henderson 1998) tend to think of business models as strategy. For instance, Seddon et al. (2004) described a business model as “…an abstract representation of some aspect of a firm’s strategy; it outlines the essential details one needs to know to understand how a firm can successfully deliver value to its customers” (p. 440), while Venkatraman and Henderson (1998) thought of a business model as a strategy that reflects the architecture of a virtual organisation. However, the idea that business models are really the same as strategy has been challenged. For instance, Margretta (2002) argued that business models do not factor in key strategic considerations, such as competition. Casadesus-Masanell and Ricart (2010) argued that business model is the direct result of strategy but it is not strategy itself, and presented a framework that integrated business models with strategy and tactics as different constructs. Teece (2010) argued that “a business model is more generic than a business strategy” and that strategy analysis is an “essential step in designing a competitively sustainable business model” (p. 180).

In addition, attempts to distinguish between business models and business process modelling (Gordijn, Akkermans & van Vleit 2000a) or enterprise models, contend that both latter terms are concerned with improving efficiency via processes and activities which are different from creating overall value. Furthermore, Osterwalder and Pigneur (2004) argued that business models need to be understood in a holistic manner because the individual components of a business entity, such as revenue models or auction models, do not necessarily amount to business models per se. They view business models as composed of the inter-relation between strategy, organisation and systems, which are subject to external pressures and change (Osterwalder, Pigneur & Tucci 2005). Similarly, a business model has been thought of as an intermediate theoretical layer that lies between business processes and strategy (Al-Debei & Avison 2010; Morris, Schindehutte & Allen 2005; Osterwalder, Pigneur & Tucci 2005).
Research into business models have centred on their attributes, components, functions or pillars (Afuah & Tucci 2001; Chesbrough & Rosenbloom 2002; Hamel 2000; Laudon & Traver 2001; Rayport & Jaworski 2001; Timmers 1998; Weill & Vitale 2001), which became the basis of a framework called Nine Business Model Building Blocks (Osterwalder, Pigneur & Tucci 2005). This was further developed to form a Business Model Canvas that is comprised of key partners, key activities, key resources, value proposition, customer relationships, channels, customer segments, cost structure and revenue streams (Osterwalder & Pigneur 2010).

Other studies into business models have focused on creating classifications, taxonomies, or categories (Bambury 1998; Eisenmann 2002; Kalakota & Robinson 1999; Rappa 2003; Tapscott, Lowi & Ticoll 2000; Timmers 1998; Weill & Vitale 2001) for business models. Examples of such classifications, taxonomies or categories include E-shops, E-malls, Virtual Communities, Marketplaces (Timmers 1998), Broker Model, Advertising model, Infomediary Model, Merchant Model, Manufacturer Model, Community Model (Rappa 2003) and Online Portals, Online Content Providers, Online Retailers, Online Brokers, Online Market Makers (Eisenmann 2002). In these studies, the number and types of criteria used to classify these business models have varied considerably. While systematic multi-variable approaches were used in some cases (Afuah & Tucci 2003; Weill & Vitale 2001), other classifications were not based on any consistent criteria (Bambury 1998; Eisenmann 2002; Laudon & Traver 2001; Rappa 2003).

Osterwalder et al. (2005) suggested that business model definitions can be placed on a continuum, from simple references to the way a company operates (Hawkins 2002) to conceptualisations of how it does its business (Osterwalder & Pigneur 2002). They classified the literature on business models into three hierarchical levels, that is, a Business Model Concept level that includes definitions and meta models that conceptualise business models, a Taxonomy level that tries to categorise types of business models, and an Instance level that addresses real world business models, like the Amazon model or the Xerox model (Chesbrough & Rosenbloom 2002), that are either real, conceptualised, represented or described.
In summary, the review of the literature on business models helps to place the blogshop in relation to existing types of e-commerce entities. For instance, by virtue of their retail functions, one may easily consider the blogshop as a type of e-shop in Timmers’ (1998), a virtual merchant in Rappa’s (2003), and an online retailer in Eisenmann’s (2002) classification schemes. At the same time, given its idiosyncratic practices, questions can be raised about the fundamental business logic of the blogshop concept and the specific components of its business model, such as its key activities, resources, value propositions, target customer segments, external relationships, cost structure and revenue streams. Further questions surround its value creation processes and mechanisms, that is, how the components of its business are configured to create value.

2.4.3 Internet Retailing Models

Blogshops are essentially involved in online selling activities, and are thus representative of a type of e-retailer. E-retailing is also known as e-tailing, Internet retailing, online retailing, e-commerce, electronic markets and even interactive home shopping (Alba et al. 1997). A review of the literature on e-retailing showed that e-retailers have been classified in various ways. Applying cluster analysis, Mottner, Thelen and Karande (2002) used 32 store attributes to classify 152 e-retail sites into three clusters, that is, Intermediary, Product focused and Micro-segment focused e-retailers. Similarly, Spiller and Lohse (1998) applied 35 store attributes on a sample of 137 Internet retail stores to identify five e-retail types: Superstores, Promotional Stores, Plain Sales Catalogues, One-Page Catalogues and Product Listings.

Commonly located within the Business-to-Consumer (B2C) domain discussed previously, e-retailers can be classified in relation to their use of physical (or brick-and-mortar) and virtual (click) spaces. The combination of the online and offline component provides the basis for e-commerce business models (Otto & Chung 2000; Rappa 2003; Steinfield, Adelaar & Lai 2002; Steinfield et al. 2001), and have been referred to as e-commerce strategies or e-retailing strategies (Oinas 2002). Four such operational categories are possible, with three of them representing models that incorporate the Internet (Gulati & Garino 2000; Oinas 2002). These categories are
brick-and-click (or click-and-mortar), Internet pureplay (click-only) and brick-and-mortar (brick-only or mortar-only).

A brick-and-mortar or brick/mortar-only store is a purely physical retail outlet. It does not conduct online sales. A brick-and-click retailer is usually an established retailer which operates an online sales channel to complement its existing physical store. A click-and-mortar retailer is essentially an Internet-based business that operates physical infrastructure to support its main online store. Internet pureplays are virtual retailers in that they operate entirely online. They do not operate physical support locations like distribution warehouses, packing and shipping, and so on as these can be outsourced.

In the early years of e-commerce, scholars held that Internet pureplays would gain substantial competitive advantages from the effects of reduced transaction costs brought about by the Internet (Bakos 1997; Malone, Yates & Benjamin 1987; Wigand 1997). Transaction costs refer to costs incurred in the conduct of economic exchanges between buyers and sellers which include search and information costs, bargaining costs, and policing and enforcement costs. Furthermore, Internet-based firms hold other advantages over their physical world counterparts, such as wider reach and access to markets, automated operations, the ability to attain disintermediation or bypassing traditional intermediaries, enhanced interaction with customers, better depth of information and faster response to markets (Afuah & Tucci 2001; Benjamin & Wigand 1995; Malone, Yates & Benjamin 1987; Wigand 1997). However, by the early 2000s, the initial assumptions about the superiority of a click-only model were criticised in conjunction with mounting recognition of the synergistic benefits of combining physical assets with an online component (Otto & Chung 2000; Steinfeld, Bouwman & Adelaar 2002; Steinfeld et al. 2001; Ward 2001). The benefits derived from physical-virtual integration include cost savings, differentiation through value-added services, improved trust, and the ability to extend the reach of the firm to new geographic and product markets (Steinfeld, Adelaar & Lai 2002).

The combinations of the physical and virtual options essentially provide two perspectives of viewing the impact of the Web on retailing (Wang, Head & Archer 2002). One perspective considers the Web as a complementary tool in that it is just one
of the many tools available for communication and sales (Burke 1997; Peterson, Balasubramanian & Bronnenberg 1997). The other considers the Web as a new marketplace (Mahajan & Wind 1989), which has strategic and implementation implications for the firm, and demands new business designs (Wang, Head & Archer 2002). In this latter view, the Internet opens up opportunities in terms of communication, distribution and service dimensions of a business. Although blogshops are presumably inclined towards virtual or click-oriented platforms, questions can be raised about the role and significance of physical presence for such an entity. The design of the blogshop in relation to the nature and proportion of virtual and physical infrastructures may provide insights into the rationale for employing blogs and other social media as platforms for online retailing.

2.4.4 E-Commerce Adoption

The adoption of e-commerce has been a dominant theme in the e-commerce literature (Wang et al. 2008). In this strand of e-commerce research, researchers have studied the benefits of adopting e-commerce, and the reasons for its adoption and non-adoption in a variety of contexts. These include adoption by various types of firms such as small-medium enterprises (SMEs) and various transactional settings (such as B2B or B2C), as well as adoption by individual consumers, or online shopping. Adoption patterns have been studied in various industrial sectors (such as in the financial, tourism and manufacturing sectors) and in various geographic locales. In particular, researchers have been interested in the factors that drive or inhibit the adoption of e-commerce in the aforementioned contexts, as well as the nature and patterns of e-commerce adoption.

Adoption of electronic communication technology is generally represented by the degrees or levels of utilisation of the click element, or the Web, or information communication technology by retailing firms. Adoption of e-commerce has been characterised as evolutionary and sequential (Boschma & Weltevreden 2008; Daniel, Wilson & Myers 2002). It has been presented as a continuum of Internet retailing strategies comprising of a pre-Internet or pre-website stage, an initial adoption stage where a website is present but does not accommodate online sales, and a more advanced stage where online sales is accommodated on the website (Steinfeld et al. 2001;
Weltevreden, Atzema & Boschma 2005). It has also been presented in the form of stage models that show the adopting firm’s level of Internet marketing capability (Daniel, Wilson & Myers 2002; Rao, Metts & Monge 2003). Costello and Tuchen (1998) suggested that companies would usually first publish information on the Web, then interact with customers and finally transact electronically. To this, Currie (2000) added an integration stage that describes how the firm’s Web operations are linked with supply chains and other back-end processes. Thus, a firm’s utilisation of the Web may range from a simple Web presence in the form of an online brochureware in displaying basic information, to being an interactive transactional site, to one that has full capabilities in executing marketing functions, relationship building and enterprise integration (Rao, Metts & Monge 2003).

In a similar manner, Teo and Pian (2004) proposed that adoption of the Internet by firms tends to occur progressively through five stages:

- **Level 0:** E-mail adoption
- **Level 1:** Web presence, in the form of a website bearing company information
- **Level 2:** Prospecting, in the form of information of products/services, news, updates, interactive and personalised content and e-mail support
- **Level 3:** Business integration, or linking the website to business processes such as sales and marketing
- **Level 4:** Business transformation, or building relationships and new opportunities

Levy and Powell (2003) developed an Internet adoption contingent model which extended the stages models to account for the firm’s actions in deliberating movement from one stage to another. Their model consists of four stages:

- **Stage 1:** Web presence
- **Stage 2:** access information → transact business
- **Stage 3:** further integration of skills, processes and technologies
- **Stage 4:** capability leveraging experience and know-how to maximise value

They asserted that movement from one level of adoption to another is contingent on how the firm perceives the business value of the Internet and the approach to planning business growth. Furthermore, firms can also leapfrog the stages (Bell 1995).
Similarly, Chu et al. (2007) offered a framework of e-commerce evolution as an emergence of e-commerce sites from a pre-Web era featuring closed B2B transactions, to an early open, one-way Web, then an interactive two-way Web that supported e-commerce development and finally an integrative Web that allowed management of entire e-business processes online.

Quelch and Klein (1996) distinguished the adoption of the Internet for e-commerce in established companies (brick and mortar) from start-ups (pureplays). Existing major companies with established physical infrastructure are likely to begin using the Internet as an avenue for disseminating and collecting information and providing customer support and services before accommodating e-commerce. This pattern seems to contrast with Internet start-ups, which are more likely to introduce transaction facilities earlier, before progressing to providing customer support and services and managing information flows.

Considerable research interest on the subject of e-commerce adoption has focused on the context of small medium enterprises (SMEs), as many researchers believe that significant gains can be had from incorporating an array of information communication technology (ICT), including the Internet, into the operations of a small business. As such, the significance of e-commerce for SMEs was deemed an area of interest in this study as blogshops have been identified as small businesses (see Fletcher & Greenhill 2009). The following subsections 2.4.5, 2.4.6 and 2.4.7 cover a review of the literature on e-commerce adoption by SMEs in the context of developing countries, with particular emphasis on Malaysia and Singapore.

2.4.5. Small-Medium Enterprises (SMEs) and E-commerce

An SME can be distinguished in terms of the number of employees, amount of capital invested, amount of assets and sales turnover. SMEs have been discussed in terms of their size, industry sector, age, geographic location, ethnic background, motivation, and so on. Fillis et al. (2004) noted that since many SMEs are microenterprises, most studies involving SMEs would have a high likelihood of inclusion of microenterprises, which are firms that have less than ten employees. MacGregor and Vrazalic (2004)
summarised a number of features unique to SMEs, in comparison with larger firms. First, SMEs have distinct management characteristics such as small, informal and centralised management and administrative processes. Decision-making tend to be an intuitive process, with strong influence exerted by the owner and the family. They have a preference for independence but management skills tend to be poor. Second, SMEs tend to face constraints of resources, such as access to funds and technology, and technical knowledge and specialist skills. Third, SMEs have limited marketing capabilities as they tend to offer narrow product or service range, are more likely to be product oriented and rely on fewer customers. Lastly, SMEs find difficulty in competing with larger rivals, are more susceptible to environmental risks, and are more reluctant to take risks.

The peculiar characteristics of SMEs influence their need and opportunity to engage with e-business (Taylor & Murphy 2004). With less bureaucratic and less formalised structures, they tend to be more adaptable, flexible and responsive to the environment (Gupta & Cawthon 1996; Levy & Powell 1998), which seem to make them suitable for e-commerce (Al-Qirim 2004b; Rao, Metts & Monge 2003). Efforts by firms to adopt the Internet may be viewed as a form of innovation, since the adoption represents something that is new to the adopting organisation (Mehrtens, Cragg & Mills 2001). However, the benefits obtained from e-commerce are highly subjective and have been found to not necessarily match the drivers that had actually persuaded the SMEs to adopt e-commerce in the first place (Daniel & Wilson 2002). The benefits of e-commerce to SMEs can be summarised in terms of its contribution to the firm’s business growth, competitive capabilities, productivity, access to resources and marketing and communication efforts. These benefits are shown in Table 2.1.

In Malaysia, SMEs are a vital part of the economy. More than 97 percent of all business establishments are SMEs, with nearly half of all small firms engaged in the marketing distribution subsector which is comprised of wholesale, retail and repair trades (National SME Development Council 2011, p. 89). Microenterprises, consisting of mostly owner-operators with less than five full-time employees, are estimated to account for nearly 80 percent of all SMEs (p. 92). Micro-enterprises make up 88 percent of women-owned firms (p. 97) and rely on internally-generated funds (p. 98).
Table 2.1  *A Summary of the Benefits of E-commerce to SMEs*

<table>
<thead>
<tr>
<th>Benefits of e-commerce to SMEs</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business growth</strong></td>
<td></td>
</tr>
<tr>
<td>Obtain new business opportunities</td>
<td>Teo and Tan (1998)</td>
</tr>
<tr>
<td>Gain opportunities for expansion, including internationalisation and worldwide presence</td>
<td>Grandon and Pearson (2004)</td>
</tr>
<tr>
<td></td>
<td>Fink and Disterer (2006)</td>
</tr>
<tr>
<td></td>
<td>Poon and Swatman (1995)</td>
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<td></td>
<td>Hamill and Gregory (1997)</td>
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<tr>
<td></td>
<td>Poon and Jevons (1997)</td>
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<tr>
<td></td>
<td>Teo and Tan (1998)</td>
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<tr>
<td></td>
<td>(Price Waterhouse Coopers 1999)</td>
</tr>
<tr>
<td></td>
<td>MacGregor and Vrazalic (2005)</td>
</tr>
<tr>
<td><strong>Competitive capabilities</strong></td>
<td></td>
</tr>
<tr>
<td>Obtain a ‘level playing field’ with larger competitors</td>
<td>Purao and Campbell (1998)</td>
</tr>
<tr>
<td></td>
<td>MacGregor and Vrazalic (2004)</td>
</tr>
<tr>
<td>Gain a competitive advantage</td>
<td>(Price Waterhouse Coopers 1999)</td>
</tr>
<tr>
<td></td>
<td>Maguire, Koh and Magrys (2007)</td>
</tr>
<tr>
<td></td>
<td>Teo (2007)</td>
</tr>
<tr>
<td>Offset disadvantages due to size, resources and geographic location</td>
<td>MacGregor and Vrazalic (2004)</td>
</tr>
<tr>
<td></td>
<td>Wymer and Regan (2005)</td>
</tr>
<tr>
<td><strong>Productivity</strong></td>
<td></td>
</tr>
<tr>
<td>Reduce costs, improving productivity</td>
<td>Riemenschneider and Mykytyn Jr (2000)</td>
</tr>
<tr>
<td>Obtain greater efficiency</td>
<td>Stockdale and Standing (2006)</td>
</tr>
<tr>
<td></td>
<td>MacGregor and Vrazalic (2004)</td>
</tr>
<tr>
<td><strong>Access to resources</strong></td>
<td></td>
</tr>
<tr>
<td>Improve knowledge acquisition</td>
<td>(Raymond, Bergeron &amp; Bilii 2005)</td>
</tr>
<tr>
<td>Gain research and development ideas</td>
<td>Poon and Swatman (1995)</td>
</tr>
<tr>
<td>Link to suppliers</td>
<td>Teo and Tan (1998)</td>
</tr>
<tr>
<td><strong>Marketing and Communications</strong></td>
<td></td>
</tr>
<tr>
<td>Improve information systems</td>
<td>Chong (2008)</td>
</tr>
<tr>
<td>Improve communications with and access to customers</td>
<td>Poon and Swatman (1995)</td>
</tr>
<tr>
<td>Improve customer prospecting and advertising</td>
<td>Price Waterhouse Coopers (1999)</td>
</tr>
<tr>
<td>Improve customer service</td>
<td>Riemenschneider and Mykytyn Jr (2000)</td>
</tr>
<tr>
<td></td>
<td>Poon and Swatman (1995)</td>
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<td></td>
<td>Price Waterhouse Coopers (1999)</td>
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As a whole, nearly three-quarters of SMEs do not use ICT in conducting their businesses, with only 12 percent of them having their own websites (p. 99). In
Singapore, SMEs make up 99 percent of all enterprises in the micro, small and medium enterprise categories, and employ 62 percent of the workforce (Spring Singapore 2008). In both Malaysia and Singapore, more than 80 percent of SMEs are in the service sector and the rest in the manufacturing sectors (Nezakati et al. 2012). Although, the Singapore economy has traditionally been dependent on contributions from large multinational companies, local SMEs remain an important part of the Singaporean economy (Wong & Singh 2004). In both countries, the government has shown much interest in leading initiatives to develop local SMEs. The Malaysian government has enacted a number of supportive initiatives to encourage the adoption of e-commerce among SMEs, such as the extension of low interest loans through the Small and Medium Industries Development Corporation (SMIDEC) to aid SMEs in purchasing ICT equipment and software and spurring their adoption of ICT (Kotelnikov 2007).

2.4.6 Adoption of E-commerce by SMEs

Despite the potential benefits that can be gained from utilising ICT in small business contexts, a number of studies have shown that SMEs have not readily adopted e-commerce (Burke 2005; Fillis, Johansson & Wagner 2004; Kartiwi & MacGregor 2007; MacGregor & Vrazalic 2005; Pavic et al. 2007; Peet, Brindley & Ritchie 2002; Simpson & Docherty 2004; Stockdale & Standing 2006). A factor affecting a firm’s decision to acquire ICT is its size (Dholakia & Kshetri 2004), as smaller firms tend to lag behind larger ones in e-commerce adoption (Burke 2005) due to a number of barriers. As a result, a large portion of the e-commerce literature is devoted to discussions of e-commerce and e-retailing within the context of SMEs (Daniel & Grimshaw 2002; Dwivedi et al. 2008), including examination of the factors that influence adoption by SMEs.

In their review of the literature on e-commerce in SMEs, Mohamad and Ismail (2009) categorised the major themes of prior research on the subject into e-readiness studies which refer to the potential readiness factors that influence SME decisions to embrace e-commerce, e-commerce adoption studies which explore the drivers that motivate or impede the adoption of e-commerce by SMEs, e-commerce diffusion studies which examines extent of assimilation of e-commerce in the firm, and studies on the impact
and consequences of e-commerce on SMEs. In other words, studies in this area have focused on understanding why small firms adopt or do not adopt e-commerce related technologies, whether perceived benefits actually materialise and the extent of usage by SMEs. Identification of factors which may act as drivers or inhibitors to adoption of the Internet, ICT and e-commerce by SMEs is a dominant theme for a large number of studies. Others have focused on assessing the strengths of each factor towards adoption decisions (Grandon & Pearson 2004; Jeon, Han & Lee 2006; Kartiwi & MacGregor 2007).

Chitura et al. (2008) compared two sets of barriers to SME adoption of e-commerce: one reported from the early years of e-commerce (1990-1999) and another set of barriers reported more recently (2000-2008). They found that while most if not all the barriers identified in earlier studies remained persistent over time, new ones had emerged in more recent studies. Other researchers have tried to synthesise the vast literature on SME adoption issues by categorising the various barriers and drivers into discreet factors. Generally, four broad types of factors have been identified in the literature (Bellaaj et al. 2008; Cloete, Courtney & Fintz 2002; Daniel & Grimshaw 2002; Wymer & Regan 2005). These include business environment or marketplace factors, managerial factors, organisational factors, and technological factors. These factors may constitute drivers or motivators of e-commerce adoption by SMEs, as well as barriers to adoption. For instance, finance and/or cost factors have been found to be a driver (Kaynak, Tatoglu & Kula 2005) or a barrier (Al-Qirim 2007), leading researchers to suggest that a particular factor’s role as a driver depends on context (Alzougool & Kurnia 2008). Appendix 2 shows a summary of the main factors affecting the adoption of e-commerce in SMEs.

Despite the barriers encountered by SMEs, researchers have noted that the need to embrace ICT remains overwhelming and that assimilation is required in order to compete (MacGregor & Vrazalic 2005; Payne 2002). As a result, many governments have sought to neutralise some of the barriers, usually through various forms of assistance to improve the readiness of SMEs to participate in e-commerce. In relation to this, the issue of the firm’s e-readiness to embrace e-commerce, which focuses on the pre-adoption stage (Fathian, Akhavan & Hoorali 2008; Molla & Licker 2005b;
Ramayah, Yan & Sulaiman 2005), has gained much attention from many researchers. E-readiness has been defined in terms of preparedness, such as the ability to adopt ICT to benefit from the digital economy (Fathian, Akhavan & Hoorali 2008, p. 578), or the capacity to use ICT to participate in the global digital economy (Bui, Sankaran & Sebastian 2003, p. 5). The adoption factors identified in many studies, as shown in Appendix 2, can be categorised according to e-readiness at the micro (organisational level factors), meso (industrial readiness) and macro (national readiness) levels (Alzougool & Kurnia 2008). However, research on readiness at the industry and national levels have been lacking, especially in regard to SMEs in developing countries.

Other than identifying factors that motivate or impede the adoption of e-commerce, researchers have also been interested in studying the extent of adoption or implementation of technology in SMEs. The extent of Internet technology usage in SMEs is sometimes referred to as **diffusion** of e-commerce. These studies assess the levels of e-commerce intensity in small firms (Beck, Wigand & König 2005; Migiro 2006; Raymond, Bergeron & Blili 2005) by evaluating the use of various e-commerce technologies or applications like e-mail, electronic data interchange (EDI), Web (Al-Qirim 2005; Al-Qirim 2007) and so on. The types of application or technology implemented have been used to indicate the level of sophistication of e-commerce, such as basic or advanced levels of usage (Teo 2007; Thi & Ang Chooi 2006). Other studies have investigated how adoption of e-commerce technologies support communication and transaction functions in the firm (Raymond, Bergeron & Blili 2005) and impact the firm’s competitiveness (Teo 2007; Teo & Pian 2003).

Adoption and implementation of ICT by SMEs for e-commerce purposes have been thought to occur sequentially and in stages, from relatively simple to sophisticated usage. Various models that describe the stages of growth of ICT usage have been offered (Fitzgerald & Alonso Mendo 2005; Thomas et al. 2008). For example, Thomas et al. (2008) showed a framework that describes e-commerce development as consisting of **connectivity**, **customer connections** and **commerce** phases and website development as consisting of **brochureware sites**, **pre e-commerce sites** and **simple e-commerce sites**, while the UK Department of Trade and Industry’s (DTI) **adoption ladder** (Martin & Matlay 2001) models e-commerce adoption as deriving benefits from e-commerce technologies in line with increasing organisational change and sophistication. In the
DTI adoption model, adoption begins with simple e-mail applications stage which improve the firm’s internal and external communications, followed by a website stage that gives the firm a worldwide presence, followed by an e-commerce stage, an e-business integration stage and finally a transformed organisation stage featuring an open information system and a networked business model. Daniel and Wilson (2002) found four distinct clusters of adoption amongst SMEs in the UK, consisting of developers, communicators, web presence and transactors, which form a set of sequential stages of e-commerce adoption. Similarly, Rao, Metts and Monge (2003) proposed a four-stage model that characterise e-commerce development in SMEs as beginning with a simple presence stage that progresses into a portal stage, a transactions integration stage and an enterprises integration stage. Foley and Ram (2002) offered a model based on Costello and Tuchen’s (1998) work, which modelled how the application of ICT in each area of SME functions such as logistics, purchasing, sales, and so on, progresses in sophistication, that is, from publishing to interacting to transforming. An integration phase was later added by Currie (2000) which incorporated full supply chain integration.

These staged approaches to modelling ICT and e-commerce in the firm have been criticised for their assumptions that adoption of e-commerce has prescribed phases that must be completed by all firms to be considered successful (Taylor & Murphy 2004). While these models emphasise the power of technology to transform organisational processes, they do not consider the diversity in SMEs in terms of variations in goals, needs, resources and other circumstances.

2.4.7 Adoption of E-commerce by SMEs in Malaysia and Singapore

Businesses in developing countries such as Malaysia and Singapore face challenges that are markedly different from those in developed countries, where socio-economic, cultural, infrastructural, and legal factors often pose obstacles in terms of access, quality and cost to e-commerce adoption (Fleenor & Raven 2011; Lawrence & Tar 2010; Molla & Licker 2005a). For instance, the lack of adequate legal and regulatory frameworks to allay security concerns, low levels of personal computer ownership, Internet connectivity, online payment facilities, quality of logistic support facilities to support e-
commerce and the relatively high cost of access have been reported as impediments to e-commerce development in developing countries (Lawrence & Tar 2010). Furthermore, most businesses in developing countries tend to be small and resource-constrained, which makes e-commerce investments a risky proposition. As a result, e-commerce adoption by SMEs in developing countries, including in Malaysia, has generally been described as lagging (Alam 2009; Bolongkikit et al. 2006). However, more recent reports have indicated a positive uptake (Hassan & Ali 2012), and newly created SMEs have been found to have a higher involvement in e-commerce compared to older and more established SMEs (Associated Chinese Chambers of Commerce & Industry of Malaysia 2012).

The adoption of e-commerce appears to be the dominant interest in studies of SME involvement in e-commerce in Malaysia and Singapore. These studies have typically examined the response by small firms in these countries to e-commerce and ICT development, by investigating the factors that influence adoption and non-adoption of these technologies. The themes, research methods employed and findings appear rather similar to those in adoption studies in the broader e-commerce literature. For example, they frequently utilised adaptations of the Diffusion of Innovation theory (Rogers 1995) and the Technology Acceptance Model (Davis 1989) which have been widely used in many research on technology adoption by firms in general (Molla & Licker 2005a; Tan, Tyler & Manica 2007).

The factors that affect adoption of e-commerce and ICT by SMEs in these countries appear to be broadly similar to those in other contexts, and can be categorised into organisational, technological, environmental and managerial factors. For Malaysian and Singaporean SMEs, organisational factors, including the SME’s culture, size, resources and business strategy can impact on their readiness in adopting e-commerce (Alam 2009; Bolongkikit et al. 2006; Chong 2008; Kurnia et al. 2009; Mukti 2000; Ramayah, Yan & Sulaiman 2005; Shah Alam, Ali & Mohd. Jani 2011; Shaharudin et al. 2012; Teo 2007; Teo & Pian 2003; Thong 1999; Thong 2001). Decisions to adopt e-commerce or ICT are often evaluated in terms of compatibility with the firm’s values and existing processes (Alam et al. 2008; Hussin & Noor 2005; Shah Alam, Ali & Mohd. Jani 2011; Tan et al. 2009), including its ability to increase efficiency by
streamlining internal business processes and improving productivity (Wong & Singh 2005). Non-adoption of e-commerce can be attributable to the inability of the SME to cope with the high cost of implementation, the lack of funding and the difficulty in justifying the investments in relation to the benefits (Bolongkikit et al. 2006; Tan et al. 2009). A summary of the factors that affect the adoption of e-commerce by SMEs in Malaysia and Singapore is shown in Appendix 3.

A host of perceived benefits or advantages of Internet adoption for SMEs has been identified (Alam 2009; Alam et al. 2008; Hussin & Noor 2005; Kendall et al. 2001; Lau & Voon 2004; Shah Alam, Ali & Mohd. Jani 2011; Shaharudin et al. 2012; Tan et al. 2009; Thong 1999; Wong & Singh 2005). These include increased operational efficiency and improved productivity (Alam 2009; Wong & Singh 2005), reduced transaction costs, improved cash flow (Alam 2009), better communications, collaboration and information sharing (Chong et al. 2009; Tan et al. 2009) and enhanced company image (Hashim 2009). SMEs acknowledge the competitive advantage brought about by employing e-commerce (Alam 2009; Hashim 2009; Teo 2007; Teo & Pian 2003), and its ability to improve market reach, customer services and relationships (Alam 2009; Wong & Singh 2005). In home-based micro-businesses, the Internet has been used for market research, engaging suppliers and new clients, promoting and selling products and services, securing contracts and payment, facilitating delivery of products and services and sharing of testimonials (Sulaiman, Shariff & Ahmad 2009).

Technological factors refer to concerns over technical issues which frequently act as hindrances to adoption of e-commerce and ICT. These include the degree of complexity, or difficulty, in adopting and using technological implements (Alam et al. 2008; Hashim 2007; Hussin & Noor 2005; Lau & Voon 2004; Nezakati et al. 2012; Shaharudin et al. 2012; Tan et al. 2009; Thong 1999). SMEs in these countries appear to be concerned with a lack of knowledge and expertise about e-commerce applications and their implementation (Bolongkikit et al. 2006; Thong 2001), lack of suitable personnel (Mukti 2000), availability of supporting services, vendors and suppliers (Bolongkikit et al. 2006; Kurnia et al. 2009) and perceived security issues such as hacking (Alam et al. 2008; Mukti 2000; Tan et al. 2009). Interestingly, Bolongkikit et
al. (2006) also noted a preference or need among some SMEs for a high degree of human interaction.

SMEs in these countries are also affected by various environmental factors, or external market factors, in making decisions to adopt e-commerce. These include perceived external pressure (Shaharudin et al. 2012) which can come from industry, customers, suppliers, and competitors (Kurnia et al. 2009). Legal factors in the form of government policy and support, industry standards and regulations are can also act as drivers or impediments to e-commerce adoption (Bolongkikit et al. 2006; Lau & Voon 2004; Mukti 2000; Shaharudin et al. 2012).

The characteristics of an SME’s owner or manager can have an impact on the firm’s decisions to adopt e-commerce (Lau & Voon 2004; Shah Alam, Ali & Mohd. Jani 2011; Thong & Yap 1995; Thong 1999). These include prior experiences, educational level and training (Alam 2009; Mansor & Abidin 2010), ICT skills (Hashim 2007), commitment to using ICT (Hussin & Noor 2005; Ramayah, Yan & Sulaiman 2005), personal disposition toward innovation (Hashim 2007; Thong & Yap 1995; Thong 1999) and risk taking (Lau & Voon 2004).

In a comparative study of SMEs in the manufacturing and service sectors in Malaysia, Singapore and Thailand, Nezakati et al. (2012) found that perceived usefulness and technical knowledge related to e-commerce are relatively similar in both the manufacturing and the service industry in these countries. However, they also found that technical knowledge and skill posed the biggest challenges that affect the uptake of e-commerce in these countries. Technical and cost issues also appear to be dominant factors that account for non-adoption of e-commerce by SMEs (Alam et al. 2008; Bolongkikit et al. 2006; Kurnia et al. 2009; Mukti 2000; Tan et al. 2009). In relating the emergence of blogshops to the factors that encourage adoption of e-commerce by SMEs discussed above, consideration should be given to the nature of most of these previous studies. First, many of these studies employed quantitative surveys involving relatively large samples of SME firm owners, managers or IT personnel across a range of sectors. In particular, the manufacturing and industrial sectors seem to have been most popularly represented (Alam et al. 2008; Bolongkikit et al. 2006; Hussin & Noor
Second, most of these studies have not seemed to have taken into account the diverse nature of SMEs in Malaysia and Singapore. SMEs differ in terms of their size, resources, structure and purpose. For instance, a 200-employee SME has considerable access to resources and technical know-how compared to a five-person micro-enterprise which faces more constraints in resource and skills. Although these attributes may explain variations in their dispositions toward employing e-commerce technologies, they do not seem to have been taken into account in most prior studies on e-commerce adoption by SMEs in Malaysia and Singapore. One study that has focused on home-based micro-businesses was Sulaiman et al.’s (2009) which raised questions of the impact of Internet technology on a micro-firm’s structures, processes and strategy. The availability of funds for e-commerce adoption, access to IT or technical know-how and the ability to handle online security and privacy issues as a result of adopting e-commerce applications are issues that could also differ between blogshops, as micro-SMEs and their larger counterparts in these countries. Other major studies, such as the SME census undertaken by the National SME Development Council (2011), excluded firms in the informal sector, that is, those that were not registered either with the Companies Commission of Malaysia (CCM), Registry of Societies and various professional bodies (pp. 87-88).

2.5 Summary

This chapter presents findings from a background literature review conducted at the pre-fieldwork stage of the study. It consists of a review of the available literature on blogshops and an exploratory review of some broad aspects of e-commerce literature which served as background to contextualise this study. At the time this study was commenced, knowledge about the use of social media for e-commerce, such as in blogshops, was sparse. Although blogshops have been identified as a type of e-commerce entity, the topic has not been extensively researched. The logic of adopting
blogs to enact online retail shops in place of proper e-commerce applications, its value propositions and how it operates was not known. Also absent was an empirically based theory of the blogshop phenomenon.

The broader review on the e-commerce literature illuminated several areas of e-commerce research that were likely to have relevance to the study of blogshops. These areas include the nature and form of e-commerce entities, their underlying business models and strategies, and the potential benefits and factors affecting their adoption and utilisation by small businesses in Malaysia and Singapore which are home to the blogshop phenomenon. This exploration of the e-commerce literature has served to enhance my theoretical sensitivity by helping me to familiarise myself with the general context in which blogshops are located, prominent topics, key issues and constructs associated with this area of research.
CHAPTER 3
RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the research methodology, namely Classic Grounded Theory Methodology as espoused by Glaser and Strauss (1967) and Glaser (1978; 1998; 2011), which has been adopted for this study. It begins, in section 3.2, with an outline of the Grounded Theory Methodology, including its main principles and variants, and a discussion of the rationale for its use in this study. Following this, a discussion of the rationale for the use of the specific version of Grounded Theory, namely Classic Grounded Theory Methodology, is presented in section 3.3. Next, the philosophical underpinnings of Grounded Theory are discussed in section 3.4. The last section, 3.5, describes the operationalisation of Classic Grounded Theory Methodology procedures for this study. It covers the area of interest, Theoretical Sampling, data sources, collection and analysis and literature review. Finally, the chapter closes with a note on my personal perspectives in relation to the topic in this study, as well as a note on ethical precautions taken.

3.2 Rationale for using Grounded Theory Methodology

This section gives an overview of Grounded Theory Methodology and its variants, and follows with a rationale for using the methodology for this study.

(i) Grounded Theory Methodology

Grounded Theory is the “discovery of theory from data obtained from social research” (Glaser & Strauss 1967, p.2). It was developed by Barney Glaser and Anselm Strauss in the 1960s and detailed in book, The Discovery of Grounded Theory. Glaser (1992) defined Grounded Theory as a “general methodology of analysis linked with data collection that uses a systematically applied set of methods to generate an inductive theory about a substantive area” (p. 16). Glaser and Strauss (1967) criticised the “overemphasis in current sociology on the verification of theory, and a resultant de-
emphasis on the prior step of discovering what concepts and hypotheses are relevant for the area that one wishes to research”, and presented Grounded Theory to counter the prevalence of hypotheco-deductive approaches to research (pp. 1-2).

The goal of Grounded Theory research is not to verify theory, but to “generate a theory that accounts for a pattern of behaviour which is relevant and problematic for those involved” (Glaser 1978, p. 93). According to Glaser (2002a), the theory generated by a Grounded Theory study is a conceptualisation of emergent social patterns that are abstracts of time, place, and people (p. 3). The conceptualisation of a specific area of enquiry is called a substantive theory (Urquhart, Lehmann & Myers 2010, p. 363), as it is specific to the substantive area of enquiry. A substantive Grounded Theory is composed on an integrated set of related concepts that account for a main concern of participants and the way they continually resolve the concern (Glaser 1998). Unlike other qualitative methodologies, it is not concerned with detailed or accurate description of data (Glaser 2002a; Glaser & Holton 2004). Its credibility is evaluated in terms of fit, relevance, workability and modifiability (Glaser 1978, pp. 4-6; Glaser 1998, pp. 17-18). A Grounded Theory study may also generate a formal theory, which represents a higher level of abstraction and an increase in the range and scope of the theory (Urquhart, Lehmann & Myers 2010, p. 363). The conceptual nature of a Grounded Theory allows concepts generated in one context to be modified to fit other contexts (Glaser 2006). This means that the theory generated in the fashion blogshop context in Malaysia and Singapore has the potential to be transferred to other contexts.

Differences between the founders of Grounded Theory led to development of at least two strands of Grounded Theory Methodology, namely Glaser’s Classic Grounded Theory and Strauss and Corbin’s evolved Grounded Theory. Classic Grounded Theory draws from the principles described in the original Discovery of Grounded Theory text, as well as Glaser’s subsequent works (1978, 1992, 1998 and 2001). Strauss and Corbin’s evolved Grounded Theory draws from Strauss’ own interpretations ( Strauss 1987) as well as his collaborative publications with Corbin (Strauss 1987; Strauss & Corbin 1990, 1994; Strauss & Corbin 1998). A Constructivist Grounded Theory championed by Kathy Charmaz has also emerged, which can be traced to Strauss and
Corbin’s version (Mills, Bonner & Francis 2006). These Grounded Theory variants feature differences in their procedures, outcomes and underlying philosophy. In terms of procedures, Glaser suggested a number of theoretical codes that can be used to integrate the concepts, while insisting that they must be emergent in the data. On the other hand, Strauss and Corbin prescribed specific data analysis techniques and an axial coding process which applies a standard coding paradigm, consisting of context, conditions, action/interactional strategies, intervening conditions and consequence. However, in Glaser’s view, this amounted to a ‘forcing’ the data and results in ‘full conceptual description’ rather than emergence (Glaser 1992, p. 63). In comparing Glaser’s and Strauss and Corbin’s versions, Van Niekerk and Roode (2009) noted that while both techniques are difficult in that they need to researcher to conceptualise the data, Strauss and Corbin’s technique provides more guidance while Glaser’s allows for greater creativity. However, the latter requires patience and aptitudes for conceptualisation. Classic Grounded Theory is also differentiated from Constructive Grounded Theory in terms of a number of procedural variations. Unlike Classic Grounded Theory, Charmaz’s version begins with a literature review in the research area to identify or articulate a study problem, and to formulate research questions. It also utilises three types of coding compared to two in Glaser’s method, and features terminological differences, such as with theoretical coding and theoretical sensitivity. Due to the incongruities between these Grounded Theory variants, researchers have been advised to declare the specific version of Grounded Theory they intend to apply (Tan 2010, p. 108; Van Niekerk & Roode 2009, p. 102). The rationale for the choice of Classic Grounded Theory selected for this study is presented in section 3.3, while its principles and procedures are presented in section 3.5. The next section presents the rationale for the use of Grounded Theory in this study.

(ii) Rationale for Using Grounded Theory Methodology

The selection of a research methodology is dependent on the needs of the research (Sogunro 2002, p. 8). Grounded Theory was adopted for this project as it was deemed to be appropriate given the nature and aim of this study.
First, Grounded Theory is suitable for studies involving new social-technological phenomena (Fernandez 2004a) or a new developing area of interest where long, and established empirically based literature is absent (Goulding 1999b, p.6). At the beginning of this study, the area of interest was new and developing as the blogshop phenomenon had only recently emerged and had attracted relatively little academic attention. As presented in Chapter 2, a search conducted in the e-commerce literature for ‘blogshops’ and the use of role of social media within e-commerce then did not yield substantial results pertaining to the phenomenon. At that time, the nature of the blogshop was indeterminate, whether they constituted real business undertakings or mere leisure. Its relationship with social media and entrepreneurship could not be immediately assumed without systematic study. As a result, it was decided that this was an opportunity for Grounded Theory application as it could provide an established framework and guidelines for the collection and analysis of data from which a substantive theory could be inductively developed. Instead of a verification-oriented study utilising a theoretical framework from an adjacent or an overarching field, a bottom-up Grounded Theory approach would be able to “get through and beyond conjecture and preconception to exactly the underlying process of what is going on” (Glaser 1978, pp. 4-5) to help build an understanding of the blogshop phenomenon. A substantive theory that is generated in this manner can then be integrated with relevant existing theories in a wider context, and verified in subsequent studies. A Grounded Theory gives conceptual generality that allows the concepts of the theory to be modified by contextualisation to fit (Glaser 2006, pp 9-10).

Second, this study sets out to explore, discover, interpret and understand the underlying motivations for the use of blogs and other social media to facilitate e-commerce, rather than to answer specific questions or to test a hypothesis. In particular, it seeks participants’ view of the social context and processes that underlie the blogshop phenomenon. Here, Grounded Theory can help researchers understand complex social processes (Glaser 1978) as well as to create a theory about issues of importance in people’s lives, especially focusing on human interaction (Denscombe 2014). The emphasis on emergence in Grounded Theory allows the key concerns of participants to emerge in the form of conceptual
categories which provide the basis for a substantive theory that has an impact on practice.

Third, Grounded Theory is a well-established, widely recognised, credible and rigorous methodology (Glaser 2001) which has been widely used in many areas of research. In particular, Grounded Theory has been increasingly used in studies of information systems and software (Baskerville & Pries-Heje 1999; Orlikowski 1993; Toraskar 1991; Trauth & Jessup 2000; Urquhart 1997, 2001). In business research, Grounded Theory has been applied to management and marketing areas of inquiry (Douglas 2003; Fernandez 2004b; Goulding 1999a; Locke 2001; Lowe 1998; Ng & Hase 2008) as well as entrepreneurship (Dyer Jr & Handler 1994; Lowe 1995; Macri, Tagliaventi & Bertolotti 2002; Segal, Borgia & Schoenfeld 2005). In entrepreneurship enquiry, Douglas (Douglas 2004) argued that Grounded Theory provides a “…practical inductive research approach to revealing the complex characteristics of entrepreneurship and associated business and management linkages” (p. 1), and called for its increased use to study “…in-depth micro-level concerns such as complexity, contextuality, opaqueness, interdependencies, time-frames and other unique variables” (p. 15).

Fourth, in aiming to build theoretical understanding of the blogshop phenomenon, the chosen methodology would need to be qualitatively-inclined, allow for open ended enquiry and emphasised social meanings based on the views and experiences of individuals and groups. Qualitative methodologies that were considered alongside Grounded Theory included phenomenology, ethnography and case study research methodology. Phenomenology aims to derive deep understanding of a lived experience of a phenomenon by providing rich descriptions and close analysis (Starks & Trinidad 2007). It would enable insights into how individuals make sense of or give meaning to their participation in the blogshop phenomenon. An ethnographic study, on the other hand, is based on social and cultural anthropology, and requires the researcher to be immersed into the social and cultural context of the phenomenon under study (Myers 2010, p. 93). In addition to conducting fieldwork among blogshop participants for an extended amount of time, an ethnographic approach could have involved netnography, or being embedded into blogshop
communities in the online environment (Kozinets 1997, 1998) in order to enable in-depth understanding. A case study research approach would focus on capturing the complexity of a single or multiple cases, which may be studied for its intrinsic interest or with a view to generalise the findings. These alternative qualitative approaches are overlapped in certain aspects. For example, they involve data collection from participants in the setting where the phenomenon occurs. However, the critical difference appears to lie in the product of these methodologies. A phenomenological study would produce an in-depth reflective description of the experience rather than a substantive theory (Morse & Richards 2002, p. 36). Similarly, ethnographic research tends to produce detailed descriptions and rich insights of people and their culture. A case study research approach in this study could have generated exploratory, descriptive or explanatory outcomes, where the latter relates to theory building (Yin 1984). However, my interest was not to produce exhaustive descriptions, nor to focus on just one or a handful of cases. I aspired to explore new ideas and concepts, and to generate a theory to explain the blogshop phenomenon. Based on this, Grounded Theory was deemed suitable for this study as it is a methodology designed to build theory grounded in data. It is also sufficiently flexible to allow data to be collected from a variety of sources.

Finally, my choice of Grounded Theory was also a matter of personal interest. I was mindful of the risks and difficulties it could pose to a novice researcher (Backman & Kyngäs 1999; Tan 2010) such as myself, but I was also aware of its benefits in relation to my own professional development. Goulding (1999b) had warned that due to its nature, the methodology is often time consuming, frustrating and confusing (p. 19). At the same time, these challenges could also be an opportunity for me to learn specific research skills associated with the process, in particular the ability to conceptualise. As a general methodology (Glaser 1992, p. 16), Grounded Theory is able to stand on its own (Glaser 2003b), use all kinds of data (Holton 2007, p. 268) and represents a systematic package of procedures to enable conceptualisation (Glaser 1998, pp.12-20). In my opinion, these principles provide a balance of structure, discipline and freedom to allow both rigour and creativity in the study. In addition, the prospect of discovering a substantive theory that I could
continue to develop further after my doctoral studies was over was especially appealing.

The rationale for the use of Classic Grounded Theory in this study is discussed next.

3.3 Rationale for selecting Classic Grounded Theory Methodology

In deciding the specific Grounded Theory Methodology to employ for this study, I determined that the chosen option should fit the needs of the research and the researcher (Evans 2013, p. 48; Walker & Myrick 2006, p. 558). Classic Grounded Theory Methodology was selected for this study for two reasons. First, I wanted to ensure that the chosen version of the methodology would be most suitable for conceptualisation. Since my aim was to conceptualise the blogshop phenomenon, I deemed that Classic Grounded Theory was suitable because of its capacity to achieve conceptualisation of emergent social patterns that are abstracts of time, place, and people (Glaser 2002a, p. 3). I was also attracted by the promise of context-free generalisation based on a core concern rather than an emphasis on descriptive details (Glaser 1978, p. 93) afforded by other versions. In particular, I was aware of Glaser’s critique of Strauss and Corbin’s approach as being burdened by a need to achieve ‘voluminous’ (Glaser 1978, p. 93) and ‘accurate’ descriptions (Glaser 2002a, p. 26). In addition, Classic Grounded Theory is said to create an explanatory theory while Constructivist Grounded Theory results in a descriptive theory (Hernandez & Andrews 2012, p. 62).

Second, I valued the promise of creativity afforded by Classic Grounded Theory over the highly prescriptive nature of Strauss and Corbin’s version (Van Niekerk & Roode 2009), which has been criticised for its tendency to cause a ‘forcing’ of the data rather than allowing for ‘emergence’ to occur (Glaser 1992, p. 63). I also took heed of Heath and Cowley’s suggestion that “…novice researchers need to select the method that best suits their cognitive style and develop analytic skills through doing research” (2004, p.141). As a novice, I felt that the emphasis on researcher openness, inductive-deductive thinking and abstract conceptualisation provided me the kind of opportunities I wished to develop as a researcher.
Therefore, this study adopts Classic Grounded Theory Methodology outlined by Glaser and Strauss (1967) and Glaser (1978; 1998; 2011). Classic Grounded Theory is “a form of latent structure analysis, which reveals the fundamental pattern in a substantive area or a formal area” (Glaser 2001, p. 10). It emphasises emergence of a theory, in the form of abstract patterns or categories and their properties, through conceptualisation of data. A Classic Grounded Theory is not based on formulated research questions or a preconceived hypothesis based on an initial literature review, but allows the research concern to emerge from the study. The methodology prescribes a few safeguards to ensure this principle of emergence. One of these calls for the researcher to avoid reading the literature in the early stage of the research to prevent developing preconceived ideas that may block the conceptualisation process. At the same time, the researcher is encouraged to develop theoretical sensitivity, which is the ability to make theoretical insights in the area of study (Glaser & Strauss 1967, p. 46). Theoretical sensitivity involves sharpening one’s awareness of and ability to detect patterns and concepts in the data. In the context of Classic Grounded Theory, the notion of emergence should not be equated with the idea of a theory simply appearing from the data. The methodology prescribes a set of rigorous procedures that enable theoretical emergence through simultaneous and iterative data collection and analysis. These procedures consist of Theoretical Sampling, coding, Constant Comparison and Theoretical Memoing (1998), which represent the central principles of the methodology and are elaborated in section 3.5. In this thesis then, usage of words such as ‘development’ should not be deemed as incompatible with emergence, but indicates the application of the Classic Grounded Theory analytic procedures to enable emergence of conceptual patterns.

3.4 Philosophical Underpinnings of Grounded Theory

In deciding on the specific Grounded Theory Methodology for this study, I was also aware of the need to address issues related to the philosophical underpinnings of Grounded Theory Methodology. According to Crotty (1998), the researcher should articulate a philosophical position, consisting of the ontological, epistemological, and methodological assumptions that underlie a research study. Since the choice of a research methodology is linked to the researcher’s philosophical position or basic belief
A paradigm consists of an ontology, an epistemology and a methodology (Guba & Lincoln 1994, p.108), and serves as a conceptual framework for the researcher to view in a certain way the world in which the research study takes place. Ontology refers assumptions about the form and nature of reality, that is, “how things really are” and how “things really work (Guba & Lincoln 1994, p. 108). It is the study of being, and is concerned with ‘what is’, the nature of existence, and the structure of reality (Crotty 1998 p.10). Epistemology is the theory of knowledge, that is, how we can know that which exists. It refers to the “nature of the relationship between the knower or would-be knower and what can be known” (Guba & Lincoln 1994, p. 108). According to Crotty, epistemology is embedded in the theoretical perspective, or philosophical stance, which informs the methodology and methods of the research (Crotty 1998 p. 3). An Interpretivist-constructionist perspective contrasts with a positivist perspective underpinned by an objectivist epistemology. Positivism asserts naïve realism, which assumes that reality is objective, apprehensible and exists independent of the observer (Guba & Lincoln 1994, p. 109). Positivism implies that the researcher is neutral and unbiased, and can be detached from the subject under study. Social processes can be measured and established as facts and universal laws. Research associated with this perspective features quantitative methodologies such as experiments and observations. An evolved form of positivism, post-positivism, questions if reality can be fully apprehended. In this perspective, reality is objective, but knowledge about it can never be perfect. Interpretivism, on the other hand, assumes that reality is relative, subjective and socially constructed. It assumes an absence of objective truth to be discovered, but the possibility of multiple interpretations of reality (Lincoln & Guba 1985, p. 37). It is also closely associated with a constructionist epistemology which holds that knowledge is established through the “…complex world of lived experience from the point of view of those who live it” (Schwandt 1994, p. 118). Human subjects are not assumed to be
fully rational beings but creators who try to make sense of their world (Sarantakos 1998, p. 40). Constructionist epistemology emphasises the inseparability of the researcher and research subjects (Lincoln & Guba 1985, p. 37) so that knowledge is a social co-construction through language, consciousness, shared meanings, documents, tools, and other artefacts (Klein & Myers 1999, p.69). In Crotty’s view of constructionism, meanings cannot be simply described as ‘objective’ or ‘subjective’, but are socially constructed through interaction with the world (Crotty 1998, p. 43). In other words, social objects derive meanings from human actors based on various social situations and contexts. Unlike positivist research which attempts to verify and predict objective truths, constructionist research often utilise qualitative methodologies and focuses on understanding and interpretation.

