RESEARCH

Building Platforms Differently: Collective Action and Legitimation Dynamics in the Field of Platform Cooperativism

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Abstract

How do alternative conceptions of exchange emerge and proliferate within platform capitalism? Drawing on research at the intersection of organizational theory and social movement studies and a data set of 18 interviews, this paper examines the strategies that founders of cooperatively-structured platforms employ to gain legitimacy for their novel organizational form. Three key findings are presented: First, to facilitate network extension, activists strategically encroach upon adjacent fields. Second, to ensure economic survival, activists either create sustainable 'subcultures' within existing fields or attempt to mobilize entirely new consumer audiences. Third, to compensate for a lack of resources, activists strategically cultivate 'community.'

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1. Introduction

The cooperative idea has been increasingly advanced in recent years by entrepreneurs, activists, scholars, and policymakers as a possible "silver bullet" to counter the centralization of data, capital, and power in the global platform economy (Schneider and Scholz 2017). By bringing shared ownership and collective governance to the platform model, proponents of the *platform cooperativism* movement, which comprises more than 500 entities in over 40 countries (Platform Cooperativism Consortium 2023), hope to empower workers and transform how value is produced and distributed in an increasingly platform-driven economy (Pentzien 2021). What if taxi drivers in New York City did not have to submit to Lyft's fees and regulations, but instead were themselves owners of its app? What if it were not Airbnb that helped people to organize overnight stays in Berlin, but rather the city's inhabitants? By positioning platform cooperativism as a feasible and desirable alternative to "platform capitalism" (Srnicek 2017), proponents have shaped both scholarly and political debates on what alternative platform organizations – those that operate at the intersection of markets and civil society and which aim to produce not just economic but social value – could look like.

Initial investigations into the feasibility of platform cooperativism, however, have characterized the platform economy as a particularly challenging environment for implementing such "alternative conceptions of exchange and coordination" (King and Pearce 2010:259). From the significant costs associated with creating a scalable, frictionless platform infrastructure to the high levels of concentration in platform markets that lead to substantial entry barriers, platform cooperatives must overcome significant economic challenges while at the same time preserving the distinct cooperative characteristics that differentiate them from their "proprietary" (Staab 2019) counterparts (Bunders et al. 2022). The mobilization and maintenance of legitimacy becomes crucial in this context. As argued extensively by scholars in the field of organizational studies, new organizations necessitate legitimacy, which encompasses aspects such as social acceptability and credibility (Scott 2008; Zimmerman and Zeitz 2002), to "attract and maintain financial resources, and establish recognition and support from key actors and organizations" (Spicer et al. 2019:202). Without legitimacy, the platform cooperativism movement is thus unlikely to accomplish its stated objective of transforming the production and distribution of value in the platform economy.

But how specifically do proponents of the platform cooperativism movement seek legitimacy under the less than accommodating conditions of platform capitalism? To address this question, the paper takes an actor-centered approach, foregrounding the experiences and practices of the so-called "entrepreneurial activists" (Sand-

oval 2019) who attempt to implement a new stable understanding of how platform markets can be built (differently) by way of mobilizing the new organizational form of the platform co-op. Accordingly, the paper employs a "strategic legitimation" lens (Reast et al. 2013), which asserts that legitimacy is not passively granted to organizations for conforming to established norms, beliefs, and rules, but rather strategically pursued by entrepreneurs, e.g., by way of "manipulat[ing] and deploy[ing] evocative symbols in order to garner societal support" (Suchman 1995:572). In light of these considerations, the paper investigates the following research question: *What strategies do entrepreneurial activists employ to gain legitimacy for the new organizational form of the platform co-op?*

To provide answers, the burgeoning movement is approached from two distinct vantage points. Firstly, through an entrepreneurial lens, as an attempt of individual founders and members to create alternative platform organizations that are capable of politicizing and potentially even transforming the proprietary platform markets of the digital economy. Secondly, through the lens of collective action, as an emerging (transnational) field that creates (ideological and material) linkages between user groups and workers from heterogeneous sectors, industries and national contexts and, through that, opens up new spaces for solidarity. Simply put, this paper conceptualizes 'platform cooperativism' as referring to both an organizational form *and* a larger field/movement that these individual organizations are embedded in. This dual nature of '*platform cooperativism*,' in turn, necessitates an examination of legitimation dynamics not only in relation to individual co-ops, but also at the field/movement level.

To account for this, the paper brings the burgeoning literature on actor-driven contentiousness in markets to the context of the platform economy (Bitektine and Nason 2019; Fligstein 2002). Scholarship within this field has distinguished itself by applying the analytical toolkit of social movement studies to the institutional domain of the market (Rao et al. 2000; Soule 2012), positing that far-reaching changes in and around markets are often preceded by movement-like dynamics at the margins, which subsequently converge into new organizing paradigms (King and Pearce 2010). The underlying premise: for new spaces of (transnational) collective action and solidarity to materialize and gain legitimacy, entrepreneurship-driven movements at the margins must coalesce and solidify their nascent social spaces into stable fields – something that can be achieved, for example, through the cultivation of a shared identity and the joint mobilization of resources (Fligstein and McAdam 2011). By investigating platform cooperativism through this lens, the present study offers two contributions to the existing literature. Empirically, it enhances our understanding of how precisely movement-like configurations in the digital economy organize their

social space in order to mobilize legitimacy for a new organizational form. Conceptually, it provides fresh insights into legitimation dynamics that emerge not at the organizational, but the field level.

In terms of the research design, the author conducted an exploratory study of the legitimacy-seeking strategies employed by platform co-ops, whereby *legitimacy* was operationalized – drawing specifically on literature at the intersection of organizational studies, field theory and social movement studies – as relating to the identity frames that movement participants promote, the value propositions they develop, and the resources and networks they mobilize to transform existing platform-driven production and consumption patterns. The study draws on empirical data gathered from semi-standardized interviews conducted with founders and members of 18 platform co-ops in the heterogeneous market economies of the U.S., Germany, and France.

The argument of the paper is structured as follows: firstly, a critical analysis is undertaken of the existing scholarship on platform cooperativism, particularly its treatment of the strategic dimensions of market change. Secondly, a theoretical framework is proposed to fill this gap. The main findings are then, thirdly, presented and discussed, whereby three principal strategies come into view: (a) to facilitate network extension, entrepreneurial activists primarily "encroach" (Spicer et al. 2019) upon adjacent fields; (b) to secure their economic viability, activists either create sustainable *subcultures* or attempt to mobilize entirely new consumer audiences, but generally avoid overtly challenging platform incumbents; and (c) to compensate for a lack of resources, activists focus on strategically cultivating *community*. Through a critical evaluation of these strategies and their associated repertoires of contention, this paper provides novel empirical insights into the manifestation of *counter-power* in the domain of the platform economy, contributing to the broader discourse on collective action within and across digital markets.

2. Literature Review & Theoretical Framework

The Rise of Platform Cooperativism

Alternative conceptions of exchange in the platform economy have been the focus of growing academic interest in recent years, with more and more scholars juxtaposing *platform capitalism* with notions such as "platform cooperativism" (Scholz 2016), "platform communalism" (Piétron 2021) or "platform socialism" (Muldoon 2022). By contrasting the notion of the *platform* – normally used to describe "technical and institutional systems" that standardize, create hierarchy, and exert control (Bratton 2016) – with terms that foreground social relations and a desire for (economic) justice,

scholars working in this field argue that the platform model not only produces domination and exploitation, but can also be mobilized for emancipatory purposes. From an empirical point of view, focus is therefore primarily put on actors that, using Polanyi's terminology, purport to *re-embed* what *platform capitalism* had previously *dis-embedded* – that is, on movement-like constellations that work towards bringing the economy closer both to society and to nature (Vercher-Chaptal et al. 2021).

