ONLINE FASHION RETAILING AND RETAIL GEOGRAPHY: THE BLOGSHOP PHENOMENON IN SINGAPORE

GODFREY YEUNG* & KIM LENG ANG**

*National University of Singapore – Geography, Arts Link, Singapore 19711, Singapore. E-mail: geoykyg@nus.edu.sg
**Chua Chu Kang secondary school, 3 Teck Whye Crescent, Singapore 688845. E-mail: kimmy.angkl@gmail.com

Received: July 2013; accepted October 2014

ABSTRACT
This paper examines why blogshops exist in Singapore and how these unconventional online retailing channels can be extended to bricks and mortar shops. The rise of blogshops is due to a combination of low barriers to entry and the informal institutions that bind the blogshop community for mutual support, and the development of a self-regulatory regime. Blogshops are spatially embedded and supported by the contextualised network of economic actors which facilitate the open exchange of practices and ideas through information diffusion across both virtual and physical space. The overlap between virtual and physical space is further illustrated by businesses extending their virtual space to bricks and mortar shops, which in turn supports their sustainability by widening their market penetration. Therefore, blogshops not only reverse the development path from conventional to online retailer, but also illustrate the importance of physical space for the accumulation and transfer of tacit knowledge.

Key words: blogshop, online retailing, virtual space, retail geographies, fashion retailing

INTRODUCTION
Fashion conscious consumers normally shop at ‘fast fashion’ boutiques (such as Zara and H&M) which regularly launch new fashion lines at relatively good value for money. However, a number of demanding (young) consumers find these high street boutiques too mass market-orientated. Consumers in a number of countries with well-developed online (or TV) shopping channels can access alternative retail channels. In a city state not known for its internet retailing, the blogshop has proliferated as an alternative retail channel for fashion conscious consumers in Singapore, with a sales value of US$72 million in 2011 (Webwire 2011).

The blogshop is an unconventional form of retail adopted by individual users who utilise internet-based blogging platforms (websites for online journals) and online external payment systems, such as bank and credit card transfers, for the commercial transaction of commodities (Singapore Business Review 2011). Blogshops are essentially virtual retail boutiques that utilise information and communication technology (ICT) platforms to provide their customers with a cost effective and alternative means of shopping (see Kling & Lamb 2000). Distinct from conventional business-to-consumer online retail outlets, the majority of which are an extension of their bricks and mortar shops (including their blogs, such as http://www.nowness.com/category/details/
fashion) or are operated by well-established online retail companies with registered business licences, blogshops are operated by inexperienced and young aspiring entrepreneurs that sell (non-mass market-orientated) products through their blogs – originally intended for unedited online discussions or information dispersal by individual users (Table 1). Instead of operating in the highly regulated environment of their bricks and mortar counterparts, blogshops are much smaller in scale and are not regulated under any specific legislature in Asia. Interestingly, there is a trend among established blogshops to expand their retail space from online platforms to bricks and mortar outlets in Singapore. How do these blogshops proliferate, become sustainable and even extend their businesses from intangible virtual space to physical space? To what extent can existing geographical concepts conceptualise this phenomenon?

This paper examines how blogshops come into being and how some of these online retail outlets maintain their competitiveness by extending into bricks and mortar shops. Retail geography is the most relevant strand of literature in geography, but there is minimal discussion of blogshops. While retail geography is concerned with the distribution patterns of retail outlets and the governance of their organisation (Wrigley 1998; Coe & Hess 2005), the literature on fashion retailing examines various issues, from retailers and the spaces occupied by fashion culture (Evans 2013) to the commodification of children’s fashion (Crewe & Collins 2006). These strands of the literature recognise the intertwined nature of economic and social factors that impact on the spatial restructuring of retail capital. Retailing through blogshops necessarily encompasses complex processes of marketing, consumption and distribution, but these processes have yet to be unpacked in the existing literature on retail geographies (see Wrigley 2009). By positioning large multinational retailers with physical stores as their centre of analysis, the existing research on retailing geographies excludes the agency of local (and individual) economic actors in identifying and developing business opportunities through the internet.

To achieve the research objectives, the second author conducted two rounds of semi-structured interviews between October 2011 and January 2012 in Singapore. Since the research objectives involve proprietary information from profit-oriented enterprises, she approached several blogshop owners to fine-tune the research questions during the pilot interviews in October 2011. Through largely personal networks and snowballing (especially 

| Table 1. Forms of fashion retailing. |
|------------------------|------------------------|------------------------|
| **Governance (regulatory environment)** | **Consumers interface** | **Remarks** |
| Highly regulated by host countries | b-to-c (Amazon) & | Newly established, & |
| Business-to-consumer (b-to-c) | consumer-to-consumer | mostly established by |
| Increasingly regulated | (c-to-c) (eBay) | inexperienced young |
| (with sales tax, etc.) | | entrepreneurs in Asia |
| Largely unregulated | | |

**Source**: Compiled by authors.

© 2015 Royal Dutch Geographical Society KNAG
from interviewees during the pilot survey), a total of 22 sessions of in-depth interviews with blogshops’ owners (10 established and 12 follower blogshops) and an interview with a government official from the Accounting and Corporate Regulatory Authority were conducted by the second author to ascertain how and to what extent local institutional factors have influenced the rise of blogshops, and how the network relations between economic actors unfold and contribute to the development of blogshops in Singapore (Table 2). The established blogshops represent first movers in the industry, who have adapted and evolved through their online presence in recent years, while the followers represent start-ups modelled on the business concepts of the established blogshops. All the interviews were conducted in a semi-structured manner to facilitate conversational flow and most interviews lasted for about an hour. All the interviewees requested to remain anonymous, so pseudonyms are used to identify them in this paper. Secondary sources, such as newspapers and online interviews, are used for triangulation purposes to enhance the credibility of the primary data.