The original Grounded Theory has often been classified as necessarily positivist or post-positivist (Charmaz 2000; Hallberg 2006; Lincoln & Guba 2005; Strauss & Corbin 1990). Although the founders of Grounded Theory, Barney Glaser and Anselm Strauss did not explicitly identify the epistemological underpinnings in their seminal 1967 work The Discovery of Grounded Theory, objectivist vocabulary such ‘discovery’ and ‘verification’ seemed to feature prominently in their work. Mills et al. (2006; 2007) described successive versions of Grounded Theory, in particular Strauss and Corbin’s version, Basics of Qualitative Research: Grounded Theory Procedures and Techniques published in 1990 and Charmaz’s Constructing Grounded Theory: A Practical Guide Through Qualitative Analysis published in 2006, as a ‘methodological spiral’ toward constructivism. In casting Glaser and Strauss’ original Grounded Theory as necessarily objectivist, Charmaz and Bryant argued that the notion of a neutral observer is untenable given the extensive critiques against positivism, and supported a revitalisation of the methodology through social constructionism (Bryant 2002; Charmaz 2000; Charmaz 2003; Charmaz 2006). In particular, Charmaz’s Constructivist Grounded Theory emphasised co-construction of data and the researcher’s interpretative understanding of participants’ stories and experiences in the Grounded Theory process (Charmaz 2000, 2006; Charmaz 2008).

In response, Glaser has described Constructivist Grounded Theory as a ‘misnomer’, and dismissed the need to reformulate his original methodology as it is able to accommodate
all kinds of data, including constructivist data (Glaser 2002b, p. 28). Based on the principle ‘all is data’, Grounded Theory could be used with any epistemology and “…is a general method that can be used on all data in whatever combination” (Glaser 1998, p. 42). In fact, he declared that the question of philosophical foundations is not applicable or relevant to his original formulation (Glaser 2003b), and that defining an epistemological foundation would compromise emergence which is a core idea of the methodology. This assertion suggests that Grounded Theory in its original form is paradigmatically neutral, and has been supported by Urquhart (2002, p.47) and Holton (2007, p. 268) who contended that it can accommodate a range of ontological and epistemological perspectives. Furthermore, Holton (2007, p. 268) even suggested that Classic Grounded Theory transcends the need to declare a philosophical position in qualitative research, and that “…it can adopt any epistemological perspective appropriate to the data and the ontological stance of the researcher” (p. 269). In fact, Grounded Theory methodology has been used in a variety of positivist, interpretivist and critical realist studies (Urquhart, Lehmann & Myers 2010, p.361), and has expressions in interpretivist (Orlikowski 1993), constructivist (Charmaz 2000; Urquhart 2001), critical realist (Annells 1996) and pragmatist (Locke 2001) paradigms.

Based on these, I determined that in adopting a Classic Grounded Theory Methodology for this study, a need to declare a staunch philosophical position was secondary to striving for a degree of objectivity. An effort to being objective was not to discover absolute truths in the data, but to give primacy to participants’ main concerns and to stay open to emergent concepts. At the same time, I acknowledged that the nature of the enquiry was likely to involve multiple views, socially constructed meanings and subjective perspectives. In this, I took assurance that Classic Grounded Theory Methodology is able to accommodate all kinds of data and allows the researcher to treat all data as it is (Glaser 2007). As Holton argued, “…whether data are viewed as interpretative or objectivist is immaterial in Classic Grounded Theory Methodology, as it is not the descriptive detail that concerns the grounded theorist but the abstract concepts that lie within the data” (2008, p. 77). As such, I believe that Classic Grounded Theory Methodology allows multiple perspectives of participants in a substantive area to be conceptualised. I acknowledge that the product of the study is not a claim of absolute truths, nor a reproduction of a social reality, but an explanatory
theory that is relevant and useful to practitioners. Here, the trustworthiness of the theory is not determined by descriptive accuracy (Glaser & Holton 2004; Holton 2008) but must stand to judgment on its fit, workability, relevance and modifiability (Glaser 1978, pp. 4-6; and 1998, pp. 17-18), which is further discussed in section 3.6.

3.5 Applying Grounded Theory Methodology

This section outlines the key principles in Classic Grounded Theory Methodology and describes how they were operationalised for this study. Figure 3.1 shows the research process framework used in this study. The following subsections discuss the implementation of the various procedures of the methodology.

<table>
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Figure 3.1 Grounded Theory Methodology research process framework.
3.5.1 Research Area of Interest

As outlined in section 1.4.2 of Chapter 1, the aim of this study was to produce a substantive theory that explains the observed behaviour of blogshop participants in repurposing blogs to construct platforms for e-commerce. Unlike deductive research approaches to verify pre-formulated hypotheses, Classic Grounded Theory methodology does not begin with a specific and predefined research problem (Glaser 1978). Instead, the research problem is allowed to emerge as the researcher investigates the main area, so that it represents the concerns of the participants under study (Glaser 1998, pp. 115-118). To accomplish this, the research questions for this study were framed to allow for openness, flexibility and exploration, with a view to understand what is going on in the substantive area. Following Glaser’s (1998) recommendation that research questions should revolve around the main concern and how that concern is continually resolved (p. 115), the broad research questions used to guide this study were: *What is the main concern of blogshop participants in re-purposing blogs and other social media tools to conduct e-commerce? How do blogshop participants resolve these concerns?*

The term ‘main concern’ is used here to broadly refer to a matter of great interest or importance, or something which poses worry or problems to participants. It can take many forms, such as actions, motivations, goals, values, beliefs, principles, opinions, feelings, modes of interactions, challenges, outcomes and other issues that relate to or are relevant to participants such that constant attention is needed to addressing or resolving them. Although participants were likely to have a number of concerns, this study focused on *one* main concern that is most able to account for most of their actions, and the latent pattern underlying their behaviour in resolving the main concern.

The analytical process uncovered a main concern among participants, conceptualised as a core concept or core category, which was able to account for most of their behaviours, and which inter-relates with other categories to form the substantive theory of Consumer Entrepreneurship.

Following the definition of blogshops as “virtual storefronts that are hosted on blogging platforms” (Fletcher & Greenhill 2009, p. 43), the area of interest was
identified as online shops constructed from blogs that engage in e-commerce. Specifically, the focus was on blogshops devoted to fashion, which appeared to constitute the bulk of the blogshop phenomenon. Geographically, the research area of interest focused on blogshops in the Southeast Asian region, especially in Malaysia and Singapore where blogshops seemed to be mostly concentrated.

3.5.2 Theoretical Sampling

Theoretical sampling is the “… process of data collection for generating theory whereby the analyst jointly collects, codes, and analyses his data and decides what data to collect next and where to find them, in order to develop his theory as it emerges” (Glaser & Strauss 1967, p. 45). This principle requires that the emerging theory dictates the sampling and data collection process, with the aim of generating hypothesis with “…evidence enough only to establish a suggestion” (Glaser & Strauss 1967, p. 40). Unlike pre-planned samples in quantitative research, theoretical sampling requires the researcher not to know in advance what to sample for and where it will lead (Glaser 1992), but to go “…to the most obvious places and the most likely informants in search of information” (Goulding 2001, p. 25). The sampling process was allowed to develop during the research process itself, that is, analysis of an initial case would lead to examination of further cases and sources of data pertinent to the forming theory. The process was iterative and ended only when saturation was achieved, as explained below.

In applying Theoretical Sampling, data sources were sought on the basis of their ability to facilitate the development of concepts for theory building. Following initial data collection and analysis, subsequent decisions on data sources and contexts were determined by what was learned in the previous analysis. New data sources that could contribute more data for comparisons with previous data sets and had potential relevance to the emergent theory were sought. For example, earlier interviews with working professionals who owned blogshops as a part-time activity led to interviews with other groups with varying commitments to their blogshops, such as students, teenagers and full-time boutique owners, to enable comparisons. In some instances, previous sources of data were revisited after a period of time to examine developments
in an emerging concept. For instance, blogshop owners who had been interviewed earlier were consulted a second time to examine the phases of progression of their ventures, or how they had resolved a particular concern over time.

The number of participants was not pre-determined, but was guided by the need to reach Theoretical Saturation, a point where new sets of data yielded no new concepts or properties. A mix of convenience and snowball sampling methods were used to recruit participants for this study. A convenience sampling approach was utilised at the beginning of the study when an opportunity for data collection presented itself in the form of a major blogshop event called Malaysian Online Fashion Entrepreneurs Weekend (MOFEW) in Kuala Lumpur, Malaysia. As it was the largest gathering of blogshop owners in the country, the presence of many blogshop owners in one place gave opportunities for quick data collection. Other than this, data was collected in an opportunistic manner, in casual conversations and chats with individuals who willingly shared information relevant to the study.

In other instances, a snowball sampling approach that utilised the recommendations of friends and family contacts proved useful. Some blogshop owners seemed protective over certain aspects of their activities, such as supply sources, and were reluctant to talk to persons whom they did not know. In this regard, personal recommendations from interviewees about other blogshop participants known to them were helpful in obtaining access and enabling a level of trust for information sharing.

**Theoretical Saturation**

In Grounded Theory, sampling to develop a category is stopped when theoretical saturation is reached for that category (Glaser & Strauss 1967, p. 61). Theoretical saturation occurs when no new categories or properties emerge from the gathering and analysis of further data and theoretical sampling is ceased (Glaser 1992, p.101).

In this study, theoretical saturation was noted to have occurred after the 32nd interview (out of 36 interviews). Data from the last few interviews confirmed recurring patterns but added no new categories or properties. Even as I was mindful
of the possibility of premature closure of the data collection process, I also considered that theoretical saturation is a matter of subjective judgment and that complete saturation could never be fully ascertained given the dynamic nature of the blogshop. To ensure that the investigation was not closed too early, I continued to make casual enquiries whenever an opportunity arose, even after I believed that saturation had already occurred and after data collection was officially ceased. In addition, the sample size of 47 participants in this study (see section 3.5.3) falls within the sample size of 30-60 participants recommended by Morse (1994), and exceeds the sample size of 20-30 participants recommended by Creswell (1998) for a Grounded Theory study. Thus these precautions provide a measure of assurance that the categories were as fully and as richly developed as possible.

3.5.3 Data Sources

The dictum that ‘all is data’ (Glaser 1998, p. 8) considers data as anything that can help the researcher generate concepts for the emerging theory. The diversity of data that can be employed in a Grounded Theory study includes “the briefest of comment to the lengthiest interview, written words in magazines, books and newspapers, documents, observations, biases of self and others, spurious variables, or whatever else may come to the researcher's way in his substantive area of research…” (Glaser 1998, p.8), with “…no limits to the techniques of data collection, the way they are used or the types of data acquired” (Glaser & Strauss 1967, p.65). Different kinds of data and data sources give different views, or slices of data (Glaser & Strauss 1967, p.66) from which to understand a category and to build its properties. They allow correction of biases via comparative analysis, and provide diversity in modes of knowing as more aspects of the substantive area are factored into the categories. Thus, this study aimed at an open and flexible approach by obtaining data from diverse sources to enable multi-faceted investigation into blogshops.

Although I formally entered the field in 2010 by interviewing blogshop owners, I had in fact been casually following blogshops out of personal interest and curiosity since 2008. This background knowledge helped identify potential sources for data collection at the start of the fieldwork. Data was sought from online sources, such as blogshop sites, as
well as real world sources such as blogshop-oriented events. Diverse data sources helped to overcome certain constraints such as access to informants and the difficulty of collecting in-person data over distances. Based on this, three general categories of data sources were identified for data collection, namely blogshop participants, blogshop sites and related online resources, and news articles, press releases and publicity material.

**(i) Blogshop participants**

Blogshop participants, consisting mainly of blogshop owners and customers were the primary sources of data in this study. Blogshop participants also included peripheral actors that are a part of the blogshop phenomenon, such as overseas suppliers and e-commerce practitioners. Most blogshop owners were identified and contacted for interview through the information published in their blogshop sites. Others were referrals and recommendations from friends, family and interviewees. Personal recommendations proved to be important in this cultural context as they reinforce the trust and familiarity needed for the interviewees to feel comfortable and to share about themselves. Blogshop owners were picked as the initial group of participants for the opening round of interviews. From there on, Theoretical Sampling led to other groups of blogshop participants to acquire additional data for analysis, including customers of blogshops, owners of fashion boutiques, and representatives from the industry.

A total of 36 interviews were conducted, involving 47 persons in West Malaysia, East Malaysia, Singapore and Bangkok, Thailand. Participants represented the diverse races and ethnicities in the region, including Chinese, Malays, Bidayuhs, Indian and mixed races. To protect the identity of the participants, the identifier ‘P’ was assigned to denote a participant unit in this study, which may be an individual or a group of individuals involved in the data collection. For example, participant unit P1 was an individual blogshop owner, participant unit P10 consisted of two individuals who were co-owners of a blogshop, participant unit P36 consisted of four persons who frequently shopped together as blogshop customers, while participant unit P16 consisted of a set of notes taken from observations and conversations with various fashion retailers and suppliers in Bangkok. A profile of blogshop participants is shown in Table 3.1.
It should be noted that blogshop participants were often found to play multiple roles. For example, a given blogshop owner is frequently a blogshop customer or an online fashion shopper at the same time, or may simultaneously act as a supplier to other blogshops in addition to selling to end consumers. Additionally, some participants’ status changed over the course of the study. For example, at the time of the interview, P18 was an unemployed person, as indicated in Table 3.1, who managed a blogshop while looking for employment. Over the course of the study, she found full-time employment but later decided to become self-employed.

Table 3.1 Profile of Interview Participants

<table>
<thead>
<tr>
<th>Participant profile</th>
<th>Participant units</th>
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<tbody>
<tr>
<td>Blogshop owners</td>
<td></td>
</tr>
<tr>
<td>High school students</td>
<td>P24, P25, P26</td>
</tr>
<tr>
<td>College students</td>
<td>P3, P17, P19, P27</td>
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<tr>
<td>Employed</td>
<td>P1, P6, P7, P9, P10, P20, P21, P34</td>
</tr>
<tr>
<td>Unemployed</td>
<td>P18, P23, P30</td>
</tr>
<tr>
<td>Self-employed</td>
<td>P2, P4, P5, P13, P14, P15, P28</td>
</tr>
<tr>
<td>Non-blogshop owners</td>
<td></td>
</tr>
<tr>
<td>Customers</td>
<td>P35, P36, P37</td>
</tr>
<tr>
<td>Overseas retailer/ supplier</td>
<td>P16</td>
</tr>
<tr>
<td>E-commerce practitioners</td>
<td>P11, P12</td>
</tr>
<tr>
<td>Non-fashion hobby participants</td>
<td>P29, P31, P32, P33</td>
</tr>
</tbody>
</table>

(ii) Blogshop sites and other related online blogshop resources

In addition, various slices of data were sampled through observations and analysis of blogshops and other websites that provide support services to blogshops and their customers. Blogshop websites provide rich, constantly updated and enduring records of user behavior and activities. The blog format offers an open and natural setting where social and commercial interactions are visible, and where the practices and behaviour of
users can be studied. Thus, blogshop websites were treated as data and were analysed for themes and patterns relating to the main concerns of their owners, customers and other stakeholders. For example, the peculiar terms and conditions published on blogshop sites are a prominent feature of teen-owned blogshops in Singapore, and help to illuminate the norms and practices of this group. Although blogshops originated as e-commerce platforms hosted on blogs (Fletcher & Greenhill 2009, p.40), other forms of social media emerged as popular platforms during the course of the study, especially social networking sites such as Facebook, Instagram, Twitter and other online community settings. Therefore, other social media sites, in particular Facebook, were included as data sources. Additionally, data was also sought from a host of participant-created sites that provide various support and resources for the blogshop community. These included blogshop directories, blogshop review sites, blogshop support services like modelling and photography and other blogshop-related services. Table 3.2 shows a summary of the various blogshop sites and other related online blogshop resources, indicated by the identifier ‘BSA’, that were used as sources of data.

Table 3.2 A Summary of Blogshop Sites and Other Related Online Blogshop Resources

<table>
<thead>
<tr>
<th>Blogshop sites and other related resources</th>
<th>Participant units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blogshops</td>
<td>BSA1, BSA2, BSA3, BSA4, BSA5, BSA6, BSA7, BSA8, BSA9, BSA29, BSA30, BSA32, BSA33, BSA34, BSA35, BSA36, BSA37, BSA39</td>
</tr>
<tr>
<td>Blogshop directories, reviews, regulatory sites and other blogshop services (including photography, modelling advertising, consignment retail spaces)</td>
<td>BSA10, BSA11, BSA12, BSA13, BSA14, BSA15, BSA17, BSA18, BSA19, BSA20, BSA22, BSA23, BSA24, BSA25, BSA26, BSA27, BSA28, BSA31, BSA38, BSA40, BSA41</td>
</tr>
<tr>
<td>Online fashion communities and online marketplaces</td>
<td>BSA16, BSA42, BSA43, BSA44</td>
</tr>
</tbody>
</table>

It should be noted that Table 3.2 shows a rough classification as a number of the sites listed served multiple functions. For example, a particular site may incorporate a blogshop to sell items, a review, a directory and a modelling service.
(iii) News and other online articles

A Google Alerts subscription service was used to receive daily updates of news and other online articles pertaining to blogshops from various online sources. It helped to monitor the blogshop phenomenon and to keep up with important developments in the field throughout the course of the project. Relevant data from these online sources complemented information from interviews and observations, and were analysed as data slices. In this study, the identifier ‘NAA’ was used to denote data slices taken from various news and online articles about blogshops, and included NAA1, NAA2, NAA3, NAA4, NAA5, NAA6, NAA7, NAA8, NAA9 and NAA10.

Data obtained from the above sources was compiled into three sets of data files consisting of interview field notes (identified as P), blogshop site analysis files (identified as BSA) and news and other online articles analysis files (identified as NAA). These actual data files are separately attached in the CD (see Appendix 5).

These various sources offer different presentations of the data, and enable multiple views of behaviours and practices of blogshop participants. While interviews emphasise participants’ accounts based on their views, direct observations of these sites allow the researcher’s analysis of participants’ behaviours and practice as they occur. Comparisons of data sampled from multiple sources also enabled triangulation, to yield richer insights and understanding of blogshops.

3.5.4 Data collection

The first wave of data collection occurred between July and December 2010 with a set of 18 interviews. Another set of 18 interviews occurred between March and December 2011, giving a total of 36 interviews.

Ten of the first sets of interview data were obtained via a visit in August 2010 to a major blogshop event called Malaysians Online Fashion Entrepreneurs Weekend (MOFEW) held in Kuala Lumpur, Malaysia. The presence of many blogshop owners in one location gave opportunities for quick collection of data. At this stage, concepts
emerged rather quickly as the initial analysis directed further sampling at a fast pace. For instance, the revelation of the importance of overseas supply sources led to a trip to Bangkok, Thailand in November 2010 to obtain first hand interaction with suppliers. In most of these instances, circumstances necessitated the interviews to be short, between 15-25 minutes, and conversational in nature. Where time and conditions permitted, other interviews lasted were longer, usually about an hour or so.

These interactions would have an *emic* approach which centred on the insider or informants’ views (Pike 1967). Initial interviews were open, flexible and relatively unstructured, with no predetermined answer categories applied to the interviews (Minichiello et al. 1990). This enabled focus on the interviewees’ concerns and matters of interests, and ensured that they led the direction of the conversation. In this regard, the initial enquiry revolved around trying to understand what blogshops are and how online businesses are built out of blogs and other social media tools. The first questions included: “Tell me about your blogshop”, “What is your blogshop all about?” and “Why do you own a blogshop?” with a view to encourage interviewees to relate their experiences, concerns and perspectives and to open up the enquiry. At the later stages of the Theoretical Sampling process, more specific questions were asked to probe for properties of categories that had emerged from earlier interviews. Although the questions became more directed and focused, I continued to give opportunities to interviewees to talk freely.

I was mindful of the potential impact of the differences between myself and some of the interviewees, especially in terms of gender, ethnicity and culture, and the need to build and maintain good rapport with interviewees. To do so, I presented myself as a learner in the interviews, and ensured that the interviews were conducted in a casual manner. Over the course of the study, I also took an interest in fashion and shopping, an underlying motivation behind many blogshops, so that I could develop sympathetic identification with interviewees. I could sense strong rapport with some of the interviewees who seemed comfortable enough to share personal thoughts and certain guarded aspects of their lives. In fact, a few interviewees updated me about their blogshops from time to time, long after the two waves of interviews had taken place. This enabled extended tracking of blogshops past the
2010-2011 interview period into 2013, and provided an insightful longitudinal view of their developmental arcs. I also noted that in sharing their stories and thoughts, some interviewees seemed to be clarifying for themselves what their blogshops meant to them. In this sense, the interviews seemed to provide an opportunity for interviewees to reflect on and consider the significance of their own experiences.

In addition to these formal interviews, a convenience sampling approach opened up numerous opportunities to obtain slices of data in everyday interactions, such as casual chats and bits of information gleaned from various individuals knowledgeable about blogshops. On Facebook, for example, I was often drawn to posts and conversations about fashion, online shopping, and blogshop activities in general. Analysis of Web-based data as well as interviews via online chat sessions on Facebook provided valuable data slices that complemented the main interviews.

Although I had initially planned to transcribe taped interviews, I became aware of the strong exhortation to avoid reliance on taping interviews (Glaser 1998, p.112). Glaser’s rationale is that the main objective is to locate important concepts and patterns for conceptualisation purposes, and not precise accounts as in other more descriptive methods. Recording and the ensuing transcription process is too time consuming, undermines the researcher’s creativity and is unsuitable for this type of research (Glaser 1998, p.112). Thus, instead of taped recordings, short notes were made on key themes during the interviews. These were then elaborated into longer field notes in Word document format immediately at the conclusion of each interview. This method was found to be effective as it enabled capture of important bits without lengthy word-for-word transcriptions. In keeping with the Constant Comparison process, data collection and analysis were done concurrently to generate codes after collection of each data set.

In a few cases, data pertaining to a few of the interviewees, in the form of previously recorded interviews in text, audio and video formats found online, were added for analysis as a complement to interview data. In addition, a blog was set up to aggregate data gleaned from the various online sources and to keep record of developments in the blogshop scene. It included records of observations of various blogshop sites, other sites related to blogshops, and various online news and articles pertaining to blogshops,
which were all relevant slices of data. The blog also served as an ongoing journal to record my thoughts in the form of memos on the data. Together, these methods provided broad access to data sources and ensured that data was efficiently collected, organised and stored for easy retrieval.

3.5.5 Data Analysis through Constant Comparison

In accordance with the methodology, analysis of data in this study involved coding, Constant Comparison and memoing, where the collection, coding and analysis of data occur in a concurrent and iterative manner (Glaser & Strauss 1967, p. 102). Constant Comparison is the central analytical process in Classic Grounded Theory. It consists of two coding stages, namely an initial Substantive Coding stage, which consists of Open Coding and Selective Coding, and a latter Theoretical Coding stage.

(i) Constant Comparison

In the Constant Comparison method, data is analysed for incidents that indicate concepts, to explore similarities and differences within the data collected and to offer a guide for collecting other data (Spiggle 1994). An incident refers to an identifiable unit of meaning in a line; often a sentence, a clause, a few sentences, or very occasionally a paragraph (Tan 2010). In this study, three types of comparisons were made (Glaser & Strauss 1967, pp. 105-115): comparisons of incidents to incidents to generate concepts, comparisons of emerging concepts to more incidents to densify conceptual properties and dimensions, and to examine their relationship with other categories, and the comparisons of concepts to concepts to generate theoretical codes for theoretical integration. At the initial stages of Open Coding, the analysis focused on comparing incidents to incidents to yield concepts. As Theoretical Sampling progressed, the emergent concepts were compared to further incidents in subsequent samples to derive new properties and dimensions of the concepts, which enabled densification of categories, and eventually their saturation. Finally, at the Theoretical Coding stage, analysis moved to comparing concepts with concepts to determine theoretical codes that would be used to integrate the various categories into a coherent theory.

(ii) Open Coding
Open coding involves analysing data at the substantive level, to ‘run the data open’ to mine by ‘fracturing of the data’ into analytic pieces, as many as possible, categories and their properties (Glaser 1978, p.56). The goal was to identify the Core Category which is the basis for generating a theory (Glaser 1978, p. 57) that could account for the concerns and behaviour of blogshop participants.

Open Coding for this project began when data from the first interview was coded to yield conceptual codes from empirical indicators in the data. To help increase my awareness of underlying patterns in the data, I approached each data set with questions such as “What is the main concern of the blogshop participants here?” “What is happening here?” and “What concept or category does this incident indicate?” Following Glaser’s (1978, p. 57) advice, field notes from interviews were examined line by line, item by item to identify key concepts that represent the main concerns of blogshop participants. Other observable data artefacts such as blogshop sites, other websites, news and articles were analysed for incidences that indicated concepts and themes, and were usually complementary to analysis of interview field notes. Codes were assigned on the margins of the notes to conceptualise parts of the data. Coding at this substantive level did not utilise a preconceived set of codes (Glaser 1978, p. 56) but employed ‘in-vivo’ codes and theoretical codes (Glaser 1998, p.137), based on knowledge of the substantive area to help ground the analysis in the data. Examples of in-vivo codes are ‘fashionista’, ‘passion for fashion’ and ‘Facebook blogshops’ which were popular expressions among blogshop participants and provided rich and vivid insights into blogshops. Also, nouns and verbs were used to code the data and especially the gerund form of verbs which are able to “…sensitise the researcher to the processes and patterns…” (Charmaz 2012, p. 5; Lowe 1996, p. 8).

In some instances, multiple labels were applied to a line of field notes, in order to “code the data in every way possible…into as many categories as possible” (Glaser & Strauss 1967, p. 105) so as to capture various possible meanings. Figure 3.2 shows an example of coding for a fragment of field notes early in the data collection and analysis process.
**Figure 3.2** An example of coding of field notes from an interview.

After the first set of data was analysed and coded, each successive set of field notes was coded with the previous codes and incidents in mind. Codes and incidences from each data set were constantly compared against codes and incidences from other data sets to examine similarities and differences. As more data was sampled and analysed, conceptual patterns emerged from the comparisons. For example, the concept SHOPAHOLICISM was derived from numerous incidences in the data, as shown in Figure 3.3.

**Figure 3.3** An example of a concept emerging from coding of incidences in the data.

Properties and dimensions of the emerged concepts were developed from the codes that indicated the concepts. The development of the main categories, together with their properties and dimensions is addressed in Chapter 4.
Data from the various sources were compared with each other to obtain complementary, more complete and richer insights into participants’ concerns. For example, the code ‘conveying or portraying accuracy’, was derived from interviews and depicted a concern with presenting information accurately on blogshop sites. Data from observations of blogshop sites and news articles indicated similar concerns, such as reports of alleged cases of scams and fraud amongst the blogshop community.

Computerised research software tools like NVivo, NUDIST or ATLAS.ti were not employed for the analysis process. Glaser cautioned against reliance on technology as it can hinder development of the researcher’s skill in performing a Grounded Theory analysis, especially the “flexibility and freedom in manoeuvring ideas as they occur” (Glaser 1998, p. 185). As a novice, I took this advice as an opportunity to learn basic Grounded Theory skills through manual interaction with the data. Codes from field notes were transferred into a Word spreadsheet and manually organised to enable Constant Comparison. This method enabled incidences to be assembled side by side for comparisons and organised into various categories as they emerged. It allowed for quick back-and-forth comparisons between new and previous incidences and codes. Although it was labour intensive, I found that this method gave considerable freedom, flexibility and creativity in organising the analysis and making comparisons.

(iii) The Core Category

Open coding phase ceased with the discovery of the Core Category. The core category is the category that accounts for most of the variation in the patterns of behaviour in the data, and represents the main concern of the substantive area of inquiry (Glaser 1978, p. 93). The core category identified in the Constant Comparison process becomes the basis for generating a theory that accounts for the culture of blogshops and the behaviour of their participants. Most other categories and their properties should relate to the core category. The integration and density of the theory will depend on the discovery of a significant core category (Munhall 2007). Hence, the identification of the core category is obviously a critical part of the study as it represents the resolution of the main problem in a substantive area. Glaser (1978) provided a list of criteria as a guide to identifying the Core Category (pp. 95-96):
• It must be central- relate to as many categories and their properties as possible (more than other candidates for the core category).
• it must occur frequently
• it takes more time to saturate the core category than other categories
• it relates meaningfully and easily with other categories
• it has clear and grabbing implication for formal theory
• it has considerable carry through
• it is completely variable
• it is also a dimension of the problem at hand

The Core Category that emerged in this study is Becoming Consumer Entrepreneurs, which is elaborated in Chapter 4.

(iv) Selective Coding

Once the core category was identified, Open Coding ceased and further collection, analysis and coding of data was delimited to only to the Core Category and the main categories that relate to it (Glaser 1978, p. 61). At this point, the Core Category became the guide to further data collection and Theoretical Sampling (Glaser 1992, p.75). The analysis at this stage focused on comparing concepts to more incidents to develop the concepts’ properties and densify the major concepts. Questions that guided the interviews became relatively more structured and directed, and emphasised development of the main categories.

When the core category was established, analysis was expanded to settings adjacent to the substantive area pertaining to the main categories to corroborate the fit and relevance of the emerging theory. This was done to increase the density of the theory as the properties of its Core Categories were built up and solidified, as well as to verify the scope and generality of the emerging theory. Here, sampling was extended to a sample of non-fashion blogshops and blogshop-type activities that are not dominated by females, including sports, baking, collectible toys and photography.
Coding for a particular category ceased when additional sampling and coding for that category yielded diminishing returns, that is, no new concepts or properties emerged. In this study, when successive interviews yielded no new insights, it was a signal that saturation had been reached for that category, and thus coding for that category was ceased. Selective Coding ceased with the saturation of the major categories.

(v) Theoretical Coding

At the end of the Substantive Coding phase, when the core category and the other major categories had emerged and were saturated, focus was shifted to integrating these categories into a coherent theory via Theoretical Coding. Theoretical Coding is done to “conceptualise how the substantive codes may relate to each other as hypotheses to be integrated into a theory.” (Glaser 1978, p. 72). At this stage, Constant Comparison analysis focused on comparing concepts with concepts to examine how they fit together via relevant theoretical codes to form a theoretical account of the main concern in the study. Theoretical coding is largely accomplished by sorting the piles of theoretical memos written over the course of the coding process (Glaser 1978) to bring out the relationships, or the theoretical codes, among the various categories and their properties (Glaser 1992, p.38), and to determine which theoretical codes provide the best relational model to integrate the substantive theory (Glaser 2003a). Glaser provided a list of possible theoretical codes but noted that new ones could emerge in a given study (Glaser 1978; 1998). Consistent with Classic Grounded Theory, theoretical codes in this study were not preconceived but emerged through the Constant Comparison of concepts. The main theoretical code in this study is a basic social process underlying the Core Category of Becoming Consumer Entrepreneurs. It integrates with other theoretical codes, namely stages, trajectories, context, models and strategies, to form the theory of Consumer Entrepreneurship.

(vi) Theoretical Memos

A key aspect of data analysis in Classic Grounded Theory Methodology is theoretical memoing. Theoretical memos are theorising write-up of ideas about codes and their
relationships (Glaser 1978, p.83), the building blocks of theory development in Grounded Theory process (Haslam 2002, pp. 491-503), and are vital to the process of increasing the level of abstraction by moving from the descriptive to the conceptualisation stages (Ng & Hase 2008, p. 161).

In this study, theoretical memos were constantly written throughout the data collection and analysis process, as a means to conceptualise empirical descriptions in the data. These memos ranged from short notes to relatively lengthy passages, and included personal observations, diagrams, questions that arose in the analysis and attempts at conceptualising the data. The writing of theoretical memos started with the analysis of the first set of interview data, and continued until the close of the project. Memos were used to record reflections, thoughts, ideas and questions about the incidences, codes and concepts, in order to provide reflexive insights into the analytical process. In accordance with Glaser’s suggestion, I wrote freely and frequently, and imposed as little constraints as possible in the way of proper writing structures and conventions so as to focus on ideas rather than their presentation (Glaser 1978; 1998). Memos of varying lengths and depth were produced. In the initial stages, coding a set of interview notes, for instance, would usually be accompanied by short memos that reflected my thoughts that arose in the process of analysing that data set. These were written on the margins of the interview notes adjacent to the codes assigned for each segment of data. Memos at this ground level tended to be descriptive and were focused more on the incidences and participants. Memo writing also helped in the naming of concepts, which is a conceptualisation of the data.

At the latter stages of the analytical process, memos tended to be longer, more conceptual and addressed the development of my thoughts on theoretical codes and the relationships between categories. As concepts and ideas emerged, some older memos were re-written, elaborated with details or given theoretical codes. Memo writing complemented coding activities by clarifying thinking about the emerging concepts and their relationships.
An example is shown in Box 3.1, of a memo written early in the analysis stages about Immersive Participation, a concept which captured the nature of hobby engagement among blogshop participants.

**Box 3.1.** An example of a memo on Immersive Participation.

<table>
<thead>
<tr>
<th>13 Aug 2010</th>
<th>IMMERSIVE PARTICIPATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hobby /Passionate participation /Immersion</strong></td>
<td></td>
</tr>
</tbody>
</table>
The ease with which the blog format can be used to set up an online presence provides an enabling function for individuals to pursue their hobbies and passions. How do people pursue their hobbies? By doing something, like playing a game or collecting something (eg. stamps), by acting out (eg. cosplay) and by sharing/connecting with other like-minded hobbyists. Blogshops are really a stage for these to be acted out. Fashion as a hobby requires the hobbyist to talk about clothes, comment/review them, BUY them and WEAR them. Blogshops help fulfil these.

Blogshopping is a form of immersive participation into a hobby/item of interest. People who have a hobby like fashion do not just want to wear great clothes. They want to be able to assume various roles associated with the fashion world... like being a model, or being able to design and make the clothes, travel to places to source fabric, and of course, being able to own and sell as well. Being a blogshop owner opens up opportunities for this sort of immersive participation. Although it can be done via a conventional e-commerce or dotcom website, a blogshop format’s low cost nature ensures ease of entry into this realm so that it is easily accessible to the mainstream population.

Therefore, passionate participation in fashion sets the context for business to occur. It creates conditions where the blogshop becomes a tool for deeper engagement with the hobby, which includes a process to become sellers. The blogshop itself serves as an enabler.

Wherever possible, memos were written on a Word document and labelled with a title and a date to assist sorting. In other instances, memos were handwritten as short notes to be elaborated on a Word document later. Word processing was preferred as it enabled better editing, storage, organisation, retrieval, and sorting. A third set of memos was recorded on the blog that I had set up (see subsection 3.5.4 above) to track online data sources and developments in the blogshop-shere. The blog format was used
to facilitate efficient aggregation of online content for observation and analysis as well as quick recording of my thoughts and reactions. Memos were written in the form of blog posts that arose out of observations and analysis of news, articles, websites and other relevant sources of data, including those that were filtered through Google Alerts subscription. In one instance, following a Google Alert link about a case of ‘blogshop scamming’ which played out on various sites over a period of time, I was able to bring various accounts, news reports, and commentaries from diverse online locations into one place on the blog for analysis as data. This was accompanied by a memo in the form of a blog post.

Written memos were sorted at the end of the data collection and coding stage. According to Glaser, the sorting of memos “puts the fractured data back together”, and focuses on conceptual sorting, or the sorting of ideas, rather than the sorting of data (Glaser 1978, p. 116). Conceptual sorting of memos also enabled theoretical codes to be identified, that were capable of integrating and arranging the categories. Memos that were conceptually related were grouped together and arranged according to how the different categories were related to the Core Category and to each other to form an outline of the theory. This became the basis of the write up of the thesis, which is presented in Chapters 4-7.

In summary, the analytical process initially produced a total of 550 substantive codes, which were refined into 457 codes, since a number of the initial codes which overlapped or were closely similar with each other. Through Constant Comparison and memo writing, these refined codes were aggregated in terms of their interchangeability to produce a reduced list of 28 second-tier codes (see Appendix 6 for a list of all codes, and Figure 4.3 in Chapter 4 for the reduced list of 28 codes), which raised the conceptual level of the initial codes. The initial set of refined codes served as indicators or properties of the second tier codes which were treated as initial categories. Further analysis through Constant Comparison of concepts with concepts and memoing enabled these initial categories to be ordered into five major categories and their subcategories. These five categories represent the main concepts underpinning the development of the theory in this study. Thus, the Core Category Becoming Consumer Entrepreneurs is composed of four major subcategories: Tentative Entrepreneurial
Development, Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy. Figure 3.4 depicts the levels of abstraction of the categories and concepts through the analytic process. It shows the development of the five major categories, including the Core Category from initial codes grounded in the data.

<table>
<thead>
<tr>
<th>Data</th>
<th>Initial codes</th>
<th>Initial categories</th>
<th>Major Categories</th>
<th>Theory</th>
</tr>
</thead>
<tbody>
<tr>
<td>📄</td>
<td>Code 1</td>
<td>Cat 1</td>
<td>Major cat 1</td>
<td></td>
</tr>
<tr>
<td>📄</td>
<td>Code 2</td>
<td>Cat 2</td>
<td>Major cat 2</td>
<td></td>
</tr>
<tr>
<td>📄</td>
<td>Code 3</td>
<td>Cat 3</td>
<td>Core cat</td>
<td></td>
</tr>
<tr>
<td>📄</td>
<td>Code 4</td>
<td>Cat 4</td>
<td>Major cat 3</td>
<td></td>
</tr>
<tr>
<td>📄</td>
<td>Code 5</td>
<td>Cat 5</td>
<td>Major cat 4</td>
<td></td>
</tr>
<tr>
<td>📄</td>
<td>Code 6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>📄</td>
<td>Code 7</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Figure 3.4 Process of abstraction of categories from the data.*

### 3.5.6 Literature Review

In Classic Grounded Theory Methodology, some practitioners advocate a need to avoid a literature review at the early stage of a research process. Specifically, Glaser (1998) advised researchers to “not do a literature review in the substantive area and related areas where the research is to be done” (p. 67). His main worry was that received knowledge may form assumptions in the researcher that may not be relevant to the study area or hinder the discovery process. Abstaining from conducting a comprehensive literature review at the start of a Grounded Theory study serves to ensure that the researcher is able to “enter the research field with no preconceived problem statement, interview protocols, or extensive review of literature” (Holton 2007, p. 269), to keep them “...as free and as open as possible to discovery and to emergence
of concepts, problems and interpretations from the data” (Glaser 1998, p. 67) and to empower them to articulate their own ideas (Charmaz 2006, p. 165). Presumably, the researcher is expected to set aside or suspend prior knowledge and experience in order to approach the data without preconceptions (Walls, Parahoo & Fleming 2010, p. 10). The place for the extant literature is “when the grounded theory is nearly completed during the sorting and writing up, then the literature search in the substantive area can be accomplished and woven into the theory as more data for constant comparison” (Glaser 1998, p. 67).

The call to avoid a pre-fieldwork literature review at the beginning stages of the study stands in contradiction against traditional research practice, in particular the expectations in doctoral studies to have an extensive literature review at the outset, and creates a practical conundrum for doctoral students. As such, the edict against an early literature review has been the subject of debate amongst some Grounded Theory researchers (Dunne 2011; McCallin 2003; McGhee, Marland & Atkinson 2007; Nathaniel 2006; Walls, Parahoo & Fleming 2010) and the supposition that avoidance of the literature review at the early stages of the study is needed to prevent preconceived ideas has been challenged (Dunne 2011; McGhee, Marland & Atkinson 2007). Urquhart (2007) asserted that “there is no reason why a researcher cannot be self-aware and be able to appreciate other theories without imposing them on the data” (p. 351). Strübing (2007) pointed out that the issue is “not whether previous knowledge should be used in actual data analysis; the important insight lies rather in how to make proper use of previous knowledge” (p. 587). Similarly, Baker, Wuest & Stern (1992) rejected the setting aside of assumptions but saw the benefits of drawing on “previous knowledge and experience to understand better the processes under investigation” (p. 1357), and to provide theoretical sensitivity which is necessary for conceptualisation. This is coherent with Glaser and Strauss’ (1967) call for the researcher to be “sufficiently theoretically sensitive so that he can conceptualise and formulate a theory as it emerges from the data” (p. 46), where theoretical sensitivity may arise from acquaintance with the literature. Furthermore, Glaser and Strauss (1967) had in fact stated that the researcher may “begin the research with a partial framework of ‘local’ concepts, designating a few principal or gross features of the structure and processes in the situations that he will study” (p. 45).
In relation to this issue, I considered that it was unrealistic to assume that I could be completely free of pre-knowledge. Even prior to undertaking this PhD study, I had already been considerably exposed to various publications about the blogshop phenomenon, including the small handful of available academic works on blogshops (see Chapter 2, section 2.3). Since it was my personal interest that had drawn me to the study in the first place, it would be impossible to suppress whatever knowledge I had of blogshops. Thus, I decided that there was no harm to include the scholarly texts on blogshops as part of a systematic literature review in the early stage of the study. In addition, I held the opinion that having pre-knowledge does not preclude the researcher from assuming an open mind and a neutral stance to allow new and even conflicting ideas to emerge from the data. To ensure openness and guard against possible contamination by preconceived biases, I maintained constant mindfulness of my background, previous experiences, perspectives and knowledge. I have made them explicit by recording them in subsection 3.5.7 below as a part of my personal perspectives. I also took assurance in McGhee, Marland & Atkinson’s (2007) contention that the process of reflexivity embedded in Grounded Theory procedures assures that prior knowledge would not distort the researcher’s perceptions of the data. The reflexive nature of Grounded Theory accounts for the impact of the researcher’s particular social identity and background on the research process (Robson 2002; quoted in McGhee et al., 2007, p. 335), and provide sensitising concepts which “offer ways of seeing, organizing, and understanding experience;… are embedded in our disciplinary emphases and perspectival proclivities,…. may deepen perception, … and provide starting points for building analysis” (Charmaz 2003, p. 259). Hence, I held that these prior knowledge and experiences provided theoretical sensitivity that enhanced the conceptualisation process (Glaser 1978).

Additionally, I acknowledged that a purposeful background literature survey would be helpful at the early stages of the study, not to derive a priori conceptual framework for application in the study, but to ascertain the paucity of knowledge of blogshops. Such a review would be necessary to determine the appropriateness of Grounded Theory Methodology by verifying that the topic of blogshops had been subject to relatively little research, to fulfil the requirements of the doctoral program, and to frame the topic in the research proposal. An early literature review would also serve as preparation for
the research task by ensuring that I was adequately informed so that even as the specific research questions were not predetermined, the study would still be properly focused within the specific area of interest.

The pre-study literature review involved a survey of the available scholarly publications on blogshops and the e-commerce literature, as presented in Chapter 2. Other than that, I did not conduct any comprehensive early-stage literature reviews of other areas as the specific literature relevant to the substantive area of this study was indeterminate at that time, and any efforts to speculate were merely a waste of time. In accordance with Classic Grounded Theory principles, the bulk of the literature review in this study occurred after the theory of Consumer Entrepreneurship had adequately formed, which was at the post-fieldwork stage, where I allowed the emerging concepts and categories to point to where the relevant literature was. It turned out that the literature on entrepreneurship, in particular user-entrepreneurship, serious leisure, social commerce and legitimacy were most relevant, and were discussed in relation to the emerged theory. The literature reviewed at this stage also enabled the emergent theory to be situated within the known body of knowledge. The relevant literature associated with these areas is presented in each of the Discussion sections in Chapters 4, 5, 6 and 7.

3.5.7 Personal Perspectives

In a Grounded Theory workshop that I attended in Kuala Lumpur in April 2010, Grounded Theory practitioners were advised to be aware of and to declare any prior knowledge they might have as a way to deal with possible preconceptions in the substantive area. I first came to know about blogshops around 2007, which predated my intentions to study it as my doctoral thesis. Curiosity about this unique mode of online commerce led me to follow blogshop developments closely on the Internet, which included following blogshop websites and events, reading news, blogs and other publications related to blogshops. By the time I enrolled as a PhD candidate, my accumulated background knowledge about blogshops together with my exposure to the wider digital aspects of marketing, familiarity with some of the relevant literature on e-commerce, coupled with my job as a lecturer teaching e-marketing and e-commerce
subjects had made it impossible to not have some degree of pre-knowledge in this general area.

My personal interest in the blogshop phenomenon prior to my decision to embark on my PhD study had also inevitably exposed me to three academic articles on blogshops at that time. I had read, on a casual basis, Fletcher and Greenhill’s (2009) and Ng and Matanda’s (2008 and 2009) works on blogshops. Upon deciding to undertake a Classic Grounded Theory Methodology study on blogshops for my PhD, I delayed readings of further academic texts on blogshops until after I had sufficiently developed my theory. As stated earlier, I consider my knowledge of blogshops from the pre-PhD period as simply data that complemented data collected from the formal investigation period, and was integrated into the emerging theory.

Through the course of this project, certain past experiences turned out to be relevant to the study of blogshops. A short stint as a helper to my late brother’s small clothing business over 15 years ago gave me some insights into the kind of small scale home-based businesses that have similarities with blogshops. In the course of this study, I could relate many of the concepts in the study with my previous experiences gained from working with my late brother. Additionally, my involvement in the sport of softball as a hobby allowed me to draw comparisons with fashion blogshops, and to recognise common patterns. In all these instances, the relevance of these background experiences only came to light during the course of the data analysis and not prior.

In summary, I believe that the rigour of the Classic Grounded Theory procedures enabled my background knowledge to be leveraged as a sensitising agent rather than a potential contaminant in developing the substantive theory. In accordance with Glaser’s (2007, p. 8) and Lowe’s (2010) advice, I considered these experiences and insights as just data for comparison with other participant incidents. My prior knowledge provided some basic understanding of the fashion retail business which proved to be important in the study. To mitigate any potential risk of bias, I kept constant awareness of my background knowledge in order to separate my prior knowledge from what the study data was informing me.
3.5.8 Ethical Considerations

In following ethical research practice, I ensured compliance with the principles of informed consent and voluntary participation in the data gathering process. Whenever possible, consent forms were given to participants prior to each face-to-face interview. The aims, benefits, risks, and voluntary nature of the study were explained to all participants. Assurance was given about the confidentiality of their participation as well as the way the data would be used. It was made clear prior to interviews that they could ask questions anytime, decline to answer a question or withdraw at any time. Where the interviews involved minors, consent was obtained from parents and the interview was done in a public setting. Anonymity was ensured by removing participants’ names and other possible identifiers in the field notes from the interviews. Each piece of field note corresponding to an interview participant was assigned a code number (such as P1, P2, P3, and so on). Participants’ data was stored in password-protected computers, with back-up copies in a locked cabinet in my house.

Due to the pervasiveness of the blogshop phenomenon, it was not unusual to stumble into casual conversations about blogshops or to observe blogshops in action, which gave opportunities for unplanned but useful information gathering. In such serendipitous situations, however, formal consent forms were not always available to be given to interviewees. Nevertheless, I made an effort to explain my project and to ask permission to include what I had learned from them as data for my study.

In the course of the study, I realised that the emergent approach to data collection prescribed by the Classic Grounded Theory methodology conflicts with typical research ethics policies that operate with predetermined samples and pre-planned interactions. These concerns have been acknowledged (Carey 2010; Shaw 2008). Holton (2006, p. 60) noted that “…the strict adherence to standard ethical considerations of informed consent and voluntary participation are not only frequently impractical but, more to the point, unnecessary,” while Breckenridge & Jones (2009) warned against subjecting the Classic Grounded Theory methodology
to generic qualitative guidelines. Therefore, while I made every effort to protect participants’ rights and interests, I also made sure it was not at the expense of keeping with Classic Grounded Theory principles.

This project has been reviewed and cleared by Swinburne's Human Research Ethics Committee (SUHREC). The SUHREC clearance is provided in Appendix 15, and samples of consent forms in Appendix 16.

3.6 Assessing a Grounded Theory

Unlike other qualitative studies, this Classic Grounded Theory study is not concerned with rendering accurate descriptions of facts in order to establish trustworthiness (Glaser 2002b; Glaser & Holton 2004). It does not aim to verify a theory either, but to generate one from an integrated set of conceptual hypotheses about the relationships between the concepts (Glaser 1998, p. 3). To evaluate the credibility of a Grounded Theory, four criteria have been proposed, namely: fit, workability, relevance and modifiability (Glaser 1978, pp. 4-6; and 1998, pp. 17-18).

Fit refers to whether the concepts of the theory, particularly the core category, express the pattern in the data that they claim to conceptualise (Glaser 1998, p 18). It is achieved through adherence to the methodology of Classic Grounded Theory, that is, by ensuring that the concepts and categories are not forced or preconceived, but are strictly determined by the data (Holton 2008, pp. 52-53). Workability refers to whether the Grounded Theory “concepts are related into hypotheses sufficiently account for how the main concern of participants in a substantive area is continually resolved” (Glaser 1998, p. 18). In other words, a Grounded Theory is deemed to work if it is able to explain, predict, and interpret participants’ concerns in the data (Glaser 1978, p. 4). Workability of the theory is also ensured by the process of Constant Comparison which showed that the emergent concepts and categories were able to adequately explain the participants’ main concern.

Relevance refers to whether the theory is focused on the real concerns of participants and if it is useful to them. It is indicated when the theory has fulfilled the criteria of fit
and work, and has the power to evoke instant ‘grab’ (Glaser 1998, p. 18). A substantive theory should have explanatory power to give conceptual understanding of a main concern of participants, and their actions and practices in resolving the concern. It can also provide practical relevance by serving as a basis from which a framework, program and application can be developed to address the main concerns (Glaser 1998, p. 245). The fourth criterion, modifiability, means that the substantive Grounded Theory generated is “not being verified as in verification studies, and is thus never right or wrong” (Glaser 1998, p. 19). It is capable of being modified or refined by new data and has potential for further development.

The credibility of the theory generated in this study is discussed in relation to these criteria of fit, workability, relevance and modifiability in section 8.5 of Chapter 8.

### 3.7 Summary

This chapter provided an outline of the philosophical position underpinning the methodology used in this study. It described the variants of Grounded Theory, including Classic Grounded Theory Methodology which was adopted for this study, and the rationale for adopting this particular methodology. The key principles were then presented, together with an elaboration of how these were applied in this study. A statement of personal perspectives was provided to address potential preconceptions that I may have due to my personal and professional background. Lastly, ethical considerations were addressed.
CHAPTER 4
AN OVERVIEW OF THE SUBSTANTIVE THEORY OF CONSUMER ENTREPRENEURSHIP AND MAJOR CATEGORY 1: TENTATIVE ENTREPRENEURIAL DEVELOPMENT

4.1 Introduction

This chapter gives an overview of the substantive theory of Consumer Entrepreneurship that emerged in this study and which is able to account for the practice of blogshopping. It shows the theory of Consumer Entrepreneurship as composed of five major conceptual categories developed from the data, including ‘Becoming Consumer Entrepreneurs’ as the core category, which are integrated to form a process of Consumer Entrepreneurship.

First, a brief overview of the substantive theory of Consumer Entrepreneurship is provided in section 4.2. It outline of the major conceptual categories underpinning the core category in the form of a process, showing the links between the core category and the other major categories to form the theory. It also shows how Becoming Consumer Entrepreneurs was selected as the core category in accordance with Grounded Theory guidelines. In section 4.3, the first major category Tentative Entrepreneurial Development is presented. It discusses the types of consumer enterprises, the stages and trajectories of Consumer Entrepreneurship, the transitions experienced by the individual in becoming a consumer entrepreneur and the conditions that affect entrepreneurial development. In section 4.4, Consumer Entrepreneurship theory is compared with the theories of user innovation, user entrepreneurship and the informal economy. Finally, section 4.5 summarises the chapter.

4.2 The Substantive Theory of Consumer Entrepreneurship: An Overview

In this study, Consumer Entrepreneurship is the conceptualisation of the blogshop practice of utilising social media platforms such as blogs and Facebook by avid fashion consumers to enact online retailing storefronts to engage in simple e-commerce activities with their peers. As a preliminary entrepreneurial form used by fashion
consumers in the region, the blogshop in Malaysia and Singapore is shown to be capable of transformation into a developed fashion business. The formation and progression process of a Consumer Entrepreneurship venture is a major underlying pattern in the data, and represents the key concerns amongst blogshop participants.

Consumer Entrepreneurship is a process of venture creation that takes place in an area of avid consumption of an interest or hobby. In this process, the passionate consumer progresses into business ownership by assuming entrepreneurial-like roles and activities that are, namely selling (including distributing and supplying) and producing activities. In other words, Consumer Entrepreneurship encapsulates a process of consumers becoming entrepreneurs in a context of passionate fashion consumption, where individuals move along a consuming $\rightarrow$ selling and/or producing trajectory, as shown in Figure 4.1 below:

![Figure 4.1](image)

*Figure 4.1* Entrepreneurial development in the consumer domain.

In this study, such a trajectory can be seen when fashion consumers actively participate in activities that create and distribute value for the purposes of self-consumption and/or market exchanges. Fashion consumption typically involves the self-production of fashion artefacts or their acquisitions from external sources through shopping rituals. When consumption occurs in a passionate manner, opportunities emanate for initial incursions into business. For instance, fervent shopping behaviour is likely to result in an accumulation of excess or unwanted clothes which could be disposed through sporadic small scale closet clearing reselling activities. Residual earnings from such reselling of fashion items is used to fuel further purchases thereby helping to maximise
the individual’s consumption capacities. A deepened foray into selling would involve outright retailing (as well as wholesaling or supplying), that is the acquisition of new stocks not for own use but for sale, with a view to garner monetary profits. Another form of participation in Consumer Entrepreneurship occurs when the consumer engages in creative acts of production, such as the self-design and self-manufacture of fashion artefacts for commercial gains. Thus, while consumption is staked on fulfilling personal utility, selling and producing are focused on market exchanges.