The notion of *platform cooperativism*, however, is not only put forth by entrepreneurs (who aim to *build* alternative platform organizations) and academics (who attempt to *conceptualize* pockets of resistance in a field that is often portrayed exclusively through the lens of domination and power), but also by political decisionmakers who increasingly refer to the need for democratic platform models, using the concept of *platform cooperativism* as a reference point (see for example Corbyn 2016; SPD 2018). Against this backdrop, *platform cooperativism* must be viewed as a triptych: as an organizational form, an analytical framework, *and* as a political project. Simply put, it emerges not as a mere market intervention, but rather as a movement-like constellation of heterogeneous actors who employ a wide range of strategies with the (shared) aim of positioning the platform model as a tool for bringing about social change (Pentzien 2020).

Current research on alternative organizational forms in the platform economy, however, rarely scrutinizes *platform cooperativism* in this tripartite way. Rather, present-day scholarship predominantly examines the conditions under which cooperatively run platforms could emerge as *feasible* alternatives to their proprietary counterparts, whereby feasibility is generally conceptualized as referring to a platform's ability to survive economically (Bunders et al. 2022; Pentzien 2021; Thäter and Gegenhuber 2020). While these approaches are valuable in delineating the various (political and economic) challenges faced by the platform co-op model, they fall short of providing a deeper understanding of how precisely these challenges are negotiated on the ground. Simply put, what is evaluated is the general transferability of cooperative features to the platform economy, rather than the specific strategies that activists adopt to frame this new organizational form and differentiate their businesses from competing models. The result: platform cooperativism tends to be approached as a fixed *concept* (characterized by abstracted organizational features such as *shared ownership* or *collective decision-making*), rather than as an emerging assemblage of entrepreneurs, activists, and scholars who embrace divergent, and perhaps even conflicting, viewpoints on how to build organizational *counter-power* within platform capitalism. What gets lost thereby is both a sensitivity for inner-movement differences and oppositions, as well as a deeper understanding of the "informal, emergent ways" that generally characterize the appearing and possible legitimation of novel organizational forms (King and Pearce 2010:260).

Legitimation Dynamics & Movement-Driven Change in Platform Markets

To fill this gap, it is imperative to open the 'black box' of platform cooperativism and examine how precisely movement participants seek legitimacy for their novel organizational form. Doing so requires a shift in perspective: rather than asking whether platform co-ops possess legitimacy or not, focus needs to be put on how proponents of the movement attempt to gain it. Such a shift – from an outcome-oriented interest in *legitimacy* towards a process-oriented interest in *legitimation* – is of particular importance when it comes to understanding new ventures and alternative organizations, as these entities often lack resources and societal recognition and therefore find themselves forced to focus more strongly on gaining rather than managing legitimacy (Zimmerman and Zeitz 2002).

To facilitate this shift, the paper employs a *strategic legitimation* lens, which, following Suchman, proceeds from the assumption that "managerial initiatives can make a substantial difference in the extent to which organizational activities are perceived as desirable, proper, and appropriate within any given cultural context" (1995:585). Two general pathways of strategic change can be differentiated, as managers can either attempt to change their own organizations (e.g. by adapting its business model or its target audience) or the environment in which their organizations are embedded in (e.g. through lobbying or the creation of new consumer demands) (Zimmerman and Zeitz 2002). Moreover, scholars adopting such a lens argue that legitimacy-seeking strategies differ depending on the type of legitimacy an organization seeks, be it pragmatic, moral, or cognitive, and on whether the organization in question aims to acquire, maintain or repair its legitimacy (Reast et al. 2013). For example, while the acquisition of moral legitimacy is often achieved by explicitly conforming to certain ideals prevalent in society, pragmatic legitimacy, in turn, is achieved by selecting favorable markets or conforming to particular consumer demands (Suchman 1995).

While the strategic legitimation lens is helpful in providing a robust procedural understanding of how actors and organizations proceed to acquire, maintain and repair legitimacy (Strecker 2016), the primary interest of scholars working with it is in the strategies of individual organizations or a small number of actors. With few exceptions (see for example Spicer et al. 2019, who point towards legitimacy as a central determinant in the process of field emergence, or Lounsbury and Crumley 2007), legitimacy is rarely conceptualized as an outcome of collective action, i.e., as resulting from processes in which heterogeneous actors (with varying aims and strategies) band together as a larger group to bring a shared transformative vision to fruition. As a result, there is a lack of conceptual and empirical understanding of how precisely movement-like constellations (such as platform cooperativism) proceed to mobilize legitimacy for a new organizational form.

To address this gap, this paper brings the literature on organizational legitimacy in conversation with scholarship at the intersection of field theory and social movement studies, which envisions market change as resulting from movement-driven dynamics of contentiousness located at the meso-level. Scholarship in this field has emphasized, for example, the effects that movements can have on market formation (Schneiberg, King, and Smith 2008; Williams 2001) or the ways in which (social) movements produce entirely new organizational templates (Bakker et al. 2013; Rao et al. 2000). The concepts of "strategic action fields" (Fligstein and McAdam 2011) and "social movements in markets" (King and Pearce 2010) – both associated with this scholarship – are of particular importance to this paper. While the former offers a meso-level framework for locating change-oriented strategic action not at the organizational but at the *field* level, the latter infuses this meso-level framework with insights from social movement studies in order to explain the importance of movement-like constellations to dynamics of change in and around markets. By integrating these two perspectives with insights from the strategic legitimation literature, the paper establishes a foundation for operationalizing 'legitimation dynamics' at the field level and presents an analytical framework to identify the strategies employed by entrepreneurial activists to gain legitimacy for the new organizational form of the platform co-op. In the following, the specific contributions of both field theory and social movement studies are outlined further.

Field theory, as conceptualized by Fligstein and McAdam (2011), rests upon the primary assumption that collective action (in markets and beyond) unfolds in, and partially creates, so-called "strategic action fields", which the authors define as a:

> *meso-level social order where actors (who can be individual or collective) interact with knowledge of one another under a set of common understandings about the purposes of the field, the relationships in the field (including who has power and why), and the field's rules. (2011:3)*

Although strategic action fields are characterized (and stabilized) by field-specific identities, norms, and rules, their boundaries are considered fluid. Fligstein and McAdam illustrate this by comparing strategic action fields to Russian dolls, suggesting that they can encompass other ancillary fields or overlap with adjacent fields, similar to a Venn diagram. In this context, *strategic action* is defined in a relational fashion as "the attempt by social actors to create and maintain stable worlds by securing the cooperation of others" within and beyond their own fields (ibid. 2011:7). Change within and across fields is viewed as resulting from "episodes of contention," during which challengers "articulate an alternative vision of the field" and mobilize resources to bring this vision to fruition (ibid. 2011:6). To successfully implement a competing vision, chal-

lengers need to produce a new stable understanding of how markets can be structured (differently). This, in turn, necessitates mediation of and adaptation to the broader field environment, including political regulations. The conceptualization of change at the meso-level proposed by Fligstein and McAdam thus shares similarities with the notion of legitimacy presented by Suchman, as both acknowledge that factors beyond market forces, such as the integration and conformity to societal ideals, play a role in shaping stability and mediating uncertainty in economic interactions.

Drawing on these insights, this paper conceptualizes *platform cooperativism* as an emerging strategic action field within the field of the platform economy. Entrepreneurial activists therefore play a double-game: on the one hand, they engage in the construction of identities, norms, and rules in the (sub-)field of platform cooperativism, with the aim of implementing a new stable understanding for how platform markets should operate (differently). On the other hand, they vie for resources for their platform co-op model within the confines of the larger Russian doll of the platform economy, in which the field of platform cooperativism is nested. The underlying premise: for new spaces of (transnational) collective action and solidarity to materialize and acquire legitimacy, entrepreneurial activists must strategically coalesce and solidify their nascent social space into a stable field.