Under a relatively lax formal regulatory environment but strong informal online community with loyal customers, the rise of blogshops and their subsequent proliferation in Singapore is due to a combination of low barriers to entry, the accessibility of technical platforms and the informal institutions that bind the blogshop community together for mutual support, and the development of self-regulatory regimes. The evolution of retail channels in blogshops portrays how the strategies undertaken by economic actors and their affiliated network relations can be transmitted from virtual to physical spaces, enabling their networks and competitiveness to expand in the retail sector. The networks shed light upon how the established blogshops have diversified the spatiality of their operations, based on their first mover advantages and their relational proximity to embedded economic actors, from reliable suppliers to professional photographers, marketers, and modellers.

In contrast to the focus on manufacturing by economic geographers, this paper unpacks the multi-tiered relationships of blogshops in Singapore and provides useful insights into how the relational networks of economic actors in blogshops encompass the social and economic dimensions of retail activities in both virtual and physical space. Instead of staying at arm’s-length transactions with (overseas) suppliers, the long-term competitiveness of online retailing demands regular maintenance and the accumulation of relational networks of affiliated (overseas and local) economic actors to reduce transaction costs and gain access to tacit knowledge through relational proximity. The development of online self-regulatory regimes and the extension of blogshops from virtual space to bricks and mortar space further demonstrates the importance of physical and relational proximity for online retailing. Blogshops not only take on a reverse development path from conventional retailers, but also illustrate the importance of physical space for the accumulation and transfer of tacit knowledge. Unpacking the embedded institutional contexts of network formation by economic actors that are specific and crucial for the development and sustainability of blogshops contributes to an understanding of the increasing relevance of virtual space for sourcing, marketing and distribution in retail geography.

Table 2. General profile of interviewed blogshop owners.

<table>
<thead>
<tr>
<th>Type of establishment</th>
<th>Period of establishment</th>
<th>Frequency count</th>
<th>With physical outlet</th>
<th>Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Established blogshops</td>
<td>2006–2008</td>
<td>10</td>
<td>All 10 of them</td>
<td>SG$30,000-SG$80,000 per month</td>
</tr>
<tr>
<td>Follower blogshops</td>
<td>2009–2011</td>
<td>12</td>
<td>4 out of 12</td>
<td>SG$400-SG$10,000 per month</td>
</tr>
</tbody>
</table>

Source: Compiled by authors.
We review the pertinent literature on retail geography and fashion retailing in the next section. The subsequent two sections examine the causal mechanisms behind the existence, development and sustainability of blogshops in virtual and physical space, particularly through the interaction between the institutional environment and network formations. The theoretical implications and major findings of this paper will be highlighted in the conclusion.

THE JUXTAPOSITION OF RETAIL GEOGRAPHY, FASHION RETAILING, AND BLOGSHOPS

The contemporary literature on retail geographies can be classified into two main strands: big retail capital, supermarkets and their governance (including the impact of ICT); fashion retailing and the digitisation of fashion world.3

The proliferation of retail geography has resulted in a number of publications with insightful examinations of various pertinent issues surrounding big retail capital (Ducatel & Blomley 1990; Christopherson 1993; Langston et al. 1998); the regulatory environment of the supply networks (Wrigley & Lowe 1996; Wrigley 1998; Coe & Lee 2006, 2013). Researchers in this field have largely focused on the distribution activities of large multinational retailers with physical retail stores (Coe & Hess 2005) and the benefits of shifting physical stores online to remain competitive, partly through an extension of potential market spaces beyond the existing geographical boundaries of their bricks and mortar shops (Hepworth 1989; Taylor & Murphy 2004). Researchers, however, have paid relatively limited attention to the socio-economic functioning of retail space on the internet except for the organisational structure of ‘web stores’ (Currah 2002). Bakos (2001), Zook (2001, 2005), Leamer and Storper (2001), Anderson et al. (2003) offered insights into the spatial implications of internet adoption by retailers, and argued that the operation of electronic-businesses by retailers will reshape, replace or collaborate with retail activities in physical space, from consumers relationships to supply and distribution networks (Wrigley et al. 2002; Aoyama 2003; Burt & Sparks 2003).

With the increased usage of ICT in business transactions (including the efforts by lead firms to streamline their supply chains), Graham (1998), Kolko (2000), and Malecki and Gorman (2001) refuted previous assertions of the ‘irrelevance of physical space’. Most researchers highlight the need to incorporate the overlapping tendencies of virtual and physical space, and thus shed light on the mutual interdependence of both spaces for the organisation and development of retailing (Li et al. 2001). Murphy (2002) further argued that the relationship between innovation in ICT and customers has to be unpacked within the embedded economic or cultural facets of production and consumption as well as corporate governance (see also Schwanen et al. 2008). Visser and Lanzendorf (2004) highlighted the effect of the product-specific nature of the internet on the mobility and accessibility of consumers. The adoption of business-to-consumer e-commerce could lead to a spatial redistribution in retail outlets but it cannot replace shopping using physical outlets completely. In addition to the fact that shopping trips could be part of consumers’ routine activities, the experience of shopping in physical outlets could be recreational for certain groups of consumers and thus could not be replaced by online shopping (see also Weltevreden & Rietbergen 2007 for their survey in the Netherlands).