The fashion blogshop appears to serve as a setting of Consumer Entrepreneurship by allowing the consumer to transcend the traditional realm of consumption. It provides an avenue for entrepreneurial development to occur in a gradual, tentative and staggered manner, in accordance with personal readiness and desire. It also seems to enable nurturing of business skills and capacities, testing of personal entrepreneurial potential and fulfilling of an ambition of business ownership. The undertaking of fundamental business functions by consumers for consumption and commercial purposes suggests Consumer Entrepreneurship as a distinctive form of entrepreneurial development. This general pattern underlies the process of Becoming Consumer Entrepreneurs, which is the core category of the theory and is presented next.

4.2.1 The Core Category: Becoming Consumer Entrepreneurs

In this study, the core category of Becoming Consumer Entrepreneurs is the basis of the substantive theory of Consumer Entrepreneurship. Becoming Consumer Entrepreneurs emerged as the major conceptual category that is most capable of summarising the main pattern of behaviour found in the data and explaining what is occurring among blogshop participants. The major conceptual categories represent the key patterns that emerged in this study and which integrate with each other to conceptualise the blogshop phenomenon as Consumer Entrepreneurship. These major conceptual categories consist of Tentative Entrepreneurial Development, Passionate Hobby Consumption, Social Commercialisation, Obtaining Legitimacy and Becoming Consumer Entrepreneurs, with Becoming Consumer Entrepreneurs as the central category which subsumes these other categories, as shown in Figure 4.2.
The core category Becoming Consumer Entrepreneurs conceptualises the main concern of blogshop participants and their continued resolution of this concern in the form of a process of generating monetary earnings from passionate consumption of an interest or activity through social media-based ventures that may be turned into developed businesses. The three major conceptual categories of Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy represent three overlapping stages which individuals pass through in the process of Becoming Consumer Entrepreneurs. Passionate Hobby Consumption is the antecedent stage that describes the context for the creation of the Consumer Entrepreneurship ventures to occur. In the blogshop scene, fashion is the underlying activity that participants engage passionately with and is the main context that spurs the development of Consumer Entrepreneurship. Fervent consumption of fashion, development of capacities for entrepreneurship and the discovery of business opportunities as a result of avid participation in the hobby provide the conditions for development of intentions to participate in business.
The major category Social Commercialisation refers to actions of utilising improvised structures, business models, processes and practices based on social media technologies to create and support small scale, hobby-based business ventures. Social media templates are used to model low cost, low risk, and easy to use Web store fronts, as well as a collaboratively developed business ecosystem to support blogshop storefronts. Collectively, these grass root enterprises constitute consumer-created channels that operate outside of mainstream channels.

The major category Obtaining Legitimacy conceptualises the various deficiencies felt in the consumer-created, social-media based enterprise as challenges to its legitimacy. In this stage, consumer entrepreneurs apply efforts to correct legitimacy deficiency of their ventures through various mechanisms and strategies employed to build credence and rapport with constituencies to gain acceptance as a non-mainstream forms of business, and to further their enterprise. Finally, the major category Tentative Entrepreneurial Development highlights the tentative, flexible and gradual manner in which a Consumer Entrepreneurship venture is formed and developed. Consumer Entrepreneurship development is described in terms of the forms of consumer enterprises, and the stages, trajectories, transitions and conditions of venture development.

Thus, in this study, process is the main theoretical code, while complementary theoretical codes associated with the major categories include context, structures, models, practices, mechanisms, strategies, stages, trajectories and conditions. The major categories underpinning Consumer Entrepreneurship theory, consisting of Becoming Consumer Entrepreneurs, Tentative Entrepreneurial Development, Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy, and their theoretical codes are summarised in Table 4.1.
Table 4.1 *The Major Categories and Theoretical Codes that Underpin the Theory of Consumer Entrepreneurship*

<table>
<thead>
<tr>
<th>Major Categories</th>
<th>Theoretical Codes</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td><strong>The Core Category:</strong></td>
<td></td>
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<tr>
<td>Becoming Consumer Entrepreneurs</td>
<td>Basic Social</td>
<td>The process of entrepreneurial development by passionate consumers who undertake business activities in the course of avid consumption.</td>
</tr>
<tr>
<td></td>
<td>Process</td>
<td></td>
</tr>
<tr>
<td><strong>Major Category 1:</strong></td>
<td>Forms Stages</td>
<td>The flexible, tentative and incremental nature of Consumer Entrepreneurship development seen in the forms of consumer-created ventures, the stages, trajectories, transitions and conditions for venture development.</td>
</tr>
<tr>
<td>Tentative Entrepreneurial Development</td>
<td>Trajectories</td>
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<td></td>
<td>Transitions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conditions</td>
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<tr>
<td><strong>Major Category 2:</strong></td>
<td>Context</td>
<td>The process of developing business capacities, intentions, and opportunities in the course of passionate consumption in an interest area, leading to monetisation of that interest area.</td>
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<tr>
<td>Passionate Hobby Consumption</td>
<td></td>
<td></td>
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<tr>
<td><strong>Major Category 3:</strong></td>
<td>Structures Models</td>
<td>The improvisational application of social media tools to create online spaces, business models, processes and practices to facilitate venture creation and cost-free participation in business.</td>
</tr>
<tr>
<td>Social Commercialisation</td>
<td>Processes Practices</td>
<td></td>
</tr>
<tr>
<td><strong>Major Category 4:</strong></td>
<td>Strategies Mechanisms</td>
<td>The deployment of credibility enhancement mechanisms and strategies to improve legitimacy perceptions of the structures, operations and ownership of the consumer enterprise.</td>
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<tr>
<td>Obtaining Legitimacy</td>
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</table>

In the next section, the emergence of the core category in accordance with Classic Grounded Theory principles is discussed.

### 4.2.2 Emergence of the Core Category

The core category in this study, Becoming Consumer Entrepreneurs, is a basic social process (Glaser & Strauss 1967). Basic social processes are described as pervasive, “...fundamental, patterned processes in the organisation of social behaviours which occur over time and go on irrespective of the conditional variation of place” (Glaser & Holton 2005). Stages are a prime property of a basic social process, which enable differentiating and accounting for variations in the problematic pattern of behaviour under study (Glaser & Holton 2005). While at least two clear stages should be present.
to allow a basic social process to process out (Glaser & Holton 2005), the process of Becoming Consumer Entrepreneurs in this study consists of three overlapping stages, namely Passionate Hobby Consumption, Social Commercialisation, and Obtaining Legitimacy, which account for the behavioural patterns of blogshop participants. Additionally, the basic social process of Becoming Consumer Entrepreneurs encompasses both basic social structural and basic social psychological processes (Glaser 1978, p. 102). A basic social structural process refers to social structures that accommodate a process, such as a blogshop’s venture structures, revenue models, processes and practices, while a basic social psychological process refers to individual behavioural processes such as becoming (Glaser 1978, p. 102). The major category Tentative Entrepreneurial Development presents these social structural and social psychological processes in terms of the forms, stages, conditions, transitions and trajectories in the process of Becoming Consumer Entrepreneurs.

The core category Becoming Consumer Entrepreneurs emerged from the process of Constant Comparison of incidences and concepts, and memoing, described in subsection 3.5.5 of Chapter 3. It is one of five major categories conceptualised from initial codes yielded from the data. Constant Comparison and memoing allowed 28 initial categories to be developed from the 457 refined codes, which served as indicators or properties of these initial categories. The initial categories were then ordered into five major categories, with the initial categories pertaining to each major category ordered into its subcategories. Although most categories are discreet, the presence of overlaps, in particular ‘Adjustments to personal circumstances’ (4) and ‘Becoming entrepreneurs’ (12), as shown in Table 4.2, suggests the process nature of the emergent theory. The five major categories were Becoming Consumer Entrepreneurs, Tentative Entrepreneurial Development, Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy, with Becoming Consumer Entrepreneurs chosen as the core category as it is most able to meet the criteria set forth by Glaser (1978, pp. 94-95), discussed in page 103.

The development of the core category and the major categories from the initial codes through the initial categories is shown in Table 4.2, while a more detailed depiction showing the inter-relationship between the core category, major categories,
subcategories and underlying codes is provided in a Prezi presentation attached separately in the CD (see Appendix 7).

Table 4.2 *The Development of the Core Category and Major Categories*

<table>
<thead>
<tr>
<th>Refined codes</th>
<th>Initial categories</th>
<th>Major Categories</th>
</tr>
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<tbody>
<tr>
<td>457 codes</td>
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<tr>
<td></td>
<td>4. Adjustments to personal circumstances</td>
<td>Major Category 1: Tentative Entrepreneurial Development</td>
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<td></td>
<td>7. Coping/Maintaining the blogshop</td>
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<td></td>
<td>12. Becoming an entrepreneur</td>
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<td></td>
<td>14. Motivation to develop a blogshop business</td>
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<td></td>
<td>15. Value propositioning the blogshop</td>
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<tr>
<td></td>
<td>28. Development forms, stages and trajectories</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1. Shopaholicism/shopping addiction</td>
<td>Major Category 2: Passionate Hobby Consumption</td>
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<td></td>
<td>5. Learning the business/ discovering opportunities</td>
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<td></td>
<td>13. Travelling and shopping</td>
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<td></td>
<td>22. Becoming fashionistas/ fashion as a hobby</td>
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<td></td>
<td>27. Maximising consumption</td>
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<tr>
<td></td>
<td>2. Social networking</td>
<td>Major Category 3: Social Commercialisation</td>
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<td></td>
<td>6. Starting a blogshop</td>
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<td></td>
<td>9. Market targeting</td>
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<td></td>
<td>10. Sourcing suppliers</td>
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<td></td>
<td>11. Competing</td>
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<td></td>
<td>16. Making shops from blogs</td>
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<td></td>
<td>17. Facebook blogshops</td>
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<tr>
<td></td>
<td>20. E-marketing</td>
<td></td>
</tr>
<tr>
<td></td>
<td>21. E-marketing</td>
<td></td>
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<tr>
<td></td>
<td>23. Blogshop business strategy</td>
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<tr>
<td></td>
<td>2. Buyer concerns</td>
<td>Major Category 4: Obtaining Legitimacy</td>
</tr>
<tr>
<td></td>
<td>4. Personal adjustments to personal circumstances</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8. Legitimising the business</td>
<td></td>
</tr>
<tr>
<td></td>
<td>12. Becoming an entrepreneur</td>
<td></td>
</tr>
<tr>
<td></td>
<td>18. Going offline</td>
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<tr>
<td></td>
<td>24. Converting to dotcoms/shopping carts</td>
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<td></td>
<td>25. Blogshop risks, scams and ethics</td>
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</tr>
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<td></td>
<td>26. Payment and delivery</td>
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</tbody>
</table>
The determination of Becoming Consumer Entrepreneurs as the core category was done in accordance with the criteria set forth by Glaser (1978, pp. 94-95) as listed below:

1. It must be central, in that it relates to as many categories and their properties as possible (more than other candidates for the core category).
2. It must occur frequently
3. It takes more time to saturate the core category than other categories
4. It relates meaningfully and easily with other categories
5. It has clear and grabbing implication for formal theory
6. It has considerable carry through
7. It is completely variable
8. It is also a dimension of the problem at hand

Becoming Consumer Entrepreneurs was identified as the core category in this study as it is the category that is most able to meet these criteria. Becoming Consumer Entrepreneurs occupies a central position among the major categories that emerged in this study as it is most able to relate meaningfully and easily with these categories. It is also able to integrate and subsume the other major categories. The evolution of consumption roles into entrepreneurial undertakings located in a hobby scenario is a pronounced and cohesive pattern that recurs throughout the data. The category Becoming Consumer Entrepreneurs emerged easily from many codes, in particular a key code called ‘becoming an entrepreneur’ (P1:14; P2:4; P5:4; P7:2; P8:1; P9:1; P13:16; P19:29; P20:20; P21:9; P23:1; BSA9) which occurred early and frequently in the data. Other notable codes included ‘customer-turned-seller’ (P1:1; P9:1; P10:5-6; P13:1; P17:1; P18:3; P20:3; P22:8,15; P27:1), ‘buyer discovering opportunity to sell online’ (P1:1; P7:5; P8, P17:1; P19:6; P20:3; P22:16; P25:4) and ‘monetising a hobby’ (P1:20; P3:6; P9:3; P10:5; P13:1; P19:1-3, 18; P20:17; P21:8-9; P22:15; P30:4; P34:8). These and other related codes indicated that a basic social psychological process of becoming represents a central pattern in the substantive area, and from which was evolved the basic social process of Becoming Consumer Entrepreneurs. The process of Becoming Consumer Entrepreneurs is also a dimension of the main concern among blogshop participants and is highly variable as it features various forms, transitions and trajectories based on participants’ personal contexts and conditions.
Finally, the carry-through and transcendence of Becoming Consumer Entrepreneurs and its possible implications for formal theory building was supported by the results of theoretical sampling of other leisure-oriented activities outside the immediate context of fashion hobby. These other hobby contexts sampled included sports (P29), home bakery (P33), amateur photography (P32) and collectible toys (P31). In these instances, the central pattern of consumers becoming entrepreneurs was evident as hobbyist-consumers were also found to undertake entrepreneurial initiatives or express entrepreneurial intentions based on their hobbies. Like fashion blogshop participants, they were also found to use social media implements to engage in various levels of commercialisation of their hobbies. The general patterns of Tentative Entrepreneurial Development, Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy were discernibly prominent. In other words, Becoming Consumer Entrepreneurs appears to be a significant process that seems able to occur in diverse hobby contexts that feature avid participation and consumption.

4.3 Major Category 1: Tentative Entrepreneurial Development

In this section, the major category Tentative Entrepreneurial Development is presented as a property of Consumer Entrepreneurship. It conceptualises the nature of Consumer Entrepreneurship as an incipient form of business that allows tentative, flexible and gradual venture formation and progression, contingent on a set of the owner’s personal circumstances and motives that may drive or restrict the development of a Consumer Entrepreneurship. Tentative Entrepreneurial Development emerged from three lower-level concepts in the data, namely Adaptable Venture Forms, Flexible Venture Development Stages and Trajectories, and Conditional Owner Transitions. Figure 4.3 shows the major category Tentative Entrepreneurial Development as composed of these underlying concepts.
Figure 4.3  Tentative Entrepreneurial Development as composed of its subcategories.

These subcategories represent the properties of the major category Tentative Entrepreneurial Development, and are discussed in turn in the following sections 4.3.1, 4.3.2 and 4.3.3.

4.3.1 Subcategory 1: Adaptable Venture Forms

In this study, the process of Consumer Entrepreneurship involves the creation of entrepreneurial venture forms that are distinguishable from conventional businesses. Unlike conventional businesses, these forms of ventures feature designs that appear to support engagement in business activities in the context of hobbyist consumption. While a hobby occupies the domain of consumption and a conventional business is associated with entrepreneurship, a Consumer Entrepreneurship venture typically shows an overlap of these domains as it assumes characteristics of both. A Consumer Entrepreneurship venture design is often seen by participants as not a ‘real’ or ‘serious’ business, but an intermediate entrepreneurial form in between a hobby and a fully realised business, as shown in Figure 4.4.
A Consumer Entrepreneurship venture is marked by an adaptable design that enables the owner to accomplish both hobbyist and profit purposes, and to tentatively progress into a more mature or fully realised business. It exhibits unique attributes and forms which are described below. This subcategory was developed from codes in the data, a sample of which are shown in Figure 4.5 below.
(i) Attributes of a Consumer Entrepreneurship venture

As a form of Consumer Entrepreneurship venture, the blogshop can be categorised into the Hobby Business Blogshop and the Amateur Business Blogshop. Blogshops in general can be contrasted with fashion Boutique Businesses which represent a conventional business form within the fashion trade. Participants who had operated blogshops included P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P13, P14, P17, P18, P19, P20, P24, P25, P26, P30 and P34, while P2, P4, P9, P13, P14, P19 and P28 had each owned a Boutique Business. The fashion blogshop form can be distinguished from a conventional Boutique Business in terms of a number of attributes that include the venture’s functions, the manner of its development, its business status, structures, operational models, processes and practices.

First, a Consumer Entrepreneurship venture appears to be a leisurely undertaking rooted in a hobby arena, rather than an outright business. Here, blogshop ownership was more often associated with a pursuit of a ‘passion’ or ‘fun’ (P2:4; P3:6; P6:3; P7:17; P9:3; P10:5; P19:1; P20:2; P21:32; P34:3,8) rather than a pursuit of serious profits. Consumer Entrepreneurship is observed to occur when passionate fashion consumers make attempts at monetisation of their hobby. The term ‘monetisation’, rather than commercialisation, is used to suggest that efforts to derive monetary benefits may not necessarily equate with a purely business or profit-focused intention. Monetisation can range from nominal earnings arising from simple, non-continuous, transactions conducted through the blogshop (as in the notion of ‘business as a hobby’), to dedicated commercialisation of the hobby which can provide financial sustenance for the owner (as in the notion of the ‘hobby as a business’). Hence, in this study, the blogshop owner is characterised as either a Hobby Business Blogshop Owner or an Amateur Business Blogshop Owner, while the owner of a Boutique Business is referred to as a Profession Business Practitioner. This property of the Consumer Entrepreneurship venture is further elaborated in Chapter 5 ‘Passionate Hobby Consumption’.

Second, a Consumer Entrepreneurship venture such as a blogshop features acts of improvisations to create unique structures and operational models, platforms, processes and practices from networking functionalities provided by readily available social media
tools. The use of social media to serve as online selling platforms was seen by all participants except P15 and P28, which featured physical boutiques as their main storefronts. Improvised social media features also contrast starkly with the preference for state-of-the-art tools and dedicated physical store infrastructures that are characteristic of conventional fashion retail boutiques. In some instances, blogs provided a virtual presence to complement a physical storefront, while in other instances, a main blogshop site may be complemented by intermittent physical appearances such as temporary stalls in a flea market or a weekend bazaar. The simplified designs of the blogshop appear to enable ease of business formation, ease of operation, ease of exit and propagation of fashion consumption. Improvisations are also evident in the blogshop’s revenue generation models (such as the Pre-Order model seen in P1:11; P6:2; P17:4-5, P18:25; P19:17; P26:1; BSA1; BSA3; BSA5), transaction processes (such as the practice of meeting up to complete a transaction as seen in P7:15; P8:4; P13:19; P14:2; P18:28, 52; P24:7,10; P28:4) and customer cultivation practices (such as the use of social networking sites like Facebook to access target customers as seen in P10:9; P13:31; P14:4; P18:36-37; P19:25; P20:24; P21:34; P30:8). This property is further elaborated in Chapter 6 ‘Social Commercialisation’.

Third, a Consumer Entrepreneurship venture is characterised by a high degree of informality of its structures, administration and practices, as compared with conventional businesses. As a nascent form of entrepreneurship, conformance to standard business norms and behaviours appears to be considered optional. For example, many blogshops did not seem to comply with formal business requirements, such as business registration requirements and adherence to tax laws (see P8:5; P13:7; P17:7; P:28:7; BSA18), but subscribed to self-enacted operating norms and regulations, such as the blogshop’s Terms and Conditions (see BSA1, BSA2, BSA3, BSA4, BSA5, BSA6, BSA7, BSA32, BSA34 and BSA35). They did not operate from official physical premises but were home-based (P5:3; P17:4; P18:46; P23:4). In addition, blogshops were usually a ‘part-time’ endeavour (P1:13; P9:1; P10:1; P13:9, P17:47; P18:2,13; P19:1; P20:1; P21:7; P23:5) as opposed to the ‘full-time’ charge of owning a real business (P2:4; P5:4; P13:14; P18:45; P28:1). Their ownership arrangements can thus be described as ‘hobbyist’ or ‘amateur business’, rather than serious or professional business practice. These features give rise to perceptions of legitimacy deficits of the
Consumer Entrepreneurship venture, which pose as a central concern to owners. Thus, Consumer Entrepreneurs tend to constantly seek legitimacy enhancement of their ventures’ structures, operations and ownership. This property of the Consumer Entrepreneurship venture is the subject of Chapter 7, ‘Obtaining Legitimacy’.

These attributes of the Consumer Entrepreneurship venture correspond to the major stages of the process of the basic social process of Becoming Consumer Entrepreneurs.

(ii) Forms of Consumer Entrepreneurship ventures

Based on the level of development of their structures, operational and ownership characteristics, two types of Consumer Entrepreneurship ventures can be discerned in the fashion blogshop arena, that is, a Hobby Business Blogshop and an Amateur Business Blogshop. The Hobby Business Blogshop describes an extremely basic form of consumer generated enterprise featuring the most rudimentary structures, business models, processes and practices to accommodate a simple business undertaking done more for fun and out of a passion for fashion rather than for profits. Hobby Business Blogshops tend to be non-licensed enterprises, operate as informal, part-time home-based businesses with zero or minimal physical infrastructures and rely on crude social media platforms and labour-intensive practices rather than dedicated storefronts and automated transaction systems. The simplest Hobby Business Blogshops operates on the basis of ‘garage sales’ of the owner’s personal or used items, focus on micro-exchanges between peers and may even employ barter trade. In this study, blogshops that had functioned as Hobby Business Blogshops at one time included P1, P3, P5, P6, P7, P9, P10, P13, P14, P17, P18, P19, P20, P24, P25, P26 and P30.

In comparison, the Amateur Business Blogshop describes a more advanced class of blogshops that display a greater degree of business propriety and a heightened emphasis on monetary profits. An Amateur Business Blogshop may attain some features of a Hobby Business Blogshop while actively acquiring attributes associated with that of a more conventional business venture. It tends to exhibit a greater degree of formality, such as legal compliance, rely on more appropriate e-commerce systems and utilise automated payment systems such as Paypal or credit cards. It is also more likely to be
managed on a full-time basis compared with a Hobby Business Blogshop. Furthermore, it may carry more upscale or branded stocks, have a wider market base and utilise more conventional business models. In this study, blogshops that had functioned as Amateur Business Blogshops at one time included P2, P4, P7, P8, P18, P21 and P34.

Hobby Business and Amateur Business types of blogshops are not discrete types but may bear overlapping characteristics. They are, however, distinguishable from conventional businesses, and can be viewed as transitional entrepreneurial forms with a potential to develop into conventional businesses along a Consumer Entrepreneurship development pathway. Both types are presented in Appendix 8 in terms of their structural, operational and ownership characteristics. The development of the business models, practices and platforms that constitute these types of blogshops are discussed in Chapter 6 ‘Social Commercialisation’.

In summary, Consumer Entrepreneurship features intermediate entrepreneurial venture forms that are distinguishable from fully developed businesses. The structural, operational and ownership characteristics of these ventures appear to enable a high degree of adaptability seen in the relative ease of entry and exits, informality and small scale operations.

4.3.2 Subcategory 2: Flexible Venture Development Stages and Trajectories

Unlike resource-heavy, serious business endeavours, the formation and progression of Consumer Entrepreneurship ventures tend to occur in a staggered, tentative and fortuitous manner. This capacity for flexible venture development can be attributable to the low cost, hobby-oriented nature and design simplicity of blogshop ventures. The development of the Hobby Business Blogshop and the Amateur Business Blogshop forms may be described in terms of the stages and trajectories of their formation, progression, regression and termination. A sample of the codes from which this subcategory was developed from is shown in Figure 4.6.
Two distinct stages can be observed in the development of the blogshop venture, that is, an initial venture Formative stage and a latter venture Transformative stage. The initial venture Formative stage charts the initial founding of the venture, while the latter venture Transformative stage charts its potential progress over time. The Formative stage describes the creation of a blogshop venture to monetise a fashion hobby. Here, the venture may resemble a partially-formed entity and may oscillate between serving as a vehicle for avaricious consumption and a pilot project for full entrepreneurship. This lack of commercial decisiveness of a Consumer Entrepreneurship venture at this stage is evident in its varying levels of business activity. Business activities may range from low volume and highly intermittent transactions to high volume and very frequent transactions. Some blogshops display continuous activity, while some show long
periods of dormancy. The Hobby Business Blogshop appeared to be a more popular option as a start-up device as compared to the Amateur Business Blogshop form. Participants who had opted to enact Hobby Business forms of blogshops at this stage included P1, P3, P5, P6, P7, P9, P10, P13, P14, P17, P18, P19, P20, P24, P25, P26 and P30, while P2, P4, P8, P21 and P34 had started their ventures as a seemingly more advanced Amateur Business Blogshop form.

The Transformative stage describes progress made by a blogshop to assume a more advanced form, that is, either an Amateur Business Blogshop or a Boutique Business store. Transformation tends to occur in tandem with significant changes made to structural, operational and ownership arrangements to improve business capabilities and standing. Transformation appears to be motivated by an intensifying interest in profits, and usually reflects a desire for conversion into a serious business. Not all blogshop owners who expressed an intention at transformation actually carried through. At the time of writing, blogshops that had effected transformation of their venture forms at some point included P2, P4, P7, P9, P13, P14, P18 and P19. Others such as P1 and P17 expressed intentions but had not displayed significant changes to their blogshop’s structure, operations and ownership.

Conversely, entrepreneurial regression can occur, where after some advancement, the blogshop reverts to a previous form. In this study P4 and P19 appeared to have regressed from the Boutique Business form into a Hobby Business Blogshop form, while P18 somewhat reverted to an Advanced Blogshop Business after final stage plans to establish a Boutique Business could not be realised. In addition, consumer enterprises tend to display highly variable lifespans and outcomes. Well-known and highly successful fashion Boutique Businesses such as NAA9 had begun as blogshops and appeared to be capable of long-term sustenance. On the other hand, many teen-owned blogshops such as BSA1, BSA2, BSA3 and BSA4 demonstrated very short lifespans, where records of opening and closing dates published on these blogshop sites showed they had existed for as short as about eight months or less.

Blogshops also display varying degrees of termination, ranging from temporary hiatuses to permanent exits. For example, BSA1, BSA2, BSA3 and BSA5 announced temporary
closures to attend to school work and examination, while P13 and P28 seemed to have permanently exited the Boutique Business altogether. This apparent ease in exiting the business was mirrored by an apparent ease of re-entry, where previously closed blogshops re-emerged with a different shop name and URL (see P24:2-3,18; BSA4 and BSA8). These observations suggest that this form of enterprise is easily disposable.

(ii) Venture development trajectories

Consumer Entrepreneurship development can be illustrated by seven developmental trajectories which chart the formation and transformation of the blogshop venture in this study, as summarised in Figure 4.7 below. These seven developmental trajectories are based on observations of participants’ entrepreneurial activities over a four-year period. They describe participants’ achievements in terms of the Hobby Blogshop, Amateur Blogshop and Boutique Business forms at a particular point of time, in as far as their particular developmental trajectories could be determined.

<table>
<thead>
<tr>
<th>Trajectory 1</th>
<th>Consumer Entrepreneurship</th>
<th>Real business</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hobby → Hobby BBS → Amateur BBS</td>
<td></td>
<td></td>
<td>P7, P18</td>
</tr>
<tr>
<td>Trajectory 2</td>
<td>Hobby → Hobby BBS</td>
<td>Boutique</td>
<td>P9, P13, P14, P19</td>
</tr>
<tr>
<td>Trajectory 3</td>
<td>Hobby → Amateur BBS</td>
<td></td>
<td>P1, P3, P5, P6, P10, P17, P20, P24, P25, P26, P30</td>
</tr>
<tr>
<td>Trajectory 4</td>
<td>Hobby</td>
<td>Boutique</td>
<td>P28*</td>
</tr>
<tr>
<td>Trajectory 5</td>
<td>Hobby</td>
<td>Amateur BBS</td>
<td>P8, P21, P34</td>
</tr>
<tr>
<td>Trajectory 6</td>
<td>Hobby</td>
<td>Amateur BBS</td>
<td>P2, P4</td>
</tr>
<tr>
<td>Trajectory 7</td>
<td>Hobby → Hobby BBS → Amateur BBS</td>
<td>Boutique</td>
<td>P18*</td>
</tr>
</tbody>
</table>

Figure 4.7 Consumer Entrepreneurship venture development: alternative trajectories.
These seven trajectories were clearly evident amongst all participants, with the exception of Trajectories 4 and 7 which represent approximate development arcs for P28* and P18* respectively (see next paragraph). P27 and P35 had expressed entrepreneurial intentions but had not taken actions to create a venture at this time of writing. With the exception of Trajectory 4, the blogshop form, either as a Hobby Business Blogshop or an Amateur Business Blogshop, was chosen at the Formative stage to start a Consumer Entrepreneurship venture. In Trajectories 1, 2, 3 and 7, the Hobby Business Blogshop form was chosen, while in Trajectories 5 and 6, the Amateur Business Blogshop form was chosen.

Trajectories 2, 6 and 7 depict Boutique Business stores as outcomes of transformative actions. Trajectories 2, 6 and 7 suggest the formation of the Consumer Entrepreneurship venture within a hobby domain as a transitional development phase prior to eventual transformation into a fully realised Boutique business. Here, the Consumer Entrepreneurship venture seems to serve as a business entry device used to accomplish an ultimate goal of ownership of a conventional business. Trajectories 2 and 6 show the use of a Hobby Business Blogshop form and an Amateur Business Blogshop form respectively to accomplish eventual ownership of a Boutique Business store. None of the participants in the study had clearly followed Trajectories 4 and 7. P28’s business entry trajectory seemed to resemble Trajectory 4 as she had started a physical Boutique business without going through any of the prior Consumer Entrepreneurship stages. However, she had declared that she was never a fashion hobbyist and that her venture was purely business (P28:15). Similarly, P18’s arc seemed close to Trajectory 7 in that she had advanced plans for a Boutique Business store but had to abandon it at the last minute, after which she regressed to an Amateur Business Blogshop form (P18:67). Hence, although none of the participants clearly progressed through Trajectories 4 and 7, these arcs represent possible options for entrepreneurial development.

Trajectories 1, 3 and 5 depict participants who maintained consumer enterprises without transformation into conventional businesses. In Trajectory 1, the Consumer Entrepreneurship venture passes through both Hobby Business Blogshop and Amateur Business Blogshop phases but stops short of converting into a realised conventional
business. In Trajectory 3, the Consumer Entrepreneurship venture sustains its operations with a Hobby Business Blogshop form while in Trajectory 5, the Consumer Entrepreneurship venture is created as a relatively advanced Amateur Business Blogshop form. In contrast, Trajectory 4 describes the creation of a conventional Boutique Business store as the main trading platform, without first traversing through Consumer Entrepreneurship venture forms.

The pace of development in the various trajectories presented above varies significantly. A transitional Consumer Entrepreneurship phase may be fleetingly brief or it may even be bypassed altogether, such as in the case of P7 where the owners moved to turn it into a relatively advanced blogshop form within a matter of months (P7:2). In comparison, P18’s transformative actions occurred over a relatively longer time period. P21 and P34 were able to assume, within a short time, the appearance of an advanced commercial online fashion endeavour upon formation, and gained many attributes of a typical physical Boutique Business, even as they maintained a blogshop form in terms of the significant use of social media and the hobby orientation of their ventures.

These trajectories suggest that consumer created enterprises that start as blogshops could successfully transform into conventional businesses. Intermediate forms of consumer enterprises allow flexible entry pathways into variable levels of business participation. Thus, the progress of a consumer enterprise into a full-fledged and sustainable business is an option that is not always resolute but seems to be dependent on the circumstances of its creator, which are described in section 4.3.3 below.

In summary, the flexibility of Consumer Entrepreneurship is indicated by the patterns of the venture’s developmental stages and trajectories. A Consumer Entrepreneurship venture may, through incremental steps and lurches, be progressed to produce three possible outcomes over time. It may mature into a fully-realised business entity in the form of a Boutique Business, it may remain as a Consumer Entrepreneurship venture in the form of a Hobby Business Blogshop or an Amateur Business Blogshop that is sustained over a period of time. It seems to be able to easily regress or be terminated at any time. Chapter 7 discusses the necessary legitimising mechanisms for the transformation of the Consumer Entrepreneurship venture into a fully realised business.
4.3.3 Subcategory 3: Conditional Owner Transitions

The process of Becoming Consumer Entrepreneurs emphasises personal development and personal transitions as the individual traverses the hobbyist-to-business ownership arc. For blogshop participants, serious business ownership was not a status that was immediately conferred to individuals who decided to undertake business activities, but was more likely the outcome of successful legitimation efforts and a process of gradual and tentative transition through the Consumer Entrepreneurship pathway described in sections 4.3.1 and 4.3.2 above. Hence, the owner of a Consumer Entrepreneur venture in the form of a Hobby Business Blogshop or an Amateur Business Blogshop, can be contrasted with the owner of a Serious Business. In this regard, the status of the consumer entrepreneur is one of transitional business ownership, as shown in Figure 4.8 below.

*Figure 4.8* The consumer entrepreneur as an entrepreneur in transition.

An individual’s entrepreneurial development and transition include *motives* for development of a Consumer Entrepreneurship venture, and constant *personal adjustments* to accommodate *personal circumstances* that affect its development. The sample of codes depicted in Figure 4.9 shows the basis of this subcategory.
Participants described a range of motives that influenced their desire to develop Consumer Entrepreneurship ventures. These motives consist of hobbyist goals, monetary gains, aspirations, learning and intrinsic satisfactions, and can be categorised into passion-oriented, opportunity-oriented motives and necessity-oriented motives.

Passion-oriented motives

Many participants’ desire to own blogshops appeared to have been hobby-driven, in particular, by an opportunity to engage in or share their passion (P2:4; P3:6; P4:3; P6:3; P7:17; P9:3; P10:5; P13:1; P19:14; P20:2; P21:32; P30: 1,4; P34:3). Ownership of a blogshop enables satisfaction to be derived from participating in the activities associated with it. Participants mentioned deriving satisfaction from being able to delight
customers (P5:2), successfully creating products for sale (P5:2; P21:31) and seeing customers wearing items bought from their blogshops (P19:23; P21:31). Additionally, helping others in becoming more fashionable can be inherently pleasurable (P19:23; P34:4). Participation in a hobby appears brought intrinsic satisfactions such as fun (P3:6), curiosity and being able to overcome boredom (P24:1).

Opportunity-oriented motives

Participants also indicated motives relating to opportunities for developing a business, in particular an ability to make monetary gains (P2:4; P19:18; P24:1; P25:5), to own a business (P17:7; P18:42; P19:30; P20:20; P27:9; P30:9) and to learn entrepreneurship or gain business experience (P3:2; P18:50; P19:29-30; P36:15). Others indicated an opportunity to realise an aspiration, such as to become a fashion designer (P13:46; P20:32) or to own a brand (P13:46; P17:21; P18: 59-60; P20:33), which may hold promise for a potential career in the field.

Necessity-oriented motives

Finally, some participants seemed to have been motivated by a necessity, such as a need to earn a living (P28:1; BSA1) and to contribute to the family’s finances (BSA1; BSA9). Hence, monetary goals in this context are for the purposes of sustaining a livelihood (P28:1; BSA1; BSA9) which contrasts with monetary goals in an opportunity-oriented context that focuses on earning a side income (P34:8). Another motive was dissatisfaction with one’s job which led participants to owning a blogshop as a means of income (P2:4; P13:14). It should be noted that the blogshop may be driven by a mix of passion and business motives at the same time (P2:4; P19:18; P21:8-9; P24:1). Second, passion or hobby-oriented motives were often observed to occur at the Formative stage, while opportunity-oriented motives usually appeared at a latter Transformative stage. Motives may also change. For example, a hobby may transform into a long-term career option such as in the case of P18, or into necessity, such as in the case of P13.
(ii) **Personal circumstances**

Participants’ level of engagement in Consumer Entrepreneurship appears to be contingent upon a set of personal circumstances, which include the individual’s life priorities, business readiness and access to resources.

**Life priorities**

Life priorities refer to the individual’s obligations or commitment to career, school and family, which may impact their abilities to create or deepen involvement in a business. In this study, individuals’ career priorities presented challenges to starting (P20:14,17; P22:15; P36:16) and progressing a business venture toward serious business (P17:47; P18:42; P19:34; P21:7). Among younger blogshop owners, business ownership often conflicted with school work (P26:6; BSA1; BSA2; BSA5; BSA9). Family obligations also presented challenges (P1:13; P23:7), as well as the need to garner parental support for the venture (P13:10; P18:44,47; P24:6,10,18; P25:14; P27:8-9; P30:19).

On the other hand, life priorities may also provide entrepreneurial inspirations. For instance, the arrival of P1’s first born child appeared to have inspired the creation of new products such as hand-made baby clothing and trinkets to cater to fellow mothers. On the other hand, P23 withdrew from entrepreneurial activities after getting married to attend to her family and her husband’s business.

**Business readiness**

Business readiness refers to the individual’s self-evaluation of preparedness to undertake a business venture, based on her skills, knowledge, competencies, self-confidence and prior experiences. In making decisions to start or progress business ventures, participants have considered their competencies, knowledge and skills pertaining to the technical aspects of the fashion apparel trade, such as sewing, tailoring and designing, business acumen, as well as IT proficiencies (P8:2; P9:6; P13:16; P20:31; P27:2-3). Others considered their past business experiences (P13:16; P19:1-3; P27:3) and self-confidence (P13:16; P27:2) in undertaking such ventures. A number of
participants expressed doubts about their personal readiness to attempt serious business ownership (P8:2; P13:16; P19:28; P20:17; P27:2-3). P27’s self-evaluations were particularly revealing:

_They have a lot of doubts about starting a venture. They are not sure of their own abilities to start a business on their own. They are not sure if they are ready for it. They have discussed and planned so much but there are still many uncertainties._

_Although they are business students, they feel inadequate about their business abilities, and they do not have business experience. There are many things they lack— they do not know where to find suppliers, they do not know how to sew, and they do not have design skills. Besides, blogs are free so anyone can start a BS business, so need to prove themselves._

(Interview notes, P27:2-3, 12 October 2011)

In this regard, a Consumer Entrepreneurship venture has been viewed as an avenue for learning (P3:2; P18:50; P27:5; P30:2; P36:15), so as to prepare the individual for business.

Access to resources

Access to resources such as funds, information and social connections can drive or constrain entrepreneurial development. For example, participants indicated problems with obtaining funds (P19:28; P20:17,21), a lack of knowledge of supplier sources (P27:3; P30:10) and access to business networks (P19:29; P30:11). Other supportive resources include family (P1:13; P5:4; P13:10-13; P18:1-2) and friends (P7:1; P8:2; P17:2; P27:5) who considered as sources of assistance in the form of business partnerships and labour.

_(iii) Personal adjustments_

Personal adjustments refer to how the individual manages, cope and respond to circumstances pertaining to life priorities, business readiness and access to resources described above. In this study, participants can be grouped into four types of consumer entrepreneurs, based on their age and occupational status. These four types, observed at the time of the initial interviews, include student consumer entrepreneurs, employed
consumer entrepreneurs, unemployed consumer entrepreneurs and self-employed micro business owners, and presented in Table 4.3 below:

<table>
<thead>
<tr>
<th>Types of Consumer Entrepreneurs</th>
<th>Participants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student consumer entrepreneurs</td>
<td>P24, P25, P26</td>
</tr>
<tr>
<td>- High school students</td>
<td>P3, P17, P19, P27</td>
</tr>
<tr>
<td>- College students</td>
<td></td>
</tr>
<tr>
<td>Employed consumer entrepreneurs</td>
<td>P1, P6, P7, P9, P10, P20, P21, P34</td>
</tr>
<tr>
<td>Unemployed consumer entrepreneurs</td>
<td>P18, P23, P30</td>
</tr>
<tr>
<td>Self-employed micro business owners</td>
<td>P2, P4, P5, P13, P14, P15, P28</td>
</tr>
</tbody>
</table>

In the above classification, Student Consumer Entrepreneurs are particularly exemplified by the Singaporean teen blogshop sub-genre which seems to constitute a large segment of the blogshop industry, and whose unique characteristics have been described by Fletcher and Greenhill (2009). Due to their age, they tend to lack business readiness and resources, and face challenges in juggling their blogshops with schooling priorities. These conditions seemed to have encouraged innovation of the Singaporean teen blogshop genre, a rudimentary Hobby Blogshop Business venture that allows uncanny business flexibility (see Trajectory 3 in section 4.3.2). For instance, teenage blogshop sellers tend to go ‘Missing-in-Action’ (or MIA) from shop-keeping activities to attend to school examinations and other school priorities (P24:2-3; P26:10; BSA2; BSA5). To overcome their shortcomings, Student Consumer Entrepreneurs often enlist the help of friends to act as business partners (P25:1; P26:1; P27:5).

Employed Consumer Entrepreneurs are full-time working professionals who dabble in fashion business ventures in their spare time. Since they are likely to have more access to financial resources, business training and work experiences, they are arguably better poised to start formal business ventures. However, a full-time career coupled with family commitment is likely to pose formidable operational challenges to serious entrepreneurial pursuits. Instead, Employed Consumer Entrepreneurs typically utilised Trajectories 1, 3 and 5 to operate Hobby Business Blogshop or Amateur Business
Blogshop ventures which enabled them to engage in elementary entrepreneurship on a part-time basis whilst retaining full-time employment. This option demanded constant juggling of the blogshop business with the demands of formal employment. For instance, P1 had to take time off from her blogshop during her pregnancy, P13 had to put her blogshop aside for a time due to work, while P21 lamented that the venture was no longer really just a hobby but a second job (P21:9). Nevertheless, considerable involvement in the business on a part-time basis was shown to be possible by P21 and P34 who exerted much effort and determination in operating advanced Amateur Business Blogshop types alongside their full-time jobs.

On the other hand, some participants considered the need to leave formal occupation to realise a desire for serious business ownership or to deepen an existing entrepreneurial endeavour (P9:1; P13:14; P18:48; P21:7; P34:7). Here, individuals weighed the viability of leaving a stable job against the possibility of sustainable self-employment afforded by a blogshop venture, such as in the case of P13 and P18. The decision is usually contingent upon family support and the individual’s evaluation of personal readiness and self-confidence. Although not all who had indicated such a desire actually followed through, a number were able to change careers (P2:4; P9:10; P13:14; P18:45). In particular, P13 and P18 revealed their transitions into full-time business as a turbulent tussle between passion and career.

*Working in the bank and not committing fully to her business made her feel like cheating herself. It was hard to juggle between work and her blogshop. Sometimes, she had to attend to her website after work hours, and work on it till 2 am. She couldn’t do both things at the same time, so she hired someone to take care of her stall.*

*But her dad could see her passion and the potential of the business, so he decided to support her. It wasn’t right to keep using the house for meet-ups. She had dresses and clothes everywhere in the house, and she did not like strangers in there all the time. She had also increased the range of her stocks. The volume of business had outgrown her home, so she had decided to open a brick store.*

(Interview notes, P18:45-46, 22 December 2010)

Unemployed Consumer Entrepreneurs include working-age individuals who were able to derive some income from their business ventures while waiting for full-time
employment. The temporary nature of unemployment seems to favour a Hobby Business Blogshop or an Amateur Business Blogshop enabled by Trajectories 1, 3 or 5. As P18 and P30 pondered about their careers, they seemed torn between a desire to own a business and a need to fulfil expectations to be formally employed. In considering self-employment through their blogshop business ventures, they assessed their business readiness, access to resources and family support. Although both returned to working life, P18 eventually decided to pursue self-employment through her blogshop venture, as she wanted to stay true to her life’s passion.

Self-Employed Micro Business Owners attempt to find self-employment and a steady income source through small business ventures. Where a Hobby Business Blogshop or an Amateur Business Blogshop seems suitable for the Student Consumer Entrepreneur, Employed Consumer Entrepreneur and Unemployed Consumer Entrepreneur groups, the ideal form of venture for Self-Employed Micro Business Owners appears to be one that allows it to be perceived as a ‘real’ or ‘serious’ business. Therefore, a Boutique Business or even an Amateur Business Blogshop seems to be the ideal or preferred option. For example, boutique store owners P13’s and P28’s narratives recounted supportive circumstances, such as family assistance and access to funds, that enabled them to establish an immediately legitimate business (P13:10-13: P28:1-2).

In summary, the individual’s transition into entrepreneurship does not appear to be resolute but is usually conditioned upon adjustments made in relation to personal circumstances. Individuals utilise Consumer Entrepreneurship venture forms that enable autonomous and flexible levels of business engagement, in relation to conditions imposed by their careers, school, family, business readiness and access to resources.

4.4 Non-Fashion Hobby Contexts

Patterns similar with Tentative Entrepreneurial Development described in the previous sections can be observed in non-fashion hobby contexts. The non-fashion hobbyists interviewed in this study utilised ventures that were similar with Hobby Business Blogshops (P29, P31, P32) and Amateur Business Blogshops (P33). They also expressed intentions to further develop their ventures, including becoming full-fledged
businesses (P29:6; P33:5). Like their fashion blogshop counterparts, ventures developed in these non-fashion hobby contexts appeared to follow a pattern of gradual and flexible entrepreneurial development. For example, P31 described the developmental trajectory of a well-known and successful toy collector as a progress from being a hobby to becoming a toy shop and finally a manufacturer (P31:10).

In these contexts, entrepreneurial development appeared to be contingent on individuals’ motives. For example, P33’s venture appeared to be needs-driven while P29, P31 and P32 appeared to be more passion-driven. Like fashion hobbyists, personal circumstances affect their ability to commit to entrepreneurship. P29, P31 and P32 conducted their ventures on a part-time basis as they were formally employed (P29, P32) or were attending school (P31). On the other hand, P33 was a full time, self-employed micro-business owner who relied on her home bakery for a livelihood (P33:5).

These observations suggest that the pattern of entrepreneurial development in these non-fashion hobby contexts is comparable to that seen in among fashion blogshop participants.

4.5 Discussion

This section discusses the substantive theory of Consumer Entrepreneurship in relation to relevant literature. Consumer Entrepreneurship theory is compared with user entrepreneurship and user innovation theories, while Major Category 1: Tentative Entrepreneurial Development is compared with the literature on the informal economy.

The term “consumer entrepreneurship” has very limited appearance in the entrepreneurship literature. Huefner & Hunt (1994) noted that although entrepreneurship has traditionally been assumed to be a business undertaking, entrepreneurial behavior occurs in the consumer domain as well. They described ‘consumer entrepreneurship’ as “… recognizing an opportunity and marshaling the resources to take advantage of or act on that opportunity while engaged in the cognitive and emotional processes and physical activities of selecting, purchasing, using, and discarding products and services so as to satisfy needs and desires,” (p. 64). They
proposed that “…consumer and business entrepreneurs have opportunity creation, innovative/creative, and dominance in common” (p. 73). Chandra and Coviello (2010) identified, defined and described a segment of “consumers as international entrepreneurs” as an emerging type of entrepreneurship that do not necessary operate as a full time, formal vocation for purely financial gains, and leveraging on interconnectedness provided by online technologies and communities are able to operate in virtual across national borders. Nevertheless, the central notion of Consumer Entrepreneurship, which is the process of Becoming Consumer Entrepreneurs in an area of passionate personal consumption, appears to be located in the vicinity of the existing theory of user entrepreneurship as explicated by Shah and Tripsas (2012). Here, the blogshop participant may be considered a type of user entrepreneur and user innovator.

**User Entrepreneurship and User Innovation**

User entrepreneurship has been defined as the “commercialisation of a new product and/or service by an individual or group of individuals who are also innovative users of that product and/or service” (Shah & Tripsas 2007, p. 124). It encompasses commercialisation of innovative product solutions and ideas developed in the course of professional work as well as in day-to-day usage by end users (Shah, Smith & Reedy 2012; Shah & Tripsas 2007). It is deeply rooted in the notion of user innovation, which describes the innovative actions of users to refine or develop products that they use every day, and from which entrepreneurial opportunities may be found. Innovation has traditionally been a significant part of entrepreneurship theory (Schumpeter 1934), and the prevalence and role of the user as a potential source of value for firms, especially in relation to opportunities for the co-creation of value (Henkel & von Hippel 2005; Prahalad & Ramaswamy 2004b) has been established by a rich and well documented research literature. For example, Von Hippel’s (2005, p. 6) and Bogers, Afuah & Bastian’s (2010, p. 859) review of user innovators in the literature showed their contributions to span diverse industrial contexts such as petroleum, chemicals, scientific instruments, industrial machinery, applications software, semiconductors, printed circuit CAD software, pipe hanger hardware, residential construction, machine tools and commercial banking, as well as consumer contexts such as convenience stores, library information systems, outdoor and sports equipment and security software. In these
cases, users often innovated solutions to meet their own needs and even share their solutions with others before commercialising them (Baldwin, Hienerth & von Hippel 2006).

In the past, innovative users had rarely commercialised their innovations, but passed their ideas to manufacturing companies to undertake commercialisation (Shah & Tripsas 2007, pp. 124-125; 2012, pp.1, 6-7). More recently, however, cases of user-founded ventures dedicated to commercialising their innovations appear to be growing in many consumer product areas, such as in juvenile products (Shah & Tripsas 2007), video games (Burger-Helmchen & Guittard 2008; Haefliger, Jäger & Von Krogh 2010), rodeo kayaking (Baldwin, Hienerth & von Hippel 2006; Hienerth 2006), consumer sporting goods (Shah & Tripsas 2012) and extreme sports equipment (Shah 2006). For example, the Kaufman Firm Survey found that in 2004, user founders accounted for about 46.6 percent of innovative startups in the United States that survive to the age of five (Shah, Smith & Reedy 2012, p. 6). Thus, the role of the active user in effecting innovation and entrepreneurship appears to be the common and distinguishing characteristic present in both user entrepreneurship and Consumer Entrepreneurship theories.

There are other similarities. In user entrepreneurship, the path towards business creation is often emergent rather than preplanned, arises from personal or hobbyist usage of a product or service, and often emphasises intrinsic rewards over pure monetary profits (Shah & Tripsas 2007, p. 133). Entrepreneurial initiatives, such as product development, tend to occur without formal acknowledgment or evaluation of a commercial opportunity (Shah & Tripsas 2007, p. 129). These features contrast with typical entrepreneurship where a commercial opportunity is assessed prior to deliberate entrepreneurial action (Shah & Tripsas 2007, p. 129). Additionally, studies in the United States showed that end-user entrepreneurs were likely to be women, lacked human capital, were more reliant on self-financing, earned less revenues, founded ventures based at home and focused on consumer markets rather than business markets (Shah, Smith & Reedy 2012). Generally, they tend to develop innovative products as leisure or spare time activities (Burger-Helmchen & Guittard 2008, p. 7), and may
derive non-profit satisfactions, such as intrinsic enjoyment from participating in a hobby (Shah & Tripsas 2007, p. 133).

Second, a strong social context is present in both instances that enable access to supportive resources to create, develop, evaluate and commercialise product ideas. In user entrepreneurship, communities such as those devoted to special interests (Franke & Shah 2003) provide social structures and tools to facilitate interactions among users (Shah & Tripsas 2007, p. 130), bring together diverse resources, knowledge and ideas (Franke & Shah 2003; Füller et al. 2006; Von Hippel 2007; Von Hippel & Von Krogh 2003) and influence development of entrepreneurial intent and action (Frederiksen, Dahlander & Autio 2008). In Consumer Entrepreneurship, social connections are provided by the social networking capabilities of social media implements which enable the creation of virtual commercial spaces and aggregation of customer networks and ecosystems to support blogshop businesses. This aspect is elaborated in Chapter 6.

At the same time, the process of Becoming Consumer Entrepreneurs appears to deviate significantly from user entrepreneurship models, especially the process of commercialisation of user innovations as modeled by Haefliger et al. (2010) and Baldwin et al. (2006). In a study on Machinima, a genre of animation based on video gaming technology, Haefliger et al. modelled hobbyists’ entry into the industry as a two phase strategy. They described a pre-commercialisation phase where user innovators gain experience, build a potential customer base and work with a community of fellow users to spread the product idea. Here, they overcome entry barriers to commercialisation by operating in obscurity to avert detection by incumbent firms and rely on the Internet to substitute established distribution channels (Haefliger, Jäger & Von Krogh 2010, p. 1210). Similarly, Baldwin et al. (2006) modelled user innovation process as consisting of three phases. In the initial stage, innovation activities are typically undertaken by lead users who innovate products and designs to satisfy their own needs for products and services long before they are felt by the majority of the market (Von Hippel 1986, p.796). They also share designs and ideas with relevant communities. In the second stage, they use a low-capital, albeit high variable cost, approach to manufacture and sell their innovations to fellow community members who are willing to buy from peers rather than make them for themselves. Finally, when
market demand is ascertained, it becomes feasible to make substantial investments in manufacturing in order to produce at lower variable costs. These initial, pre-commercialisation stages seem to be much less pronounced, or are not even present, in the transitional entrepreneurial development stages in this study where commercialisation appears to be more immediate. By operating non-conventional hobbyist or amateur business ventures, fashion consumers are able to commence monetisation in an informal, low profile and limited manner. It is only later that the venture may become formalised. Thus, the key difference appears to be that while Haefliger et al.’s (2010) and Baldwin et al.’s (2006) models feature commercialisation as a formal entrepreneurial undertaking, participants in this study tend to embark on commercialisation in an informal basis. This suggests a create-then-legitimate approach to venture creation, which is further elaborated in Chapter 7. This route seems to exist because entrepreneurial action in the blogshop context is usually not predicated upon user innovation associated with user entrepreneurship.