While Fligstein and McAdam's framework provides a robust understanding of the strategic qualities of meso-level dynamics of (market) change, their attempt to formulate a *general* theory of social spaces naturally requires them to operate with a broad understanding of what constitutes a movement. More concretely, Fligstein and McAdam's model is centered around the notion of *challengers* and *incumbents* who face off in temporary episodes of contention. Due to their aspiration towards a general theory, their framework of contentiousness naturally applies not only to change dynamics in markets initiated by social movements in the narrow sense (e.g., the Nestlé boycott of the 1980s), but also to those initiated by, for example, quasi-monopolists (e.g., Google's attempt to challenge Apple's dominant position in the portable consumer electronic devices market). Simply put, Fligstein and McAdam's notion of movement-driven market change is based on a metaphorical rather than literal interpretation of the concept of *movements.* And while such an approach is well suited for identifying commonalities and differences across rather different types of contention, it makes it more difficult at the same time to discern the specific dynamics of legitimation put forth by movements at the margins.

To address this gap concerning movement-driven change, King and Pearce propose to conceive of collective action at the meso-level in more activist terms, i.e., as the result of contentiousness that is explicitly initiated at the margins not only by single

entrepreneurs, but by movement-like constellations. Specifically, the authors point towards organized consumer boycotts (such as the aforementioned Nestlé boycott) or the scandalization of exploitative market practices (like the uproar over labor conditions in Bangladeshi garment factories) to illustrate that social movements increasingly orient their grievances not only with respect to the state, but also towards other institutional domains such as "the market", e.g. by way of "creat[ing] alternative models and templates for organizing" (2010:260).

Perceiving market change in this fashion benefits the paper in two key respects. Firstly, it provides a comparatively richer understanding of *feasibility*, one that is not exclusively centered around economic criteria of success. As King and Pearce argue, activism, even when unsuccessful in creating actual change in markets, can stimulate the proliferation of "new institutional logics, categories, or organizing templates" (ibid. 2010:250). Consequently, their framework prompts us to focus not only on 'feasible' episodes of contention but also on the potentially transformative traces of episodes that may appear 'unfeasible' at first glance. Secondly, by incorporating the conceptual toolkit of social movement studies (see for example Della Porta et al. 2015) into the literature on market change, King and Pearce offer a suitable terminological basis for operationalizing legitimacy-seeking strategies in the field of platform cooperativism. By integrating their insights with the literature on strategic legitimation and field theory as outlined beforehand, this paper argues that legitimacy-seeking strategies in the field of platform cooperativism can best be observed by focusing on the (1) identity frames that activists promote within a given field, the specific (2) value propositions they develop, as well as the (3) resources and (4) networks they mobilize to transform existing production and consumption patterns.[2] In the following, the paper introduces more in-depth the specific insights that can be gained from

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2 Two conceptual caveats are in order at this point. First, the heuristic developed here is a framework rather than a theory, as it does not aim to make predictions. The paper does not suggest that a new organizational form instantly gains legitimacy as soon as its proponents succeed to develop a shared identity, differentiate their value proposition from that of their proprietary counterparts, mobilize resources and network with established actors. In fact, managerial agency is always embedded in an institutional setting that shapes not only organizations' ability to influence their surroundings but also how society evaluates managerial agency (Scott 2008). Second, legitimacy-seeking strategies may not neatly fit into these four categories. Strategies are likely to address multiple dimensions simultaneously (e.g., creating alliances with actors outside of the field of platform cooperativism might help mobilize resources *and* create safeguard mechanisms against pushback). To account for these caveats, this paper's discussion will proceed in an integrated fashion. Rather than focusing on whether certain minimum conditions for legitimacy are achieved within these key dimensions of movement formation and evolution, the paper will explore what types of strategies become visible when analyzing legitimation dynamics through the lens of these dimensions.

analyzing legitimation dynamics at the field level through these key dimensions of movement formation and evolution:

1. **Identities**: To sustain dynamics of collective action over time, activists need to create shared identities, which is achieved through framing processes, i.e. by construing schemata of interpretation that provide meaning (Goffman 1977). The articulation of shared identities is central to the mobilization of legitimacy, as audiences not only evaluate whether a movement creates material benefits, but also whether its actions are normatively judged to be "the right thing to do" at a given moment in time (Suchman 1995). Accordingly, the paper investigates whether (and how) entrepreneurial activists in the platform cooperativism movement develop identities capable of positioning their novel organizational form as (comparatively more) desirable (King and Pearce 2010:258).

2. **Value Propositions**: To imbue new organizational forms with legitimacy, entrepreneurial activists must also combine their identity frames with "radically new practices that undermine the positions of the old guard" (ibid. 2010:260). Following Suchman, the mobilization of 'pragmatic legitimacy' in particular rests on the ability of an organization (or, in the case of this paper, a movement) to devise its internal governance/policies in a way so that the "expected value to a particular set of constituents" is easily understood (1995). Accordingly, the paper investigates how the entrepreneurial activists situate their respective organizations within the platform economy, and what value propositions they put forth to incentivize their various stakeholder groups.

3. **Resources**: Following a resource-based view of companies (Barney 1996), organizations devise their strategies in terms of the resources at their disposal, whether they are human (e.g. skills), material (e.g. technological or financial), or immaterial (e.g. political or reputational) (Grant and Nippa 2009). The ability of a movement to present itself as 'worthy' and effectively articulate its unique value proposition therefore depends on its capacity to mobilize and potentially distribute resources among movement participants. Consequently, this paper examines how entrepreneurial activists in the field of platform cooperativism mobilize resources to advance their alternative vision of the field and the role of legitimacy in this process.

4. **Networks**: To share resources and safeguard themselves from pushback on part of incumbents in their field, entrepreneurial activists must band together and strategically expand their networks (King/Pearce 2010:258). Moreover, movements also attempt to create ties with the larger field environment in order to mitigate what Stinchcombe coins the "liability of newness" (1965, quoted after Zimmerman and Zeitz 2002). The underlying assumption is that by being *networked* with already established organizations, some of the legitimacy of these organizations is conferred to the new organizational form and its asso-

ciated movement (ibid.). Accordingly, the paper investigates whether and how entrepreneurial activists engage in movement-building dynamics and to what extent these dynamics contribute to a solidification of this nascent social space into a somewhat stable field.

3.   Research Design & Methodology

To ensure the success of this research, it was deemed essential to incorporate first-hand insights into the beliefs, practices, and strategies of entrepreneurial activists. Given the absence of previous empirical investigations into legitimacy-seeking organizational strategies in the field of platform cooperativism, an exploratory, mixed-methods research design was employed with the objective of generating a *novel qualitative dataset* on strategy formation. Data collection involved a triangulation of semi-structured interviews (with founders and members of platform co-ops) with desk research comprising websites and mailing list contributions. This approach facilitated, firstly, a comprehensive mapping of the field, as well as, secondly, the incorporation of insights that may not be accessible from a purely external, desk research-based viewpoint.

To control for institutional framework conditions, which strongly impact how economic actors position themselves in their respective markets (Thelen 2018), the investigation was limited to three national contexts. Specifically, the study focused on countries with well-developed platform co-op ecosystems, as these ecosystems are likely to also play a critical role in shaping the field globally. This, in turn, allows for inferences to be drawn about legitimation dynamics in the broader field. The operationalization of *developed ecosystem* was based on three criteria: at least five active platform co-ops incorporated in the country, the presence of a platform co-op-specific network hub, and participation of entrepreneurial activists in relevant field-specific events on a global level. Information on these three criteria was gathered using the aforementioned Directory (for identifying the number of active platform co-ops and network hubs per country) and the platform.coop-website (for identifying whether these actors had contributed to the yearly Platform Cooperativism Consortium Conference, the movement's primary meeting space). Using these criteria, the U.S., Germany, and France were chosen as suitable cases for the investigation.

Next, platforms within these three countries were sampled based on two criteria: self-identification as platform co-ops (using their website or interviews as indicators) and recognition as platform co-ops by external entities (drawing once more on the Directory). Focusing on both self-description *and* invocation allowed for the

capture of organizations that might play an important role in structuring legitimation dynamics in the field but do not perceive themselves as such, a common occurrence in the early stages of field emergence. Using this process, 18 platforms were deemed relevant and subsequently contacted for an interview. All 18 platforms agreed to be interviewed. An overview of these platform co-ops is presented in Table 1 (names of both the platforms and representatives are fictional to ensure anonymity).

