TECHNISCHE UNIVERSITÄT MÜNCHEN

TUM School of Management

Categorization and Category Avoidance: General Importance, Field Strategies, and Socio-Cognitive Mechanisms

Xian Xu

Vollständiger Abdruck der von der TUM School of Management der Technischen Universität München zur Erlangung eines Doktors der Wirtschafts- und Sozialwissenschaften (Dr. rer. pol.) genehmigten Dissertation.

Vorsitzender: Prof. Siddharth Vedula, PhD

Prüfer der Dissertation:

1. Prof. Dr. Oliver Alexy

2. Prof. Hana Milanov, PhD

Die Dissertation wurde am 31.05.2022 bei der Technischen Universität München eingereicht und durch die TUM School of Management am 15.07.2022 angenommen.

Acknowledgements

I would like to thank all those who accompanied, supported, and helped me throughout this unique journey in academia. I am deeply grateful to have been given this chance and privilege to become part of a world that is dedicated to the generation of knowledge and wisdom.

In particular, I would like to thank my primary advisor, Professor Oliver Alexy, for his guidance and kindness over the past few years. During this time, I learned how extremely lucky I am that he agreed to become my doctoral advisor. From the very beginning on, he has taught me what academia truly is about and devoted much time in my academic development. In particular, he has always motivated and inspired me with his skill, his integrity, and his leadership. I will always be grateful about my time at his professorship.

I also would like to thank the Professors Hamid Mazloomi and Dilan Aksoy for the time that we spent together and the opportunity to work with them on a challenging but also fascinating project. Further, I want to thank the members of my committee, Professors Hana Milanov and Siddharth Vedula, for their support in my dissertation process.

Above and beyond, I am very grateful that I had the opportunity to spent the time of my doctoral studies at the TUM Entrepreneurship Research Institute (ERI). Here, I met numerous inspiring professors and colleagues. Most importantly, however, I am deeply grateful to have met colleagues who later became my close friends. Many of them are the reason why my time at ERI was not only about exploring the sheer endless realms of science, but also about growing personally on values such as friendship.

Finally, I want to thank all my friends in general and my family. Having loyal and supportive friends has not only been immensely essential for my time in academia but also for all other challenges of life. I am also deeply grateful for my family, my mother Li Lin and my father Chengmao Xu. They motivated me, supported me in every possible way, and always showed me their endless love.

Table of Contents

List of Figures ii

List of Tables iii

List of Abbreviations vi

Abstract vii

1 INTRODUCTION **9**
Introducing the topic of category avoidance and providing an overview of the three studies of this dissertation.

2 THE PRINCIPLE OF ALLOCATION THEN AND NOW: A NARROW AND QUASI-REPLICATION OF HSU (2006) **17**
Emphasizing the general importance of specific mechanisms underlying categorization by conducting a replication of a foundational study on the principle of allocation.

3 SITTING IT OUT: OVERCOMING ILLEGITIMACY THROUGH PRACTICES OF CULTURAL ENTREPRENEURSHIP AT UBER **62**
Researching the measures and practices that organizations in the sharing economy may employ to overcome phases of illegitimacy and avoid unfavorable categorization.

4 TRANSFORMATIONAL TRANSITIONING: USING PHYSICAL ALTERATIONS TO DIVERSIFY ACROSS CATEGORIES **104**
Studying the socio-cognitive mechanisms through which individuals in the feature-film industry may transition between categorical memberships.

5 CONCLUSIONS **136**
Summarizing the insights gained through the studies, outlining how they contribute to research on the practice of category avoidance, and pointing to avenues for future research.

References 140

Appendix 150

List of Figures

Chapter 3

Figure 1. Data Structure 76

Figure 2. A Process Model of How Uber Overcomes Illegitimacy Through Practices of Cultural Entrepreneurship 82

Chapter 4

Figure 1. Plot of Transformation on Oscar Nom. at Various Levels of Diversification 127

List of Tables

Chapter 2

Table 1. Unpaired T-test Results of Hsu (2006) with the Narrow Replication 33

Table 2. Summary of Results: Hsu (2006), Narrow Replication, and Quasi-Replication 36

Table 3. Narrow Replication Descriptive Statistics 37

Table 4. Narrow Replication List-Wise Correlation Matrix (N=665) 38

Table 5. Narrow Replication of H1 and H2 (effect of niche width on audience appeal and size) from Original Study 39

Table 6. Narrow Replication of H3 and H4 (drivers and effects of consensus on fit) from Original Study (N=1020) 40

Table 7. Narrow Replication of H5 (drivers of appeal, including consensus and niche width) from Original Study 41

Table 8. Narrow Replication: Drivers of general audience appeal, including contrast and distance (N=1018) 43

Table 9. Narrow Replication: Drivers of general audience size, including contrast and distance (N=1018) 43

Table 10. Narrow Replication: Drivers of box office revenues, including contrast and distance (N=1020) 44

Table 11. Narrow Replication: Drivers of critic appeal, including contrast and distance (N=888) 44

Table 12. Narrow Replication: Drivers of amount of critic reviews, including contrast and distance (N=1020) 45

Table 13. Narrow Replication: Drivers of Consensus on Fit, including contrast and distance (N=1020) 45

Table 14. Quasi-Replication Descriptive Statistics 47

Table 15. Quasi-Replication List-Wise Correlation Matrix (N=596) 48

Table 16. Quasi-Replication of H1 and H2 (effect of niche width on audience appeal and size) from Original Study 49

Table 17. Quasi-Replication of H3 and H4 (drivers and effects of consensus on fit) from Original Study (N=1331) 50

Table 18. Quasi-Replication of H5 (drivers of appeal, including consensus and niche width) from Original Study 51

Table 19. Quasi Replication: Drivers of general audience appeal, including contrast and distance (N=1327) 52

Table 20. Quasi Replication: Drivers of general audience size, including contrast and distance (N=1331) 53

Table 21. Quasi Replication: Drivers of box office revenues, including contrast and distance (N=1331) 54

Table 22. Quasi Replication: Drivers of critic appeal, including contrast and distance (N=1121) 55

Table 23. Quasi Replication: Drivers of amount of critic reviews, including contrast and distance (N=1331) 55

Table 24. Quasi Replication: Drivers of Consensus on Fit, including contrast and distance (N=1331) 56

Chapter 3

Table 1. Data Sources 74

Chapter 4

Table 1. Details and Examples of Coding Transformational Transitioning 118

Table 2. Descriptive Statistics 122

Table 3. List-Wise Correlation Matrix (N=20.305) 123

Table 4. Stepwise Regressions of Transformational Transitioning 125

Table 5. Marginal Effects of Transformational Transitioning (N=20.305) 126

Table 6. Analysis of Transformational Transitioning in Gender Subsamples 129

Table 7. Diversification and Oscar Nomination among Male Actors 130

Table 8. Diversification and Oscar Nomination among Female Actors 130

Table 9. Analysis of Drivers of Diversification 131

Appendix

Appendix A. Evidence for First-Order Codes Ordered by Second-Order Themes and Phases 150

List of Abbreviations

CA	California
CEO	Chief Executive Officer
CGI	Computer Generated Imagery
e.g.	exempli gratia
et al.	et alii
FR	France
i.e.	id est
IMDb	Internet Movie Database
NY	New York
NYTWA	New York Taxi Workers Alliance
RT	Rotten Tomatoes
SBD	Showbizdata.com
SE	Sharing Economy
TfL	Transport for London
THR	The Hollywood Reporter's
TLC	Taxi Limousine Commission
TMDB	The Movie Database
TUM	Technische Universität München
UK	United Kingdom

Abstract

In this dissertation, I enter the stream of strategic categorization which is a burgeoning part of the categories and categorization literature. The strategic categorization perspective implies that actors are agentic and strategic so that they can actively and intentionally shape their categorical memberships. Within this stream I research the practice of category avoidance which is a recently discovered phenomenon of strategic categorization that has the potential to enhance, sharpen, and refine our understanding of categories and categorization. Category avoidance describes purposive efforts to delay or deflect processes of categorization under the assumption that categorization itself is inevitable. By taking the category avoidance perspective, I argue that conditions may exist under which avoiding certain categorization will lead to temporary or sustainable competitive advantage.

In this dissertation, I conduct three studies addressing different issues surrounding the topic of category avoidance that require further scientific elaboration and development.

In the first study, to lay the foundation for work on category avoidance, I highlight the general importance of the categorization literature, respectively the punishment mechanism of categorization. To do so, I conduct a replication of a key study about the consequences of categorical recombinations in light of potential boundary conditions. While I find that punishment mechanisms against categorical recombinations are still valid, I also find that they seem too strong from today's perspective. In addition, I emphasize the relevance of boundary conditions in categorization research.

In the second study, I approach category avoidance from a field perspective and examine how organizations deploy and apply practices of category avoidance. I qualitatively develop theory on the process how organizations circumvent unfavorable categorization by identifying the specific approaches, strategies, and practices they employ to do so. By looking into the industry context of sharing economy firms, I find that organizations may utilize narratives and storytelling to stall unfavorable categorization and to attain desired classifications.

In the third and final study, I research category avoidance from a more sociological perspective. Here, I examine how audience perception can be affected in a way that unfavorable categorization may be circumvented. I therefore quantitatively assess the socio-cognitive mechanisms underlying category avoidance. In the context of feature-films, I propose and

provide evidence of a socio-cognitive maneuver that facilitates movements between categorical memberships.

In sum, the findings of the three studies demonstrate the relevance of research on category avoidance. They contribute to the categories and strategic categorization literature as well as to literature on institutional theory.

1. INTRODUCTION

Categories are socially constructed groupings of items and objects that are cognitively similar to each other (Rosch, 1973). As such, they provide coherence to our social world by delineating boundaries between objects, and facilitate efficient and effective processing of large amounts of information (Douglas, 1986; Zerubavel, 1996). They enable commensuration, and thus form the foundation from which judgments about value and worth are made (Vergne & Wry, 2014). Accordingly, the process of categorization is pervasive and ubiquitous as it takes place in almost every social and organizational context. Research in strategy and organization has paid particular attention to categories to understand a large variety of phenomena. While early work has taken a psychological and cognitive perspective to understand the perception and conception of organizations within their environments (Porac, Thomas, & Baden-Fuller, 1989; Porac & Thomas, 1990), other studies have emphasized a notion of categories as disciplining features (Zuckerman, 1999; Zuckerman, Kim, Ukanwa, & von Rittmann, 2003; Zuckerman, 2017). Here, for example, studies have researched how categories facilitate comparisons between entities (Hsu & Hannan, 2005), how categories influence the distribution of attention (Zuckerman, 2005), or how fitting into certain categories enables access to social and economic approval (Lounsbury & Glynn, 2001; Zuckerman, 1999).

Within the broader categories literature, strategic categorization is a burgeoning stream of research which is itself a major strand of body of work spanning organization theory, economic sociology, and, among other branches, the sociology of art (see, e.g., Kennedy, 2008; Khaire & Wadhwani, 2010; Navis & Glynn, 2010). While extant research has predominantly treated categorization as an externally driven process (see, e.g., Hannan, Pólos, & Carroll, 2007; Hsu & Hannan, 2005; Wry, Lounsbury, & Glynn, 2011), authors in strategic categorization look into

how managers can actively and intentionally shape their organizations' categorical memberships (Durand & Thornton, 2018; Navis & Glynn, 2010; Negro, Hannan, & Rao, 2010; Pontikes & Kim, 2017). Exemplary work includes identity creation within a categorization system (Lounsbury & Glynn, 2001), new category creation (Khaire & Wadhwani, 2010), the purposeful spanning of categories (Zhao, Ishihara, & Lounsbury, 2013), or the promotion of categorical memberships (Gehman & Grimes, 2017).

A particularly interesting sub-stream in strategic categorization is the recent work on category avoidance—that under specific circumstances, organizations may view certain categorization as undesirable (Vergne & Wry, 2014) and engage in purposive efforts to delay being categorized or circumvent it altogether. This perspective challenges the logic of the 'categorical imperative'—that all firms are somehow subject to categorization, that they are under strong pressure to fit into a specific category to acquire social approval and material resources, and that non-categorization is universally negative (see, Hsu & Hannan, 2005; Lounsbury & Glynn, 2001; Zuckerman, 1999, 2000, 2017).

In this dissertation, I follow the category avoidance perspective in arguing that conditions may exists under which organizations will gain a temporary, or possibly even a sustainable competitive advantage from non-categorization. Vergne and Wry (2014), for instance, point out that some firms actively try to avoid being categorized, either because they want to evade a specific categorization (e.g., EADS/Airbus wants to be seen in the public as an airplane manufacturer, not a weapons manufacturer). Other firms may intend to delay the categorization process to strategically reposition themselves. For instance, the sharing economy (SE) company Uber still fights regulators worldwide until today to avoid their drivers being classified as employees, as such categorization would substantially limit the potential of the company's

business model (see, also, Flores & Rayle, 2017). By delaying the classification process, Uber may find pathways through which they might maintain key elements of their business model.

A similar phenomenon at the individual level, typecasting describes a categorization phenomenon in which an economic actor's market position is perceived as highly specialized so that the associated rewards cannot be reduced to individual attributes – meaning that the audience confuses what the actor can do with what he does (Zuckerman et al., 2003). Most famously applied to the movie industry (e.g., Hsu, 2006), typecasting implies that movie actors and actresses will struggle to play in a different type of movie if they have become known by an audience for another type (e.g., Jennifer Aniston epitomizing romantic comedies). Such categorical specialization is thus understood as a curtailment of available opportunities on social attributes such as gender, age, or past work (Bielby & Bielby, 1992; Bielby & Bielby, 1996, 2001). In the movie domain, being typecast is a strong mobility barrier that actors will need to overcome if they want to work in another category than the one they are used to be associated with (Zuckerman et al., 2003). This phenomenon at large may also be stretched to the firm-level. For example, when carmaker Toyota wanted to sell automobiles in the luxury segment, the managers decided to create the new brand Lexus to deflect from being perceived like Toyota: a reliable, yet cheap, brand that is incapable to compete with luxury carmakers (CBS, 2005).

The purpose of this dissertation is to further expand our understanding of categories and the categorization process by taking the category avoidance perspective. I aim to help further scrutinize the categorization process to show how it is a process that may be strategically and deliberately manipulated by individuals and organizations to avoid certain categorization to their own advantage. Above all, however, I assume that categorization by itself remains eventually inevitable. My ontological perspective to category avoidance is grounded in the constructivist assumptions of category research, which in turn build on the theories of neo-institutionalism and

organizational ecology. Accordingly, first, categories are cognitively shaped between producers and consumers—yet, both of these actors having only limited cognitive resources (Baum & Lant, 2003; Porac, Thomas, Wilson, Paton, & Kanfer, 1995). Second, both producers and consumers are agentic so that their interactions affect their cognitive category structure (Rao, Monin, & Durand, 2005).

In this dissertation, I present three studies that focus on three directly connected issues surrounding category avoidance (chapter 2, 3, 4): First, to facilitate work on category avoidance, I provide evidence of the general importance of categorization and the consequences of non-categorization. Second, I study how precisely organizations practically engage in category avoidance in the field and which measures they undertake, and in which temporal order, to achieve that. Third, I offer insights into the socio-cognitive mechanisms underlying category avoidance.

General Importance: Replication

In the first study (chapter 2), *The Principle of Allocation Then and Now: A Narrow and Quasi-Replication of Hsu (2006),* I lay the foundation for research on the perspective of category avoidance by highlighting the general importance of categories and categorization. This means that I examine whether punishment mechanisms for categorical deviations are still valid and applicable in light of extant literature. In short, research on category avoidance is only justified when the deviation from categorical prescriptions have social and economic consequences.

To do so, I draw on the principle of allocation (Freeman, Carroll, & Hannan, 1983; Hannan & Freeman, 1977), an assumption that suggests that organizations only have limited resources and that those who depend on audience appeal should most efficiently invest them into one categorical position instead of distributing them among many (Hsu, 2006). In this study, I

formulate three boundary conditions why such recommendation may have been too strong and suggest an increased sensitivity for the so-called structure of conceptual space, which is where audiences share socio-cultural information about their conceptual perception of categories (Hannan et al., 2007; Kovács & Hannan, 2014; Negro et al., 2010; Ruef & Patterson, 2009). First, such conceptual space need not be symmetric, implying that some categories are generally easier to recombine or are more similar to one another than others, affecting the tolerance of audiences toward categorical recombinations (Kovács & Hannan, 2014; Leung, 2014). Second, different audiences within this conceptual space may differently evaluate the effect of the principle of allocation, with some being more tolerant to categorical recombinations than others. Third, the conceptual space itself may be sensitive to cultural shifts over time which could affect how audiences evaluate multiple categorical memberships.

To test these boundary conditions, I conduct a narrow and quasi-replication of the Hsu (2006) key study on the principle of allocation where I test whether key performance indicators vary when I account for the three boundary conditions to the structure of conceptual space. I demonstrate that categorical recombinations may be more tolerated than reported by Hsu (2006), to the extent that it may become even beneficial under certain circumstances. In particular, I show that accounting for the asymmetric structure of conceptual space affects key variables of the principle of allocation, that evaluation of category spanning varies by audience type, and that the structure of conceptual space underlies cultural shifts over time.

Field Practices: Uber as Cultural Entrepreneur

In the second study (chapter 3), *Sitting It Out: Overcoming Illegitimacy Through Practices of Cultural Entrepreneurship at Uber*, I further expand on the perspective of category avoidance by exploring how organizations actively attempt to avoid certain classifications in the field. To do

so, I turn to the SE firm and transportation provider Uber and study its fight against institutional stakeholders such as regulators and legislators about the classification of its drivers as either employees or self-employed. Uber is a prime example of a firm engaging in category avoidance as it strongly relies on a system where independent drivers form the foundation of its business model. Here, Uber actively avoids any sort of re-categorization of its drivers from self-employed to employees as it would substantially harm the firm's business and growth.

In this study, I take on an institutional theory lens and view Uber as a so-called cultural entrepreneur that utilizes cultural resources (such as langauges, narratives, or categories) to change the institutional environment it is embedded in to attain legitimacy (Battilana, Leca, & Boxenbaum, 2009; Lounsbury & Glynn, 2001; Suddaby, Bitektine, & Haack, 2017). While prior research has argued that nascent firms should strive for legitimacy as timely as possible, I argue that there are circumstances under which such legitimacy pressures could be attenuated (Benner & Ranganathan, 2012). In particular, I suggest that firms, that cannot foresee how to efficiently and effectively spend their resources to attain legitimacy, may benefit from temporarily sitting out their illegitimacy until they have clarity on how to become legitimate. In the fight against key institutional stakeholders over the categorization of its drivers, Uber purposively favored being overlooked by key institutional stakeholders and attempted to delay the onset of the legitimation process of its employment model. Looking at Uber's case, I ask the research question, how precisely organizations try to 'sit out' initial phases of illegitimacy, which practices they apply to do so, and when they eventually decide to become legitimate.

To find answers to these questions, I conduct a process study to research Uber's fight with key institutional stakeholders about the categorization of its drivers (Langley, 1999; Langley & Abdallah, 2011; Langley, Smallman, Tsoukas, & Van de Ven, 2013). I present a process model where I find that Uber utilizes various so-called 'providing' and 'preventing' measures of cultural

entrepreneurship to 'sit out' phases of illegitimacy. These measures allow Uber to learn about which influencing strategies are more efficacious in various settings and to stall regulators until Uber identifies a path toward attaining a classification of its drivers that the company views as favorable.

Socio-Cognitive Mechanisms: Physical Alterations as Means to Diversify Across Categories

In the third and final study (chapter 4), *Transformational Transitioning: Using Physical Alterations to Diversify Across Categories*, I further expand on the perspective of category avoidance by quantitatively researching underlying mechanisms. Categorization itself is a deeply cognitive process that underlies constant social influences. As such, I approach the practice of category avoidance from a socio-cognitive perspective to understand how category avoidance is facilitated and how individuals may actively and strategically utilize these mechanisms to delay or circumvent unfavorable categorization.

In this study, I turn to the socio-cognitive dynamics of categorization in labor markets. Here, the general assumption is that candidates should assume a simple and focused identity because employers in labor markets tend prefer candidates who have shown a pertinent specialization in one or few categories of work (Leung, 2014; Zuckerman et al., 2003). The reason is that labor markets are dominated by assumptions of skill so that evaluators tend to typecast candidates, which means that they rely on past experience as signals of skill (Bidwell, Won, Barbulescu, & Mollick, 2015). While typecasting may be beneficial for candidates to find employment in the same categories, it also becomes a mobility barrier for candidates who aim to transition across multiple categories (Zuckerman, 2005). At the same time, candidates exist who wish or need to overcome this mobility barrier. In the feature-film industry, I find examples of

typecast actors who successfully play in distant categories when they drastically alter their appearance. Building on such anecdotal evidence, I maintain that actors may successfully transition between categories when they credibly change their identities through physical alterations, a mechanism that I term transformational transitioning. Following Zuckerman (2017), I theorize that evaluators utilize codes –which are signals of expected behavior- to sort candidates by anticipated capability and commitment. When actors, who transition between categories, credibly change their identities through physical alterations, so I argue, they may signal to some degree capability and commitment to their audience, thus increasing their chances of successful transitioning.

I test my theorizing in the empirical context of the feature-film industry. More specifically, I look at the consecretaion of acting performance at the Academy Awards. I collected a dataset of Oscar eligible movies between 2000 and 2016 and tested whether the degree of difference in typecast actors' appearance affected their chances of becoming nominated for the Oscars when they transitioned between categories. Here, I largely find evidence in support of my theorizing.

2. THE PRINCIPLE OF ALLOCATION THEN AND NOW: A NARROW AND QUASI-REPLICATION OF HSU (2006)[1] [2]

Abstract

The principle of allocation suggests companies in need of audience appeal to specialize in one category rather than trying to be generalists spanning multiple. We build on research that not all generalists positionings need not be as bad as their reputation. First, the structure of conceptual spaces in which categories are positioned may be asymmetric, implying that some categories are easier to recombine. Second, this structure should also differ by audience type, and different audiences may tolerate generalists more than others. Third, the evaluative structure may vary as cultural contexts change, so that the valence of category-spanning may also change over time. To examine these possibilities, I undertake a narrow and quasi-replication of Hsu (2006), a key empirical study about the principle of allocation. While my findings show that Hsu's (2006) recommendations against generalist positions are valid, they seem too strong for today's context. In doing so, I corroborate the relevance of accounting for an asymmetrical structure of conceptual spaces, various audience types, and how this structure is temporarily unstable.

[1] Earlier versions of this study have been presented at the 41st Strategic Management Conference 2021 and at research seminars at TUM.

[2] An earlier version of this study has been nominated for the Best Paper Prize at the 41st Strategic Management Conference 2021.

INTRODUCTION

Whether companies benefit from being specialized in one domain or from belonging, as generalists, to multiple ones at the same time is a key question in strategy and organization research (Hsu & Hannan, 2005; Zuckerman, 1999; Zuckerman, 2005). Most empirical evidence (e.g. Hsu, 2006; Hsu, Hannan, & Koçak, 2009; Zuckerman, 1999) suggest that while generalist firms that bridge multiple categorical boundaries may have access to broader markets and more resources, they are at risk of being perceived as ambiguous and difficult to make sense of (see, also, Goldfarb & Yan, 2021). The underlying premise is that firms have limited resources to invest into exploiting environmental positions so that they are more efficient if they focus their capacities on a single position (Hsu, 2006), an assumption termed the principle of allocation (Freeman et al., 1983; Hannan & Freeman, 1977). Following this principle, firms and individuals that depend on audience appeal – ranging from restaurants (Kovács & Hannan, 2010) to the movie industry (Zuckerman et al., 2003) – are advised to position themselves as specialists, and to pursue membership in a single category instead of spanning multiple. This is because specialists make better sense to audiences (Hannan et al., 2007), are perceived as more skillful (Hsu, Hannan, & Pólos, 2011; Phillips & Zuckerman, 2001), and are more capable at accumulating expertise (Kovács & Hannan, 2014).

In this paper, I suggest that current perspectives favoring a specialist positioning, drawing on the principle of allocation, may have been too strong. I build this argument around recent scholarship in the categorization literature, which has called for an increased sensitivity for the so-called structure of conceptual space (Hannan et al., 2007; Kovács & Hannan, 2014; Negro et al., 2010; Ruef & Patterson, 2009). Imagining categories as a conceptual (or even physical) space highlights that two generalists, even if spanning the same amount of categories of similar valence

(Kovács & Hannan, 2010; Kovács & Hannan, 2014), may be evaluated differently by audiences for three reasons: First, this may be because such a conceptual space need not be symmetric, meaning that some categories are closer to one another than others, and hence easier to recombine (Kovács & Hannan, 2014). Indeed, some generalists may even claim to be achieving synergies and generate valuable recombinations (see, e.g. Merluzzi & Phillips, 2015). Here, some categories may be particularly more lenient, meaning that crossing their boundaries should be less costly as well as more socially acceptable, with digital technology often seen as prime example (Pontikes & Barnett, 2015). Second, as recent research has shown, different kinds of audiences hold varying norms, beliefs and values so that they may valuate crossings of categorical boundaries differently (Cattani, Ferriani, & Allison, 2014; Durand & Haans, 2022; Zuckerman, 2017). Accordingly, I suggest that such structure of conceptual space may differ by audience type so that various audiences will differently evaluate the effect of the principle of allocation, with some more tolerating or even favoring generalists than others. Third, I argue that the (asymmeteric) structure of conceptual space need not be stable over time. As categories are outcomes of societal compromise (Durand, Granqvist, & Tyllström, 2017; Khaire & Wadhwani, 2010), the underlying socio-cultural space may as well be sensitive to cultural shifts, as an increasing amount of empirical evidence would suggest. For example, the current generation of millennials is fundamentally different from previous ones, for example regarding their tolerance for ambiguity in the job market (Ng & McGinnis Johnson, 2015). Such changes could stretch to the structure of conceptual space, affecting how audiences assess and evaluate category spanning.

To investigate these potential boundary conditions of choosing a generalist vs. specialist position, I propose to replicate and extend (see, also, Bettis, Ethiraj, Gambardella, Helfat, & Mitchell, 2016) Greta Hsu's (2006) key study on the principle of allocation. My goal is to test whether the main performance indicators predicting the consequences of category spanning vary

when I actively account for the asymmetry of the structure of the conceptual space, how it may have changed over time, as well as the evaluations of different audiences.

The Hsu (2006) study is particularly suitable for a replication design because its empirical setting relies on well-observable movie data. Following Bettis et al. (2016), I conduct this replication study in three steps: First, I perform a narrow replication, which means I rebuild as closely as possible the data and research design of the original study, which already includes separate dependent variables for different audiences. Second, I extend this narrow replication by two co-variates, category contrast and distance (Kovács & Hannan, 2010; Kovács & Hannan, 2014; Leung, 2014), to capture the potentially asymmetrical structure of conceptual space. Finally, third, I quasi-replicate (1) the original study and (2) the extension I propose in a more recent sampling period to test for potential shifts over time.

In both narrow and quasi replication, I demonstrate that crossing categorical boundaries may be less detrimental for audience appeal than reported in Hsu (2006) and that the evaluation of generalist positions today may have improved compared to previous times (and even be beneficial under certain circumstances). In doing so, I offer three contributions. First, this study contributes to categories literature by demonstrating that key performance indicators indeed vary if accounted for the asymmetric structure of conceptual space. Second, this study also shows that the structure of conceptual space varies by audience type, suggesting that some audiences may treat generalists better than others. Third, this study demonstrates that the structure of conceptual space itself is not stable over time but that it is dynamic and underlies contemporary changes.

CATEGORICAL BOUNDARIES AND CULTURAL SHIFTS

Boundary Condition of the Principal of Allocation

Organizations and individuals are grouped in categories within a conceptual space through which audiences may share socio-cultural information (Pontikes & Hannan, 2014). How organizational actors position themselves categorically within such a conceptual space has a major impact on how they are being perceived. Work in organizational sociology has researched the consequences of positioning in a single category or bridging multiple, with category-spanning, more often than not, being seen as detrimental (Goldfarb & Yan, 2021; Zuckerman, 1999). Potential advantages of broader market and resource access are often outweighed by a lack of perceived skill and legitimacy in the eyes of external evaluators, such as customers or market intermediaries, on which organizations depend.

The principle of allocation theorizes this trade-off by looking at organizational actors' so-called niche width strategies (Hannan & Freeman, 1977; Hannan, Carroll, & Pólos, 2020). Niche width defines an object's width in the conceptual space and captures the degree of specialization of its categorical membership (Hsu et al., 2009). Assuming that organizations only have limited capacity to acquire resources, following the principle of allocation, they can either deploy their efforts in a wide niche and become moderately proficient across the multiple domains making up this wider niche (i.e., they can become generalists), or choose to focus on a narrow niche to become, at the extreme, highly proficient in a single domain (i.e., they can become specialist) (Hannan et al., 2020; Hsu, 2006; Péli & Bruggeman, 2006).

The performance consequences of these different niche width strategies have been an important topic in strategy and organization research. Generally, specialists have been found to outperform generalists, in settings as broad as film actors (Zuckerman et al., 2003), job

candidates (Leung, 2014), or restaurants (Kovács, Carroll, & Lehman, 2014). Beyond audience evaluation, scholars have also shown that specialists perform better in terms of creative performance even in volatile environments (Teodoridis, Bikard, & Vakili, 2018). Accordingly, this line of work largely agrees there is a "categorical imperative,"[3] an overarching force that implores producers to conform to the boundaries of their population's niche and avoid category spanning (see, also, Zuckerman, 1999; Zuckerman et al., 2003; Zuckerman, 2017).[4]

At the same time, however, there is an ongoing debate around why in a variety of contexts such as MBA job applicants (Merluzzi & Phillips, 2015) or venture capital (Pontikes, 2012b), the key implications of the principle of allocation sometimes appear stronger, weaker, or even nonexistent (as in a similar discussion surrounding the categorical imperative, see, also Zuckerman, 2017). One explanation provided for the varying degrees of strength with which category spanning gets punished relates to the structure of the underlying conceptual space (Kovács & Hannan, 2014), on which I will elaborate in the following.

Asymmetric Structure of Conceptual Space

The majority of previous research on the consequences of category spanning has treated the structure of conceptual space, in which categories would be situated cognitively, as symmetrical (Kovács & Hannan, 2010; Kovács & Hannan, 2014). This means that that all categories in the socio-cultural space are arrayed in an equal distance and with equally clear boundaries to each

[3] Following the categorical imperative (Zuckerman, 1999, 2017), organizational actors underlie a pressure for categorical purity by both agents (Pontikes, 2012b) and the categorical system (Smith, 2011) in order to acquire social approval and economic resources (Lounsbury & Glynn, 2001). As such, the categorical imperative and the principle of allocation make similar implications for category producers (to avoid category spanning). In this paper, I thus apply insights from recent discussions surrounding the categorical imperative to the principle of allocation, taking also recent discussions on the categorical imperative into account (Goldfarb & Yan, 2021).

[4] In this regard, only recently, Goldfarb and Yan (2021) have replicated Zuckerman (1999) and highlighted data inconsistencies in the original study. They find no sufficient empirical evidence for the strategic implications stemming from the original study. However, given numerous other studies in this field (e.g. Hsu et al., 2009; Leung & Sharkey, 2014), the consensus for the existence of a 'categorical imperative' still seems largely unshaken.

other. In such a view, it follows that every combination of categories should result in the same consequences, positively or negatively. This assumption also underlies Hsu's (2006) study. She demonstrates that the more categories a movie targets, the larger an audience it will attract, but the less audience appeal it will generate.

In this logic, spanning the genres action and comedy is expected to have the same effect as spanning the genres documentary and comedy. Yet, the first pair of genres is less crisply defined than the second, and, also, the categories action and comedy may be cognitively less distant from each other than documentary and comedy (Kovács & Hannan, 2010; Leung, 2014). Accordingly, audiences might be more tolerant of some recombinations rather than others.[5]

Mirroring these examples, recent literature has challenged the assumption of symmetry, suggesting instead that audiences arrange categories along the conceptual space *asymmetrically*.

First, prior studies suggest that categorical boundaries need not necessarily be crisp, meaning that audience members need to make (potentially varying) decisions about assignments to category memberships (Hannan et al., 2007; Kovács & Hannan, 2010). This idea of variance in crispness of categorical boundaries is termed category contrast (Negro et al., 2010; Negro, Hannan, & Rao, 2011; Pontikes, 2012b). High contrast implies that a producer or a product is perceived fully inside or fully outside of a category, whereas low contrast implies that there is no consensus to which particular category a producer or its products actually belongs. Empirical evidence has shown that spanning categories with high contrast will have a detrimental effect on audience appeal. For example, Kovács and Hannan (2010) demonstrate that spanning cuisine

[5] This is not to say that a combination of documentary and comedy – or a combination of a documentary with any other category for that matter – does not exist. For example, the movie 'This is Spinal Tap' – often featured in list of the greatest all time movies – even popularized the term 'mockumentary.' My point is that such a movie is more likely to be confusing to the audience. Indeed, many moviegoers believed that Spinal Tap was an actual band. Similarly, listening to Orson Welles' original radio broadcast of 'The War of the Worlds,' many listeners feared Earth was really being invaded.

types such as ‘Cambodian’ which is very distinct would be a lot more detrimental for audience appeal than ‘Vegan’ which can frequently be found among restaurant classifications.