This observation raises a second point of departure between user entrepreneurship and this present study. In user entrepreneurship, entrepreneurial activities seem to always be centered on the creative capacities of the user to generate innovations that become the basis for commercialisation. Such innovations are often in the form of products. In Consumer Entrepreneurship, however, innovation of new products is not necessary for all or even most instances of blogshop venture creation. Other than the do-it-yourself (DIY) and crafts categories of products, most blogshop businesses are not reliant on the owner’s ability to innovate new products or ideas, but utilise simpler selling-oriented propositions, such coordinating group purchases or reselling goods bought. Such selling-oriented propositions provide a lower threshold for consumer engagement in entrepreneurship. In comparison, entrepreneurial entry based on innovation is arguably more difficult as it places an amount of technical expertise (Franke, Von Hippel & Schreier 2006), as well as cognitive demands and technological complexities that can present a barrier of not knowing (Lettl 2007, p. 54). Thus, the nature of Consumer Entrepreneurship in this study is one that promises wider access to business participation.
This does not mean that Consumer Entrepreneurship in this study is absent of user innovation. Instead, its egalitarian nature suggests the unique manner in which user innovation has taken place. Here, user innovation is not necessarily manifested in each attempt at entrepreneurship, but in the underlying design of the blogshop itself. Collective innovative improvisations of social media implements by fashion consumers have generated unique platforms, business processes and practices that seem to purposely deviate from proper, conventional, state-of-the-art e-commerce systems in the mainstream. Constant iterations and refinement of this new form appear to have given rise to a new genre, or a new category of firms in the fashion industry, much in the same way as the development of the Machinima genre by users in the animation industry (Haefliger, Jäger & Von Krogh 2010). As such, the blogshop itself is a collective innovation. It seems to represent an innovation of the means, or a model of entrepreneurship, that is, the creation of a low cost and easily reproducible business template that democratises business participation and consumption at the grass root level. In the context of organisational creation, Aldrich & Kenworthy (1999) described a “reproducer-innovator continuum” to differentiate between start-ups in an established industry that are only minimally different from existing organisations and innovative new firms that could potentially open up new niches or industries (p. 11). Blogshop entrepreneurs in this study seemed to be reproducers rather than innovators as each blogshop business created tends to be a reproduction of a somewhat standard blogshop template, and is only minimally different from existing blogshops. In other words, the replicability of the blogshop template removes the need for each instance of entrepreneurship to be contingent upon by the user’s innovative abilities. However, this exerts a strong tendency towards commodification as each blogshop is largely indistinguishable from another.

This notion of the blogshop as a template or model places it alongside and draws comparison with other more well-known templates or models for consumer-based e-commerce, such as eBay and Etsy. It prescribes a way of doing business in relation to the venture’s value propositions, capabilities, cost structure, revenue models, customers, channels and partnerships (Osterwalder, Pigneur & Tucci 2005). These are further discussed in relation to the blogshop’s platforms, processes and practices in Chapter 6.
Informal Economy

The nature of Consumer Entrepreneurship ventures suggests that they are a part of the informal economy. The informal economy has been referred to in a variety of ways, such as “hidden enterprise”, “off-the-books”, “cash-in-hand”, “second economy” and “shadow economy” (Smallbone & Welter 2001, p. 250; Webb et al. 2013, p. 3; Williams & Nadin 2010, p. 364). Interest in this aspect of the economy is usually attributed to Hart’s (1973) study of migrant employment in southern Ghana, and to the International Labour Organisation’s (ILO) 1972 Kenyan Mission Report (International Labour Organisation 1972) where the term informal sector was coined. More recently, the concept was broadened to embrace all aspects of informal employment, including informal self-employment (Chen 2012, p. 7) which presumably would include informal blogshop enterprises. The ILO recognises the informal economy as comprising “… all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements” (International Labour Organisation 2002b, p. 5), while care has been taken to exclude criminal and illegal activities from the informal economy (p. 6). Webb et al. (2009) argued that although firms in the informal economy may be viewed as illegal in relation to codified laws and regulations and from the perspective of formal institutions, they may be accepted as legitimate by members of the informal economy if they conform to their norms, values and beliefs.

Informal entrepreneurship is pervasive. An OECD report indicated that about two thirds of the global working population is engaged in the informal sector and that informal employment in Southeast Asia has increased since the mid-1980s (Jütting & Laiglesia 2009, p. 12). According to the ILO, over 65 percent of non-agricultural employment in Asia is in the informal economy, mostly in self-employment (International Labour Organisation 2002c, pp. 19-20). In Malaysia, nearly 10 percent of all employed persons worked in the informal sector in 2013 (Department of Statistics 2013), and about 15 percent in Singapore in 2012 (World Bank 2012). Informal employment in Malaysia is mostly urban and predominantly self-employed (Department of Statistics 2013). Taken together, wholesale and retail trade coupled with manufacturing made up the biggest proportion of all informal employment in Malaysia.
In developing countries, women dominate the informal economy, which provides a larger source of employment for women than for men (Chen 2007, p. 6; Ramani et al. 2013, p. 2).

The structural, operational and ownership traits of Consumer Entrepreneurship ventures seem to be generally coherent with those of firms associated with the informal economy. First, they tend to operate at rather low levels of visibility in the economy, and are essentially separated or hidden from formal mainstream institutions as they are not registered by the state for tax purposes (Williams & Nadin 2010, p. 363). They typically operate on small scale, leverage on indigenous resources such as family support and a home base, are reliant on intensive labour and adapted technology (International Labour Organisation 1972, p. 6), and involve non-standard employment arrangements such as part-time, temporary and self-employment in informal enterprise settings (International Labour Organisation 2002c, pp. 12-13, 26-28). Like blogshops, informal firms are characterised by ease of entry and exits and high degrees of autonomous and flexible business ownership arrangements (Gerxhani 2004, p. 274). Participation in the informal economy is thought to be a response to certain barriers to entry into formal entrepreneurship, such as prohibitive capital requirements (Van Stel, Storey & Thurik 2007) and bureaucratic entry regulations in the form of procedures, time and costs (Djankov et al. 2002, p. 5), especially in industries that should have naturally high entry (Klapper, Laeven & Rajan 2006), such as the fashion industry. As observed among blogshop owners, the most common medium of exchanges used by informal firms are cash and even barter, rather than cheques or credit cards, in order to avoid official records of transactions (Losby et al. 2002, p. 6), which in turn create difficulties in securing business financing from formal institutions (p. 37). As a part of the informal economy then, the blogshop may be placed alongside the many street vendors, petty traders, home-based workers, and other informal workers which are easily found in the Southeast Asian regions where this study was based. In this sense, it is tempting to view the blogshop as simply a technologically facilitated version of these kinds of informal, micro enterprises.

In relation to the International Labour Organisation’s framework (Hussmanns 2004) which classifies formal work according to economic unit type and employment status, a
blogshop may be classified as an informal sector enterprise (which may consist of micro-enterprises, family businesses, and own account operations). A blogshop owner can be classified as an informal own account worker or an informal employer within the informal economy where the informal nature of their employment follows directly from the characteristics of the enterprise (Hussmanns 2004, p. 5). The hobbyist and amateur business forms of blogshop ventures also appear to be coherent with Williams et al.’s (2012a; 2012) classification of informal entrepreneurs. They classified informal entrepreneurs into four types: wholly permanent, partially permanent, partially temporary and wholly temporary informal entrepreneurs, and evaluated their intentions to formalise. In both schemes, informal entrepreneurship is evaluated in terms of their degrees of formality and their potential to develop into mature businesses. The potential to transition into real, formal businesses confers significance to informal firms, and has been emphasised by the International Labour Organisation (2002b), which stated that “…many people working in the informal economy have real business acumen, creativity, dynamism and innovation, and such potential could flourish if certain obstacles could be removed. The informal economy could also serve as an incubator for business potential and an opportunity for on-the-job skills acquisition. In this sense, it can be a transitional base for accessibility and graduation to the formal economy, if effective strategies are put in place” (p. 54). In this regard, achieving entrepreneurial progress has been thought of as a matter of formalisation of the informal firm. As a result, much of the research in this area has examined policy measures and legislative assistance to encourage formalisation of unregistered ventures (Chen 2012; International Labour Organisation2002a; Jütting & Laiglesia 2009; Temkin 2009; Williams & Nadin 2012a).

Consumer Entrepreneurship appears to somewhat depart from informal entrepreneurship in terms of the motives underlying these behaviours. Generally, theoretical discourse on the motives of informal entrepreneurs has revolved around whether they are necessity-driven or opportunity-driven. Necessity-driven informal entrepreneurship has been thought of as reluctant, involuntary, forced, as a matter of survival (Boyle 1994; Hughes 2006; Singh & DeNoble 2003; Temkin 2009), and occurs when social circumstances prevent access to formal employment (Raijman 2001). Here, informal entrepreneurship has been depicted as a “residue” and associated with “a pre-
modern earlier mode of production, distribution and consumption”, and a sign of “under-development”, “traditionalism” and “backwardness”, or a by-product of the formal economy where an inability to find formal work drives marginalised populations to the informal economy (Williams 2010; Williams, Nadin & Rodgers 2012). This construct appears to align with some instances of necessity-oriented motives found in this study.

In contrast, opportunity-driven entrepreneurship is portrayed in the literature as a matter of choice, such as to realise an opportunity or fulfil a desire of business ownership (Aidis et al. 2007; Cross 2000; Gerxhani 2004; Snyder 2004). Within a neo-liberal perspective, opportunity-driven entrepreneurship suggests a voluntary rejection of formal economy practices, in particular an attempt to circumvent the costs and government bureaucracies associated with formal business participation (Biles 2009, p. 229; Chen 2012, p. 5). Here, informality is chosen for its autonomy and flexibility (Gerxhani 2004, p. 6). This notion appears to be most aligned with the opportunity-oriented motives in this study, and supports the notion of the blogshop system as an alternative to fashion’s mainstream industry. Although both passion and opportunity-driven motives accentuate choice and autonomy, a subtle but significant difference can be detected. Opportunity-driven constructs in previous studies (Williams 2009a, b; Williams & Williams 2014) have emphasised purely business and economic profits. Passion-oriented motives in the hobby context of the blogshop embrace the possibility of non-business and intrinsic rewards such as fun and participation. Thus, in considering that the hobby context is perhaps an avenue that enables forms of personal expressions, lived experiences and self-actualisation, Consumer Entrepreneurship is likely to be situated within a post-structural perspective of informal entrepreneurship as rendered by Williams (2010; 2012). Also, passion-oriented motives are frequently the basis for formation of Consumer Entrepreneurship ventures, while opportunity and necessity-oriented motives are not always strongly present, or may only appear at a later stage. In this regard, passionate engagement in a hobby as a basis for informal entrepreneurship may contribute a refined insight to the necessity-opportunity dichotomy debate.
Finally, the motives of consumer entrepreneurs in this study are not always clearly demarcated as either opportunity or necessity-driven. In many cases, motives are varied and may change over time. This is consistent with recent challenges to the necessity-opportunity dichotomy, especially by Colin Williams and his collaborators who, in a number of articles, have made similar observations and have called for a richer and more finer-grained understanding of informal entrepreneurs’ motives (Williams 2007a, 2008, 2009a, b; Williams & Nadin 2010; Williams & Williams 2014).

4.6 Summary

This chapter provides a broad outline of the substantive theory of Consumer Entrepreneurship which is able to account for the blogshop phenomenon under study. It depicts the blogshop as a device to enable a process of Becoming Consumer Entrepreneurs. Five major conceptual categories are shown to underpin Consumer Entrepreneurship theory, namely Tentative Venture Development, Passionate Hobby Consumption, Social Commercialisation, Obtaining Legitimacy and Becoming Consumer Entrepreneurs, with Becoming Consumer Entrepreneurs being the Core Category that is able to subsume the other categories. It provides an outline of these major conceptual categories, shows how the core category was determined in accordance with Classic Grounded Theory principles, and presents the main theoretical codes that integrate the major categories as found in this study.

The first major category in the theory of Consumer entrepreneurship, that is, Major Category 1: Tentative Venture Development is explicated in terms of the adaptable forms and key attributes of Consumer Entrepreneurship. The stages and trajectories associated with the formation and progression of such a venture provide flexible venture founding and progression. This chapter also discussed the individual’s transitions by considering the motives for engagement in Consumer Entrepreneurship and the adjustments made to account for personal circumstances that affect the degree of entrepreneurial involvement. These properties enable the tentative manner in which entrepreneurial development tends to occur in Consumer Entrepreneurship, and are summarised in Table 4.4.
Lastly, the discussion section compares the emergent theory of Consumer Entrepreneurship and the pattern of Tentative Entrepreneurial Development with the literature on user entrepreneurship, user innovation and informal entrepreneurship theories, where a number of contributions have been identified. The study shows blogshop participants as a type of user entrepreneurs whose core concern is conceptualised as a basic social process of Becoming Consumer Entrepreneurs. The blogshop is identified as a part of the informal economy, where motivation for entrepreneurship is based on passionate engagement rather than pure necessity or opportunity. It depicts the development of this form of entrepreneurship as tentative and characterised by informal structures, business models, processes, practices and flexible developmental stages and trajectories. It argues that the blogshop is a collective consumer-innovated template, or replicable model, which is able to broaden entrepreneurial participation by consumers.

Table 4.4  Summary of Tentative Entrepreneurial Development

<table>
<thead>
<tr>
<th>Tentative entrepreneurial development</th>
<th>Consumer Entrepreneurship ventures</th>
<th>Real business</th>
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<tbody>
<tr>
<td>Adaptable venture forms</td>
<td>Hobby Business Blogshop</td>
<td>Amateur Business Blogshop</td>
</tr>
<tr>
<td>Flexible venture stages and trajectories</td>
<td>Formative</td>
<td>Transformative</td>
</tr>
<tr>
<td>Conditional owner transitions</td>
<td>Hobbyist business owner</td>
<td>Amateur business owner</td>
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</tbody>
</table>
CHAPTER 5

MAJOR CATEGORY 2: PASSIONATE HOBBY CONSUMPTION

5.1 Introduction

This chapter elaborates on Major Category 2: Passionate Hobby Consumption that underpins the substantive theory of Consumer Entrepreneurship. The process of Becoming a Consumer Entrepreneur was observed to frequently occur in the context of fervent participation and consumption within an interest or hobby. In this study, passionate consumption behaviour appeared to underlie development of entrepreneurial capabilities, intentions and opportunities.

Section 5.2 provides a brief overview of this major conceptual category to show its development from three subcategories which emerged from data in this study. This is followed by an elaboration of each of these three subcategories in subsections 5.2.1 through 5.2.3. A discussion of this major category with reference to the relevant literature is provided in section 5.3. Finally, section 5.4 summarises the chapter.

5.2 Major Category 2: Passionate Hobby Consumption

In this study, development of a blogshop venture was typically seen to result from passionate participation and consumption within a fashion hobby context. Immersive pursuit of a fashion hobby accompanied by avid consumption behaviour seems to nurture entrepreneurial capacities and intentions, and allow discovery of business opportunities. In this context, the fashion blogshop appears to enhance passionate hobby participation and consumption as well as development of commercial enterprises by avid fashion hobbyist consumers. This pattern of behaviour describing Consumer Entrepreneurship within a consumption context amongst blogshop participants in this study is categorised as Passionate Hobby Consumption.

In this chapter, Passionate Hobby Consumption is presented as a sub-process of Becoming Consumer Entrepreneurs (as presented in Chapter 4), and is composed of three lower level concepts: Immersive Hobby Participation, Serendipitous Acquisition of Capabilities and Accidental Discovery of Opportunities that were developed from the data. Figure 5.1 shows the major category Passionate Hobby Consumption as composed of these three underlying concepts presented as subcategories. In turn, each
of these three concepts is developed from codes in the data, and presented in subsections 5.2.1, 5.2.2, and 5.2.3.

Passionate Hobby Consumption considers how a person’s deep-rooted interest, in this case fashion, is practised as a hobby activity rather than a formal occupation. A hobby may be pursued with varying degrees of intensity, that is, from passive involvement to passionate immersion, involve various goals or expectations, that is, monetary versus non-monetary benefits, and various levels of commitment, that is, ranging from part-time to full-time involvement.

![Diagram](image)

**Figure 5.1** Passionate Hobby Consumption as composed of three underlying concepts.

Passionate Hobby Consumption, indicated in the expressions ‘passion’ or ‘passion for fashion’, were repeatedly encountered in this study (P2:4, P4:3, P6:3, P7:17, P9:3, P10:5, P17:1, P19:1, P20:2, P21:32, P34:3, BSA9). ‘Passion for fashion’ seems to refer to the emphatic devotion with which these fashion enthusiasts pursue their interest, and was repeatedly stated as the basis for the creation of blogshop ventures (P2:4, P4:3, P6:3, P7:17, P9:3, P10:5, P19:1, P20:2, P21:32, P34:3).

The following subsections elaborate on the context and conditions in which blogshop ventures are created. Immersive Hobby Participation, Serendipitous Acquisition of...
Entrepreneurial Capabilities and Accidental Discovery of Opportunities describe the conditions seen in the development of Consumer Entrepreneurship ventures within a hobbyist context.

5.2.1 Subcategory 1: Immersive Hobby Participation

Immersive Hobby Participation describes how the fashion hobby is practised amongst blogshop participants in this study, in terms of their roles, activities and benefits sought. A sample of codes that indicate Immersive Hobby Participation is shown in Figure 5.2 below.

![Figure 5.2 A sample of codes that indicates Immersive Hobby Participation.](image-url)
Immersive participation by blogshop participants can be seen in the way they appear to display proficiencies, derive gratifications, and enact roles in practising fashion as a hobby.

(i) Displaying fashion proficiencies

Fashion as a hobby appears to revolve around the cultivation and sharing of beauty and desirability. This is evident in the motto ‘be seen or go home’, frequently used by a popular online seller of premium priced trendy accessories (P21:4), which seemed to encourage fans to indulge in lavish expressions of the self through fashion. In the virtual medium, stylistic fashion hobbyists frequently engage in various forms of self-presentations shared through a ‘selfie’ (a self-portrait usually taken on a phone camera) or in an elaborate fashion photo shoot on a Facebook page, an Instagram or a personal blog. An underlying intention behind these exhibits, it seems, is to demonstrate the individual’s aptitudes to look good in various outfits. This was indicated in observations by P17 and P35 that not everyone could wear a particular outfit well, or as well as another person (P17: 19, 27; P35:10). Additionally, P17’s musings that her own love for risqué ‘bodycon’ outfits may be interpreted by others as her trying to show off her physical contours further hinted the fashion hobbyist’s pride in being able to wear certain styles of clothing (P17:45). As a result, displaying fashion proficiencies seemed to involve a degree of competition (P17:19, 27, 45; P35:12), where devoted fashion practitioners constantly judged each other.

That an immersive participation in fashion involves fervent displays of proficiencies is encapsulated in the notion of the ‘fashionista’. Fashionista was a popular term encountered in the blogshop scene (for example a blogshop was named Fashionista 1001, at http://fashionista1001.blogspot.com/) and is an in-vivo code in this study (see P17, P19, P20). It appeared to refer to an individual’s fashion proficiency and social standing as judged by passionate fashion devotees. Although a fashionista has been described as a person who wishes to avoid committing fashion faux pas (P19:23; P34:4), the term also referred to those who were dedicated to fervent expressions of fashion proficiencies, who were committed to following or even setting trends (P17:39, 42; P20:10; P35:9).

*She thinks that fashionistas are people who speak and live fashion, and are like ‘walking fashion dictionaries’. They exude fashion about them with the way they style their clothes, even on a*
normal day out. They usually wear something that is in fashion. Fashionistas are able to mix and match everything to multiply their outfit choices.

(Interview notes, P17:39, 30 November 2010)

Fashionista-hood may also be interpreted as either a state of being, or a status to be attained. According to P17:42 and P35:7, the term may be self-conferred by anyone who simply desires to be fashionable, or to follow fashion trends. On the other hand, fashionista-hood may be an earned position or recognition bestowed based upon a stylistic accomplishments. A real fashionista has the power of influence and to set trends, and appears to be distinguished from ‘wannabes’, which seems to refer to the individual who aspires toward fashionista-hood but who has not yet attained such a status. P20’s reflection on her own status as one who could not consider herself a fashionista in absence of followers was telling.

She does not consider herself to be a fashionista yet but a fashion enthusiast. She cannot yet claim to be fashionista because she is not known by many people, and she doesn’t have followers who want to look like her. She thinks that those who claim to be fashionistas are probably fakes. They are wannabes.

(Interview notes, P20:9, 1 April 2011)

Lastly, displaying fashion proficiencies does not necessarily involve opulent indulgence, but appropriateness in dressing. P35 shunned overly trendy clothing styles for ‘practical’ outfits that can be worn for work or as casual wear (P35:8).

(ii) Deriving gratifications

Displaying fashion proficiencies appear to offer intrinsic gratifications to participants. Clothing may be regarded as more than mere utility as it is seen to be able to impact on the wearers’ self-perceptions and their sense of how they could be perceived by others. P7, P17 and P35 explained fashion as a ‘reflection’ of themselves in that being well dressed, or ‘looking good’, could lead one to feel good, confident and beautiful (P7:6; P17:39, 44; P35:10).

They believe that their clothing reflects them— their personality, a little piece of who they are. It is something that makes them feel confident, beautiful and comfortable walking down the street.

(Interview notes, P7:6, 12 July 2010)
Being fashionable may also result in gratification in the form of social approval. Affirmation by relevant others is typically indicated in various forms of what P11 called ‘social proof’, that is, an aggregate of the owner’s reputation measured in terms of the number of followers, friends, fans, comments and feedback, and so on (P11:14). P17 and P35 spoke about the praise, compliments and recognition that fashionistas covet (P17:41, P35:12).

*Fashionistas feel happy when they are praised or complimented. They usually try to earn praise by others. Anyone can claim to be a fashionista, but approval comes from others who see them as one. If they are not recognised as such, they may still proclaim themselves fashionistas.*

(Interview notes, P17:41, 30 November 2010)

Although it is typically evidenced by the number of ‘likes’ one could obtain on a Facebook post (P17:43), a more significant indication of social approval may be the individual’s ability to attract a following, which can be leveraged for business. As such, the aspiring fashionista’s lavish expressions of style may be seen as a demonstration of fashion proficiency to garner peer approval and fan following. P18, a fashionable blogshop owner, explained her marketing approach as cultivating a loyal fan base by sharing photos of herself in various fashionable garbs on her Facebook and Instagram sites on a daily basis in order to obtain feedback.

*Her customers on Facebook share what they like and what they don’t like. They even have albums of wish lists. She treats them like their best friends. It is all about fan following, especially on Facebook. They follow her. She has to constantly talk to and engage with her followers. This is how she does marketing of her blogshop.*

(Interview notes, P18:56, 22 December 2010)

These observations suggest that a deep level of participation in the hobby involves a process of legitimation where the ardent fashion hobbyist demonstrates stylistic proficiencies to earn recognition from peers so as to accomplish a fashionista status.

(iii) Enacting roles

Passionate hobbyists appear to engage in enactments of various roles related to a range of activities that enhance the consumption of fashion as an interest. These roles often pertain to activities relating to sharing, selling and creating.
Sharing refers to a propagation of fashion interest through exchange of knowledge, aptitudes, opinions, ideas and concerns. P20 and P30 indicated their desire to share their passion for fashion as the basis of their blogshop ventures (P20:2, P30:4). In other observations, ardent fashion practitioners undertook a variety of roles that could help propagate fashion knowledge and contribute to an immersive experience in the hobby. These roles included that of fashion bloggers (BSA9; BSA18; BSA26) who write informative reviews and opinion pieces about various aspects of the fashion realm, fashion models (BSA40), fashion photographers (BSA21), fashion consultants (BSA41) and various online publishers and aggregators of fashion content (BSA15; BSA16; BSA19). In playing these roles, fashion hobbyists seemed able to exert considerable influence over others in terms of fashion choices and styles. An example of such peer influence can be seen in the phenomenon of ‘hauling’ which can be found in a number of fashion blogs and YouTube channels devoted to the sharing of fashion. Hauling refers to an act of sharing of one’s shopping bounty through recorded ‘shop-and-tell’ sessions where an avid fashionista displays a recent purchase and recounts shopping sprees. BSA41 is an example of a ‘haul’ video featuring purchases from a blogshop. Constant sharing contributes to building of business capacities, development of entrepreneurial intentions and discovery of entrepreneurship opportunities, which are elaborated in subsections 5.2.2 and 5.2.3.

Passionate fashion hobbyists are not just buyers of clothing, but may engage in selling which represents an enactment of a commercial role within the hobby. In the substantive context, selling roles are enabled by the use of blog-based platforms, or blogshops. In assuming a selling role, blogshop owner P19 saw herself as helping peers to maximise their consumption by expanding access to choices and lower prices (P19:15).

*She does not believe that one needs to spend a lot of money to be fashionable. She is trying to help girls do this with her blogshop.*

(Interview notes, P19:15, 23 December 2010)

Similarly, P17 and P34 viewed their roles as sellers in terms of helping others fulfil their quest towards fashionista-hood (P17:24; P34:4).
Fashion is forever changing, so she is helping other fashionistas or fashionista wannabes by supplying them with low-priced clothes so they can constantly change their wardrobes without having to burn a hole in their pockets.

(Interview notes, P17:24, 30 November 2010)

In being a seller or small business owner, the fashion devotee may be able to articulate and share a personal sense of style through deliberate selection of items for sale at the blogshop. For example, the kind of items selected for sale seemed to mirror, to a good extent, the preferences of the shop owner (P5:4, P13:41). P21 suggested that their brand encapsulates their own personalities (P21:10), while P35 suggested that undertaking a selling role provides the aspiring fashionista opportunities to demonstrate an ability to influence others (P35:16).

Immersive participation in the hobby may also involve creative expressions by the individual in designing and producing fashion artefacts for own consumption and/or for sale to others. These can be seen in simple Do-It-Yourself (DIY) handcrafting of small items like headbands and other decorative accessories, or more complex creative endeavours involving stitching, sewing, designing and tailoring of entire sets of garments. In this study, various types of creative production by hobbyist consumers were seen in P1, P3, P5, P13, P19, P21 and P30.

These observations suggest that sharing, selling, designing and producing are all a part of passionate consumption, and provide the basis for monetisaton, or the ability to derive monetary revenues from participation in the hobby. Roles pertaining to sharing and selling appear to be simpler than designing and producing which seem to require greater investment of resources, access to opportunities and skill sets.

In summary, immersive participation describes the fashion hobby as one that is potentially rewarding and meaningful, where the fashion hobby participant is able to derive gratifications, make fashion expressions, and display fashion proficiencies from deep and active engagement. It also suggests a pursuit of a social status among peers in the fashion hobby realm, through enactment of various roles that encompass consumption and productive spectrums.
5.2.2 Subcategory 2: Serendipitous Acquisition of Capabilities

Passionate involvement in a fashion hobby may help hobbyists acquire capabilities needed for entrepreneurship. Serendipitous Acquisition of Capability for Entrepreneurship describes how knowledge, skills and experiences are acquired in the course of immersive involvement in a fashion hobby. A sample of codes that indicates Serendipitous Acquisition of Capabilities is shown in Figure 5.3 below.

**Figure 5.3** A sample of codes that indicates Serendipitous Acquisition of Capabilities.

In this study, participants who founded blogshop ventures hailed from diverse occupational backgrounds with varying levels of business experiences. A number of participants who founded blogshops had been associated with the fashion industry, including a trained graphic designer who had teamed up with a general manager of a mall (P21), a former account executive with an apparel brand (P2), a fashion magazine
writer (P6), a former fashion blogger (P9), and a former graphic artist (P13). Others such as P13, P19 and P28 indicated some prior business experiences, while yet others had formal occupation that did not seem to have any connection with fashion, such as P10 (a pharmacist and an engineer), and P34 (regional sales head for a consultancy firm). Others indicated little or no prior formal business training and experiences. P3, P13, P17, P18, P19, P24, P25 and P26 were students when they started their small blogshop ventures, in the course of pursuing fashion as a hobby.

Although setting up a blog-based online shop appears relatively simple and can be self-taught, many participants indicated that they had lacked business related knowledge, technical skills and experience when they started their blogshop ventures. Areas of deficiency mentioned included business knowledge and skills (P8:2; P9:6; P27:3), Information Technology competency (P8:2; P11:26) and prior business experience (P13: 16; P27:3). Deficiencies were also indicated in terms of specific knowledge and skills pertaining to the fashion trade, such as tailoring and designing skills (P20:31; P27:3), knowledge of supply sources (P17:2; P27:3), the ability to do branding (P11:23; P27:3) and e-commerce in general (P7:15; P8:4; P11:19; P13:1-3). In addition, some participants expressed a lack of self-confidence (P13:16; P27:2) and personal readiness (P27:2) in starting a business.

They have a lot of doubts about starting a venture. They are not sure of their own abilities to start a business on their own. They are not sure if they are ready for it. They have discussed and planned so much but there are still many uncertainties. Although they are business students, they feel inadequate about their business abilities, and they do not have business experience. There are many things they lack- they do not know where to find suppliers, they do not know how to sew, and they do not have design skills.

(Interview notes, P27: 2-3, 12 October 2011)

In light of this, business capabilities were often acquired in a serendipitous manner in the course of immersive fashion hobby participation. Discoveries about online selling (such as accounts given by P1, P7, P13, P17 and P35) were typically incidental to, or stumbled upon in the course of fervent shopping. In suggesting that online shopping is a competence to be learned, P1 and P13 framed their blogshops’ beginnings in relation to their vast online buying experiences.
She got addicted to online shopping and had to learn how to become an online buyer. She had to learn how to make payment online and purchase online as a customer. She learned from a friend how to bank in a payment. The excess clothes she sold on eBay were either never worn or worn once, and sold at lower prices. Then she travelled a lot and bought a lot of stuff which could be resold to others. Her mom used to sell to colleagues. All this gave her confidence when going into this business.

(Interview notes, P13: 1-5, 9 November 2010)

P17’s account about a shopping incident that led her to learn about blogshop supply sources suggested that passionate fashion consumption behaviour may heighten curiosities about how e-commerce works and expose the determined online shopper to learning about various aspects of online selling (P17:1-2).

She started as a shopper in 2007, but it was around 2008 when she started selling. She really liked clothes and shopping. She recalled buying a dress in a store at a discount. She was quite happy as she didn’t know anything about blogshops. Her friend who owned a blogshop led her to try online shopping, where she found (to her horror) that the exact dress that she had bought, was priced much cheaper than what she had paid for. She became interested in dealing online then. She tried to source the suppliers by searching them on Google. Then a friend helped her look into the coding of the posts on blogshops and she was then able to figure out their supply sources.

(Interview notes, P17: 1-2, 30 November 2010)

Fashion hobby devotees typically engage in surfing of fashion websites to look at items and to learn about fashion (P1, P22, P24, P30, P35), where serendipitous learning can occur. For example, P30, owner of a DIY accessories blogshop, explained how learning of DIY crafts occurred via random surfing on social media and led to selling opportunities:

She started out with an interest in DIY, focussing on small fashionable accessories, especially headbands. She learned to make headbands by following blogs and how-to videos on You Tube, which she would share on her personal Facebook page. People would comment and make suggestions, and asked her to make customised headbands for them. She improvised her creations for them. Her Facebook friends started tagging her and soon her personal profile page was full of people asking about the headbands. So she decided to start a separate page to sell her headband creations. She takes a lot of photos to share with others. She uses contrasting backgrounds to make her products stand out. This way, her products become very visible and highly recognisable.

(Interview notes, P30:2, 2 December 2011)
Serendipitous discoveries seem to be encouraged by the open nature of the Internet, which enables many aspects of a small online fashion boutique business to be visible to potential online retail store owners. Participants indicated their ability to learn about blogshops through various forms of observations, such as through ‘investigating’, ‘researching’, making comparisons or benchmarking (P1:2; P17:20), and a trial and error approach (P13:8; P17:29; P27: 5; P30:2). It was also quite common for a blogshop venture to be modelled after or inspired by existing online retailers (P7:12; P13:8; P22:16). However, such practices appeared to be ethically dubious and contentious, as they have been associated with ‘imitating’, ‘copying’, ‘cloning’ or ‘stealing’ of designs, ideas or content off a website or a blogshop site (P13:8; P17:20; P27:4; NAA10). P13 described how she referenced other blogshops to obtain ideas for her own:

She liked the idea of doing the layout, colour, images, and navigation bars. At that time, there were very few blogshops, about 100 or less. She got the idea from other blogshops when she researched how other owners designed their blogshops to get ideas from them. She switched to the present blogshop in 2009.

(Interview notes, P13:8, 9 November 2010)

Lastly, individuals tend to look to family, friends and other fashion enthusiasts to overcome their personal deficiencies in operating a blogshop. Aspiring blogshop owners often sought partnerships to derive support and complementary skills, and to ease the work load. For example, parents or family provided support for P1, P5, P6, P13, P18 and P19, while P7, P8, P13, P17, P25, P26 and P27 sought assistance from friends.

In summary, essential knowledge, skills and experience needed for an entrepreneurial endeavour are usually acquired in a serendipitous manner, in the course of immersive participation of the hobby.

5.2.3 Subcategory 3: Accidental Discovery of Opportunities

Immersive involvement in a fashion hobby may lead to recognition of business opportunities. Accidental Discovery of Opportunities describes the non-deliberate manner in which opportunities tend to be discovered within a passionate consumption behaviour, where the founding of a blogshop venture seems rarely a consequence of
intentional opportunity search, but tends to be based on opportunities stumbled upon in the course of avid online fashion shopping and/or knowledge gained from deep involvement in the hobby. A sample of codes that indicates Accidental Discovery of Opportunities is shown in Figure 5.4 below.

![Figure 5.4 A sample of codes that indicates Accidental Discovery of Opportunities.](image)

For many fashion participants, fashion seems to be synonymous with shopping. In trying to keep pace with changing trends, they often acknowledged engaging in a sort of ravenous consumption behaviour referred to as 'shopaholic' behaviour. The term 'shopaholic' is an in-vivo code that was frequently encountered in this study (P21:15; P17:1; P22:7; P26:13; P35:4) and appears to describe excessive, impulsive and addictive purchasing behaviour. Shopaholic acts may not necessarily fulfil a real need for material things per se, but may be seen as ends in themselves (P17:40; P35:4). In fact, in some instances, shopping itself was described as a hobby (P13:1; P24:12). This suggests that the pleasure inherent in shopaholic behaviour itself is pursued as a goal,
and underscores the hedonic nature of the hobby. Notes taken from interviews with P35 and P17 illustrate this shopaholic approach to hobby consumption.

*She thinks that shopaholics buy fervently because they like fashion. It is their passion. It is not really about filling a need, but they buy it because they want it. ‘We see it, we like it, we buy it... simple as that’. They buy it because it is something to have.*

*Even when they already have it, they would still buy another one, like shoes. If it is in trend and you want to follow the trend, then you just buy it.*

*When there is a sale or the price is cheap, they would buy it just to have it. They don’t want to miss the opportunity. There is no need to think about it. They find online shopping to be addictive.*

(Interview notes, P35: 4-6, 19 October 2011)

*Shopaholics are avid shoppers. They may just buy without even actually wearing their purchases. They buy for the sake of buying. They keep up with new releases. Blogshop owners love shopaholics as they buy without thinking. For example, they would buy an item and look for shoes to match, which is another excuse to shop.*

(Interview notes, P17:40, 30 November 2010)

Shopaholic behaviour appears to be amplified by online modes of shopping, as well as by shopping trips to other locales. A number of participants attributed their attraction to online shopping to the ability of online shops to provide lower prices (P1:1; P17:1; P22:5; P26:15; P35:6) and wider product choices, including items that are not available locally (P1:1; P20:3; P22:5; P26:15; P35:2). Online shopping sites were deemed favourable options for buyers who wished to ‘differentiate’ their purchases from others’, so as to avoid wearing the same clothes bought by others from the same shop in the local mall (P17:25; P35:2). Similarly, travelling to other locales for shopping purposes enabled access to items that are not found locally (P7:13; P9:5; P13:45). In the course of this study, major cities such as Bangkok, Taiwan, Hong Kong, Kuala Lumpur and Singapore have been mentioned as popular shopping destinations for participants. For example, the website of a popular fashion boutique mall in Bangkok called Platinum Fashion Mall even acknowledges blogshop owners in their shopping guide (P16:17).

It is usually in the context of fervent shopping online or abroad that selling opportunities are chanced upon. Shopaholic consumption experiences appear to enable
development of deep knowledge of the realm, detection of gaps in the market and deficiencies in the prevailing distribution systems, which can be leveraged for monetisation. For example, some participants realised that lower prices found online could provide the basis for profiteering through resale (P17:1; P20:3; P22:16). Some were able to detect opportunities presented by unique products or items that were not found locally (P8:3; P25:3) while one participant simply came across a supply source (P19:6). Another participant mentioned being inspired by other online shops to set up a similar business (P22:16), while yet others acknowledged they imitated ideas they encountered in their shopping experiences online and/or abroad (P7:5; P20:3).

Accidental discovery of selling opportunities seems to occur when avid fashion shoppers try to maximise consumption. Maximising consumption describes efforts to optimise capacities for consumption and to get the most out of a purchase. For example, avid shoppers may organise group orders to undertake bulk purchases (P22:1-3, 7-9, 11; P26:2) so that savings could be obtained from bulk discounts and shared postage costs. P22 and P26 described how efforts to maximise consumption through collective buying led to recognition of monetisation opportunities.

*She and her co-workers at the office always share purchases. Sometimes they share information about what they find on blogshops and so on. They also share links. To make a purchase, they combine orders for a particular blogshop to save on postage. There are also websites that require purchases in bulk, at least 10 items. So she gets as many colleagues as possible to form a group buy. Sometimes she just passes a catalogue around, including her relatives.*

*The most number of purchases she had ever done was about one purchase a week, on RM10 tees. She couldn’t stop. They kept uploading new things, so she kept buying them. She does not know why she was buying like that. She passed the catalogue to her cousins and her friends and they bought from her. So she was able to cover the postage.*

*The most she has ever bought was 20 pieces of singlet at one time. She kept what she liked and passed the rest to her cousins as it was cheaper to buy in bulk. When she sees someone wearing something nice, she hunts for it online. If it is too expensive, she buys in bulk and resells to others.*

*(Interview notes, P22:1-3,7-9,11, 7 April 2011)*

*They started by buying geo lenses themselves as customers. They then tried to find others to buy with them so as to save costs. They also earn a small profit themselves. They organised group buys so they could get what they want at cheaper prices.*

*(Interview notes, P26:2, 1 June 2011)*
P19:7 realised that she could make some money by reselling to her friends, instead of just coordinating group buys to save costs, which suggests the accidental nature in which opportunity was realised.

*Instead of getting her friends to combine orders with her for a spree with the supplier, she realised she could just get the preorders herself and sell to her friends. That way, she could make money.*

(Interview notes, P19:7, 23 December 2010)

Similarly, consumption maximisation can also be accomplished through the selling of used personal belongings, usually referred to as pre-owned or pre-loved items, to recoup purchasing expenditure for more purchases to be made (P19:16; P20:13; P24:2; P26:4).

*They are also selling their own clothes bought from other online shops. Since they buy a lot of clothes, they want to get rid of some after a few months. So they sell cheaper. For instance, when the original price is $30, it can be sold for $20. Some have been worn just once or twice.*

*They are not really doing this to earn money but to cover the costs of buying something they want so that there is no need to fork out so much of their own money. Online selling is troublesome, so they do this just because they want to buy more stuff.*

(Interview notes, P26:3-4, 1 June, 2011)

Group buying or the disposing of personal items for the purpose of enhancing one’s own consumption capacities have been mentioned as starting points for simple business ownership. P13, P24 and P26 started their blogshops based on group buys or pre-orders (P13:1; P24:2; P26:2), while P18’s was based on selling of used personal items (P18:1).

Lastly, P21’s entrepreneurial journey was frequently described as ‘accidental’ (P21:44), in the sense that their business was not pre-planned but was set in motion by quirky events that occurred amidst their dabbling in a hobby.

In summary, entrepreneurial intentions of fashion blogshop hobbyists were rarely premeditated, but were based on opportunities discovered in an accidental manner, in the course of immersive participation and shopaholic consumption of a fashion hobby. Initial monetisation activities seemed to accommodate maximisation of personal consumption, and may develop into full commercialisation.
5.3 Non-Fashion Hobby Contexts

The general pattern of entrepreneurial development elaborated above can also be seen in non-fashion hobby contexts. Like in fashion hobby contexts, passion appeared to be the main driving force (P29:3; P31:5; P32). Monetisation frequently occurred amidst passionate engagement in the hobby (P29:3; P31:3; P32:3; P33:5). Non-fashion hobbyists interviewed in this study sought to develop and display proficiencies at their craft (P32:2,4; P33:2) which appear to give gratification (P32:4). They also enacted various roles based on an expertise associated with their interests. For example, P29 used his position as a softball coach to help others acquire softball gear from overseas as he had knowledge of where to obtain them (P29:1, 2), while P31 described himself as someone who had the ‘scoop’ in finding rare and exclusive collectible toy items (P31:5).

Immersive involvement in these non-fashion hobby contexts appeared to allow participants to acquire business and trade knowledge, skills and experiences. P29, P32 and P33 described a trial-and-error approach to learning (P29:2-3; P32:4; P33:2-3). Immersive involvement also enabled discovery of business opportunities and development of entrepreneurial intentions. P29’s accounts of how his own avid buying of softball gear led to discovery of selling opportunities is typical of the narrative found amongst fashion blogshop hobbyists. Similarly, P31 attributed his selling activities to attempts at maximising consumption (P31:5).

These observations suggest that entrepreneurial action based on passionate consumption of a hobby in a non-fashion hobby context is similar to that in the fashion hobby context.

5.4 Discussion

This section discusses Passionate Hobby Consumption in relation to relevant literature.

Prosumption and Post-modern Consumption

In the course of passionate consumption of a fashion hobby, individuals in this study were able to develop capacities and undertake activities typically associated with that of a producer. This pattern appears to share similarities with the concept of prosumption. Prosumption refers to the “blurring of the line that separates producer from consumer” (Toffler 1980, p. 267), where the consumer participates in the creation of the products which they will consume. In prosumption, the individual acts as both producer and
consumer (Ritzer & Jurgenson 2010), and is referred to as a prosumer. Prosumption contrasts with traditional assumptions that production and consumption occupy separate spheres (Firat & Venkatesh 1995) and that consumers are typically passive participants of the value creation process.

Prosumption has previously been observed in many contexts, including fast food (Ritzer 1993), journalism (Bruns & Highfield 2012), do-it-yourself and crafts (Campbell 2005; Watson & Shove 2008), art (Nakajima 2012), online auctions (Denegri-Knott & Zwick 2012; Laughey 2010), online music recording (Cole 2011), the sport of free-skiing (Woermann 2012) and fashion (Pihl 2011). This study closely parallels the work of Pihl (2011) whose research into Swedish fashion bloggers uncovered the emergence of prosumer fashion. In Pihl’s study, fashion is socially constructed through blogging and the use of digital technology, and consumers are transformed into fashion prosumers much in the same way as blogshop consumers become consumer entrepreneurs in this study.

Traditionally, the conception of a product has been depicted as a value chain process, or a series of value adding activities such as manufacturing, distribution and selling executed by producer firms for consumption by end consumers (Porter 1985). In prosumption, consumers actively participate in the making or preparation of the product for their own consumption. For example, in Ritzer’s (1993) influential work on the subject, McDonaldization of Society, prosumption was seen as putting consumers to work in the fast food industry, such as in the preparation of do-it-yourself meals. In the blogshop, however, fashion consumers do not just undertake production functions, but other value chain functions of selling, distributing and supplying. In this sense, Consumer Entrepreneurship appears to be a variation of classic prosumption in that it involves not just production, but a fuller range of entrepreneurial functions. In other words, consuming, selling and producing are all converged in the blogshop consumer entrepreneur.

The notion of prosumption can be located within a post-modern perspective of consumption (Firat, Dholakia & Venkatesh 1995; Firat & Venkatesh 1995), wherein consumption becomes “…not a mere an act of devouring, destroying or using things, but an act of production of experiences and selves or self-images” (Firat & Dholakia 1998, p. 96). Post-modern consumption is described as a process by which consumers
define who they are through symbolic meanings embedded in the products that they choose (Firat, Dholakia & Venkatesh 1995; Firat & Venkatesh 1995), which is consistent with the nature of immersive fashion hobby participation and passionate consumption in this study. In this regard, the blogshop consumer entrepreneur seems to represent a type of post-modern consumer who engages in what has been construed as a form of symbolic consumption that allows the individual, through immersive participation in fashion, to construct identities that appear socially desirable and congruent with meanings attributed by different audiences (Banister & Hogg 2001; Firat & Shultz II 2001). The blogshop consumer entrepreneur also seems to fit the description of the post-modern consumer as a “…participant in the customisation of his or her world” (Firat, Dholakia & Venkatesh 1995, p. 50), who is no longer a passive recipient of goods or a marketing process, but a partner in the co-creation of value (Lusch & Vargo 2006; Prahalad & Ramaswamy 2002; Prahalad & Ramaswamy 2004a; Prahalad & Ramaswamy 2004b; Vargo & Lusch 2004; Zwick, Bonsu & Darmody 2008).

The merging of the traditional production/consumption dichotomy suggests that post-modern consumption amounts to a production of the self. It reinforces the notion of the fashionista as a constructed ideal and the process of Becoming a Consumer Entrepreneur. Based on this, the consumer entrepreneur in this study may be placed alongside other manifestations of the post-modern consumer in the literature, such as the post-consumer or the ‘consum’-actor’ (Firat & Dholakia 2006), the protagonist (Arnould 2007), the new consumer (Cova & Cova 2009), the working consumer or working customer (Cova & Dalli 2009), pro-am or professional-amateurs (Leadbeater & Miller 2004), lead users (Von Hippel 1986) and the produser (Bruns 2008).

In addition, the nature of fashion hobby consumption in this study appears to be coherent with post-modernism’s emphasis on the consumer’s experiences (Holbrook & Hirschman 1982; Pine & Gilmore 1998; Schmitt 1999), in particular the individual’s interest “… to experience immersion into ‘thematic settings’ rather than merely to encounter ‘finished’ products” (Firat, Dholakia & Venkatesh 1995, p. 52). For example, role enactments in the course of immersive fashion hobby pursuits in the blogshop strongly parallels the metaphor of the theatre used in post-modern consumption (Firat & Dholakia 2006; Pine & Gilmore 1998) to depict consumption as a
staging of experiences, where the audience, or consumers, “… play key roles in creating the performance or event that yields the experience” (Pine & Gilmore 1998, p. 101). Furthermore, the *hedonic* nature of shopaholic behaviour encountered in this study seems coherent with post-modern experiential consumption that is often directed at pleasure, fun and playfulness rather than functional or utilitarian ends (Cova & Cova 2012, p. 153). Other key aspects of passionate fashion consumption behaviour in this study, such as displaying proficiencies, making fashion expressions, deriving gratifications and enacting roles appear similar to some of Arnold and Reynolds’ (2003) dimensions of hedonic shopping, such as adventure shopping (or stimulation and self-expressions through play), social shopping, gratification shopping, idea shopping (to keep up with trends), role shopping (or role playing) and value shopping. Similarly, the notion of shopping as a hobby (or shopping *as* a goal rather than shopping *with* a goal) encountered in this study has previously been noted as a hedonic attribute (Babin, Darden & Griffin 1994, p. 647). Other hedonic dimensions in the literature include multisensory stimulation, fantasy, and emotional arousal like fun and enjoyment (Hirschman & Holbrook 1982), pleasure, arousal and escapism (Monsuwé, Dellaert & De Ruyter 2004).

**Passion and Serious Leisure**

In this study, entrepreneurial behaviour of consumers is linked to their passionate pursuit of fashion as a hobby. Passion has often been assumed by both practitioners and scholars to be an important aspect of entrepreneurship, as a strong motivational force that drives entrepreneurial action and performance (Baum, Locke & Smith 2001; Cardon & Glauser 2011; Vallerand et al. 2007). In fact, passion has been referred to as “perhaps the most observed phenomenon of the entrepreneurial process” (Smilor 1997, p. 342). Passion has been defined as a “strong inclination toward an activity that people like, that they find important, and in which they invest time and energy… which they spend time on it on a regular basis” (Vallerand et al. 2003, p. 757), as “an entrepreneur's intense affective state accompanied by cognitive and behavioural manifestations of high personal value” (Chen, Yao & Kotha 2009, p. 199), and as “high-priority goals with emotionally important outcomes” (Frijda et al. 1991, p. 218). As seen in this study, it involves intense positive feelings, such as enthusiasm, emotional energy, drive, spirit, zeal, intense longing (Baum & Locke 2004; Brännback et al. 2006).
Furthermore, passionate behaviour is thought to encompass a harmonious and an obsessive dimension (Vallerand et al. 2003). According to Vallerand, harmonious passion “results from a spontaneous internalisation of an activity into an individual’s identity” (p. 757), where people freely accept or choose to engage in the activity that they like. On the other hand, obsessive passion “results from a controlled internalisation of the activity into one’s identity (p. 757), where people experience internal pressure or a compulsion to engage in an activity that they like. In this study, these traits of passion were often expressed or displayed by participants in relation to their blogshop ventures. For example, passion was frequently described in a positive (or harmonious) manner, as an energy that drives or inspires a blogshop venture. At the same time, certain passionate behaviours such as compulsive shopaholicism suggested that participation in blogshops can be an obsessive pursuit.

Previous research interest on entrepreneurial passion has focused on the object or source of passion, which is said to be able to evoke such intense positive feelings. One such object or source of passion related to entrepreneurship is a love for the venture itself (Baron & Hannan 2003; Cardon et al. 2005; Chen, Yao & Kotha 2009). Another is passion derived from playing the role of an entrepreneur (Murnieks, Mosakowski & Cardon 2014). This can take the form of an inventor identity where passion lies in the activities of inventing, identifying and exploring new opportunities, a founder identity where passion focuses on activities of establishing a commercial venture and a developer identity where passion focuses on nurturing, growing and expanding a new venture (Cardon et al. 2009, p. 516). Cardon and Glauser (2011) further suggested other sources of passion, including passion for people, passion for a product or service, passion for competition and passion for a social cause.

Some of these objects or sources of passion were evident in this study. A love for their ventures was indicated by various participants who demonstrated persistence and tenacity in growing their blogshops. A passion for inventing or creating various handcraft products served as the basis for owners of DIY ventures. Generally, the connection between participants’ passion for fashion artefacts and consumer entrepreneurship seen in this study seem to fit with Cardon and Glauser (2011) findings that passion for a wide variety of products or services can provide a basis for commercialisation (p. 17). The primary focus of this form of entrepreneurial passion
seems to be the objects and activities that are deemed important to the individual, and not necessarily the venture itself. Cardon and Glauser also noted that this form of entrepreneurship has gotten relatively less research attention.

The notion of passion associated with consumption in a fashion hobby context encountered in this study may also be compared with the concept of serious leisure. Serious leisure has been defined as “…the systematic pursuit of an amateur, a hobbyist, or a volunteer activity sufficiently substantial and interesting for the participant to find a career there in the acquisition and expression of a combination of its special skills, knowledge, and experience” (Stebbins 1992, p. 3). Serious leisure has been studied in diverse interest areas, including sports participation (Kim, Dattilo & Heo 2011), sports fandom (Gibson, Willming & Holdnak 2002; Jones 2000), health (Brown, McGuire & Voelkl 2008; Patterson & Pegg 2009; Siegenthaler & O’Dell 2003), photography (Cox, Clough & Marlow 2008), dog interests (Baldwin & Norris 1999; Gillespie, Leffler & Lerner 2002), dance (Brown 2007), historical re-enactment (Hunt 2004), women sea cadets (Raisborough 2006) and volunteerism (Bendle & Patterson 2009; Perkins & Benoit 1997; Yarnal & Dowler 2002). In particular, serious leisure has been seen as a post-modern avenue for feminist empowerment (Raisborough 2006, pp. 243-244). Serious leisure has also been linked to prosumption (Bruns 2013; Chaplin 1999; Moisio, Arnould & Gentry 2013; Stebbins 2009, pp. 98-99).