Table 1:   Field participants in the U.S., Germany, and France

Platform	Type	Sector	Legal Form	Founded	Status	Financing	Competitors	Name	Role
U.S.									
SuperClean	Cooperative Marketplace	House Cleaning	LLC New York	2016	Active	Fees	Handy Helpling	**Jimena**	Founder
Health4All	Cooperative Marketplace	Health Patient Insights	LCA Colorado PBC Colorado	2016	Active	Fees	Craigslist PatientsLikeMe WeGoHealth	**Sally**	Founder
Workers United	Cooperative Holding	Various	LCA Colorado	2019	Active	Fees	Staffing Agencies	**James**	Founder
MusiCo-op	Cooperative Marketplace	Direct Payment Services	LCA Colorado PBC Colorado	2019	Active	Fees	Patreon Only Fans	**Robert**	Founder
Ride:Together	Cooperative Marketplace	Mobility Transport	LLC New York	2020	Active	Fees	Uber Lyft	**Mike**	Founder
OurData Cooperative	Data Cooperative	Data Governance	LCA Colorado	2019	Active	Fees	Databroker	**Bryan**	Founder
Germany									
Better World Co-op	Cooperative Marketplace	eCommerce	eG	2012	Dormant	Fees	Amazon eBay Avocadostore	**Hannes**	Founder
Transform!	Cooperative Intranet Solution	Intranet	eG	2016	Active	Platform as a Service; Freemium	Cloud Service Providers	**Peter**	Founder
care:coop	Cooperative Marketplace (Prototype)	Care	eG (planned)	2018	Discontinued	Discontinued	Nurseries	**Susanne**	Founder
CoopMutual	Freelancer Cooperative	Mutual	eG	2016	Active	Fees	No competitors	**Mariana**	Founder
CoopHost	Hosting Cooperative	Hosting IT & Web Services	eG	2000	Active	Membership; Services	STRATO 1&1 AWS	**Frank**	Amba-ssador
DeliverFair	Cooperative Marketplace	Food Delivery	e.V. (planned)	2020	Discontinued (June 2022)	Fees	Volt Lieferando Uber Eats	**Roberto**	Member
France									
CoopTerra	Cooperative Marketplace	Food Industry	SCIC	2015	Active	Fees	Onsite Supermarkets	**Nathalie**	Member
CoopDeliver	Secondary Cooperative	Food Tech	Association SCIC (Planned)	2016	Active	Fees	Deliveroo UberEats Volt	**Valentin**	Founder
AMaison!	Worker Cooperative	Last-Mile Delivery	SCOP	2017	Active	Services	Stuart Deliveroo Epair	**Corentin**	Founder
Hospitalité Pour Tous	Cooperative Marketplace	Hospitality Tourism	SCIC	2016	Active	Subscription	Airbnb Fairbnb booking.com	**Lucas**	Founder
CoopCommerce	Cooperative Marketplace (Formerly)	Finance	SCIC (until 2020)	2015	Active	Fees	Sardex	**Thomas**	Founder
OnTheMove Co-op	Cooperative Marketplace	Transport Mobility	SCIC	2018	Active	Platform as a Service; Fees	BlaBlaCar	**Mathilde**	Employee & Member

Guidelines for the semi-standardized interviews were developed in a deductive fashion, meaning that the four dimensions comprising *legitimation dynamics* (identities, value propositions, resources, and networks) were operationalized further with reference to social movement studies literature (see previous section). The 18 interviews were conducted in two phases: the first phase involved nine face-to-face interviews conducted in the U.S. and Germany between April and October 2019, while the second phase involved nine online interviews conducted in Germany and France between February 2021 and May 2022, due to the Covid-19 pandemic. The interviews lasted between 70 to 140 minutes.
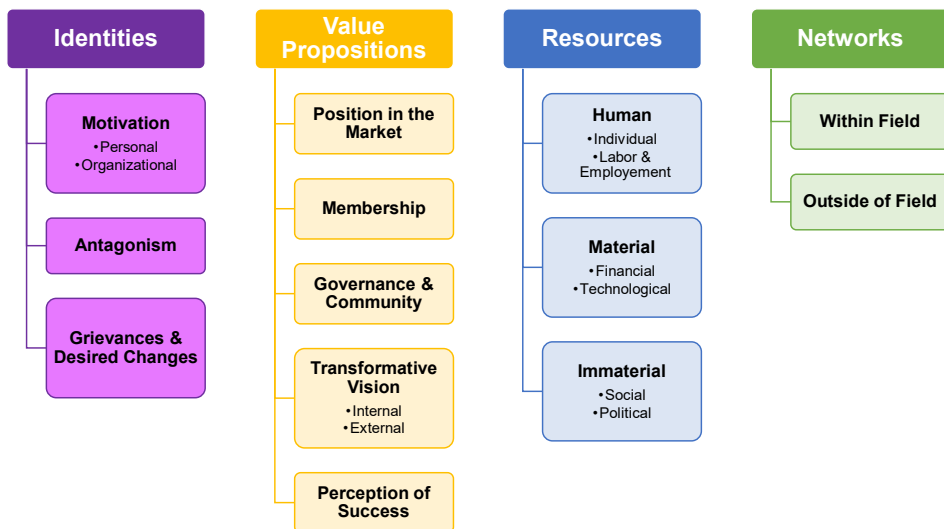
Figure 1: **Coding scheme for identifying legitimacy-seeking organizational strategies**

Following the data gathering process, a coding scheme was developed using *qualitative content analysis*, following the method proposed by Mayring (2015). To generate relevant categories for analysis, two interview transcripts were initially analyzed inductively, which involved identifying central themes and perspectives in the data. These themes and perspectives were then combined with the four deductively derived theoretical categories previously used to develop the interview guidelines. This finalized coding system consisted of four first-order codes and 18 second-order and third-order codes (see Figure 1), and was used to analyze the remaining interview transcripts. To improve coding reliability, each transcript was coded separately by a minimum of two researchers using MAXQDA, a software program designed for computer-assisted text analysis. Results were subsequently analyzed for inter-coded

agreement. Where necessary, a third round of coding was conducted by the principal investigator. In the final stage of analysis, the resulting material was interpreted through the lens of the four dimensions comprising legitimation dynamics, which allowed for a comprehensive understanding of the strategies employed by platform co-ops.

4. Findings

4.1 Identities

When it comes to the ability of the emerging platform cooperativism movement to develop a shared identity, this paper finds that the entrepreneurial activists in the sample all point to a lack of accountability, inclusivity, social equality, diversity, and self-determination within the platform economy as reasons why they felt alternative forms of exchange and coordination were needed in the first place. Peter, co-founder of the German cooperative intranet solution *Transform!*, for example, criticizes the lack of agency that users of major platform corporations such as Facebook or Google have with regard to their content and data, which, in his point of view, would tend to alienate users. Valentin, co-founder of *CoopDeliver*, in turn, criticizes the extractive nature of the platform economy, claiming that many start-ups would operate entirely without a business model and exist "just to make money out of investors." The centralization of power in the hands of a few platform incumbents and the opaque nature of decision-making processes within proprietary platform ecosystems thus constitute two widely shared grievances in the field. Against this background, the cooperative model is positioned as a tool with which to bake "soul and empathy into a platform" (Robert) and to provide workers and users with the opportunity to gain "a seat at the table" (Susanne).

