

The Wisdom of Consumer Crowds

Collective Innovation in the Age of Networked Marketing

Robert V. Kozinets

York University

Andrea Hemetsberger

University of Innsbruck

Hope Jensen Schau

University of Arizona

Past theories of consumer innovation and creativity were devised before the emergence of the profound collaborative possibilities of technology. With the diffusion of networking technologies, collective consumer innovation is taking on new forms that are transforming the nature of consumption and work and, with it, society and marketing. We theorize, examine, dimensionalize, and organize these forms and processes of online collective consumer innovation. Extending past theories of informationalism, we follow this macro-social paradigm shift into grassroots regions that have irrevocable impacts on business and society. Business and society need categories and procedures to guide their interactions with this powerful and growing phenomenon. We classify and describe four types of online creative consumer communities—Crowds, Hives, Mobs, and Swarms. Collective innovation is produced both as an aggregated byproduct of everyday information consumption and as a result of the efforts of talented and motivated groups of innovative e-tribes.

Keywords: *online community; creativity; innovation; technology; consumer co-creation*

According to Hunt's (1981, 7) foundational definition, macromarketing draws our attention not only to the study of marketing systems and their social impact, but also to the marketing consequences of cultural and social change. With even more precision, Fisk (1981) averred that macromarketing focused on improving our knowledge of marketing as a social process of resource mobilization that, among other things, focuses on an understanding of processes of social learning, adoption, and innovation. In this article we follow a long tradition of macromarketing studies that chart the ongoing impact of technological change on cultural, social, and marketing systems (see, e.g., Rassuli and Tippins 1997; Tedlow 1997; Venkatesh 1999; Langenderfer and Kopp 2004) to investigate a relatively recent phenomenon: the gathering of online communities whose innovation are beginning to transform the world of marketing.

In the current social environment, instances and notions of collective consumer action are becoming increasingly recognized as the driving force behind many of the most important online companies (for cogent social theory, see Lévy 1997). The currently popular term "Web 2.0" (popularized by technology publisher

Tim O'Reilly) is based merely on the presumption that the collective, participatory actions of online consumers can contribute to a new form of business organization in which the leisure activities of Web-surfers can result in productive labor that can be exploited as a free resource by industry (see Hagel and Armstrong 1997; Kozinets 1999; Hemetsberger and Reinhardt 2006, 2008; McConnell and Huba 2006; Cova, Kozinets, and Shankar 2007; Füller, Jawecki, and Mühlbacher 2007; Tapscott and Williams 2007). These ideas appear to have profound macromarketing implications.

Online communities have been studied for over a decade as a source of ideas and inspiration for new product development (Kozinets 2002; Prahalad and Ramaswamy 2004; von Hippel 2005). Von Hippel (2005) reports that between 10 percent and 40 percent of users actually contend that they develop and modify products in fields studied to date. However, it is only recently with the advent of new technologically enabled forms of creative collaboration such as the "wiki" and collaborative models like "open source" that consumers have been recognized as full-fledged collective creative forces in their own right (see, e.g., Lévy 1997; Benkler 2006; Jenkins