The immersive nature of fashion hobby participation suggests that it is a distinct form of serious leisure activity, which can be distinguished from casual leisure and project-based leisure. Casual leisure refers to “…immediately, intrinsically rewarding, relatively short-lived pleasurable activity requiring little or no special training to enjoy it” (Stebbins 1997, p.18). It includes play, relaxation, passive entertainment (such as watching TV or listening to music), active entertainment (such as solving a puzzle), sociable conversation, and sensory stimulation (such as window shopping). Project-based leisure refers to “…a short-term, moderately complicated, either one-shot or occasional, though infrequent, creative undertaking carried out in free time” (Stebbins 2005, p. 2), such as an arts and crafts projects. Essentially, serious leisure and project-based leisure are productive in the sense that they return rewards that are described as ‘satisfaction’ and ‘rewardingness’. In contrast, casual leisure is fundamentally frivolous and hedonic in nature as its rewards are usually described as ‘pleasure’ and ‘enjoyment’
Shirky showed how societal shift from television-centric use of leisure time to participatory new media has allowed productive use of cognitive surplus, or the excess intellect, energy and time (Shirky 2010).

The manner in which fashion is pursued as a hobby in this study resonates strongly with the essential characteristics of serious leisure laid out by Stebbins (Stebbins 1982, pp. 6-7). First, serious leisure involves a career that is enduring and which features levels of achievement. It requires perseverance to overcome hindrances and adversities as well as significant personal effort to acquire special knowledge, training and skills. Similarly, a passionate fashion hobby pursuit resembles a form of career arc in that it commands deep engagement, is persistent and time-intensive toward accomplishing a goal (such as fashionista status). It also involves much learning and acquisition of technical and trade skills. In serious leisure, participants inhabit a unique ethos, a social world or a subculture composed of special beliefs, values, principles, norms and performance standards. They also identify strongly with their chosen pursuits, and exhibit enthusiasm and pride about their interest. Similarly, the fashion blogshop participants can be likened to a subculture within a wider fashion community, with its own unique set of norms, practices and ideals that define its own social world. A strong identification with the hobby is indicated by the immersive and passionate manner in which blogshop participants engage with their hobby. Lastly, fashion blogshop practitioners seem to be motivated by many of the benefits of serious leisure participation identified by Stebbins, including self-enrichment, self-recreation, accomplishment, self-image, self-expression and belonginess.

The potential for generating monetary earnings through serious leisure pursuits has been acknowledged, but its significance for participants is unclear. Stebbins (1992) asserted that it is “… characteristic of serious leisure that its practitioners are not dependent on whatever remuneration they derive from it”, that such earnings “… hardly constitute a main source of income” (p. 5), and that “… remuneration is never mentioned as a reason for engaging in the activities ”(p. 11). Further still, he even stressed that “… there is no significant remuneration- in fact, there is usually no remuneration at all” (Stebbins 2001, p. 54).

Despite this, the promise of commercial opportunities arising from leisure participation seems plentiful. For example, serious leisure has been acknowledged as a basis for
development of informal entrepreneurship (Williams 2007b, pp. 240-250; Williams & Nadin 2010, p. 365; Williams & Round 2007, pp. 128-129), where participation in a hobbyist interest can result in self-employment opportunities or creation of small enterprises to sell goods or services. In one instance, Murray (2011) noted that many individuals who participated in home brewing of craft beers as a serious leisure activity have been able to turn their avocation into a vocation (p. 20). However, dedicated studies that elaborate how such entrepreneurial development can arise out of serious leisure participation appear to be lacking.

**Accidental Entrepreneurship**

In this study, entrepreneurial opportunities tend to be discovered in an accidental manner, while skills and knowledge needed for fashion entrepreneurship are often serendipitously acquired in the midst of immersive participation in fashion hobby. This pattern of knowledge acquisition and opportunity development seems consistent with Kirzner’s conception of the entrepreneur’s alertness to information (Kirzner 1973, p. 67). Heightened alertness, or receptiveness to information may be due to the presence of information asymmetries (Shane 2000), which refer to the different stocks of information that are possessed by different people (Kirzner 1997). In this regard, recognition of opportunities is dependent upon a person’s prior knowledge, or information that already possessed (Shane 2000; Venkataraman 1997). Such prior knowledge may include prior knowledge of markets, prior knowledge of ways to serve markets and prior knowledge of customer problems (Shane 2000, p. 452). Prior knowledge is often related to individuals’ idiosyncratic life experiences (such as passionate engagement and consumption in a hobby), which creates a knowledge corridor that enables recognition of certain opportunities, but not others (Shane 2000; Venkataraman 1997).

That immersive engagement in a hobby can imbue the individual with prior knowledge is further indicated by Ardichvili et al. (2003), who in reference to Sigrist’s (1999) conceptual mapping of entrepreneurial opportunity identification process, noted that prior knowledge may occur “… in an area or domain of special interest to an entrepreneur, an area that can be described in terms of fascination and fun (Domain 1). Driven by this special interest, an entrepreneur spends a lot of effort and time to engage in autodidactic learning that advances and deepens her/his capabilities, thereby gaining
profound knowledge about this topic of interest”. In this study, immersive participation and deepened levels of consumption associated with a hobby can enable acquisition of stocks of knowledge and skills, and development of alertness to opportunities for potential entrepreneurship.

Such serendipitous acquisition of knowledge appears to constitute a form of passive search (Ardichvili, Cardozo & Ray 2003, p. 115). Instead of discovering opportunities through purposeful planning, systematic search and deliberate actions, a passive search mode relies on the individual’s heightened entrepreneurial alertness and receptivity to recognise opportunities. In this regard, fashion hobby participation provides an avenue for passive search, and underscores the accidental nature of Consumer Entrepreneurship. Görling and Rehn (2008) questioned idealistic notions of entrepreneurship as an outcome of intentional and goal-oriented action of the entrepreneur, but suggested the role of accidents and arbitrariness in the development of an entrepreneurial venture. Bhaves’ model of entrepreneurial venture creation accounted for situations in which a decision to start a venture preceded opportunity recognition, and vice versa (1994). Similarly, Shah and Tripsas (2007) modelled a process model of accidental venture creation in the context of user entrepreneurs. They noted that in classic entrepreneurship, opportunity recognition and evaluation precedes new venture creation. In user entrepreneurship, however, the process tends to be emergent in that individuals begin taking steps toward firm formation without formal evaluation of an opportunity first. For example, they formulated solutions to meet their own needs, shared their innovations with others and obtain community feedback.

The accidental nature of opportunity discovery in this study appears coherent with Bhaves (Bhave 1994) and Shah and Tripsas’ (2007) models. In Consumer Entrepreneurship, opportunity is first recognised amidst hobby consumption. Although a blogshop may be created to undertake monetisation at this stage, the venture remains largely a hobbyist or amateur business. It is only at a later stage that a more formal evaluation of opportunity is undertaken to turn the venture into a fully developed commercial entity, or a serious business.
5.5 Summary

This chapter establishes the fashion hobby consumption context in which entrepreneurial opportunities are encountered. Immersive participation in a hobby enables accumulation of capabilities and knowledge, discovery of opportunities and sparks motivations to monetise their interests through fashion blogshops. Such ventures do not seem to be based on dedicated business planning, but are largely emergent in that they tend to arise from immersive engagement in post-modern consumption-like behaviour.

This chapter suggests that the fashion blogshop represents a type of serious leisure that is driven by passion. Hence, Consumer Entrepreneurship is embedded in a serious leisure undertaking, such as a hobby, and features passionate consumption behaviour. Much like prosumption, entrepreneurial undertaking is shown to occur within such a consumption domain. This study makes a contribution to the field by showing the process in which a serious leisure activity may develop into an entrepreneurial venture.
CHAPTER 6

MAJOR CATEGORY 3: SOCIAL COMMERCIALISATION

6.1 Introduction

In the previous chapter, the process of tentative entrepreneurial development was shown to be rooted within a context of passionate consumption of a personal hobby. This chapter elaborates on the use of social media tools by fashion hobbyists in Malaysia and Singapore to create virtual selling platforms, revenue models and supportive eco-systems for the development of Consumer Entrepreneurship.

Section 6.2 gives an overview of the concept of Social Commercialisation which is composed of four subcategories emerged from the data in this study. These subcategories are Socialising E-commerce, Hobby Monetisation Mechanisms, Social Selling and Business Eco-systems, and are elaborated in sections 6.2.1, 6.2.2, 6.2.3 and 6.2.4 respectively. The concept of social commerce is discussed in section 6.3 in relation to the relevant literature. Finally, section 6.4 summarises the chapter.

6.2 Major Category 3: Social Commercialisation

This major category, Social Commercialisation, captures the process of monetisation of a fashion hobby through the use of Web-based social media to create Consumer Entrepreneurship ventures. The label ‘Social Commercialisation’ is used to describe the blogshop as a social commerce enterprise in that it features socially-oriented structures, revenue models, business processes and practices. It also considers the blogshop as a form of consumer-created channel, or system that enables participation in fashion entrepreneurship.

Social Commercialisation is developed from four subcategories in the data, consisting of Socialising E-commerce, Hobby Monetisation Mechanisms, Social Selling and Business Eco-systems, as shown in Figure 6.1. Each of these concepts is developed from codes in the data, and presented in sections 6.2.1, 6.2.2, 6.2.3 and 6.2.4.
The centrality of social media in the theory of Consumer Entrepreneurship is indicated by the number and recurrence of codes in the data that pertain to social media and social networking. Social media was present, in varying degrees and forms of usage, in all instances of entrepreneurial creation by passionate hobbyists in this study. With the exception of four instances in the data (P7, P15, P21 and P28), social media was used to construct online storefronts for e-commerce or online retailing. In the four instances, social media served to accomplish supportive marketing functions rather than facilitating direct selling online. In the case of P7, social media in the form of a blog was initially used as a selling platform, but was quickly substituted by a purpose-built e-commerce website. P21 also based their venture on an e-commerce shopping cart facility but utilised social media heavily for supportive activities, such as promotion, fan engagement, Web traffic building and branding. P15 and P28 operated as physical boutiques that incorporated a measure of social media in their activities.

Figure 6.1  Social Commercialisation as composed of its underlying concepts.
The following sections elaborate on each of the subcategories that constitute the major category Social Commercialisation.

### 6.2.1 Subcategory 1: Socialising E-commerce

In Social Commercialisation, aspiring consumer entrepreneurs use social media to build rudimentary online selling platforms to substitute conventional Web facilities designed for e-commerce, such as shopping cart software (see Chapter 1). Socialising E-commerce describes the rationale behind this unusual behaviour of relying on blogs and other social media platforms which are not originally designed for e-commerce. The label itself indicates that these actions seemed to be aimed at making e-commerce more socially-oriented, since the data in this study suggest socially-oriented consumer-created ventures are able to enhance online fashion shopping and business creation. A sample of codes from which his subcategory was developed from is shown in Figure 6.2.

**Figure 6.2** A sample of codes that indicates Socialising E-commerce.
In Socialising E-commerce, the blogshop is presented as an innovative response by aspiring consumer entrepreneurs to *circumvent cost and technical barriers to business creation* and to *substitute automated online shopping with social processes*.

(i) *Circumventing cost and technical barriers to business creation*

The use of social media allowed blogshop participants to apply socially-oriented platforms and practices in order to circumvent cost and technical barriers to business creation. The ability to overcome cost barriers in starting up a hobby-based business venture was a common and significant concern among aspiring consumer entrepreneurs in this study (P1:14; P2:2; P8:2; P9:2; P10:2; P12:3; P13:18; P20:22; P21:1). Decisions to substitute social media for conventional e-commerce systems seemed to be motivated primarily by a desire to find cost-free platform options to conduct selling activities (P1:14; P8:2; P20:27). A number of participants expressed favour with online platforms based on blogs and social networking sites because these were perceived as cost-free (P1:14; P2:2; P8:2; P9:2; P10:2; P13:18; P17:3; P20:22, 27). For example, P13 adopted a blog platform when eBay started charging fees (P13:6). This view was supported by P12, who noted online sellers’ reluctance to pay online trading fees associated with established online marketplaces, but resort to creating their own online shops from freely available blogging platforms and other social media facilities (P12:3). Hence, the blogshop format was viewed as a mode for business creation (P5:4; P11:8; P19:17).

Cost issues are particularly significant for students as they tend to be financially constrained. Non-conventional options such as blogshops help to evade some of the costs of doing business. The practice of meeting up with customers to make deliveries, rather than using the postal service, appears to be a standard blogshop practice because it enables customers to save postage costs. For example, P26 indicated a preference for meeting up with customers despite the hassles involved (P26: 8). Meeting up to complete a transaction is commonly found in many teen-owned blogshops (P24:7; P25:15; P26:7; BSA1; BSA2; BSA3; BSA4; BSA5).

In meeting up to facilitate exchanges, many blogshops engage in trades or swaps, which seem to be popular with teenage blogshop participants in Singapore (BSA3; BSA5; P24:2; P25:11). Trading or swapping one item for another allows participants with limited financial resources to sustain shopaholic consumption.
In cases where participants seemed less sensitive to cost issues, more conventional forms of retailing platforms were adopted. P21 and P28 did not deploy cost-free platforms as the basis of their business. Instead, P21 utilised a paid shopping cart software dedicated to e-commerce (P21:1), while P28 invested in a brick-and-mortar boutique (P28:3). Unlike most of the other participants, P21 and P28 did not seem constrained by limited resources, but had access to financial capital, from family wealth (P21:39) and inheritance (P28:1-2). Nevertheless, although both utilised social media, their ventures seem to resemble conventional entrepreneurial rather than hobbyist endeavours.

The reconfiguration of social media to construct online storefronts also suggests an effort to circumvent a lack of technical skills among some blogshop owners, as discussed in Chapter 5. A number of participants attributed their preference for the blog template as selling platforms to its simplicity or relative ease of use (P2:2; P3:4; P9:2; P10:2). Similarly, the choice of Facebook as a selling platform, even over blogs, has also been attributed to its ease of use (P14:5; P15:4; P17:35, 36) and its ability to easily facilitate online communication (P13:31; P18:7; P20:24).

(ii) Substituting automated shopping with social processes

Blogshops built on repurposed social media seem to rely on human agents, manual tools and social processes. As described in Chapter 5, these tools and processes typically include the use of emails, order forms, comment boxes and personal messages to replace automated ordering and checkout systems, bank transfers and cash-on-delivery payment arrangements to replace PayPal and credit cards, and in-person meet-ups to replace postal deliveries. P4 and P11 indicated that these substituted processes were adopted to circumvent a number of concerns felt by online fashion shoppers in the region (P4:4; P11:8). P2, P7, P24 and P30 indicated that their preference for bank transfers and cash-on-delivery represented a solution to overcome the lack of access, faced by many online shoppers, to payment facilities typically used for online purchasing such as credit cards and PayPal (P2:2; P7:3; P24:6; P30:12). P2 noted the inconvenience but necessity of such manual processing of transactions.

She chose to use a blog format and not a dotcom because it is free. Thus it provides a cheap and low cost way to start up the business. Also, blogshops are more suitable for customers here as...
they are actually unfamiliar with purchasing off a dotcom site. Blogshops are simpler to use. Many of them do not have credit cards or they prefer not to use credit cards online. Some even prefer to meet up.

She thinks that a problem with the blog format is that it lacks automation. Thus, it takes more steps to complete an order through email.

(Interview notes, P2:2-3, 12 August 2010)

Compared with automated e-commerce systems, tasks associated with product evaluation, ordering, payment and delivery in blogshops tend to feature greater personal interactions between the buyer and the seller. P11, P35 and P37 indicated favouring more personal and interactive functionalities of the blogshop format compared with automated e-commerce systems (P11:8; P35:21; P37:3). P2 observed the suitability of the blogshop format for local customers in the region who are actually unfamiliar with purchasing off an automated e-commerce site (P2:2). P37 rationalised the preference for socially-oriented functionalities over automated shopping cart system as follows:

With e-commerce shopping carts, during the checkout and payment phase, tasks like shipping calculations require JavaScript to be enabled. Sometimes, there are browser incompatibility issues, which can cause problems to the buyer. Someone has to go into the system to investigate and track down a complaint. With international purchases, the resolution of disputes is even harder due to the distance involved. However, with blogshops, the buyer can talk to the owner who had manually processed the order.

(Interview notes, P37:3, 16 May 2012)

Similarly, online shopping tends to be seen as a risky activity as compared to in-person shopping. This was indicated by a number of participants who expressed unfamiliarity with and a lack of trust in online shopping (P2:2; P4:4; P7:15; P8:6; P11:8-9). P1, P11 and P26 expressed concerns over their ability to determine the trustworthiness of sellers (P1:4; P11:4; P26:10). P1, P17 and P22 expressed their fears of being cheated, their purchased items being lost in delivery, and their inability to determine quality, sizing and authenticity of items purchased online (P1:4,7; P17:12,18; P22: 13-14). Thus, rather than relying on the postal service which is a standard practice in conventional e-commerce sites, many participants have expressed a preference for in-person inspection
and payment for purchased items (P2:2; P7:15; P8:4; P13:19; P14:2; P18:21,28,52; P24:7,10; P28:4).

In summary, the improvisational use of social media such as blogs and social networking sites suggests an attempt to sidestep costs and technical barriers to venture creation. Social functionalities help to allay various online shopping concerns to increase accessibility and participation in online fashion shopping.

6.2.2 Subcategory 2: Hobby Monetisation Mechanisms

To derive revenues from their hobbies, aspiring consumer entrepreneurs utilise a range of business models, ranging from rudimentary monetisation mechanisms to accommodate simple online selling ventures to relatively developed business models that can support more mature businesses. The monetisation mechanisms, or business models, are typically based on different stock types and stock origins, and present different levels of business costs, risks, profit opportunities and involvement in Consumer Entrepreneurship. A sample of codes that indicates Hobby Monetisation Mechanisms is shown in Figure 6.3.
(i) Stock types

Many blogshops identify themselves according to the manner in which they configure their stocks, that is, they can be based on either ‘Pre-owned’ (also known as ‘Pre-loved’) stocks, ‘Pre-order’ stocks or ‘Ready Stocks’. These monetisation mechanisms present varying levels of cost and risks to the seller, and different value propositions to the buyer. A lexicon of these terms was given by P17 who described Pre-owned stocks as items that have been bought for own consumption, and may have had varying degrees of use before being offered for resale. On the other hand, Pre-order and Ready Stocks refer to brand new or never used items, usually purchased for the expressed purpose of resale (P17:29-30). A Pre-order blogshop operates via a group buying mechanism, while a Ready Stocks blogshop involves assembling a collection for retail purposes. Thus, blogshops may be categorised into Pre-owned Blogshops, Pre-order Blogshops and Retail Blogshops.
Pre-owned Resale Blogshops

The Pre-owned Resale type blogshop was encountered in many instances (P2:1; P13:1; P17:29-30; P18:1; P19:16; P24:2; P25:2; P26:3), where they were described as outlets to get rid of unwanted personal belongings. P19 and P24 explained their activities of disposing old, unwanted or ‘excess clothing’ on their personal blogs as trying to make room for newer purchases (P19:16; P24:2). Similarly, P26 explained the need for partial cost recovery of previous purchases to support further acquisitions (P26:4). As a result, the reselling of pre-owned items may be seen as a mechanism for sustaining shopaholic fashion consumption. This model appears to be significant in enabling venture creation, as testified by P13, P18 and P24, who attributed their start in their blogshop businesses to the selling of pre-owned personal items (P13:1; P18:1; P24:2). However, P24 indicated that blogshops based on pre-owned stocks tend to operate periodically and may not be viable models for long-term profit-making (P24:2).

She sold her own clothes and other personal items. She also did swaps, that is, trading things she didn’t need to get something new. Then, when she ran out of things to sell, she decided to close the blogshop. Now she is considered ‘missing in action’ (MIA).

(Interview notes, P24:2, 1 June 2011)

Pre-order Aggregation Blogshops

Pre-order Aggregation Blogshops are usually based on a group buying initiative, where advance orders are aggregated to enable a collective bulk purchase from a supplier or a manufacturer so as to obtain cost savings for buyers who take part. They were found in many instances in this study (P1:11; P6:2; P17:4-5, P18:25; P19:17; P26:1; BSA1; BSA3; BSA5). Here, a round of purchase, or a ‘spree’, is initiated when a blogshop owner circulates a supplier’s catalogue to take orders. Mass merchandise catalogues allow participants to access sought after fashion items from diverse overseas sources such as South Korea, China and the United States (P6:2; P17:9; P18:24; P26:1). Pre-orders may also involve made-to-order arrangements where sellers customise products for buyers (P1:11; P5:1; P17:26). P17 and P19 considered pre-orders to be a somewhat cost-free option to starting up a business (P17:8; P19:17) since it incurs no inventory
costs and the capital needed to acquire the stocks is provided by buyers who are typically required to pay upfront.

*She is able to do this business because the blogshop allows her to ‘take people’s money to finance her business’, that is, pre-orders allow her to take money in advance to pay for the order.*

(Interview notes, P19:17, 23 December 2010)

**Retail Blogshops**

In contrast to Pre-orders which are inventory-free, a Retail Blogshop features holding of stocks for off-the-shelf purchase. It may be distinguished from the Pre-owned Resale Blogshop in that it involves the acquisition of stocks for the explicit purpose of profiteering from it, rather than for personal use. Hence, Retail Blogshops refer to blogshops that engage in *retailing* while Pre-owned Resale Blogshops seem to engage in *reselling*. The difference between reselling and retailing was suggested by P17, who noted that any given purchase is a potential for resale. If it is worn after purchase and sold as a second hand item, it would fetch a lower price. However, if it is not worn but promptly resold as a brand new item, it may be able to fetch a higher price (P17:29-30).

Sometimes referred to as ‘brand new stocks’, Retail Blogshops were frequently encountered in this study, including P5, P13, P18, P19, P21 and P35. Here, stocks may be ‘handpicked’ from external sources (P13:41; P18:24 and P19:21) or created by the owner, such as in the case of P21, who sells self-designed and self-made fashion accessories. The need to hold inventory involves a decision on the storage premises, which may be a brick-and-mortar store (P13; P28), the owner’s home (P17; P18; P19) or third party outlets (P21; BSA10). A key proposition in the Retail Blogshop model is the filtering function provided by the owner in assembling a themed ‘collection’, a service that is valued by many fashion shoppers (P13:41; P19:20; P35:3). This is typically accomplished when the owner handpick items from shopping trips abroad (P7:12-13; P9:5; P13:38; P17:14; P19:6-9; P20:5) or from the Web (P1:12; P17:2). Sellers who assembled ready stocks for sale realised that their personal fashion tastes were reflected in their collections, and were aware of a need to match personal preferences with buyers’ tastes (P13:41; P19:21). P19 appeared to contextualise this
role in terms of being a fashionista, in that she was able to exert influences on the fashion choices of her customers.

*Her stocks are her own handpicked items. She feels she can influence the fashion choices of her customers, as when she mixes and matches different outfits on her models. She also wears what she sells, so she is her own model. Girls would ask her to sell her belongings to them when she does not want them anymore.*

*When she shops for in-stocks, she selects pieces according to her taste and fashion sense. However, she is careful in obtaining stocks that are demanded by her customers, not just things that she likes. She wears what she cannot sell. Some of her customers also asked her to sell their used/pre-owned items on her blogshop, so she earned a commission from there too. She finds satisfaction when she sees her customers wearing her items. She is happy when she can help other girls dress up and find the right outfits for them so they could be fashionistas and not fashion victims.*

(Interview notes, P19:19- 23, 23 December 2010)

Generally, these mechanisms for monetisation involve a high degree of social interactions. A typical Pre-owned Resale or a Pre-order Aggregation blogshop tends to feature a substantial amount of social activity in facilitating commercial functions. For example, the aspiring consumer entrepreneur may leverage on personal social networks, through peer sharing and peer recommendations, to form a pre-order collective (P22:1-3), or to dispose personal pre-owned garments (P19:20). Shopping in a Retail Blogshop often entail much personalised interactions between the buyer and the seller (P17:22; P18:21; P19:19-23). Where the blogshop owner curates and models her own collection, she may be perceived to embody the status of a fashionista and command a fan following (P7:18,22; P18:56; P19: 20; P21:10-12). This was particularly evident in accounts given by P18 and P21.

*She thinks that she does have an influence on her customers, which explains why they buy from her. When potential buyers ask about her stocks on her Facebook or Blogspot, she tells them it fits them and that they look pretty in them. Sometimes if they are not convinced, she tells them they can meet up so they can see and try the outfit. They will buy it when they see how nice it is.*

(Interview notes, P18:21, 22 December 2010)
Such fan following may also be seen in the Pre-owned Resale model, as described by P19.

*Her stocks are her own handpicked items. She also wears what she sells, so she is her own model.*
*Girls would ask her to sell her belongings to them when she does not want them anymore.*

(Interview notes, P19:20, 23 December 2010)

Lastly, a few participants revealed operating multiple blogshops, with each devoted to a particular stock type (P2:1; P17:5; P18:24-25). Different monetisation mechanisms, based on Pre-owned, Pre-order and Retail models, appear to favour different stages of development of the blogshop business. Pre-owned Resale and Pre-order Aggregation mechanisms appear to be relatively simpler, require limited capital, business acumen and involve relatively low risks compared with Retail Blogshops. The cost savings emphasised in the Pre-owned Resale and Pre-order Aggregation types can also be translated into price-oriented propositions. Hence, they are arguably favourable options for fashion hobbyist businesses at the Formative phase. However, the Retail Blogshop has a closer resemblance to traditional fashion boutiques and appears to be associated with being a real business. Thus, a change from a Pre-owned Resale or Pre-order Aggregation mechanism into a Retail model is likely necessary in transforming the blogshop into a real business.

In summary, a blogshop’s monetisation mechanism can be relatively rudimentary, such as the Pre-owned Resale stocks, to enable simple revenue generation for Hobby Business Blogshops at the Formative stage. It can also be relatively developed business models, such as Retail Blogshops, that can be utilised by more mature Amateur Business Blogshops or Boutique Businesses.

**(ii) Stock origins**

Participants typically monetised their hobby by offering stocks that are designed and/or manufactured by others or by herself. Based on how the stocks are originated, four monetisation mechanisms are possible. A particular stock may be described as a fully original creation (self-designed and self-manufactured), a self-design (self-designed and externally manufactured), a self-manufacture (externally designed and self-
manufacture) and a fully external originated stock (externally designed and manufactured), as shown in Table 6.1.

Table 6.1 Options for Blogshop Stock Origins

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<tr>
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<th>Self-Designs</th>
<th>External Designs</th>
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<tr>
<td>Self-Manufactures</td>
<td>Fully original creations</td>
<td>Self-manufactures</td>
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<td></td>
<td>P1, P3, P5, P21, P30, P34</td>
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<td>External Manufactures</td>
<td>Self-designs</td>
<td>Fully external originated stocks</td>
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<td></td>
<td>P7, P19</td>
<td>P6, P9, P13, P17, P18, P19, P20, P24, P25, P26</td>
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Fully external originated stock

The aspiring blogshop owner may acquire fully external originated stocks which are designed and manufactured by others for the purpose of resale or retail to end buyers. Here, the blogshop owner does not originate the goods but focuses on reselling or retailing them. Fully external originated stocks appeared to be a very popular option among many participants, including P6, P9, P13, P17, P18, P19, P20, P24, P25 and P26, but were contingent on knowledge of supply sources. P20 and P27 recognised how knowledge of supply sources was critically important in enabling them to start up a blogshop business (P20:3-5; P27:3). Knowledge of good supply sources can provide the blogshop with strong value propositions, such as helping buyers to access much sought after goods or brands (P6:2; P20:6; P22:5) or to obtain lower prices (P2:1; P4:5; P17:5; P20:5; P22:5). While P17 and P19 indicated the importance of keeping supply source information confidential (P17:2; P19:8), others such as BSA4, BSA6, BSA7 and BSA29 had attempted to monetise such information by selling them to other blogshops.

Blogshops have also been found to act as suppliers to other blogshops (P22:15; P24:11; P25:10; BSA2; BSA3; BSA5), which appeared to be quite common amongst Singaporean teen blogshops. Singaporean teen blogshop owner, P24, described her dependence on other blogshops as supply sources.
She gets her supplies from other blogshops, which are supplied by yet other blogshops. She does not go to the original source to get the supplies (and to save costs) because she does not know the original seller. She obtains her stocks from other blogshops because she cannot afford to buy from wholesaler websites which require buyers to purchase in huge quantities. On the other hand, her customers also do not know where her stocks originate. They could search for it, but they are probably too lazy to do so, so they just buy from her. They don’t mind paying a bit more.

(Interview notes, P24:11, 1 June 2011)

Fully original creations

Fully original creations are stocks that are self-designed and self-manufactured by the blogshop. They range from relatively simple accessories such as trinkets and headbands (P1; P3; P13; P21; P30) to fully tailored fashion pieces (P5). For instance, P3, P5 and P21 self-designed and self-manufactured fully original fashion accessories and apparel (P3:1; P21:29; P34:12) and meticulous traditional Chinese garments (P5:1-2).

Self-designs

P7 and P19 created original fashion designs and contracted their manufacturing to a factory overseas (P7:9) and to a local tailor (P19:11).

Self-manufactures

P34 acted as a contract manufacturer for other companies (P34:13). However, self-manufacturing based on externally-sourced designs may have potential ethical implications, especially in relation to creative imitation (P21:39; P27:4: P30:3).

Other than small do-it-yourself items such as fashion accessories, fully original creations appear to be rather restricted to individuals who possess creative designing and manufacturing skills. As a result, they are less popular compared to fully external originated stocks. However, P11 suggested that developing self-design and self-manufacturing capabilities would enable blogshop owners to progress their ventures (P11:37). This observation corroborated with P13, who emphasised self-designs and self-manufacturing in addition to externally sourced stocks, and with P18, P19 and P20 who expressed a desire to originate their own creations (P18:59; P19:33; P20:30).
Evidently, self-designs and self-manufacturing skills are capabilities that some blogshops aspire to have for their longer term development.

Other than these monetisation mechanisms, some blogshops incorporate advertising as a supplementary revenue sources. These usually involve subscription to an online advertising service such as Nuffnang, or charging of an advertising fee for users (presumably other blogshop owners) to put links on their blogshop sites. Advertising seems to be prevalent in some Singaporean teen-owned blogshops, and were observed in BSA2, BSA3 and BSA7.

In summary, these monetisation mechanisms describe options for fashion blogshop owners to generate revenues from their hobby, from the rather simple and crude Pre-owned mechanism to more conventional Pre-order and Retail models. These mechanisms contribute flexibility for tentative entrepreneurial development discussed in Chapter 4.

6.2.3 Subcategory 3: Social Selling

A significant aspect of Social Commercialisation in this study is the nature of customer cultivation, or selling and promotion attempts to acquire customers and create micro-markets. In the blogshop, customer cultivation is typically accomplished through social networking activities within the individual’s social circles. This is captured in the label Social Selling which suggests this socially-oriented approach to cultivating customers. A sample of the codes that indicates Social Selling is shown in Figure 6.4.
The many codes that pertain to social networking and the blogshop’s marketing abilities signal the significance of these concerns among blogshop participants. Social networking was typically mentioned in relation to Facebook, and codes pertaining to these concepts appeared in interviews with P1, P4, P6, P7, P9, P10, P13, P14, P18, P19, P20, P21, P30, and P34. Social networking and Facebook also seemed to interweave closely with marketing-related concerns, where the blogshop’s marketing efforts have been explicitly described in terms of social networking (P7:18; P18:56; P30:11).

Participants explicated the use of social networking through Facebook as a means to access target customers (P10:9; P13:31; P14:4; P18:36-37; P19:24; P20:24; P21:34; P30:8) and to enable selling on the site itself (P10:9; P14:4; P20:24; P30:7). In other instances, Facebook was mentioned as a means to accomplish non-selling functions such as directing traffic to the main blogshop site (P2:5; P4:6; P6:5; P9:7; P13:32-33; P21:4), to enable fast communication of updates and promotions (P7:18; P13:31; P18:7;
P20:24; P21:3, 35) and close engagement with fans (P7:18; P18:56; P21:11). Twitter was also used for similar purposes, (P7:19; P18:9; P21:35), including driving traffic to the blogshop (P21:35).

 Much of blogshop owners’ efforts to cultivate customers appear to revolve around social networking with and promoting to friends, family members, acquaintances and people that they know. In many instances, these efforts were focused on finding customers in a local area (P1:10; P2:1; P4:4, P5:5; P7:20; P10:7; P13:26,36; P17:28; P18:5,10). This strategy may be seen as an attempt to alleviate heavy competition among blogshops, especially from those based in other locales (P1:10; P9:6; P17:11,16; P18:19; P21:28). Focusing on a local market may preserve competitiveness (P1:10; P10:7; P13:26) as it enables the blogshop to offer lower delivery costs (P1:10; P10:7).

 Much of the marketing efforts also seemed to emphasise the seller’s own social networks (P3:3; P11:10; P13:20; P18:6,9,12; P19:10; P20:28), or even a certain ethnic group (P18:10). A number of participants count on their friends to act as customers (P17:28; P19:10; P20:19; P30:16), especially in the starting up phase of the business (P14:1; P18:6; P19:10; P20:19,28; P30:2,16). P18 recounted the importance of reaching into her own personal social network to develop a market base when she started her business (P18:51). Nevertheless, this does not mean that more distant networks are necessarily excluded. In fact, P5, P7 and P13 seemed proud to have overseas customers (P5:5; P7:20; P13:20).

 P18, P19, P20 and P30 also described how their immediate social networks could be leveraged to reach friends of friends (P18:11-12; P19:25; P20:19; P30:8), which is typically accomplished through adding and tagging friends (P18:37; P19:25; P20:24; P30:2; P11:10) on social networking sites such as Facebook. P7, P20, P21 and P30 attributed the growth of their blogshops to word-of-mouth spread on personal social networks (P7:19; P20:19; P21:6; P30:16). Additionally, Facebook seems to be preferred over blog-based platforms as customers are ‘constantly present’ on Facebook (P13:31; P15:3; P18:7; P30:8) as opposed to a blog-based site. Unlike Facebook, storefronts based on blogs typically require greater efforts to build and maintain site traffic building. P18 provided a description of how she was able to build a strong customer base on Facebook.
She thinks that social media and networking are really effective. Email takes longer time, but Facebook gives direct response. When she puts up pictures, she gets back 50-80 notifications and comments on the posts.

People add her on Facebook, mostly girls. She approves girls to be her Facebook friends even when she does not know them. People see her link and share them.

When she sees a blogshop on Facebook, she could tag it in her picture so that it becomes visible to their customers. For instance, when she sees a shop on Facebook selling lenses and she tags the shop in her picture, she would suddenly have all their customers (400 of them) starting to add her. But some blogshops don’t like it so they remove the tag.

People use Facebook blogshops instead of Blogspot because the response is more direct. The trend now is that people are moving to Facebook.

(Interview notes, P18:35-38, 22 December 2010)

Some blogshop owners referred to buyers as fans (P7:18; P18:56; P21:10-11; P22:16), and sought various forms of engagement to maintain a loyal fan base (P7:18; P9:9; P18:6,9-10; P21:36). Participants describe engagement with fans through various forms of sharing of the fashion interest (P17:44; P18:55; P30:2) and involving various kinds of promotions (P18:17). P21 described engaging with fans on a deeply personal level (P21:10-12):

They wear their products to events. Since they use their names for the brand, people associate the product with them. It allows them to share their lives with their fans.

Their fans buy into the relationship between the owners. They are not secretive but share a lot of themselves- where they are, what they are doing, and even personal things with their fans. They are the face of the brand, so it is like an on-going story.

They travel to various places across the country to meet their fans and to host events. They make friends, and it is like a little club.

(Interview notes, P21:10-12, 5 April 2011)

Finally, Social Selling activities seem to be associated with the building of trust among friends, as indicated by P10 and P30 (P10: 8-9; P30:16-17), and can result in favourable word-of-mouth (P30:15-16). P11, a social media consultant, noted that the common practice among blogshop owners of tapping into personal social networks to gain
customer may be a substitute for conventional website traffic building techniques such as Search Engine Optimisation (SEO) since many blogshop owners are not technically competent to apply those techniques (P11:19).

In summary, Social Selling describes efforts to obtain customers by leveraging trust available in existing social relations, in the absence of resources for conventional marketing such as advertising in the mainstream media.

6.2.4 Subcategory 4: Business Eco-systems

Blogshops appear to be supported by an array of specialised services and resources which taken together are deemed to resemble a form of business eco-system dedicated to blogshop ventures. Much of the services and resources that constitute this business eco-system were observed to be not linked to established mainstream institutions but were largely peer-generated. They were seen to be provided by individual members of the local fashion hobby community who utilise social media to undertake specialised tasks and create dedicated services to support blogshops. Instances where blogshop eco-system elements were observed in this study included P11, P24, BSA6, BSA10, BSA11, BSA12, BSA13, BSA14, BSA15, BSA16, BSA17 and BSA18. Resources and services in the consumer-created blogshop business eco-system appear to constitute an alternative channel to established commercial institutions and services in the mainstream industry. This subcategory 4: Business Eco-systems presents these supportive resources and services as a blogshop-centric distribution channel collaboratively created by fashion hobbyists to function as an alternative to mainstream fashion channels. A sample of codes that indicates Business Eco-systems is shown in Figure 6.5 below.
Participants who make up the blogshop business eco-system encountered in this study engaged in activities that include **aggregating information**, providing auxiliary services and enforcing ethical practices.

**(i) Aggregating information**

Information aggregating websites connect fashion participants to information on shopping destinations and other fashion interests. Types of information aggregators encountered in this study included blogshop directories, review sites and blogshop online forums. Blogshop directories provide listings of blogshops to enable them to be easily found. Examples of blogshop directories included BSA12, BSA13, BSA14, BSA15 and BSA17. They are typically indexed according to various fashion categories, and provide reviews, guides to online shopping, and other pertinent information and updates. Blogshop directories such as BSA14 and BSA17 seemed to
have been constructed from private bookmarks based, as indicated by BSA17’s note posted on the site:

*I love online shopping so much that I used to compile my own list of blogshops and their website addresses, so that when I feel the urge to shop online, I could just refer to that list.*

(Blogshop site analysis, BSA17, 8 April 2014)

Other blogshop directories (BSA12, BSA13, BSA15) functioned as large and comprehensive databases that operated as one-stop fashion portals and provided various resources for blogshoppers, such as tips on starting and managing small online businesses, sourcing suppliers, and are able to attract advertising revenues. Another type of information aggregation site encountered was blogshop review sites that were devoted to reviewing fashion and blogshops. These included BSA11, BSA12, BSA15, BSA18, BSA19 and BSA20, and appeared to be typically owned by passionate fashion fans. Some provided free reviews for blogshops (such as BSA20), while others worked on the basis of paid reviews (such as BSA14, BSA18 and BSA19), often written in the form of advertorials.

Many blogshops also participated actively in various online communities dedicated to fashion, beauty and shopping. Examples of such communities where blogshops have a strong presence included BSA42, BSA43 and BSA44. P1 acknowledged the importance of establishing a presence in these communities (P1:14-15), as they enabled information and commercial exchanges amongst fashion hobbyists.

(ii) *Providing auxiliary services*

The blogshop-sphere has also spawned a number of diverse auxiliary service providers that meet needs of blogshops. Examples of such service providers included professional photography and studio rentals (BSA21), modelling services (BSA17; BSA22), advertorial writers (BSA14, BSA18, BSA19) and physical consignment retail spaces (BSA10, BSA24) that were specifically dedicated to the cause of blogshops. Since many of these service providers were fashion hobbyists themselves, peripheral activities such as these may be seen as opportunities for them to act out roles associated with their interests. For blogshop owners, these specialised, niche services seemed to serve as affordable substitutes for those sourced in the professional mainstream markets. P24 gave insights into the nature of this form of services when she explained the practice of
manual placement of advertisements on chat boxes in blogshop sites. Popular among teen-owned blogshops in Singapore, it involved laborious postings of links to the advertiser’s blogshop on specially erected ‘tag-boards’ available on some blogshop sites.

Some blogshop owners offer modelling services. There are also advertising services, such as on tag boards. If you want to advertise your blogshop, you have to go to other people’s blogshop tag boards and post there. But there are so many blogshop and she is lazy to do it. So she just pays someone to do it for her. Some are able to automate their postings so it is easier for them. Such a service costs about SGD10 for a day, or SGD35 for a month for 10,000 tags a month. It involves the same messages all the time.

(Interview notes, P24:13, 1 June 2011)

Since much of these auxiliary services are provided by peers within the blogshop community, it is tempting to view the blogshop business eco-system as a mostly self-sustaining, autonomous or closed system. However, external links with members of the mainstream fashion institutions are necessary as they represent de facto sources of fashion inputs into the blogshop business-ecosystem. They also provide other sought-after services. In this study, some commercial property operators such as shopping malls, event organisers and retail space owners were able to offer budget-constrained blogshop owners a physical presence in the real world in the form of affordable and temporary flea markets, weekend bazaars and pop-up stores. These blogshop-friendly arrangements were particularly beneficial for P18, P19 and P21. In particular, P18 relied on such short-term retail spaces when plans for a permanent physical retail boutique did not materialise (P18:67-68). Similarly, P21 utilised various pop-up stores to make periodic short-term appearances in popular shopping malls. Another type of arrangement called ‘shop-lets’ or ‘consignment boxes’ (BSA10, BSA23 and BSA24) featured aggregation of multiple blogshops via partnerships with retail store owners. This arrangement allows blogshops access to proper, physical shelf spaces through shared rentals, commission or consignment arrangements.

The significance of the blogshops’ links with external industry members was underscored by the efforts of a social media consultant whose blogshop event called Malaysian Online Fashion Entrepreneurs Weekend (MOFEW, http://www.mofew.com.my/) was aimed at building bridges between
(iii) Enforcing ethical practices

An important aspect of the blogshop business eco-system is the way in which standards of blogshop practices are enforced. Members of the blogshop community were observed to voluntarily contribute a range of watchdog roles to ensure ethical behaviour and propriety of practices, including BSA25, BSA26, BSA27 and BSA28. Their roles included scam prevention through the sharing of information and documenting of disputes (BSA25; BSA26), monitoring of fraudulent blogshops and dispute resolution (BSA27), setting of guidelines for proper conduct and certification of blogshop sites and practices (BSA28).

Many instances of disputes involving blogshops (NAA3, NAA4, NAA5) and reports of blogshop misconduct (NAA6) were encountered in this study. While a number of high profile cases had gotten the attention of formal enforcement authorities (NAA3, NAA4, NAA5), others appeared to rely on peer-assisted resolution within the blogshop community. Disputes, such as that seen in BSA30, often occurred in public online spaces such as personal blogs, review sites, blogshop sites, Facebook pages and popular community sites, which served as an open court for community judgment. Here, the prospect of community condemnation appears to act as deterrence against unethical behaviour, and suggests that ethical conduct is very much dependent on collaborative enforcement by members of the blogshop community.

In summary, the notion of a blogshop business eco-system suggests the presence of a crowd-sourced, peer-to-peer social commerce channel that operates parallel to mainstream fashion channels. Although not fully autonomous, the business eco-system appears to have a degree of self-sustenance and self-regulation through largely voluntary and amateur contributions by fashion hobbyists who enact various roles associated with their fashion pursuits, which helps to propagate the fashion blogshop.

6.3 Non-Fashion Hobby Contexts

Social media appears to play a central role in consumer created ventures in non-fashion hobby contexts. The manner in which social media is utilised in these contexts seemed
to resemble its usage in fashion hobby contexts. First, like fashion blogshops, social media was used to enable sales (P29; P33). Both P29 and P33 used Facebook to display goods for sale and to elicit orders. P33 also operated a blogshop site dedicated to online transactions, and relied on social media-based outlets to replace a physical shop (P33:6). Secondly, monetisation mechanisms associated with fashion blogshops were present in these non-fashion hobby contexts as well, including references made to the Pre-Order model (P29:8; P31:8).

At the same time, slight differences could be detected in certain aspects of social media usage among non-fashion hobbyists. For example, P31 and P32 appeared to emphasise social networking, sharing or showcasing of their hobbies rather than outright transactions (P31:6; P32:4). The ability to make social connections was seen as necessary to further the business and to support customer cultivation (P31:6, 14). P31 also mentioned the importance of other socially oriented facilities such as forums and the eBay community (P31:6). A storefront was probably not necessary for P32 as his venture was not based on selling goods, but was service-oriented.

In summary, these observations suggest some variations in the way social commerce is practised in the sample of non-fashion hobby contexts. In general, they affirm the role of social media in enabling entrepreneurial action in non-fashion hobby contexts.

6.4 Discussion

This section discusses Social Commercialisation with other relevant literature.

Social Commerce

The use of social media by blogshop owners to monetise a hobby appears similar to a fast emerging phenomenon called social commerce. Social commerce refers to a form of commerce that is mediated by or which leverages social media and Web 2.0 applications (Curty & Zhang 2011, p. 1; Huang & Benyoucef 2013, p. 247; Liang et al. 2011, p. 69; Wang & Zhang 2012, p. 106). It is often defined in relation to e-commerce, as a merging or fusion of e-commerce with social media, a subset of e-commerce (Marsden 2010, p. 4), an extension or evolution of e-commerce (Liang & Turban 2011, p. 5; Rad & Benyoucef 2011, p. 2; Shen & Eder 2009, p. 1; Wang & Zhang 2012, p. 110), a new stream of e-commerce, a new concept (Hajli 2012, pp. 77,
79), or a new way of commerce (Curty & Zhang 2011, p. 1). Although the term itself was introduced in 2005 by Yahoo! (Yahoo! 2005), functionalities that support social commerce were already present in websites such as Amazon, eBay and Epinions in the late 1990s (Curty & Zhang 2013).

The blogshop appears to be a part of the emergent social commerce landscape, and is indicated by the label *Social Commercialisation* which suggests a markedly different approach to conventional e-commerce. Social commerce is based on the individual, rather than on firms, as the seller, which is consistent with Stephen and Toubia’s assertion that social commerce involves “sellers who are individuals instead of firms” (2010, p. 215). However, past studies have mostly focused on large and established firms and have not paid attention to individual consumers who act as sellers in a social commerce setting.

The subcategory Socialising E-commerce describes participants’ attempts to increase the social aspects of e-commerce, through improvisational use of social media applications to create socially-oriented platforms, processes and practices to enable ease of entry into business and to circumvent online shopping concerns in conventional e-commerce systems. Concerns expressed by participants over issues of access to and security of payment facilities, the lack of technical abilities or confidence in using the Internet for shopping, the preference for in-person inspections of goods, vendor reputation and other risks associated with online shopping in a local context have been previously highlighted (Cheng, Hamid & Cheng 2011; Chua, Khatibi & Ismail 2006; Haque & Khatibi 2005; Paynter & Lim 2001). Previous studies on social commerce have examined the roles of technological and social functionalities in online shopping in providing transactional, informational and social support (Curty & Zhang 2013; Shen 2012). Shen (2012) noted that technical features on e-commerce sites, such as search, shopping carts and online payment features mainly enable online transactions and provide informational support for online shopping, while social commerce applications aim at fulfilling social and informational aspects of shopping (p. 262). Transactional features are essentially utilitarian in that they emphasise convenience and efficiency in accomplishing online shopping tasks. On the other hand, social functionalities provided by social media facilities support hedonic and other social aspects of shopping by enabling consumers to interact, share, compare and collaborate. Transactional
functionalities typically emphasise short, fleeting exchanges while social media functionalities prioritise longer term consumer interactions where transactions are a potential outcome of social engagements (Curty & Zhang 2013, p. 261).

Two approaches to social commerce have been suggested, that is, it ‘helps people connect where they buy’, or how it ‘helps people buy where they connect’ (Marsden 2010, p.6). In the former approach, social commerce may occur where social applications are incorporated into sites that are inherently transactional. This usually occurs when social functionalities are added to sites that are fundamentally dedicated to transactions in order to make them more social (Curty & Zhang 2013; Huang, Yoon & Benyoucef 2012; Kim & Srivastava 2007; Shen 2012). Curty and Zhang (2013) showed how technical features on five e-commerce oriented websites, Amazon, eBay, Wal-Mart, Target and Overstock had evolved to become more social commerce-oriented over time. Similarly, apparel maker Levi’s attempted to increase community interactions on its website by adding a layer of social functionalities (Schroeder 2010). Social features such as customer profiles, product reviews, chat and list of friends and favourite products can impact on customers’ interaction and purchase decisions (Grange & Benbasat 2010; Kim & Srivastava 2007).

In the latter approach to social commerce, mechanisms for commercial exchanges may be applied to social media platforms, to facilitate transactions. Here, the emphasis appears to be on how to ‘monetise social media’ (Bolotaeva & Cata 2010; Clemons 2009; Marsden 2010), that is, deriving monetary value from the mass numbers of users congregated in social media and other online spaces. This approach can take the form of dedicated social shopping communities, such as Polyvore, ThisNext, Stylehive, Kaboodle and Threadless which are designed to enable community members to collaboratively shop in a virtual spaces (Leitner & Grechenig 2008; Olbrich & Holsing 2011). Social shopping communities connect consumers and enable them to discover, share, recommend, rate, and purchase products (Olbrich & Holsing 2011, pp. 15-16). Additionally, monetisation may be accomplished through advertising efforts on social media sites (Maurer & Wiegmann 2011; Trattner & Kappe 2013). Recently, a type of social commerce called F-commerce has gotten much attention. F-commerce describes social commerce that occurs on social networking sites, in particular Facebook, as a result of embedding dedicated transactional applications (Marsden 2011).
The blogshop appears to be generally aligned with this latter category, in particular F-commerce, in that commercial transactions are seen to occur in social networks and blogs. However, subtle but significant differences are present. In F-commerce, dedicated transactional applications in the form of licensed or hosted electronic shopping cart software, such as Shopify, Big Commerce and Pavyment, enable storefronts to be embedded onto a social media facility such as a Facebook page or a blog so that users can sell products directly on their social media sites. Links can also be embedded on-site to enable users to click out to a dedicated e-commerce website. In the blogshop, however, dedicated e-commerce features are typically absent. Instead, collaboratively generated, improvised platforms, processes and practices that emphasise manual rather than automated functionalities are preferred. As shown in this study, such a practice allows circumvention of cost and technical barriers to venture creation and online shopping. Hence, the improvisational, collaborative and user-generated nature of the blogshop suggests a distinct form of social commerce.

**Social Commerce Business Models**

The Pre-owned mechanism used by blogshop owners to enable monetisation appears consistent with *consumer reselling*. Consumer reselling considers consumer behaviour in the disposition phase, which refers to what consumers do with a product when they have completed using it. In the first research about disposition, Jacoby et al. (1977) identified resale as an option for disposition. Consumer reselling underlines the roles of the consumer as a consumer and a reseller (Chu & Liao 2008b, p. 221), an observation which underpins the process of Consumer Entrepreneurship in this study. In fact, Jacoby et al. (1977) suggested that consumers be repositioned as ‘redistributors’ rather than end users. Two types of reselling behaviour have been identified, which are consumer resale and professional resale. In consumer resale, ‘products which are resold are purchased “mainly” for self-use, not for resale’, while in professional resale, products are ‘repetitively sold in bulk as a retailer’ (Chu & Liao 2008a, p. 43). Similarly, the sale of used goods is categorised as consumer reselling, while the sale of unused goods is akin to retailing (Chu & Liao 2007a, p. 2). Thus, the Pre-owned Blogshop in this study appears consistent with consumer resale, while the Retail Blogshop appears aligned with the professional resale model.
Traditionally, disposition of used items was observed to occur through physical markets such as consignment stores, flea markets, garage sales and pawn shops (Chu & Liao 2007b, p. 179). Previously, consumers’ disposition activities have been associated with physical secondary markets such as garage sales, car boot sales, charity sales, flea markets and so on (Herrmann 2006; Herrmann & Soiffer 1984). However, the advent of the Internet has introduced new online channels for disposition, changed consumer resale behaviour and dramatically increased the scale and scope of consumer reselling (Chu & Liao 2007a, p. 1; 2008b, p. 244). Online marketplaces, which can take the form of non-auction sites such as Craigslist and auction sites such as eBay, are now seen as the primary platforms for consumer reselling as they provide many advantages over physical marketplaces (Bajari & Hortacsu 2004; Murphy & Liao 2013). In particular, findings from Murphy and Liao’s (2013) study of eBay users in North America revealed similarities between consumer reselling on eBay and Pre-owned Blogshops in this study. They found a high level of entrepreneurial potential among resellers as those with strong monetary motivations were inclined to turn occasional online reselling into personal small businesses that generate a regular income (p. 215). Additionally, their classification of online resale according to the sources of the merchandise, that is, personal related (personal items or belongings) or market related (such as secondary markets, manufacturer/wholesaler, drop shippers) (p. 198) has similarities with a blogshop’s stock origins in this study, either external or self-originated, which provides avenues for monetisation.