Despite these similarities, however, the various cross-sectoral grievances do not coalesce into a coherent collective action frame. On the contrary, in staying with the metaphor of wanting to gain "a seat at the table", the activists picture themselves as sitting at different tables, with antagonisms being articulated on three fronts: the *systemic* level (7 platforms), the *model*-oriented level (8 platforms), and the *sectoral* level (5 platforms). For the platform co-ops that construct their antagonism on a *systemic* level, grievances largely relate to the overall functioning of the economy, e.g. the capitalist growth paradigm or the investor-driven start-up business culture. Against this backdrop, the platform co-op is framed as an organizational form that might be able to resist or even push back against dynamics of capitalist entrenchment:

We need to change the economic system anyway, and we really need new business models. And so I thought, okay, if we manage to found a company that finances the anti-corruption network and at the same time demonstrates that there are also company models that avoid corruption on their own, then that could be such a contribution. (Hannes).

With frustrations over 'platform capitalism' increasing throughout the 2010s, platform co-ops also took an increasingly antagonistic stance towards the platform model. Eight activists construe their antagonism in these terms, raising the issue of the conduct of 'big tech' and its purported impact on society. Consequently, grievances relate to exploitative labor relations, the concentration of power in the hands of a few platform corporations, the incentivization of unsustainable consumption practices as well as the rise of data-driven/algorithmic management. Corentin, co-founder of the bike delivery co-op *AMaison*, for example, remarks that solely profit-based platforms in the food delivery sector are "not only competitors, but also enemies – (...) [because they're] exploiting people." Nathalie, member of the French food distribution marketplace *CoopTerra*, similarly criticizes the activities of *big tech,* arguing that "these ones are really monsters, and they want to build empires over the economy and over the reality of the people."

The third scale at which activists mobilize their antagonisms is *sectoral*. Accordingly, the platform co-ops that operate in this fashion primarily position themselves against the traditional service providers that shape transactions and interactions in their respective sectors and promote the platform co-op as a tool able to adapt the norms and rules established by more traditional players. This perspective is well illustrated by Lucas, co-founder of *Hospitalité Pour Tous*, a French marketplace for hospitality services, who argues that the main struggle for their organization is not necessarily to contest Airbnb or booking.com but to challenge rules and norms in the tourism sector that long precede the advent of these digital platforms:

The problem [we face] is to change the touristic approach, to stop discriminating between travelers (...) [That's why our platform] is a platform cooperative only for the local community. It's not possible to go alone on the platform and to put your apartment or your activity [like on Airbnb] (...) We (...) tried to forget Airbnb, to forget Booking and to say, if we want to offer hospitality on our platform, what can we do with the digital?

In sum, the findings highlight a wide range of strategies employed by activists to attain legitimacy through the process of identity formation. While the mobilization of conflicts and antagonisms is central to all the observed cases, there are significant

variations in the types of problems the platform co-op model is expected to solve, with some activists focusing primarily on sectoral and others on systemic problems.

4.2   Value Propositions

To create field-specific value propositions capable of mobilizing legitimacy for the model of the platform co-op, entrepreneurial activists employ two strategies: on the one hand, they frame this new organizational form as better positioned to serve the specific needs of existing consumer audiences. On the other, they position the platform co-op model as a kind of *economic trailblazer* capable of creating entirely new consumer audiences. Concerning the former, the paper finds that, in order to incentivize consumers to switch from established service providers to a platform co-op, platform co-ops either associate their marketplace with a particular set of values (for example decent work or transparency) or try to create value for a specific user group (such as tech experts or sustainability-oriented consumers). Jimena, an employee of *SuperClean*, for example, links their platform's USP to its focus on *ethical* consumption, with *decent work* being a guiding principle. The German webhosting co-op *CoopHost*, in turn, orients its business almost exclusively towards IT freelancers with an affinity towards open-source solutions and who, in the words of Frank, want to be more than "just number 5,637 with some anonymous web host." Similarly, Corentin from *AMaison* envisions the platform co-op model as a tool with which to foster *long-term* partnerships on and through platforms and potentially even replace market-based with more planned relationships, thereby appealing to customers who reject the anonymity that usually characterizes platform-based transactions:

> *I think our clients really like the fact that, when there's some[one of] the bikers that comes into their shop, into their company, like they know they're talking to the boss, almost one of the boss of the company. So if they want to change anything on the logistics, they can talk directly to the guy who's coming in.*

Moreover, Corentin believes that facilitating more personal client–platform relationships can even have a positive effect on the quality and price of the service provided, as workers identify more strongly with their job:

> *Everybody is saying like, 'Yeah, so but you're going to be way more expensive than the gig- economy platforms.' But we're thinking more about (…) how to optimize every delivery, like if you have something in your backpack, you can put another thing [in] if it's on your way. No platform will do it. And we're trying to do this. And in this way, we can be not so much expensive and sometimes cheaper than the [capitalist] platforms.*

The second strategy, in turn, is to position one's platform co-op as an economic 'trail-blazer' capable of creating entirely new consumer audiences. The New York City-based direct-payment platform *MusiCo-op* (which allows musicians to directly engage with their supporters through regular monthly payments), for instance, purports to solve a long-standing sector-specific problem: that musicians are uncomfortable asking their audience for money without providing something in return:

> *In music there's kind of a cultural stigma around asking or being seen as begging or like admitting defeat in some way. People are sensitive when they're talking about money, so our question was: how can we redesign this utility as a payment processor? (...) So I think that the cooperative angle of what we're doing is such a strong defensible position, it's like we've followed something that the giants can't do, no matter how hard they try. (Robert).*

Other activists similarly connect the value proposition of their marketplace to its ability to offer services that proprietary platforms purportedly cannot. New York City-based *Health4All* for instance, matches pharmaceutical companies with patients, aiming to provide patients with "a seat at the table" in the development of pharmaceutical products. Following Sally, the platform's co-founder, the cooperative model is uniquely positioned to foster trust and meaningful relationships between platform and service providers, a crucial element in encouraging patients to open up and share their experiences with pharma companies, something they are usually hesitant about. As patients must believe that the entity brokering these interactions has their best interests at heart, this bond of trust is essential for the successful marketization of patient insights. The cooperative model – and the trust it engenders – thus form the foundation for the platform co-op to meet demand by providing pharma companies with the 'right' patients and to expand the overall pool of co-op members:

> *What makes us really unique, and that's what our clients tell us, is that we just send them really quality participants. And we do so faster, too (...). With us, we can do it quickly, and that's actually the advantage of our cooperative model because we mobilize our members to be able to go and help us find us individuals, and so that's kind of an advantage of the co-op.*

In sum, the mobilization of the cooperative form in the platform economy not only reflects a normative desire for making the platform economy more democratic and equitable. On the contrary, the form is also mobilized to implement market structures where proprietary platforms are perceived as being unable to do so. Legitimation dynamics, in turn, not only draw on notions of alterity, but also invoke the platform model itself as a desirable institution.

4.3   Resources

The findings show that entrepreneurial activists largely struggle to mobilize (material) resources, which, in turn, shapes the strategies they can employ to solidify their social space into a stable field. Specifically, of the 18 co-ops in the sample, only five claim to have a profitable business model in place, with the remaining 13 platform co-ops finding themselves forced to acquire other sources of funding to keep their businesses afloat. To do so, platform co-ops either orient themselves towards the *third sector* (e.g. philanthropic organizations or foundations), the state (e.g. by applying for grants or stipends), or their community members (by asking for loans or raising the transaction fee, for instance). Traditional private equity funding sources (such as seed funding, angel investments, or venture capital) play a negligible role in the field, which James, co-founder of the Baltimore-based holding cooperative *Workers United*, attributes to the fact that "[cooperativism] doesn't service the needs of what capitalism wants to do right now."