The literature on fashion retailing examines various issues, from high street fashion retailing to the commodification of fashion. For instance, Crewe and Lowe (1996) investigated high street stores selling well-known brands financed by big retail capital and their corresponding regulatory spaces. Other pertinent issues include the importance of flea markets, car boot sales and charity shops (Gregson et al. 1997), the retailers and the spaces of fashion culture (Evans 2013; Taylor 2000), the juxtaposition of distinctive spaces (such as discount shops and designer fashion stores) and the contrasting shopping practices associated with them (Crewe & Gregson 2003), and the commodification of children’s fashion (Crewe & Collins 2006). Crewe and Davenport (1992) highlighted the asymmetrical and fragmented relationship between big fashion retailers and their sub-contractors, while Crewe and
Gregson (1998) specifically highlighted the displacement of car boot sales as consumption spaces by high street retail malls and department stores, with formal supply networks and pricing mechanisms.

The literature on the digitisation of the fashion world can be discussed from two interrelated perspectives: (i) remediation and convergence; and (ii) hypertextuality, co-creation and consumption.

An interesting article by Crewe (2013) provides important insights into the interaction between the material and virtual forms in the fashion world. Instead of the bipolar narratives that dominate the e-commerce literature, she argued that the virtual and material fashion worlds are coexisting social realities that interact relationally, and in turn, transform, enhance and reproduce the changing fashion landscapes in different areas and over time. Through its high level of interactivity and accessibility, digital technologies have remediated and even rearranged the hierarchies of conventional representation of fashion, from the twice-a-year fashion shows, physical stores and fashion magazines, to the always-on digitalised forms of fashion culture (Bolter & Grusin 1999; Jenkins 2004, 2006; Rocamora 2012). The versatility of fashion websites’ displays and communication also opens up new spaces for fashion consumption by fulfilling the virtual sensory capacity of potential consumers, for example, motion imagery technologies allow a 3-D virtual image of clothes worn by the potential customer to be viewed on a portable screen anywhere with internet access. Fashion consumption fulfils both the utilitarian and aesthetic purposes of consumers. Virtual technologies allowing consumers to visualise how they may look wearing garments serves a utilitarian objective, while online information and advice (through live chat) provided by retailers about garments stimulates a hedonic effect and serves the aesthetic purpose of consumption (Overby & Lee 2006; McCormick & Livett 2012). Kim and Forsythe (2007) however, found that consumers who use product virtualisation technologies in online fashion shopping tend to serve their hedonic rather than functional needs. The rapid proliferation of highly portable digital devices, from mobile phones to tablets, further facilitates the personalised consumer experience and the digitalisation of culture.

Remediation, whereby old and virtual media represent and refashion each other, leads to the convergence (or flow of content) of the virtual and material fashion worlds. Similar trends have been observed in other sectors, such as the rise of medical information websites informing on the provision of health care, as documented by Nettleton et al. (2005), the popularity of social media websites in the media broadcasting industry as documented by Beer (2006).

With webpages written in the hypertext markup language (HTML), versatile digitised hyperlinks enable a high level of interaction between content providers and consumers. The hypertextuality (the electronic linkage of texts and images; Rocamora 2012) of digital technologies co-creates a new fashion trend by allowing a high level of participation by young or non-mainstream designers and marketers (including those who are questioning the value of corporate branding in fashion), and the involvement of informed and empowered consumers in the launch of new fashion lines through customer ratings and other feedback channels (Bugge 2011; see also Foster 2007). The interaction between producers/retailers and consumers is becoming the locus of value creation and extraction (Prahalad & Ramaswamy 2004). Referring to the success of blogshops in Singapore, Abidina and Thompson (2012) however, argued that value co-creation is through the sense of intimacy between the persona of models in blogshop and their audience of readers-to-consumers rather than the garments themselves.

With the proliferation of social media websites, there has been a significant change in the relationship between the production and consumption of internet content, for instance, the posting of private information in the public domain through Facebook and personal blogs (Beer & Burrows 2007; Titton 2013). Personal fashion blogs, largely open access, created and maintained by independent non-professionals, could be both empowering and disempowering for the formation and representation of femininity (Rocamora 2011). Participants, be they content providers, professional
amateur) designers, and consumers, are thus producing, diffusing as well as consuming fashion culture.

Importantly, Crewe (2013, p. 760) highlighted the potential ‘disintermediary effects’ that the internet has on the fashion market by investigating ‘to what extent digital technologies are enabling the devolution of fashion authority from traditional power brokers such as magazine editors and designers towards a more diversified assemblage of participants, including fashion bloggers and consumers’. As acknowledged by Crewe (2013), the reduction business transaction costs through adopting digital technologies has long been documented by management scholars (Malone et al. 1987; Drucker 1993; Tapscott & McQueen 1995). By focusing on blogshops and their owners rather than (professional) bloggers informing consumers about fashion trends, as in the case of Crewe (2013), and the transformation of businesses from the virtual to physical-cum-virtual retail landscapes, this paper contributes to understanding of how digital technologies can shape the fashion retail and consumption landscape and further explores the potential ‘disintermediary effects’ on the fashion world.

Although the literature enhances our understanding of the role of retail capital in the marginalisation of retail space for small store owners and the commodification of fashion (in high street retailing), there are still two gaps in the existing literature. First, most is based on the Anglo-American formal (and to a lesser extent, informal) retailing. Second, the literature on fashion retailing examines the shift from physical shops to online retailing by big retail capital rather than focusing on various actors (from young entrepreneurs to fashion designers) and their intertwined networks of relationships in retailing. These conceptual tools are useful for the analysis of blogshop geographies but less effective for unpacking the dynamic network formation processes and the contributing socio-economic factors embedded in blogshops’ reverse development path from virtual to physical space. To understand the dynamic network formation processes, we have first to examine the governance of the internet community and the informal community of blogshops in Singapore.

INSTITUTIONAL ENVIRONMENT AND THE SPATIALITIES OF BLOGSHOPS

This section examines the roles of the complexly intertwined formal policies on online retailing and the informal self-regulatory guidelines adopted by local internet users in the development of blogshops in Singapore.