The literature shows other similarities. Like the Pre-owned Resale Blogshop, reselling is driven by various motives, such as for fun or enjoyment, for social reasons, to get rid of clutter and to earn extra money (Chu & Liao 2007b; Herrmann 2006; Herrmann & Soiffer 1984; Murphy & Liao 2013). In particular, the reselling of pre-owned apparel appears to have been driven by the emergence of ‘fast fashion’ (Bhardwaj & Fairhurst 2010; Joy et al. 2012), or low-cost clothing that are based on the latest trendy designs. Bhardwaj and Fairhurst (2010) noted that in the past, fashion companies had emphasised mass production of standardised styles, but with the advent of the Web, fashion-conscious consumers are increasingly exposed to the latest designs in fashion runways and fashion shows. In response to consumer demand, fashion companies such as H&M and Zara have been able to constantly update their collections by bringing the latest designs to stores within weeks. Fast fashion has also been referred to as
‘disposable fashion, or throwaway fashion, as it is not meant to be long lasting (Birtwistle & Moore 2007, p. 211; Morgan & Birtwistle 2009, p. 191). It is associated with consumer excesses brought about by fast cycles, continual and rapid inventory turnover, and planned obsolescence, and has raised concerns of sustainability (Birtwistle & Moore 2007; Joy et al. 2012; Morgan & Birtwistle 2009). As a disposal option (Jacoby, Berning & Dietvorst 1977), reselling through a Pre-owned Blogshop represents an opportunity for monetisation which contrasts with ethically-oriented options such as donations and recycling, which seem to have gotten greater emphasis in previous studies (Bianchi & Birtwistle 2010; Birtwistle & Moore 2007; Joy et al. 2012; Morgan & Birtwistle 2009).

These observations suggest that the Pre-owned Resale Blogshop may be considered a type of non-auction, online marketplace which serves as an avenue for reselling, or disposal, of the owner’s personal items. Much like the cost saving rationale of blogshop owners, Becherer and Halstead (2004) suggested that online marketplaces like eBay attract micro-businesses that operate with no inventory, overheads or business acumen for cost reasons (p. 29).

The Pre-order Aggregation mechanism in this study is similar to the group buying models in the social commerce literature. The online collective or group buying model has attracted much research interest (Chen et al. 2009; Guo, Wang & Leskovec 2011; Hughes & Beukes 2012; Kauffman, Lai & Ho 2010; Li & Liu 2012). The group buying model has been hailed as the most popular format of social commerce (Kim 2013, p. 70), and seems to be regarded as being somewhat synonymous with the term social commerce. Its popularity and growth has been attributed to the various advancements of social media and social networking, which has enabled transformation of consumer purchases from individual buying to social buying (Wei, Straub & Poddar 2011, p. 20). Group buying models focuses on the ability of consumers to aggregate into formidable purchasing units to obtain better prices from bulk purchases, and allows suppliers to diminish their costs of recruiting customers. Such a model is predicated upon individuals’ abilities to easily tap into their social networks to interact, share information, coordinate action and exert influence towards buying behaviour (Anand & Aron 2003; Chen et al. 2009; Jing & Xie 2011; Xiong & Hu 2010). As seen in the Pre-order mechanism in this study, the price advantages inherent in group purchasing
provides the core proposition for this form of social commerce in previous studies (Erdoğmus & Çiçek 2011).

Two types of group buying mechanisms have been identified. The first involves a group buying aggregator firm that coordinates the process by aggregating buyers and merchants. Examples of this type of online group buying sites include well known firms such as Groupon, Living Social, Letsbuyit, Mobshop and Mercata, which featured dynamic pricing mechanisms that encourage high purchase volumes to enable price drops for buyers (Hughes & Beukes 2012; Kauffman & Wang 2001). To date, sites like Mobshop, Mercato and Letsbuyit have since closed in the early 2000s, while others such as Groupon have faced uncertainties with the group buying business model (Kim 2013). The second type of group buying model features online group purchases organised not by companies, but by groups of anonymous consumers (Wei, Straub & Poddar 2011). This form of group buying has been particularly popular in China and parts of East Asia, and has been referred to as ‘Tuangou’ (Kauffman, Lai & Ho 2010; Li et al. 2009), and involves sites such as Taobao, Liba and Teambuy. In this form, collective buying is initiated and organised by consumers who organise themselves in online chartrooms and forums, and bargain with vendors or suppliers. The Pre-order Blogshop can be likened to this latter type group buying model as it is based on the actions of fashion hobbyists in organising the group buy. The relative success of this type of group buying model, especially in the East Asian region, has been noted by Kaufman et al. (2010, p. 250) and Wei et al. (2011, p. 20) who suggested that while the group buying business model has not flourished in North America or Europe, it appears to have much potential in Asia.

In a Retail Blogshop model, the blogshop owner selects and assembles a collection of fashion items for sale. This activity appears similar with that seen on a popular social curation website called Pinterest (https://www.pinterest.com/) where networked users collect digital images and videos and pin them up on a pinboard collection to allow others to comment, like and share (Hall & Zarro 2012; Han et al. 2014). Social curation has been defined in relation to digital objects, as “…the discovery, selection, collection and sharing of digital artefacts by an individual for a social purpose such as learning, collaboration, identity expression or community participation” (Seitzinger 2014, p. 415), and the curator as “…one who collects and organises existing content into a larger
unit” (Duh et al. 2012, pp. 447-448). Seitzinger (2014) attributed the rise of curation as a necessary response to the problem of filtering ever increasing amount of information (pp. 412-413). Duh et al. (2012) noted that social curation is a human process which emphasises manual effort over automated methods, which results in a higher degree of personalisation and relevance (p. 447). In the same way, the owner of a Retail Blogshop or a fashion boutique acts as a kind of curator of fashion artefacts (rather than digital objects) who performs a filtering function in assembling a collection for sale. Much like how the pins (images, text and sources) found on a particular pinboard on Pinterest reflect a user’s interests and tastes, a particular collection in a Retail Blogshop reflects the fashion interests, choices and tastes of its owner. Thus, the key proposition in a retail model is contingent on the individual’s sense of fashion and competency in curating an enticing collection, and seems consistent with the fashionista ideals described in Chapter 5 (see subsection 5.2.1).

**Consumer-to-Consumer (C2C) Networks**

In this study, the subcategory Social Selling describes aspiring consumer entrepreneurs as trying to acquire customers through the individual’s social networks. The social networks of buyers’ and sellers’ are a key aspect of social commerce as they enhance interactions, collaboration, and word-of-mouth effects in influencing commercial transactions (Dennison, Bourdage-Braun & Chetuparambil 2009, p. 2; Jascanu, Jascanu & Nicolau 2007, p. 13; Leitner & Grechenig 2007, p. 353; Liang et al. 2011, p. 69; Rad & Benyoucef 2011, p. 64; Stephen & Toubia 2010, p. 215). Social selling in personal networks can be distinguished from typical online consumer reselling activities which usually takes place in large, third party-owned ‘virtual communities of consumption’ (Kozinets 1999) or other dedicated online marketplaces such as eBay, Yahoo, Craigslist and various online communities (Liao & Chu 2013, p. 1577). These C2C sites directly support consumer reselling activities by congregating potential buyers and sellers around interest graphs, or networks organised around an individuals’ interests (Rogers 2011), such as fashion, shopping, technology and so on. BSA44 is an example of an online community that is organised around a specific interest graph, namely women’s interests, especially fashion and beauty concerns, and which provides a marketplace forum to allow members to buy and sell. In contrast, blogshops are often operated by individual sellers on online trading spaces that they own and control, usually in the form
of a blog, Facebook page or other social networking platform, and within a consumer-to-consumer (C2C) setting. The emphasis in the blogshop appears to be the individual’s social graph, which refers to the individual’s personal networks of connections and relationships (Rogers 2011), such as Facebook. This notion of leveraging an individual’s social graph rather than an interest graph for monetisation presents blogshop owners with the challenges of creating their own micro-markets from scratch.

The leveraging of interpersonal ties for economic gain in this study appears to be consistent with social network theory of entrepreneurship which suggests that economic action is embedded in networks of interpersonal relations (Granovetter 1985; Uzzi 1997). Entrepreneurs frequently access contacts within their personal networks, as well as friends of contacts, to obtain resources needed to take advantage of opportunities and start business ventures, including ideas, information, capital, skills, and labour (Aldrich & Zimmer 1986; Hoang & Young 2000; Singh et al. 1999). The availability and nature of personal social networks has been thought to account for small venture creation (Aldrich & Zimmer 1986), and may constitute an important resource in the initial stages of firm development (Ostgaard & Birley 1994). In this regard, social networks are recognised as the basis for social capital (Burt 2000), which Portes (1998) defined as ‘…the ability of actors to secure benefits by virtue of membership in social networks or other social structures’ (p. 6). Social capital in an individual’s networks can be leveraged for other purposes, such as information gathering or advice; it can also be converted to other kinds of capital, including economic benefits (Adler & Kwon 2002, p. 21). Furthermore, social relations are important sources of trust, (Granovetter 1985, p. 488). These support the observations in this study that the actions of Social Selling in the blogshop owner’s personal networks are significant efforts to leverage a critical resource in providing social capital, pre-existing trust and an immediate micro-market to enable venture creation.

**Peer-generated Business Eco-systems**

The subcategory Business Eco-systems describes a host of peripheral service providers that support the blogshop community by aggregating information, providing auxiliary services and enforcing ethical practices. These activities are coherent with a social commerce taxonomy, or social commerce dimensions, that have previously been identified, including blogs, content aggregators, platforms and activities for ratings and
reviews, recommendations and referrals, forums and communities, and social advertising (Hanna, Rohm & Crittenden 2011pp. 267-269; Marsden 2010, pp. 10-12; Saundage & Lee 2011; Shadkam & O'Hara 2013, pp. 7-8; Turban, Bolloju & Liang 2010, pp. 35-36). Services and content created by elements in this eco-system are user-generated and have emerged from collaboration amongst users. User generation and collaboration have been identified as essential characteristics of social commerce (Leitner & Grechenig 2007; Leitner & Grechenig 2008). In this study, these various service providers do not operate in isolation, but find their purpose as interconnected and interdependent components of the blogshop business eco-system.

6.5 Summary

As a template for Consumer Entrepreneurship, this chapter shows how the blogshop represents a model of social commerce that is able to describe value propositions and competencies, cost structures, revenue generation mechanisms, customer cultivation and partnerships with the wider blogshop business ecosystem. Here, the blogshop is based on improvisations of social media and social functionalities to create platforms, processes and practices to enhance social presence and to circumvent cost and technical barriers to business participation and online shopping. Monetisation of the fashion hobbyist interest is enabled through a range of revenue generation mechanisms, or social commerce business models, as well as socially-oriented selling activities aimed at cultivating customers in personal social networks within a C2C context. Lastly, the blogshop is supported by a peer-created business eco-system that provides a host of blogshop-centric services and resources, which taken as a whole, resembles an alternative distribution channel that operates outside, but not completely independent, of the mainstream fashion channels. Where past user entrepreneurship models have suggested that commercialisation is usually delayed in the starting up process, as presented in the Discussion section of Chapter 4, the entry barrier circumvention capacities provided by unique application of social media described in this chapter seem to allow blogshop owners to carry out monetisation at a relatively earlier stage.
CHAPTER 7

MAJOR CATEGORY 4: OBTAINING LEGITIMACY

7.1 Introduction

In Chapter 5, Major Category 2: Passionate Hobby Consumption situated the blogshop as an outgrowth of a passionate pursuit of a fashion hobby, where a desire to maximise consumption of fashion artefacts can lead to intentions to monetise the interest as opportunities are discovered and capabilities acquired in the course of fervent participation of the interest. In Chapter 6, Major Category 3: Social Commercialisation explained the blogshop as a consumer-contrived mechanism involving socially-oriented technological tools and revenue generating models that enable increased access to consumption and business participation. In this chapter, Major Category 4: Obtaining Legitimacy discusses efforts by consumer entrepreneurs to overcome legitimacy deficiencies and gain acceptance in the process of Becoming Consumer Entrepreneurs.

Section 7.2 gives a brief overview of the major category of Obtaining Legitimacy which is composed of three subcategories emerged from the data in this study. These subcategories include Structural Legitimacy, Operational Legitimacy and Personal Legitimacy, and are elaborated in sections 7.2.1, 7.2.2 and 7.2.3 respectively. This is followed by a discussion of the concept of legitimacy in section 7.3 in relation to relevant literature. Finally, section 7.4 summarises the chapter.

7.2 Major Category 4: Obtaining Legitimacy

As described in Chapters 4, 5 and 6, ardent fashion devotees often attempt to monetise their hobbies by using social media and improvised online selling practices to construct simple consumer ventures called blogshops. Although these online selling formats are able to broaden access to business participating and consumption, blogshop participants in this study frequently expressed or exhibited behaviours and actions that indicated a major concern with the legitimacy of their ventures. The ability to resolve legitimacy issues appears to be a major factor that affects the successful operation and progress of a blogshop. In this chapter, the term Obtaining Legitimacy is used to describe attempts at improving the trustworthiness, credibility and recognition of the Consumer Entrepreneurship venture. It refers to the ability to gain favourable perceptions and
acceptance as conferred by important constituents of the blogshop. It incorporates a variety of activities presented in the form of strategies used to legitimise a Consumer Entrepreneurship venture in terms of its structure, operations and its owner. These strategies involve efforts at conformance and improvisation to achieve Structural Legitimacy, Operational Legitimacy and Personal Legitimacy, are developed from codes in the data and are presented in sections 7.2.1, 7.2.2 and 7.2.3. Figure 7.1 below shows the major category Obtaining Legitimacy as composed of underlying concepts of Structural Legitimacy, Operational Legitimacy and Personal Legitimacy.

![Figure 7.1 Obtaining Legitimacy as composed of its underlying concepts.](image)

In Chapter 4, Consumer Entrepreneurship development was described as involving two stages, an initial *Formative stage* and a latter *Transformative stage*. At the Formative stage, monetisation of a fashion consumption hobby is enabled by a rudimentary *Hobby Business Blogshop* or a more advanced *Amateur Business Blogshop*, which are able to surmount cost and technical barriers to business creation and fashion consumption, as presented in Chapters 5 and 6. However, non-conventional and improvised designs of the blogshop’s structure, operations and ownership resulting from usage of these platforms were observed to raise legitimacy issues (such as P11:8-38; P27:3; P28:7; P35:22) which may result in negative perceptions of the blogshop as a credible business
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At a Transformative stage, a Hobby Business Blogshop or Amateur Business Blogshop may progress into a fully realised business, typically referred to as a *Boutique Business*. Subsections 7.2.1, 7.2.2 and 7.2.3 describe various legitimation efforts by Hobby Business Blogshops and Amateur Business Blogshops to improve the credibility of their structures, operations, and ownership at the Formative and Transformative stages.

### 7.2.1 Subcategory 1: Structural Legitimacy

As described in Chapter 4, the various forms of blogshops can be distinguished by their structural characteristics, that is, the nature of the entity, organisational structures and selling platforms. Structural Legitimacy describes strategies employed at the Formative and Transformative stages to obtain legitimacy of structural characteristics, that is, the norms, organisational structures and platforms. These strategies include *Legalising the entity*, *Formalising the organisation* and *Offlining the store*. A sample of codes in the data from which this subcategory was developed from is shown in Figure 7.2 below.

![Figure 7.2](image-url) A sample of codes that indicates Structural Legitimacy.

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(P11:35; P23:6; P27:6; P28:7; P30:9; P35:22; P36:15).
(i) Legalising the entity

At the Formative stage, many Hobby Business Blogshops were found to lack essential legal compliance expected of most mainstream business enterprises. First, the legal status of many blogshops were often cast into doubt (P8:5; P13:7; P17:7; P:28:7; BSA18) since many, if not most, blogshop enterprises typically operated as non-licensed entities. While non-registration of the blogshop seemed sensitive to some owners (such as P13 who preferred not to discuss such issues), the need to register the blogshop entity did not seem immediately apparent to others (P8:5; P11:22). In contemplating the official registration of her blogshop, P17 appeared to weigh the costs and hassles associated with the process, including the consequence of being exposed to income taxes (P17: 7). Others claimed to not know registration procedures or questioned the applicability of business licensing laws on certain forms of blogshops. Some of these uncertainties can be seen in the following excerpts taken from readers’ postings on a popular blogshop review site (BSA18), in response to news about legal action taken by Malaysian authorities against unregistered online businesses in 2010 (The Star Online 2010).

Excerpt 1

So I'm assuming then that pre-loved/pre-owned blogshops don't need to register? considering [sic] how items of this nature are being sold not for profit, but in fact for a loss. What about pre-loved/pre-owned blogshops which occasionally bring in brand new items to sell for profit? Are those considered as one time/ad hoc sales?

Excerpt 2

Hello there, I'm new here and I just know that we need to register even though [sic] for online business.. Can I ask? Where do I have to get the licence?? coz [sic] there are statement [sic] in the guide that licence is needed to register [sic]. I'm confuse.. [sic] Please help me on how to register... and we [sic] have to pay fee every year?? Thanks a lot!

(Blogshop site analysis, BSA18, viewed 8 April 2014)

The non-licensed status of many Hobby Business Blogshops and Amateur Business Blogshops seemed to be accepted by fashion consumers in this study. P36 provided the following view:
Blogshops that seemed to tolerate or even indulge in ethically or lawfully questionable practices have been encountered in this study. Such instances included cases of imitation and thefts of a blogshop’s property such as its designs, brands, stocks and information (P13:8; P17:2; P20:6; P27:4), as well as accusations of scams and fraudulent behaviour (P17:31; P18:33; P24:5; P26:9-12; BSA1; NAA3; NAA4; NAA5; NAA6). Others were found to have dealt in contraband or banned goods, such as the sales of circle contact lenses which have received broad coverage in the media (NAA1; NAA2).

Lastly, blogshops typically institute mechanisms for self-regulation through blogshop-enacted rules and community norms that stipulate conditions and acceptable behaviours for transactions. These include Terms and Conditions (or T&Cs), the owner’s personal assurances and community approval. T&Cs were present in most of the blogshop sites observed in this study, including BSA1, BSA2, BSA3, BSA4, BSA5, BSA6, BSA7, BSA32, BSA34 and BSA35. T&Cs represent the blogshop’s particular instructions, procedures, rules and policies, and typically covers essential information such as ‘How to Order,’ ‘How to Pay’ and ‘Delivery’. Enforcement of proper blogshop behaviour may take the form of collective action by the blogshop community, as documented by NAA5. As an example, a statement of Terms and Conditions seen in BSA6, a Singaporean teen-owned blogshop, which seems typical of this genre of blogshops, is shown in Appendix 9.

Some blogshop owners were observed to provide personal assurances in addition to the blogshop’s rules. Personal assurance usually involved a surprising degree of self-disclosure where the owner volunteers information about herself (BSA3; BSA4; BSA6; BAS7; BSA35), and/or a statement of promises (BSA1; BSA2; BSA3; BSA4; BSA5; BSA6; BSA7; BSA8; BSA29; BSA32; BSA35), which presumably are able to reassure potential buyers. While some attempts at personal assurances are well-articulated, others seem to be unabashed demands for unmerited trust from the blogshop’s
constituents, especially amongst teen-owned blogshops. For example, BSA2’s owners promised the following: ‘We don’t scam! We are 101% friendly and we don’t bite. :D You can totally trust us!’ A screen capture of the statement is shown in Appendix 10.

Another self-regulation mechanism is community approval in the form of customer testimonials and third party certification. Testimonies of satisfied past customers and favourable reviews by fashion bloggers are used to attest to the blogshop’s credibility, as seen in BSA37. Similarly, approval given by various blogshop watchdogs such as BSA11, BSA12, BSA18, BSA25, BSA26, BSA27 and BSA28 can attest to a blogshop’s legitimacy. For example, BSA28 reviewed participating blogshops to certify them as safe. One of its certified clients, BSA36, called attention to its certification as proof of legitimacy in a statement posted in its blogshop site, which is presented in Appendix 11.

While some blogshop rules seem practical and thoughtfully stated, others seem rather self-serving or biased to the seller, particularly amongst teen-owned blogshops in Singapore. For instance the T&C in BSA6 states ‘Meet up to OUR convenience free. YOUR convenience charged’. The use of colourful and somewhat coarse expressions and nomenclature commonly typical of this genre suggests an apprehensive state of buyer-seller relations and the juvenile nature of these blogshops. For example, BSA3, BSA4, BSA6, BSA7, BSA8 and BSA32 stipulated ‘No deadbuyers’ as a reference to non-paying buyers. Furthermore, seemingly harsh sanctions was seen in a number of teen-owned blogshops, such as the imposition of late charges on tardiness to a meet up, (BSA2; BSA6; BSA7; BSA8; BSA32), and the threat of ‘blacklisting’ where offenders’ names and transgressions were publically exposed (BSA1; BSA2; BSA3; BSA5; BSA8 and BSA33). An example of a typical blacklist, taken from BSA33, is shown in Appendix 12. Nevertheless, dispute resolution has involved the formal authorities, including actions by law enforcement (P26; NAA4; NAA5; NAA6) as well as formal legal prosecution (NAA3; NAA4).

These observations seem to suggest that constant and reiterative improvisations of norms have resulted in a self-serving blogshop normative institution that serves as an alternative to mainstream regulative bodies. The various aspects of this blogshop institution appears to be a part of the blogshop business eco-system described in Chapter 6.
While the blogshop generally relies on self-regulatory mechanisms at the Formative stage, compliance with mainstream rules is perceived as a priority at the Transformative stage. At this juncture, the need to rectify the blogshop’s legal position through formal registration is recognised by participants who described their business as ‘serious’ or who contemplated turning their ventures into conventional businesses (P7:2; P17:7; P21:20; P18:43-44; P28:7). Obtaining legal compliance through official registration can evoke in the owner a sense of being legitimised. This can be seen in the case of P18, who upon registering her business, expressed relief, exhilaration and empowerment in a Facebook announcement:

Now its official [sic] & legal! I’m proud to announced [sic] that my business is registered under NAME WITHHELD [sic] under the name of this blog shop owner it self [sic]. This is to ensure that we are an authorise [sic] business! Thank you for your support! :) (Interview notes, P18:43, 9 December 2011)

Legalising the entity through official registration is observed to bring several benefits. It can garner recognition by established mainstream business institutions and important value network partners in the fashion retail trade industry (P11:1-4). P11’s assertion that banking institutions generally disqualify blogshops from credit card facilities (P11:31) was confirmed by a check with a number of financial institutions in Malaysia. Banks seem generally hesitant in extending banking facilities such as merchant banking accounts and commercial loans to unregistered blogshops which are classified as high risk investments due to their legal status, business models and their structure and practices. As a result, non-registered blogshops were observed to rely on personal accounts and personal credit facilities to fund the business, which places limits on the scale of their operations.

Lastly, blogshops that have achieved legal conformance may use their official registration certificates as evidence of legitimacy to support claims of integrity, distinguish the blogshop from others, and provide a basis for customer protection, trust elicitation and marketing promises. Blogshops that have displayed or called attention to their certificates for such purposes include P18, P28, BSA5 and BSA31 (P18:43,53, P28:7, BSA5, BSA31). An example can be seen in Appendix 13, which shows a screen capture from the About Us section of BSA31’s blogshop site.
(ii) Formalising the organisation

At the Formative stage, the Hobby Business Blogshop is observed to operate as an informal organisation. This seems consistent with the principal goal of enabling business entry at low cost, as described in Chapter 6. It is usually managed by the owner(s) without formal hired help. In cases of partnerships, simple role specialisations may be utilised (P5:4; P10:1; P21:23; P34:3) to enable owners to share work and support each other (P20:14; P25:1; P27:5). In sole proprietorships, the lone owner may occasionally seek informal assistance from family members or friends (P1:13; P5:4; P13:36; P17:2;5; P18:2). Informality of the blogshop organisation seems to be consistent with its non-legal compliance, which P11 noted tends to disqualify it from certain formal commercial undertakings such as being able to issue cheques in the name of a formal enterprise, or clearing large volume imports through customs (P11:22).

Although organisational informality seems appropriate at the Formative stage, an extent of formalisation may be seen as necessary in transforming the venture into a real business. Administrative formalisation of the blogshop, such as keeping official accounting records for tax filing purposes, appears to follow its legalisation. For P18, the formalisation of her blogshop into a ‘real’ business seemed to be symbolised in her ability to use proper price tags and her blogshop’s newly registered name into promotional material, receipts and invoices (P18:62). It also led to a search for an accounting software to manage the business (P18:61), to consider creating a personal brand (P17:21; P18:59) and a decision to open a brick-and-mortar outlet (P18:48). P21 represented an exemplary case of a highly formalised, social media-based enterprise with a relatively developed organisational structure. P21 hired full-time staff, trained them and kept employee records in compliance with Employees’ Provident Fund requirements (P21:19-20). A semblance of hierarchy and departmentalisation were established, with a proper chain of command (P21:30).

(iii) Offlining the store

At the Formative stage, the Hobby Business Blogshop is characterised by a reliance on virtual platforms coupled with minimal physical structures. Although social media-based platforms are able to surmount cost and technical barriers to business entry and online shopping, as described in Chapter 6, their improvised nature seem to raise issues
about their appropriateness as platforms for online store fronts. A chief concern expressed by many participants was the difficulty faced in accurately portraying items for sale on a blog interface (P8:4; P17:19; P18:28; P22:5; P23:6; P27:6; P35:25-26). Hence, blogshops have been perceived to lack credibility as a selling platform compared with physical stores (P22:13; P28:6; P35:22,28) and e-commerce websites built on dedicated online retailing software (P11:8; P35:26-27). Unlike in-store shopping which allows personal inspection and trial, the blogshop is challenged, usually through text and pictures, to present compelling and faithful rendering of a garment’s key attributes such as measurements, fitting, colours and fabric to aid product evaluation by customers. P18 explained how photography can create discrepancies in online depictions of items:

*When selling online, she has to take pictures to show how the items look like. The colour, texture, etc. are all important. Natural lighting is best, which explains why some blogshops do outdoor shoots. Using flash indoors may make the item look different. The colour on a piece of clothing is different depending on whether the photo is taken outside or inside. For example, there are different shades of blue. Sometimes a dress may not translate well on camera. A good looking dress may not look as appealing in a photograph. That is why it is so important for people to see the real thing.*

(Interview notes, P18:28, 9 December 2011)

Although some owners try to enhance their credibility by providing measurement guides and detailed descriptions (P7:17; P17:19), the owner’s personal inspection of items prior to despatch (P18:33), a merchandise returns policy (P7:15) and in-person meet ups (P18:29; P24:10; P26:9), many recognise the need to engage in ‘offlining’. The term ‘offlining’ is used here to describe a blogshop’s activities to establish a physical presence in the real world. The ability to establish an offline presence seemed to be an aspired ideal for a number of participants (P9:2; P13:19; P18:13,40,42; P19:31; P21:24; P30:9; P36:15), and suggests that achievement of full physical presence is a strong symbol of legitimacy. Various forms of offlining efforts were encountered in this study, mostly in tandem with trying to transform a Hobby Business Blogshop into an Amateur Business Blogshop or into a Boutique (P4:7; P7:24; P10:10; P13:24; P14:3; P18:41; P19:34; P20:29; P21:12,38). Offlining was seen as an opportunity to create awareness, to meet and have interaction with customers and fans (P4:7; P21:12) and to overcome customers’ risk perceptions of online shopping by enabling physical
inspection of products (P13:19; P18:28). Additionally, P11 underlined the critical significance of offlining as a mark of legitimacy of the blogshop business by stating that ownership of a physical store is the ultimate goal (P11:37).

In this study, blogshops were found to utilise various offlining approaches to establish different levels of physical presence based on the duration and continuity of offline options, as shown in Table 7.1.

Table 7.1 Offlining Options

<table>
<thead>
<tr>
<th>Nature of physical presence</th>
<th>Duration of physical presence</th>
<th>Long-term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discontinuous</td>
<td>Intermittent Offlining (Sporadic, one-off events)</td>
<td>Sustained Offlining (Consignment stores)</td>
</tr>
<tr>
<td></td>
<td>P18</td>
<td>BSA10 BSA23 BSA24</td>
</tr>
<tr>
<td>Continuous</td>
<td>Persistent Offlining (Regular events)</td>
<td>Permanent Offlining (Brick-and-mortar retail store)</td>
</tr>
<tr>
<td></td>
<td>P7 P10 P18 P20</td>
<td>P13 P19</td>
</tr>
</tbody>
</table>

A blogshop may participate in real world events that are relatively long-term or short-term, and are continuous or discontinuous in nature. In Intermittent Offlining, the blogshop’s presence in physical spaces is sporadic and limited to short-term and discontinuous events, such as a one-day, one-off student carnival event in a university (P18: 48,67-40). In contrast, Persistent Offlining involves short-term but continuous events, such as recurring bazaars, weekend flea markets, ‘pop-up stores’ and other regular events (P7:18; P10:10; P18:68; P20:29). Sustained Offlining involves longer term but discontinuous presence in physical spaces, such as the ‘box store’ (examples include BSA10; BSA23; BSA24) format seen in many shopping malls in the region. Through consignment arrangement or sub-rentals of small lots, shelves or rack spaces in a premium retail location such as a mall, a ‘box store’ offers budget-constrained blogshop owners valuable physical space at affordable terms (NAA7). Lastly,
Permanent Offlining describes long-term and continuous real world presence such as the ownership or lease of a brick and mortar boutique store (P13:24; P19:34). While Intermittent, Persistent and Sustained Offlining approaches allow the blogshop forays into physical spaces while retaining its identity as an online store, Permanent Offlining denotes a successful relocation of the main platform and focus of the blogshop business from an online to an offline, or physical, domain.

Although Permanent Offlining seems to be an ideal accomplishment for a blogshop that is trying to attain a real business ‘status’ (P28:17; P30:9; P36:15), participants may substitute it with Intermittent, Persistent and Sustained Offlining options. For example, P19 progressed her blogshop from short-term rentals of small booths in a mall to rental of a permanent store, until it was eventually closed (P19:34). When P18’s plan to own physical retail space at a mall could not be materialised, she resorted to Persistent Offlining where she continuously rented small booths on a short-term basis at various shopping malls (P18:48,67-68). P21 did not seem to feel a need for ownership of a permanent physical store (P21:24), but participated actively in many premier offline events and occasions to keep close and constant engagement with their fans (P21:12,38).

In summary, the nascent form of the blogshop, namely the Hobby Business Blogshop, often operates with Structural Legitimacy deficits in terms of its non-legal status, informal organisational structure and Web-based platforms. The Hobby Business Blogshop genre improvises its own unique norms and standards, and relies on acceptance of its rather uncanny form by its customer constituents. However, a desire to transform into an Amateur Business or a Boutique Business is seen to require legitimation efforts to conform to mainstream business expectations of legal and structural propriety, formality and physical presence.

### 7.2.2 Subcategory 2: Operational Legitimacy

Operational Legitimacy describes the blogshop’s efforts to obtain legitimacy of its routine business functions and activities as encapsulated in its revenue models, transaction processes and marketing practices at the Formative and Transformative stages. These strategies include *maturing the monetisation models, upgrading the*
transaction processes and professionalising customer cultivation practices. A sample of the codes from which this subcategory was developed from is shown in Figure 7.3.

(i) Maturing the monetisation models

As presented in Chapter 6, participants frequently monetised their fashion hobbies by acting as resellers of pre-owned items, aggregators of group pre-orders and retailers of curated stocks, as well as offering value propositions based on self-created or externally-originated stocks. Externally-originated stocks configured around Pre-Owned Resale or Pre-Order Aggregation stock models appeared to be popular options for simple business creation amongst owners of Hobby Business Blogshops. However, their viability as compelling models for business development seems rather suspect.
The Pre-Owned Resale model appears to hold very little propositions to sustain a mature business. For example, in operating a Pre-Owned blogshop based on swapping and reselling of personal items with others, P24 described how she simply closed the blogshop, or went ‘MIA’ (a blogshop jargon for Missing in Action) when she ran out of things to trade. The Pre-Order Aggregation model appears to have credibility shortcomings as well. P13, P17, P18 and P27 noted that many online pre-order catalogues feature low quality and mass produced merchandise (P13:51; P17:20; P18:24; P27:6). P17 expressed a concern common among many blogshop fashion enthusiasts that the wide availability of these catalogues had resulted in ‘a lot of people wearing the same thing’ (P17:9,26). Other issues included the long waiting time between order placement and receipt of goods, small margins and the need to deal with impatient customers (P25:9). In contemplating a blogshop venture, P27 questioned the credibility of the Pre-Order Aggregation model and expressed reluctance to stake personal reputation on the uncertainties associated with it (P27:6).

As a result, participants considered the ability to provide compelling products (P20:6; P28:8) and value propositions such as self-created designs and self-manufactures as a means to differentiate the blogshop from others (P17:26; P27:5; P34:12-13). However, where owners of Hobby Business Blogshops attempted to create value propositions such as self-designing and/or self-manufacturing, credibility issues were encountered as well. Accusations of creative imitation and theft of designs, pictures and other blogshop content seemed rife (P21:39; P27:4: P30:3; BSA8; BSA38) and suggested its susceptibility to abuse. The contentiousness of these issues was highlighted by P21 in a Facebook post (P21:42), and by the actions of some blogshops including BSA1, BSA2, BSA3 and BSA32 to deliberately disable the right click function, presumably to prevent copying of their blogshop content by users.

At the Transformative stage, however, the ability to develop propositions based on self-created stocks rather than externally-sourced stocks may bring about favourable legitimacy perceptions of the aspiring business owner. Blogshop owners who had contemplated transformation of their Hobby Business Blogshops into Amateur Business Blogshops or Boutiques expressed aspirations to develop self-creation capacities (P18:59; P19:33; P20:30). Self-creation of stocks also occurred amongst owners of Amateur Business Blogshops, such as P7, P13, P21 and P34, where a capacity for
originating self-designing and/or self-manufacturing seemed to help distinguish them from others (P7:8-10; P34:12-13), and to justify premium product pricing (P21:29). Boutique owner P13 described her efforts to add her own creations to complement the externally sourced stocks in her boutique (P13:42-43).

Attempts at transforming into a real business may involve the development of branding capacities. Amongst participants, branding was commonly spoken of in terms of ownership of a fashion label, and was desired by a number of participants (P13:46; P17:21; P18:59; P20:33). Although blogshops can easily print their own brand labels, there seemed to be an understanding that prior legal registration is a perquisite for a legitimate brand (P17:21; P18:59). As a result, dedicated efforts at building brand identity seemed absent amongst Hobby Business Blogshops but were more visible amongst Amateur Business Blogshops such as P18 and P21 in particular. P17 and P18 described a simple approach to branding that involved the replacing of manufacturer labels on externally sourced apparel with the blogshop’s own label so as to make the apparel seem like its own (P17:21; P18:59). In contrast, P21 exhibited a relatively sophisticated approach to branding which involve original self-creations branded with the owners’ names. P21 explanation of how using their names as their brand had helped to infuse the venture’s offering with a sense of identity, share their personalities and bring about a personalised façade to the venture indicated a deeper understanding of the branding process:

They wear their products to events. Since they use their names for the brand, people associate the product with them. It allows them to share their lives with their fans.

Their fans buy into the relationship between the owners. They are not secretive but share a lot of themselves- where they are, what they are doing, and even personal things with their fans. They are the face of the brand, so it is like an on-going story.

(Interview notes, P21:10-11, 5 April 2011)

P27’s awareness of the difficulty in developing a strong brand (P27:3) was supported by P11’s assertion that many blogshops lacked branding skills, as evident in their choice of blogshop names which do not lend themselves well for branding purposes (P11:23), and the general lack of proficiency in using social media to build brand engagement (P11:24-25). Finally, P11 described a blogshop’s progress into a real business as an arc
that typically begins with an initial reliance on reselling of externally-sourced stocks and develops into branding and self-created stocks (P11:35,37).

In summary, a progress from a nascent Hobby Business Blogshops toward Amateur Business and Boutique Business typically seemed to emphasise development of creative proficiencies and a stronger sense of brand identity in order to imbue favourable perceptions of legitimacy.

(ii) Upgrading the transaction processes

As presented in Chapter 6, the blogshop template is a popular substitute for dedicated technological facilities used to process e-commerce transactions. In particular, manual ordering systems, cash-on-delivery, bank transfers and in-person meet ups typically replace automated ordering, credit card or Paypal payment gateways and postal deliveries. Although these manual processes accentuate the social and personal dimensions of e-commerce, some participants described encountering issues that affected credibility perceptions of the blogshop system. These issues included concerns over back-outs (P17:5-6) and no-shows at meet ups, or MIA (as indicated by the Terms and Conditions in BSA1; BSA2; BSA4; BSA8), safety concerns in doing meet-ups (P24:10); inappropriateness in using the home for storage and meet ups (P18:46), scheduling issues (P25:15), and various other hassles of maintaining a manual system (P26:8; BSA39; BSA40). Other concerns are linked to a lack of professionalism in using blogs and social media as platforms for business, in terms of the design aesthetics, or look, of the website (P13:30; P35:18-19). Some participants also held conflicting perceptions about the credibility of particular blogging software used as a platform to host an online store (P24:15; P34:9; BSA39). While Hobby Business Blogshop owner P24 seemed to have a favourable perception of stores hosted on Live Journal templates (P24:15-17), Amateur Business Blogshop owner P34 seemed less than impressed (P34:9-11). These issues suggest a concern about the legitimacy of using non-conventional facilities to accommodate business processes.

Due to these inadequacies, many blogshop owners appeared to have eventually recognised a need to implement proper software and transactional processes. Some participants aspired to adopt or have adopted automated shopping carts (P7:2; P10:2; P17:5-6; P18:57; BSA39; BSA40), and more proper delivery method such as the postal
A related issue involves the domain ownership, or self-hosting of the selling platform. Although some blogshop owners tended to associate the adoption of a shopping cart with personal domain ownership (BSA39; BSA40), technically, the former refers to functionalities of the software while the latter refers to self-hosting of the storefront. P11 stressed the importance of self-hosting on a personal domain in the long-term to avert over-dependence on free third party domain hosts (P11:18). While a blog-based platform hosted by a third party allows an owner to get started in business, it is often necessary, in the long run, to upgrade to self-hosting of one’s own website that features a proper shopping cart and payment facilities in order to be seen as a conventional businesses (P11:8).

Thus, the concern with upgrading from improvised and manually oriented social media platforms and tools that are most typical of Hobby Business Blogshops to automated e-commerce software usually seen in Amateur Business Blogshops or online Boutiques may be seen as an effort to improve legitimacy perceptions of the venture.

**(iii) Professionalising customer cultivation practices**

Lastly, the operation of a more developed venture, such as an Amateur Business Blogshop or a Boutique Business, appears to require a more professional customer cultivation process than a Hobby Business Blogshop. Where Social Selling, or the practice of selling to friends and acquaintances in one’s social networks as described in Chapter 6, appears to be an acceptable marketing mechanism at the Formative stage, it may not be appropriate or sufficient when the blogshop progresses into a more advanced form. For example, P22 and P25 expressed uneasiness in the idea of profiting from friendship (P22:17; P25:13), while P11 noted that certain improper Social Selling practices, such as tagging people on Facebook, amounted to spamming and indicated
incompetence (P11:11-12). Hence, a number of Amateur Business Blogshops and Boutique Businesses were observed to seek interactions with networks external to owners’ social and interest circles. This suggests that the nature and choice of target customers can have legitimacy implications. For example, P28 distinguished her boutique from blogshops by describing her customers as ‘more mature’, desiring ‘more classic rather than trendy fashion’, were ‘English-educated’, had ‘higher incomes’, and were ‘rich people’s wives’ (P28:8). Similarly, P19 acknowledged the importance of establishing connections with external networks for business expansion (P19:29). Other participants appeared to value exchanges with key external institutions, such as the mainstream media and with established brands in the industry. P7, P13, P18 and P21 expressed pride and celebration when their ventures appeared in featured articles in the local media. As a relatively well-developed venture, P21 in particular seemed to utilise a strategy of associating with high profile companies, celebrities and events, including high-profile collaboration with brands such as Lancome and Haagen Daaz. Similarly, P34 was able to secure contract manufacturing rights for a designer label (P34:13). In these instances, owners seemed able to display professional marketing approaches that approximate those of mainstream businesses. The capacity of some blogshop owners to implement innovative marketing was noted by P11, such as the use of membership and loyalty schemes (P11:7), and was again seen in the case of P21, who demonstrated relatively sophisticated use of an array of social media to coordinate various promotions, creative marketing activities and special events (P21: 2-4).

*Apart from the shopping cart site, they also created a blog as a visual space to tell their story, like how they make their products, and what goes on behind the scenes. It allows them to craft an image.*

*Then they used Facebook and Twitter to interact with customers, know what they want especially new products. They use whatever media is available to get the word out. Malaysians are one of the biggest Facebook users so they need to be on it. They are just following a trend, and it is free too.*

*Their website and Facebook ties in together. The majority of sales come from Facebook now. Their fans check out their FB page, then click out to their website. Their blog is like a scrapbook to record memories in chronological order of where they have been.*

(Interview notes, P21:2-4, 5 April 2011)
In summary, the Hobby Business Blogshop form appears to rely on simpler and more rudimentary monetisation models, transactional processes and customer cultivation practices compared to more advanced forms. Although these appear to accommodate the needs of its target customer constituents, a desire to progress the blogshop into an Amateur Business or a Boutique Business usually involves efforts to conform transactional and customer cultivation functions with conventional processes and practices, as well as developing self-originated value propositions.

7.2.3 Subcategory 3: Personal Legitimacy

Personal Legitimacy describes the efforts of the blogshop owner to improve her own legitimacy as a business owner. In Chapter 4, the process of Consumer Entrepreneurship was described as involving a personal transition of the blogshop owner, where the terms hobbyist business owner, amateur business owner and professional business practitioner were used to describe the owner of a Hobby Business Blogshop, an Amateur Business Blogshop and a Boutique respectively. These terms reflect the transitional nature of Consumer Entrepreneurship development and suggest that they may correspond with varying levels of personal legitimacy perceptions. This section describes participants’ concerns in elevating personal legitimacy through improving Personal credibility and Professional readiness. A sample of the codes from which this subcategory was developed from is shown in Figure 7.4.
Owners of Hobby Business Blogshops and Amateur Business Blogshops in this study were generally aware of a need to demonstrate personal credibility as businesspersons, and to allay general concerns about the trustworthiness of online sellers (P1:4; P26:10; P27:6; P28:7; P35:22,28; P36:3). As described in Chapter 6, owners of Hobby Business Blogshops usually utilise a Social Selling approach to tap into their own personal social networks of friends and acquaintances (P3:3; P11:10; P13:20; P18:6,9,12; P19:10; P20:19,28) to cultivate customers. Reflections by P18 and P30 suggested that blogshop owners sought to leverage trust endowed in existing social networks in order to build personal credibility (P18:10-11; P30:16,17). P30 and P36 described how an online seller’s credibility is indicated by their reputation on social media, as evident in the number of ‘likes’ on a Facebook page, the number of followers, friends, fans, the level and nature of activities, user comments and feedback on a page, their behaviour on social media, their responsiveness and the length of time the seller
has been selling online, and so on (P30:15; P36:3-6). In other words, the owner’s social media activities provide an aggregate record of personal reputation based on past and on-going accounts of trustworthiness as assessed by peers. Social media consultant P11 explained this approach of establishing personal credibility within one’s social networks as ‘social proof’ (P11:14). P30 shared her approach in using social media to establish personal reputation for business at the Formative stage as essentially based on leveraging the trust of her friends:

_Therefore when she first started selling on Facebook, she used her OWN personal page first. This allowed her to build up trust among her friends. Then she moved to a specialised page where she tried to get many people to ‘like’ her page. She also keeps the page active by posting up as many updates as possible. She makes sure to post up/update sales of headbands so that her buyers can leave comments after a purchase. She has to cultivate an image and obtain favourable word-of-mouth to gain recognition. That is why she tags buyers and thank them on her wall. It helps to increase visibility and build her image as a seller._

_She thinks that customers would trust her as they are her friends and they know her._

(Interview notes, P30:16-17, 2 December 2011)

While blogshops at the Formative stage tended to be dissociated from established companies in the fashion industry but relied on simple peer endorsement within personal social networks (P11:2; P34:16), they tended to develop a desire, usually at the Transformative stage, to seek professional recognition from sources external to the owner’s immediate social networks. In considering advancing their blogshop businesses, P19, P30 and P34 acknowledged a need to access farther networks (P19:29; P30:11; P34:16-17), presumably to obtain recognition that are available in more mainstream institutions. Social media consultant P11 described his company’s role as bridging blogshops with the fashion establishment and to help ‘rebrand’ blogshops to enable better recognition (P11:1-5). P34 explained the selective nature of the fashion industry in Singapore and how access to important people has brought benefits to his blogshop business.

_Others are unable to network with people. He is able to network with some of the top people in the industry due to his full time job. He knows some of the top people in the industry, who are very selective about who comes into the market. Also, some models, bloggers and industry members will not work with some of the teens._
He believes that networking is very important in this sector. He believes that the circle that you know will help you promote your business. For example, on Facebook, there are well known reviewers such as HJ who will not write about every blogshop in her blog, but charges $400 per post. One of his partners knows HJ so they benefit from that.

(Interview notes, P34:16-17, 14 March 2013)

At a Transformative stage, blogshop owners were observed to favour recognition by external members of the industry. Owners of well-advanced ventures often sought collaboration with established members of the fashion industry and took on behaviours that mirrored their counterparts’ in the fashion retail institution (such as P21 and P34 described in section 7.2.2 above). P11 suggested that distancing themselves from newer and cruder blogshops was necessary if the more developed ventures considered themselves a part of the established fashion retail fraternity (P11:35).

In the fashion industry, blogshops are not well recognised. More established blogshops consider themselves as fashion brands, and distinguish themselves from newer and cruder blogshops. They are higher class, and they do not want to join events with the smaller blogshops. Smaller ones are like weekend market sellers as they are technically the same thing.

(Interview notes, P11:35, 15 December 2011)

Participants often emphasised a need to develop a brand identity (P13:46; P17:21; P18:59-60; P20:33), which seems able to attest to the credibility of the seller (P11:23; P36:7). However, the difficulty in creating a compelling brand identity has also been noted (P11:23; P27:3). In particular, P11 observed how some choices of names for a blogshop can create problems for branding (P11:23). Additionally, it was observed that most participants’ thoughts about branding seemed to revolve around a rather simplistic notion of stitching the owner’s label onto an item of clothing (P13:46; P17:21; P18:59; P20:33). P21, on the other hand, showed evidence of relative sophistication and deftness in brand building, as seen on their website and Facebook page. Also, P21 had been able to project a unique and meaningful business identity based on the owners’ personalities, values, and passion (P21: 8, 10-11).
(ii) Professional readiness

Participants often considered the legitimacy of business owners in terms of their professional readiness for serious entrepreneurship. In this study, professional readiness refers to perceptions of the owner’s business making capacities and personal commitment to undertake an entrepreneurial venture.

Business making capacities refer to a requisite set of resources, knowledge, competence, self-confidence and experiences that are expected of a legitimate business practitioner. Many participants expressed concerns about their own levels of business making capacities when deciding to form or develop a fashion business venture. In considering their business undertakings, P8, P13, P19, P20, P27 and P30 made evaluations of their personal capacities for business in terms of past business experiences (P13:16; P19:1-3; P27:3), self-confidence (P13:16; P27:2), business knowledge (P8:2; P9:6; P13:16; P27:2-3), IT competence (P8:2), trade and design skills (P20:31; P27:3), availability of funds (P20:21) and knowledge of supplier sources (P27:3; P30:10). At the Formative stage, perceptions of inadequate business making capacities may lead to doubts about personal readiness for deepened engagement in business (P13:16; P19:28; P20:17; P27:2), and lead to considerations for ownership of a Hobby Business Blogshop as a practical option (P27: 5; P36:14-15). P13, P18 and P27’s narratives suggested the importance of proving the individual’s business abilities as a decisive factor in turning the blogshop into a real business. For instance, P27 felt a need to prove their abilities to themselves and to their parents before they could embark on a serious business (P27:9), while P35 suggested that blogshop owners needed to prove that they were serious businesses in order to be recognised as legitimate.

Professional readiness may also be indicated by the personal commitment shown to the venture. As described in Chapter 4, the flexibility of the blogshop venture, seen in its part-time ownership arrangement and its tendency for abruptness and discontinuity, distinguish it from common understanding of a fully formed, professionally managed business which typically features full-time owner commitment and an orientation toward sustainability. The deficiencies of a part-time business venture are often visible, as previously described in sections 7.2.1 and 7.2.2. For example, the tendency for occurrence of MIA, where time-strapped school girls find difficulties in fulfilling
business obligations due to school and other responsibilities, may be attributable to an inability to devote full personal commitment.

Full-time commitment into a business borne out of a passionate hobby has been interpreted as fulfilment of an aspired ideal, as it enables the individual to ‘do what she really likes’ (P20:34; P21:7). In contrast, participants who had been unable to devote full time attention to their blogshops due to their careers had described their formal employment as ‘torturing’ (P13:14) and devoid of passion (P18:63). Evidently, these participants had weighed their desires to indulge in their passion against the need for a steady income. In this context, it can be seen that the level of commitment to a Consumer Entrepreneurship venture tends to depend on the individual’s set of personal circumstances which can impede or encourage full entrepreneurial engagement.

Personal circumstances that participants had to grapple with included career or job commitments (P1:13; P13:9; P17:46-47; P18:42,45; P19:34; P20:14,17; P21:7; P22:15; P34:7; P36:16), family responsibilities and issues (P1:13; P19:29; P28:1-2), school work (P26:6; BSA1; BSA2; BSA5; BSA9) and parental approval and support (P13:10; P18:44,47; P24:6,10,18; P25:14; P27:8-9; P30:19). Employed blogshop owners such as P13 and P18 had to overcome inner struggles before making the decision to quit full-time employment to devote complete attention to their business ventures. P18’s decision seemed to mark a high point of her Consumer Entrepreneurship arc, and gave a sense of accomplishment of personal and professional legitimacy.

*After registering her business, she has now gone into running her business on a full-time basis. Working in the bank and not committing fully to her business made her feel like cheating herself. It was hard to juggle work and her blogshop. Sometimes she had to attend to her website after work hours, and work on it till 2 am. She couldn’t do both things at the same time, so she hired someone to take care of her stall.*

*She sees herself as a ‘businesswoman’ now, compared to a year ago. It is not a hobby anymore, but a business. It is more serious now. It is ‘work’, but it is still based on her passion. She has no passion in a bank job.*

(Interview notes, P18:45,63, 9 December 2011)

Other participants such as P1, P17, P21 and P34 were unable to leave their full-time jobs but managed to maintain hobbyist or amateur business ownership on a part-time basis. In particular, P21 and P34 seemed able to successfully manage, through good
planning and organisation, sheer hard work and persistence, what were essentially full blown business enterprises alongside their full-time work demands (P21:7,39; P34:7). P19 and P20 appeared to have scaled back their blogshop businesses over time due to work commitments (P19:34; P20:38). P1 took a hiatus from her blogshop during her maternity but came back to her business with renewed zeal (P1:13,16-23). School-aged owners such as BSA1, BSA2, BSA5 and BSA9 were observed to close their blogshops during school examination periods.

In summary, hobbyist blogshop owners typical lacked a semblance of professional readiness which results in self-doubts about her status as a legitimate business owner. This deficit appears to be compensated with evidence of personal trustworthiness or peer endorsed legitimacy that can be found in personal social networks. However, transforming the Hobby Business Blogshop into an Amateur Business or a Boutique Business usually requires evidence of professional readiness.

Generally, it can be seen that the cost savings derived from non-conventional structures, platforms, models, processes and practices contribute to a perceived lack of legitimacy as such consumer enterprises are not congruent with those in the mainstream. In other words, ease of business entry and participation appear to be a trade-off for legitimacy, which results in blogshop participants having to construct their own system of legitimacy. However, attempts at progressing into a real or serious business require conformance with mainstream standards and expectations.

The above discussions on Structural, Operational and Personal Legitimacy strategies to improve legitimacy perceptions are summarised in Appendix 14.

### 7.3 Non-Fashion Hobby Contexts

Hobbyists in non-fashion contexts appeared to encounter similar patterns of legitimacy concerns as their fashion hobby counterparts. Consumer-created ventures in non-fashion hobby contexts appeared to be characterised by informality. For example, P31 explained the advantages of operating informally, in relation to avoidance of operating costs, tax and custom clearance fees. Participants also acknowledged a desire or a need to formalise the venture’s structures. For example, P29, who operated as an unregistered venture, indicated a need to be formally registered and to have a physical shop in order to become a proper business (P29:7). Similarly, P33 expressed a desire to
eventually own a physical shop, although she thought that it was possible to sustain the business by operating without one (P33:6).

Like their fashion hobby counterparts, non-fashion hobbyists stressed the importance of personal credibility. P29 and P31 explained about the need to earn the trust of customers (P29:9; P31:13), which can be increased if individuals were able to demonstrate expert knowledge or competencies (P31:14; P32:4), which is akin to fashionista practices. In this regard, personal social networks can be leveraged to acquire legitimacy. P29 explained how the close-knit softball community allowed trust to coalesce as potential customers were able to know him on a personal level (P29:8). He also described how his position as a coach endowed him with trustworthiness and helped establish connections with prospective customers (P29:10). P31 described his ability to establish himself in the community of ardent toy collectors which helped to increase his reputation and earn him trust (P31:13-14). Similarly, P32 described the building of personal reputation within a community of like-minded photography enthusiasts (P32:4), and suggested that having a good reputation was necessary for monetisation.