The second idea around asymmetry, termed category distance (Leung, 2014), implies that across the conceptual space, some categories lie cognitively more closely to each other than others (Wry & Lounsbury, 2013). Some combinations of categories are more common and are thus more accepted among audiences than others (see, also, Leung, 2014; Rao, Monin, & Durand, 2003). Prior studies have found empirical evidence showing that spanning of categories that lie far apart is more detrimental than spanning categories that are close to each other (Hannan et al., 2007; Kovács & Hannan, 2014). For example, Leung (2014) demonstrates that employers prefer applicants who move incrementally between cognitively similar jobs over applicats who present resumes with more erratic job changes.

In turn, we would expect that one generalist should be evaluated more harshly than another if (a) the former would span catories of higher contrast or (b) of higher distance .

The Structure of Conceptual Space Differs by Audience Types

Further, as Zuckerman (2017) already describes, different audiences have different objectives which lead to varying so-called theories of value. A theory of values is defined as how audiences prioritize and ascribe value to categorical offerings (Paolella & Durand, 2016). If that is the case, there is good reason to assume that the structure of conceptual space will also vary by audience type, with some showing more tolerance (or even preference) toward recombinations of categories than others. As a consequence, I expect that the principle of allocation itself has varying effects on various audience types, leading to varying evaluations of category spanning.

In this vein, Cattani et al. (2014) have shown that candidates’ consecration depends not only on their position in a field but also the type of audience that is evaluating the candidate. For

example, peer groups who are elite representatives of a field take themselves as standard for excellency (Lamont & Molnár, 2002), while professional critics evaluate performance based on the specialized training they have received, which also includes a tolerance for novelty and deviations from existing norms (Bourdieu, 1984). Regular consumers, in turn, are often subjective and erratic in their evaluations, which may further be strongly affected by social influences (Bourdieu, 1993; Salganik, Dodds, & Watts, 2006).

While not explicitly theorizing different effects, Hsu (2006) already takes various audience types into account, testing the principle of allocation for both professional critic and consumer audiences. While her results suggest that the principle of allocation may have a stronger effect on professional than on consumer audiences, she generally assumes that the influence of the principle of allocation should be equally affecting both audiences in terms of size and appeal.

For this replication, I aim to take a closer look at the two audience types of the original study, professional critics and mass consumers, which I suggest should differ in how the principle of allocations affects them. Professional critics are more incentivized to embrace novelty and deviations from existing norms. Due to the nature of their job, they constantly scrutinize existing norms and aim to identify new trends (Bourdieu, 1984). Hence, I predict that the principle of allocation should be less effective among professional critics. In turn, regular consumers are more difficult to predict as their behavior is often erratic (Salganik et al., 2006). However, previous work in mass consumer markets has shown that this audience type holds high expectations for clear and simple categorization (Hannan et al., 2007; Kovács & Hannan, 2010). Here, I expect that the principle of allocation should be more relevant among mass consumers.

Accordingly, I expect that professional audiences (due to their openess for novelty) should generally be more tolerant toward category spanning than consumers.

Temporal Instability to the Structure of Conceptual Space

Finally, I suggest that the above effects may have shifted over time. Categorization is a socio-cultural process that undergoes cultural and normative changes (see, also, Durand et al., 2017; Khaire & Wadhwani, 2010). Audience values and cultural codes are in constant flux, so that categorical boundaries may be unstable, shifting, or changing over time (Vergne & Swain, 2017; Zuckerman, 2017). However, if that is the case, we should also assume that the topography of the (likely asymmetric) socio-cultural space from which categorization emerges to be affected by such cultural shifts. In turn, if the structure of the conceptual space used by an audience changes over time, we may also expect that an audience's evaluation of category-spanning generalists may be temporarily unstable.

To this end, both empirical and anecdotal evidence suggest that such shifts do occur. Often driven by technological advances, these shifts not only affect the structure of the conceptual space, but also the evaluation of categorization and category spanning. For example, the Internet and globalization have led to changes in audience values, norms, and worldview (see, also, Aiken, 2017). Digital technologies of the recent years have facilitated categorization by firms that were socially disputed but increasingly gain acceptance and legitimacy in public opinion. For example, novel sharing economy firms that heavily rely on Internet technologies such as transportation provider Uber or housing provider Airbnb have long struggled to establish as legitimate service providers in the traditional branches of taxis and hotels. However, through user base mobilization, lawsuits, and public relationship strategies, they are increasingly successful in positioning themselves as a legitimate hybrids (see, e.g. Garud, Kumaraswamy, Roberts, & Xu, 2022; Uzunca, Rigtering, & Ozcan, 2018).

In our setting of the feature film industry, cultural shifts may have caused changes in audience demand and taste. Today's filmgoers reveal a preference for values like diversity and inclusion, whereas previous filmgoers were not sensitized toward such norms (Rolli, 2018). As an example of manifestation of such shifts in preferences, we can observe how movies starring marginal actors are drastically increasing in recent years as a response to public criticism about displayed diversity on-screen (Shoard, 2019). In a similar fashion, we have also seen how the Academy Awards have introduced diversity rules to account for the change of audience demands and taste (Buchanan, 2021).

At the same, movies themselves target broader niche positions as movie characteristics have shifted away from a predominantely U.S. oriented focus toward a more global audience. In particular, movies of today are often produced to cover Chinese taste positions which generally show a higher tolerance for combinations of film genres (Sen & McArdle, 2018). Finally, there are indications suggesting that contemporary audiences display a higher tolerance for recombination in general. For example, as Ng and McGinnis Johnson (2015) have shown in terms of job preferences, today's millenial generation generally displays a higher tolerance for ambiguity, which may stretch to their valuation and evaluation of movies. Specifically, such cultural shifts should have affected the mental models through which people perceive, process, and evaluate information and behavior (see, also, Rosa, Porac, Runser-Spanjol, & Saxon, 1999).

Arguments such as these would suggest that, over time, the structure of the conceptual space applied across audiences may have shifted. In particular, the general audience may have become more tolerant toward generalists, as mass consumers should generally be more sensitive to changes in the social and cultural environment (Bourdieu, 1993). Professional critics, in turn, should display higher independence in the evaluations (Cattani et al., 2014). Hence, they should also be more resistant toward cultural shifts and more consistent in their evaluations over time.

DATA AND METHODS

My goal is to study boundary conditions to the principle of allocation resulting from an asymmetrical structure of the conceptual space, theories of value varying by audience, and changes to both over time. To do so, I undertake both a narrow and quasi-replication of Hsu's (2006) paper on how the principle of allocation impacts assessments of movies by consumer and professional audiences. For the narrow replication, I stick as closely as possible to the original dataset, whereas for the quasi-replication, I use data from a more recent time period. For both samples, I utilize the same analysis method, measures, and controls as the original study as much as possible.[6] In addition, I newly introduce the variables contrast and distance.

Data and Sample

Precisely following the original study, I first rebuilt the original dataset of U.S. films published between April 16, 2000 and Dec 31, 2003 for the narrow replication. For the quasi-replication, I collected a structurally equivalent dataset for a more recent time period of identical length, between April 16, 2015 and Dec 31, 2018. As in Hsu (2006), all movies had to run at least one day in a domestic U.S. theater, and IMDb served as primary source for sampling the movies.

For the narrow replication, I built a dataset with 1020 films (compared to 949 films in the original study). This slight increase in observations is expected because IMDb frequently updates its database so that older movies keep constantly being added. For the quasi-replication, I collect a dataset of 1331 movies. This increase also meets my expectations as the film industry has been growing over the past 15 years (see, also, Watson, 2019).

A major difficulty of replicating Hsu (2006) is that I cannot draw on precisely the same

[6] As the original study, I used Tobit (H1, H2, H4, H5 of the original hypotheses) and fractional Logit (H3) for calculating the regressions. For further support of my results, I additionally employed OLS calculations (for H1, H2, H4, H5) which resulted in very comparable outcomes. For an overview of all hypotheses, see Table 2.

data sources. Beyond IMDb, Hsu (2006) used Rotten Tomatoes (RT) and showbizdata.com (SBD) as online movie databases to collect information for the measures. Here, first, RT has changed its categorization patterns so that current genre assignments differ from those of the original study for one and the same movie. To address this issue, I rely on the Internet Wayback Machine (https://archive.org/web/) which allows me to collect data from RT at the time, or at least closer to the time, of the original study. Second, SBD as a database went offline, and cannot be sensibly reproduced using the Internet Wayback Machine. Hence, I searched for an alternative movie database and decided for The Movie Database (TMDB). TMDB is comparable to SBD as is it also an independent online collaborative database. Most importantly, just like SBD it provides very similar information on film genre assignments of movies. I thus expect that using TMDB will equally deliver meaningful results than the original study with SBD (see below for details).

Measures

Dependent Variables. Following Hsu (2006), my replication design draws on the two dependent variables *audience size* and *audience appeal*, both at the professional critic level and at the consumer level. At the professional level, I measure audience size in terms of the *number of reviews* that are published on RT, which aggregates critic evaluations from diverse sources. At the consumer level, I measure audience size as the *number of reviews* that are published on IMDb by film aficionados and in terms of the *box office gross* receipts. I capture overall audience appeal of each movie as *average rating* of professionals and film aficionados.

Independent Variables. The key independent variable in Hsu (2006) is *niche width* for each movie, captured by the *number of genres* each movie targets. I follow the original study to rely on a list of broader genres (such as ‘action’ or ‘comedy’) to which I assign suitable

subgenres and classified all movie along the 17 genres also featured in the original study.[7] In turn, I measure *audience consensus in genre classifications* across the archival sources as the average pairwise similarity between the archival sources for each film, derived by using Jaccard's coefficient between the classifications of a film in each possible pair of archival sources (Hsu, 2006).

Control Variables. I control for differences among *individual genres* through dummies. I also collected data about the *total gross* of a film's genre in the U.S and movies' overall capacity by including *the broadness of the film exhibition at its first weekend*, its *budget*, whether it is a *sequel*, and whether the *distributor was large or independent*. Like Hsu (2006), I have some missing values for *budget* and compensate for this issue with a binary *budget information* variable. Another control variable is *niche overlap*, which indicates the fraction of common genres two films are classified under. I also include controls for fluctuations in the general demand for films such as *whether it was released in the summer or winter period* and variables indicating the *release year*. Finally, I count in *how many archival sources* each film was listed.

Considering organization-specific factors, I control for *star power* and *director power* through rankings by The Hollywood Reporter's (THR) and Star Power Survey respectively Director Power Survey, in which film industry members ranked actors and directors on their ability to benefit the film. Originally, these two variables draw on print magazines published in the years 1999, 2000, and 2002 by THR. I received digital copies of these magazines from the original author of the Power Rankings, so I can build on the same data as Hsu (2006) for the narrow replication. Yet, for the quasi-replication, there are currently no such (or comparable) sources as THR has not published another series on director and actor impact after 2002.

[7] Greta Hsu, the author of the original study, kindly provided original matching tables for the film genre assignments.

To stay as closely as possible to the original study across both sets the replication, I built alternative variables to represent star and director power. For the star power variable, I collected the "Star Score" from thenumbers.com (an online database that extensively collects and publishes revenue data for movie projects). In this score, points are assigned to each of the leading actors of the 100 highest grossing movies in the current and two preceding years, taking into consideration the total grossing of the movies, the number of movies in which actors were part of the cast, and their average billing position. I argue that this variable, which is available for both time periods I study, resembles actor status as in the original star power variable derived from the THR survey (for a similar argument, see also, Rossman, Esparza, & Bonacich, 2010). For the original time period, I find a 0.74 correlation between my alternative star power variable and the original one from THR. Also, regressions using either variable lead to qualitative identical results. I thus use this alternative star power variable for the quasi-replication.

For the director power variable, I used thenumbers.com to derive, at the director level, aggregated data on the total grossing of all their movies before my respective sampling period. While I only find a 0.44 correlation between this variable and the original top director power variable for the original sampling frame, regressions using either director power variable still lead to qualitatively identical results. Hence, I draw on this variable for the quasi-replication.

Accounting for the Structure of the Conceptual Space: Contrast and Distance. I follow Kovács and Hannan (2010) and define category *contrast C* with a_i being the number of categories of movies *i* with $i \in \{1, \dots, \}, n \in \mathbb{N}$:

$$C = \frac{1}{n}\sum_{i=1}^{n}\frac{1}{a_i}$$

For example, I assume a population of three producers who are assigned to a so-called "main-category." To calculate contrast, I first check on the category members' other categorical

memberships. If the first one has no other membership, the second has two and the third has three other categorical memberships then the contrast of the "main-category" would be $(1 + \frac{1}{3} + \frac{1}{4}) \div 3 = 0.52$. For this study, instead of the raw contrast measure, I employ contrast share, defined "as the ratio of the maximum contrast of the assigned categories to their sum"(Kovács & Hannan, 2010: 12). For contrast share *CS*, consider the contrasts C_j with $j \in \{1, \dots, m], m \in \mathbb{N}$:

$$\text{CS}= \max_{1 \le j \le m} C_j \cdot \frac{1}{\sum_{j=1}^{m} C_j}$$

For instance, having a subject with two categories and the contrast of $\{1, 0.6\}$ the contrast share would be $(1 \div (1 + 0.6)) = 0.625$. This way of calculation has the advantage that it is less sensitive to extreme values than using the average mean of the contrasts (Kovács & Hannan, 2010). Contrast share ranges between [0,1] with 0 denoting no contrast at all for the respective category and 1 maximum contrast.

For *distance*, I follow Leung (2014) who builds on the asymmetric similarity approach by Tversky (1977), implying one category can be more distant to the other than vice versa. I hence measure distance between two categories by the inverse relationship of how often the categories appear together. To calculate the distance *D* of category *i* to category *j*, I use this formula:

$$D_i(j) = 1 - \frac{|i \cap j|}{i}$$

Assume, for example, that Category A appears 10 times, Category B 15 times and they co-occur 8 times. Thus, the distance of Category A to Category B is the inverse relationship of the number of times where both categories co-occur divided by the total number of Category A – occurrences: $1 - (8 \div 10) = 0.2$. For my research, the distance over all categories of a movie is represented by the mean of all distances. The index distance ranges between [0,1] with 0 denoting no distance between the categories and 1 maximum distance.

RESULTS

To better understand the outcomes of my analyses, I first compared the original data to the samples of my quasi and narrow replication using unpaired t-tests (see Table 1). Given the differences in data sources, size of the dataset, and the time passed since Hsu (2006) was published, it is no surprise that for most variables, I find significant differences. Notably, however, key demographic variables about what kind of movies are released when, captured by sequel and holiday release variables, are not statistically significantly different.

Table 1. Unpaired T-test Results of Hsu (2006) with the Narrow Replication

Variable	T	df	SE	P-Value	95% Confidence Interval	
Budget (ln)	2.51	1309	0.08	0.01	0.04	0.38
Box office gross (ln)	10.97	1967	0.11	0.00	-1.45	-1.01
No. of opening sites (ln)	1.79	1967	0.14	0.07	-0.02	0.54
Top star power	3.41	1967	1.42	0.00	2.06	7.67
Top director power	2.33	1967	1.14	0.01	-4.91	-0.42
Sequel	1.44	1967	0.01	0.14	-0.00	0.03
Major distributor	2.03	1967	0.02	0.04	0.00	0.08
Holiday release	0.86	1967	0.02	0.38	-0.05	0.02
No. of genres	30.20	1967	0.06	0.00	-2.18	-1.92
Niche overlap density	25.45	1967	0.35	0.00	-9.66	-8.28
No. of critic reviews	23.15	1967	0.43	0.00	-10.85	-9.15
Average critic rating	2.76	1967	0.07	0.00	0.05	0.34
No. of IMDb votes	12.44	1967	4650.09	0.00	-67022.22	-48749.97
Average IMDb rating	3.08	1962	0.05	0.00	-0.26	-0.05

Still, these differences in descriptive statistics already indicate that I might find results different from Hsu's (2006) original paper as I basically test her hypotheses on a different sample. As Shi, Sorenson, and Waguespack (2017) argue in their review on the replication methodology, precise replication of a study depends on whether one collected the data at the

same time as the original researchers and that the results sensitively depend on the sampling frame. While my sampling frame precisely matched the original study, my data sources did not only differ from the original study due to unavailability, but the acquired sample size also increased in quantity.

At the same time, parts of my sample may in fact be more accurate than the original study, as movie online databases are constantly being kept updated over the time (which particularly resulted in much larger numbers for IMDb and RT ratings). Additions or corrections may correctly affect the evaluation or ranking of a movie. For example, only recently, the 1941 movie 'Citizen Cane,' which has ranked first place on RT for years, lost its rank as RT has been adding archival reviews. A negative review in the Chicago Tribune from 1941 has decreased Citizen Cane's top RT rating from 100 to 99 (Philips, 2021).

The results of both narrow and quasi-replication are summarized in Table 2, in which I aggregate the Hsu (2006) findings along the original hypotheses compared to my results.

Generally, Hsu (2006) studies the effect of a generalist positioning (captured by *niche width*, the number of different categories a movie is classified across all three platforms) on both the *size* of as well as the evaluation (labelled *appeal*) by the consumer and the professional critic audience (without theorizing varying effects across audiences). In H1, she hypothesizes that niche width positively affects audience size. In H2, she suggests that niche width diminishes overall audience appeal. In H3, she introduces the notion of *consensus on fit*, the degree of overlap in category classification across platforms. She hypothesizes that consensus on fit decreases niche width. In H4, she predicts that consensus increases overall audience size. Finally, in H5, she suggests a mediation effect of consensus on niche width with regard to audience appeal.

As I elaborate below, while I find partial support for Hsu's (2006) finding that generalists attract larger audiences, I find no empirical evidence for the punishment of generalists in the narrow replication. For the quasi-replication, for which, notably, the time difference between the sampling time frame and when the sample was drawn is largely identical to Hsu's (2006) paper, I see that there even may be conditions under which being a generalist, that is, assuming a broader niche, may be beneficial, and that audience perception plays a different role. I also demonstrate that contrast and distance seem to matter more for the evaluation of generalism in the quasi-replication than in the narrow replication. Especially in the quasi-replication, I show that key explanatory variables (in particular niche width) vary if I account for potential asymmetry in the structure of conceptual space, even to an extent that assuming a broader niche may be detrimental for audience size. I further also demonstrate that there are substantial differences in how audience types evaluate category spanning.

Table 2. Summary of Results: Hsu (2006), Narrow Replication, and Quasi-Replication

	DV	IV	Hsu (2006)	Narrow Replication	Quasi-Replication
H1	No. RT	No. Genres(+)	**0.40 (2.08)**	-0.02 (-0.31)	0.02 (0.33)
	No. IMDb	No. Genres(+)	-0.09 (-0.32)	0.08 (0.75)	**0.27 (2.39)**
	Gross	No. Genres(+)	-0.14 (0.39)	0.27 (0.20)	**-0.34 (-2.76)**
H2	Rating RT	No. Genres(-)	**-1.06 (-2.53)**	0.09 (0.82)	0.09 (0.63)
	Rating IMDb	No. Genres(-)	**-0.62 (-2.45)**	-0.02 (-0.34)	-0.00 (-0.08)
H3	Consensus	No. Genres(-)	**-1.87 (-23.54)**	**-1.65 (-22.36)**	**-1.45 (-23.22)**
H4	No. RT	Consensus(+)	**0.57 (3.87)**	**0.66 (4.10)**	0.05 (0.32)
	No. IMDb	Consensus(+)	0.33 (1.54)	**1.16 (4.63)**	0.11 (0.40)
	Gross	Consensus(+)	**0.62 (2.18)**	0.38 (1.20)	0.38 (1.25)
H5 (mediator)	Rating RT	Consensus	**1.42 (4.83)**	0.06 (0.33)	0.56 (1.52)
	Rating RT	Cons./No. Genres	**1.37 (4.12)** / -0.17(-0.36)	0.28 (1.06) / 0.19 (1.30)	**0.43 (1.80) / 1.09 (2.30)**
	Rating IMDb	Consensus	**0.61 (3.62)**	**0.24 (1.72)**	**0.29 (2.21)**
	Rating IMDb	Cons./No. Genres	**0.56 (2.97)** / -0.15 (-0.54)	**0.35 (1.93)** / 0.09 (0.94)	0.13 (1.56) / **0.45 (2.71)**
Including contrast and distance (Baseline models as for H4, H5)	No. RT	Con./Dist./Con.*Dist.		-0.02 (-0.02) / -0.03 (-0.02) / 0.40 (0.23)	**-3.26 (-3.38) / -2.16 (-1.99)** / 1.55 (1.38)
	No. IMDb	Con./Dist./Con.*Dist.		0.34 (0.47)/ 0.77 (0.89) / -0.57 (-0.60)	**-5.23 (-3.29)** / -2.79 (-1.56) / 1.49 (0.80)
	Gross	Con./Dist./Con.*Dist.		**-1.63 (-1.75)** / -0.78 (-0.71) / 0.89 (0.74)	**-4.89 (-2.78) / -4.16 (-2.10) / 3.64 (1.77)**
	Rating RT	Con./Dist./Con.*Dist.		-0.02 (-0.02) / -0.03 (-0.02) / 0.40 (0.23)	-2.64 (-1.00) / -2.49 (-0.84) / 2.61 (0.83)
	Rating IMDb	Con./Dist./Con.*Dist.		0.01 (0.03) / 0.15 (0.27) / -0.01 (-0.02)	-0.94 (-0.99) / -0.87 (-0.82) / 1.10 (0.99)

Narrow Replication

Table 3 contains the descriptive statistics of the narrow replication (key variables) and Table 4 displays the correlation table.

Table 3. Narrow Replication Descriptive Statistics

Variable	Obs.	Mean	SD	Min.	Max.
Budget (ln)	706	16.61	1.66	5.39	19.11
Box office gross (ln)	1020	14.81	3.22	5.01	19.82
No. of opening sites (ln)	1020	4.55	3.21	0	8.22
Top star power	1020	36.21	30.86	0	100
Top director power	1020	16.23	24.76	0	100
Sequel	1020	0.05	0.22	0	1
Major distributor	1020	0.60	0.48	0	1
Holiday release	1020	0.27	0.44	0	1
No. of genres	1020	4.95	1.57	1	11
Niche overlap density	1020	29.53	10.77	0	80
No. of critic reviews	1020	22.20	12.53	0	109
Average critic rating	888	5.37	1.45	1.75	8.60
No. of IMDb votes	1020	64029.90	142865.90	0	1497927
Average IMDb rating	1018	6.22	1.05	2	8.90
Consensus on fit	1020	0.49	0.24	0	1
Contrast share	1020	0.54	0.25	0	1
Distance	1020	0.68	0.34	0	0.99

Table 4. Narrow Replication List-Wise Correlation Matrix (N=665)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1. No. genres	1.00																
2. Budget	0.21	1.00															
3. Gross	0.14	0.71	1.00														
4. Opening sites	0.15	0.66	0.70	1.00													
5. Star power	0.09	0.55	0.43	0.27	1.00												
6. Director power	0.11	0.41	0.32	0.19	0.44	1.00											
7. Sequel	0.11	0.17	0.23	0.19	0.01	0.09	1.00										
8. Maj. distributor	0.08	0.55	0.56	0.52	0.32	0.24	0.09	1.00									
9. Holiday release	0.26	-0.04	-0.02	0.03	-0.02	0.01	0.13	0.03	1.00								
10. Niche overlap	-0.46	-0.23	-0.23	-0.23	-0.02	-0.10	-0.13	-0.13	-0.01	1.00							
11. No. RT	0.05	0.42	0.57	0.21	0.50	0.36	0.08	0.32	-0.05	-0.04	1.00						
12. Rating RT	0.02	-0.11	0.11	-0.33	0.11	0.20	-0.03	-0.07	-0.07	0.05	0.40	1.00					
13. No. IMDb	0.11	0.30	0.41	0.14	0.24	0.33	0.18	0.13	-0.05	-0.17	0.33	0.34	1.00				
14. Rating IMDb	-0.04	-0.04	0.12	-0.28	0.17	0.23	-0.10	-0.03	-0.13	0.08	0.36	0.71	0.48	1.00			
15. Consensus on fit	-0.59	0.07	0.12	0.07	0.09	0.00	-0.05	0.06	-0.42	0.22	0.15	0.04	0.03	0.09	1.00		
16. Contrast share	-0.62	-0.24	-0.20	-0.16	-0.17	-0.12	-0.03	-0.11	-0.06	0.28	-0.12	-0.04	-0.07	-0.01	0.07	1.00	
17. Distance	0.46	0.16	0.15	0.11	0.14	0.09	-0.06	0.11	0.04	-0.25	0.10	0.05	0.04	0.01	-0.08	-0.81	1.00

The results of testing H1 and H2 of the original study are presented in Table 5. In contrast to Hsu (2006), I find no robust indications that niche width has an effect on professional rating and number of reviews and there are also no indications of niche width affecting consumer reviews and box office grossing. Finally, I also find no effect of niche width on consumer rating. This means that I find no evidence in support of H1 and H2.

Table 5. Narrow Replication of H1 and H2 (effect of niche width on audience appeal and size) from Original Study

Variable	No. RT (ln)	Rating RT	No. IMDb (ln)	Gross (ln)	Rating IMDb
N	1020	888	1020	1020	1018
Total no. of genres (ln)	-0.02 (-0.31)	0.09 (0.82)	0.08 (0.75)	0.27 (0.20)	-0.02 (-0.34)
Any budget info	0.04 (0.10)	0.19 (0.28)	**-2.1 (-3.26)**	**-3.65 (-4.32)**	-0.44 (-0.92)
Budget (ln)	0.01 (0.67)	0.00 (0.02)	**0.22 (5.04)**	**0.32 (5.69)**	0.03 (1.16)
No. of opening sites (ln)	**0.03 (2.64)**	**-0.19 (-8.89)**	**0.07 (3.27)**	**0.40 (14.66)**	**-0.11 (-6.54)**
Top star power	**0.01 (5.61)**	**0.00 (2.13)**	**0.01 (7.41)**	**0.01 (2.89)**	**0.01 (3.27)**
Top director power	**0.00 (3.56)**	**0.01 (7.08)**	**0.01 (5.62)**	**0.01 (3.54)**	**0.01 (6.44)**
Major distributor	**0.34 (5.50)**	0.09 (0.75)	**0.56 (4.62)**	**0.83 (5.40)**	**0.15 (1.78)**
Sequel	0.11 (0.96)	0.07 (0.42)	**0.47 (2.60)**	**0.68 (2.98)**	-0.09 (-0.71)
Holiday release	-0.03 (-0.51)	-0.16 (-1.63)	**-0.17 (-1.91)**	**-0.22 (-1.89)**	**-0.24 (-3.31)**
Niche overlap	0.00 (0.74)	0.00 (0.40)	0.00 (0.36)	**-0.12 (-2.15)**	0.00 (1.02)
Constant	-0.68 (-1.14)	**4.94 (14.63)**	**1.97 (2.13)**	**6.57 (5.62)**	**6.81 (7.32)**

Table 6 contains the results of testing H3 and H4 from the original study. Consistent with the original study, I find that niche width significantly decreases audience consensus. I also find robust indications that niche width significantly leads to an increase in consumer reviews and in professional reviews but not in terms of box office performance. In accordance with the original study, I also find that consensus significantly increases the number of professional ratings. In contrast to Hsu (2006), I find that consensus significantly increases the number of consumer rating but it does not affect box office grossing. Overall, I find support for both H3 and H4.

Table 6. Narrow Replication of H3 and H4 (drivers and effects of consensus on fit) from Original Study (N=1020)

Variable	Consensus	No. RT (ln)	No. IMDb (ln)	Gross (ln)
Total no. of genres (ln)	**-1.65 (-22.36)**	**0.21 (2.32)**	**0.48 (3.49)**	0.16 (0.91)
Any budget info	0.11 (0.34)	0.01 (0.01)	**-2.25 (-3.38)**	**-3.60 (-4.34)**
Budget (ln)	0.00 (0.18)	0.02 (0.70)	**0.22 (5.10)**	**0.32 (5.69)**
No. of opening sites (ln)	**0.02 (1.83)**	**0.03 (2.42)**	**0.06 (3.02)**	**0.40 (14.57)**
Top star power	**0.00 (2.69)**	**0.01 (5.26)**	**0.01 (7.05)**	**0.01 (2.78)**
Top director power	0.00 (1.42)	**0.00 (3.40)**	**0.01 (5.46)**	**0.01 (3.49)**
Major distributor	0.08 (1.13)	**0.41 (5.36)**	**0.54 (4.45)**	**0.82 (5.35)**
Sequel	-0.03 (-0.35)	0.11 (1.02)	**0.48 (2.68)**	**0.68 (2.99)**
Holiday release	**-0.41 (-7.74)**	0.03 (0.55)	-0.06 (-0.70)	-0.18 (-1.53)
Niche overlap		0.00 (0.91)	0.00 (0.40)	**-0.01 (-2.14)**
Consensus on fit		**0.66 (4.10)**	**1.16 (4.63)**	0.38 (1.20)
Constant	**-11.40 (-14.64)**	-0.94 (-1.58)	**1.54 (1.68)**	**6.43 (5.48)**

In Table 7, I report my tests of H5 from the original study. Here, I test the effect of consensus on fit on professional and consumer rating in two models (with and without niche width). This is to show that consensus mediates the effect of niche width and increases audience rating. Unlike the original study, I find no robust effect of consensus on fit (alone and in combination with niche width) on professional rating. Like the original study, I find a significant effect of consensus on fit on consumer rating. However, and in contrast to Hsu (2006), I find no mediating effect as there is no significant effect of niche width on consumer rating. These results do not suggest support for H5.

Table 7. Narrow Replication of H5 (drivers of appeal, including consensus and niche width) from Original Study

Variable	Rating RT	Rating RT	Rating IMDb	Rating IMDb
N	888	888	1018	1018
Total no. of genres (ln)		0.19 (1.30)		0.09 (0.94)
Any budget info	0.20 (0.30)	0.18 (0.26)	-0.46 (-0.96)	-0.46 (-0.96)
Budget (ln)	0.00 (0.01)	0.00 (0.03)	0.03 (1.17)	0.03 (1.16)
No. of opening sites (ln)	**-0.19 (-8.80)**	**-0.20 (-8.85)**	**-0.12 (-7.63)**	**-0.12 (-7.65)**
Top star power	**0.00 (2.16)**	**0.00 (2.04)**	**0.00 (3.19)**	**0.00 (3.10)**
Top director power	**0.01 (7.09)**	**0.01 (7.03)**	**0.01 (6.39)**	**0.01 (6.36)**
Major distributor	0.09 (0.75)	0.09 (0.73)	**0.15 (1.72)**	**0.14 (1.70)**
Sequel	0.06 (0.38)	0.07 (0.43)	-0.09 (-0.70)	-0.09 (-0.69)
Holiday release	-0.14 (-1.36)	-0.12 (-1.25)	**-0.19 (-2.71)**	**-0.19 (-2.72)**
Niche overlap	-0.00 (-0.02)	0.00 (0.43)	0.00 (0.79)	0.00 (1.04)
Consensus on fit	0.06 (0.33)	0.28 (1.06)	**0.24 (1.72)**	**0.35 (1.93)**
Constant	**5.12 (20.37)**	**4.68 (11.18)**	**6.82 (7.39)**	**6.71 (7.23)**

Overall, the results of the narrow replication slightly differ from the original findings. Where Hsu (2006) finds results in support of all five hypotheses (where in 9 out of 13 estimations the key estimators were significant), I only find supportive results for two hypotheses. This narrow replication partly corroborates the picture that the original study draws - that generalism attracts larger audiences and that consensus plays an important role in that, but does not necessarily provide empirical evidence that generalism harms audience appeal. In terms of audience type differences, I find no notable variation in how niche width affects audience appeal or size of professional and consumer audiences.This is contrary to the original study's outcome where Hsu (2006) has found, for example, that niche width affects the size of professional audiences more than consumer audiences. This further corroborates my presumption that the available data on both IMDb and RT have substantially changed since the publication of the original study.

Contrast and Distance in the Narrow Replication

Following Kovács and Hannan (2010; 2014), I incorporate contrast and distance into the original model by Hsu (2006) and also control for interaction effects. I focus on the full model testing of H5, with niche width and consensus on fit as key predictors of audience size and appeal. I also test H3 to check whether contrast and distance affect consensus on fit.

I approach the analysis in four different models. In the first two models, I test contrast and distance separatly before I test them together and finally include an interaction term. I focus on whether contrast and distance affect the key predictors, which means that I will only interpret those models in which I find changes in my main variables niche width and consensus on fit.

Table 8 – 11 shows the results of testing contrast and distance on consumer rating and size (number of reviews and gross) respectively professional rating and size (number of reviews) in the narrow replication. In none of the models, the independent variables niche width and consensus on fit vary if I include contrast and distance.

In Table 12, I predict on professional audience size as dependent variable. Here, incorporating contrast and distance turns the positive and significant effect of niche width with a t-value of 2.32 and a coefficient of 0.21 to an insignificant one with a t-value of 1.21 and a coefficient of 0.14.