The rise of blogshops and governance of the internet community – As mentioned in the introduction, blogshops are largely operated by inexperienced young aspiring entrepreneurs who sell non-mass market products through their blogs. It is an unconventional form of online retail boutique that utilises the blogging platform to provide a cost effective and alternative means of shopping for customers. In response to the rapid development of blogshops, a Russian-based digital media company has launched a new local homepage (Livejournal.sg) to provide a localised platform with improvements to the blogshopping experience for its Singaporean users (Livejournal 2011). There are about 50,000 blogshops in Singapore, mostly using Livejournal as their chosen web platform for business transactions, e.g., http://www.dressabelle.com.sg/, http://mgplabel.com/, etc. Although the total sales value is not small (US$72 million in 2011), the highest monthly revenue reached was US$15,000 and only 10 per cent of blogshops earned more than US$1,500 per month in 2011 (Webwire 2011). This type of small-scale virtual fashion retail site is, however a good income avenue for inexperienced young entrepreneurs in Singapore.5

Blogshops have been gradually developing outside Singapore (Table 3). However, blogshops in Malaysia and Australia, for instance, are less well-established than those in Singapore, with infrequent updates of their saleable items and seem unable to develop beyond their initial platforms. The rapidly increasing number of blogshops in Singapore has fostered a highly competitive environment that values innovation in design, efficiency and brand awareness through upgrading platforms and venturing into physical stores.

Although Singapore is keen to promote online ventures through various start-up schemes, funding and professional advice are
largely catered for by ‘strategic’ sectors in research and development and innovation that require high start-up costs and well-developed business plans for example, ‘Business Angel Scheme’, ‘Technology Enterprise Commercialisation Scheme’, etc. (Spring Singapore 2013). Such requirements are incongruent with the short-term mentality blogshop owners have, like Geraldine (2011–12 survey): ‘I will just run it for as long as I can, and see where it will take me’.

A combination of market niche, low start-up costs, the accessibility of internet platforms, and the relatively lax monitoring of online retailing has contributed to the rise of blogshops in Singapore. Singapore’s fashion retail market was characterised by costly items and limited choice in 2008, and a number of interviewees pointed out that blogshops, by contrast, cater for the niche market of affordable and exclusive fashionable apparel. Some owners highlighted how the accessibility of internet platforms and personal networks intermesh, thus influencing the decision to establish their blogshops:

You only need low set up costs for clothes and photo-shoots. The [t]otal cost [for me is] about SG$5,000, [which is] reasonable for a small business. Since we work in the modelling line, we either model the clothes ourselves or ask our friends to help so we can save costs in this aspect. (Betty 2011–12 survey)

With small start-up capital and operated by individuals, the rise of blogshops is clearly different from the high profile purely online stores financed by venture capitalists or developed by high street shops. Betty’s experience is typical of those owners who had established personal networks in the fashion industry before starting their own ventures. These networks are crucial for the sourcing and design of apparel, the distribution and (collaborative) marketing in virtual and physical space (see the next section).

Although there is stringent monitoring of public media and internet content by the Media Development Authority (MDA) and Info-communication Authority (IDA) in Singapore, the lax monitoring of online retailing is a crucial determinant of the rise in blogshops in Singapore. The Internet Code of Practice (n.d.) imposes strict regulations regarding any discriminatory content that might invoke religious
sensitivity or ethnic disharmony or suggest violence or nudity, and the MDA envisages that internet users themselves are responsible for aligning online content with the existing rules, which are versatile enough for internet usage: ‘In regulating the Internet, MDA . . . encourages industry self-regulation and public education efforts to complement its light-touch regulatory approach’ (MDA 2011).

In the context of blogshops, the effectiveness of relying solely on industry self-regulation and on (local) internet users to report any policy breaches is highly debatable. Under the Business Registration Act, all e-commerce activities have to be registered with the Accounting and Corporate Regulatory Authority (ACRA), the national regulator of business entities and public accountants in Singapore (ACRA 2009). Since there is no monitoring mechanism in place to keep track of the registration of blogshops, the ACRA relies on the internet community to report any breach of policy before conducting an investigation:

The ACRA primarily relies on complaints we receive about non-registration before we investigate if an offence under the Business Registration Act has been committed. Then, we would review actions against the persons [. . .] and this includes warning, imposing fine or prosecution. (Ms. Lee at ACRA, 27 December 2011)

Obviously, the reactive monitoring approach adopted by ACRA could lead to patchy or even non-compliance, which is the case for certain blogshop owners, who are well aware of the need for business registration:

I don’t think we have to register since the scale of my blogshop is relatively small, and I’m not earning a high income . . . like more than SG$10,000. So I think I will wait a while more before formalising it as I’m not sure whether I want to continue this for many years. (Cathy 2011–12 survey)

This was echoed by follower blogshop owners who believe that their large numbers make it impossible for the ACRA to regulate them:

Registration comes later, no hurry, it’s not like we (blogshop owners) will report on each other, that will be disastrous, I don’t think anyone will want that to happen. (Bella 2011–12 survey)

The perceived lax monitoring of internet business induces tacit agreements between blogshop owners to not report each other and accounts for their decisions to not register. As such, the shared informal norms and conventions that blogshop owners hold stimulates an environment of trust and strengthens the foundations of their social relations when they engage in co-operative behaviour (Capello & Faggian 2005). These social relations will, in turn, transcend the distance between virtual and physical spaces to facilitate the development and sustainability of blogshops (see next section).