The success of platform co-ops in mobilizing their community for platform development largely depends on their ability to adopt an antagonistic stance, however. For instance, the Berlin-based sustainability marketplace *Better World* and the New York City-based ridehailing co-op *Ride Together* both position themselves in direct opposition to established proprietary platforms such as Amazon and Lyft, respectively, which has helped them not only to cultivate a robust support base and social energy but also to acquire capital. Specifically, the former raised approximately €400,000 through crowdfunding campaigns between 2013 and 2015, while the latter raised around $1.4 million in 2021 through revenue share notes:

> *The reason we have $1 million to build this company is because social movement supporters stepped up (…). The same people who are electing socialists to public office are using our app (…) [and] we're very lucky that people believe in this model. We figured we'd leverage what we have, which is a strong base of support and social energy to get what we don't have, which was capital. And that worked. (Mike, Ride Together).*

However, depending solely on community-driven funding is often insufficient to sustain platform development, especially in capital-intensive sectors like ridehailing. Moreover, not all platform co-ops are successful in building a strong support base. As a result, most of the platform co-ops in the sample either cross-subsidize their marketplace activities with other non-platform-based business models (i.e., they distance themselves from the 'platform' aspect of their identity) or they dilute their cooperative structure, transitioning towards more conventional startup structures (i.e., they move away from the 'cooperativism' aspect of their identity):

We're shifting our emphasis from the consumer rideshare market to a couple other segments which are much easier for us to fulfill right now, where trips are scheduled in advance. We have a prebooking tool where supporters can book their trip to the airport with us. (…) We provide transportation for the Board of Elections in New York City, getting poll workers to their jobs and getting technicians out to the polls so that the voting machines continue to work. (Mike).

We go with the best option for the company for the growth of the system. So we change it. And this is official from, like, one month ago that they allow us after a year and a half to change the statute to become a normal company, I would say (…) [we're now] totally in the good part of the start-up life. So we have a lot of clients, a lot of things to do (…) We just stay focused on what was working. (Thomas, CoopCommerce).

Moreover, the lack of funding opportunities in the field also affects the ability of platform co-ops to develop competitive platform infrastructures, which activists try to compensate by foregrounding notions of *community* as part of *soft internet* or *low tech* approaches. In fact, 12 out of the 18 platform co-ops explicitly aim at fostering strong ties among their members – both online *and* offline. *Hospitalité Pour Tous*, for example, rejects the use of technology almost entirely, with Lucas arguing that "we only use e-mail to discuss between us. We don't have a forum. We don't have a Facebook group. They [the members] don't want to. They refuse. They prefer to have an aperitif to discuss." Similarly, James points out that "we couldn't do the platform and still have it work", while Mariana from *CoopMutual* argues that "we're a reverse platform co-op, which means we go from crowd to platform and not from platform to services." This dependency on *community*, however, is not necessarily presented as a flaw but rather as a key feature. In fact, this shift towards *community* is seen as opening up forms of interaction that would be impossible to produce within the proprietary platform ecosystem. Mariana and Roberto put this succinctly:

In the community, [we] also try to talk to people about it quite often. What does it mean to be bullied by a contractor? I mean, who talks about it, where can you go. Sexual harassment at work, yeah, so exclusion from the contracts, those are really things that we have to deal with and where we sometimes also just say, 'Okay, now we have the stage to talk about it.' (Mariana).

You need the tech. Like, if you don't have it, you don't even start. But then, like, what marks the difference between us and the other is the community building, is the human aspect (…) It's what the big ones – like, they can try, but they can, like – yeah, they can do the cool advertisement (…), but there's no Volt riders' community. (Roberto).

Taken together, the guiding principle of wanting to incorporate *soul and empathy* into the platform model should be interpreted not just as a normative standpoint but as a necessity-driven response to the lack of resources that characterizes the strategic action field of platform cooperativism. Thus, one of the central ways in which activists attempt to gain legitimacy is by reconceptualizing their resource-based flaws as fundamental features central to their identity frames.

4.4   Networks

Regarding network building, the study reveals that the primary advantage entrepreneurial activists associate with the 'platform cooperativism' movement is the shared and (supposedly) useful terminology it provides. Specifically, the activists believe that the *platform cooperativism* framing enables them to communicate their organization's identity more effectively to the outside world, with Lucas arguing, for example, that "when I present [our organization] and I say it's a cooperative of residents (…) [they] don't know what [that is]. But if I say 'platform co-op', people understand that it's a platform, [a] collective platform. It's not to make profit (…) so it works". Nathalie, from *CoopTerra*, similarly argues that the term would allow them to more easily explain their organization's model to others:

> I find [this term] really relevant because it can help us to (…) introduce ourselves in our characteristics and how we're different to the others. We're a platform, okay, but we're not Amazon. We're a platform like Amazon, but we're different than Amazon, and we're a cooperative. We're not a capitalist [business].

Moreover, by associating their organizations with an overarching *social movement*, the activists believe to appear stronger than they might be in reality. Valentin boils this down succinctly, arguing that, as a small organization with lofty aims, "you have to pretend you have big muscles, even if they're fake." Jimena similarly points towards the strategic benefit of associating oneself with a movement, whether real or imaginary, arguing that the mere expressing of allegiance to a movement can help an individual co-op become societally relevant:

> [With] platform co-ops, there's no baggage, it's like, 'Ooh, a platform co-op. This sounds cool.' And it's funny because that has attracted media (…) It has helped us place our work in the 'future of work' conversation and how all of that is transforming people and their relationship to labor. So it's, like, the cool child right now.

Yet, despite these benefits, there are also reasons why activists refrain from engaging in network building dynamics. In fact, the findings reveal a tension around the "meta-organizations" (Ahrne and Brunsson 2008) that have emerged in recent years,

i.e., organizations such as the *Platform Cooperativism Consortium* in the U.S. or *Platform Cooperatives Germany*, which aim to build links between platform co-ops across sectors by, for example, organizing conferences, community calls, or conducting action research. Sally, for instance, voices uncertainty about the actual benefits these meta-organizations bring to the table, arguing that "I feel like I'm part of a group, but I don't know necessarily what that brings (...) I haven't seen any sort of structural help." Similarly, Valentin questions the ability of these organizations to actually build links, given the differing economic sectors that platform co-ops operate in:

> *I don't know if they will produce anything at all (...) it's quite hard to find ways to collaborate (...). They invited me so we were like, 'Yeah, super cool. What do we do together?' [But] our services are completely different. What are we going to do? Like we [recommend] to someone who listens to music to order a burger in Madrid? I don't know.*

Moreover, several of the entrepreneurial activists maintain that the "meta-organizations" place undue emphasis on the transformative potential of platform cooperativism, resulting in a distorted portrayal of the challenges involved in creating and sustaining these entities. Roberto, for instance, contends that worker self-exploitation is an essential aspect of platform cooperativism, which is frequently overlooked in discussions of worker empowerment:

> *Self-exploitation is a part of the game (...) I think it was some platform co-op event, and [my platform] was brought as the example of how we will destroy gig economy and stuff like that. And then you move the curtain and, at [that] moment, [there] was like one guy completely burning out behind this software [who] couldn't go (...) on holiday because the software was down.*

As a result, many platform co-ops refrain from actively contributing to network building. In fact, half of the 18 platforms in the sample argue that the more institutionalized elements within the field (such as regular movement meetings on the national level) have little or no relevance for their organizations, with some activists going as far as portraying the ecosystem as more of a nuisance than a help. Jimena, for example, argues that she only participates in meetings because "it feels like we're placed in a movement... something that's being created and so we, sort of, have to go to check it out."

To compensate for the lack of network building dynamics at the field level, entrepreneurial activists either turn towards their platform-specific communities (a strategy primarily pursued by the various secondary cooperatives in the sample which aim at scaling their own sector-specific federations rather than the overarching movement)

or they seek opportunities for collaboration outside the field of platform cooperativism. Specifically, activists tend to characterize the *platform cooperativism* movement as overlapping with other strategic action fields like the traditional cooperative ecosystem or the social and solidarity economy. In Germany, for instance, entrepreneurial activists have linked up with actors of the adjacent field of social entrepreneurship with the aim of redirecting the country's cooperative statutes in their favor (SEND e.V. 2020). In France, entrepreneurial activists have sought partnerships with allies in the cooperative sector, collectively framing the co-op as a central tool for the socio-ecological transition (Les Licoornes 2023). And in the U.S., entrepreneurial activists have cooperated with politicians at the state level to put in place more beneficial legal conditions for multi-stakeholder cooperatives (Wiener and Phillips 2018).