In Table 13, I test contrast and distance with consensus on fit as dependent variable. Here, the only key predictor niche width is also not affected by contrast or distance.

Table 8. Narrow Replication: Drivers of general audience appeal, including contrast and distance (N=1018)

	Tab.7: *Rating IMDb*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	0.09 (0.94)	0.09 (0.74)	0.11 (1.02)	0.09 (0.72)	0.11 (0.88)
Any budget info	-0.46 (-0.96)	-0.46 (-0.96)	-0.45 (-0.94)	-0.45 (-0.93)	-0.45 (-0.95)
Budget (ln)	0.03 (1.16)	0.03 (1.16)	0.03 (1.14)	0.03 (1.14)	0.03 (1.16)
No. of opening sites	**-0.12 (-7.65)**	**-0.12 (-7.65)**	**-0.12 (-7.66)**	**-0.12 (-7.64)**	**-0.12 (-7.68)**
Top star power	**0.00 (3.10)**	**0.00 (3.09)**	**0.00 (3.11)**	**0.00 (3.09)**	**0.00 (3.11)**
Top director power	**0.01 (6.36)**	**0.00 (6.36)**	**0.01 (6.35)**	**0.01 (6.35)**	**0.01 (6.33)**
Major distributor	**0.14 (1.70)**	**0.14 (1.70)**	**0.15 (1.71)**	**0.15 (1.73)**	**0.15 (1.73)**
Sequel	-0.09 (-0.69)	-0.09 (-0.68)	-0.09 (-0.71)	-0.09 (-0.70)	-0.09 (-0.72)
Holiday release	**-0.19 (-2.72)**	**-0.19 (-2.72)**	**-0.19 (-2.73)**	**-0.19 (-2.74)**	**-0.18 (-2.67)**
Niche overlap	0.00 (1.04)	0.00 (1.03)	0.00 (1.03)	0.00 (0.97)	0.00 (0.90)
Consensus on fit	**0.35 (1.93)**	**0.35 (1.80)**	**0.37 (1.97)**	**0.34 (1.77)**	**0.37 (1.87)**
Contrast share		**-0.00 (1.80)**		-0.12 (-0.46)	-0.77 (-1.31)
Distance			-0.04 (-0.41)	-0.10 (-0.62)	-0.93 (-1.35)
Con. share X Dist.					0.93 (1.24)
Constant	**6.71 (7.23)**	**6.71 (7.12)**	**6.74 (7.24)**	**6.88 (7.01)**	**7.54 (6.76)**

Table 9. Narrow Replication: Drivers of general audience size, including contrast and distance (N=1018)

	Tab.6: *No. IMDb*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	**0.48 (3.49)**	**0.32 (1.85)**	**0.33 (2.12)**	**0.33 (1.88)**	**0.31 (1.77)**
Any budget info	**-2.25 (-3.38)**	**-2.28 (-3.43)**	**-2.31 (-3.48)**	**-2.31 (-3.48)**	**-2.31 (-3.47)**
Budget (ln)	**0.22 (5.10)**	**0.22 (5.15)**	**0.23 (5.19)**	**0.23 (5.19)**	**0.23 (5.19)**
No. of opening sites (ln)	**0.06 (3.02)**	**0.06 (3.06)**	**0.06 (3.05)**	**0.06 (3.05)**	**0.06 (3.07)**
Top star power	**0.01 (7.05)**	**0.01 (6.96)**	**0.01 (6.98)**	**0.01 (6.97)**	**0.01 (6.96)**
Top director power	**0.01 (5.46)**	**0.01 (5.48)**	**0.01 (5.50)**	**0.01 (5.50)**	**0.01 (5.50)**
Major distributor	**0.54 (4.45)**	**0.53 (4.45)**	**0.53 (4.39)**	**0.53 (4.39)**	**0.53 (4.39)**
Sequel	**0.48 (2.68)**	**0.50 (2.78)**	**0.50 (2.82)**	**0.51 (2.82)**	**0.51 (2.83)**
Holiday release	-0.06 (-0.70)	-0.06 (-0.70)	-0.06 (-0.65)	-0.06 (-0.66)	-0.06 (-0.67)
Niche overlap	0.00 (0.40)	0.00 (0.29)	0.00 (0.41)	0.00 (0.40)	0.00 (0.42)
Consensus on fit	**1.16 (4.63)**	**1.02 (3.77)**	**1.04 (4.02)**	**1.03 (3.83)**	**1.02 (3.76)**
Contrast share		**-0.37 (3.77)**		-0.03 (-0.09)	0.34 (0.47)
Distance			**0.29 (1.95)**	0.27 (1.26)	0.77 (0.89)
Con. share X Dist.					-0.57 (-0.60)
Constant	**1.54 (1.68)**	**1.72 (1.86)**	1.49 (1.62)	1.51 (1.60)	1.32 (1.32)

Table 10. Narrow Replication: Drivers of box office revenues, including contrast and distance (N=1020)

	Tab.6 *Gross*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	0.16 (0.91)	-0.29 (-1.30)	-0.08 (-0.39)	-0.29 (-1.30)	-0.26 (-1.18)
Any budget info	**-3.60 (-4.34)**	**-3.76 (-4.47)**	**-3.77 (-4.47)**	**-3.76 (-4.47)**	**-3.77 (-4.48)**
Budget (ln)	**0.32 (5.69)**	**0.32 (5.82)**	**0.32 (5.81)**	**0.32 (5.82)**	**0.32 (5.83)**
No. of opening sites (ln)	**0.40 (14.57)**	**0.40 (14.73)**	**0.40 (14.64)**	**0.40 (14.73)**	**0.40 (14.69)**
Top star power	**0.01 (2.78)**	**0.01 (2.61)**	**0.01 (2.69)**	**0.01 (2.61)**	**0.01 (2.62)**
Top director power	**0.01 (3.49)**	**0.01 (3.52)**	**0.01 (3.53)**	**0.01 (3.52)**	**0.01 (3.51)**
Major distributor	**0.82 (5.35)**	**0.82 (5.36)**	**0.81 (5.28)**	**0.82 (5.36)**	**0.82 (5.36)**
Sequel	**0.68 (2.99)**	**0.73 (3.23)**	**0.72 (3.17)**	**0.73 (3.23)**	**0.73 (3.22)**
Holiday release	-0.18 (-1.53)	-0.18 (-1.53)	-0.17 (-1.47)	-0.18 (-1.53)	-0.18 (-1.51)
Niche overlap	**-0.01 (-2.14)**	**-0.01 (-2.38)**	**-0.01 (-2.13)**	**-0.01 (-2.37)**	**-0.01 (-2.40)**
Consensus on fit	0.38 (1.20)	-0.02 (-0.08)	0.18 (0.57)	-0.02 (-0.08)	-0.00 (-0.01)
Contrast share		**-1.04 (-3.31)**		**-1.03 (-2.21)**	**-1.63 (-1.75)**
Distance			**0.46 (2.46)**	0.01 (0.04)	-0.78 (-0.71)
Con. share X Dist.					0.89 (0.74)
Constant	**6.43 (5.48)**	**6.93 (5.89)**	**6.34 (5.42)**	**6.92 (5.78)**	**7.22 (5.72)**

Table 11. Narrow Replication: Drivers of critic appeal, including contrast and distance (N=888)

	Tab.7 *Rating RT*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	0.19 (1.30)	0.12 (0.66)	0.08 (0.50)	0.14 (0.78)	0.14 (0.79)
Any budget info	0.18 (0.26)	0.17 (0.25)	0.15 (0.22)	0.14 (0.21)	0.14 (0.21)
Budget (ln)	0.00 (0.03)	0.00 (0.03)	0.00 (0.06)	0.00 (0.06)	0.00 (0.07)
No. of opening sites (ln)	**-0.20 (-8.85)**	**-0.20 (-8.81)**	**-0.19 (-8.81)**	**-0.20 (-8.84)**	**-0.20 (-8.84)**
Top star power	**0.00 (2.04)**	**0.00 (2.01)**	**0.00 (2.01)**	**0.00 (2.04)**	**0.00 (2.04)**
Top director power	**0.01 (7.03)**	**0.01 (7.04)**	**0.01 (7.06)**	**0.01 (7.06)**	**0.01 (7.06)**
Major distributor	0.09 (0.73)	0.08 (0.72)	0.08 (0.66)	0.07 (0.64)	0.08 (0.65)
Sequel	0.07 (0.43)	0.08 (0.47)	0.09 (0.54)	0.09 (0.53)	0.09 (0.53)
Holiday release	-0.12 (-1.25)	-0.13 (-1.28)	-0.12 (-1.25)	-0.12 (-1.19)	-0.12 (-1.20)
Niche overlap	0.00 (0.43)	0.00 (0.37)	0.00 (0.45)	0.00 (0.56)	0.00 (0.52)
Consensus on fit	0.28 (1.06)	0.21 (0.76)	0.18 (0.68)	0.25 (0.72)	0.25 (0.87)
Contrast share		-0.15 (-0.58)		0.30 (0.73)	-0.02 (-0.02)
Distance			0.21 (1.36)	0.35 (1.43)	-0.03 (-0.02)
Con. share X Dist.					0.40 (0.23)
Constant	**4.68 (11.18)**	**4.88 (9.04)**	**4.71 (11.25)**	**4.34 (6.60)**	**4.67 (2.94)**

Table 12. Narrow Replication: Drivers of amount of critic reviews, including contrast and distance (N=1020)

	Tab.6 *No. RT*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	**0.21 (2.32)**	0.13 (1.19)	0.14 (1.36)	0.14 (1.23)	0.14 (1.21)
Any budget info	0.01 (0.01)	-0.00 (-0.02)	-0.2 (-0.06)	-0.02 (-0.06)	-0.02 (-0.06)
Budget (ln)	0.02 (0.70)	0.02 (0.73)	0.02 (0.77)	0.02 (0.77)	0.02 (0.77)
No. of opening sites (ln)	**0.03 (2.42)**	**0.03 (2.44)**	**0.03 (2.43)**	**0.03 (2.43)**	**0.03 (2.43)**
Top star power	**0.01 (5.26)**	**0.00 (5.20)**	**0.00 (5.21)**	**0.00 (5.20)**	**0.00 (5.20)**
Top director power	**0.00 (3.40)**	**0.00 (3.41)**	**0.00 (3.42)**	**0.00 (3.42)**	**0.00 (3.42)**
Major distributor	**0.41 (5.36)**	**0.41 (5.36)**	**0.41 (5.31)**	**0.41 (5.31)**	**0.41 (5.31)**
Sequel	0.11 (1.02)	0.12 (1.08)	0.12 (1.12)	0.12 (1.12)	0.12 (1.12)
Holiday release	0.03 (0.55)	0.03 (0.52)	0.03 (0.59)	0.03 (0.59)	0.03 (0.59)
Niche overlap	0.00 (0.91)	0.00 (0.81)	0.00 (0.93)	0.00 (0.93)	0.00 (0.93)
Consensus on fit	**0.66 (4.10)**	**0.59 (3.42)**	**0.60 (3.62)**	**0.60 (3.47)**	**0.60 (3.46)**
Contrast share		-0.17 (-1.06)		0.00 (0.02)	0.01 (0.03)
Distance			0.13 (1.46)	0.14 (1.00)	0.15 (0.27)
Con. share X Dist.					-0.01 (-0.02)
Constant	-0.94 (-1.58)	-0.85 (-1.42)	-0.96 (-1.62)	-0.97 (-1.58)	-0.97 (-1.51)

Table 13. Narrow Replication: Drivers of Consensus on Fit, including contrast and distance (N=1020)

	Tab.6 *Cons. F.*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	**-1.65 (-22.36)**	**-2.15 (-23.89)**	**-1.88 (-21.71)**	**-2.16 (-24.35)**	**-2.17 (-24.51)**
Any budget info	0.11 (0.34)	0.03 (0.10)	0.01 (0.05)	0.06 (0.21)	0.07 (0.23)
Budget (ln)	0.00 (0.18)	0.00 (0.33)	0.00 (0.39)	0.00 (0.24)	0.00 (0.21)
No. of opening sites (ln)	**0.02 (1.83)**	**0.02 (2.13)**	**0.24 (1.94)**	**0.02 (2.14)**	**0.02 (2.22)**
Top star power	**0.00 (2.69)**	**0.00 (1.96)**	**0.00 (2.41)**	**0.00 (1.93)**	**0.00 (1.90)**
Top director power	0.00 (1.42)	0.00 (1.26)	0.00 (1.39)	0.00 (1.23)	0.00 (1.27)
Major distributor	0.08 (1.13)	0.06 (0.92)	0.05 (0.80)	0.07 (1.03)	0.06 (0.99)
Sequel	-0.03 (-0.35)	0.05 (0.62)	0.25 (0.29)	0.04 (0.51)	0.04 (0.55)
Holiday release	**-0.41 (-7.74)**	**-0.37 (-7.42)**	**-0.39 (-7.31)**	**-0.38 (-7.51)**	**-0.37 (-7.42)**
Contrast share		**-1.57 (-11.94)**		**-1.97 (-8.81)**	-0.81 (-1.30)
Distance			**0.62 (7.13)**	**-0.32 (-2.28)**	1.11 (1.53)
Con. share X Dist.					**-1.57 (-2.08)**
Constant	**-11.40 (-14.64)**	**-12.86 (-17.29)**	**-13.77 (-16.38)**	**-12.66 (-15.27)**	**-13.18 (-16.45)**

In sum, for the narrow replication, incorporating contrast and distance only adds little explanatory power to the regressions. As shown in the models, both variables hardly have any impact on the key predictors with only one exception. Still, these analyses have implications in terms of audience type differences. While the narrow replication without contrast and distance shows that niche width positively affects both professional and consumer audience size (in terms of the number of reviews), we can see, in the narrow replication with contrast and distance, that this effect only holds for the consumer number of reviews. It is possible that contrast and distance here provide more refined insights into the efficacy of niche width on audience size in general as it demonstrates that consumer audience size is more sensitive than professional audience size.

Quasi-Replication

I now look at how the above results may have changed over time. The descriptive statistics of the quasi-replication are reported in Table 14 in which I again only show the key variables. Table 15 displays the respective correlation table. Compared to the original study, budget and sequel seem not to have changed much over the time, while box office gross, number of openings sites, major distributor, and holiday release are quite different. These differences may suggest that the movies in this sample are in average smaller film projects with less box office success and less backing by large film companies, especially given that box office gross and major distributor have decreased. Top star power and top director power are not comparable as they are operationalized differently in the quasi-replication. Further, I find very similar values for the number of genres and niche overlap density, whereas (unsurprisingly) both professional and consumer audience size and appeal differ significantly.

Table 14. Quasi-Replication Descriptive Statistics

Variable	Obs.	Mean	SD	Min.	Max.
Budget (ln)	642	16.64	1.75	7.60	19.58
Box office gross (ln)	1331	13.75	3.50	4.99	20.65
No. of opening sites (ln)	1331	3.81	3.31	0	8.41
Top star power	1331	379.73	541.36	0	2785
Top director power	1331	17.86	11.88	1.38	77.61
Sequel	1331	0.06	0.25	0	1
Major distributor	1331	0.32	0.46	0	1
Holiday release	1331	0.18	0.38	0	1
No. of genres	1331	2.83	1.72	1	9
Niche overlap density	1331	21.88	11.18	0	69
No. of critic reviews	1331	2.54	1.25	0	5.69
Average critic rating	1121	6.07	2.38	0	63
No. of IMDb votes	1331	47644.63	100185.7	0	828267
Average IMDb rating	1327	6.42	1.03	2.20	9.50
Consensus on fit	1331	0.53	0.22	0	1
Contrast share	1331	0.63	0.28	0.17	1
Distance	1331	0.56	0.40	0	0.99

Table 15. Quasi-Replication List-Wise Correlation Matrix (N=596)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1. No. genres	1.00																
2. Budget	0.46	1.00															
3. Gross	0.35	0.69	1.00														
4. Opening sites	0.43	0.56	0.66	1.00													
5. Star power	0.23	0.53	0.38	0.26	1.00												
6. Director power	0.09	0.33	0.41	0.20	0.29	1.00											
7. Sequel	0.13	0.28	0.27	0.15	0.13	-0.03	1.00										
8. Maj. distributor	0.27	0.54	0.58	0.35	0.26	0.06	0.20	1.00									
9. Holiday release	0.11	0.05	0.11	0.05	-0.04	-0.01	0.08	0.08	1.00								
10. Niche overlap	-0.49	-0.18	-0.21	-0.05	0.00	0.05	-0.13	-0.17	-0.02	1.00							
11. No. RT	0.20	0.57	0.56	0.40	0.24	0.12	0.09	0.40	0.00	0.01	1.00						
12. Rating RT	-0.07	0.03	0.14	0.07	0.14	0.06	-0.05	0.07	-0.06	0.12	0.46	1.00					
13. No. IMDb	0.27	0.51	0.54	0.34	00.29	0.11	0.21	0.34	-0.02	-0.12	0.47	0.39	1.00				
14. Rating IMDb	-0.06	0.12	0.17	0.13	0.12	0.08	-0.04	0.07	-0.08	0.07	0.40	0.72	0.50	1.00			
15. Consensus on fit	-0.30	0.13	0.16	0.10	0.13	0.00	0.06	0.07	-0.06	0.08	0.20	0.21	0.21	0.21	1.00		
16. Contrast share	-0.88	-0.42	-0.34	-0.21	-0.09	-0.07	-0.13	-0.27	-0.09	0.48	-0.23	0.05	-0.24	0.06	0.23	1.00	
17. Distance	0.72	0.29	0.22	0.16	0.06	0.09	0.05	0.16	0.03	-0.41	0.20	-0.04	0.15	-0.03	-0.23	-0.87	1.00

Table 16 depicts the results of testing H1 and H2 in the quasi-replication. Niche width shows no significant effect on professional critics' audience size and appeal. In turn, niche width significantly increases the number of consumer ratings while it has no effect on appeal and significantly lowers box office grossing. In sum, although two models on H1 are significant, they do not support for the hypothesis given the contradicting signs of the coefficients. I also find no support for H2.

Table 16. Quasi-Replication of H1 and H2 (effect of niche width on audience appeal and size) from Original Study

Variable	No. RT (ln)	Rating RT	No. IMDb (ln)	Gross (ln)	Rating IMDb
N	1331	1121	1331	1331	1327
Total no. of genres (ln)	0.02 (0.33)	0.09 (0.63)	**0.27 (2.39)**	**-0.34 (-2.76)**	-0.00 (-0.08)
Any budget info	**-4.64 (-10.28)**	**-4.16 (-2.92)**	**-7.57 (-10.18)**	**-5.46 (-6.71)**	**-2.18 (-4.99)**
Budget (ln)	**0.32 (10.91)**	**0.26 (2.92)**	**0.54 (11.20)**	**0.44 (8.28)**	**0.16 (5.68)**
No. of opening sites (ln)	-0.00 (-0.19)	**-0.27 (-8.08)**	**0.10 (4.84)**	**0.42 (18.56)**	**-0.08 (-6.60)**
Top star power	**0.00 (6.13)**	0.00 (0.08)	**0.00 (5.20)**	**0.00 (2.98)**	**0.00 (1.96)**
Top director power	**0.01 (4.41)**	**0.02 (3.61)**	**0.02 (6.65)**	**0.05 (11.20)**	**0.00 (3.79)**
Major distributor	**0.35 (4.75)**	0.31 (1.63)	**0.46 (3.70)**	**0.91 (6.73)**	**0.15 (2.14)**
Sequel	**-0.23 (-2.17)**	-0.17 (-0.66)	-0.02 (-0.13)	0.11 (0.59)	-0.15 (-1.49)
Holiday release	**-0.26 (-3.87)**	-0.27 (-1.46)	**-0.38 (-3.54)**	-0.14 (-1.21)	-0.06 (-1.08)
Niche overlap	0.00 (0.74)	-0.00 (-0.49)	0.00 (0.76)	**-0.01 (-1.95)**	0.00 (1.49)
Constant	-0.33 (-0.99)	**5.87 (11.45)**	**4.42 (8.06)**	**8.33 (13.87)**	**5.89 (17.43)**

Table 17 displays the quasi-replication results of testing H3 and H4. I find that a niche width significantly lowers audience consensus on genre assignments. Again, I find that niche width improves the number of consumer reviews but does not significantly affect professional audience size or box office grossing. In contrast to the narrow replication, I cannot find any significant effect of audience consensus on fit on the professional and consumer audience size and box office grossing. This means that I find support for H3 but not for H4.

Table 17. Quasi-Replication of H3 and H4 (drivers and effects of consensus on fit) from Original Study (N=1331)

Variable	Consensus	No. RT (ln)	No. IMDb (ln)	Gross (ln)
Total no. of genres (ln)	**-1.45 (-23.22)**	0.03 (0.45)	**0.30 (2.15)**	-0.22 (-1.46)
Any budget info	**-1.54 (-4.23)**	**-4.62 (-10.16)**	**-7.5 (-10.05)**	**-5.33 (-6.51)**
Budget (ln)	**0.11 (4.79)**	**0.32 (10.76)**	**0.54 (11.03)**	**0.43 (8.02)**
No. of opening sites (ln)	-0.01 (-1.12)	-0.00 (-0.18)	**0.10 (4.85)**	**0.42 (18.61)**
Top star power	0.00 (0.54)	**0.00 (6.12)**	**0.00 (5.19)**	**0.00 (2.96)**
Top director power	0.00 (0.76)	**0.01 (4.40)**	**0.02 (6.64)**	**0.05 (11.17)**
Major distributor	0.04 (0.77)	**0.35 (4.74)**	**0.46 (3.69)**	**0.91 (6.70)**
Sequel	0.06 (0.80)	**-0.23 (-2.17)**	-0.02 (-0.14)	0.10 (0.56)
Holiday release	-0.08 (-1.63)	**-0.26 (-3.85)**	**-0.38 (-3.52)**	-0.13 (-1.15)
Niche overlap		0.00 (0.75)	0.00 (0.76)	**-0.01 (-1.95)**
Consensus on fit		0.05 (0.32)	0.11 (0.40)	0.38 (1.25)
Constant	**-13.54 (-34.77)**	-0.34 (-1.01)	**4.40 (8.00)**	**8.26 (13.73)**

Table 18 presents the results of testing H5. In the first model with professional rating as dependent variable, audience consensus is insignificant. In the second model, consensus turns significant and positive when niche width is included. For the two models with consumer audience appeal as dependent variable, consensus on fit has a positive and significant effect on consumer audience appeal which becomes larger when niche width is included. Niche width itself remains insignificant in both models. These results suggest that a broader niche may increase professional audience appeal if consensus is given. However, it does not provide empirical evidence for a mediating effect, so that H5 cannot be supported.

Table 18. Quasi-Replication of H5 (drivers of appeal, including consensus and niche width) from Original Study

Variable	Rating RT	Rating RT	Rating IMDb	Rating IMDb
N	1121	1121	1327	1327
Total no. of genres (ln)		**0.43 (1.80)**		0.13 (1.56)
Any budget info	**-3.92 (-2.74)**	**-3.74 (-2.61)**	**-2.09 (-4.76)**	**-2.04 (-4.63)**
Budget (ln)	**0.24 (2.70)**	**0.23 (2.56)**	**0.15 (5.40)**	**0.15 (5.25)**
No. of opening sites (ln)	**-0.28 (-7.95)**	**-0.27 (-8.04)**	**-0.07 (-6.45)**	**-0.07 (-6.50)**
Top star power	0.00 (0.06)	0.00 (0.06)	**0.00 (1.93)**	**0.00 (1.92)**
Top director power	**0.02 (3.56)**	**0.02 (3.56)**	**0.00 (3.74)**	**0.00 (3.73)**
Major distributor	0.31 (1.64)	0.30 (1.58)	**0.15 (2.14)**	**0.15 (2.08)**
Sequel	-0.19 (-0.73)	-0.19 (-0.74)	-0.16 (-1.57)	-0.16 (-1.56)
Holiday release	-0.28 (-1.52)	-0.24 (-1.28)	-0.06 (-0.99)	-0.06 (-0.96)
Niche overlap	-0.00 (-1.06)	-0.00 (-0.45)	0.00 (1.12)	0.00 (1.49)
Consensus on fit	0.56 (1.52)	**1.09 (2.30)**	**0.29 (2.21)**	**0.45 (2.71)**
Constant	**5.84 (14.86)**	**4.84 (7.13)**	**5.93 (18.00)**	**5.81 (17.20)**

Overall, the quasi-replication differs from the narrow replication and the original study. Here, I only find support for Hypothesis 3. The findings suggest that generalism may increase audience size but is not detrimental for audience appeal. They even provide evidence that niche width can positively affect audience appeal if consensus is given. Overall, the role for consensus seems to have lost some importance over time for both audiences' size but has gained some for their appeal. In terms of audience type differences, the effect of niche width substantially differs in its influence on professional and consumer audiences, with the former being more sensitive in terms of appeal and the latter more sensitive in terms of size. While the narrow replication has shown no notable differences between professional and consumer audience, the quasi-replication supports my presumption that there are substantial differences in how different audience types react to category spanning. As both samples are collected based on the same criteria, there is also the possibility that these differences may also have developed over time.

Contrast and Distance in the Quasi-Replication

For incorporating contrast and distance in the quasi-replication, I again only approach the testing H5 of Hsu (2006) in four different models. Again, I only focus on whether contrast and distance affect the key predictors.

Table 19 shows the results of incorporating contrast and contrast in the quasi-replication and with consumer rating as dependent variable. Here, I find no indications that contrast or distance affect niche width or consensus.

Table 19. Quasi Replication: Drivers of general audience appeal, including contrast and distance (N=1327)

	Tab.18 *Rating IMDb*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	0.13 (1.56)	0.01 (0.11)	0.03 (0.39)	0.02 (0.23)	0.03 (0.29)
Any budget info	**-2.04 (-4.63)**	**-2.05 (-4.67)**	**-2.07 (-4.71)**	**-2.07 (-4.71)**	**-2.06 (-4.68)**
Budget (ln)	**0.15 (5.25)**	**0.15 (5.30)**	**0.15 (5.34)**	**0.15 (5.34)**	**0.15 (5.30)**
No. of opening sites (ln)	**-0.07 (-6.50)**	**-0.07 (-6.53)**	-0.07 (-6.49)	**-0.07 (-6.49)**	**-0.07 (-6.48)**
Top star power	**0.00 (1.92)**	**0.00 (1.92)**	**0.00 (1.94)**	**0.00 (1.94)**	**0.00 (1.97)**
Top director power	**0.00 (3.73)**	**0.00 (3.69)**	**0.00 (3.71)**	**0.00 (3.70)**	**0.00 (3.68)**
Major distributor	**0.15 (2.08)**	**0.15 (2.06)**	**0.15 (2.12)**	**0.15 (2.11)**	**0.15 (2.14)**
Sequel	-0.16 (-1.56)	-0.16 (-1.59)	-0.16 (-1.56)	-0.16 (-1.56)	-0.18 (-1.65)
Holiday release	-0.06 (-0.96)	-0.05 (-0.86)	-0.05 (-0.82)	-0.05 (-0.82)	-0.05 (-0.80)
Niche overlap	0.00 (1.49)	0.00 (1.61)	**0.00 (1.73)**	**0.00 (1.73)**	0.00 (1.52)
Consensus on fit	**0.45 (2.71)**	**0.45 (2.71)**	**0.48 (2.90)**	**0.48 (2.86)**	**0.47 (2.81)**
Contrast share		-0.31 (-1.41)		-0.05 (-0.17)	-0.94 (-0.99)
Distance			**0.19 (1.75)**	0.17 (1.05)	-0.87 (-0.82)
Con. share X Dist.					1.10 (0.99)
Constant	**5.81 (17.20)**	**6.11 (15.43)**	**5.77 (17.07)**	**5.83 (12.29)**	**6.71 (6.68)**

In Table 20, I test contrast and distance with number of reviews as dependent variable. Here, I find that contrast and distance affect how niche width influences consumer audience size as incorporating both variables turn the significantly positive effect of niche width with a t-value of 2.15 and a coefficient of 0.30 to a negative one with a coefficient of -2.64 and -0.52. However, neither variables affect consensus as it remains insignificant.

Table 20. Quasi Replication: Drivers of general audience size, including contrast and distance (N=1331)

	Tab.17 *No IMDb*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	**0.30 (2.15)**	**-0.41 (-2.09)**	0.25 (1.53)	**-0.53 (-2.70)**	**-0.52 (-2.64)**
Any budget info	**-7.5 (-10.05)**	**-7.62 (-10.26)**	**-7.55 (-10.07)**	**-7.47 (-10.14)**	**-7.45 (-10.11)**
Budget (ln)	**0.54 (11.03)**	**0.55 (11.28)**	**0.54 (11.04)**	**0.54 (11.17)**	**0.53 (11.13)**
No. of opening sites (ln)	**0.10 (4.85)**	**0.09 (4.77)**	**0.10 (4.85)**	**0.09 (4.62)**	**0.09 (4.62)**
Top star power	**0.00 (5.19)**	**0.00 (5.24)**	**0.00 (5.20)**	**0.00 (5.20)**	**0.00 (5.23)**
Top director power	**0.02 (6.64)**	**0.02 (6.58)**	**0.02 (6.63)**	**0.02 (6.61)**	**0.02 (6.60)**
Major distributor	**0.46 (3.69)**	**0.45 (3.65)**	**0.46 (3.70)**	**0.42 (3.44)**	**0.42 (3.46)**
Sequel	-0.02 (-0.14)	-0.03 (-0.22)	-0.02 (-0.14)	-0.05 (-0.34)	-0.07 (-0.41)
Holiday release	**-0.38 (-3.52)**	-0.34 (-3.21)	**-0.38 (-3.46)**	**-0.36 (-3.44)**	**-0.36 (-3.43)**
Niche overlap	0.00 (0.76)	0.00 (1.19)	0.00 (0.83)	0.00 (0.60)	0.00 (0.44)
Consensus on fit	0.11 (0.40)	0.10 (0.39)	0.13 (0.46)	-0.14 (-0.51)	-0.15 (-0.54)
Contrast share		**-1.95 (-5.16)**		**-4.04 (-7.17)**	**-5.23 (-3.29)**
Distance			0.10 (0.56)	**-1.37 (-4.97)**	-2.79 (-1.56)
Con. share X Dist.					1.49 (0.80)
Constant	**4.40 (8.00)**	**6.19 (9.58)**	**4.38 (7.95)**	**8.36 (10.79)**	**9.54 (5.73)**

In Table 21, I test contrast and distance on box office gross as dependent variable. Here, by incorporating contrast and distance the negative effect of niche width on gross becomes significant with the t-value turning from -1.46 to -2.73 and the coefficient increasing from -0.60 to -0.22. Neither variables affect consensus as it remains insignificant.

Table 21. Quasi Replication: Drivers of box office revenues, including contrast and distance (N=1331)

	Tab.17 *Gross*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	-0.22 (-1.46)	**-0.57 (-2.59)**	-0.24 (-1.31)	**-0.63 (-2.85)**	**-0.60 (-2.73)**
Any budget info	**-5.33 (-6.51)**	**-5.37 (-6.56)**	**-5.33 (-6.51)**	**-5.29 (-6.48)**	**-5.24 (-6.42)**
Budget (ln)	**0.43 (8.02)**	**0.43 (8.10)**	**0.43 (8.02)**	**0.43 (8.01)**	**0.42 (7.94)**
No. of opening sites (ln)	**0.42 (18.61)**	**0.42 (18.58)**	**0.42 (18.61)**	**0.41 (18.52)**	**0.41 (18.55)**
Top star power	**0.00 (2.96)**	**0.00 (2.97)**	**0.00 (2.96)**	**0.00 (2.93)**	**0.00 (2.98)**
Top director power	**0.05 (11.17)**	**0.05 (11.13)**	**0.05 (11.16)**	**0.05 (11.14)**	**0.05 (11.1)**
Major distributor	**0.91 (6.70)**	**0.90 (6.68)**	**0.91 (6.70)**	**0.89 (6.57)**	**0.90 (6.63)**
Sequel	0.10 (0.56)	0.10 (0.53)	0.10 (0.56)	0.09 (0.48)	0.06 (0.32)
Holiday release	-0.13 (-1.15)	-0.11 (-1.00)	-0.13 (-1.13)	-0.12 (-1.10)	-0.12 (-1.07)
Niche overlap	**-0.01 (-1.95)**	**-0.00 (-1.76)**	**-0.10 (-1.91)**	**-0.10 (2.02)**	**-0.01 (-2.32)**
Consensus on fit	0.38 (1.25)	0.38 (1.25)	0.39 (1.26)	0.25 (0.82)	0.23 (0.74)
Contrast share		**-0.91 (-2.20)**		**-1.97 (-3.16)**	**-4.89 (-2.78)**
Distance			0.02 (0.13)	**-0.69 (-2.27)**	**-4.16 (-2.10)**
Con. share X Dist.					**3.64 (1.77)**
Constant	**8.26 (13.73)**	**9.11 (12.79)**	**8.26 (13.70)**	**10.20 (11.87)**	**13.09 (7.09)**

Table 22 shows the tests of contrast and distance with professional rating as dependent variable. Here, both contrast and distance affect how niche width influences professional audience appeal. Both variables turn the significantly positive effect of niche width on professional rating with a t-value of 1.8 and a coefficient of 0.43 to a negative one with a t-value of -0.74 and a coefficient of -0.25 in the full model. Both variables have no influence on consensus as it remains positive and significant.