Lastly, non-fashion hobbyists appeared to recognise the importance of professional readiness in advancing their ventures. P32 felt that he was not ready to develop a real business based on his hobby (P32:3). Similarly, P33 recounted her doubts about her own abilities in starting a business, which led her to utilise a small scale, trial-and-error approach (P33:4).

The data from the sample of non-fashion hobbyists suggests that legitimacy concerns and legitimacy acquisition strategies based on a personal social network or a community of interest are consistent with those found in the fashion hobby blogshop context.

7.4 Discussion

Legitimacy has been recognised as crucial to the success of new ventures (Hunt & Aldrich 1996; Starr & MacMillan 1990, p. 83; Tornikoski & Newbert 2007) and their survivability (Delmar & Shane 2004; Hannan & Freeman 1984). A popular and comprehensive definition of legitimacy was provided by Suchman (1995) who defined it as “a generalised perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs
The role of legitimacy in new venture creation is well established in the entrepreneurship literature. It represents an important resource needed to acquire other resources to support survival and growth of a new venture, and it can be enhanced by the new venture’s strategic actions (Díez-Martín, Prado-Roman & Blanco-González 2013; Starr & MacMillan 1990; Tornikoski & Newbert 2007; Zimmerman & Zeitz 2002).

In this chapter, the development of a blogshop and its tentative progress is presented as a quest for legitimacy of its structural, operational and personal aspects. Structural, Operational and Personal Legitimacy emerged in this study are similar to the main typologies of legitimacy identified in the literature, including Aldrich and Fiol’s (1994) cognitive legitimacy and socio-political legitimacy, Hunt and Aldrich’s (1996) socio-political regulative legitimacy and socio-political normative legitimacy, Scott’s (1995) regulative, normative and cognitive legitimacy and Suchman’s (1995) pragmatic, moral and cognitive legitimacy.

The process of blogshop legitimation also reveals two opposing forces: constructed legitimacy and conformance legitimacy. Constructed legitimacy refers to the enactment of a distinct set of unique norms, operational models, processes and practices that are substitutes for those in the mainstream fashion institutions. It involves collaborative social constructions with immediate constituents and members of social and interest networks. In pursuing constructed legitimacy, the nascent blogshop is likely to achieve a form that does not conform to conventional notions of business propriety, but bears the unique structural, operational and ownership characteristics associated with the Hobby Business Blogshop type. On the other hand, conformance legitimacy describes efforts at achieving conformance with dominant patterns of regulations, norms, models, processes and practices in the mainstream fashion retail industry. A pursuit of conformance legitimacy produces a Boutique Business format, which bear structural, operational and ownership characteristics that closely resemble those of a conventional fashion retailer. Hence, while constructed legitimacy typically describes the legitimation strategy of a Hobby Business Blogshop at the Formative stage, a decision to progress the blogshop venture into an Amateur Business Blogshop or a Boutique Business would require conformance legitimacy.
Conformance and construction legitimation strategies in this study appear to be consistent with venture legitimation frameworks described by Suchman (1995) and Zimmerman and Zeitz (2002). In their frameworks consisting of conformance, selection, manipulation and creation strategies, conformance denotes maximum adherence to the rules, norms and models of the existing social structure (Suchman 1995, pp. 587-588; Zimmerman & Zeitz 2002, p. 422). At the opposite end of the continuum, Suchman’s (1995) manipulation and Zimmerman and Zeitz’s (2002) creation schemes can be likened to constructed legitimacy in this study, as Zimmerman and Zeitz’s creation involves creating new social contexts such as new norms, models, practices and values (p. 425). The legitimation process in the blogshop can thus be cast as a tussle between these forces of legitimacy conformance and legitimacy construction (strategic action). In the initial stage of the blogshop’s creation, legitimacy conformance to mainstream norms is de-emphasised in favour of the strategic action of legitimacy construction, implemented through improvisations of the blogshop’s structure, operations and ownership traits. At the Transformative stage, a desire to advance the business increases pressures to conform the blogshop business to more familiar institutionalised fashion retail formats.

De Clercq and Voronov’s interpretation of new venture legitimation as an enactment of entrepreneurial habitus within structures of power relations (De Clercq & Voronov 2009a, b, c) provides further insights into the tension between conformance legitimacy and constructed legitimacy in the process of Consumer Entrepreneurship development. Drawing upon Bourdieu’s work (Bourdieu 1977; Bourdieu 1986; Bourdieu 1990, 1998), De Clercq and Voronov (2009c), contended that new entrants into a field are not automatically deemed as entrepreneurs, but must be legitimised through their ability to fit in and stand out at the same time. In fitting in, the newcomer conforms to existing field arrangements, which they termed institutional legitimacy; in standing out, she fulfils conflicting expectations of being able to challenge the field’s existing structure by offering something sufficiently novel or innovative (termed innovative legitimacy). Based on this notion, achieving legitimacy as an entrepreneur requires the new entrant blogshop owner to demonstrate adherence by fitting in, or conform, to existing arrangements, as evidenced in the Boutique Business retail standard. At the same time, adopting peculiar structures, norms, models, processes and practices associated with the Hobby Business Blogshop may constitute standing out, since the blogshop format
represents contributions toward online shopping and fashion consumption, and challenges the prevailing structures of conventional fashion retail industry.

The nature of the blogshops’ conformance and construction legitimacy strategies are particularly evident at the Formative and Transformative stages of the blogshop’s development. As a newly emergent form, Hobby Business Blogshops suffer from austere ‘liability of newness’ which is thought to make new organisations, especially new types of organisations, susceptible to failure (Singh, Tucker & House 1986, p. 510; Stinchcombe 1965, p. 148). A liability of newness arises because the new organisation needs to learn new roles and skills, acquaint users with new routines and systems, rely on social relations among strangers rather than established relationships of trust, and overcome a lack of ties to old customers who are familiar with the organisation (Singh, Tucker & House 1986, p. 171; Stinchcombe 1965, pp. 148-150). In a newly formed Hobby Business Blogshop, liability of newness appears to be compounded by the relative newness of the blogshop industry in general, which seems unable to provide intra-industry legitimacy support to individual blogshop units as the blogshop industry itself has little history, few established standards, unfamiliar norms and novel practices (Aldrich & Fiol 1994, pp. 653-656). Thus, a newly formed Hobby Business Blogshop is typically characterised by a deficit in conformance legitimacy. Weak public and official support (Hannan & Freeman 1984, p. 158) contribute to particularly severe legitimacy constraints during the formative years of an industry (Aldrich & Fiol 1994, p. 645).

At the Formative stage, the legitimacy of the Hobby Blogshop genre appears to be shaped by the way in which barriers of business entry and exit have been diminished by the application of social media tools, as discussed in Chapter 6. Barriers of entry and exit, such as the capital investments for venture start-up, have traditionally served as a filter to entrepreneurship by requiring the new entrant to demonstrate commitment and authenticity by surmounting the barriers with investment of the requisite capital resources. Such an arrangement testifies to the legitimacy of the new entrant who is willing to undertake the risks of entrepreneurial investment, which endows the aspiring entrepreneur with a measure of initial legitimacy to access further resources (Suchman 1995, pp. 575-576) for venture creation. In the case of Hobby Business Blogshops, however, the utilisation of free-to-use blogs, while creating access to business
participation by circumventing the need for capital intensive assets such as a physical store, effectively removes this filter. The absence of substantial capital investments also translates to ease of business exits since sunk costs are much reduced or even negligible. In other words, in a scenario where just about anyone is able to easily enter into business ownership, the legitimacy of each new entrant becomes a major issue.

This pattern of legitimacy seems to echo Clay Shirky’s (2008) analysis of how social media has disrupted traditional publishing industries. In Chapter 4 of his book ‘Here Comes Everybody’, Shirky compared traditional media with social media in terms of their systems of production and systems of filtering (p. 96). Shirky argued that the high costs of traditional media publishing necessitate a filter-then-publish approach, a standard practice in the industry, where editorial vetting is done prior to publication to ensure that only the most promising material are published (pp. 97-98). The advent of social media, such as blogs however, reduces publishing costs and technical difficulties to the point where almost anyone can be a publisher of almost any content. In this scenario, filtering only occurs after publication, and is done not by professional editors but by consumers of the content who collaborate within various communities of practice (p. 100). Publish-then-filter approach has been the subject of some discussions about traditional peer-reviewing mechanism in academic publishing (Burgelman, Osimo & Bogdanowicz 2010; Smith 2010; Whitworth & Friedman 2009) and journalism (Hermida et al. 2011; Johnson & Wiedenbeck 2009; Veenstra et al. 2014; Watson et al. 2014). The similarity in patterns of creating and legitimising suggests that the blogshop genre operates on a create-then-legitimate process, rather than the conventional legitimate-then-create process.

In the create-then-legitimate system, two distinguishing characteristics are observed about the quest for legitimacy among Hobby Business Blogshop owners in relation to the process of new venture creation through disruptive applications of social media. First, the ability to start up a ‘cost-free’ venture is prioritised over ensuring legitimacy of structures, operations and ownership in the initial stages of venture creation, so that legitimation behaviours only take prominence after venture formation. Unlike conventional firms whose familiar designs and conformance with existing institutions in the industry endow a measure of initial legitimacy, a newly created Hobby Business Blogshop venture is likely to possess very little ‘received’ or conforming legitimacy
(Tornikoski & Newbert 2007), or legitimacy based on passive characteristics that is conferred by virtue of the new venture’s close resemblance to the forms and conduct of existing legitimate organisations in the industry (p. 315). Early legitimisation activities that can make the venture appear legitimate to external stakeholders, such as registering with legal and tax authorities, have been found to enhance the legitimacy of a new venture, and support the ability to create social ties with external stakeholders and obtain resources (Delmar & Shane 2004; Eckhardt, Shane & Delmar 2006). The Hobby Business Blogshop, however, appears to function with very little or no such legitimacy upon formation. Hence, it is likely to experience severe liability of newness and legitimacy deficits exacerbated by its structural, operational and ownership incongruences at the formation stage.

Second, the newly formed Hobby Business Blogshop would rely largely on its owner’s most immediate constituencies, in particular personal social networks and interest-based networks, as sources of legitimacy. While relationships with powerful controllers of vital resources are crucial for organisational legitimacy (Pfeffer & Salancik 2003, pp. 44-46), prior legitimacy must be evident before they are willing to confer resources (Hybels 1995, p. 243). Since major mainstream institutions would be reluctant to grant recognition to newly created Hobby Blogshop, legitimacy is sought from the owner’s social and interest networks. Social networks are important for new ventures because they provide an important resource in the form of social capital (Baker 1990, p. 619; Bourdieu 1986, p. 248; Bourdieu & Wacquant 1992, p. 119; Coleman 1990, p. 302), while economic action is essentially embedded in social structures (Granovetter 1985). Social capital refers to the ‘features of social organisation such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit’ (Putnam 1995, p. 67). It is the source of goodwill, information, influence, solidarity (Adler & Kwon 2002, p. 23), social obligations that are convertible into economic capital (Bourdieu 1986, p. 243) and is able to enhance perceptions of legitimacy (Iakovleva & Kickul 2011). As described in Chapter 6, the blogshop owner’s social networks, typically comprised of peers with similar fashion interests, are seen as most willing to bestow pragmatic legitimacy, or legitimacy based on ‘self-interested calculations of an organisation’s most immediate audiences’ (Suchman 1995, p. 578) as they would benefit the most from exchanges with the nascent blogshop. Mutual benefits can be gained from supporting the blogshop because it shares in and advocates the interests of
the local fashion fraternity, and provides an avenue for consumption maximisation. Successful exchanges with immediate customer constituents can confer *exchange legitimacy* (Suchman 1995, p. 578), which Terreberry (1968, p. 608) illustrated as: “the willingness of a firm… to buy X's product testifies to the legitimacy of X”. Simply put, the legitimate blogshop is one that is able to consistently prove itself to its constituents through successful and ongoing exchanges. Legitimacy sourced within social networks can then support further exchanges with wider audiences.

At an industry level, the emergence of Consumer Entrepreneurship through the blogshop template and the nature of its legitimating actions may have implications on the fashion retail institution in the Southeast Asia region. Conformance legitimacy in this study seems consistent with the institutional perspective of legitimacy, which argues that an organisation gains legitimacy when it demonstrates adherence to other existing organisations that are already considered legitimate (DiMaggio & Powell 1983; Meyer & Rowan 1977). Organisations copy others in the same industry that are deemed successful or legitimate, through a process of mimetic isomorphism, resulting in members in the same population resembling each other over time (DiMaggio & Powell 1983; Meyer & Rowan 1977; Scott & Meyer 1983). It occurs through a structuration process where socially endorsed patterns of behaviour interactions are produced and reproduced (Giddens 1979, 1984). Hence, recursive compliance of the blogshop with the prevailing structural, operational and ownership expectations of the conventional fashion retail institution allows it to be perceived as a real business since its behaviours reinforces the established system. Conformance to system-wide norms, beliefs, and rules has been described as ‘received legitimacy’ (Zimmerman & Zeitz 2002, p. 421).

On the other hand, constructed legitimacy in this study seems to be similar with legitimacy in the strategic management perspective which views legitimacy as an organisation’s strategic actions to shape, manipulate and deploy evocative symbols to garner support (Dowling & Pfeffer 1975; Pfeffer & Salancik 2003; Suchman 1995). A strategy of legitimacy construction allows the blogshop to engage in ‘acting-as-if’ behaviour so that it takes on the semblance of a fully functioning organisation (Gartner, Bird & Starr 1992), and is able to create an impression of viability and legitimacy to receive support (Starr & MacMillan 1990, p. 83). Unlike conformance legitimacy, constructed legitimacy appears to focus on the blogshop’s immediate constituencies of
peers and the blogshop fashion community as sources of legitimacy. As a type of strategic legitimacy, constructed legitimacy involves ‘active behaviour’ (Tornikoski & Newbert 2007, p. 315), which contrasts with conformance legitimacy. The blogshop business eco-system, which was presented in Chapter 6 as the resources and services collaboratively created by the fashion blogshop fraternity to support the blogshop genre’s norms, structures, models, processes and practices, suggests the presence of an emergent blogshop institution, which appear to have coalesced from cumulative acts of legitimacy construction by Hobby Business Blogshops. Such an institution represents a grass root system of validation that can bestow normative and cognitive approvals on blogshops modelled after the Hobby Business Blogshop and the Amateur Business formats. Given its short history, the blogshop template appears to be still taking form, but an increase in its population density will increase its legitimacy (Hannan et al. 1995).

In this context, newcomers’ success in ‘fitting in’ and ‘standing out’ can also determine the extent to which the structure of institutional fields becomes reinforced or transformed (De Clercq & Voronov 2009c). De Clercq and Voronov argued that reinforcement of the existing order would likely occur whenever efforts are expended to fit in, whether successfully or not. However, successful innovative endeavours may result in institutional transformations if incumbents accept them as beneficial for the field as a whole (p. 407). Thus, while successful transformations of a Hobby Business Blogshop into a Boutique Business format signals reinforcement of the existing order, the adoption of blogshop specific practices by mainstream fashion retailers, such as the incorporation of social media to support their businesses, are perhaps signs of change to the institution.

7.5 Summary

This study suggests that legitimating actions lie at the heart of the formation and growth of a Consumer Entrepreneurship venture. In other words, the process of Becoming Consumer Entrepreneurs becomes inextricably linked with the venture’s legitimacy, which aspiring consumer entrepreneurs must continually address and resolve via the acquisition of legitimacy through various mechanisms discussed in this chapter. Concerns with legitimacy centre on the structural (legal status, organisational structures and platforms), operational (monetisation models, transaction processes and customer
cultivation practices) and personal (personal credibility and professional readiness) aspects. As a nascent entrepreneurial form that is not conformed to traditional standards of business propriety in many aspects, the Hobby Business Blogshop form appears to suffer from legitimacy deficits. However, through constructed legitimacy actions, they are able to create alternative sources and avenues for their own legitimation. Progress into Amateur Business or Boutique Business forms would require actions of legitimacy conformance with expectations of established institutions in the fashion retail trade. Nevertheless, the development of blogshop-specific norms and practices suggests the emergence of a potentially persistent alternative system that provides options for Consumer Entrepreneurship.
CHAPTER 8

CONCLUSIONS

8.1 Introduction

As described in Chapter 1, this study was motivated by an emerging and seemingly unconventional approach to e-commerce known as the blogshop, which is mainly found in Malaysia and Singapore. A number of questions were asked about blogshops at the outset of this study, as discussed in subsection 1.4.1 in Chapter 1: What are blogshops? Why would people host online shops on blogs instead of proper e-commerce facilities? Are blogshops a form of entrepreneurship? In relation to these questions, this project was undertaken to produce a substantive theory to explain the behaviours of blogshop participants. The outcome of this study is a theory of Consumer Entrepreneurship that is able to explain what the blogshop is, why they have emerged and how they work.

In this study, a review of the background literature on e-commerce was provided in Chapter 2, followed in Chapter 3 by an elaboration of Classic Grounded Theory Methodology employed in this project. The development of Consumer Entrepreneurship theory and its major component concepts was elaborated in Chapters 4, 5, 6 and 7. This final chapter gives a conclusion to the thesis. Section 8.2 discusses the key research contributions in this study, namely Consumer Entrepreneurship theory, its contribution to knowledge about blogshops and its implications on practice. This is followed by an evaluation of the credibility of the theory of Consumer Entrepreneurship in accordance with Grounded Theory criteria in section 8.3. The limitations of the study and its implications for future research are discussed in section 8.4. Section 8.5 closes the chapter.

8.2 Research Contributions

The main contribution of this study is the substantive Grounded Theory of Consumer Entrepreneurship. As elaborated in Chapter 4, the theory consists of an integrated set of inter-related concepts or categories, including a core category, which captures the main concern of participants and the way they continually address their concern. The core category that emerged is Becoming Consumer Entrepreneurs, which conceptualises the blogshop phenomenon as a distinct social process of entrepreneurial development by
passionate fashion consumers. This process is underpinned by four major categories, namely Tentative Entrepreneurial Development, Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy, which have been elaborated in Chapters 4, 5, 6 and 7 respectively. Subsection 8.2.1 below recapitulates Consumer Entrepreneurship theory in relation to user entrepreneurship theory and outlines its contributions to the literature.

Although this study was mainly located in a fashion hobby context, the conceptual transferability of a grounded theory as argued by Glaser (2006, p. 9) implies that the major concepts underpinning Consumer Entrepreneurship theory to be modified to fit other non-fashion hobby contexts. In other words, the theory is applicable to and can account for entrepreneurial behaviours in other hobby contexts. In this study, comparative analysis using data sampled from a sample of non-fashion hobby contexts, namely sports, photography, collectibles and home bakery, indicated the presence of a general pattern of consumers taking on entrepreneurial action as seen in the fashion hobby blogshop context.

8.2.1 Consumer Entrepreneurship Theory

Consumer Entrepreneurship does not appear to be a new concept. As elaborated in Chapter 4, it recalls the concept of user entrepreneurship (Shah, Smith & Reedy 2012; Shah & Tripsas 2007), an alternative model of the entrepreneurial process that describes entrepreneurship in relation to users who, in the course of personal or professional product usage, innovate new products for their own use and later commercialise them. Like user entrepreneurship theory, Consumer Entrepreneurship is often accidental and emergent rather than preconceived, arises from consumption or usage of a product or service in a context of serious leisure (Stebbins 1982, 1992), occurs as a spare time activity and is likely to emphasise intrinsic rewards over pure monetary profits (Shah & Tripsas 2007, p. 133). In both concepts, entrepreneurship occurs in a strong social context. In user entrepreneurship, special interest communities allow collaboration among peers and access to diverse resources and supportive services to develop knowledge, ideas and action (Franke & Shah 2003; Füller et al. 2006; Shah & Tripsas 2007; Von Hippel 2007; Von Hippel & Von Krogh 2003). In this study, social media is shown to be a critical enabler of venture creation. Deft usage of social media and socially-oriented practices, as shown in Chapter 6, help to circumvent financial and
technical barriers to venture creation and enable leveraging of personal social connections to cultivate customers. Thus, this study accentuates the role of social media in greatly enhancing the capacity of individual consumers to start up entrepreneurial ventures. Where the potential for significant remuneration arising from participation in serious leisure has previously been in question (Stebbins 1992), this study has provided empirical support to show a clear monetisation process, as described in Chapter 5.

At the same time, the pattern of entrepreneurial development in this study is distinguishable from that in the user entrepreneurship literature. User entrepreneurship highlights a pre-commercialisation stage where user entrepreneurs develop a product idea before embarking on formal commercialisation (Baldwin, Hienerth & von Hippel 2006; Haefliger, Jäger & Von Krogh 2010). In contrast, consumer entrepreneurs in this study are able to commence immediate commercialisation by operating in an informal, low profile and limited manner. This approach of informal commercialisation is possible because entrepreneurial action in the blogshop context is usually not predicated upon user innovation (Von Hippel 1986) which is associated with user entrepreneurship. In the latter, commercialisation actions always seem to be predicated upon user innovation or users’ abilities to generate innovations that become the basis for commercialisation. In this study, however, the ability to innovate new products is not a requisite condition for entrepreneurship as most or all instances of blogshop venture creation revolved around activities of reselling. While user innovation tend to occur when individuals create solutions in response to a need or a problem in using a product, Chapter 5 delineates how consumer entrepreneurs in this study discover selling opportunities amidst passionate consumption within a hobby context. Considering that product innovation require more demanding skill sets, this study suggests that the focus on online selling in the blogshop model opens up greater accessibility to this form of entrepreneurship.

This study also highlights some aspects of this form of entrepreneurship which have not been previously explored. First, it calls attention to legitimacy concerns which arise from the informality of the venture’s structures, operations and ownership arrangements, as well as its approach to venture development that is necessarily tentative, flexible and adaptable to the needs and circumstances of the consumer entrepreneur, as discussed in Chapters 4 and 7. Such ventures must also present low
cost and technical barriers, are easy to create, enable varying degrees of engagement, enable abrupt exits from the business and are easy to dispose. Chapter 4 delineates the specific venture forms, the stages of formation and transformation and the alternative development trajectories that accommodate this approach to venture development. Taken together, these characteristics of the typical Consumer Entrepreneurship venture comes at the expense of its legitimacy as a proper business entity.

Second, it draws attention to the core concern of participants in this type of entrepreneurship. This core concern, which is Becoming Consumer Entrepreneurs, denotes the behaviours of consumers who act as entrepreneurs in a particular product category that they are passionate about. This immutable link between venture creation and consumption of a personal interest establishes this type of entrepreneurship as an extension of passionate consumption. This pattern of role expansion by the consumer has been previously captured in the concept of prosumption (Ritzer & Jurgenson 2010; Toffler 1980), as discussed in Chapter 5, which describes the consumer partaking in the production of goods to be consumed. In this study, the consumer entrepreneur undertakes not just production tasks, but a range of entrepreneurial actions while simultaneously engaged in avid consumption of the same product category. Becoming Consumer Entrepreneurs then, is a transitioning process that obligates the individual to consider the depth of business engagement, the dyadic wrestle between satisfying a desire for passion versus monetary profit and between hobby and serious business. It is also a legitimising process that ties successful transitioning with efforts at aligning and improving the credibility of the venture’s structures, operations and owner so as to appear proper to immediate constituents. Chapter 7 delineates strategies and mechanisms used by consumer entrepreneurs to earn legitimacy. By emphasising this social process of ‘becoming’ as the core concern of participants in this study, this study makes a contribution to the user entrepreneurship literature.

In summary, this study makes a contribution to the user entrepreneurship literature by showing that it is a process of tentative entrepreneurial development that involves passionate consumption, social commercialisation and obtaining legitimacy. In doing so, it brings together diverse literature, particularly prosumption, post-modern consumption, serious leisure, user innovation, informal economy, social commerce, and legitimacy.
Subsection 8.2.2 below discusses the contributions of this study to knowledge about blogshops.

8.2.2 Contributions to Knowledge about Blogshops

Consumer Entrepreneurship theory provides a framework to make sense of the blogshop phenomenon by conceptualising the phenomenon as an entrepreneurial process. The underlying key concepts that underpin the theory have broad similarities with major themes in previous studies on blogshops. In past research, blogshops in Singapore were seen as a confluence of a form of economic need, locational circumstance, technological capacity and globalised youth culture (Fletcher & Greenhill 2009), an intersection of commerce and femininity (Abidin & Thompson 2012) and a polymorphic form of grass root, non-conventional e-commerce practice that is motivated by a desire for consumption and is based on organic user-oriented design of Web 2.0 tools (Greenhill & Fletcher 2011). Legitimacy concerns in the form of regulatory and trust issues confronting blogshops have been brought to the fore by Yeung and Ang (2015) who examined how low barriers to entry, access to technical platforms, self-regulatory regimes and informal institutions have enabled the proliferation of blogshops in Singapore. In addition, Hassan et al. (2012) and Shafie et al. (2011) examined blogshops’ features and attributes that promote trust. Where these themes have previously been examined in isolation, this study integrates the concepts into a framework that depicts the blogshop phenomenon as a process of Becoming Consumer Entrepreneurs in a hobby context.

Consumer Entrepreneurship also provides several new insights about blogshops. First, it offers a different way to view blogshops. Previously, blogshops have been technologically defined, usually as simply virtual shops or virtual storefronts in relation to the social media or ICT platforms that host them (de Kervenoael, Hallsworth & Tng 2014, p.450; Fletcher & Greenhill 2009, p. 43; Yeung & Ang 2015, p. 1). This convenient but somewhat simplistic approach has been acknowledged as failing to justify the complexities of blogshop practice (Fletcher & Greenhill 2009, p. 43). This study offers a conceptual view of the blogshop as a device for Consumer Entrepreneurship. Specifically, the blogshop may be viewed as a form of user innovation (Von Hippel 1988; Von Hippel 2005), one that has been collectively innovated by consumers to propagate consumption and to circumvent cost and technical
barriers to business participation, as discussed in Chapter 4. In other words, this study offers the blogshop as a means, a template, a model, or a format for venture creation, which prescribes various forms of consumer ventures, stages and trajectories for entrepreneurial entry and progress, as well as platforms, practices, processes and strategies that are congruent with needs and interests of aspiring consumer entrepreneurs. In this sense, this study suggests the blogshop to be viewed as a blueprint for Consumer Entrepreneurship.

Second, this study reveals that the blogshop does not typically emerge from a dedicated effort at serious business ownership, but is linked with a passionate pursuit and consumption of a hobby, or serious leisure (Stebbins 1992), such as fashion, as elaborated in Chapter 5. Consistent with post-modern consumption emphasis on immersive engagement, symbolic products, experiential consumption and co-creation of self-identities (Firat, Dholakia & Venkatesh 1995; Firat & Venkatesh 1995), blogshops seem to constitute a sort of role enactment that is akin to the notion of the blogshop as accommodating a form of cyber-femininities, or the online portrayal or performance of the female gender (Abidin & Thompson 2012, p. 467). The idea of the blogshop as a device to enable monetisation of a serious leisure or a deeply held personal interest has not been examined in previous studies of blogshops. This study shows how passionate consumption behaviours in a serious leisure context can lead to the discovery of opportunities and development of entrepreneurial capacities and motivations.

Third, this study identifies the blogshop as a unique manifestation of the social commerce concept (Curty & Zhang 2011; Wang & Zhang 2012), as described in Chapter 6. Other than Hassan and Toland’s (2013) study of value co-creation which assumed blogshops to be a form of C2C social commerce, blogshops have not been explicitly studied nor presented as a type of social commerce. In this study, the blogshop is shown to represent a C2C approach to social commerce as it enables users to create socially-oriented platforms, processes and practices from technological tools to support online selling activities. On a broader scope, blogshops encompass a peer-generated, business eco-system comprising of accompanying services and resources which amounts to a consumer-created distribution channel that serves as an alternative to mainstream retail institutions and formal channels (Yeung & Ang 2015). In this way, the blogshop and its business eco-system can be viewed as a mechanism for consumer
empowerment, especially gender empowerment (Abidin & Thompson 2012), and a potential challenge to the hegemony of traditional physical retail stores (de Kervenoael, Hallsworth & Tng 2014; Fletcher & Greenhill 2009).

Fourth, this study offers insights into the patterns of creation and development of a blogshop venture. It presents the blogshop as a form of emergent, tentative and flexible entrepreneurship, with distinctive structural, operational and ownership characteristics that facilitate relative ease of formation, progression and dissolution, as presented in Chapter 4. These attributes give the blogshop its essential ability to accommodate varying levels of business engagement, which was also observed by Fletcher and Greenhill (2009, p. 50). It also typically follows a virtual storefront-to-physical storefront developmental trajectory which contrasts with developmental arcs of conventional retailers (Yeung & Ang 2015, p. 4). However, in contrast to Yeung and Ang’s contention that blogshops “aspire to establish physical shop fronts as their ultimate aim in venturing into the retail industry” (Yeung & Ang 2015, p. 17), this study suggests that blogshop owners may not always desire to ultimately own real brick-and-mortar store businesses, nor even be concerned with the long-term sustainability of their ventures. Instead, what appears more important is the kind of flexible arrangements elaborated in Chapter 4, that provide a range of tentative developmental options to allow the venture to oscillate between hobby and business, or between non-monetary and monetary goals, but with the potential for transformation into full-fledged businesses, depending on the motives, capacities and personal circumstances of the owner.

Fifth, this study conceptualises the constant struggle with trust and credibility issues, as highlighted in previous studies by Fletcher and Greenhill (2009), Shafie et al. (2011), Hassan et al. (2012) and Yeung and Ang (2015), as arising from a create-then-legitimate approach to venture creation, as elaborated in Chapter 7. In this approach, the overriding concern with circumventing financial and technical barriers during the venture formation stage lead to informally constructed ventures capable of surmounting business entry barriers, but which also results in potentially severe legitimacy deficit of the newly created, informal venture. Newly created blogshops typically operate with informal structures, operations and ownership, which identify them as a part of the informal economy (Smallbone & Welter 2001; Webb et al. 2013; Williams & Nadin 2010), and which exert pressures to make legitimacy acquisition their prime activity in
the post-venture formation phase. In seeking legitimacy, blogshops do not often comply with mainstream standards, but may leverage trust endowed in existing social networks by conforming with informal and collaboratively constructed norms (Yeung & Ang 2015) that are oriented towards the needs and circumstances of the blogshop community (Greenhill & Fletcher 2011). This study suggests that compliance with norms indigenous to the blogshop realm allow them to appear legitimate as hobbyist or amateur business entities, but aspirations to advance the venture into a more conventional retail form requires compliance with mainstream fashion retail structures, norms, processes and practices. Therefore, this study shows that a blogshop's success and progress is very much dependent on its legitimacy acquisition strategies sought from the relevant constituents.

Lastly, this study contextualises the blogshop in relation to e-commerce development. By identifying the blogshop as a manifestation of social commerce, which is an evolved form of e-commerce brought forth by social media applications (Liang & Turban 2011, p. 5; Marsden 2010, p. 4; Rad & Benyoucef 2011, p. 2; Shen & Eder 2009, p. 1; Wang & Zhang 2012, p. 110), it raises questions about the nature of e-commerce development in the region. As discussed in Chapter 2, previous studies of e-commerce in developing countries have repeatedly highlighted the slow or low rates of adoption of e-commerce by SMEs in countries such as Malaysia. These studies have utilised samples consisting mostly of formal SME firms employing conventional e-commerce systems in B2C and B2B contexts, and have generally not taken consumer-based, informal enterprises such as the blogshops in C2C settings into account. As blogshops represent an alternative to conventional e-commerce, and have potential to propagate widespread participation, as discussed in Chapter 1, their capacity for significant contribution to the development of e-commerce and entrepreneurship in the Southeast Asia region warrants attention. The possibility that the development of online commerce in this region is taking on a form that is based on social commerce rather than conventional e-commerce should be considered in discourse on of e-commerce development in the region, especially those that focus on small businesses.

In summary, this study has made a number of contributions to the blogshop literature. It contributes a theory that conceptualises the blogshop as entrepreneurial action by consumers in a context of passionate consumption, and offers a view of the blogshop as
a template for entrepreneurial development by fashion consumers. It identifies the blogshop as an original form of social commerce, and shows how social media tools have been improvised to create platforms, processes, and practices, as well as to organise resources for venture creation. It presents the blogshop as a form of informal entrepreneurship that is emergent, tentative and flexible, and that its successful advancement is contingent on its ability to acquire legitimacy. It gives a fresh perspective for future discourse on Web-based commerce by SMEs in the region.

8.2.3 Implications for Practice

The theory of Consumer Entrepreneurship has a number of practical implications for aspiring consumer entrepreneurs, as outlined below.

(i) Implications for Aspiring Consumer Entrepreneurs

First, this study provides awareness about an approach to venture creation based on a personal interest, which differs from ordinary entrepreneurship in many ways. It suggests that venture creation does not necessarily have to be a prohibitive endeavour for those who are not able to commit substantial financial investments and abilities. Neither does it have to be a formal, dedicated and continuous undertaking that requires intensive amounts of resources and organisation.

Insights gained in this study about the nature of entrepreneurial development in a hobby context can be translated into practical actions. As indicated by P35, the theory offers a framework, or a blueprint, that shows how an individual’s personal interest can be monetised and developed into a viable business. It shows options for flexible and tentative approaches to entry into entrepreneurship and its subsequent development, and suggests how Web based social media can be used to overcome cost and technical barriers to venture creation so as to leverage personal social networks to cultivate customers. It offers a template for business modelling of the venture’s processes and practices, and provides awareness and anticipation of specific challenges and pitfalls of owning an informal Consumer Entrepreneurship venture, including an awareness of its legitimacy implications. It also helps individuals’ appraise their personal readiness, goals and venture options in making decisions about becoming a consumer entrepreneur.
At the same time, this study can also help to raise the levels of performance in this form of entrepreneurship. Its informal approach to venture creation, though making entrepreneurship highly accessible to many aspiring consumer entrepreneurs, is also associated with spontaneous, trial-and-error and often haphazard methods that are not conducive to proper business management and contribute to perceptions that this class of enterprises are not serious or important. Such a conundrum seems to arise from a lack of basic understanding by many novice aspiring consumer entrepreneurs of the entrepreneurial process. This theory provides awareness and understanding from a conceptual level which can help illuminate shortcomings in popular practices and promote a more systematic approach to venture creation, such as more thorough planning, to improve the quality of Consumer Entrepreneurship ventures.

(ii) Implications for Policy Makers

Consumer Entrepreneurship theory indicates the value of consumer created ventures, especially the ease in which such ventures can be created and their potential for development into serious businesses. The prevalence of fashion blogshops, as discussed in Chapter 1, suggests that this form of micro entrepreneurship can have significance on small business development and employment in the economy. At the same time, as informal business entities, they suffer from a stigma that has traditionally plagued such firms, and are thus a part of a debate about what to do with such firms in the national economy.

Much of the policy debates surrounding informal firms have focused on whether to and how to formalise these firms. Governments and policy makers consider options of eradicating the informal economy, deregulating the formal economy, facilitating formalisation or allowing such firms to freely exist (Chen 2012; Williams & Nadin 2012b). Eradication seems to assume a negative view of informal enterprises as a hindrance to the development of the national economy. It favours coercive actions and punishments against informal firms to prevent a loss of tax revenues and regulatory controls. It also assumes that as an economy matures, firms will shift from the informal to the formal sector. However, the proliferation of informal firms in developed as well as less developed parts of the world suggests that this is not a temporary phenomenon. On the other hand, deregulation seems to assume that it is over-regulation that has spawned the informal sector, and therefore seeks to loosen restrictive regulations.
However, granting formal recognition or doing nothing about informal entrepreneurship means accepting a number of negative implications, such as a lack of social protection in the form of insurance benefits, health and pension schemes (International Labour Organisation 2002a) for those associated with informal firms.

Generally, there appears to be increasing advocacy for facilitating formalisation of informal entrepreneurship (Chen 2012; International Labour Organisation 2007; USAid 2005), which focus on supporting owners of informal consumer enterprises who wish to formalise into legitimate businesses. In Malaysia, for example, an objective of the SME Masterplan (2012-2020) is to encourage unregistered firms to register with the Companies Commission of Malaysia (CCM) so as to benefit from the various facilities and assistance available in the public and private sectors (National SME Development Council 2011, p. 88). Although the benefits of formalisation seem obvious to these ventures and to the economy at large, policy makers should be cautious in taking actions in relation to the kind of Consumer Entrepreneurship ventures seen in this study. As demonstrated in this study, venture creation in this context is very much staked upon informality. It is the spontaneous, flexible and tentative manner in which a simple venture can be enacted that has spurred this type of entrepreneurship. A harsh policy that excludes orpunishes informality could threaten what appears to be a potentially significant form of entrepreneurial development. Furthermore, many Consumer Entrepreneurship venture operators do not feel a need to comply with formal business registration and taxation requirements simply because they do not perceive much to be gained by operating as a formal business. The obligations that arise from registration, such as the filing of tax returns and adherence to labour laws, are often perceived to be a hassle that is not worth the trouble considering the limited amount of earnings generated from such ventures. Therefore, it is suggested that a policy of formalisation should be one that facilitates transition into the formal economy by helping to overcome such barriers of formalisation felt by consumer entrepreneurs while preserving the entrepreneurial spirit brought about by informality.

To overcome barriers to formalisation, policy makers need to address issues related to tax, administrative procedures and general awareness. Since aspiring consumer entrepreneurs appear to be concerned with the need to pay tax as a result of formal registrations, attention should be given to how tax schemes are administered on this
form of micro enterprises. While overly favourable tax conditions are likely to discourage informal ventures from progressing into formal and larger firms, an excessively strict tax regime is likely to repel their formalisation into formal businesses and may stifle entrepreneurial spirit. It is also important to demarcate separate thresholds for micro-enterprise of this nature and other larger SMEs. Perhaps some degree of recognition in the form of tax incentives can be granted for ventures that are hobbyist or amateur in nature, such as the ones suggested by other researchers (Losby et al. 2002, p. 40; Williams & Nadin 2012a, p. 909). Efforts can also be made to simplify procedures and minimise costs of compliance, such as simplifying rules on filing and provision of clear guidelines and tax advice.

This study suggests that there are considerable misconceptions amongst consumer entrepreneurs in Malaysia and Singapore about the costs of entering the formal economy, including relatively widespread ignorance about legal obligations, incorrect assumptions about business registrations and tax laws and impressions that the compliance process is complex and difficult. Therefore, an educational program or information campaigns tailored to this group of micro-business owners would be useful to address these misconceptions and to advocate the benefits of formalisation. For example, many participants in this study appeared to be unaware of the various assistance schemes and funds provided by government agencies for small business start-ups. Others seemed to hold misconceptions about access to these schemes or that they are extremely difficult to obtain.

Clearly, there is a need for policy makers to recognise this approach to micro-entrepreneurship development and its potential impact on the economy and the society. The fact that consumers will go to great lengths to undertake the kind of entrepreneurial action seen in this study warrants a carefully thought out and balanced approach to ensure it is beneficial for all stakeholders.

(iii) Implications for the Fashion Industry

Consumer Entrepreneurship theory has implications for the apparel industry. Traditionally, retail markets can be characterised by the Pareto Principle, or the 80/20 rule, which describes how retail sales tend to be dominated by a relatively small number of larger, mainstream products or stores. The long tail concept (Anderson 2006),
However, suggests that the Internet is able to create greater access and shift demand to niche products and stores. Brynjolfsson, Hu and Simester (2011) verified the presence of the long tail in the fashion industry and showed empirically that lower search costs associated with the Internet allows it to drive up the collective share of niche fashion products. In this study, the ease with which fashion consumers were able to leverage the online medium to create mini businesses such as blogshops suggests the potential of such enterprises to constitute a kind of long tail of the online fashion distribution system. Therefore, as constituents of a long tail, small online stores such as blogshops may collectively represent a potentially significant force in the fashion apparel industry.

Consumer Entrepreneurship theory should also call attention to a sector of the industry that appears to not have been given due consideration. For example, in Malaysia, banks generally consider unregistered businesses such as blogshops as high risk entities and are averse to dealing with them. As a result, many consumer entrepreneurs are unable to access critical banking facilities such as merchant banking accounts and commercial loans for the development of their businesses. Again, the promise of real entrepreneurship arising out of consumer hobbyist ventures should perhaps lead members of the industry to consider the value of such ventures and to find ways to establish mutually beneficial links with them. An example of a mainstream institution that has benefitted from extending a specially tailored service to blogshops is Maybank, a Malaysian financial institution. In 2013, Maybank specifically targeted blogshops with its M2U online payment solution in recognition of the hassles caused by manual transaction processes used by many blogshop participants (http://www.maybank2u.com.my/mbb_info/m2u/public/personalDetail04.do?channelId=ACC-Accounts&cntTypeId=0&cntKey=ACC06.12&programId=ACC06-BillPayment&chCatId=/mbb/Personal/ACC-Accounts). The bank followed up with a mobile application called ‘Snap & Sell’ which incorporates smartphones with the M2U Pay service. The service appears to be worthwhile as the bank was able to sign up over 4,425 blogshops with a total transaction value of RM1.76 million recorded within about a year of its launch (http://www.maybank.com/en/news-support/newsroom-detailpage.page?detailId=1405581619734014).

This study also gives credence to the blogshop as an alternative distribution system based on a C2C model that can be viewed as a potential competitor and/or partner for
members of the formal mainstream fashion industry. While the threats posed by leaner and more agile Web-based competitors against traditional physical fashion retail outlets with burdens of overhead costs are obvious, there are also opportunities to explore linkages with these informal operators for mutual benefit. For example, consumer entrepreneurs in this study have displayed capacities to undertake various roles in the value chain, including production, supply, distribution and resale functions, while constantly engaged in avid consumption. This emphasises the symbiotic links between the members of the formal fashion industry and members of its shadow counterparts who operate informally. While Consumer Entrepreneurs are usually reliant on traditional value chains members to supply them with goods for consumption or resale, they are also capable of acting as sources of goods for distribution by the mainstream members. Simply put, blogshops could be recognised as another source, another outlet or another channel for members of the fashion retail establishment.

8.3 Assessing the Theory of Consumer Entrepreneurship

Consumer Entrepreneurship theory does not claim to account for all blogshops or everything about blogshops, but illuminates the main concern of blogshop participants which emerged from the study. As a Grounded Theory, its credibility can be assessed in terms of four criteria, namely fit, work, relevance, and modifiability (Glaser 1978, pp. 4-6; and 1998, pp. 17-18), as presented in section 3.6 of Chapter 3.

In this study, confidence that fit has been achieved is derived from close adherence to the rigours of the constant comparison process described in Chapter 3. Codes were not preconceived or forced, but were determined by the data. The coding of data was based on getting the best concepts to express the patterns in the data that they purport to capture (Glaser 1998, p.18). In labelling an emergent concept, different labels were applied and were refined to ensure they were able to capture the essence of the data. For example, the label ‘Becoming Consumer Entrepreneurs’ was originally named ‘Becoming Entrepreneurs’. Through constant comparison and memoing, however, it became clear that this study was focused on a distinct type of entrepreneurship which begged a more fitting name. Hence, the idea of Becoming Consumer Entrepreneurs appeared to fit and adequately expresses a pattern in the data, of fashion consumers who started up casual enterprises as a hobby with an option to turn them into full-fledged businesses. Further assurance of fit was obtained when review of the literature showed
that the concept of Becoming Consumer Entrepreneurs seemed coherent with the existing theory of user entrepreneurship, as presented in Chapter 4. That the other major categories developed in this study were also comparable with other existing theories such as serious leisure, social commerce and legitimation gave confidence of fit in this study.

In relation to the criterion of workability, the major categories in this study appeared to be able to sufficiently account for the incidences in the data. The theory of Consumer Entrepreneurship offers one perspective, or interpretation, of what is occurring in the blogshop phenomenon. The core concept of Becoming Consumer Entrepreneurs is able to account for the main concern of participants in enacting online stores hosted on social media.

To gauge relevance, the theory was shared with a few participants (P1, P18, P35) as well as with other individuals who were familiar with the blogshop scene. The goal was not to seek verification of the theory but to elicit responses that would indicate the relevance of the theory. Feedback from P1, P18 and P35 attested to the relevance of the theory as they were able to relate it with their own experiences. P1 indicated that it “made sense” of her involvement in her blogshop (P1:24), while P18 claimed that it was very relevant to her in that it “explains exactly what I was doing” (P18:69). The theory also seemed to resonate with P35 who thought that it would benefit people such as herself, who had intentions to start such a venture. That the theory can be seen as a guide or a model for entrepreneurial venture start-ups by fashion consumers indicates the practical relevance of the theory, as discussed in section 8.4.1. At the same time, the theory is also able to give a big picture perspective that allows blogshop participants to view their practice from a conceptual level, which can provide beneficial insights. For example, in response to the theory, P35 thought about the passion-driven nature of Consumer Entrepreneurship as an alternative to purely profit-driven conventional entrepreneurship, especially in terms of how an individual’s passion can drive such a venture where financial capital is lacking (P35:29).

In relation to the criterion of modifiability, Consumer Entrepreneurship theory should be capable of continual modification should new data emerge to produce new categories and properties. During the development of the theory, emergent categories were constantly modified as new data was collected and analysed. In fact, even as the theory
appears to have been well developed at this time of writing, it is still capable of modification as observations and contemplations about Consumer Entrepreneurship can produce more data that can be incorporated. This gives confidence that the theory can be modified at any time. Modifiability also means that the theory should allow researchers to conduct further work in the area by modifying and refining the theory with new data. For example, the theory should be able to evolve to account for new behaviours that arise from the use of novel technologies (such as mobile technology) to support selling, or different strategies to accomplish legitimation.

Adherence of the theory with these criteria gave confidence of the credibility of the theory produced in this study.

8.4 Limitations and Future Research

This section presents a number of limitations in this study, which may offer opportunities for future research.

A limitation in this study is that the data sampled in the period of this research, in 2010-2011, was focused on fashion blogshops in Malaysia and Singapore, where the phenomenon seemed to be most prevalent at the time of commencement of the study. The sample did not include other blogshop-like entities located in other countries in Southeast Asia and other parts of the world. It is possible that the main concerns of these operators may vary due to different national, economic and cultural conditions, perhaps resulting in a core category that is significantly different from the one in this study, such as patterns of Consumer Entrepreneurship development.

A second limitation is that this study has focused on online stores hosted on a limited range of social media platforms, namely blogs and Facebook. Although these have been the preferred modes in the time period of this study, new technological platforms for social commerce have come to the fore. In particular, towards the end of this study, Instagram, Whatsapp and WeChat were observed to be gaining prominence as modes of social commerce. Mobile applications such as Whatsapp, Carousell and WeChat seem to enable greater communication immediacy which may have substantial impact on certain blogshop practices and processes, and thus warrant comparison with concepts generated from this study. Another limitation is that this study focused on fashion blogshops, with only limited samples drawn from non-fashion hobby contexts, namely
home bakery, sports, photography and collectible toys. Ostensibly, the sample of participants in this study was gender-skewed towards females.

Although Consumer Entrepreneurship occurs within the boundaries of a set of data of blogshops in Singapore and Malaysia, it is not merely a description of the site, nor is it limited to a specific spatial and temporal context. As argued by Glaser, a substantive Grounded Theory is an abstract of time, place and people (Glaser 2006, pp. 2-3), and has conceptual generality so that it can be applied to other contexts via theoretical sampling and constant comparison to allow it to be modified by contextualisation to fit (pp 9-10). In other words, Consumer Entrepreneurship theory is applicable to any entrepreneurial development by consumers through usage of social media. It can serve as a theoretical framework for research into areas such as user entrepreneurship, informal economy, social commerce and serious leisure. Application of Consumer Entrepreneurship theory to these areas allow researchers to examine how it may vary according to differences in geographical and cultural contexts, personal interests, and use of social media technology.

First, future studies can expand the present substantive area of blogshops to include other similar enterprises, and allow the theory to account for variation in geographical locales and cultures. Researchers can apply the theory to entities in other parts of Southeast Asia that have similarities with blogshops in Singapore and Malaysia. As discussed in Chapter 1, blogshop-like entities flourish in large numbers in Indonesia, the Philippines, Brunei and Thailand. Theoretical sampling can also be extended to comparable fashion micro-enterprises in diverse regions worldwide that are not identified by the blogshop moniker, such as the ‘blog sales’ phenomenon in North America and Europe. This will enable better understanding of Consumer Entrepreneurship in diverse geographical and cultural contexts.

Second, future research can examine how Consumer Entrepreneurship may vary in virtual and real world contexts as technological platforms and tools evolve. The theory can be applied as a framework for C2C social commerce research to study C2C ventures in established and dominant online marketplaces like eBay, Etsy and Taobao, as well as to the use of emergent C2C applications like Whatsapp, Carousell and WeChat in mobile commerce. Given the ubiquity of mobile devices and social media, one could
also ask how these digital tools are used by aspiring consumer-entrepreneurs to start up informal ventures in the real world. Such studies can contribute knowledge about the impact of social media and digital technology on consumer entrepreneurship in the informal economy, in both virtual and real world contexts.

Third, theoretical sampling can encompass more diverse hobbies and personal interests to obtain additional data for comparison. Where the pursuit of fashion as a serious leisure is ostensibly female-dominated in this study, data from male-oriented leisure pursuits such as technological gadgets or sports can enable gendered comparisons of Consumer Entrepreneurship development. Broadening the research to other forms of hobbies can also identify potential variation in patterns of consumer entrepreneurship arising from the nature of the hobbies. For example the photography hobby sampled in this study (P32) had indicated delicate differences in how social media platforms can be used for monetisation. Since photography emphasises intangible services rather than the outright selling of physical goods as in a fashion hobby venture, social media platforms seemed to accentuate organisation and collaboration rather than monetary transactions, which suggests that the major subcategory Social Commercialisation is subject to modification in this context.

Further on, one could extend theoretical sampling to non-hobby and non-passion oriented consumption contexts to see variations in the pattern of how consumers can become entrepreneurs. Researching in this direction will help to fill the gap between the kind of consumer based entrepreneurship in this study and the ones usually seen in the user entrepreneurship literature. It helps to demonstrate the transferability of Consumer Entrepreneurship theory to any context of entrepreneurial activities by consumers, whether they are hobby or non-hobby, passion or non-passion-oriented. It also allows additional comparisons with user entrepreneurship literature, and perhaps provides further indications of how these two concepts can be integrated.

Applying Consumer Entrepreneurship theory in these contexts can provide valuable insights into the literature on user entrepreneurship, the informal economy, social commerce and serious leisure. Extension of theoretical sampling in these and other contexts away from the immediate substantive area will help modify the theory and increase its level of abstraction, range and scope so that it can be levelled up towards a formal grounded theory (Urquhart, Lehmann & Myers 2010, pp. 364-367).
In addition, there are also opportunities for research that have practical benefits for blogshop owners and other consumer entrepreneurs. For example, future studies can focus on the success rates of blogshops by investigating further into their manner of entrepreneurial development as presented in Chapter 4. Researchers can examine the proportion of hobbyist blogshops that progress to become real businesses, the lifespan of a typical Consumer Entrepreneurship venture, the different types of blogshops and owners, such as students, self-employed individuals, and so on. Here, opportunities abound for verification studies that aim to test hypothetical statements via large scale quantitative studies. For example, the set of factors that propagate the formation of Consumer Entrepreneurship ventures or which advance their transformation into more fully developed businesses can be the basis of such studies. Deeper studies into specific legitimacy issues, such as the ones described in Chapter 7, would be useful for blogshop owners. For example, blogshop branding practices are probably worthy of further research. As this study has shown, blogshop owners generally lack ability in creating ‘personal brands’ that can lend significant benefits to legitimacy perceptions of their blogshops. Future studies can also focus on specific legitimacy issues such as legal conformance and formalisation processes to help blogshops address policy issues discussed in subsection 8.2.3.

8.5 Summary

In closing, this final chapter of the thesis outlined the contributions of this study to knowledge about Consumer Entrepreneurship and blogshops, as well as the implications for practitioners, policy makers and the fashion industry. It also discusses the credibility of the theory and outlined its limitations and suggestions for future research.

A Grounded Theory that fulfils the criteria of fit, workability, relevance and modifiability can empower people by providing conceptual understanding of social behaviours and experiences (Glaser 1978, p. 13). Consumer Entrepreneurship theory offers a way to make sense of an increasingly prevalent and empowering practice, and paves the way for additional academic enquiries into how consumers become entrepreneurs. By giving credence to the blogshop, it helps establish the consumer entrepreneur as a part of the discourse on entrepreneurship and e-commerce.
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APPENDICES

APPENDIX 1: A profile of e-commerce: surveying the meta-reviews of the literature.