As a result, ties to the overarching platform cooperativism movement are relatively weak, with activists often unwilling to commit to dynamics at the field level for fear of being pigeonholed. In fact, when confronted with the question of which basket they would put their eggs in if forced to pool their organizational resources, Jimena argues that due to its scope and institutional power, her organization would always gravitate more towards the worker cooperativism movement rather than to the emerging field of platform cooperativism:

> I think that there isn't a clear definition of what a platform co-op is. I feel like people I've talked to are more like, 'Well, I'm a co-op, I'm a worker cooperative first and foremost, I might have a website. Does that make me a platform co-op?' And, I mean, from these characteristics, yeah, sure. [We] meet all those characteristics. But I think we're obviously more connected to the worker cooperative movement (…) because there's a better, a bigger ecosystem of support for worker cooperatives in NYC, that it's an easier connection to that.

Taken together, activists attempt to mobilize legitimacy either by emphasizing inner-field coherence and stability (the aforementioned *big muscle-strategy*) or by portraying their new organizational form as a solution to problems external to the field itself, therewith piggybacking other transformation dynamics.

5. Discussion

What strategies do entrepreneurial activists employ to legitimate the new organizational form of the platform co-op? This was the main question raised at the outset of this paper. Based on an integrated discussion of the identity frames that activists create, the value propositions they develop, as well as the resources and networks they mobilize, this section now proceeds to synthesize and critically evaluate three organizational strategies that predominantly structure economic activity at the field level.

Field participants facilitate network extension through *encroachment* of adjacent fields

Entrepreneurial activists largely struggle to develop collective action frames at the field level, as the findings have demonstrated. This is primarily due to the difficulty of wanting to mobilize legitimacy for an organizational form that is meant to transcend sectoral boundaries, while needing to demonstrate the benefits of this very form by applying it within particular sectors (see Young 2021 for a discussion of this form vs. content-tension in the context of the U.S. food sector). The result: the field of platform cooperativism is not structured around one unifying identity frame that determines rules and drives collective action at the field level, but rather around a set of heterogeneous (and at times even conflicting) frames that mostly operate at the sub-field level (that is, in the particular economic areas or sectors in which the form is mobilized).

While identity frames in the field are therefore too heterogeneous and fluid to coalesce into a set of shared rules, this fluidity nevertheless also enables field participants to strategically draw other organizations and groups (with related aims) into the field. Simply put, by linking the platform co-op model to different sectoral debates, such as ones around the energy transition or shared mobility, the activists enlarge the audience that is receptive to this novel organizational form. Taken together, the *platform cooperativism* movement thus mediates the difficulty of needing to legitimize a cross-sectoral organizational form through sectoral application by "encroaching" upon adjacent fields (Spicer et al. 2019), rather than trying to institutionalize the strategic action field of platform cooperativism or openly opposing *platform capitalism* (see Figure 2 for a schematic visualization).
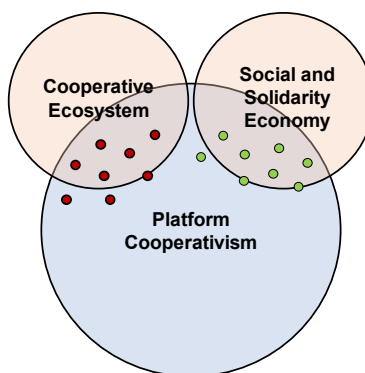
Figure 2:   Schematic visualization of field encroachment dynamics

While helpful in positioning the platform co-op model in heterogeneous societal debates, the absence of shared rules and collective action frames can nevertheless also create problems. On one side, it makes it more difficult to regulate and/or enforce standards across the field, which, in turn, can have a detrimental effect on a movement's ability to claim legitimacy. Simply put, fluidity increases the possibility of "identity theft" (Rao et al. 2000), as it allows non-movement participants to appropriate movement-associated values or movement participants to discard (elements of) the new organizational form. The fact that most platform co-ops in the sample already either cross-subsidize their marketplace activities with other non-platform-based business models or begin to dilute their cooperative structure offers fertile grounds for this risk to manifest itself in the future.

On the other side, the absence of a stable collective action frame also complicates institutionalization dynamics at the field level. Taking Tilly's perspective on movement phases (2017), the findings here suggest that the platform cooperativism movement struggles to transition from the *coalescence stage* (as part of which an initial group of people manages to create public awareness for a certain issue) into the *bureaucratization stage* (whereby a movement develops the capacity to produce stable institutions that can support the movement long-term). That a large majority of activists either perceive such institutionalization dynamics on the field level put forth by the various *meta-organizations* as, at best, a nuisance or, at worst, as an appropriation of their activities for the aims of other stakeholders is indicative of this. As such, the inability of the movement to coalesce around shared rules facilitates network extension on the one hand, but also substantially limits its ability to mobilize legitimacy at the field level on the other.

Field participants either create *subcultures* or mobilize entirely new consumer audiences

Entrepreneurial activists in the field of platform cooperativism pursue two distinct strategies to mobilize a competitive advantage, as the findings in the previous section have demonstrated. While the first focuses on the creation of sustainable 'subcultures' within existing fields, the latter consists of trying to "platformize" (Helmond 2015) sectors where proprietary platforms struggle to do so. With regard to the former, the concrete 'subcultural' values that are promoted generally tend to reflect the particular model that the co-op at hand has incorporated as. For example, platform co-ops set up as worker cooperatives tend to appeal to clients that value planned relationships over market-based relationships, while platform co-ops structured as multi-stakeholder cooperatives primarily tend to appeal to consumers that would otherwise (in the absence of cooperative solutions) not have made use of the platform model at all. To this end, focus is put on notions of sustainable (or value-driven)

consumption, for example by guaranteeing consumers a higher standard of privacy or data protection. Added value is therefore primarily created for consumers, who (literally) pay a higher price for the ability to differentiate themselves from others by using a 'fairer' platform model. This strategy of subculture creation mirrors previous findings on social movement dynamics in hierarchical fields (that is, fields in which critical resources are centralized in the hands of just a few organizations) by Rao et al. (2000), who have shown that the craft-brewing movement focused on carving out 'sustainability' niches that complement rather than contest incumbent practices.
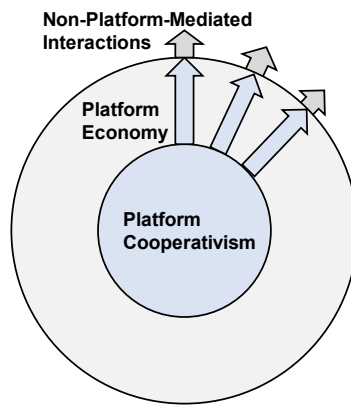
Figure 3: Schematic visualization of expansion dynamics beyond the field of the platform economy

Besides the creation of sustainable subcultures in already 'platformized' sectors, activists also mobilize the platform co-op model to put in place market structures in sectors where 'proprietary' platforms are perceived as being unable to. Accordingly, to create new consumer audiences, activists orient their economic activities towards sectors where there is more skepticism of 'big tech' or of marketplace structures in general. The attempts at establishing a marketplace in the sector for patient insights or a direct payment platform in the DIY music scene both illustrate that entrepreneurial activists not only mobilize the cooperative form to contest the proprietary platform model (by creating alternative structures that allow consumers and workers to take control of the means of allocation), but also to *complement* it (by bringing platform-based marketplaces to interactions that traditional corporations had previously been unable to commodify) (see Figure 3 for a schematic visualization). Rather than emerging as a clear-cut antagonist towards 'platform capitalism', which 're-embeds' what 'platform capitalism' had previously 'dis-embedded' (Grabher and König 2020), the frame of 'platform cooperativism' can therefore be equally mobilized to marketize interactions that had previously resisted commodification and monetiza-
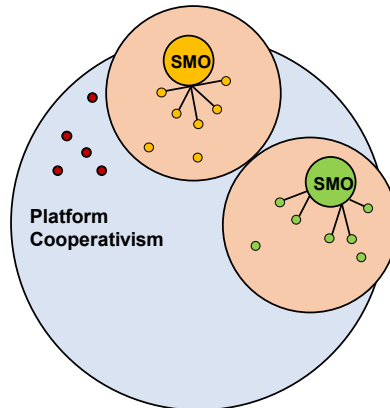
tion. Consequently, legitimacy for the new organizational form of the platform co-op is mobilized by way of demonstrating the model's ability to expand the platform economy beyond where 'platform capitalism' has hitherto been able to go.