In Table 23, I test contrast and distance on professional audience size. Here, both variables affect how niche width influences professional audience size. They turn the insignificant effect of niche width on the number of professional ratings with a t-value of 0.45 and a coefficient of 0.03 to a significantly negative one with a t-value of -3.04 and a coefficient of -0.37. Again, I find that contrast and distance do not affect consensus.

Table 22. Quasi Replication: Drivers of critic appeal, including contrast and distance (N=1121)

	Tab.18 *Rating RT*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	**0.43 (1.80)**	0.23 (0.69)	0.35 (1.25)	0.23 (0.67)	0.25 (0.74)
Any budget info	**-3.74 (-2.61)**	**-3.77 (-2.63)**	**-3.75 (-2.61)**	**-3.77 (-2.63)**	**-3.70 (-2.58)**
Budget (ln)	**0.23 (2.56)**	**0.23 (2.59)**	**0.23 (2.57)**	**0.23 (2.59)**	**0.23 (2.54)**
No. of opening sites (ln)	**-0.27 (-8.04)**	**-0.27 (-8.03)**	**-0.27 (-8.02)**	**-0.27 (-8.02)**	**-0.27 (-8.00)**
Top star power	0.00 (0.06)	0.00 (0.07)	0.00 (0.07)	0.00 (0.07)	0.00 (0.09)
Top director power	**0.02 (3.56)**	**0.02 (3.54)**	**0.02 (3.55)**	**0.02 (3.54)**	**0.02 (3.52)**
Major distributor	0.30 (1.58)	0.30 (1.57)	0.30 (1.60)	0.30 (1.57)	0.30 (1.59)
Sequel	-0.19 (-0.74)	-0.20 (-0.76)	-0.19 (-0.74)	-0.20 (-0.76)	-0.22 (-0.83)
Holiday release	-0.24 (-1.28)	-0.23 (1.22)	-0.23 (-1.21)	-0.23 (-1.22)	-0.23 (-1.25)
Niche overlap	-0.00 (-0.45)	-0.00 (-0.35)	-0.00 (-0.35)	-0.00 (-0.35)	-0.00 (-0.47)
Consensus on fit	**1.09 (2.30)**	**1.09 (2.32)**	**1.13 (2.37)**	**1.09 (2.25)**	**1.07 (2.22)**
Contrast share		-0.54 (-0.85)		-0.55 (-0.57)	-2.64 (-1.00)
Distance			0.19 (0.62)	-0.00 (-0.02)	-2.49 (-0.84)
Con. share X Dist.					2.61 (0.83)
Constant	**4.84 (7.13)**	**5.32 (6.03)**	**4.75 (6.85)**	**5.33 (4.34)**	**7.39 (2.73)**

Table 23. Quasi Replication: Drivers of amount of critic reviews, including contrast and distance (N=1331)

	Tab.17 *No RT*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	0.03 (0.45)	**-0.32 (-2.64)**	0.01 (0.15)	**-0.38 (-3.14)**	**-0.37 (-3.04)**
Any budget info	**-4.62 (-10.16)**	**-4.66 (-10.31)**	**-4.63 (-10.17)**	**-4.59 (-10.21)**	**-4.57 (-10.17)**
Budget (ln)	**0.32 (10.76)**	**0.32 (10.94)**	**0.32 (10.77)**	**0.31 (10.84)**	**0.31 (10.79)**
No. of opening sites (ln)	-0.00 (-0.18)	-0.00 (-0.29)	-0.00 (-0.18)	-0.00 (-0.44)	-0.00 (-0.44)
Top star power	**0.00 (6.12)**	**0.00 (6.17)**	**0.00 (6.13)**	**0.00 (6.13)**	**0.00 (6.16)**
Top director power	**0.01 (4.40)**	**0.01 (4.33)**	**0.01 (4.39)**	**0.01 (4.33)**	**0.01 (4.30)**
Major distributor	**0.35 (4.74)**	**0.35 (4.70)**	**0.35 (4.75)**	**0.33 (4.53)**	**0.34 (4.58)**
Sequel	**-0.23 (-2.17)**	**-0.24 (-2.27)**	**-0.23 (-2.17)**	**-0.24 (-2.35)**	**-0.26 (-2.46)**
Holiday release	**-0.26 (-3.85)**	**-0.24 (-3.50)**	**-0.276 (-3.78)**	**-0.26 (-3.81)**	**-0.26 (-3.86)**
Niche overlap	0.00 (0.75)	0.00 (1.11)	0.00 (0.80)	0.00 (0.62)	0.00 (0.38)
Consensus on fit	0.05 (0.32)	0.05 (0.31)	0.06 (0.37)	-0.07 (-0.43)	-0.08 (-0.49)
Contrast share		**-0.97 (-4.22)**		**-2.02 (-5.88)**	**-3.26 (-3.38)**
Distance			0.05 (0.44)	**-0.68 (-4.09)**	**-2.16 (-1.99)**
Con. share X Dist.					1.55 (1.38)
Constant	-0.34 (-1.01)	0.54 (1.38)	-0.35 (-1.04)	**1.63 (3.44)**	**2.87 (2.83)**

Table 24. Quasi Replication: Drivers of Consensus on Fit, including contrast and distance (N=1331)

	Tab.17 *Cons. F.*	Model 1	Model 2	Model 3	Model 4
Total no. of genres (ln)	**-1.45 (-23.22)**	**-1.42 (-13.47)**	**-1.22 (13.86)**	**-1.45 (-13.84)**	**-1.46 (-13.71)**
Any budget info	**-1.54 (-4.23)**	**-1.51 (-4.11)**	**-1.42 (-3.90)**	**-1.42 (-3.88)**	**-1.41 (-3.87)**
Budget (ln)	**0.11 (4.79)**	**0.11 (4.64)**	**0.10 (4.42)**	**0.10 (4.44)**	**0.10 (4.41)**
No. of opening sites (ln)	-0.01 (-1.12)	-0.01 (-1.01)	-0.01 (-1.08)	-0.01 (-1.30)	-0.01 (-1.30)
Top star power	0.00 (0.54)	0.07 (1.39)	0.06 (1.15)	0.03 (0.74)	0.03 (0.54)
Top director power	0.00 (0.76)	0.00 (0.11)	0.00 (0.04)	-0.00 (-0.14)	-0.01 (-0.16)
Major distributor	0.04 (0.77)	0.05 (0.95)	0.04 (0.79)	0.02 (0.50)	0.03 (0.54)
Sequel	0.06 (0.80)	0.06 (0.90)	0.06 (0.92)	0.05 (0.75)	0.04 (0.64)
Holiday release	-0.08 (-1.63)	-0.08 (-1.64)	**-0.11 (-2.15)**	**-0.11 (-2.16)**	**-0.11 (-2.19)**
Contrast share		0.10 (0.50)		**-1.31 (-4.42)**	**-2.07 (-2.79)**
Distance			**-0.50 (-4.43)**	**-0.97 (-6.99)**	**-1.87 (-2.25)**
Con. share X Dist.					0.09 (1.09)
Constant	**-13.54 (-34.77)**	**-13.62 (-30.48)**	**-14.70 (-37.19)**	**-13.41 (-27.30)**	**-12.66 (-15.05)**

Finally, in Table 24, I check whether contrast and distance affect how niche width influences consensus on fit. Here, I only find that the t-value of niche width decreases but still remains highly significant.

Compared to the narrow replication, both contrast and distance have become more relevant. These variables add more explanatory power as they affect the coefficients and significance of key performance indicators in many models. In particular, if contrast and distance are incorporated, a larger niche width may even harm audience size in terms of professional and consumer rating as well as in terms of box office grossing. In terms of audience type differences, I find that, with contrast and distance included, professional and consumer audience are more similar. Both are negatively affected by niche width in terms of audience size and insensitive in terms of audience appeal. Given that the audiences' reaction differs from the standard quasi-replication, it supports our presumption that accounting for contrast and distance may at least refine our understanding of how generalism is perceived by various audiences.

DISCUSSION

In this study, I set out to revisit the trade-off between generalists and specialists described by the principle of allocation through a replication of the Hsu (2006), and how current predictions may shift when controlling for the asymmetric structure of the conceptual space, how various audiences differently evaluate category spanning, and changes to it over time.

Across both a narrow replication extending the original study as well a quasi-replication looking into potential changes over time, I find empirical indications that generalist positions which cross multiple categorical boundaries may not be as detrimental for audience appeal as previously assumed (see, also, Goldfarb & Yan, 2021). In particular, for professional audiences, I demonstrate that the evaluation of generalist positionings have improved over time, and may have even become *better* than specialist positionings regarding audience appeal when the audience has consensus on fit, suggesting that the principle of allocation as a ubiquitous force may have lost some importance over time. Corresponding with the recent replication of Goldfarb and Yan (2021) on the foundational work of Zuckerman (1999), these outcomes allow me to present three main contributions to literatures related to the principle of allocation.

Theoretical Implications

This study contributes to the literature surrounding the topography of the conceptual space in which categorization and categorical evaluation takes place (Hannan et al., 2007; Kovács & Hannan, 2010; Kovács & Hannan, 2014; Leung, 2014). As Kovács and Hannan (2010; 2014) point out, foundational studies on the consequences of category spanning, including Hsu's (2006) work on the principle of allocation, assume a symmetric structure of conceptual space. The present study shows that accounting for an asymmetrical structure of conceptual space provides additional explanatory power to the principle of allocation and our understanding of how

audiences evaluate category spanning. I find that accounting for category contrast and distance shows little impact in my narrow replication. This would suggest that in this temporal and industrial setting, prior theorizing may largely be upheld. In contrast, in the more recent quasi-replication, I find that the appeal of generalism not only depends on the number of spanned categories but also on the topography of the conceptual space in which category spanning takes place. Accordingly, I conclude that the principle of allocation, and predictions about niche width strategies in general, should always be considered with an asymmetric structure of conceptual space as suggested by Kovács and Hannan (2010; 2014) and Leung (2014).

Second, I contribute to the stream of categories literature focusing on audience evaluations in cultural markets (Bourdieu, 1993; Salganik et al., 2006) and their theories of value (e.g. Cattani et al., 2014; Paolella & Durand, 2016; Zuckerman, 2017) by pointing to audience type differences in the perception of generalism. Drawing on literature on the sociology of culture (Bourdieu, 1993; Cattani et al., 2014), I expected that professional audiences should show a higher tolerance for generalists than consumers, both in terms of audience appeal and size. While for the narrow replication, the differences between professional and consumer audiences are rather minor, I find in the quasi-replication that consumer audiences favor generalists more than professional audiences in terms of audience size, but professional audiences evaluate generalists better than consumer in terms of audiences appeal. While not entirely in line with my prediction, my findings suggest that, nowadays, more consumers are attracted by broad offerings as long as there is clarity on what an offering stands for: at the box office, consumers still seem to be confused by generalists, but as consensus on fit emerges, both the number as well as the tone of consumer reviews improves. Critics, in turn, have begun to appreciate broader movies more. As such, I find clear differences in the structure of conceptual space across the two audiences, and

how they evaluate generalists vs. specialists accordingly. Still, future research may inquire why professional audiences did turn out to be more tolerant toward categorical recombinations than consumer audiences, as would have been predicted, for example, by Cattani et al. (2014).

Finally, I contribute to the broader categorization literature by highlighting the existence and effect of instability in the structure of conceptual space over time (Hsu & Hannan, 2005; Phillips & Zuckerman, 2001; Zuckerman, 1999). I largely demonstrate that audiences may have become more tolerant toward generalism than in the original Hsu (2006) study. While prior research has predominantly looked at categorization and categorical evaluation at one point in time and assumed that theoretical implications and mechanisms are rather permanent, I show that it may be beneficial to view outcomes in this line of research as only temporary and unstable. These insights might also suggest a greater role of the socio-cognitive processes underlying the formation and effect of categories. Cultural shifts may not only have affected values and norms but also audience mental models and the way how individuals perceive and process category spanning (see, also, Rosa et al., 1999). For example, I show that the importance of consensus on fit has increased, showing a strong direct and moderating effect in the quasi-replication vs. the narrow replication. Different from Hsu (2006), I also find that social agreement on a movie's classification is increasingly more important for consumers than for professionals. Jointly, these outcomes may suggest that the role and importance of cognition in categorization is more fluid than previously literature may acknowledge.

Implications for Practice

The current study also provides implications for practitioners. I show that firms pondering the trade-off between positioning in only one domain or across multiple need not necessarily be penalized per se just because they opt for a generalist strategy. In particular, companies that

bridge multiple categorical boundaries may be tolerated, if not even rewarded as long as they can make sure that their audience reaches consensus on the classifications of the categories spanned. In this case, companies may not only benefit from a larger audience size but potentially also from an improved audience perception. Further, firms should keep in mind that different audience types may evaluate generalists differently. Different audiences exert different preferences with the result that some could be showing more tolerance or even preference toward broader offerings than others. Finally, this study also shows that generalists who span categories should focus on category-specific attributes to avoid penalties. For example, they can make sure that they only span categories that are similar or are less distinct. Firms also should note that how generalists are being perceived may change and that it could vary whether they are being penalized or not. They should be adaptive in terms of their strategic positioning along categories depending on their social and normative environment.

Limitations

As said above, this replication, and especially the narrow replication, is primarily limited by its data as I have not been able to precisely recover the data by Hsu (2006) due to changes in the data over time and missing data sources.

Another limitation may be that variables such as director and star power rely on surveys by THR from the early 2000s which were discontinued for the time after. Although I use these surveys to code these variables for the narrow replication, I had to use an alternative coding for the quasi-replication. While in most estimations the variance explained by these alternative variables was somewhat comparable to those of the original study and the narrow replication, it is also possible that some explanatory power is lost.

Finally, the conclusions I draw may be limited in their generalizability due to the empirical context. As other work in the broader categories literature point out, generalism or specialism may be differently evaluated in other contexts such as e.g. the labor markets for MBA graduates where generalism is per se more favored (see, e.g., Merluzzi & Phillips, 2015). This may stretch to whether the boundaries to the principle of allocation mentioned in this study may be equally applicable across various empirical contexts. For example, variables capturing the asymmetrical structure of conceptual space in categories such as category contrast and distance – while relevant in movie classifications– may not be equally relevant in other empirical settings. For instance, as elaborated by Zuckerman (2017), domains may exist in which broader and unexpected categorical recombinations are not only tolerated but demanded.

Future Outlook

For future research, the insights of this study should encourage category researchers who work on categorical memberships to account for an asymmetrical structure of conceptual space. Respective variables such as contrast and distance may often provide additional explanatory power to key variables. Here, future studies may also focus on identifying additional dimensions that capture the structure of conceptual space with more precision.

Further, this study also demonstrates that future research on categories should account for different audience types as evaluation outcomes vary across them. Future work could aso attempt to identify additional audience type differences to provide more fine-grained insights about evaluations of categorical recombinations.

Finally, future studies, especially those that are anchored in the socio-cultural view of categorization, should consider the structure of conceptual space as dynamic and temporarily unstable. As outcomes of categorical evaluations seem to vary over time, scholars in this field should pay attention to potential time-dependent trends within the structure of conceptual space.

3. SITTING IT OUT: OVERCOMING ILLEGITIMACY THROUGH PRACTICES OF CULTURAL ENTREPRENEURSHIP AT UBER REFERENCES[8]

Abstract

Cultural entrepreneurs utilize a variety of institutional strategies to influence key stakeholders in order to attain legitimacy. In this study, I suggest that there may be circumstances under which entrepreneurs cannot foresee how to spend their cultural resources effectively and efficiently to do so. In such settings, I argue how they may utilize previously underexplored practices of cultural entrepreneurship to buy time until they have gained sufficient clarity which influencing strategy may actually be effective to attain legitimacy. Empirically, I examine the ongoing case of how the sharing economy firm Uber endures phases of illegitimacy and conflict with key stakeholders about how its drivers should be classified. I find that Uber utilizes various 'providing' and 'preventing' measures of cultural entrepreneurship to 'sit out' phases of illegitimacy, allowing it both to learn about which influencing strategies are more efficacious in various settings and stalling regulators until it identifies a path toward attaining a classification of Uber drivers that the company viewed as favorable.

[8] An earlier version of this study has been accepted for the 82nd Annual Meeting of the Academy of Management 2022. Earlier versions have been presented at research seminars at TUM and the University of St. Gallen.

INTRODUCTION

New organizational market actors depend on the acquisition of legitimacy to ensure their survival and are hence well-advised to conform to institutionalized prescriptions of firm behavior (Suddaby et al., 2017; Tracey, Dalpiaz, & Phillips, 2018; Überbacher, 2014). Yet, for actors proposing new offerings, attaining legitimacy is often predicated on changing the institutions surrounding them through practices of cultural entrepreneurship (Bansal & Clelland, 2004; Battilana et al., 2009; Lounsbury & Glynn, 2019; Seo & Creed, 2002; Überbacher, 2014), that is, drawing on cultural resources (such as language, narratives, categories, or logics) to try to modify existing or create new institutional structures (Lounsbury & Glynn, 2001). For a variety of empirical settings (e.g. Greenwood & Suddaby, 2006; Lounsbury, 2002; Maguire, Hardy, & Lawrence, 2004; Tracey, Phillips, & Jarvis, 2011), research has shown how cultural entrepreneurship may facilitate the legitimation of new ventures (Lounsbury & Glynn, 2001), the legitimate distinctiveness of their identities (Navis & Glynn, 2011), and the process of legitimating the market categories in which they are active (Navis & Glynn, 2010). The shared premise of this work is that actors should act to achieve legitimacy quickly in order to prevent suffering from social and economic penalties (Goldfarb & Yan, 2021; Zuckerman, 1999, 2017).

However, ventures entering existing institutional structures in the hope to change those may, at the very least initially, be unable to foresee how to do so efficiently and effectively. Besides organizations operating in the informal economy (Webb, Tihanyi, Ireland, & Sirmon, 2009), innovators are frequently faced with such a scenario. A prominent and timely example is seen in firms in the sharing economy (SE), which clearly began outside the boundaries of what was considered legitimate (Garud et al., 2022; Uzunca et al., 2018). Firms like Airbnb and Uber could not immediately see how to achieve legitimation, especially given the degree of disruption

they brought to established markets. Rather, they were said to knowingly have avoided the codes, laws, and conventions governing the hotel and transportation industries they entered –in fact it has even been argued that these consistent and intentional violations are the very core of their strategy (Edelman, 2017). In turn, efforts at cultural entrepreneurship displayed by these SE firms even deepened their legitimacy deficit, as their attempts toward institutional change, and the increased audience attention those created, led to their illegitimate efforts also receiving even more attention (Garud et al., 2022).

The dialectic inherent in such settings seems in contrast with dominant explanations around cultural entrepreneurship (see, also, Pelzer, Frenken, & Boon, 2019). This work has emphasized its active use to attain legitimacy at the firm-level (e.g., Lounsbury & Glynn, 2001; Maguire & Hardy, 2016; Suddaby et al., 2017; Wry et al., 2011) or category-level (e.g., Khessina, Reis, & Verhaal, 2020; Tracey & Phillips, 2016). While some work highlights that organizations may gain temporary advantages from being seen as (temporarily) illegitimate (Mishina, Devers, & Freeman, 2012; Neuberg, Smith, & Asher, 2000; Paetzold, Dipboye, & Elsbach, 2008), in the long run, current work emphasizes that new ventures should use cultural entrepreneurship actively to destigmatize their illegitimate behavior (as prominently shown by Hampel & Tracey, 2017 in the emerging travel industry).

In this paper, I suggest that organizations whose business model thrives on conflict-creating developments may be well-advised to focus their cultural activities on sitting out their illegitimate state rather than risk wasting their cultural resources on the immediate acquisition of legitimacy. Analogous to strategies of ‘active waiting’ to overcome technological uncertainty (e.g. Dattée, Alexy, & Autio, 2018; Sull, 2005), I expect entrepreneurs to benefit from trying to delay committing their cultural resources until they have some clarity on how to spend those

efficiently and effectively. Indeed, demands for institutional conformance may be attenuated when new technologies or policy ideas are introduced (Benner & Ranganathan, 2012). As such, at least initially, remaining illegitimate need not imply open contempt; much rather, we should expect a start-up in violation of existing cultural norms hoping to fly under the radar for as long as possible (Sull, 2007). As such, such ventures may rather try to 'sit out' initial phases of illegitimacy: as Garud et al. (2022) suggest in their study of Uber, nonmarket strategies may be used to buy time to compensate for an initial lack of legitimacy. Yet, the practices of cultural entrepreneurship such norm-defying firms apply to 'sit it out,' and when and how they eventually opt to become active cultural entrepreneurs trying to change their surrounding institutions largely eludes current theorizing (Augustine & Piazza, 2021).

To study these questions, I conduct a process study (Langley, 1999; Langley & Abdallah, 2011; Langley et al., 2013) of the SE firm Uber and its prominent fight against regulators about the categorization of its drivers as self-employed vs. as employees, with the latter posing a major threat to Uber's business model. Although, in many markets around the world, key stakeholders demanded Uber to categorize its drivers as employees, Uber would consistently refuse to follow such regulations. I find that Uber utilizes practices of cultural entrepreneurship to sit out this illegitimacy in the hope for external change that eventually allows the company to achieve, efficiently and effectively, a favorable employment classification for its drivers – or for the external challenge simply to go away.

I present a model of cultural entrepreneurship which depicts a variety of Uber's strategies to sit out phases of illegitimacy. I find that it is essential for Uber to deploy a set of providing and preventing measures of cultural entrepreneurship to sit out its phases of illegitimacy and wait for more favorable circumstances to emerge. Specifically, Uber, after first entering the market (by

defying existing transportation regulations and classifying their drivers most favorably), actively tries to avoid any classification issue (by deploying an innovation and independence narrative and avoiding public problematization of the conflict). Upon challenge and escalation by key stakeholders, Uber begins to shape the classification scene (by extending and politicizing the prior narrative while delegitimizing current decision makers and targeting alternative ones). Finally, only when faced with an existential threat, Uber launches a classification attempt (by proposing a more acceptable category definition while buying time to shape it further). I also note Uber moving forth and back between 'surveying the classification scene' and 'launching classification attempts' whenever such an attempt fails, utilizing its prior experiences to update its strategy iteratively.

Drawing on the model I present, I primarily contribute to discussions of cultural entrepreneurship literature (e.g., Gehman & Soublière, 2017; Lounsbury & Glynn, 2019; Wry et al., 2011), by showing how ventures may draw on cultural entrepreneurship to sit out phases of illegitimacy. Rather than focusing on a specific pathway of getting legitimized quickly, I highlight how the tandem of providing and preventing measures allows conflict-creating new firms to try and justify what they do on one hand, while doing their best to ensure no institutional setting arises in which said activities would be ruled out on the other. In turn, I highlight how this 'active waiting' approach to legitimation also informs discussions around institutional entrepreneurship (e.g., Battilana et al., 2009; Greenwood & Suddaby, 2006; Seo & Creed, 2002) and stigma (e.g. Hampel & Tracey, 2017; Khessina et al., 2020; Tracey & Phillips, 2016), which share the focus of the cultural entrepreneurship perspective on new ventures' active legitimation efforts.

THEORETICAL BACKGROUND

Legitimacy and Cultural Entrepreneurship

Legitimacy, "the perceived appropriateness of an organization to a social system in terms of rules, values, norms, and definitions" (Deephouse, Bundy, Tost, & Suchman, 2016: 9), is an operational, yet intangible asset to organizations (Aldrich & Fiol, 1994; Suddaby et al., 2017; Zimmerman & Zeitz, 2002). Especially nascent firms suffer from a liability of newness, which means that key stakeholders may question the viability and durability of their existence (Fisher, Kotha, & Lahiri, 2016; Stinchcombe, 1965). Such firms underlie institutional pressures to attain the approval of key stakeholders to gain access to crucial resources and ensure their long-term survival (Aldrich & Fiol, 1994). In turn, firms that deviate too far from institutionalized prescriptions favored by their stakeholders are at risk of facing social and economic penalties (Zimmerman & Martin, 2001; Zuckerman, 1999, 2017).

Extant research has devoted much attention to how organizations – and in particular nascent firms – may actively respond to such institutional pressures. Beyond conformance, research on cultural entrepreneurship suggests that organizations may strategically and agentically enact change to their institutional environment to ease legitimacy pressures (Lounsbury & Glynn, 2019; Seo & Creed, 2002). This line of theorizing has focused on how organizational actors attempt to achieve their strategic goals by actively and deliberately deploying cultural resources to change the institutional structures in which they are embedded (Garud, Jain, & Kumaraswamy, 2002; Greenwood & Suddaby, 2006; Seo & Creed, 2002). *Cultural* in this sense means that any kind of organizational activities generate value through cultural products or services (Askin & Mauskapf, 2017) while cultural resources may include language, narratives, categories, or logics (Lounsbury & Glynn, 2019).

Research has approached cultural entrepreneurship from a "toolkit" perspective, outlining how cultural elements may be strategically deployed by organizational actors in different situations to achieve legitimation (Gehman & Soublière, 2017; Lingo & O'Mahony, 2010; Lounsbury & Glynn, 2019). Key studies follow a lens of collective storytelling (Lounsbury & Glynn, 2001; Navis & Glynn, 2010; Wry et al., 2011), in which entrepreneurial resources are used to position the organization within a narrative to attain legitimacy. The overall objective of such storytelling is to construct and promote an organizational identity, or even an entirely new category, to change audience perception in a way that would allow organizational actors to attain positive audience reception for their general behavior; only afterwards, nascent firms should focus on establishing a identify that is distinctive from similar nascent firms (Aldrich & Fiol, 1994; Lounsbury & Glynn, 2001; Navis & Glynn, 2010).

Sitting Out Illegitimacy as Potentially Viable Strategy

A burgeoning literature suggests that environmental conditions such as radical technological changes may attenuate such institutional and legitimacy pressures (Benner & Ranganathan, 2012; Kraatz & Zajac, 1996; Siqueira, Webb, & Bruton, 2016). For example, in their work on liberal art colleges, Kraatz and Zajac (1996) found that emerging technologies may facilitate organizations to change contrary to institutional demands, but that their initially illegitimate behavior may even gain legitimacy afterwards. Similarly, Navis and Glynn (2010) found how identity and legitimacy dynamics shift over time, with implications for audience preferences, what they perceive as legitimate, and by which factors they determine legitimate behavior. More generally, the acquisition of legitimacy for emerging ecosystems around new technologies has been theorized as a process, in which not only endogenous efforts play an essential role, but which also requires the external environment to develop in a way that facilitates the process of legitimation (Thomas

& Ritala, 2021), otherwise, firms focused on building a clear identity run the risks of erecting a "fortress in the desert" (Dattée et al., 2018: 470).

Accordingly, in settings characterized by uncertainty, cultural entrepreneurs may struggle severely to foresee how to design a process of attaining legitimacy in which they may deploy their (scarce) cultural resources efficiently and effectively. For example, Siqueira et al. (2016) have shown for the informal economy that, in some institutional environments, entrepreneurs may have difficulties to anticipate whether their investments in pursuing legitimacy would actually convert to becoming legitimate (see, also, Godfrey, 2011). Similarly, as I have already elaborated before, firms of the SE often cannot see whether and how they should legitimize themselves within their institutional environments without harming or limiting their businesses (Garud et al., 2022; Uzunca et al., 2018).

A few selected works has begun to suggest that it may indeed be an alternative for entrepreneurs to refrain from immediately applying practices of cultural entrepreneurship aimed at attempting to achieve legitimation, but to utilize those in alternative ways to ensure, at least, short-term survival (see, also, Garud et al., 2022; Siqueira et al., 2016; Williams, Martinez–Perez, & Kedir, 2017). Building on this line of thinking, I suggest that such organizations may also consider focusing at least some of their cultural activities on sitting out their illegitimate state with a deliberate purpose of active waiting (see, also, Sull, 2005) until they can more clearly foresee how they could spend their resources efficiently and effectively to attain legitimacy. For example, informal firms are known to delay the costs of pursuing legitimation until they have secured their subsistence (Siqueira et al., 2016) – an argument that may be easily extended to how the aforementioned SE operated initially (Garud et al., 2022; Uzunca et al., 2018). Here, as Garud et al. (2022) demonstrate in their study of Uber's strategy to penetrate existing regulatory

categories, such firms may utilize a variety of nonmarket strategies to extend the window for the firm to survive, to only then pursue legitimation when regulatory circumstances and institutional conditions have changed in a way that allows the long-term survival of their business models.

Yet, looking at work on cultural entrepreneurship that could inform how firms may draw on cultural resources to exercise such intentionally passive strategies, I note that this literature has mainly looked into how organizations may actively utilize cultural means to attain legitimacy (Lounsbury & Glynn, 2001; Maguire & Hardy, 2016; Wry et al., 2011) or to defend it (Lamin & Zaheer, 2012). Even from a more "dark side" perspective, this work has studied how cultural entrepreneurs may actively divert attention away from illegitimate behavior (Khan, Munir, & Willmott, 2016). Other studies in this stream of research have pointed out that illegitimacy may not always be detrimental for organizational performance (Paetzold et al., 2008; Tracey & Phillips, 2016) or that it may even become temporarily beneficial as it may serve as an indicator for distinctiveness (Mishina et al., 2012; Neuberg et al., 2000). However, across all these studies, eventually, firms would still work toward actively reducing their stigma to make it in the broader market (Hampel & Tracey, 2017; Khessina et al., 2020; Tracey & Phillips, 2016), such as by starting with a subsegment of the market that prefers the firm's quirk to build an identity of a legitimately different maverick (Smith, 2011).

Accordingly, we still lack insights into those practices of cultural entrepreneurship that looks more beyond the goal of attaining legitimacy (Benner & Ranganathan, 2012). In particular, while we already know that 'sitting it out' might be part of the cultural strategies entrepreneurs may apply (see, also, Garud et al., 2022), we lack insights into the processes by which such firms decide which practices of cultural entrepreneurship to deploy and how they prevent or manage that socio-economic penalties stemming from their illegitimate state (see, also, Augustine &

Piazza, 2021). Although studies like Garud et al. (2022) already point out that measures such as avoidance and defiance may be part of a 'sitting it out' strategy, current theorizing in cultural entrepreneurship still eludes the measures through which such illegitimate organizations may facilitate 'actively waiting,' as well as the reasons for and conditions under which such firms would eventually seek legitimation.

Accordingly, in this study, I aim to research the process of how organizations may utilize practices of cultural entrepreneurship to sit out phases of illegitimacy.

DATA AND METHODS

Research Setting

In line with my introductory examples, I focus on the platform-based SE company Uber and its fight over the classification of its drivers as being employees vs. self-employed. Uber was founded in the early 2010s to provide a technological platform connecting drivers and customers in an interactive ecosystem (Gerwe & Silva, 2020; Laamanen, Pfeffer, Rong, & Van de Ven, 2018; Sundararajan, 2016). While Uber has transformed the transportation business landscape in many markets, it often did so by intentionally violating regulations originally designed for traditional business models of the respective country's transportation branch (Garud et al., 2022; Pollman & Barry, 2017; Uzunca et al., 2018). Accordingly, in almost all markets that Uber entered, the company encountered long-lasting conflicts with key institutional stakeholders like regulators, courts, worker unions, or their own drivers.

Here, one key issue that Uber strongly insisted on was its drivers being classified as self-employed, as it relies on a so-called gig-economy business model that builds on low labor costs by using sprawling networks of independent contractors (Satariano, 2021). Despite this model being regularly proclaimed illegal, Uber fiercely defended the self-employed status of its

employees through a variety of market and non-market strategies (Garud et al., 2022), many of which may well be considered practices of cultural entrepreneurship.

Sampling

Given my research question is about *how* the SE firm Uber engages in cultural entrepreneurship to sit out phases of illegitimacy, I chose an inductive methodology in which I develop process theory (see, also, Langley, 1999; Langley & Abdallah, 2011; Langley et al., 2013). I am interested in how Uber uses practices of cultural entrepreneurship to survive in a somewhat hostile institutional environment long enough to see ways to enact institutional change in a way that they may sustain its continuous, and eventually profitable, and legitimate operation.

I began by looking for cases of Uber engaging in practices of cultural entrepreneurship in locations where the conflict over its drivers' classification had visibly unfolded. From the many potential states in the U.S. and Europe I could have selected, I eventually decided to sample purposefully (see, also, Strauss & Corbin, 1998) four cases based on three properties. First, I focused on markets where Uber or its business model was (at least temporarily) declared illegal because of how drivers were classified. Second, I checked whether Uber engaged in strategies that may be considered practices of cultural entrepreneurship to encounter the classification conflict (vs., for example, Uber quickly deciding to abandon a market). Finally, I ensured that the unfolding conflict was featured prominently in media outlets and that access to other data, such as court filing and proceedings, existed. These criteria, in turn, were best met by Uber's activities in the U.S. states of California and New York, as well as in France and the United Kingdom. In turn, I employed data I gathered on Uber's conduct in other parts of the world (e.g., the U.S. cities of Austin, Portland, or San Antonio as well as Uber's entry into the German market) to corroborate my emerging process model.