<table>
<thead>
<tr>
<th>Articles, journals and/or databases covered</th>
<th>Years covered</th>
<th>Main findings</th>
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| (Lee, Hwang & Lee 2011) Evolution of Research Areas, Themes, and Methods in Electronic Commerce | 1996–2009 | EC research has frequently focused on micro-level issues such as consumers or technologies. Various research themes in heterogeneous research areas have been studied:
- retailing
- privacy/fraud/piracy
- auction
- strategy/marketing/advertising
- adoption/implementation
Survey method has been predominant but sophisticated methods such as laboratory experiment and secondary data analysis have gained increasing attention.
The authors argued the need for EC research to balance between focusing on the micro-level issues versus research from multidisciplinary perspectives. |
| (Wang & Chen 2010) Electronic Commerce Research in Latest Decade: A Literature Review | 1999 - 2008 | The authors classified electronic commerce literature into seven categories:
- business and management
- computer and information science
- industrial engineering and operation
- engineering
- economics
- law
- others
They most important research field of electronic commerce in SCIE is computer and information science. However, business management is the most important field in SSCI database. |
| (Dwivedi et al. 2008) Profiling Research published in the Journal of Electronic Commerce Research | 2000-2007 | Based on previous meta-reviews by (Avison et al. 2008; Barki, Rivard & Talbot 1993; Ngai & Wat 2002; Wareham, Zheng & Straub 2005), the authors proposed a comprehensive framework for classifying e-commerce research publications comprising of the following categories of research areas:
- E-commerce management issues (ECM)
- E-commerce technology and developmental issues (ECTD)
- E-commerce applications (ECA)
- E-commerce environment (ECE)
- E-commerce research and education (ECRE)
The most widely published topics were Electronic Commerce Management related topics followed by Electronic Commerce Technological and Development Issues. |
The three most researched or ‘hot’ Internet marketing areas were found to be: |
| Internet Marketing Research | • Journal of Retailing  
• Journal of the Academy of Marketing Science  
• Journal of Advertising  
• Journal of Advertising Research  
• European Journal of Marketing | • Consumer behaviour- consumer cognitions, motivations, search behaviour, and satisfaction  
• Internet strategy- profitability, services, brand loyalty, communication effectiveness/IMC, website design, distribution integration topics and pricing  
• Internet communications- creativity, web site design, online communities, experiences, e-mail |
| --- | --- |
| This study expands on Ngai’s (2003) study (see below). | The authors highlighted three major areas that were likely to attract future research interest:  
• Consumer trust, legal and ethical issues |
| (Lee, Hwang & Kim 2007) An Analysis of Diversity in Electronic Commerce Research | This study covered 14 journals- 6 EC specialty journals, 4 IS journals and 4 marketing journals:  
• Information Systems Research  
• Journal of Management Information Systems  
• MIS Quarterly  
• Management Science  
• Journal of Consumer Research  
• Journal of Marketing  
• Journal of Marketing Research  
• Marketing Science  
• Electronic Commerce Research  
• Electronic Markets  
• International Journal of Electronic Commerce  
• Journal of Electronic Commerce Research  
• Journal of Organizational Computing and Electronic Commerce  
• E-Service Journal | The study utilised three key indicators of diversity in EC research:  
• researchers’ academic field affiliations,  
• the units of analysis  
• research methods  

The main conclusions include:  
• noticeable trend toward multidisciplinary authorship  
• increasing focus on consumer-related issues  
• mathematical modeling is most prevalent in the major IS and marketing journals while conceptual research is most popular in the EC specialty journals  

The study concluded that despite the diversity seen in e-commerce research there was an emerging tendency toward an economics paradigm |
| (Doherty & Ellis-Chadwick 2006) New Perspectives in Internet Retailing: A Review and Strategic Critique of the Field | • Intl Journal of Retail & Distribution Management  
• Internet Research: Electronic Networking Applications and Policy  
• Journal of Business Research  
• Communications of the ACM  
• Journal of Retailing and Consumer Services  
• Journal of Consumer Marketing  
• Journal of Interactive Marketing  
• International Review of Retail Distribution & Consumer Research  
• Journal of Services Marketing | The authors categorised the Internet retailing literature into three broad categories:  
Retailer perspective  
• Internet as a channel to market  
• Factors affecting adoption of the Internet  
• Managerial challenges  

Consumer perspective  
• Consumer profiles  
• Consumer experiences of online shopping  

Technological perspective  
• Website design and software tools  
• E-commerce infrastructure |
| (Wareham, Zheng & Straub 2005) Critical Themes in Electronic Commerce Research: A Meta-Analysis | The study profiled 582 articles in academic and professional journals  
Academic Journals  
• International Journal of Electronic Commerce  
• Journal of Organizational Computing and Electronic Commerce  
• Decision Support Systems  
• Management Science  
• Journal of Information Technology  
• Information and Management | The study classified primary topics inn e-commerce research into four major domains:  
- information technology and infrastructure  
- applications and industry themes  
- business issues  
- other social issues  

They found that e-commerce research had concentrated in four main areas:  
• B2B  
• B2C  
• strategy  
• technology adoption |
| (Ngai 2003) | The authors recommended more research focus in several under-researched areas including:  
- P2P phenomenon  
- security, technology and technical issues,  
- payment systems  
- mass customisation  
- controversial areas like pornography  
- illicit activities such as fraud |
|---|---|
| Internet Marketing Research (1987-2000): A Literature Review and Classification | The study covered 270 articles from over 46 journals  
- ABI/INFORM database  
- Academic Search Elite  
- ACM Digital Library  
- CatchWord  
- Emerald Fulltext  
- Ingenta Journals  
- Science Direct |
| 1987-2000 | Internet Marketing Environment  
- Consumer behaviour  
- Legal political and economic issues  
- Ethics and social responsibility  
Internet Marketing Functions  
- Management, planning & strategy  
- Retailing  
- Channels of distribution  
- Market structure  
- Physical distribution  
- Pricing  
- Product  
- Sales promotion  
- Advertising  
- Sales management  
Special Internet Marketing Applications  
- Industrial  
- International and comparative  
- Services  
Internet Marketing Research  
- Theory and philosophy of science  
- Research methodology  
- IT  
Other topics  
- Education and professional issues  
- General Internet marketing |
| (Ngai & Wat 2002) | The authors classified e-commerce publications reviewed into four categories:  
Applications  
- Inter-organisational systems  
- Electronic payment systems  
- Financial services |
| A Literature Review and Classification of Electronic | The study covered 275 journal articles published in nine journals  
- Communications of the ACM  
- Decision Support Systems  
- IEEE Computer  
- IEEE Internet Computing |
| 1993-1999 |  

<table>
<thead>
<tr>
<th>Commerce Research</th>
<th>Information and Management</th>
<th>Retailing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Information Management and Computer Security</td>
<td>Online publishing</td>
</tr>
<tr>
<td></td>
<td>International Journal of Electronic Commerce</td>
<td>Auctions</td>
</tr>
<tr>
<td></td>
<td>Internet Research</td>
<td>Intra-organisational EC</td>
</tr>
<tr>
<td></td>
<td>Journal of Organizational Computing and Electronic Commerce</td>
<td>Education and training</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Marketing and advertising</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Other applications</td>
</tr>
<tr>
<td>Technological Issues</td>
<td>Security</td>
<td>Public policy- taxation, legal issues, privacy, fraud, trust</td>
</tr>
<tr>
<td></td>
<td>Technological component</td>
<td>Corporate strategy</td>
</tr>
<tr>
<td></td>
<td>Network technology</td>
<td>Other support and implementation</td>
</tr>
<tr>
<td></td>
<td>Support systems</td>
<td>Others</td>
</tr>
<tr>
<td></td>
<td>Methodology/algorithm</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other technological issues</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX 2: A summary of factors that affect SME adoption of e-commerce.

<table>
<thead>
<tr>
<th>Factors</th>
<th>Found in</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business environment and Marketplace</strong></td>
<td></td>
</tr>
<tr>
<td>Government policy/regulatory issues</td>
<td>Kean et al. (1998)</td>
</tr>
<tr>
<td><strong>Managerial</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Organisational</strong></td>
<td></td>
</tr>
<tr>
<td>Prior experience</td>
<td>Wymer and Regan (2005)</td>
</tr>
<tr>
<td>External expertise, software/IT solutions, vendor support</td>
<td>Caldeira and Ward (2002)</td>
</tr>
</tbody>
</table>
### APPENDIX 3: A summary of factors that affect e-commerce adoption by SMEs in Malaysia and Singapore.

<table>
<thead>
<tr>
<th>Factors affecting e-commerce adoption by SMEs</th>
<th>Malaysia</th>
<th>Singapore</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ramayah, Yan and Sulaiman (2005)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mukti (2000)</td>
<td></td>
</tr>
<tr>
<td>- Perceived ease of use vs complexity, difficulty of adoption</td>
<td>Alam et al. (2008)</td>
<td></td>
</tr>
<tr>
<td>- Perceived supporting services</td>
<td>Hashim (2007)</td>
<td>Kendall et al. (2001)</td>
</tr>
<tr>
<td>- Insufficient qualified vendors/suppliers</td>
<td>Alam et al. (2008)</td>
<td></td>
</tr>
<tr>
<td>- Preference for human interaction</td>
<td>Hussin and Noor (2005)</td>
<td></td>
</tr>
<tr>
<td>- Lack of knowledge about EC applications</td>
<td>Mansor and Abidin (2010)</td>
<td></td>
</tr>
<tr>
<td>- Insufficient qualified vendors/suppliers</td>
<td>Alam et al. (2008)</td>
<td></td>
</tr>
<tr>
<td>- Lack of expertise for implementation</td>
<td>Kurnia et al. (2009)</td>
<td></td>
</tr>
<tr>
<td>- Lack of knowledge about EC applications</td>
<td>(Bolongkikit et al. 2006)</td>
<td></td>
</tr>
<tr>
<td>- Prior experiences, resistance to change, education level and training</td>
<td>Shah Alam et al. (2009)</td>
<td></td>
</tr>
<tr>
<td>- ICT skills, ICT use and innovation characteristics</td>
<td>Mansor and Abidin (2010)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Alam (2009)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Teo and Pian (2003)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thong (2001)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thong (1999)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Thong and Yap</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Propensity to act, perceived desirability, performance expectancy</td>
<td>Ramayah, Yan and Sulaiman (2005)</td>
</tr>
<tr>
<td></td>
<td>- Risk-taking propensity</td>
<td>Moghavvemi et al. (2011)</td>
</tr>
<tr>
<td>Marimuthu et al. (2011)</td>
<td>- External pressure</td>
<td>Kurnia et al. (2009)</td>
</tr>
<tr>
<td></td>
<td>- To stay ahead competitors</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- To impress customers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Follow the trend</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Perceived environmental pressure by industry, government, customers, suppliers, and competition encouraged adoption of all EC technologies</td>
<td>(Bolongkikit et al. 2006)</td>
</tr>
<tr>
<td></td>
<td>- Lack of industry standards, regulations government</td>
<td>Mukti (2000)</td>
</tr>
<tr>
<td></td>
<td>- Legal and contractual issues</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Market turbulence, government policy and support</td>
<td></td>
</tr>
<tr>
<td></td>
<td>- Perceived benefits (vs costs), relative advantage</td>
<td>Lau and Voon (2004)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kendall et al. (2001)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Thong (1999)</td>
</tr>
<tr>
<td></td>
<td>- Enhance company image, attract new business, essential for business</td>
<td>Hashim (2009)</td>
</tr>
<tr>
<td></td>
<td>- Communication, collaboration, information sharing</td>
<td>Chong et al. (2009)</td>
</tr>
<tr>
<td></td>
<td>- Reduce transaction costs, improve cash flow, increase productivity, better customer service, competitiveness, reach new customers, better relationships with existing customers and improve operational efficiency</td>
<td>Alam (2009)</td>
</tr>
<tr>
<td></td>
<td>- Benefits from removing intermediaries</td>
<td>Mansor and Abidin (2010)</td>
</tr>
</tbody>
</table>
Market research, engaging suppliers and future clients, promoting and selling products, securing contracts and payment, delivery of products and services, testimonial and evaluation

- High cost of implementation
- Difficult to justify the cost vs benefits
- Lack of funding for implementation

- Trialability
- Observability

- New business opportunities
- Reduced business correspondence costs
- Access to market information, knowledge
- Speedy, reliable business communications

- Gain access to customers, improve customer service
- Perceived Internet contributions to competitive advantage

Compiled from (Daniel & Grimshaw 2002), Wymer and Regan (2005), Alzougool and Kurnia (2008), Bellaaj et al. (2008) and Mohamad and Ismail (2009).
APPENDIX 4: Definitions of business models.

<table>
<thead>
<tr>
<th>Definition</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>“An architecture for product, service and information flows, including a description of the various business actors and their roles; and a description of the potential benefits for the various business actors; and a description of the sources of revenue.”</td>
<td>(Timmers 1998)</td>
</tr>
<tr>
<td>“…the organisation’s core logic for creating value.”</td>
<td>(Linder &amp; Cantrell 2000)</td>
</tr>
<tr>
<td>“…a business concept that has been put into practice.”</td>
<td>(Hamel 2000)</td>
</tr>
<tr>
<td>“An important part of an e-commerce information systems development process is the design of an e-business model. Such a model shows the business essentials of the e-commerce business case to be developed. It can be seen as a first step in requirements engineering for e-commerce information systems.”</td>
<td>(Gordijn, Akkermans &amp; van Vleit 2000a)</td>
</tr>
<tr>
<td>“…the main goal of a business model is to answer the question: “who is offering what to whom and expects what in return”. Therefore, the central notion in any business model should be the concept of value”</td>
<td>(Gordijn, Akkermans &amp; van Vleit 2000a)</td>
</tr>
<tr>
<td>“…very precise way [of highlighting the way of doing business] because stakeholders such as chief executive officers, marketers and business developers should agree on it, and because it is a crucial bottom line part of the requirements for an electronic commerce system”.</td>
<td>(Gordijn, Akkermans &amp; van Vleit 2000b)</td>
</tr>
<tr>
<td>“…a Business model is a description of how your company intends to create value in the marketplace. It includes that unique combination of products, services, image, and distribution that your company carries forward. It also includes the underlying organisation of people, and the operational infrastructure that they use to accomplish their work”</td>
<td>(Chesbrough &amp; Rosenbloom 2002)</td>
</tr>
<tr>
<td>“In the most basic sense, a business model is a method of doing business by which a company can sustain itself- that is, generate revenue. The business model spells out how a company makes money by specifying where it is positioned in the value chain”.</td>
<td>(Rappa 2003)</td>
</tr>
<tr>
<td>“…the method by which a firm builds and uses its resources to offer its customers better value than its competitors and to make money doing so….. A business model can be conceptualised as a system that is made up of components, linkages between components, and dynamics.”</td>
<td>(Afuah &amp; Tucci 2001)</td>
</tr>
<tr>
<td>An Internet business model is defined by the same authors as “…the method by which a firm plans to make money long-term using the Internet…The Internet business model is the system-components, linkages, and associated dynamics- that take advantage of the properties of the Internet to make money”</td>
<td>(Afuah &amp; Tucci 2001)</td>
</tr>
<tr>
<td>“A description of the roles and relationships among a firm’s consumers, customers, allies, and suppliers that identifies the major flows of product, information, and money, and the major benefits to participants.”</td>
<td>(Weill &amp; Vitale 2001)</td>
</tr>
</tbody>
</table>
“A loose conception of how a company does business and generates revenue”

“A business model is nothing else that an architecture of a firm and its network of partners for creating, marketing and delivering value and relationships capital to one or several segments of customers in order to generate profitable and sustainable revenue streams.”

“A business model is a conceptual tool that contains a set of elements and their relationships and allows expressing the business logic of a specific firm. It is a description of the value a company offers to one or several segments of customers and of the architecture of the firm and its network of partners for creating marketing, and delivering this value and relationship capital, to generate profitable and sustainable revenue streams.”

“A business model is a description of the commercial relationship between a business enterprise and the products and/or services it provides in the market.”

“…a method of doing business by which a company generate revenue to sustain itself. The model spells out how the company is positioned in the value chain.”

“A business model is an abstraction of a business identifying how the business profitably makes money. Business models are abstracts about how inputs to an organisation are transformed to value-adding outputs.”

“Business models specify the relationships between different participants in a commercial venture, the benefits and costs to each and the flow of revenue. Business strategies specify how a business model can be applied to a market to differentiate the firm from its competitors.”

“A business model is a path to a company’s profitability, an integrated application of diverse concepts to ensure the business objectives are met. A business model consists of business objectives, a value delivery system, and a revenue model.”

“… story that explains how an enterprise works.”

Business innovation model as business webs or b-webs, “… which is a distinct system of suppliers, distributors, commerce service providers, and customers that use the Internet for their primary business communications and transactions.”

<table>
<thead>
<tr>
<th>Definition</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>“A loose conception of how a company does business and generates revenue”</td>
<td>(Porter 2001)</td>
</tr>
<tr>
<td>“A business model is nothing else that an architecture of a firm and its</td>
<td>(Dubosson-Torbay,</td>
</tr>
<tr>
<td>network of partners for creating, marketing and delivering value and</td>
<td>Osterwaldeer &amp; Pigneur</td>
</tr>
<tr>
<td>relationships capital to one or several segments of customers in order to</td>
<td>2002)</td>
</tr>
<tr>
<td>generate profitable and sustainable revenue streams.”</td>
<td>(Osterwalder, Pigneur &amp;</td>
</tr>
<tr>
<td></td>
<td>Tucci 2005)</td>
</tr>
<tr>
<td>“A business model is a conceptual tool that contains a set of elements and</td>
<td>(Hawkins 2002)</td>
</tr>
<tr>
<td>their relationships and allows expressing the business logic of a specific</td>
<td>(Turban et al. 2008)</td>
</tr>
<tr>
<td>firm. It is a description of the value a company offers to one or several</td>
<td>(Betz 2002)</td>
</tr>
<tr>
<td>segments of customers and of the architecture of the firm and its network</td>
<td>(Elliot 2002)</td>
</tr>
<tr>
<td>of partners for creating marketing, and delivering this value and</td>
<td>(Krishnamurthy 2003)</td>
</tr>
<tr>
<td>relationship capital, to generate profitable and sustainable revenue</td>
<td>(Magretta 2002)</td>
</tr>
<tr>
<td>streams.”</td>
<td>(Tapscott, Lowi &amp; Ticoll</td>
</tr>
<tr>
<td></td>
<td>2000)</td>
</tr>
</tbody>
</table>

Source: adapted from Lambert (2003), with additions.
APPENDIX 5: Data files.

The data file contains field notes and memos that were generated in accordance with Classic Grounded Theory analytic procedures.

Actual data is attached in the CD, in the folder marked Data File.

The field notes file consists of interview field notes (identified as P), blogshop site analysis files (identified as BSA), news and other online articles analysis files (identified as NAA) and notes taken from a trip to Bangkok, Thailand (identified as BKK).

The memo file consists of sorted memos that were written throughout the analytic stages of theory development. Each memo was given a title tag and a date. Sorting of memos was done electronically, where memos bearing similar or related title tags were grouped together into categories presented in this memo file.
APPENDIX 6: List of all codes (refined).

1. Ability to differentiate quality differences
2. Ability to shop online is limited
3. Active promotions
4. Adapting the blogshop to customers’ shortcomings
5. Adapting to the local market
6. Adjusting to personal circumstance/context (financial deficiency) (unable to go full time) (uncertain future)
7. Aggregating orders
8. Alternative e-retail model- Lelong
9. Angel’s list
10. Aspiring to
11. Availability of restocking
12. Avid online shopper
13. Avoiding competition for suppliers
14. Avoiding low quality suppliers
15. Avoiding supplier scams- preorders
16. Avoiding tax
17. Balancing costs and quality
18. Balancing customer demand with personal preferences
19. Balancing quality with profit margin opportunities
20. Barriers to offline shopping - high prices
21. Bazaars, encourage blogshops growth
22. Becoming an entrepreneur
23. Benchmarking
24. Blacklisting buyers
25. Blogging,
26. Blogshop business format- Basic and Advanced
27. Blogshop closing due to competition
28. Blogshop costs
29. Blogshop ecosystem
30. Blogshop enables business ownership opportunity
31. Blogshop enables identity formation
32. Blogshop ethics
33. Blogshop lifespan
34. Blogshop manual processing
35. Blogshop owner preferring offline to online
36. Blogshop pricing differentiated from offline store
37. Blogshop sacrificing convenience for functionality
38. Blogshop start-up costs < brick store start-up costs
39. Blogshop types
40. Blogshops and/vs Part-time job
41. Blogshops are free
42. Blogshops are safer than Facebook
43. Blogshops as a contact point with customers
44. Blogshops as suppliers
45. Blogshops complementing offline store
46. Blogshops moving to Facebook
47. Blogshops not real or serious business
48. Blogshops offer simplicity of use
49. Blogshops overcoming barriers/unfamiliarity with online shopping
50. Blogshops price competing
51. Blogshops selling ‘locations’ (supplier info)
52. Blogshops selling same thing
53. Blogshops specializing by price
54. Blogshops specializing by products
55. Blogshops trying to differentiate
56. Blogshops used to localised target markets
57. Blogshop venture stages- start up, progression, regression
58. Blogshops vs E-Commerce stores
59. Blogshops vs Facebook
60. Boutique business
61. Brick and click
62. Building brand recognition
63. Building business competence
64. Building confidence from past experiences
65. Building trust to compete
66. Building website traffic-
67. Bulk discounting/bulk purchases for savings/collective buying to save on postage
68. Business + hobby, business as a hobby (or hobby as a business)
69. Business, not a hobby/fashionista
70. Business vs hobby
71. Business continuity/ sustenance
72. Buyer aggregating orders
73. Buyer being non-loyal
74. Buyer cum seller
75. Buyer discovering opportunities to sell online
76. Buyer fears
77. Buyer reselling offline
78. Buyers as fans
79. Buyers lacking credit cards, paypal
80. Buyers not trusting/unfamiliar with online shopping
81. Buyers preferring credit cards to Paypal, meet ups, personal inspections
82. Buyers trying to differentiate purchases
83. Buyers unable to differentiate quality differences
84. Buying as a hobby
85. Buying compulsively
86. Buying/shopping to sell
87. Career/job conflicting with blogshop
88. Catching perpetrators
89. Changing career
90. Changing to another/ different blogshop website
91. Cheap air travel
92. Click only
93. Closing and relocating BS to overcome blacklisting
94. Co-designs
95. Collaborating
96. Collaborative promotions
Communicating with customers
Comparing prices online
Competing
Competitive disadvantage due to geographic location
Consultancies (MOFEW)
Contact lenses (as a legally questionable practice)
Converting to dotcom/shopping carts
Converting to full-time biz
Conveying/portraying accuracy, bazaars enable conveying accuracy
Cost savings- rent free
Creating drama to increase blogshop traffic
Credibility
Credibility indicators
Credibility perceptions by blogshop owners
Credibility perceptions by customers
Currency conversions
Customer Conversion
Customer feedback and testimonials
Customer relationship management
Customer turned seller
Customers
Customers identifying with seller’s ethnicity
Customizing blogshop website
Customizing products (to achieve differentiation)
Dealing with communication problems
Dealing with design thefts, counterfeit items, conflict of interests
Dealing with fussy customers
Dealing with supplier preorder scams
De-confidentializing supplier info
Defaming competitors
Delineating buyers’ and sellers’ responsibilities
Delivery methods
Designing blogshop website
Determining sellers’ trustworthiness
Difference between online and offline customers-
Differentiating blogshops platforms
Differentiating fashion purchases
Differentiating online selling platforms-
Differentiating social media usage
Differentiating suppliers/differentiating suppliers by quality
Differentiating the business
Directing traffic to blogshop
Disabling right click to prevent copying content
Distinct look
DIY (as a hobby)
Doing what you really like
Doubting
Early business aspirations
EC site + blog + FB + Twitter + Youtube
eMarketing
147. Employing personal skills/preferences/tastes to the business
148. Enhancing professionalism
149. Escaping online selling fees
150. Ethnic target market
151. Exchanging links to get customers
152. Expanding the business
153. Expanding via offlining
154. Experienced online shopper
155. Exploiting price differential
156. Exposing
157. Facebook as an intermediary
158. Facebook blogshop
159. Facebook enables
160. Facebook fan page
161. Facebook faster than email
162. Facebook page inactive
163. Facebook risky
164. Facebook to
165. Family business
166. Family member helping
167. Fan volunteering
168. Fans voting
169. Fashion competing/ Judging the wearer of clothes
170. Fashion consulting
171. Fashion inspirations
172. Fashion reflecting on seller
173. Fashion reflecting the buyer/wearer
174. Fashionista
175. Fashionistas as sellers, trend setters, wannabes
176. Feeling weird to sell to friends
177. Fluctuating demand
178. Formalisation
179. Free BS platforms cause credibility issues
180. Free media mentions
181. Friends helping
182. From hobby to business/hobby as a business (aspiring) (considering)
183. Fulfilling bulk requirements
184. Full-time BS business/career
185. Garage selling
186. Getting close to fans
187. Getting serious
188. Hand-crafting /hand-made designs
189. Handling customer complaints
190. Handpicking items
191. Hard to trust blogshops
192. Heavy competition
193. Helping blogshop owners become entrepreneurs
Helping family business
Helping family’s financial situation
Helping other fashionistas
Hiding behind anonymity
High pricing
Hiring helpers
Hobby becoming a job
Hobby/-ing
Home based business
Identifying/ empathizing with customers
Imitating brands/stocks, copying/stealing from others
Impressions from appearance
Impulse buying
Influencing and responding to buyers, not compelling them
Influencing customers’ fashion choices
Inspecting items before sending out
Instant start up
Intermediary blogshops
International buyers preferring Paypal
International sourcing issues- International shipping charges +International customs
Investment in blogshop directories preventing exits
Issues with meeting up
Keeping supplier information confidential
Keeping up with changing fashion
Lacking legitimacy
Learning by comparing quality, gradual progression of the business, snooping other blogshops, trying
Learning for school
Learning from
Learning- inspired by other blogshops
Learning period
Learning the business
Learning to be entrepreneurs
Legal status of blogshops
Legitimacy of blogshops
Legitimacy of fashionistas
Legitimizing
Legitimizing the business to enable brand ownership
Legitimizing the business by
Legitimizing the payment method
Link exchange with other blogshops
Linking
Live chats
Local buyers preferring bank transfers
Local social network of buyers
Localizing the target market
Looking for cost-free online outlets to sell
Looking for customers/online customers
Looking for lower cost suppliers
Looking for offlining opportunities
Looking for opportunities to buy
Low cost start up
Low pricing (enables competitive market penetration/to compete)
Lower prices than local offline stores
Lowering delivery costs to compete
Made to order
Maintaining blogshop ethics
Making passion a career
Marketing competence
Market nicheing
Marking up high
Meet up fees/FOC
Meet up locations-
Meet up schedule
Meeting up
Membership registrations
MIA
Monetizing a hobby
Motivations for blogshop development
Moving to new URL
Need to help out with family business may open opportunities
Need to promote actively
Needing capital/financial assistance (to become a supplier)
Needing help to convert to dotcom IT help
Needing Paypal to sell to overseas buyers
Networking to build the business
No blacklisting buyers
No need to convert to dotcom
Non-price competition
Non-specific market targeting
Not fashionistas
Nuffnang ads
Obtaining parental approval
Offlining
One-person business
Online advertising cost concerns
Online and offline contribution to sales
Online Communication
Online market target segments
Online shopping for
Online shopping growing
Opening and closing blogshops
Opportunities to increase profit margins
Order taking method
Ordinary people as fashionistas/trendsetters
Overcoming limiting features
Overcoming non-moving stocks
Overcoming non-paying customers
296. Overcoming non-responding customers
297. Overcoming obstacles to starting up
298. Overcoming online buyer concerns
299. Overcoming postage costs by meeting up
300. Overcoming problems of finding customers
301. Overcoming problems of size and fragmentation- lacking resources
302. Overcoming scams
303. Overcoming startup cost obstacles with
304. Overcoming stock risks by pre-ordering
305. Overcoming trading fees on online auction sites
306. Overcoming uploading difficulty
307. Overseas customers
308. Own workshop
309. Owner’s IT skills
310. Owners maintain and update website themselves
311. Owners’/partnership role specialisation/differentiation (specialised roles)
312. Owning a boutique = becoming a fashionista
313. Owning multiple blogshops
314. Parents neutral
315. Parental objections
316. Parental support- via
317. Part time business
318. Participating in offline events
319. Partner supporting each other
320. Partnering/joint venture for business
321. Part-time seller
322. Passion for fashion
323. Past business experience
324. Past experiences as customers
325. Payment methods
326. Personal circumstances/life context
327. Personal readiness:
328. Pre-order problems
329. Pre-ordering profiting from no rentals and no stock costs
330. Pre-ordering provides opportunities for starting up
331. Preventing back-outs
332. Price competition
333. Price skimming strategy (for unavailable items)
334. Pricing disadvantages (postage) due to geographic locations
335. Pricing strategy
336. Problems with managing blogshops
337. Problems with rapport with buyers
338. Problems with sizes and measurements
339. Problems with user identities on Facebook
340. Product competition
341. Product presentation on website
342. Product rarity/uniqueness
343. Product specializing
344. Professionalizing the website
345. Profiting from no rentals and no stock costs
346. Promoting a friend’s new blogshop
347. Promoting and selling on multiple online outlets
348. Providing credit card payment
349. Proving to parents and others
350. Proving to self
351. Publicizing disputes on blogshop
352. Quality focus
353. Quitting full time job
354. Quitting full time job (thinking of but unable)
355. Rebranding of blogshops to gain recognition
356. Reduced margins due to intense competition
357. Reflecting on the seller/delighting customers
358. Registration costs
359. Removing tags by other Facebook blogshops
360. Reopening the blogshop during holidays
361. Reputation
362. Researching
363. Reseller blogshops
364. Reseller/reselling
365. Restocking
366. Risk management
367. Risks/risk taking/taking risks
368. ROI-ing
369. Satisfaction from
370. Scams
371. Seeking acceptance by customers
372. Seeking inspiration for product creation
373. Self-creation
374. Self-designing
375. Self-employment vs employed
376. Self-manufacturing
377. Seller as a fashion model
378. Seller balancing own fashion tastes with customer’s tastes
379. Seller inspecting goods before selling
380. Seller separating blogshops from dotcoms
381. Seller’s fashion status
382. Seller’s fear of disappointing buyers
383. Seller’s personal assurance
384. Seller’s reputation at stake
385. Seller’s right to change T&C anytime
386. Seller’s risks
387. Seller’s rules/Terms and Conditions
388. Seller’s social network of buyers
389. Selling as a hobby
390. Selling goods bought overseas
391. Selling of ‘locations’/blogshop suppliers
392. Selling on/via multiple online outlets (to expand)
393. Selling to buy more
394. Selling to
395. Separating career and personal interests
396. Serious business
397. Sharing
398. Sharing links
399. Sharing purchases
400. Shopaholic
401. Shopping addiction
402. Shopping carting
403. Similarities in stock
404. Similarities in suppliers
405. Simplifying for customers
406. Simplifying ordering (via shopping cart)
407. Small font size
408. Social media faster than email
409. Social networking
410. Sourcing expenses- air ticket costs
411. Sourcing from
412. Sourcing overseas
413. Specific market targeting
414. Spending beyond means
415. Sponsoring
416. Started by garage selling/selling excess clothes
417. Starting up small (to avert risks)
418. Starting up uncertainty
419. Start-up costs
420. Stitching own brands to increase value of items
421. Stock
422. Stock types
423. Striving for recognition/reputation
424. Supplier credibility concerns
425. Supplying to
426. Surfing online to look at fashion
427. T&C
428. T&C- transactions
429. Tagging other Facebook blogshops to access their customers
430. Taking orders on Facebook
431. Targeting
432. Third party certification blogshop
433. Threats against stealing of content
434. Time constraints
435. Trades/swap
436. Traffic building
437. Travel limitation
438. Travelling / to
439. Trying to be convincing
440. Trying to differentiate (from other blogshops)
441. Trying to go mainstream
442. Trying to maximise consumption
443. Turning a hobby into a career
444. Twitter
445. Two person business (partnership)
446. Use of Blogspot as a trend
447. Using order forms to overcome identity problems
448. Using own house for storage
449. Using social media for promotions
450. Using the blogshop to differentiate stock and pre-orders
451. Using whatever social media available
452. Wanting, not needing
453. Wearing leftover stocks
454. Website design- non-clutter
455. Website usability
456. Word of Mouth
457. Workaholics
APPENDIX 7: Grounded Theory of Consumer Entrepreneurship: A Prezi presentation

This Prezi presentation is used to show the development of the Grounded Theory of Consumer Entrepreneurship. It is depicted as consisting of a core category Becoming Consumer Entrepreneurs that is underpinned by four major categories, namely Tentative Entrepreneurial Development, Passionate Hobby Consumption, Social Commercialisation and Obtaining Legitimacy.

To play the Prezi presentation, open the folder titled Prezi Presentation and click on the Prezi.exe file. After the presentation has loaded, use the arrows at the bottom of the Prezi (left and right arrows) to navigate.
APPENDIX 8: Forms of Consumer Entrepreneurship ventures.

<table>
<thead>
<tr>
<th></th>
<th>Consumer Entrepreneurship ventures</th>
<th>Conventional business</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The business</strong></td>
<td><strong>Hobby Business BS</strong></td>
<td><strong>Amateur Business BS</strong></td>
</tr>
<tr>
<td></td>
<td><strong>P1 P3 P5 P6 P10 P17 P20 P24 P25</strong></td>
<td><strong>P18 P21 P34</strong></td>
</tr>
<tr>
<td></td>
<td><strong>P26 P30</strong></td>
<td><strong>Boutique Business P2 P4 P9 P13 P14 P15 P19 P28</strong></td>
</tr>
<tr>
<td><strong>Structures</strong></td>
<td><strong>Entity</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Status, structures and platforms</strong></td>
<td><strong>Legal, ethics and norms</strong></td>
<td><strong>Non-conformance to industry regulations</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>- Non-licensed</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>- Self-enacted norms</strong></td>
</tr>
<tr>
<td><strong>Organisation</strong></td>
<td><strong>Informalised organisation</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Organisational structure</strong></td>
<td></td>
<td><strong>Formalised organisation</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- Home-based business</strong></td>
<td><strong>- Dedicated business premises</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- Owners self-manage</strong></td>
<td><strong>- Formal record keeping</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- No hired staff</strong></td>
<td><strong>- Hired staff</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- Family and friends may help</strong></td>
<td><strong>- Work specialisation</strong></td>
</tr>
<tr>
<td><strong>Platforms</strong></td>
<td><strong>Emphasis on virtual spaces</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Storefront, technology and infrastructure</strong></td>
<td><strong>Improvised social media based storefronts</strong></td>
<td><strong>Dedicated e-commerce systems</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Occasional, short-term appearances in physical spaces</strong></td>
<td><strong>- Shopping cart</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Reliance on manual/social interactions</strong></td>
<td><strong>- Self/paid hosting</strong></td>
</tr>
<tr>
<td><strong>Operations</strong></td>
<td><strong>Monetisation model</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Models, processes and practices</strong></td>
<td><strong>Value propositions and value configurations</strong></td>
<td><strong>Conventional revenue generating models:</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Simple revenue models that support micro economic exchanges:</strong></td>
<td><strong>- Curation</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- Pre-Owned (reseller)</strong></td>
<td><strong>May develop self-originated stocks</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- Pre-Order (aggregator)</strong></td>
<td><strong>May develop larger scale design and manufacturing</strong></td>
</tr>
<tr>
<td></td>
<td><strong>- Curation (retailer)</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Reliance on externally originated stocks</strong></td>
<td></td>
</tr>
<tr>
<td>May involve small scale self-designs and self-production</td>
<td>Improvised manual/social mechanisms - Ordering (manual) - Payment (bank-in, Cash-On-Delivery, trades/swaps) - Delivery (meet-up, mail)</td>
<td>Dedicated automated mechanisms - Ordering (automated) - Payment (credit cards, PayPal) - Delivery (mail)</td>
</tr>
<tr>
<td>---</td>
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</tr>
<tr>
<td><strong>Transaction processes</strong></td>
<td><strong>Exchange mechanisms</strong></td>
<td><strong>Dedicated automated mechanisms</strong></td>
</tr>
<tr>
<td><strong>Customer Cultivation practices</strong></td>
<td>May emphasis on selling to peers through personal social networks</td>
<td>Access to wider, external markets</td>
</tr>
<tr>
<td><strong>The owner</strong></td>
<td>Consumer Entrepreneur</td>
<td>Conventional Business</td>
</tr>
<tr>
<td><strong>Ownership</strong></td>
<td><strong>Ownership status</strong></td>
<td><strong>Commitment to business</strong></td>
</tr>
<tr>
<td>Hobbyist, amateur, professional</td>
<td>Hobby business owner</td>
<td>Part-time business ownership</td>
</tr>
<tr>
<td></td>
<td>Amateur business owner</td>
<td>Serious business owner</td>
</tr>
<tr>
<td></td>
<td>Full-time business ownership</td>
<td></td>
</tr>
</tbody>
</table>
Terms and condition
- strictly meetups for payment and collection
- Do not buy from us if you do not trust us.
  - No deadbuyers (backing out/ MIA)
  - Clarify any doubt with us before confirming.
- No refunding of items. Check your items on the spot.
- Pls email/ message us for any enquiries.
  - Strictly no calling!
  - No payment= No order
  - No handphone= No deals
-I will not be responsible if our supplier gave us the wrong items/ colour/ size.
  - Don't want it? No refunds will be given.
- We will not be responsible if our supplier run away with our money.
  - payment to be made before we confirm your order.
- Meet up to OUR convenience free. YOUR convenience charged.
- Please have patience to wait for the cappings to be completed.
  - Have patience for the stocks to arrive too.
-Once items is sold , it will be non-exchangeable and non-refundable
  - No meet-ups during weekend
APPENDIX 10: Screen capture of a statement of assurance found in BSA2.

Blogshop owners

WE ARE FRIENDLY AND WE DON'T BITE. :D

01.) XinYu, fourteen, peihwasec. [blog] [email]
02.) TianNing, fourteen, peihwasec. [blog] [email]
03.) Veronica, fourteen, peihwasec. [blog] [email]

>> we live in the north-east part of singapore. <<
FYI, we are singaporeans and therefore, we only accept SGD!
We don't scam! You can trust us 101%! :D
We are not so stupid to go around and scam people.
However, please bare in mind that we are still students!
We can't wait like 40mins > just for you, tell us earlier if you got somethings up that day.
Time is precious. Time = money!
We are friendly & we don't bite. :D
Those who didn't follow the Terms & Conditions shall be blacklisted!
Please trust us before you order. (: 1001% scam-free, promised. :D
If you don't trust us, don't order. (: Any enquiries do email us @ teens-stop@hotmail.com.
APPENDIX 11: Screen capture of a certified ‘safe’ blogshop, as found in BSA36.

News

21July2012 • We are now Safe Blogshop Network

We are now on Safe Blogshop Network and we are a certified safe blogshop.
By doing this, we hope to bring confidence and trust to customer who shop with us.
Now you can shop with us with an ease of mind!
Click on the safe blog shop stamp at our homepage to view the review from the mystery shopper from SafeBLogShopper.
APPENDIX 12: Screen capture of a blogshop blacklist found in BSA33.

REASON: SHE WANTED THE HOT PINK HALF TIE CARDIGAN. SHE ASK ABOUT IT TWICE. FIRST SHE WANTED MEET UP AT DHOBY GHAUT, SO I SAID THERE'S AN ADDITIONAL TRANSPORT FEES OF $2. THEN SHE NEVER REPLIED. SECOND TIME, SHE TAGGED AT MY BOARD SAYING SHE WANT THE HALF TIE CARDIGAN AGAIN. SO WE SETTLED FOR NORMAL POSTAGE AND SHE'LL PAY VIA CONCEALED CASH. I ASKED HER ON 1ST/2ND APRIL WHETHER SHE HAS SEND OUT THE MONEY, SHE SAID YES. UP TO NOW I STILL HAVN'T RECEIVED & I MSGED HER AGAIN YESTERDAY, THERE ISNT A REPLY. & BECAUSE OF HER, I'VE LOST QUITE A NO. OF CUSTOMERS THAT ARE ALSO INTERESTED IN THE HOT PINK HALF TIE CARDIGAN! UNLESS I'VE RECEIVED THE MONEY, HER NAME WILL NOT BE REMOVED.
APPENDIX 13: Screen capture of BSA31’s registration certificate being used as an evidence of legitimacy.

About Us

In MOVF, we promise 3 things: Latest Fashion, Greatest Variation and Best Price.

We strive to provide you products that follow closely to the hottest fashion in Europe, Hong Kong and Korea. We continually search for ways to optimize our supply chain to ensure that for the same kind products, our prices are one of the lowest in South East Asia.

How reliable are we as an e-commerce company? MOVF is a Malaysian-based enterprise registered under Companies Commission Malaysia (Registration No: 002016710-V). Shown here is the certificate. In an event of fraud (if ever), do keep us accountable to promote internet business integrity.
APPENDIX 14: Legitimacy characteristics and strategies in Consumer Entrepreneurship ventures.

<table>
<thead>
<tr>
<th>Legitimacy characteristics</th>
<th>Forms of C-E ventures</th>
<th>Real or serious business</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structural Legitimacy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>‘What it is’</td>
<td>Improvisation of blogshop norms - Non-licensed - Non-ethical practices - Self-enacted norms</td>
<td>Conformance to industry regulations - Licensed - Ethical practices - Mainstream norms</td>
</tr>
<tr>
<td>Structures and platforms</td>
<td>Informalised organisation - owners self-manage - help from family and friends - less attention to brand building</td>
<td>Formalised organisation - Formal record keeping - Hiring - Departmentalisation/ specialisation of work - Identity through branding</td>
</tr>
<tr>
<td></td>
<td>Dedicated e-commerce - Shopping cart - Self/paid hosting</td>
<td>Physical spaces - Continuous long-term offlining</td>
</tr>
<tr>
<td></td>
<td>Dedicated e-commerce - Self/paid hosting</td>
<td>Automated interface</td>
</tr>
<tr>
<td>Operational Legitimacy</td>
<td>Externally originated Value Configuration - Pre-Owned Resale - Pre-Order Aggregation - Retailer</td>
<td>Value Configuration - Pre-Order Curation</td>
</tr>
<tr>
<td>‘How it works’</td>
<td>Value Proposition model - Externally originated stocks - Self-created stocks DYI (small scale design - manufacture)</td>
<td>Value Proposition - Externally originated stocks - Self-created stocks</td>
</tr>
<tr>
<td>Models, processes and practices</td>
<td>Value Configuration model - Pre-Order Aggregation - Retailer</td>
<td>Value Proposition - Curation</td>
</tr>
<tr>
<td></td>
<td>Value Proposition - Externally originated stocks - Self-created stocks</td>
<td>Self-originated Value Configuration model - Curation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Value Proposition - Externally originated stocks - Self-created stocks (large scale design-manufacture)</td>
</tr>
<tr>
<td><strong>Transaction processes</strong></td>
<td>Improvised manual/social mechanisms</td>
<td>Dedicated automated mechanisms</td>
</tr>
<tr>
<td>---------------------------</td>
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</tr>
<tr>
<td>Exchange mechanisms</td>
<td>Ordering (manual)</td>
<td>- Ordering (automated)</td>
</tr>
<tr>
<td></td>
<td>Payment (bank-in, COD)</td>
<td>- Payment (credit cards, PayPal)</td>
</tr>
<tr>
<td></td>
<td>Delivery (meet-up, mail)</td>
<td>- Delivery (mail)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Customer Cultivation practices</strong></th>
<th>Personal networks</th>
<th>External markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing mechanisms</td>
<td>- Social selling techniques</td>
<td>- Professional marketing techniques</td>
</tr>
<tr>
<td></td>
<td>- C2C</td>
<td>- B2C</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Status of the owner</strong></th>
<th><strong>Personal Legitimacy</strong></th>
<th><strong>Personal Credibility</strong></th>
<th><strong>Professional Readiness</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>‘Who the owner is’</td>
<td>Inherently endowed/accumulated in peer/personal social networks</td>
<td>Perceived lack of professional readiness</td>
</tr>
<tr>
<td></td>
<td>Hobbyist, amateur, professional</td>
<td>- Social proof/reputation</td>
<td>Low business making capacities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Personal trustworthiness</td>
<td>Low personal commitment</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Recognition by external professional networks</td>
<td>Perceived proof of professional readiness</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Professional/industry</td>
<td>High business making capacities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Branded Identity</td>
<td>High personal commitment</td>
</tr>
</tbody>
</table>
APPENDIX 15: Ethics clearance.

Ethics Clearance
To: Professor Justo Amador Diaz, SARAWAK/ Mr Rodney Lim

Dear Professor Diaz,

SUHREC Project 2010/189 Blogshops: Blogs as Online Spaces for Commerce
Professor Justo Amador Diaz, SARAWAK/ Mr Rodney Lim
Approved Duration: 14/09/2010 To 31/07/2014 [Adjusted]

I refer to the ethical review of the above project protocol undertaken on behalf of Swinburne's Human Research Ethics Committee (SUHREC) by SUHREC Subcommitte (SHESC4) at a meeting held on 20 August 2010. Your response to the review in the form of a substantially revised protocol as submitted in electronic form on 7 September 2010 was put to a nominated SHESC4 delegate for expedited review. The explanation given by the Researcher that the interview with the teenager would be conducted in the presence of the parents addressed the concerns of the Subcommittee and as a result referral to SUHREC was deemed not necessary.

I am pleased to advise that, as submitted to date, the project has approval to proceed in line with standard on-going ethics clearance conditions here outlined.

- All human research activity undertaken under Swinburne auspices must conform to Swinburne and external regulatory standards, including the National Statement on Ethical Conduct in Human Research and with respect to secure data use, retention and disposal.

- The named Swinburne Chief Investigator/Supervisor remains responsible for any personnel appointed to or associated with the project being made aware of ethics clearance conditions, including research and consent procedures or instruments approved. Any change in chief investigator/ supervisor requires timely notification and SUHREC endorsement.

- The above project has been approved as submitted for ethical review by or on behalf of SUHREC. Amendments to approved procedures or instruments ordinarily require prior ethical appraisal/ clearance. SUHREC must be notified immediately or as soon as possible thereafter of (a) any serious or unexpected adverse effects on participants and any redress measures; (b) proposed changes in protocols; and (c) unforeseen events which might affect continued ethical acceptability of the project.

- At a minimum, an annual report on the progress of the project is required as well as at the conclusion (or abandonment) of the project.

- A duly authorised external or internal audit of the project may be undertaken at any time.

Please contact me if you have any queries about on-going ethics clearance. The SUHREC project number should be quoted in communication. Chief Investigators/Supervisors and Student Researchers should retain a copy of this e-mail as part of project record-keeping.

Best wishes for the project.
Yours sincerely

Kaye Goldenberg
Secretary, SHESC4
*******************************************

Kaye Goldenberg
Administrative Officer (Research Ethics)
Swinburne Research (H68)
Swinburne University of Technology
P O Box 218
HAWTORN VIC 3122
Tel +61 3 9214 8468
APPENDIX 16: Consent forms.

Consent Information Statement

Project Title
Blogshops: Blogs as Online Spaces for Commerce

Investigators
Rodney Lim, Swinburne University of Technology, Sarawak Campus

Introduction to Project and Invitation to Participate
I am researching blogshops which are small online retail stores made from popular blogging tools. They have become very common in Singapore and Malaysia, especially among women and young people who have used blogs to create retail outlets. Since you are involved with blogshops, I would like to interview you for this study.

What this project is about and why it is being undertaken
This project is undertaken to investigate how entrepreneurs develop businesses from blogs and other free social media tools. Since blogshops have not been widely studied, there is a need to understand how they work, their issues and challenges and how they provide opportunities for business start ups.

Project and researcher interests
My interest in e-commerce and social media has provided an opportunity to investigate blogshop businesses. Thus, I have undertaken this project to satisfy the requirements of my PhD study. I hope that my study will give a better understanding of how online tools such as blogs can be used for businesses.

What participation will involve
You have been selected for this study because of your particular knowledge and expertise in this area of study. In this interview, you will be asked to share your knowledge about blogshops. The length of the interview shall not be more than 20 minutes. Follow-up sessions are subject to your consent.

Participant rights and interests – Risks & Benefits
There is no risk involved in this study except your valuable time. There is also no direct benefit to you. However, the results of the study may help us formulate guidelines for effective business practices for blogshops, which may benefit those involved in this arena.

Participant rights and interests – Free Consent/Withdrawal from Participation
Your participation is entirely voluntary. You may decline to answer any question that you are not comfortable with. You may choose to withdraw participation at any stage of this interview, or to withdraw data or material contributed without explanation. You may also choose not to have the interview recorded on audio tape. Your decision whether or not to participate will not prejudice your future relations with Swinburne University of Technology. Your consent to participate in this interview is indicated when you sign in this consent form in the attached section below.

Participant rights and interests – Privacy & Confidentiality
Data collected will be stored as transcribed notes in electronic form in a password-protected computer and stored in a secure location. Data will be kept for the duration of the research and will be disposed at the end of the study. Anonymity will be maintained by ensuring that the data will not bear any features that can specifically identify interviewees. Signed consent forms will
also be stored in hardcopies in a separate and secure location. Access to these material will be limited to the principal researcher only.

Research output
Research findings based on these data collected will likely be included in my thesis, and may eventually be published in an academic journal or conference. In such a case, you will be informed and an electronic copy of a summary report made available to you upon request. You will not be identified in any publication arising out of this research to ensure confidentiality.

Further information about the project – who to contact
If you would like further information about the project, please do not hesitate to contact my main supervisor:
Professor Justo Diaz
Swinburne University of Technology Sarawak Campus
Jalan Simpang Tiga, Kuching 93576
Sarawak, Malaysia
082-416353
jdiaz@swinburne.edu.my

Concerns/complaints about the project – who to contact:

This project has been approved by or on behalf of Swinburne’s Human Research Ethics Committee (SUHREC) in line with the National Statement on Ethical Conduct in Human Research. If you have any concerns or complaints about the conduct of this project, you can contact:

Research Ethics Officer, Swinburne Research (H68),
Swinburne University of Technology, P O Box 218, HAWTHORN VIC 3122.
Tel (03) 9214 5218 or +61 3 9214 5218 or resethics@swin.edu.au
FORM A: Informed consent from an individual adult having full capacity to give voluntary consent in his/her own right on the basis of sufficient information provided.

Swinburne University of Technology
Project Title: Blogshops: Blogs as Online Spaces for Commerce
Principal Investigator: Rodney Lim

1. I consent to participate in the project named above. I have been provided a copy of the project consent information statement to which this consent form relates and any questions I have asked have been answered to my satisfaction.

2. In relation to this project, please circle your response to the following:
   - I agree to be interviewed by the researcher
     Yes No
   - I agree to allow the interview to be recorded by electronic device
     Yes No
   - I agree to make myself available for further information if required
     Yes No
   - I agree to complete questionnaires asking me about blogshops
     Yes No

3. I acknowledge that:
   (a) my participation is voluntary and that I am free to withdraw from the project at any time without explanation;
   (b) the Swinburne project is for the purpose of research and not for profit;
   (c) any identifiable information about me which is gathered in the course of and as the result of my participating in this project will be (i) collected and retained for the purpose of this project and (ii) accessed and analysed by the researcher(s) for the purpose of conducting this project;
   (d) my anonymity is preserved and I will not be identified in publications or otherwise without my express written consent.

By signing this document I agree to participate in this project.

Name of Participant: ..........................................................................................................................

Signature & Date: ......................................................................................................................
**FORM B:** Informed consent on behalf of a minor or dependent. Please note that, in some cases, a separate (additional) appropriately written consent form should be used or may be required for minors significantly able to give or withdraw consent.

**Swinburne University of Technology**  
**Project Title:** Blogshops: Blogs as Online Spaces for Commerce  
**Principal Investigator:** Rodney Lim

1. I/We consent to my/our child/dependent here named to participate in the project named above. I have been provided a copy of the project consent information statement to which this consent form relates and any questions I have asked have been answered to my satisfaction.

   Name of Child/Dependent: …………………………………………………………………………………

2. **In relation to this project, please circle your response to the following:**  
   - I/We agree that s/he can be interviewed by the researcher  
     [ ] Yes [ ] No
   - I/We agree that the interview can be recorded by electronic device  
     [ ] Yes [ ] No
   - I/We agree to allow completion of questionnaires asking her/him about blogshops  
     [ ] Yes [ ] No
   - I/We agree to make myself/ourselves available for further information if required  
     [ ] Yes [ ] No

3. I/We acknowledge that:
   (a) my/our child’s/dependent’s participation is voluntary and that s/he is free to withdraw from the project at any time without explanation;
   (b) the Swinburne project is for the purpose of research and not for profit;
   (c) any identifiable information gathered in the course of and as the result of my/our child/dependent participating in this project will be (i) collected and retained for the purpose of this project and (ii) accessed and analysed by the researcher(s) for the purpose of conducting this project;
   (d) my/our child’s/dependent’s anonymity is preserved and s/he will not be identified in publications or otherwise without my express written consent.

By signing this document I/We agree to your child’s/dependent’s participation in this project.

**Name of Parent(s)/Guardian:** ........................................................................................................

**Signature & Date:** ....................................................................................................................