Furthermore, loopholes in regulations for the taxation of e-commerce is partly due to the ease blogshop owners have in utilising the ICT platform in order to accept orders online but taking payment using a separate payment mechanism to avoid taxation. One respondent from an established blogshop explicitly pointed out that no policies have been clearly formulated to ensure the formalisation and accountability of blogshops in Singapore:

Blogshops stand in a grey area with no defined regulation . . . on tax[ation]. There are no specifications on the types of documents to produce and how [revenues] should be accounted for. Also I guess many can just brush off formal investigations to say that they are doing so to pass time as there is no need for official business accounts to be set up unless the company is registered. (Cathy 2011–12 survey)

As it is common for blogshops to operate in the grey legislative area of an otherwise highly regulated city state, how do blogshops owners reduce the perceived lack of trust that potential consumers may have of such non-registered online ventures?

Informal community of blogshops – To improve the trust of potential customers, the blogshop community develops informal mechanisms to formulate rules and conventions. Some of the standard features found in blogshops, such as the terms and conditions of transactions, shipping costs and payment
modes, aim to present organised and reliable methods for users to shop online (Greenhill & Fletcher 2008). A typical example is from a community called SafeBlogShopper, which seeks to foster a safe online shopping environment by providing detailed information on the blogshops and consolidate shopper feedback to create better awareness of fraudulent cases. As with eBay’s PayPal system, SafeBlogShopper also acts as a mediator to resolve potential disputes between buyers and blogshop owners (SafeBlogShopper 2009).

The importance of being ‘certified’ by the wider community as a reliable blogshop through personal shopping experiences cannot be underestimated, partly due to the growing number of blogshops and the existence of fraudulent cases (The Straits Times, 16 August 2009). For instance, Selena (2011–12 survey) mentioned how institutions like the SafeBlogShopper allow her customers to ‘feel more at ease’ about shopping online through her blogshop.

In addition to self-monitoring, the blogshop community also plays an important role in the transfer of the (tacit) knowledge contributing to its development. As blogshops are excluded from government assistance and funding opportunities, owners rely on themselves to acquire the necessary skills from available sources and their personal networks:

> Basically, when I happen to have something I don’t know, I will have to search for solutions [and to pick] up the skills along the way . . . A lot [of that] was through self-learned initiatives, trial and error and getting help from my friends and family. (Natalie 2011–12 survey)

In particular, Greenhill and Fletcher (2011, p. 244) describe blogshops as ‘community organisational practices’ that stem from the bottom up participation of entrepreneurs in the e-commerce market and further highlight how blogshops constitute ‘place-based networks . . . and incorporate local expertise and knowledge’. Such conceptualisations of blogshops demonstrate that aspiring entrepreneurs and their relational network of supporting economic actors and institutions foster the flourishing of online retail locally. Blogshops could thus be situated in a specific cluster of internet retailing that facilitates the formation of complex spatial relations.

Furthermore, the rise of informal institutions to govern the operation and integrity of blogshops demonstrates how the blogshop community, as a group of economic actors, utilises its relational networks as collaborative assets (Dicken et al. 2001) to empower and shape the constituents of informal conventions and norms. The blogshop community also exercises its agency to actively materialise its conventions and norms into formal institutions, as suggested by Amin and Thrift (1994) in other contexts. Blogshops are thus embedded in a socio-institutional context that facilitates the exchange of conventions and practices to propel their on-going manifestation and continuing development in the retail sector.

Under a lax formal regulatory environment but strong informal online community with loyal customers, the rise of blogshops and their subsequent proliferation in Singapore is due to a combination of low barriers to entry, the accessibility of technical platforms, the informal institutions that bind the blogshop community for mutual support and the development of a self-regulatory regime.

**THE SUSTAINABILITY OF BLOGSHOPS: EVOLUTION OF RETAIL CHANNELS AND FORMATION OF NETWORKS**

The evolution of retail channels through blogshops and the networking of their owners over both virtual and physical space ensures their competitiveness and thus the sustainability of this unconventional retail channel.

**Evolution of retail channels: from virtual space to bricks and mortar** – To illustrate how digital technologies have generated economic agglomerations within and beyond virtual boundaries (Leamer & Storper 2001; Zook 2000), we outline the evolution of retail channels in blogshops and their spatialities and interactions in virtual and physical space (Figure 1). The formal and informal institutional environment has a direct impact on both virtual and physical retail space, which in turn,
affects the modes of business transaction and the possible formation of relational networks. The advantages and constraints of such relations could affect the evolution of retail channels. For instance, arm’s length transactions with upstream suppliers take place in the virtual space of online blogshops, while relational networks could facilitate the development of blogshops from the virtual mode to physical-cum-virtual channels (see below). While this typology is not meant to be exhaustive, it seeks to illustrate how such agglomerations create a ‘buzz’ in the blogshop community for intended and unintended meetings and sharing of information, and to explain the strategies undertaken by economic actors to expand their networks and competitiveness, and how the relational networks within each type of retail channel might overlap and interact in different spatial contexts.

The most common form of blogshop occurs in free online blogging platforms, with the domain names of ‘.livejournal’, ‘.blogspot.com’ or ‘.wordpress.com’, etc. These platforms encompass pre-built templates with hyperlinks between blogs and virtual points-of-sale to offer minimal barriers to setting up a blogshop (Greenhill & Fletcher 2011). In addition to providing personalised consumer experience and satisfying the sensory capacity of fashion consumption of customers, the community of blogshops constitutes specific networks for the marketing, consumption and distribution of products (Figure 1). Moreover, bloggers

© 2015 Royal Dutch Geographical Society KNAG
people who post content on blogs) can enhance their social capital through their embeddedness in the blogshop community:

I used Livejournal for my blogshop as it is... one of the best and easiest ways to access blogshop communities and reach out to a greater crowd. The communities in Livejournal allow me to find similar bloggers who sell clothes of a similar style to mine so we can go on 'sprees' (buying in bulk) and collaborate in flea markets. (Penelope 2011–12 survey)

Penelope’s anecdote demonstrates how her connections within the blogshop community increase her chances of collaboration and co-operation via the sharing of information and knowledge with other members. This, in turn, helps to reduce the cost of operations and offers the prospect of participating in other forms of retail cluster.