Data Collection

For this study, I build on the tradition of in-depth historical case studies (e.g. Burgelman, 1991, 1994; Danneels, 2011). I chose to rely on historical data given the prominence of Uber's fight over its drivers' categorization over the last years, and the likely greater neutrality these (quite plentiful) sources promise over first-hand accounts like interviews. My focal period of interest lies between 2010 and 2021, meaning I can take into account the entire history of Uber since the founding of the company, which is necessary as the dispute of driver classification emerged very early on in the history of the company.

I primarily relied on five sources of data. A first crucial data source is Uber itself. Uber regularly publishes press releases in its 'Uber Newsroom,' a website on which Uber representatives put forward the company's position on affairs such as the conflict over the drivers' classification. Second, a similar if less formal source has been Uber's social media platforms (in particular Facebook and Twitter) where Uber also regularly publishes statements, some of which I found to later be withdrawn or deleted without further notice. Third, I used search engines such as Google or Bing to look for newspaper articles, expert blogposts, etc., that report on the driver classification conflict. Here, I mainly used broad search terms such as "Uber AND employ* AND category* OR classif*" to find as much data surrounding the cases as possible. Relatedly, fourth, I drew on news aggregation services such as EBSCO, Factiva, and Lexis-Nexis for news reports of Uber's lobbyism activities as well as the court documents surrounding Uber. Fifth, to complement the picture I draw, I used Google Scholar and Web of Science to identify existing publications around Uber's strategies. Where data was not in English (as for the case of Uber in France), I utilized online tools (such as Google translator) to translate these documents into English. For an overview of the data that I collected, see Table 1.

Table 1. Data Sources

Location	California	New York	UK	France
Scientific Papers	11	12	11	9
Uber	8	5	22	10
Newspaper outlets	62	57	40	50
Government Doc.	4	2	7	2
Court Documents	7	4	7	11
Total	88	80	76	82

Double Counting Included

Data Analysis

To make sense of my process data, in line with best practice (Langley, 1999; Langley & Abdallah, 2011; Langley et al., 2013), I began by developing a chronology of events from which I built case narratives for each of the four locations (see, also, Pettigrew, 1990). This meant that I synthesized all data sources on each case and constructed a coherent story in a temporal order. I soon realized that all sequences of events could be aggregated into overarching phases, allowing me to follow a temporal bracketing strategy (Langley, 1999).

Specifically, I identified four largely sequential phases that capture the entire process of Uber's fight over its drivers' classification. In the first phase, Uber enters the market by defying existing transportation regulations and by classifying their drivers as beneficially as possible as self-employed. Next, faced with regulatory and/or public headwind, Uber attempts to contain the unfolding conflict and avoid public attention toward the classification issue. Uber enters the next phase when it realizes that it cannot further contain this conflict anymore, so that the company proactively attempts to shape the classification scene. Finally, when faced with existential threat, the company launches classification attempts to find a decent solution to the classification issue.

Across these four phases, I looked for patterns in Uber's activities. To make these patterns meaningful, I began to combine systematically small units of data into potential categories and subcategories that I iteratively and gradually elaborated and refined into first-order codes (Strauss

& Corbin, 1990). For example, I coded for legal actions of Uber and summarized them in the first-order code of "delaying unfavorable classification". After looking at the data in light of other dimensions, I decided to code them within the first-order code of "Woo Prospective Decision Makers." I paid particularly attention to the events surrounding conflicts around Uber drivers' classification, the practices of cultural entrepreneurship Uber deployed in this context, and eventual outcomes of Uber's activities. In total, this process resulted in 19 first-order codes.

I began analyzing the data as a whole by visually mapping the first-order codes (Miles & Huberman, 1994) to gain an overview of the process over time and all dimensions and cases (Langley, 1999). Building on this display, I grouped related first-order codes to more abstract second-order themes (Maanen, 1979), of which I identified 9. To corroborate my emerging model, I provided another scholar with my case narratives and emerging model. I asked this scholar to replicate it in an abductive fashion (Mantere & Ketokivi, 2013), and we discussed the respective ideas to arrive at the model presented herein (Gioia, Corley, & Hamilton, 2012).

This approach allowed me to carve out substantial differences across the strategies Uber pursued in the fight over its drivers' classification. I identified a twofold approach that Uber undertakes to sit out their illegitimacy, leading to two aggregate themes: First, Uber applies cultural entrepreneurship following 'providing' strategy, in which the firm actively provides content to positively frame its activities, and, eventually, category definition. Simultaneously, Uber also utilizes 'preventing' strategies that are more passive, supposed to avoid imminent penalties from the classification conflict, and, most importantly, reduce the likelihood that alternative classification logics that would rule out Uber's interpretation of workers' classification become institutionally enshrined. Figure 1 is a representation of all phases, first-order codes, and second-order themes that I identified throughout the data analysis process.

Figure 1. Data Structure

For quotes illustrating first-order codes, see Appendix A

THE CONFLICT OVER UBER'S DRIVER CLASSIFICATION

To make my findings more accessible, before showing my process model, I will summarize the history of Uber's conflict over its drivers' classification in all four locations of this study.[9] I will purely focus on broadly representing the story of Uber and its drivers' classification conflict; only in the findings sections, I will pay attention to the specific cultural activities of Uber.

Uber first launched in San Francisco in 2010 as a limousine and taxi service with drivers through a smartphone app called UberX, which allowed independent freelance drivers to transport passengers using the app as connecting platform. Uber established independent drivers as the essential aspect of their business model to build on a "massive, efficient, and intelligent network" (Uber, 2019). To do so, Uber relies on a circle of so-called 'liquidity network effects' which means that increasing the number of drivers decreases fares and waiting times, which should increase the number of rides (and potential earnings), which in turn would again increase the number of drivers, and so on (Uber, 2019).

Uber extended UberX to all of California in July 2012, where it initially did not face any regulation due to the novel nature of ride hailing. With regard to its drivers, Uber only allowed them to classify as self-employed. The conflict over the driver's classification first meaningfully arose in 2013 when two drivers sued Uber (O'Connor vs. Uber) claiming to be employees of Uber, and thus eligible for various statutory protections. Uber began a court battle to defend its drivers' classification legally. The conflict expanded in 2014, after a child was accidently killed by an Uber driver so that the Californian Senate passed a bill (AB2293) intending to regulate ride

[9] For this summary, I relied on two kinds of sources on the case of Uber regarding its classification of drivers. First, I looked into scientific articles focusing on Uber's regulatory strategy such as Flores and Rayle (2017), Danda, Levin, Frey, and Berger (2019), Collier, Dubal, and Carter (2018). Second, and most importantly, I built up the story from a large variety of newspaper and business press articles, social media posts, press documents, and blog articles surrounding the case of Uber drivers' classification.

hailing drivers and addressing insurance issues with implications for drivers' employment status. From 2015 until 2020, Uber fought any attempts of regulation such as AB2293 (and later AB5 in 2019, another attempt to regulate ride-hailing services that would also have reclassified drivers as employees) through various practices – often practices of cultural entrepreneurship, as I will elaborate in the next section. Eventually, Uber was able to achieve a compromise for AB2293 and overturned AB5 and settled lawsuits such as O'Connor Vs. Uber. By 2020, Uber had successfully initiated with other ride hailing firms an initiative called Proposition 22 (Prop 22) that allowed Uber to legally establish its flexible work model while granting limited compromises in terms of earning guarantees, health care subsidies, and job accident coverages. In 2021, however, ride-hailing drivers filed another lawsuit to overturn Prop 22 and the Alameda Superior Court of California ruled Prop 22 unconstitutional. As reaction, Uber has started to lobby for regulation based on Prop 22 on a U.S. nationwide level.

In New York, where Uber first launched in 2011, the Taxi Limousine Commission (TLC) first only allowed Uber to operate under a 12-month pilot program, a limit that was later removed. Uber again only allowed its drivers to classify as self-employed. A conflict emerged in the year 2015, when various interest groups began protesting against this classification and New York City Mayor Bill de Blasio began to pursue regulation of Uber and its drivers. In 2016, over 5,000 Uber drivers represented by the New York Taxi Workers Alliance (NYTWA) sued Uber over their employment status. As in California, Uber responded aggressively, through a variety of means. In 2020, the New York Supreme Court ruled that Uber drivers are to be employees after drivers sought unemployment insurance benefits. By 2021, Uber with other ride hailing companies, refused to comply with this ruling and began to ramp up legislative efforts together with a political influence campaign in the state of New York to press for legislation that would

classify drivers as so-called contractors. Such classification would become a third employment category similar to California's Prop 22 that included some compromises such as minimum wage and unemployment benefits.

In the UK's capital London, where Uber launched UberX in 2013, the responsible government body Transport for London (TfL) first needed to clarify the legal boundaries of Uber's technology. In this market, Uber also took it for granted that drivers could only choose to become independent drivers. A prominent legal battle unfolded over this classification in 2015 when their own drivers (Aslam Vs. Uber) sued Uber for "worker" status (a UK specific classification between self-employment and regular employment that grants basic driver rights). With this case, TfL under then-London mayor Boris Johnson started consultations for regulations on ride hailing drivers. Still, between 2015 and 2020, Uber extensively fought any attempt to regulate the company and to change the employment status. Yet, in 2020, Uber CEO Khosrowshahi published a call and white paper that suggested some willingness to compromise in terms of earnings and driver protection. In 2021, the UK Supreme Court ruled that ride hailing drivers indeed must be classified as workers. Although Uber initially intended not to comply with this ruling, even threatening to shut down service in UK and planning another nationwide lobby campaign to overturn this ruling, the company eventually complied and agreed to reclassifying their drivers. As I will highlight below, this was because Uber realized the necessary changes were similar to those proposed by Uber itself in Prop 22 in California.

In France's capital Paris, as a reaction to the market entry of Uber in 2011, regulators such as the administrative court of the country (Conseil d'État) first had to define legal boundaries for ride hailing. As in the other markets, Uber only allowed drivers to classify as self-employed in France. Soon after, the conflict over this classification unfolded when the French

social security organization (Urssaf) launched legal action against Uber in 2016 for evading millions of Euros in social security contribution payments. In 2017, Uber was once more sued by its drivers and the Paris Commercial Court found that there was an employment relation between Uber and its drivers. Uber initially responded a little more quietly than in the other markets due to its bad reputation in France, but still emphasizing the necessity of its drivers' independence. In 2020, the Cours de Cassation (the supreme court of appeal in France) ruled that Uber drivers be categorized as employees, a verdict Uber refused to comply with. Uber rather proposed a compromise in form of a third employment category similar to the worker category in the UK or Prop 22. By 2021, Uber CEO Khosrowshahi publicly called for regulation at the European level and the European Commission has begun consultations on a third employment category tailored for platform workers.

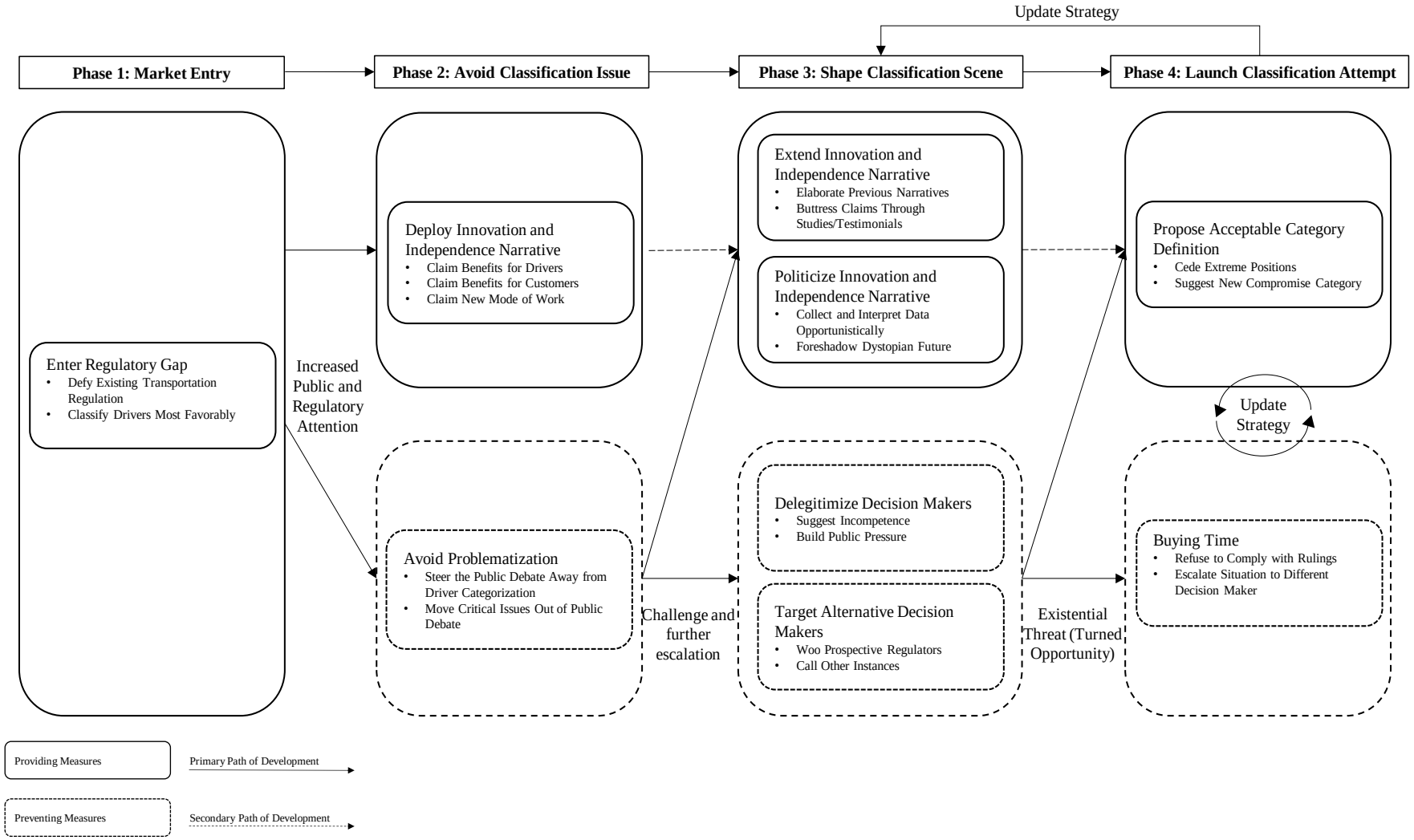
A PROCESS MODEL OF UBER'S STRATEGY TO SIT OUT ILLEGITIMACY

In the following, by looking at the above events in more detail, I develop a process model of how firms like Uber may try to sit out temporary phases of illegitimacy through practices of cultural entrepreneurship. In Figure 2, I display the emerging process model. The upper part of the model depicts the *providing* measures, using which Uber tries to continuously justify its operations toward the world. These providing measures primarily continue positive messages about the appropriateness of the current driver classification (or, from a legal perspective, rather non-classification). The lower part shows the *preventing* measures of cultural entrepreneurship, which Uber uses to prevent any unfavorably classification scheme from becoming too enshrined for Uber to operate successfully. Here, Uber uses practices of cultural entrepreneurship both to erode existing ways of categorizing that would limit their operations as well as stop the spread of new,

alternate attempts of classifying them that may be similarly detrimental to their business.

Below, I lay out how these providing and preventing measures unfold and interact as (1) Uber enters the market, but finds itself faced with increasing public and regulatory scrutiny related to how it classifies its drivers, so that (2) Uber tries to avoid the classification issue, until mounting regulatory pressure begins to threaten its operations. As a consequence, (3) Uber begins to more actively shape the classification scene, and, faced with existential threats in several markets, starts to (4) draw on what it has learned across several jurisdictions to initiate attempts to establish a classification that seems both sufficiently attainable and favorable, even if some of those attempts require revision loops ((4)→(3)).

Figure 2. A Process Model of How Uber Overcomes Illegitimacy Through Practices of Cultural Entrepreneurship



Phase 1: Market Entry

Enter Regulatory Gap. At first, it was essential for Uber to exploit the existing regulatory gap in terms of driver employment status so it could classify its drivers most favorably as independent contractors or self-employed. This gap existed not just because of the novelty of Uber's business, but also due to the company's market entry without consulting key stakeholders such as regulators on the legal and regulatory boundaries of the novel platform/gig workers. Prominently, Uber claimed to be a technology company defying any existing transportation regulations, hence operating in a legal and institutional void (Garud et al., 2022; Isaac, 2014). As Collier et al. (2018: 920) state: *"Uber entered urban markets claiming to be a "technology company" and operated in disregard of taxi regulations."* Notably, Uber itself was fully aware of this potential source of conflict: *"What's not going to work is to say we have a 40-year-old transportation law and 'how does Uber fit into that?"* (CA-POL-15)[10].

This "permissionless entry" (Garud et al., 2022: 5) allowed Uber to exploit the non-existence of clear rules for ride hailing drivers to 'silently' categorize their drivers as favorably as possible. As it has been reported for Uber in general, "*Uber's business model is to provide a peer-to-peer platform that matches travelers with drivers who are independent contractors and choose whether, when, and how long to drive"* (Baron, 2018: 439). The main reason for classifying drivers as self-employed or independent contractors are the liquidity network effects mentioned earlier. To achieve those, Uber requires large numbers of drivers who have low entry barriers to driving for the company and do not generate much cost:

> Uber and similar companies classify their drivers as "independent contractors" rather than employees, which exempts them from having to provide their workers the protections and benefits associated with a standard employment arrangement. (Isaac, 2014)

[10] For clarity reasons, I have labeled each reference by first assigning the location (CA for California, NY for New York, UK for United Kingdom and FR for France), then the abbreviation of the source (e.g. WSJ for Wallstreet Journal) and the year in which the source has been published.

As a rationale for that, "*Uber has historically classified its drivers as independent contractors, avoiding the taxes and benefits that an employer usually has to cover for its workers*" (CA-Splinter-15). Still, some already foresaw a risk of this becoming a mixed blessing:

> "(Uber's strategy) is maintaining and strengthening its market position in the face of market challenges by its rivals without sacrificing its core platform and challenges from the institutional environment, such as the possibility of having its drivers classified as employees rather than as independent contractors." (Baron, 2018; p.439)

Phase 2: Avoid Classification Issue

The initial, relatively quiet phase of Uber's market entry ended as regulatory and public attention was drawn to the employment status of Uber drivers. In California, the UK, and France, this happened through first lawsuits filed by drivers or social interest groups; in New York, mayor de Blasio was put under pressure by the taxi industry to take up steps against ride hailing firms.

As a response to this initial headwind, Uber began deploying the first, relatively meek *providing* and *preventing* measures of cultural entrepreneurship. The measures were modest as Uber still seemed to believe that it could contain the unfolding conflict, so that a key goal was still to avoid too much public or regulatory interest in the employment status of Uber drivers.

Deploy Innovation and Independence Narrative. To respond to this first pushback, Uber began providing narratives and utilizing storytelling to affect institutional stakeholders (Garud et al., 2022). Specifically related to drivers' classification, Uber deployed an innovation and independence narrative in which the company emphasized its benefits for both customers and drivers while promoting to be part of a new innovative industry where the novel mode of work requires drivers to be independent. For example, Uber regularly and directly addressed its drivers:

> With platforms like Uber, you can fit work around the rest of your life. And ridesharing is making transportation more affordable for low-income residents all across the world. These are powerful economic effects—and by the way, they're economic benefits that require zero government funding. (CA-Uber-15)

Uber strongly and broadly highlighted the benefits of flexibility and control for the drivers, stating for example that "*it's important to remember that the number one reason drivers choose to use Uber is because they have complete flexibility and control*" (CA-Uber-15). In turn, Uber also showcased the downside of being an employed driver: "*As employees, drivers would drive set shifts, earn a fixed hourly wage, and lose the ability to drive using other ride-sharing apps as well as the personal flexibility they most value*" (CA-TechCrunch-15).

Beyond drivers, the company also claimed benefits for its customers, often addressing societal contributions through its ride hailing service. In particular, Uber utilized narratives to emphasize how the company had become a driver of innovation:

> Innovation is in our DNA at Uber; we thrive on finding ways to constantly improve and refine our technology to provide safe, reliable rides. Our app connects drivers with riders in ways that were simply impossible six or seven years ago. (FR-Uber-16b)

In doing so, Uber also tried to contrast its service to traditional street hailing of taxis and regular cabs: "*Street hailing, in sharp contrast, has no accountability or safety support for either riders or drivers. Trips taken off-line and not on Uber's platform are not GPS tracked, and, therefore, cannot be tracked.*" (UK-Uber-15).

In this vein, Uber claimed to be part of an entirely new industry that is technologically more advanced and innovative than existing transportation services: the gig economy brought about by increasing digitization of society (Garud et al., 2022). In turn, the firm's narrative around innovation allowed Uber also to outline how such a novel industry would also enable and require new modes of work and employment, as for example in the UK:

> The increased demand for flexible forms of work continues to transform the way people interact with the labor market across Europe. From cleaners to engineers to taxi drivers, the paid-by-the-job model is nothing new. However, the rise of digital opportunities has created new forms of independent work across a wide variety of sectors. (UK-Uber-20)

Peterson (2020), in his study on Uber's strategies, describes how the firm utilizes such innovation

and independence narrative to claim the necessity of a new employment model:

> These identities are primarily based upon the perceived inherent beneficence of technological innovation and automation when applied to systems of employment, a belief that has held up against criticism until very recently. (Peterson, 2020)

Avoid Problematization. While focusing on the innovation and independence narrative, in

in an attempt to quiet down the initial headwind Uber also undertook preventing measures to help avoid future problematization of the employment status of drivers. Here, first, Uber tried to actively steer the public debate away from the classification issue. Uber attempted to divert the public debate through its own channels such as press releases from its Uber's newsroom and social media outlets such as Twitter. Via these channels, Uber published a variety of statements highlighting the topics of innovation and independence but never problematized the employment status issue. As Thelen (2018: 945) has put it in her study on the politics of platform economy,

> Uber itself channeled the way in which the preferences of 'the public' were presented through the aggressive use of social media, "solving" consumers' collective action problems while also controlling the message they sent to policy makers.

A remarkable example of Uber's attempt to steer public debate can be seen in the following newsroom statement where the company seems to actively suggest a debate only to immediately redirect the discussion toward the innovation narrative:

> But when you look at the full picture of how people are truly using these platforms, it's clear that this is much more of an opportunity to be seized than a problem to be solved. The question is: how can we build on and strengthen these important gains? We look forward to that debate and will engage in it on behalf of the tens of millions of people over the coming years who will benefit from these innovations. (CA-Uber-15)

Second, Uber attempted to move critical issues out of the public debate and suppress voices problematizing the classification issue. Thelen (2018: 945) showcases this practice by Uber:

> Uber proceeds to grow its consumer base and to use its app to amplify the voices of drivers who value the flexibility the job affords while suppressing critical voices that raise concerns about arbitrary deactivations and relentless price reductions that cut into drivers' pay.

Similarly, it has been also described how Uber tried to contain the debate surrounding the

classification issue of its drivers outside the courtrooms where the chances are higher that the public does not pay as much attention:

> More importantly, however, in the United States the labor issues that Uber raises have mostly been relegated to the courts. The venue is important because it takes the employment issue out of the public spotlight. Thelen (2018: 945)

Phase 3: Shape Classification Scene

Regardless of all these efforts, Uber was unsuccessful with its initial responses aimed at containing the topic of worker classification. In all locations, its providing and preventing measures did not prove to be sufficiently effective to avoid its public problematization. The main reason was that those drivers and interest groups that publicly opposed Uber were difficult to be silenced, as those individuals sought public attention through newspapers and social media outlets themselves. Further, in California, UK, and France, the lawsuits became more virulent (also in the media) as first verdicts were not passed in Uber's favor. As a result, both regulators and the public increasingly put more attention to this topic.

Facing such challenges, Uber realized that it had to increase its providing and preventing efforts. As the company began to shape the classification scene, Uber's strategy transitioned to the next phase, in which the company employed various measures seeking to remain a legitimate contender, and at the same time, tried to create a more favorable categorization environment.

Extend Innovation and Independence Narrative. A relatively easy move, Uber quickly began to reinforce its prior innovation and independence narrative strategy. The goal was to present a more refined and convincing story to the public, more suitable to convince key stakeholders that the classification of Uber's drivers should be as independent workers.

To do so, Uber began doubling down on its innovation and independence narrative, supplying it as a commentary to almost any stakeholder discussion on how Uber's drivers should

be classified, such as on the first ruling by the California Labor Commission: *"It's important to remember that the number one reason drivers choose to use Uber is because they have complete flexibility and control"* (CA-Uber-15b).

Uber also began elaborating on this narrative, in order to make it more accessible and credible. For example, as the hearings of the O'Connor Vs. Uber case progressed, Uber sent forward hired experts to provided nuanced explanations of Uber's benefits:

> (Uber) provided new job opportunities for people who wanted to offer driving services. Drivers did not need to own their own medallion or taxi. Nor did they need to pay […] for the use of someone else's taxi or black car. […] it was no longer necessary for drivers to work for, or contract with, a taxi company or black car company, to pay for a dispatch service, or to find their own passengers by driving around town looking for potential customers. (CA-OConnorVsUber-14)

Uber further tried to buttress its claims around its positive effects on innovation and driver independence by drawing heavily on self-collected studies and testimonials from (prospective) customers or drivers. For example, as TfL was beginning to question the status of private hire vehicles and the lack of regulation for Uber in the UK, the firm asked its drivers to record video testimonials*: "Recently, 2,000 drivers responded to the British regulator Transport for London's call for public comments on how "private hire" vehicles should be regulated"* (UK-Politico-15).

Yet, the empirical evidence Uber collected often did not stand up to scrutiny, with criticism quickly mounting that it was obviously subjective, and selectively highlighting only views favoring Uber while suppressing existing and known dissenting voices. For example, in the O'Connor Vs. Uber case, the court rejected driver testimonials that Uber provided, suggesting that the company was trying to create a too distorted picture of the reality:

> First, while Uber claims that "countless drivers" hail the firm as a "liberator" from traditional employment, Uber has only submitted evidence of the beliefs of a small fraction of its California drivers: 400 out of 160,000 (i.e., 0.25%). Notably, even out of these 400 declarations, Uber identified only about 150 where the driver actually stated that she prefers to remain an independent contractor. […] There is simply no basis in the record supporting Uber's claim that some innumerable legion of drivers prefers to remain independent contractors rather than become employees. (CA-OConnorVsUber-14)

Politicize Innovation and Independence Narrative. The above points also begin to suggest that Uber was not merely trying to reinforce previous positive narratives, but rather hoped to politicize the discussion around the classification conflict. Specifically, Uber tried to embolden its narrative supported by (1) generous interpretations of often biased data as well as (2) crass descriptions of potential societal consequences that a potential decision to have drivers reclassified would entail to put pressure on the citizens, legislators, and regulators debating Uber.

First, Uber attempted to influence how data surrounding the classification conflict and its effect on society was generated, collected, and interpreted. For example, Uber has been accused of manipulating public polls to produce information depicting a biased picture of reality: *"In some cities, the company has asked its employees to devise computer programs that automatically respond to city-administered surveys in a way favorable to the company"* (Collier et al., 2018: 12). When data existed, Uber tried to put forward very opportunistic interpretations as in the context of Prop 22: *"They are seeking to convince California voters that the ballot initiative reflects the will of drivers. They've cited limited survey data saying the vast majority of drivers want to remain contractors"* (CA-WP-20c).

Second, to pressure stakeholders into accepting Uber's innovation and independence narrative, Uber began creating a narrative foreshadowing a dystopian future that would result if its drivers were to be classified as regular employees. For example, Uber regularly warned about massive potential job losses in strong and vivid language: When a new taxi bill on regulating ride hailing and Uber was about to be passed by the New York city council, the company stated:

"Killing 10,000 NYC Jobs, With One Taxi-Backed Bill" (NY-Uber-15). As the conflict over Uber's classification further escalated, so did Uber's language, with Uber's CEO Khoshrowshahi even emphasizing global consequences of wrongly classifying Uber's drivers:

> But employment comes with a cost: hundreds of thousands of drivers would lose work opportunities overnight […]. According to our research, if Uber instead employed drivers, we would have only 260,000 available full-time roles—and therefore 926,000 drivers would no longer be able to work on Uber going forward. In other words, three-fourths of those currently driving with Uber would be denied their ability to work. (NY-Uber-20)

Similarly, in the aftermath of AB5 when it was ruled in California that Uber had to convert drivers into employees, an Uber spokeswoman warned about the drastic consequences:

> "The vast majority of drivers want to work independently […] When over 3 million Californians are without a job, our elected leaders should be focused on creating work, not trying to shut down an entire industry during an economic depression." (CA-BL-20)

Delegitimize Decision Makers. Beyond its intensified efforts to provide cultural elements to sustain its interpretation of its classification conflict, Uber also realized how it needed to rack up its efforts at preventing that an increasingly likely classification of its drivers as employees became a reality. As it saw its previous preventing measures aimed at stifling the debate on worker classification turn out unsuccessful, Uber shifted its efforts toward the stakeholders, regulators, and decision makers it felt were currently trying to enshrine an unfavorable classification scheme for ride sharing companies, to redirect or even replace them.

A first step in this trajectory can be seen in Uber trying to delegitimize in the public eye the politicians and regulators pushing the (for Uber) unfavorable regulation. Delegitimized decision-makers, so Uber's hope, would be less able to enforce any existing unfavorable regulations or create new ones and, if sufficiently fearful of their – often publicly elected – office may even be willing to cede on their positions. Thus, these preventing efforts were not only aimed at trying to sway the public's opinion on their elected officials and get their help to put pressure on them (see below for that).

Uber also used these delegitimizing narratives to justify behavior possibly or even clearly violating decisions said officials made. Regularly, Uber would try to establish the belief that a certain (unfavorable) decision or regulation was inapplicable to them, because it resulted from incompetent or biased decision-making. In such cases, Uber would usually try to make a decision maker seem incompetent by regularly and publicly raising explicit doubt about their capabilities. In one example when Uber faced an unfavorable verdict, the company claimed: *"We believe the judge made a serious error by ignoring a century's worth of case law requiring the courts to guard the voters' right of initiative"* (CA-ABC-21). Uber repeatedly emphasized how some decision makers were stooges of interest groups (such as the taxi industry), such as in a prominent dispute with London mayor Sadiq Khan, who Uber accused of being partisan:

> Driving has given them an opportunity to integrate into their local community. The mayor should be supporting these drivers, not penalizing them. We understand that black cab drivers are feeling the pressure from services like Uber. But the answer is to level the playing field by reducing today's burdensome black cab regulations – not to impose new costs on private hire drivers at the behest of the Licensed Taxi Drivers Association and the London Cab Drivers' Club (UK-CAM-16)

In a similar fashion, Uber also personally attacked decision makers as being anti-innovation or being generally against technology. A prominent example here was Uber's strategy of blaming Assemblywoman Bonilla in California who was responsible for passing AB2293:

> As part of this public-oriented strategy, Uber also targeted legislators who supported or were undecided about the bill. In one of the clearest instances of such a strategy, Uber targeted the bill's sponsor and launched a public campaign in the district where she planned to run for state Senate in 2015, claiming that she was anti-technology and a stooge of the insurance industry. (Collier et al., 2018: 927)

Beyond setting the stage for future disconforming behavior through its own communication, Uber built pressure on current decision makers through its stakeholders, in particular the customer base and those drivers favorable toward Uber's employment model. Uber mainly used these two groups, across all four sample sites, to implement two forms of mass lobbying.

First, Uber aimed at creating small but continuous pressure on elected officials. For example, Uber would regularly organize protest rallies by offering free ice cream – and asking people to attend town hall meetings afterwards – or call on its customer base and drivers to submit write-ins to their representatives to advocate for Uber's position or to prevent or overthrow unfavorable regulations regarding how Uber classifies its drivers (see, e.g., Flores & Rayle, 2017: 3768 for San Francisco). Uber also implemented an email system that allowed customers and drivers to directly write-in their representatives:

> To influence local legislators to accept Uber, Mr. Kalanick took extra steps. In 2014, Uber hired Ben Metcalfe […] (who) created an email-based system to aid Uber users and drivers to directly contact local legislators to lobby for allowing Uber in their cities. (NY-NYT-17)

Second, beyond encouraging stakeholders to show 'individual' initiative, Uber also initiated numerous petitions to help overturn court rulings, prevent regulatory measures, or suggest to regulators or courts that their potential ruling would be against the will of the public. We found that Uber used petitions primarily either when regulatory or judicial proceedings were still in consulting stages (to influence the process) or when those have concluded (so that a prior decision might be reconsidered). For example, in London, when TfL was about to propose new regulations for Uber and its drivers in 2015, Uber called via the social media platform Twitter its users to sign a petition rejecting these proposals: *"Uber London needs your support. Sign the petition to let @TfL know riders and drivers come first"* (UK-Uber-15).