Field participants mobilize *community* to compensate for resource-based shortcomings

To compensate for the lack of material resources in the field, entrepreneurial activists in the field of platform cooperativism primarily try to harness 'community,' as the findings have demonstrated. While the strategic focus on 'community' therefore initially emerges out of *necessity*, virtually all platform co-ops in the sample subsequently try to reinterpret their dependency on 'community' as a *virtue*. Examples are manifold: where one group of activists perceives this turn towards 'community' as creating genuinely new spaces for interaction – e.g. by aligning incentives of groups that otherwise would never have conducted business together or by creating possibilities for communicating about issues that *proprietary* platforms would most likely try to quell –, a second group frames the creation of a platform-specific community as initiating (transnational) processes of collective learning. Case in point: the worker co-ops in the sample in particular position themselves not as organizations that provide better jobs than their proprietary counterparts (in terms of salary, for example), but rather *different* ones – jobs characterized by the ability of workers to somehow collectively 'grow into knowledge' and, by this path, to create a more *human* marketplace. As such, the activists in the sample mobilize legitimacy for the platform co-op model by arguing, firstly, that the notions of *community* and *platform* are not mutually exclusive, and, secondly, that a *community* orientation can serve as a basis for envisaging field-specific value propositions.

Moreover, the strategic importance that field participants grant to *community* also shapes network building dynamics, both nationally and transnationally. In fact, it is the very reliance of platform co-ops on building and nurturing *community* that also drives the activists to proactively seek out external relations. The current growth of secondary cooperatives – which build *community* by creating sector-specific federations of platform co-ops – is indicative of this (Mannan 2020). By providing a more formalized arena for sector-specific exchange among platform communities in different countries, these secondary cooperatives increasingly take on the role of social movement organizations (SMOs) (Armstrong and Bartley 2007) (see Figure 4 for a schematic visualization). Specifically, they develop the technological infrastructure that enables pre-existing communities (of workers, users, or members) to provide platform-mediated services in specific locations. They provide *onboarding* services, like guidance on how to structure primary cooperatives on the ground (with regard to the legal form and the relevant bylaws). Moreover, they set and enforce

minimum requirements for network participation – and thereby compensate for the above-mentioned problem of *identity theft* that often accompanies the creation of *subcultures* in existing fields.

In organizing economic activity accordingly, these organizations not only provide tangible, material benefits, but also become focal points for activists seeking to establish platform co-ops in places where none exist. Sector-specific proto-SMOs thus advance a field-specific notion of growth that transcends borders, one focused more on the horizontal rather than the vertical diffusion of alternative ways of organizing. Simply put, instead of scaling individual platforms upward, these proto-SMOs create the opportunity for *platform cooperativism* to scale wide – and therewith institutionalize the cooperative platform federation as a new space for collective action and transnational labor solidarity. As such, these organizations increasingly act as the type of "brokering, network-building organizations" that Schiller-Merkens sees as essential to the scaling alternatives to capitalism (2020:17).

6. Conclusion

The emergence of platform capitalism is commonly perceived as having limited the wiggle room for alternative organizations in the digital economy, as network and scale effects create *winner takes all* markets that entail a concentration of capital, data, and power in the hands of just a few platform firms. In recent years, however, various entrepreneurship-driven movements have emerged that contest the proprietary platform model and promote alternative notions of exchange. But how can such alternative conceptions gain legitimacy? To provide answers, this paper applied

insights from organizational theory and social movement studies to the burgeoning *platform cooperativism* movement, evaluating the collective action frames that drive movement activities, the value propositions that field participants develop, and the resources and networks they mobilize to transform platform-driven production and consumption patterns.

Three major empirical findings were developed in the process: first, to facilitate network extension, activists encroach upon adjacent fields rather than plowing a *fresh field* of economic activity. Specifically, the *platform cooperativism* frame is strategically mobilized as a possible solution to problems within adjacent fields, such as the social and solidarity economy, in order to enlarge the audience that is receptive to the new organizational form. Second, to ensure (economic) survival, activists either push for the creation of *subcultures* or try to mobilize entirely new consumer audiences, but largely refrain from openly challenging platform incumbents. As a result, *platform cooperativism* both contests *and* complements the proprietary model, as it expands the platform economy beyond where *platform capitalism* has hitherto been able to go. Third, to compensate for a lack of resources, activists strategically nurture and mobilize *community*, which has led to the emergence of social movement organization-like federations that promote sector-specific formalization dynamics.

On a conceptual level, these findings exemplify the significance of scale in the dynamics of movement-driven market change, as legitimation dynamics oscillate constantly between the field level and the sectoral level. Often, these activists choose to bypass the field level entirely, directing their focus instead towards their specific sectoral ecosystem or towards piggybacking transformation dynamics in adjacent fields. The successful institutionalization of novel organizing templates at the sectoral level, facilitated by proto-SMOs that increasingly complement the endeavors of the *meta-organizations* at the field level, serves as a testament to this. In light of these observations, it becomes necessary to redefine our comprehension of feasibility. Rather than solely emphasizing the economic survival of new organizations, feasibility should also encompass a movement's *creative* capacity — its ability to respond to challenges and limitations encountered during the quest for legitimacy. Essentially, the tension between form and content, intrinsic to the legitimization of all novel organizational forms, should not be seen solely as an inhibiting factor but also as a catalyst for inner-movement innovation. Future research endeavors could delve deeper into investigating this relationship between legitimation dynamics, scale, and creativity. For instance, an examination of the threshold conditions influencing entrepreneurial activists' decisions to shift between the field and the sectoral level would provide valuable insights.

It is crucial to acknowledge, however, that *creativity* is not a substitute for *survival*. A movement oriented towards effecting market change must ultimately solidify its nascent social space into a stable field by way of establishing clear rules and delineating field boundaries, as convincingly argued by Fligstein and McAdam. Yet, this paper shows that creativity, often manifested through informal and emergent practices, offers a distinct avenue towards achieving this objective, one that remains comparatively under explored within both the literature on organizational legitimacy and platform cooperativism. For the case of platform cooperativism, it remains to be seen whether the movement can ultimately produce such a stable understanding. The findings indicate that success will rely heavily on two things: the ability of the various proto-SMOs and *meta-organizations* to work in tandem and transpose sector-specific solutions to the broader field level and the movement's ability to lessen its dependence on solidarity principles. If successful in addressing these challenges, the organizing template of the platform co-op has the potential to open new spaces in the platform economy for entrepreneurship-driven dynamics of collective action and transnational labor solidarity.

Two shortcomings characterize the approach taken as part of this paper. On the one hand, context has largely been disregarded, which makes it difficult to address whether entrepreneurial activists strategically devise their practices in relation to political opportunity structures. On the other hand, focus has been put exclusively on the experiences of *entrepreneurial* activists, which perhaps obscures the role that other movement participants (such as ecosystem activists or politicians) play in mobilizing legitimacy. Further research is therefore needed that assesses organizational strategies as socio-politically embedded. Despite these limitations, however, this paper's actor-centered approach has fleshed out a relatively unexamined path in the analysis of change in and around platform markets – one less focused on purely economic notions of feasibility and more on the informal, emergent ways in which activists promote alternative conceptions of exchange. While it remains to be seen whether the movement will produce a stable understanding of how platform markets can be structured (differently), and thereby transition to a more institutionalized stage, this paper has created a conceptual and empirical basis for further investigating and more effectively interpreting the dynamics of movement-driven contentiousness in and between platform markets.

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