Distinct from blogshops based on social media platforms, professional web designers and domain hosts are involved in maintaining the virtual appearance and retail operations of blogshops agglomerating around multi-brand online shopping ‘malls’ (Figure 1). One particularly popular online ‘mall’ is Jipaban, which gathers hundreds of blogshops featuring multiple brands in shared online retail space. The founder company, Netcentric, also owns a blog advertising community, Nuffnang, which displays advertising content on networks of blogs in the Asia Pacific region (Spirit of Enterprise 2010). Nuffnang can match suitable advertisers to blogshops clustered in Jipaban for joint collaboration, for example, in the form of sponsored advertorials, as explained by Kaylie (2011–12 survey):

I was matched to this [bricks and mortar retail] for a sponsored advertorial, that means we feature their products during the launch of a new collection [of apparel] in my blogshop. This is either done through giveaways for customers who make purchases with us, or those who helped to spread the word about my blogshop.

The online ‘mall’ allows Kaylie to tap into the networks within the community, which in turn enhances the competitiveness of her blogshop through tied-in free gifts from another bricks and mortar retailer. This demonstrates how the importance of blogshops is increasingly recognised by the conventional retail industry eager to form networks of co-operative relations with them that transcend the distance between spaces (see Wheeler et al. 2000). Moreover, this form of informal alliance between blogshops and bricks and mortar retailers highlights the innovative forms of co-operation that could be invoked by various actors, as also documented by Bugge (2011) in the advertising industry in Oslo, Norway.

Flea markets are characterised by their temporality in physical space and are organised informally around the selling of used items. Blogshop retailers, however, have altered this perception and the traditional spatial make up of flea markets. Jolene (2011–12 survey) mentioned how flea markets allowed her ‘to test the popularity’ of new apparel that she plans to sell online and to ‘raise awareness of the branding’ of her blogshop. It is suggested that up to 70 per cent of flea market stalls in Singapore are own brands (The Straits Times, 21 August 2011), and this leads to a new prototype of blogshop that ventures beyond online platforms to reach out to customers in physical space (Figure 1). This shows how blogshops have adopted a reversal of the development path of conventional store-based retailers who establish a physical presence before venturing into online retailing (see Wrigley 2009), and supports the argument for the coexistence of physical and virtual space in retailing (Dodge & Kitchen 2005).

Apart from personal interactions with customers through sharing and relating to fashion themes, the physical presence of blogshop owners in flea markets provides opportunities for networking and the transfer of tacit knowledge within the community:

I get to make friends with other stallholders who happened to be my friend’s classmates, they... are willing to share information like where they source products overseas. We also exchange ideas related to photo shoots for our collections and think it might be possible to have a collaborated launch in our blogshops. (Geraldine 2011–12 survey)

Equipped by her shared connections with other stallholders’ personal networks, Ger-
dine is able to access confidential information about suppliers and the pricing of products. This supports the argument that co-location with face-to-face contacts enables trust and is an opportunity to gain access to knowledge sharing (see Saxenian 1994).

Multi-brand boutiques are physical shop fronts that allocate rack space to blogshops for a relatively nominal rent (Figure 1). The majority of interviewed owners found this agglomeration of blogshops in physical space offers an excellent way to maximise the exposure of their brands and overcome problems associated with online shopping, like the intangibility of products:

It gives our customers an avenue to see the apparel in real life. It also acts as an assurance, as some shoppers feel more at ease to shop with us at shop fronts where they can feel the clothes’ quality and receive them upon purchase. The chances to create greater awareness of my brand and reach out to more customers are other bonuses to locating my blogshop there. (Pauline 2011–12 survey)

This highlights a limitation of online shops as consumers may demand specific information on products which the internet may not be able to provide (Visser & Lanzendorf 2004; Schwanen et al. 2008). Workman (2010) found that female fashion change agents place more importance on the physical touch of garments than fashion followers and male consumers. Moreover, fashion shopping could be based on consumers’ on the spot, impulse, decisions (or it could serve recreational purposes). The trend for online shops going to bricks and mortar is not confined to Singapore. Bonobos, a high-profile online apparel company whose owner argued openly against the need for the physical presence of a shop as recently as 2009, opened six bricks and mortar stores in 2012, including one in Manhattan, to respond to customers’ demands to be able to try on the right size before buying. Other major online sites, such as eBay and Etsy, are testing temporary physical stores (International Herald Tribune, 18 December 2012).

Multi-brand boutiques in Singapore are also congruent with what Adele (2011–12 survey) perceived as a ‘complement to their online blogshops business’. Virtual technologies allow customers to conceptualise how they may look wearing the garment serves the utilitarian purposes of trying on various garments in privacy (and far from the staring eyes of male strangers in high street shops, see Abidina & Thompson 2012), while the online information and face-to-face advice provided by blogshop owners about specific garments stimulates hedonic effects and serves the aesthetic purpose of consumption. As with the flea markets, the boutique acts as a focal point that allows face-to-face networking between fellow blogshop owners:

I noticed how most blogshop owners will stock up on their apparel in racks on a weekly basis just like me, so it’s almost like a weekly meet up for us in the boutique. Some of them . . . became friends with me after we met by chance in the boutique a number of times. (Brailey 2011–12 survey)

Multi-brand boutiques bring spatial proximity to different blogshop retailers and facilitate the building of personal networks through unplanned encounters. These encounters might involve the informal sharing of tacit knowledge that cannot be easily transmitted through online communication mediums. Reina (2011–12 survey) highlighted the importance of ‘meeting [blogshop retailers] in person to get to know more insiders’ information about suppliers’. A regular co-presence and a shared social context facilitates the interaction of blogshop retailers, building trust and informal relations, thereby allowing the transfer of tacit knowledge.