Target Alternative Decision Makers. At the same time that Uber tried to weaken the power unfavorable decision-makers held, they hoped to shift the regulatory scene in a way so that other, supposedly more favorable stakeholders would play a larger role in the worker classification issue. To do so, Uber adapted two strategies to influence these key stakeholders, namely to woo alternative decision makers at roughly the same (governmental) level, or to call onto other, usually higher instances to step into a process currently outside their jurisdiction.

First, Uber directly wooed regulators aided by professional lobbyists as well as prominent and influential individuals. With its phalanx of supporters, the company hoped to positively affect future and prospective regulations. For example, when Mayor de Blasio and parts of the New Your City Council aimed to regulate Uber in 2015, the company held a number of 'driver appreciation' events to influence the other city council members. An Uber spokesman said:

> "Over the last year we have held driver-partner events in neighborhoods across the city […]. We invited elected officials to all of these events because we wanted them to hear directly from drivers who live in the communities they represent." (NY-NYETA-15)

Uber found these strategies quite effective, as indicated by a publicly leaked email from an Uber counsel to staff personnel in the city council: *"We at Uber are very excited for this weekend, and hope you are, too […]. I saw Councilman Cornegy this morning at his BK Chamber breakfast (which was awesome), and he said he's ready for a great event"* (NY-Politico-16).

Another important part of the strategy to affect key stakeholders was to call other (and often higher) instances to overrule lower instances that have passed or are planning to pass unfavorable rules for Uber. These higher instances would have no procedural involvement in the classification issue – but Uber would try to get them involved. For example, experts describing Uber's increasingly gloomy situation in France observed that *"Uber would rather win just once in Europe, rather than 28 times at the national level. And it definitely does not want to spend the next decade in hand-to-hand combat over hundreds of differing municipal regulations."* (FR-POL-15). At some point, Uber's CEO Khoshrowshahi even issued a general call to European Union policymakers to become active in matters currently falling into the jurisdiction of its member states, sometimes even at municipal level:

> We're calling on policymakers, other platforms and social representatives to move quickly to build a framework for flexible earning opportunities, with industry-wide standards that all platform companies must provide for independent workers. This could include introducing new laws such as the legislation recently enacted in California. (FR-Uber-21c)

Similarly, in San Francisco, the company lobbied to take away legislation from communal level to state level where chances seemed more promising for a more favorable regulation:

> San Francisco's mayor, Ed Lee, played a critical role when his office shielded ridesourcing from crackdowns by local regulators and shepherded the issue away from the local arena to the state level, where ridesourcing companies found a far more receptive regulatory environment. (Flores and Rayle, 2017: 3757)

Phase 4: Launch Classification Attempt

Until here, we have shown that Uber utilized narratives and storytelling as tools to avert and, when necessary, to contain the conflict around driver classification. And, for a long time, Uber was able to prevent being forced by regulators and legislators to change its employment model. However, Uber also found itself unable to sustainably resolve the classification conflict. As a result, Uber operated in some kind of regulatory limbo (Garud et al., 2022).

All that changed when Uber faced a first heavy setback that credibly suggested Uber had to reclassify its drivers as regular employees. This happened first as the Supreme Court of California confirmed bill AB5 that Uber could no longer employ its drivers as independent contractors, and later, similarly, at the UK Supreme Court.

As the AB5 decision presented an existential threat to Uber's business, for the first time, we can observe Uber actively searching for opportunities to achieve compromise solutions for its employment model, entering the next phase in the dynamics I describe. Realizing that it could not preserve its previously aspired mode of work, Uber suggested to create a new gig worker category in between independent contractors and employees. This is how Uber attempted to turn the existential threat to an opportunity: In the suggested compromise, belonging to this category would grant drivers statutory rights, but not as much as full employee status would give.

When feedback on this move suggested that it could allow Uber both to resolve the long-standing employment conflict as well as operate profitably, they tried to roll out this employment

model to all other conflict sites –for example, following a UK Supreme Court verdict, Uber eventually decided to classify its drivers in the UK specific 'worker' category. In turn, when faced with negative feedback on these attempts to launch a classification, Uber would try to move back to the previous phase to buy time for an additional (re)classification attempt, as when Prop 22 was ruled unconstitutional by the Alameda Superior Court of California.

Propose Acceptable Category Definition. Starting from the previously described existential threat-turned-opportunities, Uber launched its classification attempt by proposing a more acceptable category definition in two steps, namely by ceding extreme positions and suggesting a new compromise category.

Uber began to cede some of its more extreme positions as the company upon realizing that not all their demands about worker classification would need to be met for it to be functional and profitable. As a result, Uber became ready over time to provide at least some basic driver rights such as a minimum pay or paid leave to its drivers but is not willing to fully employ its drivers. For example, when Uber lost their case 2016 at the UK employment tribunal, the company began to attempt settlements and suggested that the company has already adapted changes in their policies which did not affect the very core of Uber's employment model:

> Almost all taxi and private hire drivers have been self-employed for decades, long before our app existed. Over the last year we have made a number of changes to our app to give drivers even more control. We've also invested in things like access to illness and injury cover and we'll keep introducing changes to make driving with Uber even better. (UK-TC-18c)

Compromise suggests, in turn, would for example follow the form of the aforementioned Prop 22. Similarly, when the UK Supreme Court ruling forced Uber to reclassify its drivers as so-called workers (a UK-specific classification between independent and employee, in which Uber's flexible employment model could remain largely untouched), Uber eventually took this opportunity to maintain the core of its independent employment model, and eventually decided to

comply with this verdict, say the ruling *"provides a clearer path forward as to a model that gives drivers the rights of worker status — while continuing to let them work flexibly, in the same way they have been since Uber's launch in the U.K. in 2012"* (UK-NYT-21).

In New York and France, where Uber was (close to) facing serious setbacks throughout the year 2020, Uber itself actively suggested 'a third way' of classifying its drivers. Uber CEO Khoshrowshahi in late 2020 stated his intentions for Uber globally:

> There has to be a "third way" for gig workers, but we need to get specific, because we need more than new ideas — we need new laws. Our current system is binary, meaning that each time a company provides additional benefits to independent workers, the less independent they become. That creates more uncertainty and risk for the company, which is a main reason why we need new laws and can't act entirely on our own. (CA-NYT-20b)

Evidently, Uber was directing such calls particularly to the entities it had wooed before.

Buying Time. At the same time that Uber faced existential threats and developed potential solutions, Uber was keenly aware that realizing those could take time, and it would need to continue to prevent any unfavorable categorization from enshrined in the meantime.

Uber tried to achieve that by actively buying time. First, it did so by refusing to comply with rulings A prominent example of how Uber refused to comply with rulings can be seen in California where, when AB5 was passed, the firm simply refused to comply with the bill. It has been reported, *"Uber has said it doesn't intend to change its practices in response to the measure because it believes it could prove in a legal setting that its drivers are independent contractors"* (CA-WJS-19). Similarly, when it was ruled in the UK by the Supreme Court that Uber drivers have to be recategorized as employees, the company initially announced that the verdict only affects the plaintiffs (although it later gave in and accepted the ruling):

> The verdict does not focus on the other drivers on the app. […] Drivers told us that they wanted protections such as free insurance to cover sickness or injury, but not at the cost of flexibility. They want to remain independent, accessing flexible earnings opportunities when they want it, and protection and benefits when they need it. (UK-Uber-21)

For example, in France where the Supreme Court also ruled that drivers should be reclassified, the company denied the case set precedent and stated that the verdict would not automatically reclassify all of Uber's drivers:

> The ruling does not reflect the reasons why drivers choose to use Uber: the independence and freedom to work if, when and where they want," Uber said in a written statement. […] Over the last two years we've made many changes to give drivers even more control over how they use Uber, alongside stronger social protections, […] the court's decision would not lead to an automatic reclassification of drivers. (FR-REU-21)

Uber often used non-compliance as a first step to escalate an issue to different decision makers – again, ideally the ones it had softened or wooed before. For example, in California, where AB5 reclassifying Uber drivers as employees was passed, the company directly refused to comply and headed willingly for escalation with the regulators, even if that risked that regulators or lawmakers began to put even more effort into regulating the company:

> The law has so far been on the drivers' side. After Uber […] refused to comply with the AB5 law that went into effect in January 2020, State Attorney General Xavier Becerra and City Attorneys for Los Angeles, San Diego and San Francisco sued […] (the company) in May. […] In response, Uber […] cried foul, claiming that it is simply unable to abide by the law. (CA-Engaged-20)

> A judge's ruling Monday won't be the last word, as Uber and Lyft vowed to immediately appeal the preliminary injunction. If the companies are forced to reclassify their California drivers as employees, they would be on the hook for overtime, health care and other costly benefits. (CA-Bloomberg-20)

In turn, Uber used the time it would take regulators to call it out on its non-compliance to initiate Prop22 together with other ride-hailing firms.

Summary of Results

In summary, I present a process of model of how companies like Uber utilize practices of cultural entrepreneurship to sit out phases of illegitimacy (see Figure 2). This model depicts how Uber utilizes providing measure to help describe a potentially favorable categorization and, at the same

time, relies on preventing measures to back up the providing strategies by ensure that alternate, unfavorable classifications of their drivers do not get enshrined.

Across four phases, the transitions between which are triggered by exogenous events, the company utilizes different sets of providing and preventing strategies to encounter the conflict over its drivers' classification. While Uber's own exposure – both publicly and through resources – increases cross the phases, it is evident that Uber attempts to be efficient and effective in how it spends its cultural resources, and only becomes a fully active shaper as external circumstances demand it. At the same time, as Uber becomes active, they evidently draw on their prior efforts at cultural entrepreneurship to find a workable solution to the classification conflict. This is best exemplified (but also applicable to all locations of this study) in the case of Uber in California, where an existential threat later offered a unique opportunity, in which Uber spent tremendous amounts of resources to initiate Prop 22.

Interestingly, even in the UK, where Uber was never confronted with reclassification of its drivers as actual employees (but as workers), the company chose to sit its illegitimate position out. Although the worker class turned out to be acceptable for Uber, Uber sought to delay this classification and make it as costly for its stakeholders as possible. In the end, only when the UK Supreme Court ordered the classification to workers, Uber settled this conflict, which was costly and time-consuming for Uber's opponents, so that this settlement could be more sustainable.

Finally, my findings also indicate that the way in which Uber deployed its strategy allowed for iterative, trial-and-error based learning – not only at each location, but also across them, suggesting it could hold a learning advantage in particular over key adversaries in local jurisdiction and regulatory roles (see also Greenwood & Suddaby, 2006). In particular, when Uber had to get active in the categorization game, I see evidence of it iteratively moving back and forth between the third and the fourth phase and, based on the learnings it accumulates,

constantly updating its strategy. For example, as Uber refused to comply with AB5, Uber sought not to overthrow this bill judicially (as it had done previously with AB2293) but initiated Prop 22. When Prop 22 was ruled unconstitutional, Uber refused to reclassify its drivers, going back to the prior phase and ramping up its efforts for a U.S. nationwide regulation of Uber, which would leave the flexibility employment model untouched. Uber also learned from its experiences with Prop 22 and the UK Supreme Court, when, after the French Supreme Court's ruling, it doubled down on its efforts for a European Union wide regulation in form of a 'third way,' hoping that this approach showed better chances in settling the conflict over its employment model.

DISCUSSION

In this study, I asked how new, innovative organizations, whose business models run counter to existing institutional prescriptions, may choose to sit out phases of illegitimacy through practices of cultural entrepreneurship. The empirically grounded model I developed, drawing on how Uber handled an emerging conflict about driver classification across a total of four locations, highlights how this may be done through a set of providing and preventing practices of cultural entrepreneurship. The process shows how such firms may, instead of deploying their cultural resources as quickly as possible, seek to delay substantive commitment until there is more clarity about what to do. Yet, in the meantime, that requires them to make some investments in keeping their narrative alive (providing) as well as ensure that no alternative narrative becomes so enshrined that it endangers the future existence of the firm (prevent).

Theoretical Implications

Drawing on the insights I present, my primary contribution is to the literature of cultural entrepreneurship. Prior research in this field has predominantly examined how means of storytelling and narratives may be utilized to attain legitimacy (Gehman & Soublière, 2017;

Lounsbury & Glynn, 2019). For example, Lounsbury and Glynn (2001) have prominently explained how processes of storytelling mediate between stocks of entrepreneurial resources and capital acquisition, and thus wealth creation. In a similar fashion, scholars like Wry et al. (2011) have demonstrated that the articulation of desirable identity traits lead to more effective acquisition of legitimacy. However, only few studies have researched cultural entrepreneurship beyond the active legitimation of themselves or their products and services. In this study, I highlight how cultural entrepreneurship may also be drawn on to support a more passive stance aimed at sitting out phases of illegitimacy (see, also, Garud et al., 2022). Beginning operations under largely illegitimate circumstances, I observe how Uber draws on providing measures of cultural entrepreneurship (i.e., deploying narratives and storytelling) to try to influence the institutional environment they are embedded in and how key stakeholders evaluate the employment model conflict that is crucial to Uber's business model. While these activities bear similarities to existing literature around legitimation, I highlight how they may be interpreted differently when seen in combination with both the preventing measures I uncover, and when taking into account their interplay, also over time. Utilizing preventing measures implies that conflict-creating innovators such as Uber can sit out longer lasting phases of illegitimacy until environmental changes present new, ideally more favorable circumstances that allow for clear action. And as innovators have more time, they may not only learn to experiment and improve on their business models (Kirtley & O'Mahony, 2020), but also when to deploy which kind of cultural resource, when, targeting whom, and update their influencing strategy to dynamic and changing institutional and normative environments.

I note how little work has inquired how firms may simply survive long enough through unfolding legitimacy dynamics so that legitimacy pressures become more relaxed (Navis & Glynn, 2010, 2011). This is surprising, given how prior research has argued that legitimation

pressures may be attenuated under certain environmental circumstances (Benner & Ranganathan, 2012). Indeed, studies like Kraatz and Zajac (1996) have shown that radical technological change may relax institutional and legitimacy pressures, or that firms in the informal economy may continue to operate illegally without pursuing formal legitimation as long as they fulfill the norms, believes, and values of their customers (Godfrey, 2011; Webb et al., 2009).

Building on initial work that has highlighted how innovators introducing new ideas such as the sharing economy to existing industries could profit from trying to buy time (Garud et al., 2022), I tried to introduce conceptually and empirically the idea of 'active waiting' (Sull, 2005) to the study of legitimation efforts. This idea extends work on cultural and institutional entrepreneurship which often assumes either the ability to foresee and drive institutional change (Greenwood & Suddaby, 2006) or the ability to shape the discourse around the object of interest (Battilana et al., 2009; DiMaggio, 1988; Greenwood, Suddaby, & Hinings, 2002; Lounsbury, 2002; Seo & Creed, 2002). 'Active waiting' in the context of legitimation implies that firms would try and operate under the radar for as long as they can – that is, not legitimate their category if they do not have to – and only get active as their mode of operation becomes under threat. In line with this logic, I note how the transitions between most phases in my model is triggered by the preventing measures in prior phases ceding to function. As such, future research in this perspective may also benefit from looking more at how firms are 'muddling through' as they try to find legitimation – and possibly even fail in those endeavors.

Notably, this last point may also inform work on stigma and the process of stigmatization, which has similarly focused on the various practices organizations may employ to move from a stigmatized state to more legitimacy (e.g. Hampel & Tracey, 2017; Khessina et al., 2020; Tracey & Phillips, 2016). While some studies have shown that organizations may even benefit from being stigmatized (e.g. Helms & Patterson, 2014; Mishina et al., 2012; Neuberg et al., 2000;

Paetzold et al., 2008), the majority of work still assumes that stigmatized organizations only survive for a very limited period of time. My insights around innovating firms such as Uber trying to sit out their phases of illegitimacy and only move when they have to may be an interesting complement to this perspective.

Practical Implications

This study also holds a variety of practical implications for innovative organizations as well as for policymakers who encounter such firms. Specifically, while the providing and preventing measures I describe may be seen as guidelines for entrants unsure about how to push their boundaries of their industries, I hope they may also equip those governing such organizations with an increased understanding of the non-market strategies firms choose to influence them. Beyond sensitizing, such an awareness may also become the source of countermeasures, as indicated by the consistent hard pushback Uber has seen in France (including even the arrest of the senior executives of Uber prior to the conflict over the drivers' employment status), which seems to have led Uber to deploy its measures less extensively compared to other locations.

Future Outlook

Given the inductive and qualitative nature of this study, future research may try to quantitatively assess the efficacy of the non-market strategies I have outlined. Given the amount of providing and preventing measures Uber has deployed, there may be great benefit in exploring which measure worked well, when, and why.

At the same time, future research may examine the boundary conditions of these practices of cultural entrepreneurship employed by Uber. Uber may be a very unique firm in a very unique setting. For example, it is well known that Uber as part of the emerging gig economy found a large variety of institutional and private investors who were incredibly loyal toward the company.

As a consequence, Uber had the financial means to enter markets in such an aggressive manner and also to sit out longer lasting periods of illegitimacy. Here, it would be interesting to understand whether firms with different resource endowments and in different industries would also be capable to achieve survival through the practices of cultural entrepreneurship I described.

Finally, the insights of this study could be enhanced with more fine-grained primary data. Given I opted to study historical data, I have not corroborated my conjectures with first-hand evidence. Future work may attempt collect interview data to back up the findings made in this study and provide more nuance to the relationships suggested in my model. Further, such data could provide a more in-depth perspective into the decision-making processes and thoughts and motivations of the higher and lower managers involved in cultural entrepreneurship.

4. TRANSFORMATIONAL TRANSITIONING: USING PHYSICAL ALTERATIONS TO DIVERSIFY ACROSS CATEGORIES[11] [12]

Abstract

In order to start off a successful career, candidates in labor markets are well advised to assume a simple and focused identity, which means to specialize in a single or few categories. At the same time, categorical specialization becomes a mobility barrier for those who aim to diversify, as evaluators associate each employment category with a distinct set of skills and talents, where membership in one category implies deficiencies in others. In this study, we suggest that there may be a mechanism we label transformational transitioning, which implies candidates credibly altering the feature that bind them to the original category and sending out signals of competence and commitment to a new one. We test if applying transformational transitioning, enhances candidates' odds of successful categorical diversification looking at whether it increases diversifying actors' chances to receive an Oscar nomination. We find that transformational transition increases the odds of successful categorical diversification.

[11] This study is intended for co-authorship with Hamid Mazloomi (Rennes School of Business), Oliver Alexy (TUM School of Management), and Dilan Akosy (ESCP Business School Madrid). Instead of using "I", I refer to "we" in this study.

[12] Earlier versions of this study have been presented at research seminars at TUM, London Business School, and Rennes School of Business.

INTRODUCTION

Following research on categorization, social actors who aim to launch a successful career are well advised to assume a simple and focused identity (Leung, 2014; Zuckerman et al., 2003; Zuckerman, 2005). The underlying premise is that labor markets are dominated by beliefs about the distribution of skill. Because each employment category represents a distinct set of skills, candidates' membership in one category implies deficiencies in others (Zuckerman, 2005). As a priori assessment of skill and talent is often difficult, employers tend to typecast candidates, meaning they rely on candidates' past experience as a signal of skill so that they prefer candidates who have already shown experience through pertinent specialization in the type of work demanded (Bidwell et al., 2015; Leung, 2014; Zuckerman et al., 2003). As such, candidates should accrue benefits from specialization, and face low odds of successfully transitioning from one category to another. Different from specialists, audiences will see diversifying candidates as confusing, erratic, and unskilled (Merluzzi & Phillips, 2015), leading to severe social and economic penalties (Hsu, 2006; Hsu et al., 2011; Zuckerman et al., 2003; Zuckerman, 2017).

At the same time, candidates exist who either want to or need to overcome the mobility barrier inherent to their typecast and attain different, more diversified identities in the labor market (Zuckerman et al., 2003; Zuckerman, 2005). For example, some candidates may want to explore their creative talent (e.g., movie actors in Zuckerman et al., 2003). In other cases, external circumstances may require candidates to diversify such as when no job opportunities exist in their original categories or when they receive an offer in a different one (Leung, 2014). To buffer potential punishments in these kind of situations, candidates are recommended to enter categories more tolerant of recombination (Pontikes, 2012a; Pontikes & Barnett, 2015), credibly sequence their diversification efforts (Leung, 2014), or bridge cognitively similar categories (Wry

& Lounsbury, 2013). Accordingly, successful diversification in the labor market is largely contingent on where candidates start in the larger categorization system: if no connection between the old and the new category exists in the eyes of the audience, candidates will surely see their efforts at branching out rejected (Durand et al., 2017; Vergne & Wry, 2014).

One market in which typecasting is particularly salient is the feature film industry where specialized actors frequently face the challenge that their efforts of categorical diversification are not rewarded by evaluators. Well-known examples include actors strongly associated with iconic characters, such as Carrie Fisher who frequently attempted to escape her role of Leia Organa (Boyle, 2021) or Daniel Radcliffe who still struggles to get rid of the teenage Harry Potter association (Bedard, 2021). At the same time, examples of successful diversification exist, as when movie actors specialized in "light-weight" genres (such as comedy and action according to Jensen & Kim, 2015) successfully transition toward high-brow categories (e.g. drama). For example, Charlize Theron, a highly successful comedy and action actress, was a surprising choice to play the leading role in the 2003 drama "Monster" (Jones, 2016). For her depiction of an overweight prostitute and serial killer, for which she drastically transformed her entire physical appearance and demeanor over months (CNN, 2004), she won the Academy Award (Oscar) for best actress. Changing his appearance almost as drastically, comedian Steve Carell transitioned into the role of philanthropist – coincidentally, also convicted murderer – J.E. du Pont in his role in the movie "Foxcatcher," for which he also received an Academy Award nomination.

We maintain that examples such as these indicate that there may be mechanisms by which individual candidates who (purposively or are required to) diversify across broader categorical fields may *successfully* transition to a distant category. Specifically, we suggest that actors may affect the very features that bind them to the category they are specialized in, in a way that they

may cross categorical boundaries and reduce, if not eliminate, audience penalties they should receive.

To build our argument, we follow Zuckerman (2017) in theorizing that evaluators use codes to sort candidates according to their anticipated capability and commitment. Actors who simply cross broader categorical boundaries – without credentials proving their skills or signals targeted at their audiences' codes – will likely be seen as incapable and uncommitted dilettantes. Yet, candidates who genuinely change their identity – which we label *transformational transitioning* – may reduce, or even escape penalties from crossing categorical boundaries as they may adapt to the cultural codes and theories of value of their evaluators. Transformational transitioning, thus, may be seen as a *signal* (see, also, Spence, 1973) of both (1) disassociation, or, at least, differentiation from the original category and (2) capability, or, at least, credible commitment to the new category, thus increasing the odds of successfully branching out.

In line with our examples, we test our theory in the feature-film industry, a setting in which labor market candidates are regularly assuming a specialized and focused identity in one or few particular categories (Zuckerman et al., 2003). Still, film actors regularly attempt to break out from their original categorical memberships—with varying degrees of success (Wojcik, 2003)—or are cast to do so by particular brave or particularly resource-constrained producers. Looking at the consecration of acting performance with the Oscars, we draw on a sample of 3,913 movies with 8,731 actors from 2000-2016, for which we hand-coded the degree of difference in actors' appearance in the movie from their public appearance. In turn, at the actor-movie level, we focus on how the negative effect of starring in a movie different from actors' past specialization is ameliorated if actors' appearance is also substantially transformed in such a categorical transition.

We find empirical evidence for our theorizing. While categorical diversification harms candidates' success, we also showcase that these penalties are attenuated for candidates who

engage in transformational transitioning. We demonstrate that the jury of the Oscars is more sensitive toward the underlying mechanisms of transformational transitioning. However, we also show that the effect of transformational transitioning is limited as we find that it highly depends on gender differences. In sum, our study makes following theoretical contributions: First, it contributes to the literature surrounding specialism in labor markets by showcasing a mechanism through with diversification should become more effective. Second, it shows that gender differences play an essential role for categorical diversification, and thus transformational transitioning.

CATEGORICAL DIVERSIFICATION IN FEATURE FILMS

Categorical Specialization and Career Opportunities

Categories are socially constructed groupings of items and objects that are cognitively similar to each other (Rosch 1973). They provide coherence for our social world by delineating boundaries between objects, and facilitate efficient and effective processing of large amounts of information (Douglas, 1986; Zerubavel, 1996). In labor markets, categories ease hiring by grouping applicants and jobs, so that they can be more easily compared, evaluated, and selected upon. At the same time, because different employment categories emphasize distinct sets of skills and training, membership in one category often implies a perceived lack of qualification for others. As Zuckerman et al. (2003) puts it in the example of the job market for sociologists: A pertinent quantitative scholar who applies for a position in qualitative research will be challenged based on the belief that both are mutually exclusive set of skills. Thus, applicants who present categorically ambiguous identities are at risk to be considered unskilled (Zuckerman et al., 2003), hard to make sense of (Hannan, 2010; Hsu et al., 2009), or generally inferior (Kovács & Hannan, 2010; Leung & Sharkey, 2014).

Dynamics as in the above example, in which actual skill may be hard to judge, but in which employers may observe candidates' past experience, give rise to typecasting (Faulkner, 1983), meaning employers rely on candidates' past work as indicator of talent and skill (see also Leung, 2014; O'Mahony & Bechky, 2006; Zuckerman et al., 2003).[13] The feature film industry exemplifies such a setting (Cattani et al., 2014; Jensen & Kim, 2015; Zuckerman et al., 2003). Institutional barriers to enter this market are low and credentials (such as affiliation with acting schools) are relatively irrelevant. In addition, this labor market is strongly mediated between candidates and employers through talent agents and casting directors (Bishop, 2009). Because these evaluators have time pressure and almost no institutionalized screening methods, they often exert the tendency to prefer simple, focused identities as an efficient approach to filter candidates—they typecast (Zuckerman et al., 2003).

Such typecasting, in turn, may happen in two forms. First, when actors have no track record at all, typecasting agents may still particularize candidates' physical appearance, like ethnicity, gender, hair color, or size as *codes* (Zuckerman et al., 2003; Zuckerman, 2017), which are signals of expected behavior often following societal stereotypes (Durand & Vergne, 2012; Fiske & Taylor, 1991). For example, black actors have often been discriminated against by casting agents, selecting them mainly to play roles considered goofy, asexual, and naïve, such as slaves or servants (Guerrero, 2012). In turn, drawing on these codes, typecasting agents may prioritize candidates in accordance to their objective (Paolella & Durand, 2016) of pleasing the anticipated consumer and critic audience. Specifically, typecasting agents will determine whether the codes candidates emit through their physical appearance will be seen as fitting the audiences'

[13] Conversely, as Merluzzi and Phillips (2015) demonstrate, in labor markets where strong institutionalized mechanisms do exist (e.g., in the market for MBA graduates) and where credentials are available and are highly relevant, specialized profiles may have a detrimental effect on a candidate's application success, whereas generalist identities increasingly become beneficial for applicants.

(stereotypical) expectations of *capability* to play a specific role, meaning they have the (e.g. physical) "wherewithal" (Zuckerman, 2017: 45) to perform in a way that may meet audience preferences

Second, after completing their first job (into which they were likely selected because of their appearance), actors should be cast based on their past experience in the demanded category. Here, on top of capability expectations – which are only valid if staying within the same category – repeatedly acting in one genre further allows candidates to signal *commitment*, both to the category itself as well as to the audiences' expectations, which should be favorably received by the audience, and, hence, casting agents (Zuckerman et al., 2003; Zuckerman, 2017). Thus, actors who continue to follow their typecast may hope to derive career advantages from the simple, focused identities they construct (Zuckerman et al., 2003). It is an especially viable strategy for early-stage candidates who, by definition, have little to no evidence proving their talent, so that they are at risk of being screened out. Similarly, candidates who wish to maintain their specialization should find that a simple and focused identities will improve their odds of finding continuous employment.

Conversely, as soon as candidates branch out by crossing domains, typecasting imposes a significant mobility barrier, as candidates whose skill level is not widely known (as would be the case, for example, with past award winners) are unlikely to be perceived as capable in and committed to multiple genres. Casting agents will struggle to distinguish in advance between a jack-of-all-trades (Hsu, 2006) who is a true renaissance person (Leung, 2014) intentionally and skillfully bridging different categories vs. a master of none who may even be forced to move from one job type to another due to a lack of talent (Zuckerman, 2005). As a result, once candidates are strongly associated with one particular category, their identities become static and increasingly difficult to shift (Vergne & Wry, 2014), and actors are systematically "constrained to

become more circumscribed, commodity-like products than they would be on the basis of their skills" (Zuckerman et al., 2003: 1068).[14]

The Baseline Negative Effect of Categorical Diversification for Movie Actors

Our above argument implies that typecasting should not only impact which movies actors are eventually allowed to star in – essentially, mainly those in which they fit the bill – but also the degree to which evaluating audiences should appreciate their performance. Specifically, we also expect a professional audience, in our case, the Academy of Motion Picture Arts and Sciences (hereafter: the Academy) consecrating actors with the Academy Awards or Oscars, to be exhibiting a preference for actors staying within their typecast.[15]

As any evaluating audience, we expect the Academy to try and draw on candidates' past track record, and appreciate clear signals of capability and commitment. Even when ignoring that most actors may initially be typecast, and should hence struggle to send such signals if transitioning between categories, we suggest that the Academy should be less likely to consecrate an acting performance with an Oscar if actors' track record is from a different category.

First, award juries like the Academy are known to believe that different genres require different capabilities. For example, as Jensen and Kim (2015) imply, specialization in categories such as action or comedy is often seen as 'light-weight' in contrast to more prestigious categories such as drama. Accordingly, in particular if stereotypical action movie actors (characterized, e.g., by larger muscles as for Dwayne 'The Rock' Johnson) were to transition into a drama movie,

[14] Here, research in labor markets has shown that more incremental movements between "cognitively similar" or "fuzzier" categories may be less detrimental (e.g. actors who diversify from action to adventure movies), whereas more abrupt transitions between "cognitively distant" or more "crisp" categories are more harmful (e.g. actors who diversify from action to drama movies) (Kovács & Hannan, 2010; Leung, 2014). In this study, we particularly look at broader diversifications where actors' new roles clearly differentiate from their previous roles.

[15] One reason why we believe that the typecasting logic we have laid out in the prior section also applies to the Academy is that its members are given about half a month to cast their votes – across about 300 movies per year. Accordingly, they should face the same time pressures as employers or casting agents would, and quite likely not even watch all the movies for which they would eventually vote.

they should struggle to signal any form of capability in this genre to the Academy, and in particular to jurors therein who are a member of this category themselves. Second, accomplished professionals, such as the members of the Academy should also expect categorical commitment. Such juries consist of individuals who are elite representatives of their field, and who see themselves and their normative expectations within their established categorical boundaries as a standard for excellency (Cattani et al., 2014). Such evaluators prefer candidates who are clearly committed to the same beliefs and devalue those who may muddy categorical boundaries (Bourdieu, 1993; Lamont, 2009).

Accordingly, at the very least, we expect that actors who transition into a new category should confuse, if not upset, the Academy who evaluates them. Given such candidates' identities should be seen as confusing, the Academy should doubt those candidates' capability in and commitment to the new category, and devalue their performance accordingly. We posit:

> ***Hypothesis 1 (H1):*** *Ceteris paribus, actors who diversify from a categorical specialization are less likely to receive an Oscar nomination.*

Physical Alterations to Enhance Career Diversifications in Feature Films

At the same time, evidence exists that actors, even knowingly, have altered the codes they send out to avoid a typecast and be accepted into a different category. For instance, six-times Oscar nominee Amy Adams began dying her hair red early in her career to escape being typecast unfavorably and launch a successful *different* track record (i.e., a different typecast): "Based on roles that I was getting, called in for, people were responding to certain types of characters with me as a blonde and the minute I went red, it was quirky and fun instead of flirtatious and dumb" (Amy Adams' interview in the USMagazine, 2016). In turn, we suggest that cases such as our introductory examples of Charlize Theron and Steve Carell may imply that candidates may draw

on a similar logic of modifying the codes they send out at a later stage in their career to try and improve their odds of successfully diversification between categories.

As we have elaborated above, audiences associate categorical membership with specific identities and codes that candidates should convey in order to signal their commitment and capability, based on which audiences evaluate and rank those candidates (Hannan, 2010; Hsu & Hannan, 2005; Lounsbury & Glynn, 2001; Zuckerman et al., 2003; Zuckerman, 2017). These identities and codes, however, may be subject to active, and even purposive manipulation, such as when firms develop narratives to shape their identities (e.g., Lamertz, Heugens, & Calmet, 2005) or create new brands to be active in multiple markets with different audience expectations in parallel, such as carmakers Toyota and Nissan launching Lexus and Infiniti, respectively.

We suggest that such transformational transitioning, that is, candidates hoping to move successfully between categories altering their identities – for example through drastic changes in the physical appearance – may similarly enable actors to buffer the penalties of categorical diversification they would otherwise receive. Specifically, through transformational transitioning, we suggest that actors may try to show a better fit with the new category and the respective audience expectation, while at the same time decreasing their perceived association with the categories from which they originate.