Although the ‘shops’ may not be a significant source of income for a large proportion of blogshops owners (as some are student-entrepreneurs), first-movers in blogshops aspire to establish physical shop fronts as their ultimate aim in venturing into the retail industry. Blogshops take the reverse development path from virtual to physical spaces compared to conventional retailers, and this highlights the fact that some established blogshops have generated significant incomes for their owners. The development path is far from linear; some blogshops simply ‘skip’ certain stages of the development route after the blogger platform – the two most common being the renting of rack space in a multi-brand boutique or the multi-

© 2015 Royal Dutch Geographical Society KNAG
brand online shopping ‘mall’ – before extending to the bricks and mortar shop (Figure 1).

**Formation of networks and the niche market of ‘fast fashion’** – To understand how blogshops can enhance their long-term competitiveness in virtual and/or physical space, we unpacked the broader networks of economic actors that both established and follower blogshop retailers are involved in, and conceptualised their distinctive tiers of networks and different access to various agents.

Upstream networks with (overseas) suppliers and other (local) actors, such as web blog designers, professional photographers and modellers, form the foundation networks that must be established to set up an online blogshop in Singapore. The arm’s-length relationship with suppliers is largely established through ICT platforms and maintained by the repeated dissemination and exchange of information through virtual space, including transactions with the suppliers of apparel and services (Figure 1). The majority of follower blogshops start their ventures by relying on online sources and/or personal networks:

I get my supply of clothes from overseas suppliers online, it’s easier and faster that way because I don’t have to go there personally to choose and carry them back. For modelling and photography, I either engage my friend to do it or book a studio online for photo shoots. (Kathy 2011–12 survey)

In the absence of face-to-face contact, however, this anonymous relationship might encourage transaction problems between suppliers and retailers (see Maskell & Malmberg 1999). Serene (2011–12 survey) explained how her inexperience in dealing with online suppliers hampered the launch of the new apparel collection in her blogshop back in 2008:

When we’d just started our blogshop, we were ‘painfully green’ [inexperienced] in identifying suitable suppliers to work with. So we chose the easiest and cheapest way to contact them online. . . . but stocks came to us late and were very different from the samples we saw online. We were also given defective pieces and some orders even had items missing!

Based on her first mover advantage and accumulated knowledge in the blogshop industry since 2008, Serene and other established blogshops have managed to gain (exclusive) access to extended relational networks of reliable suppliers and manufacturers.

In addition to acquiring reliable suppliers and manufacturers, established blogshop retailers have developed relational proximity to an extended network of economic actors to enhance their competitiveness and sustainability in both virtual and physical space. The relational networks of blogshops are characterised by intense face-to-face communication and interaction and trust developed from informal inter-personal relations (Figure 1). The relational networks involve actors who are either embedded beyond the local contexts or are professionals in their areas of expertise. Louisa (2011–12 survey), who operates an established blogshop, emphasised how her personal interactions with overseas suppliers during her sourcing trip helped to establish a better rapport:

It’s different when you actually meet [the suppliers] in the wholesale centre or factories, comparing to order from their systems. You can liaise them directly during negotiations . . . I feel that their accountability to the quality and punctuality of goods . . . gets better since we have the tendency to go back to them regularly.

Louisa’s anecdote about her access to a supplier network illustrates how trust can be built up, but also entails time and costs for distant interactions (Harrison 1992). While codifiable information can easily be transmitted through virtual spaces in arm’s-length transactions (Keeble et al. 1999), tacit information and knowledge from relational networks tends to be ‘stickier’ (Mackinnon et al. 2002, p. 301), ‘embedded in specific contexts’, and ‘acquired through socialisation’ (Polanyi 1966, p. 4) in physical space. This view was also echoed by Winnie (2011–12 survey) who pointed out the importance of interpersonal interactions: ‘[for] some [specific] details, you just need to point them out or show them personally for accuracy’.

Although without having first mover advantage, Christina (2011–12 survey), the owner of a
follower blogshop, demonstrated how personal networks enabled her to gain a stronghold in the blogshop industry within a year:

I belong in the modelling industry and often collaborate with blogshops for photo shoots, so I get the opportunity to build a rapport with people who work in this industry like the photographers, web designers, wholesalers, etc. Over time, when I had decided to start [a blogshop], they introduced me to [others] who gave me discounts.

Christina’s response echoes Oinas’s (2002, p. 321) findings of how online entrepreneurship necessitates the ‘coordination of personal and professional network relationships’. Her personal background as a model allowed her to gain access to professional networks in the retail industry and this enabled her to develop her blogshop rapidly. The sense of intimacy between the persona of models in blogshop and their readers-to-consumers also enhances the co-creation of value and thus contribute to the success of blogshops, as argued by Abidina and Thompson (2012).

In contrast, another follower blogshop owner with no prior connections in the retail or fashion industry, Reina (2011–12 survey) explained how she ‘had a rough start’ and depended on ‘trial and error’ to develop her blogshop. This provides further support for Gertler’s (1995) ‘being there’ as a prerequisite for accessing tacit knowledge and forming relational networks.

The ability of blogshop owners to develop an extended network is determined by their relational proximity to embedded economic actors, from reliable suppliers, to professional photographers, marketers and modellers. Obviously, the personal aspirations of owners to have a substantial presence in both virtual and physical space is the crucial driving force necessary to maintain the long-term competitiveness of their business ventures.