First, while specialized actors who simply diversify without additional signals to accommodate audience expectations remain associated with their prior specialization, a transformation of identities and codes sent out may very well be seen as an act of disassociation from the aspects that bind them to their old category and codes. As such, when candidates actively ‘hide’ their original identities in a way that disconnects them from their previous acting engagement, the evaluating audience may be less in doubt about the degree of commitment

candidates are willing to show to the new category. For example, Charlize Theron and Steve Carell simply did not look like action or comedy actors in their respective movies.

Second, a credible transformation of identity in itself may already be seen as a strong signal of general commitment (to the acting profession) and capability (i.e., talent) which an award jury may appreciate, as is reflected in frequent and positive reporting about how much time some actors would need to spend in make-up to take on a specific role or how much preparation a role may have taken to look credible. More importantly, such a transformation may be directed purposively toward the new category. Substantial and visible changes of identities that are clearly targeted toward the jury's expectations of a particular type of role (e.g., Leonardo DiCaprio who substantially lost weight in the drama movie 'The Revenant' to play an emaciated hunter), may allow actors not only to highlight their general capability. Rather, they can directly signal that they may also bring what it takes to play the new role. Such significant investments, in turn, should also be appreciated as signals of commitment to the new category (Schelling, 1960), given how a credible transformation also requires significant preparation for the new role.

As such, transformational transitioning may allow actors to embed the signals necessary to credible convey changing their categorical specialization (Zuckerman, 2017). By showing disassociation to the old category and trying to signal capability in and commitment to the new one, the Oscar jury may become less skeptical about the candidates violating their typecast and the resulting inconsistency in actors' filmography, and start seeing such behavior as a less drastic deviation from their expectations. Accordingly, we hypothesize that transforming their identities and the codes they send out should increase the likelihood that actors transitioning between categories should be consecrated by the Academy through an Oscar nomination. We posit:

> ***Hypothesis 2 (H2):*** *Ceteris paribus, candidates diversifying from one specialization who transform their physical appearance are more likely to receive an Oscar nomination.*

METHODS

The goal of our study is to explore the efficacy of transformational transitioning for specialized candidates in labor markets in diversifying across categorical boundaries. Inspired by a variety of studies surrounding category strategies, we test our theorizing in the feature-film industry (see, also, Hsu, 2006; Jensen & Kim, 2015; Rossman et al., 2010; Zuckerman et al., 2003; Zuckerman, 2005).

Data and Sample

We rely mainly on two archival data sources, namely the Academy itself and the Internet Movie Database (IMDb), as well as on manually coded information based on the primary data retrieved from those. Our sampling frame consists of the top three credited actors and top three credited actresses of eligible movies for the Oscars from 2000 to 2016. To be eligible for the Oscars, and thus included in our sample, a motion picture should fulfill certain criteria: It must have played in a commercial theater in Los Angeles County between January 1st and December 31st for at least seven consecutive days, during this period screenings must occur at least three times daily with at least one screening beginning between 6p.m. and 10p.m., the motion picture has to be exhibited theatrically on 35mm or 70mm film, or in a qualifying digital format, and it must have a running time of at least 40 minutes. We hereby exclude feature films that are publicly exhibited or distributed in any manner that is not a theatrical motion picture release (i.e. on TV or on only-streaming service) as they are not eligible for the Oscars.

In total, the list of eligible films for the Oscars from 2000 to 2016 consists of 4804 titles. As we focus on category diversifying actors, we have dropped 359 titles that have been identified as Documentary and 301 titles that have been identified as Animation from this list since these films do not correspond to what we intend to capture in our study. After removing movies with

incomplete observations on key variables, in the final list, there are 3913 titles that have been listed as eligible to be nominated for the Oscars between years 2000 and 2016. For each title, we collected the first three credited actors and first three credited actresses in IMDb's section of "full cast and crew" where every single contributor to a movie is listed. We decided for this way of sampling since from each movie there could be, at most, four nominations for acting Oscars as there are in total four categories of acting Oscars: Best Actor, Best Actress, Best Supporting Actor, and Best Supporting Actress. In case a person has been nominated to acting Oscars for a movie but is *not* listed among the top three credited names of the cast, we include his/her name to the list of actors for that given movie. In the end, we constructed a dataset that represents actors and movies on a dyadic level which means that our sample eventually consists of 20305 actor-movie dyadic observations.

Measures

Dependent Variables. To capture the efficacy of transformational transitioning, we focus on the success of the movie as perceived by the Oscar jury. This means, for the actor-movie dyads, we retrieve data of *nominations* for Best Actor/Actress and Best Supporting Actor/Actress at the Academy Awards. We focus solely on the nominations because –given these are rare events compared to the total number of actor-movies dyads- they allow us to work with more observations for the dependent variable. We choose the Oscars because these awards are considered to be the most prestigious awards in the entertainment industry, mostly because the awards are voted on by elite representatives of the industry, that is, by the members of the Academy. Membership to the Academy is by invitation only and is based on distinctive achievements attained in one of the various fields of cinema.

Independent variables. Our main variables of interest are the actor-level variables- *transformation* and degree of *diversification* - that may have an impact on the success of the movie as perceived by the Oscar jury.

Transformation can be thought of as changes in superficial attributes of actors for a certain movie. To measure actors' transformation, we recruited a total of 211 independent coders (mostly students at a major German university and various student research assistants) to code information regarding the look/appearance and credible change of identities of the three primary actors and three primary actresses on the cast list. Our objective is to determine whether their identities are substantially altered due to special make-up (e.g. facial prosthetic makeup), due to hairstyling or due to considerable changes in the body shape (e.g. weight gain or loss, body height or size) when acting in these movies. A code book has been provided to the coders along with an Excel sheet that needed to be filled in. There are three areas of questions that help us identify whether the identities of the actors could be considered credibly changed in the movie: First, we ask the coders' own perception on whether they think that the actors genuinely attempt to change their identities in the movie. Here, we also ask the coder about the body features of the actors in the movie and whether these are any different from their appearance in real life. By appearance, we refer to body features such as weight gain or loss, changes in body shape in terms of height or size. Second, we ask about the facial features of the actors in the movie and more specifically on whether these are any different than how they usually look in real life that same year. Lastly, we ask questions related to Computer Generated Imagery (CGI) characters and 'the voice only' performances which we exclude as they should not be relevant to our theorizing. Beyond these questions, to complement our coding, we looked for keywords such as 'prosthetic', 'false nose' 'special makeup' in the trivia page of the title that could help us identify if any of these three primary actors and three primary actresses looked differently or has a changed

identity in the movie that is considerably different compared to their actual look or identity in their real life. The details, questions, and examples on our coding of the transformational transitioning variable can be found in the Table 1.

Table 1. Details and Examples of Coding Transformational Transitioning

Question Areas	**Details**	**Examples**
1. Transformation of character and identity	Does the actor/actress genuinely attempt to hide their identity? Completely different appearance (body weight, size, height and clothing).	Nicole Kidman in "The Hours", Steve Carell in "Foxcatcher", Charlize Theron in "Monster", Matthew McConaughy in "Dallas Buyer's Club", Jared Leto in "Chapter 27"
2. Feature Change: different look	Different look (facial), i.e., new haircut, shaved or baldhead, different hair dye.	Charlize Theron in "Æon Flux", Charlize Theron in "Mad Max: Fury Road"
3. *Not included:* CGI/Voice Only	Actor/actress cannot possibly be recognized. This category includes mainly Computer-generated imagery (CGI) character or voice-only	Zoe Saldana in "Avatar", Benedict Cumberbatch in "The Hobbit", Andy Serkis in "Lord of the Rings series" or in "Planet of The Apes"

We account for two types of transformation of identities through physical alterations. Consistent with our theorizing, we aim to look at actors who *substantially* or *credibly* transform their identities through physical alterations. To account for that, we introduce two variables of identity changes. First, with the key variable '*transformation'*, we measure genuine attempts to transform the original identity of the actors. This variable includes the first question area of our coding book which addresses changes in the whole character and appearance. At the same time, we also want to control for more simple physical changes which do not resemble genuine attempts to change actors' identity. To do so, we include the variable '*feature change'* which solely focus on slighter changes in the physical appearance of the actors. This variable is based on the second question area of our coding book and purely serves as control variable. As

mentioned, we do not account for the final to question area of the code book which aim for CGI and voice only movies.

To capture the degree of diversification, we utilize the average cosine similarity between pairs of genre combinations of the movies the actors have played in their career (Manning, Raghavan, & Schütze, 2008). This measure is calculated based on the unordered genres of our movies. Each genre combination of a movie forms a vector in a high-dimensional space and we retrieve the final cosine similarity measure by taking the cosine between the angles of the vectors of one pair of movies. In total, we have 19 genres for all movies in our sample and each genre combination can make up to 3 genres. For all movies, we calculate the cosine similarity between each pair of movies and for each actor we produce a cosine similarity index based on the average pairwise cosine similarity of the movies they starred in. For the cosine similarity index C of each actor we first calculate the pairwise similarity between the genre combinations of all movies *sim*, with P representing the number of genre combinations (respectively movies) for each actor:

$$(1)\ \ \boldsymbol{sim}(\boldsymbol{x_i}, \boldsymbol{x_j}) = \mathbf{cos}(\boldsymbol{\theta}) = \frac{\boldsymbol{x_{i\times}x_j}}{\|\boldsymbol{x_i}\|\|\boldsymbol{x_j}\|}$$

$$(2)\ \ \boldsymbol{C} = \frac{\sum_{i=1}^{P}\sum_{j=1,J\neq i}^{P}\boldsymbol{sim}(x_i,x_j)}{|\boldsymbol{P}|(|\boldsymbol{P}|-\mathbf{1})}$$

The cosine similarity ranges between 0 and 1, with 0 indicating that one pair of movies is very distant from each other while 1 indicates that two movies are exactly the same in terms of the genres they occupy. The average cosine similarity for each actor should then capture whether the person has played movies more distant or similar to each other. For reasons of interpretability, we utilize the inverse cosine (1-C) in our calculations which indicates a higher or lower degree of diversification.

For our analyses, we utilize the interaction term between transformation and diversification to capture for transformational transitioning. This should represent actors'

attempts to diversify across categorical boundaries while changing their identities. We use the interaction term to test our theorizing that credible identity change through physical alterations should enhance categorical diversifications.

Control variables. We include control variables at actor-, and movie-level. Actor-level control variables include number of previous film appearances (*human capital*) and *number of previous film appearances* in the same categories (Rossman et al., 2010). In a similar fashion, we also account for actors' past tenure in terms of the number of *past award nominations* (only Oscars). Following Hsu (2006), we also control for actors' so-called star power which denotes actors' ability to benefit the movie. To capture this effect, I collected the '*Star Score*'-data from thenumbers.com (an online database for revenue data of film projects). This score represents each of the leading actors of the 100 highest grossing movies in the current and two preceding years, taking into consideration the total grossing of the movies, the number of movies in which actors were part of the cast, and their average billing position, thus giving a reliable overview of actors' impact. Further, because specialization is most prevalent in Action and Comedy movies (Zuckerman et al., 2003), we introduce two variables capturing actors' prior experience in playing these categories (*Action Accumulated Experience* and *Comedy Accumulated Experience*). In addition, given the importance of gender and race stereotypes for the film labor market, we control for actors' *gender* and their presumed *race*. The race variable is a categorical variable and takes the values *Black, Asian, White,* or *Hispanic*. To gather the data for the race variable, we utilized a bibliographical online database (nndb.com) and a prediction algorithm (the Python package called ethnicolr) that is based on first and last names to predict the race of the remaining actors.

Movie-level control variables include the *size of the cast* and potential spillover effects by *writers*, *directors*, and *co-stars*. To capture these spillover effects, we went through the cast list

of each movies and identified those individuals who already have won Oscars in the past. Further, we also control for the *Metascore* of each movie which is an online database where professional reviews are averaged. Similar to Hsu (2006), we also control for the width of competition each movies faces in the year of its release by capturing the *number of Oscar eligible movies* of the same year. In addition, to account for seasonal effects, we also control for the *release day* of each film. Finally, as mentioned earlier, we also control for the weaker form of physical alterations through the feature change variable and its interaction term.

RESULTS

In this study, we hypothesize that diversification across categories by actors in the feature-film industry is negatively received by the Oscar jury. Further, we hypothesize that credible transformation of identities should positively moderate categorical diversification, a mechanism that we term transformational transitioning.

In Table 2, we display the descriptive statistics of our dataset (only key variables) and in Table 3 we show the respective pair-wise correlation table. In the following results sections, we show all regressions with Oscar nominations as dependent variable. In all regressions, we use logistic regression, except for our analysis of the drivers of diversification where we use OLS (Table 7). To achieve more comprehendible regression outcomes, we cluster all regressions along movies and actors. Further, we will display the coefficients of the independent variables with the t-values in parentheses and all coefficients with p values <.10 in bold.

Table 2. Descriptive Statistics

Variable	Obs.	Mean	SD	Min.	Max.
Oscar Nom.	20.305	0.02	0.13	0	1
Diversification	20.305	0.63	0.19	0	1
Transformation	20.305	0.16	0.37	0	1
Feature Change	20.305	0.23	0.42	0	1
Previous Similar Mov.	20.305	0.74	1.68	0	32
Cast Size	20.305	63.32	43.55	1	431
Writer Spillover	20.305	0.02	0.18	0	3
Director Spillover	20.305	0.01	0.11	0	1
Co-Star Spillover	20.305	0.65	0.87	0	5
Metascore	20.305	51.05	17.21	3	100
Star Power Variable	20.305	23.64	57.76	0	561
Human Capital	20.305	18.59	17.68	1	209
Number of Movies	20.305	244.90	16.56	215	269
Past Oscar Nom.	20.305	0.14	0.34	0	1
Gender	20.305	0.48	0.49	0	1
Release Day	20.305	179.18	108.92	1	366
Action Exp.	20.305	0.78	2.89	0	125
Comedy Exp.	20.305	3.13	6.21	0	64

Table 3. List-Wise Correlation Matrix (N=20.305)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1. Oscar Nom.	1.00																	
2. Diversification	-0.03	1.00																
3. Transformation	0.06	0.04	1.00															
4. Feature Change	0.09	0.04	0.47	1.00														
5. Previous Similar Mov.	0.02	-0.33	-0.02	-0.02	1.00													
6. Cast Size	0.07	0.06	0.06	0.08	-0.03	1.00												
7. Writer Spillover	0.15	-0.02	0.03	0.07	-0.01	0.07	1.00											
8. Director Spillover	0.20	0.00	0.03	0.08	-0.02	0.10	0.39	1.00										
9. Co-Star Spillover	0.06	0.02	0.02	0.05	0.01	0.20	0.08	0.09	1.00									
10. Metascore	0.10	-0.14	0.02	0.06	0.04	0.01	0.15	0.13	0.05	1.00								
11. Star Power Variable	0.11	0.02	0.07	0.09	0.06	0.21	0.03	0.05	0.12	-0.07	1.00							
12. Human Capital	0.08	0.02	0.05	0.07	0.36	0.05	0.01	0.02	0.13	0.00	0.18	1.00						
13. Number of Movies	-0.01	0.00	0.02	0.02	0.02	0.04	-0.02	-0.02	0.01	0.07	-0.03	0.03	1.00					
14. Past Oscar Nom.	0.15	0.00	0.06	0.09	0.12	0.10	0.04	0.04	0.17	0.00	0.27	0.44	0.01	1.00				
15. Gender	0.00	-0.00	-0.03	-0.02	-0.03	0.00	-0.00	-0.00	0.01	-0.00	-0.12	-0.22	0.00	-0.01	1			
16. Release Day	0.10	0.02	0.04	0.06	-0.01	0.12	0.12	0.12	0.13	0.08	0.06	0.04	0.02	0.07	0.07	1.00		
17. Action Exp.	-0.03	0.08	0.05	0.06	0.05	0.11	-0.02	-0.02	0.03	-0.07	0.20	0.28	0.01	0.08	0.09	-0.02	1.00	
18. Comedy Exp.	-0.03	-0.26	-0.02	-0.03	0.29	0.09	-0.03	-0.03	0.00	-0.13	0.14	0.32	0.01	0.06	0.07	-0.06	-0.03	1.00

Diversification, Transformational Transitioning, and Audience Reception

In Table 4, we show four models of the independent variable diversification and the independent variable transformation on Oscar nominations. In the first model, we only check for the explanatory power of the control variables. Here, we find that the most control variables are significant in accordance to the literature, whereas the controls of previous similar movies, the co-star spillovers, the presumed race controls, and the genre specializations show no robust effects.

In the second model, we include diversification as independent variable. Here, we find empirical evidence that categorical diversification significantly decreases the chances of being nominated for an Oscar award.

In the third model, we introduce the main independent variable transformation. While we find that diversification significantly and negatively affects the odds of receiving Oscar nominations, we also find that transformation significantly and positively affects the odds of the actors' of receiving nominations at the Oscars. Together with the previous model, this outcome provides empirical evidence in support of our Hypothesis 1.

Finally, in our fourth model, we introduce the interaction term between diversification and transformation that should capture transformational transitioning. We again find that diversification significantly and negatively influences actors' chances of receiving nominations at the Oscars. While the transformation variable turns insignificant, we find that the interaction term is significant and positive. This outcome indicates that the maneuver of transformational transitioning exists and provides evidence for a moderating effect of transformation on categorical diversification. Although the empirical evidence for transformational transitioning is not as strong as we expected (as significance is moderate given that the t-value is 1.89 and the transformation variable itself is insignificant), it largely corroborates our Hypothesis 2.

Table 4. Stepwise Regressions of Transformational Transitioning

Model	1	2	3	4
Variable	Oscar Nom.	Oscar Nom.	Oscar Nom.	Oscar Nom.
N	20.305	20.305	20.305	20.305
Diversification		**-1.10 (-2.52)**	**-1.16 (-2.60)**	**-0.96 (-1.77)**
Transformation			**0.48 (2.67)**	-0.68 (1.04)
Transf,*Div.				**1.95 (1.89)**
Feature Change			**0.52 (3.44)**	**1.66 (3.00)**
Feat,*Div.				**-1.94 (-2.16)**
Previous Similar	0.02 (0.67)	-0.00 (-0.21)	0.00 (0.00)	-0.00 (0.05)
Cast Size	**0.00 (2.41)**	**0.00 (2.48)**	**0.00 (2.61)**	**0.00 (2.64)**
Writer Spillover	**0.54 (2.29)**	**0.54 (2.25)**	**0.45 (1.72)**	0.46 (1.76)
Director Spillover	**1.10 (3.61)**	**1.13 (3.70)**	**1.06 (3.46)**	**1.09 (3.57)**
Co-Star Spillover	-0.01 (-0.20)	-0.01 (-0.14)	-0.01 (-0.17)	-0.01 (-0.24)
Race White	0.06 (0.13)	0.07 (0.16)	0.11 (0.24)	0.09 (0.19)
Race Black	0.62 (1.10)	0.65 (1.17)	0.76 (1.37)	0.74 (1.30)
Race Hispanic	0.71 (1.28)	0.70 (1.30)	0.70 (1.31)	0.71 (1.31)
Metascore	**0.03 (6.94)**	**0.03 (6.77)**	**0.03 (6.75)**	**0.03 (6.81)**
Star Power Variable	**0.00 (6.82)**	**0.00 (6.85)**	**0.00 (6.66)**	**0.00 (6.66)**
Human Capital	**0.01 (2.90)**	**0.01 (3.27)**	**0.01 (3.33)**	**0.01 (3.36)**
Number of Movies	**-0.00 (-1.75)**	**-0.00 (-1.67)**	**-0.00 (-1.75)**	**-0.00 (-1.74)**
Past Oscar Nom.	**1.39 (7.92)**	**1.37 (7.84)**	**1.30 (7.54)**	**1.30 (7.57)**
Gender	**0.38 (2.86)**	**0.37 (2.82)**	**0.38 (2.94)**	**0.37 (2.93)**
Release Day	**0.00 (5.99)**	**0.00 (5.96)**	**0.00 (5.83)**	**0.00 (5.83)**
Action Exp.	-0.01 (-0.36)	-0.01 (-0.49)	-0.02 (-0.64)	-0.02 (-0.63)
Comedy Exp.	-0.02 (-1.46)	-0.02 (-1.53)	-0.02 (-1.54)	**-0.02 (-1.57)**
Const.	**-8.93 (-6.80)**	**-8.17 (-6.10)**	**-8.38 (-6.13)**	**-8.52 (-6.12)**

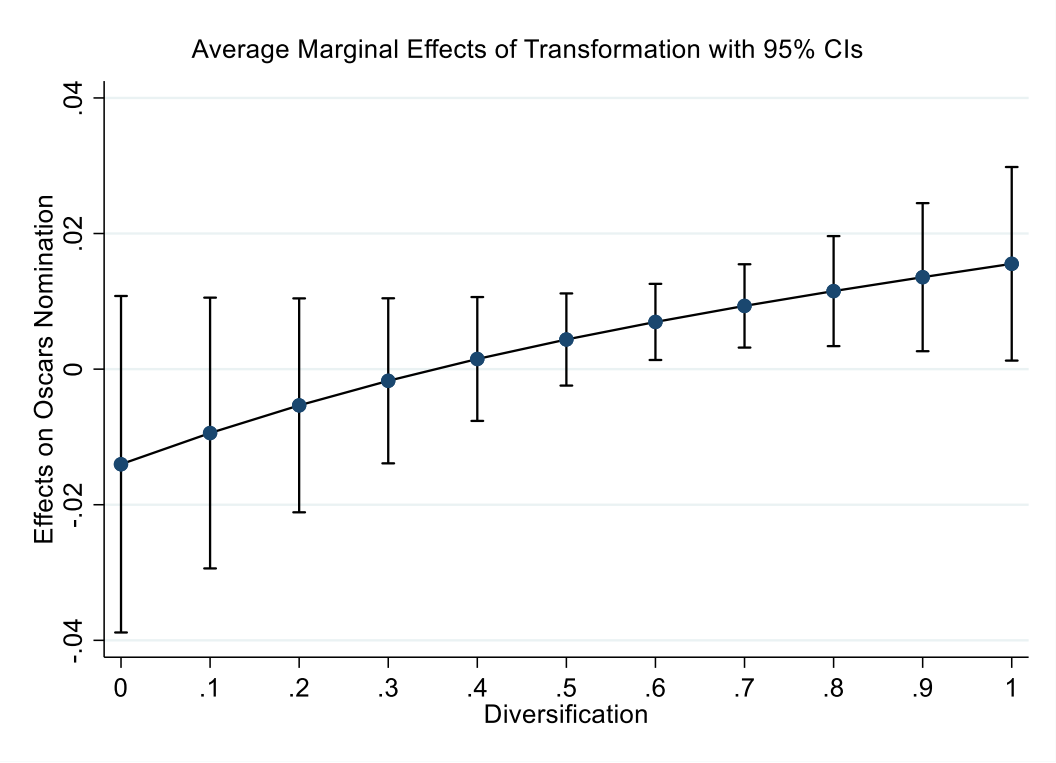
To better facilitate our understanding of this interaction effect, we display in Table 5 the marginal effects of transformation at different levels of diversification (in 0.1 steps between 0 and 1). In support of our theorizing, we see that, at relatively high levels of diversification (above 0.5), transformation becomes significant and seems to affect the success of actors who cross multiple categorical boundaries. A plot of these marginal effects can be found in Figure 1.

Table 5. Stepwise Regressions of Transformational Transitioning

Diversification at	Marg. Effect	Std. Err.	t-value	p-value
0	-0,01	0,01	-1,11	0,27
0.1	-0,01	0,01	-0,93	0,36
0.2	-0,01	0,01	-0,66	0,51
0.3	0,00	0,01	-0,28	0,78
0.4	0,00	0,00	0,32	0,75
0.5	0,00	0,00	1,26	0,21
0.6	0,01	0,00	2,43	0,02
0.7	0,01	0,00	2,70	0,00
0.8	0,01	0,00	2,78	0,01
0.9	0,01	0,01	2,43	0,02
1	0,02	0,01	2,13	0,03

Altogether, our results largely meet our expectations as they support both our hypotheses. However, we also note that the evidence for transformational transitioning is not as strong as expected, especially given that the transformation variable of that model is insignificant and the t-value of the interaction is 1.89, which is only moderate according to commonly accepted thresholds of statistical significance.

Figure 1. Plot of Transformation on Oscar Nom. at Various Levels of Diversification



Altogether, our results largely meet our expectations as they support both our hypotheses. However, we also note that the evidence for transformational transitioning is not as strong as expected, especially given that the transformation variable of that model is insignificant and the t-value of the interaction is 1.89, which is only moderate according to commonly accepted thresholds of statistical significance.

One potential explanation for this outcome is that the effect of transformational transitioning is different for groups of different social standing. Specifically, Cattani et al. (2014) suggest that professional juries differently consecrate divergent actions depending on the marginality of candidates, where, given the composition of the Academy, marginality is usually captured by gender or race. Accordingly, given how the Academy Awards cleanly distinguish between awards for men and women, in the following we look at the effect of transformational transitioning in each group. What difference we will find is unclear a priori. On one hand, women

might benefit more from transformational transitioning as the additional signals of capability and commitment may help them overcome the disproportional punishment they should otherwise receive for categorical diversification (see, also, Xu, Zhang, Wu, & Wang, 2019). On the other hand, transformational transitioning itself may be subject to gender discrimination, in that the potentially positive capability and commitment signals are interpreted differently by a (male dominated) jury conditional on the gender of the evaluated candidate (Huang, Joshi, Wakslak, & Wu, 2021).

Robustness Check: Transformational Transitioning Across Genders

In Table 6, we perform the estimations to capture transformational transitioning for men (Model 1 and 2) and women (Model 3 and 4). Here, in the first model, we find interesting that diversification has no main effect for male actors, implying that, on average, they receive no punishment for acting against their typecast. In turn, when we add the interaction for transformational transitioning, we find it to be positive and significant. These results suggest that efforts of transformation may enhance how male actors are received when they cross categorical boundaries, even though they are not punished for diversification in the first place.

The picture changes when we look at how female actors are evaluated. The results of the third model almost seem to be the opposite of the results of the male actors: Diversification by female actors is significant and negatively related to their odds of becoming nominated for the Oscars while the baseline effect of transformation is insignificant. In turn, transformational transitioning shows no effect for female actors. These results would suggest that female actors are punished for categorical diversification and have little opportunity to compensate for this by transforming their identities.

Table 6. Analysis of Transformational Transitioning in Gender Subsamples

Model	1	2	3	4
Variable	Oscar Nom.	Oscar Nom.	Oscar Nom.	Oscar Nom.
N	10.485	10.485	9.819	9.819
Subsample	Male	Male	Female	Female
Diversification	-0.25 (-0.40)	-0.62 (-0.76)	**-1.83 (-2.70)**	-1.25 (-1.62)
Transformation	**0.56 (2.49)**	-1.18 (-1.19)	0.35 (1.43)	-0.05 (-0.06)
Transf,*Div.		**2.79 (1.94)**		0.70 (0.44)
Feature Change	**0.39 (1.86)**	1.22 (1.38)	**0.62 (2.89)**	**1.71 (2.34)**
Feat,*Div.		-1.31 (-0.97)		-1.95 (-1.53)
Previous Similar	-0.04 (-0.77)	-0.04 (-0.83)	-0.00 (-0.07)	-0.00 (-0.03)
Cast Size	**0.00 (3.13)**	**0.00 (3.09)**	0.00 (1.16)	0.00 (1.20)
Writer Spillover	0.42 (1.47)	0.43 (1.50)	0.50 (1.48)	0.50 (1.47)
Director Spillover	**1.34 (3.95)**	**1.37 (4.02)**	**0.79 (1.84)**	**0.83 (1.93)**
Co-Star Spillover	0.06 (0.75)	0.06 (0.65)	-0.09 (-0.91)	-0.09 (-0.90)
Race White	0.31 (0.39)	0.31 (0.37)	-0.17 (-0.29)	-0.19 (-0.32)
Race Black	1.09 (1.25)	1.09 (1.19)	0.64 (0.92)	0.61 (0.88)
Race Hispanic	1.22 (1.36)	1.24 (1.32)	0.22 (0.35)	0.24 (0.37)
Metascore	**0.03 (5.22)**	**0.03 (5.26)**	**0.03 (4.85)**	**0.03 (4.89)**
Star Power Variable	**0.00 (3.74)**	**0.00 (3.68)**	**0.00 (6.55)**	**0.00 (6.56)**
Human Capital	**0.01 (2.63)**	**0.01 (2.65)**	**0.02 (3.43)**	**0.02 (3.46)**
Number of Movies	-0.00 (-1.60)	-0.00 (-1.60)	-0.00 (-1.16)	-0.00 (-1.16)
Past Oscar Nom.	**1.03 (4.24)**	**1.05 (4.30)**	**1.49 (5.98)**	**1.49 (6.02)**
Gender	-	-	-	-
Release Day	**0.00 (4.15)**	**0.00 (4.19)**	**0.00 (5.20)**	**0.00 (5.16)**
Action Exp.	-0.04 (-0.94)	-0.04 (-0.92)	**-0.24 (-3.05)**	**-0.23 (-2.99)**
Comedy Exp.	-0.00 (-0.49)	-0.00 (-0.62)	-0.03 (-1.45)	-0.03 (-1.46)
Const.	**-9.23 (-4.89)**	**-9.08 (-4.66)**	**-7.61 (-4.55)**	**-7.92 (-4.73)**

These insights are further corroborated when we look at the Oscars data. In Table 7 and 8, we cross tabulate whether or not diversifying actors were nominated for an Academy Award (we performed a median split of the dataset at the median of 0.61 of the continuous diversification variable). Comparing the two tables, we see that an identical number of diversifying vs. not diversifying men are nominated for an Academy Award (84:84), while the ratio of diversifying vs. not diversifying female nominees is roughly 2:1 (110:52). In line with our above arguments, these results suggest that female diversification attempts receive less positive reception by the Academy.

Table 7. Diversification and Oscar nomination among Male Actors

	Oscar nomination	
Diversification	0	1
0	5.101	84
1	5.216	84

Table 8. Diversification and Oscar nomination among Female Actors

	Oscar nomination	
Diversification	0	1
0	4.857	110
1	4.800	52

In Table 9, we show that this effect is not driven by women substantially diversifying more than men. Here, we predict the degree of diversification and find it is largely driven, as theories of typecasting would predict, by (not) having played a similar role before (Zuckerman et al., 2003), by the number of total movies play (human capital) (Rossman et al., 2010), and by a prior specialization in the light-weight categories Action and Comedy (Jensen & Kim, 2015). The gender barrier shows a t-value of 1.39, which means it falls below commonly accepted thresholds of statistical significance.

Table 9. Analysis of Drivers of Diversification

Variable	Diversification.
N	20.305
Previous Similar	**-0.03 (-19.53)**
Cast Size	-0.00 (-0.32)
Writer Spillover	-0.00 (-1.19)
Director Spillover	0.01 (0.90)
Co-Star Spillover	**0.00 (2.02)**
Race White	**-0.02 (-2.25)**
Race Black	**0.03 (2.80)**
Race Hispanic	0.01 (1.33)
Star Power Variable	0.00 (0.10)
Human Capital	**0.00 (20.72)**
Number of Movies	**0.00 (2.68)**
Past Oscar Nom.	**-0.01 (-4.56)**
Gender	0.00 (1.39)
Release Day	-0.00 (-1.02)
Action Exp.	**-0.00 (-8.36)**
Comedy Exp.	**-0.00 (-12.18)**
Const.	**0.69 (30.69)**

DISCUSSION

In this study, we hypothesized about the effects of categorical diversification and transformational transitioning on the success of actors in the feature-film industry. We operationalized transformational transitioning capturing whether actors have credibly transformed their identity to play another role. Using Oscar data, we found empirical evidence for both of our hypotheses: First, diversifying actors are less likely to receive a nomination for an Academy Award. Second, diversifying actors may buffer such penalties by engaging in transformational transitioning.

Drawing on these findings, in the following, we provide theoretical and practical implications and outline opportunities for future research.

Theoretical Implications

Our core contribution is to work on the role of categorical specialization for career opportunities (e.g. Leung, 2014; Merluzzi & Phillips, 2015). Traditional research has shown that candidates in labor markets, to fulfill the codes of their audiences, should assume a simple and focused identity due to assumptions of skill and talent (Zuckerman et al., 2003; Zuckerman, 2005; Zuckerman, 2017). As a consequence, simple diversification from a categorical specialization is generally viewed negatively because such candidates are at risk to be seen as incapable and uncommitted (Hsu et al., 2011; Merluzzi & Phillips, 2015; Zuckerman, 2017). We add to this line of research by showcasing a novel maneuver through which diversification may be more tolerated. In the context of the feature-film industry, we provide empirical evidence that credible transformation of identities may allow actors to successfully diversify across categorical boundaries. Our logic is that such maneuver sends a strong signal of disassociation of candidates from their prior categorical membership, and capability and commitment toward the new one. Accordingly, the

maneuver of transformational transitioning refines our understanding of the trade-off between categorical specialism and generalism in sociological labor markets. It shows us that categorical diversification is not only about *whether* or *which* categories are crossed (Hsu, 2006; Kovács & Hannan, 2010; Kovács & Hannan, 2014), but more about *how* they are crossed. It adds to our knowledge of strategies through which penalties from categorical diversification may be attenuated.