CONCLUSIONS AND IMPLICATIONS

This paper has examined how blogshops have arisen and how some of these online retail outlets maintain their competitiveness, which can be extended to bricks and mortar shops.

Under a lax formal regulatory environment but strong informal online community with loyal customers, the rise of blogshops and their subsequent proliferation in Singapore is due to a combination of low barriers to entry, the accessibility of technical platforms, the informal institutions that bind the blogshop community together for mutual support and the development of a self-regulatory regime. We argue that the informal institutions complement the formal ones to mediate and support the economic processes involved in this form of online retailing. Blogshops are situated in an institutional context that elevates the open exchange of practices and ideas due to the ease of information diffusion through the use of ICT to establish trust and dependability within and between their networks.

We outlined a generalised developmental path for blogshops, from virtual blogger platforms, multi-brand online shopping ‘malls’, flea markets, to the rental of rack space in multi-brand boutiques before finally extending to bricks and mortar shops. The various retail channels incorporated in the typology also indicate the agency of informal institutions in communicating innovative concepts fostering the agglomeration of blogshops from virtual to physical space. As first movers in blogshops aspire to establish a physical shop front, blogshops not only take on a ‘reversed developmental path’ from that of conventional retailers, but also illustrate the importance of physical space for the accumulation and transfer of tacit knowledge. This differs from the common perception that physical space is no longer important to virtual space, and provides further support for the proposition of the coexistence of physical and virtual space in retailing (Dodge & Kitchen 2005).

The evolution of retail channels in blogshops presented in this paper portrays how the strategies undertaken by economic actors and their affiliated network relations can transcend the distance between virtual and physical spaces and so expand networks and competitiveness in the retail sector. The relational networks shed light on how established blogshops display a greater propensity to diversify the spatialities of their operations, based on their first mover advantages and their relational proximity to embedded economic actors – reliable suppliers,
professional photographers, marketers, and modellers. Relational proximity to embedded actors is crucial for follower blogshop retailers to establish their beachheads in the highly competitive (online) fashion retail market and to facilitate the eventual establishment of well-connected relationship networks exclusive to established blogshop retailers. The ‘catch up’ experience of some follower blogshops illustrates that while codified information can easily be transmitted through virtual space in arm’s-length transactions, interpersonal interactions are still crucial for the transfer of tacit knowledge in relational networks. The adoption of digital technologies in virtual space clearly could disrupt or even reconfigure established industrial networks and shift the balance of power from established market incumbents to newly established blogshops.

Theoretically, this paper has filled a gap in the nascent geographical literature on retail geographies. First, the unpacking of the multi-tiered relationships of blogshops provides further support for the argument outlined by Crewe (2013) that the internet can remediate and reconfigure the existing fashion culture through the devolution of fashion authority to virtual spaces, so empowering consumers and transforming them from passive recipients of high street brands into active participants in fashion through the development of potential fashion trends from user-generated content via blogging (see also Holt 2002). Second, we have provided some useful insights into how networks of economic actors can overlap virtual and physical space by situating blogshops as encompassing the social and economic dimensions of retail activities in both virtual and physical space. Supported by a specific community of aspiring entrepreneurs, suppliers and customers, blogshops are situated within networks of relationships between various actors which can effectively influence their diverging evolutionary paths along retail channels (see also Borenstein & Saloner 2001). Instead of maintaining only arm’s-length transactions with (overseas) suppliers, the long-term competitiveness of online retailing demands regular maintenance and the accumulation of relational networks of affiliated (overseas and local) economic actors to reduce transaction costs and gain access to tacit knowledge through relational proximity. Despite the significant advancement and accessibility of ICT platforms to the general public, the development of online self-regulatory regimes and the extension of blogshops from virtual space to bricks and mortar space (be this in the form of flea markets, multi-brand concept boutiques, or bricks and mortar shops) further demonstrates the importance of physical and relational proximity in online retailing.

As blogshops represent an unconventional form of retailing that has only emerged in recent years, the potential avenues for future research could be wide-ranging. Geographers could examine further the power relations within the supply networks and consider how the spatial configurations of asymmetrical relationships get played out through the power and identity of the actors involved in the supply and distribution networks of blogshops, and investigate the impact of the dissemination and distribution of commodities from blogshops on local and global policies, which may warrant the attention of formal institutions to further regulate or support this form of e-commerce activity.

Acknowledgements

We are grateful to the interviewees (who prefer to remain anonymous) for sharing their experience of establishing and running blogshops with us. The second author conducted the survey when she was an Honour student at the NUS. The comments made by members of the Politics, Economies, And Space (PEAS) research group at the NUS, especially those from Neil Coe, have improved the earlier draft of this paper. The insightful comments from the TESG’s editors and two other anonymous reviewers have further enhanced the conceptual framework of this paper.

Notes

1. A large body of academic literature on the economic impact of the internet has emerged, focusing particularly on the capacity of this new technology to impact on the supply networks in specific industries (Evans & Wurster 1999; Hagel & Singer 1999).

2. See Sigfusson and Chetty (2013) on the importance of online social network sites (such as LinkedIn) for the development of social network
by software international entrepreneurs in Iceland.
4. See Graham (2010) for an interesting discussion on the fluid and malleable interactions between physical and internet in the web 2.0 era.
5. Some blogshop owners are students, such as http://dirtybling.livejournal.com/, http://thescarletroom.com/.

REFERENCES

THE BLOGSHOP PHENOMENON IN SINGAPORE


Li, P.-F., J. WHALLEY & H. WILLIAMS (2001), Between Physical and Electronic Spaces: The Implications

© 2015 Royal Dutch Geographical Society KNAG
for the Organizations in the Networked Economy. 