Further, this study also highlights that the reception of individual categorization strategies is deeply affected by the gender of the candidates. We find that men in films benefit more from transformational transitioning and suffer less from categorical diversification than women. This outcome is interesting as it contradicts recent reports and findings on the phenomenon of 'deglamorizing' which describes how well-known actresses, due to strong audience expectations, often have to worsen their physical appearance to be considered for award nominations (Dapolito, 2016). Here, extant literature may provide explanation for this outcome: For example, Cattani et al. (2014) demonstrate that evaluators such as the Academy, which consists of elite actors, will tend to devalue more marginal actors. Given that the Oscars jury is largely dominated by men (see, also, DigitalSpy, 2022), we suppose that the marginality of women at the Oscars jury may be a reason why men are better received on average. In a similar vein, research on crowdfunding has shown that acts from women are differently perceived or may even be ignored by a men dominated jury who, in turn, tend to reward men (Huang et al., 2021). This finding may suggest that the gender of candidates play an essential role for categorization and respective penalty mechanisms.

Finally, this study also provides practical implications for individuals and firms in the field. In particular, our findings may be a guideline for both candidates and employers in job markets. Here, we suggest that candidates, when transitioning to new roles or jobs, should

attempt to anticipate employer expecations to send tailored signals of commitment and capability to raise their odds of success. Further, we also believe that this study could raise the awareness of employers for such signals in addition to prior experience as indicators of the skill and talent of their job applicants. Beyond the individual level, we also believe that this study holds practical implications on the firm level. Firms that are trying to diversify to, for example, gain market share or to pivot their business model could utilize maneuvers similar to transformational transitioning to achieve their goals (by e.g. manipulating outward features of their brand).

Future Outlook

There are various possibilities to extend our research. First, we envision that a different timeframe for the dataset may lead to different outcomes. This is because we have only looked at a very specific timeframe (between 2000 and 2016) of Oscar eligible movies, where contemporary preferences on acting performance are idiosyncratic. Given that audience values and cultural codes are constantly shifting and temporarily unstable (Vergne & Swain, 2017; Zuckerman, 2017), it could be possible that these results would differ for a dataset that has been collected at a different time. For example, since 2021, due to strong social pressure, the Academy began considering only movies eligible where 30% of all actors are from a underrepresented racial or ethnic group (AMPAS, 2020). Here, we would expect that categorical diversification becomes more tolerated given that racial or ethnical minorities will more likely to cross categorical boundaries. Future research could study how attempts of categorical diversification and the undertaken measures to make them effective vary across time.

Further, another potentially fruitful avenue for future research could be on the role of gender in categorization processes. As our study has shown, the effect of transformational transitioning is limited as we find differences between men and women in the reception of categorical diversification and the success of transformational transitioning. While we find this

outcome interesting, we cannot fully explain the underlying dynamics that have led to this outcome. Accordingly, this outcome requires further inquiries. For example, we believe that qualitative studies could provide additional in-depth insights why diversifying women in films are more penalized than men and why transformational transitioning by women is less effective.

Finally, we note that the way how we operationalized categorical specialization (and thus diversification) may simply not provide sufficiently fine-grained insights into how actors move between categories. This may be because we captured these categories as the genres into which the movies are evaluated by IMDb. This, however, does not fully capture whether actors really diversified across categories as by the types of their role. For example, actors could cross categorical boundaries between two movies but still play the same type of role. A prominent example is Harrison Ford who plays a large variety of different movies but often sticks to the same type of role as masculine and bold hero. Here, future studies could attempt to capture diversification more on the role-level, e.g. by the perceived authenticity of actors' fit to their role.

5. CONCLUSIONS

In this dissertation, I present three studies that are directly connected to the topic of category avoidance. The purpose of these studies is to emphasize the general importance of categorization (and thus category avoidance), to explore how category avoidance is being employed by organizations in the field, and to study the socio-cognitive mechanisms facilitating category avoidance. In the following, I briefly summarize the findings of my studies, outline their implications for the research on category avoidance, and provide suggestions for future research avenues on this topic.

In the first study, I set out to research whether the ubiquitous recommendation of the principle of allocation to attain a specialist positioning in order to achieve audience appeal is still valid in light of state-of-the-art categorization literature. To do so, I conducted a narrow and quasi-replication of a key study on the principle of allocation (Hsu, 2006) that found that category spanning is favorable for audience size but detrimental for audience appeal. By drawing on two datasets of Oscar eligible movies, I found that generalist positionings may be less detrimental than reported by Hsu (2006). In this study, I showed that the general recommendation in favor of specialist positionings may have been too strong and that future studies in this field should account for potential boundary conditions. This study demonstrated that strategies of categorizing individuals, organizations, or products are highly dependent on *which* categories are spanned, *who* the evaluating audience is, and in which *contemporary* context the categorization takes place.

In the second study, I took on an institutional lens and studied how organizations may utilize practices of cultural entrepreneurship to sit out phases of illegitimacy. Doing so, I conducted a historical case study to build process theory on the prominent fight of Uber over its employment model with institutional stakeholders such as regulators and legislators in a total of

four locations. I developed a process model in which I outlined two primary lines of Uber's strategies of cultural entrepreneurship to sit out phases of illegitimacy until there is clarity on how the company should spend its resources to become legitimate. First, Uber utilized *providing* measures through which the firm attempted to deliver and keeping alive a positive narrative of the classification of its drivers as independent contractors. Second, Uber utilized *preventing* measures which aimed at preventing that any unfavorable classification scheme of its drivers becomes enshrined that would endanger the existence of the firm's business model.

Finally, in the third study, I researched socio-cognitive mechanisms through which candidates in labor markets may transition between categories. In the empirical context of the consecration of acting performance with Oscars, I first aimed to show that categorical transitioning is generally detrimental for actors' chances of becoming nominated for the Oscars. Further, I hypothesized that typecast actors, who credibly transformed their identities through physical alterations, may be more likely to cross categorical boundaries successfully (*transformational transitioning*). I drew on a dataset of Oscar eligible movies where I coded actors in terms of whether they substantially changed their identities and predicted their odds of becoming nominated for the Oscars. My findings suggested that simple transitioning between categories harms chances of being nominated for the Oscars. They also demonstrated that transformational transitioning is largely effective, meaning that credible transformation of identities positively moderates attempts of categorical transitioning. However, we also note that the efficacy of transformational transitioning is limited and depends on the gender of the actors.

All three studies in this dissertation contribute to the literature stream of strategic categorization. My findings demonstrate that category avoidance may very well be a viable strategy that organizations or individuals purposively and agentically deploy in order to enhance their performance. While still assuming that categorization eventually is inevitable, I demonstrate

that circumstances exist under which organizations or individuals may gain temporary advantages from circumventing, escaping, or delaying categorization.

With this dissertation, I provide a variety of implications mainly for research in strategic categorization, and the perspective of category avoidance, but also to research on institutional theory and cultural entrepreneurship: First, I highlight the general importance of categorization for organizations and individuals, and empirically provide evidence that penalty mechanisms for broad categorical recombinations still exist. At the same time, I show that recommendations on categorical positioning (such as the principle of allocation) are not universally valid but underlie boundary conditions, at which category avoidance may take place unpunished, more tolerated, or even embraced by the evaluating audience. Second, I describe processes and practices through which organizations may attempt to avoid or delay categorization in the field. Here, I especially point to circumstances under which organizations will not seek to fit into certain categories but expect at least temporary strategic advantages from avoiding it. In doing so, I further also contribute to institutional theory and research on cultural entrepreneurship by complementing insights about how storytelling and narratives may be strategically utilized beyond the imminent acquaintance of legitimacy, but also to actively wait until becoming legitimate is more efficient and effective. Finally, I demonstrate that the efficacy of category avoidance deeply depends on the socio-cognitive environment from which categorization emerges. Here, I show that it should be possible to manipulate the signals that are sent during categorization processes to affect audience perception in a way that improves the likelihood of successful category avoidance.

Further, I see three potential avenues for future research on category avoidance. First, future studies could continue to look for additional boundary conditions under which category avoidance may take place or search for potential moderating or mediating effects between these boundaries. For instance, as my first study already has accounted for an asymmetrical structure of

conceptual space through variables like category contrast and distance, I envision that future research could examine whether there are moderating effects of contrast and distance on various key predictors explaining categorization outcomes. Second, this dissertation sets the stage for future studies to test aspects of category avoidance strategies in large-scale quantitative work. For example, various strategies of Uber to avoid unfavorable categorization that I identified in my second study are highly idiosyncratic in their empirical context. Here, I envision that understanding whether such practices are generalizable beyond this context through quantitative analyses would further advance our understanding of category avoidance. Finally, with the third study, this dissertation has laid the foundation for continuous research on the socio-cognitive mechanisms facilitating category avoidance. Here, refinement of the proposed mechanisms (potential moderators of the independent variables or different audiences as dependent variables) may be required to gain a more profound understanding of how category avoidance is achieved. I also envision that qualitative insights into some anecdotal evidence may provide additional indicators for a better understanding of category avoidance in this area.

With this dissertation, I hope to sensitize research on categories and strategic categorization that there are circumstances under which categorization processes or outcomes may be viewed as undesirable. As this dissertation demonstrates, category avoidance takes place in variety of empirical contexts, and is deployed by both organizations and individuals alike. However, we are only at the beginning to comprehend category avoidance from a theoretical perspective. It is thus crucial for future studies to advance this line of research and to continue exploring category avoidance as a strategy. Accordingly, I hope that this dissertation is an incentive for other scholars in this field to add further knowledge to our understanding of category avoidance.

References

Aiken, M. 2017. How is the internet changing the way we behave? https://www.sciencefocus.com/science/how-is-the-internet-changing-the-way-we-behave/; retrieved 01.12.2021.

Aldrich, H. E. & Fiol, C. M. 1994. Fools rush in? The institutional context of industry creation. ***Academy of Management Review***, 19(4): 645-670.

AMPAS. 2020. Academy establishes representation and inclusion standards for oscars® eligibility. https://www.oscars.org/news/academy-establishes-representation-and-inclusion-standards-oscarsr-eligibility; retrieved 25.05.2022.

Askin, N. & Mauskapf, M. 2017. What makes popular culture popular? Product features and optimal differentiation in music. ***American Sociological Review***, 82(5): 910-944.

Augustine, G. L. & Piazza, A. 2021. Category evolution under conditions of stigma: The segregation of abortion provision into specialist clinics in the united states. ***Organization Science***, 33(2): 624-649.

Bansal, P. & Clelland, I. 2004. Talking trash: Legitimacy, impression management, and unsystematic risk in the context of the natural environment. ***Academy of Management Journal***, 47(1): 93-103.

Baron, D. P. 2018. Disruptive entrepreneurship and dual purpose strategies: The case of uber. ***Strategy Science***, 3(2): 439-462.

Battilana, J., Leca, B., & Boxenbaum, E. 2009. How actors change institutions: Towards a theory of institutional entrepreneurship. ***Academy of Management Annals***, 3(1): 65-107.

Baum, J. A. C. & Lant, T. K. 2003. Hits and misses: Managers? (mis)categorization of competitors in the manhattan hotel industry, ***Geography and strategy***, Vol. 20: 119-156: Emerald Group Publishing Limited.

Bedard, M. 2021. The real reason daniel radcliffe accepted weird roles after harry potter. https://www.looper.com/342716/the-real-reason-daniel-radcliffe-accepted-weird-roles-after-harry-potter/; retrieved 23.02.2022.

Benner, M. J. & Ranganathan, R. 2012. Offsetting illegitimacy? How pressures from securities analysts influence incumbents in the face of new technologies. ***Academy of Management Journal***, 55(1): 213-233.

Bettis, R. A., Ethiraj, S., Gambardella, A., Helfat, C., & Mitchell, W. 2016. Creating repeatable cumulative knowledge in strategic management. ***Strategic Management Journal***, 37(2): 257-261.

Bidwell, M., Won, S., Barbulescu, R., & Mollick, E. 2015. I used to work at goldman sachs! How firms benefit from organizational status in the market for human capital. ***Strategic Management Journal***, 36(8): 1164-1173.

Bielby, D. D. & Bielby, W. T. 1996. Women and men in film: Gender inequality among writers in a culture industry. ***Gender and Society***, 10(3): 248-270.

Bielby, D. D. & Bielby, W. T. 2001. Audience segmentation and age stratification among television writers. ***Journal of Broadcasting & Electronic Media***, 45(3): 391-412.

Bielby, W. T. & Bielby, D. D. 1992. Cumulative versus continuous disadvantage in an unstructured labor market:Gender differences in the careers of television writers. ***Work and Occupations***, 19(4): 366-386.

Bishop, N. 2009. ***Secrets from the casting couch on camera strategies for actors from a casting director*** (1 ed.): Bloomsbury Publishing.

Bourdieu, P. 1984. ***Distinction: A social critique of the judgement of taste***. Cambridge, Mass: Harvard University Press.
Bourdieu, P. 1993. ***The field of cultural production***. New York: Columbia University Press.
Boyle, K. 2021. Debbie reynolds thought 'star wars' defined her career as much as it did carrie fisher's. https://www.cheatsheet.com/entertainment/debbie-reynolds-carrie-fisher-star-wars-career.html/; retrieved 23.02.2022.
Buchanan, K. 2021. The oscars' new diversity rules are sweeping but safe. https://www.nytimes.com/2020/09/09/movies/oscars-best-picture-diversity.html; retrieved 04.04.2022.
Burgelman, R. A. 1991. Intraorganizational ecology of strategy making and organizational adaptation: Theory and field research. ***Organization Science***, 2(3): 239-262.
Burgelman, R. A. 1994. Fading memories: A process theory of strategic business exit in dynamic environments. ***Administrative Science Quarterly***, 39(1): 24-56.
Cattani, G., Ferriani, S., & Allison, P. D. 2014. Insiders, outsiders, and the struggle for consecration in cultural fields: A core-periphery perspective. ***American Sociological Review***, 79(2): 258-281.
CBS. 2005. The secrets of lexus' success: How toyota motor went from zero to sixty in the luxury car market, ***Center on Japanese Economy and Business***: Columbia Business School.
CNN. 2004. Film beauty theron transforms into 'monster'. https://edition.cnn.com/2004/SHOWBIZ/Movies/01/01/theron.reut/; retrieved 03.20.2020.
Collier, R. B., Dubal, V. B., & Carter, C. L. 2018. Disrupting regulation, regulating disruption: The politics of uber in the united states. ***Perspectives on Politics***, 16(4): 919-937.
Danda, S. R., Levin, G., Frey, C. B., & Berger, T. 2019. Uber happy? Work and well-being in the 'gig economy'. ***Economic Policy***, 34(99): 429-477.
Danneels, E. 2011. Trying to become a different type of company: Dynamic capability at smith corona. ***Strategic Management Journal***, 32(1): 1-31.
Dapolito, M. A. 2016. A contemporary analysis of action films with female leads. ***Inquiries Journal***, 8(9): 1-2.
Dattée, B., Alexy, O., & Autio, E. 2018. Maneuvering in poor visibility: How firms play the ecosystem game when uncertainty is high. ***Academy of Management Journal***, 61(2): 466-498.
Deephouse, D. L., Bundy, J., Tost, L. P., & Suchman, M. C. 2016. Organizational legitimacy: Six key questions. ***New Institutional Economics eJournal***.
DigitalSpy. 2022. Who votes for the oscars? The ins and outs of academy voting explained. https://www.digitalspy.com/movies/oscars/a621921/who-votes-for-the-oscars/; retrieved 25.05.2022.
DiMaggio, P. 1988. Interest and agency in institutional theory. In L. G. Zucker (Ed.), ***Research on institutional patterns: Environment and culture***. Cambridge: Ballinger Publishing Co.
Douglas, M. 1986. ***How institutions think***. Syracuse, NY: Syracuse University Press.
Durand, P. R. & Thornton, P. P. 2018. Categorizing institutional logics, institutionalizing categories: A review of two literatures. ***Academy of Management Annals***, 12(2): 631-658.
Durand, R. & Vergne, J.-P. 2012. Organizational response to public attacks of rivals: A categorization perspective. ***Academy of Management Proceedings***, 2012(1): 13117.
Durand, R., Granqvist, N., & Tyllström, A. 2017. From categories to categorization: A social perspective on market categorization, ***From categories to categorization: Studies in***

sociology, organizations and strategy at the crossroads, Vol. 51: 3-30. Bingley, UK: Emerald Publishing Limited.
Durand, R. & Haans, R. F. J. 2022. Optimally distinct? Understanding the motivation and ability of organizations to pursue optimal distinctiveness (or not). ***Organization Theory***, 3(1): 1-16.
Edelman, B. 2017. Uber can't be fixed — it's time for regulators to shut it down. https://hbr.org/2017/06/uber-cant-be-fixed-its-time-for-regulators-to-shut-it-down; retrieved 26.07.2021.
Faulkner, R. R. 1983. ***Music on demand: Composers and careers in the hollywood film industry***. New Brunswick, N.J: Transaction.
Fisher, G., Kotha, S., & Lahiri, A. 2016. Changing with the times: An integrated view of identity, legitimacy, and new venture life cycles. ***Academy of Management Review***, 41(3): 383-409.
Fiske, S. & Taylor, S. 1991. ***Social cognition*** (2nd ed.). New York: McGraw-Hill.
Flores, O. & Rayle, L. 2017. How cities use regulation for innovation: The case of uber, lyft and sidecar in san francisco. ***Transportation Research Procedia***, 25: 3756-3768.
Freeman, J., Carroll, G. R., & Hannan, M. T. 1983. The liability of newness: Age dependence in organizational death rates. ***American Sociological Review***, 48: 692-710.
Garud, R., Jain, S., & Kumaraswamy, A. 2002. Institutional entrepreneurship in the sponsorship of common technological standards: The case of sun microsystems and java. ***Academy of Management Journal***, 45(1): 196-214.
Garud, R., Kumaraswamy, A., Roberts, A., & Xu, L. 2022. Liminal movement by digital platform-based sharing economy ventures: The case of uber technologies. ***Strategic Management Journal***, 43(3): 447-475.
Gehman, J. & Soublière, J.-F. 2017. Cultural entrepreneurship: From making culture to cultural making. ***Innovation***, 19(1): 61-73.
Gehman, J. & Grimes, M. 2017. Hidden badge of honor: How contextual distinctiveness affects category promotion among certified b corporations. ***Academy of Management Journal***, 60(6): 2294-2320.
Gerwe, O. & Silva, R. 2020. Clarifying the sharing economy: Conceptualization, typology, antecedents, and effects. ***Academy of Management Perspectives***, 34(1): 65-96.
Gioia, D. A., Corley, K. G., & Hamilton, A. L. 2012. Seeking qualitative rigor in inductive research. ***Organizational Research Methods***, 16(1): 15-31.
Godfrey, P. C. 2011. Toward a theory of the informal economy. ***Academy of Management Annals***, 5(1): 231-277.
Goldfarb, B. & Yan, L. 2021. Revisiting zuckerman's (1999) categorical imperative: An application of epistemic maps for replication. ***Strategic Management Journal***, 42(11): 1963-1992.
Greenwood, R., Suddaby, R., & Hinings, C. R. 2002. Theorizing change: The role of professional associations in the transformation of institutionalized fields. ***Academy of Management Journal***, 45(1): 58-80.
Greenwood, R. & Suddaby, R. 2006. Institutional entrepreneurship in mature fields: The big five accounting firms. ***Academy of Management Journal***, 49(1): 27-48.
Guerrero, E. 2012. ***Framing blackness: The african american image in film***: Temple University Press.

Hampel, C. E. & Tracey, P. 2017. How organizations move from stigma to legitimacy: The case of cook's travel agency in victorian britain. ***Academy of Management Journal***, 60(6): 2175-2207.

Hannan, M. T. & Freeman, J. 1977. The population ecology of organizations. ***American Journal of Sociology***, 82(5): 929-964.

Hannan, M. T., Pólos, L., & Carroll, G. R. 2007. ***Logics of organization theory: Audiences, codes, and ecologies***. Princeton, NJ: Princeton University Press.

Hannan, M. T. 2010. Partiality of memberships in categories and audiences. ***Annual Review of Sociology***, 36(1): 159-181.

Hannan, M. T., Carroll, G. R., & Pólos, L. 2020. The organizational niche. ***Sociological Theory***, 21(4): 309-340.

Helms, W. S. & Patterson, K. D. W. 2014. Eliciting acceptance for "illicit" organizations: The positive implications of stigma for mma organizations. ***Academy of Management Journal***, 57(5): 1453-1484.

Hsu, G. & Hannan, M. T. 2005. Identities, genres, and organizational forms. ***Organization Science***, 16(5): 474-490.

Hsu, G. 2006. Jacks of all trades and masters of none: Audiences' reactions to spanning genres in feature film production. ***Administrative Science Quarterly***, 51(3): 420-450.

Hsu, G., Hannan, M. T., & Koçak, Ö. 2009. Multiple category memberships in markets: An integrative theory and two empirical tests. ***American Sociological Review***, 74(1): 150-169.

Hsu, G., Hannan, M. T., & Pólos, L. 2011. Typecasting, legitimation, and form emergence: A formal theory. ***Sociological Theory***, 29(2): 97-123.

Huang, L., Joshi, P., Wakslak, C., & Wu, A. 2021. Sizing up entrepreneurial potential: Gender differences in communication and investor perceptions of long-term growth and scalability. ***Academy of Management Journal***, 64(3): 716-740.

Isaac, E. 2014. ***Disruptive innovation: Risk-shifting and precarity in the age of uber***: Berkeley Roundtable on the International Economy, [University of California, Berkeley].

Jensen, M. & Kim, H. 2015. The real oscar curse: The negative consequences of positive status shifts. ***Organization Science***, 26(1): 1-21.

Jones, J. 2016. Charlize theron asks 'gq': 'How many roles are out there for the gorgeous model?'. https://eu.usatoday.com/story/life/entertainthis/2016/04/05/charlize-theron-talks-aging-and-typecasting-in-hollywood-for-british-gq-may-2016-issue/82656888/; retrieved 03.18.2020.

Kennedy, M. T. 2008. Getting counted: Markets, media, and reality. ***American Sociological Review***, 73(2): 270-295.

Khaire, M. & Wadhwani, R. D. 2010. Changing landscapes: The construction of meaning and value in a new market category - modern indian art. ***Academy of Management Journal***, 53(6): 1281-1304.

Khan, F. R., Munir, K. A., & Willmott, H. 2016. A dark side of institutional entrepreneurship: Soccer balls, child labour and postcolonial impoverishment. ***Organization Studies***, 28(7): 1055-1077.

Khessina, O. M., Reis, S., & Verhaal, J. C. 2020. Stepping out of the shadows: Identity exposure as a remedy for stigma transfer concerns in the medical marijuana market. ***Administrative Science Quarterly***, 66(3): 569-611.

Kirtley, J. & O'Mahony, S. 2020. What is a pivot? Explaining when and how entrepreneurial firms decide to make strategic change and pivot. ***Strategic Management Journal***, forthcoming.

Kovács, B. & Hannan, M. T. 2010. The consequences of category spanning depend on contrast. In G. Hsu & G. Negro & Ö. Koçak (Eds.), ***Research in the Sociology of Organizations***, Vol. 31: 175-201: Emerald.

Kovács, B. & Hannan, M. T. 2014. Conceptual spaces and the consequences of category spanning. ***Sociological Science***, 2: 252-286.

Kovács, B., Carroll, G. R., & Lehman, D. W. 2014. Authenticity and consumer value ratings: Empirical tests from the restaurant domain. ***Organization Science***, 25(2): 458-478.

Kraatz, M. S. & Zajac, E. J. 1996. Exploring the limits of the new institutionalism: The causes and consequences of illegitimate organizational change. ***American Sociological Review***, 61(5): 812-836.

Laamanen, T., Pfeffer, J., Rong, K., & Van de Ven, A. 2018. Editors' introduction: Business models, ecosystems, and society in the sharing economy. ***Academy of Management Discoveries***, 4(3): 213-219.

Lamertz, K., Heugens, P. P. M. A. R., & Calmet, L. 2005. The configuration of organizational images among firms in the canadian beer brewing industry. ***Journal of Management Studies***, 42(4): 817-843.

Lamin, A. & Zaheer, S. 2012. Wall street vs. Main street: Firm strategies for defending legitimacy and their impact on different stakeholders. ***Organization Science***, 23(1): 47-66.

Lamont, M. & Molnár, V. 2002. The study of boundaries in the social sciences. ***Annual Review of Sociology***, 28: 167-195.

Lamont, M. 2009. ***How professor think: Inside the curious world of academic judgment***. Cambridge, MA: Harvard University Press.

Langley, A. 1999. Strategies for theorizing from process data. ***Academy of Management Review***, 24(4): 691-710.

Langley, A. & Abdallah, C. 2011. Templates and turns in qualitative studies of strategy and management, ***Building methodological bridges***, Vol. 6: 201-235: Emerald Group Publishing Limited.

Langley, A., Smallman, C., Tsoukas, H., & Van de Ven, A. H. 2013. Process studies of change in organization and management: Unveiling temporality, activity, and flow. ***Academy of Management Journal***, 56(1): 1-13.

Leung, M. D. 2014. Dilettante or renaissance person? How the order of job experiences affects hiring in an external labor market. ***American Sociological Review***, 79(1): 136-158.

Leung, M. D. & Sharkey, A. J. 2014. Out of sight, out of mind? Evidence of perceptual factors in the multiple-category discount. ***Organization Science***, 25(1): 171-184.

Lingo, E. L. & O'Mahony, S. 2010. Nexus work: Brokerage on creative projects. ***Administrative Science Quarterly***, 55(1): 47.

Lounsbury, M. & Glynn, M. A. 2001. Cultural entrepreneurship: Stories, legitimacy, and the acquisition of resources. ***Strategic Management Journal***, 22(6-7): 545-564.

Lounsbury, M. 2002. Institutional transformation and status mobility: The professionalization of the field of finance. ***Academy of Management Journal***, 45(1): 255-266.

Lounsbury, M. & Glynn, M. A. 2019. Cultural entrepreneurship: A new agenda for the study of entrepreneurial processes and possibilities. Cambridge, UK: Cambridge University Press.

Maanen, J. V. 1979. The fact of fiction in organizational ethnography. ***Administrative Science Quarterly***, 24(4): 539-550.
Maguire, S., Hardy, C., & Lawrence, T. B. 2004. Institutional entrepreneurship in emerging fields: Hiv/aids treatment advocacy in canada. ***Academy of Management Journal***, 47(5): 657-679.
Maguire, S. & Hardy, C. 2016. The emergence of new global institutions: A discursive perspective. ***Organization Studies***, 27(1): 7-29.
Manning, C. D., Raghavan, P., & Schütze, H. 2008. ***Introduction to information retrieval***. Cambridge: Cambridge University Press.
Mantere, S. & Ketokivi, M. 2013. Reasoning in organization science. ***Academy of Management Review***, 38(1): 70-89.
Merluzzi, J. & Phillips, D. J. 2015. The specialist discount. ***Administrative Science Quarterly***, 61(1): 87-124.
Miles, M. B. & Huberman, A. M. 1994. ***Qualitative data analysis*** (2nd ed.). Thousand Oaks, CA: Sage.
Mishina, Y., Devers, C., & Freeman, A. 2012. On being bad: Why stigma is not the same as a bad reputation. In M. L. Barnett & T. G. Pollock (Eds.), ***The oxford handbook of corporate reputation***: 201-220. Oxford: Oxford University Press.
Navis, C. & Glynn, M. A. 2010. How new market categories emerge: Temporal dynamics of legitimacy, identity, and entrepreneurship in satellite radio, 1990–2005. ***Administrative Science Quarterly***, 55(3): 439-471.
Navis, C. & Glynn, M. A. 2011. Legitimate distinctiveness and the entrepreneurial identity: Influence on investor judgments of new venture plausibility. ***Academy of Management Review***, 36(3): 479-499.
Negro, G., Hannan, M. T., & Rao, H. 2010. Categorical contrast and audience appeal: Niche width and critical success in winemaking. ***Industrial and Corporate Change***, 19(5): 1397-1425.
Negro, G., Hannan, M. T., & Rao, H. 2011. Category reinterpretation and defection: Modernism and tradition in italian winemaking. ***Organization Science***, 22(6): 1449-1463.
Neuberg, S. L., Smith, D. M., & Asher, T. 2000. Why people stigmatize: Toward a biocultural framework, ***The social psychology of stigma.***: 31-61. New York, NY, US: Guilford Press.
Ng, E. S. W. & McGinnis Johnson, J. 2015. Millenials: Who are they, how are they different, and why should we care? In R. J. Burke & C. L. Cooper & A.-S. G. Antoniou (Eds.), ***The multi-generational and aging workforce challenges and opportunities***: 121-138. Cheltenham, UK: Edward Elgar Publishing.
O'Mahony, S. & Bechky, B. A. 2006. Stretchwork: Managing the career progression paradox in external labor markets. ***Academy of Management Journal***, 49(5): 918-941.
Paetzold, R. L., Dipboye, R. L., & Elsbach, K. D. 2008. A new look at stigmatization in and of organizations. ***Academy of Management Review***, 33(1): 186-193.
Paolella, L. & Durand, R. 2016. Category spanning, evaluation, and performance: Revised theory and test on the corporate law market. ***Academy of Management Journal***, 59(1): 330-351.
Péli, G. & Bruggeman, J. 2006. Networks embedded in n-dimensional space: The impact of dimensionality change. ***Social Networks***, 28(4): 449-453.
Pelzer, P., Frenken, K., & Boon, W. 2019. Institutional entrepreneurship in the platform economy: How uber tried (and failed) to change the dutch taxi law. ***Environmental Innovation and Societal Transitions***, 33: 1-12.

Peterson, B. 2020. Driving disruption: Assessing uber's corporate identity in the battle over driver classification. ***Master's Projects and Capstones***, 1102.

Pettigrew, A. 1990. Longitudinal field research on change: Theory and practice. ***Organization Science***, 1: 267-292.

Philips, M. 2021. Rotten tomatoes downgrades 'citizen kane' to a 99; critic responsible missing, presumed nonexistent. https://www.chicagotribune.com/entertainment/movies/michael-phillips/ct-mov-citizen-kane-rotten-tomatoes-20210427-vu3lu52yubbwffnbztf2ppg42u-story.html; retrieved 23.05.2021.

Phillips, D. J. & Zuckerman, E. W. 2001. Middle-status conformity: Theoretical restatement and empirical demonstration in two markets. ***American Journal of Sociology***, 107(2): 379-429.

Pollman, E. & Barry, J. M. 2017. Regulatory entrepreneurship. ***Southern California Law Review***, 90(3): 383-448.

Pontikes, E. & Hannan, M. 2014. An ecology of social categories. ***Sociological Science***, 1: 311-343.

Pontikes, E. G. 2012a. Fitting in or starting new? Invention, ambiguity, and category emergence in the software industry. ***University of Chicago Booth School of Business Working Paper***.

Pontikes, E. G. 2012b. Two sides of the same coin. ***Administrative Science Quarterly***, 57(1): 81-118.

Pontikes, E. G. & Barnett, W. P. 2015. The persistence of lenient market categories. ***Organization Science***, 26(5): 1415-1431.

Pontikes, E. G. & Kim, R. 2017. Strategic categorization, ***From categories to categorization: Studies in sociology, organizations and strategy at the crossroads***, Vol. 51: 71-111. Bingley, UK: Emerald Publishing Limited.

Porac, J. F., Thomas, H., & Baden-Fuller, C. 1989. Competitive groups as cognitive communities: The case of scottish knitwear manufacturers. ***Journal of Management Studies***, 26(4): 397-416.

Porac, J. F. & Thomas, H. 1990. Taxonomic mental models in competitor definition. ***The Academy of Management Review***, 15(2): 224-240.

Porac, J. F., Thomas, H., Wilson, F., Paton, D., & Kanfer, A. 1995. Rivalry and the industry model of scottish knitwear producers. ***Administrative Science Quarterly***, 40(2): 203-227.

Rao, H., Monin, P., & Durand, R. 2003. Institutional change in toque ville: Nouvelle cuisine as an identity movement in french gastronomy. ***American Journal of Sociology***, 108(4): 795-843.

Rao, H., Monin, P., & Durand, R. 2005. Border crossing: Bricolage and the erosion of categorical boundaries in french gastronomy. ***American Sociological Review***, 70(6): 968-991.

Rolli, B. 2018. 'Black panther' proves, yet again, that diversity sells in hollywood. https://www.forbes.com/sites/bryanrolli/2018/02/19/black-panther-proves-diversity-sells-hollywood/#4f0286f03198; retrieved 20.11.2019.

Rosa, J. A., Porac, J. F., Runser-Spanjol, J., & Saxon, M. S. 1999. Sociocognitive dynamics in a product market. ***Journal of Marketing***, 63(Special Issue): 64-77.

Rosch, E. H. 1973. Natural categories. ***Cognitive Psychology***, 4(3): 328-350.

Rossman, G., Esparza, N., & Bonacich, P. 2010. I'd like to thank the academy, team spillovers, and network centrality. ***American Sociological Review***, 75(1): 31-51.

Ruef, M. & Patterson, K. 2009. Credit and classification: The impact of industry boundaries in nineteenth-century america. ***Administrative Science Quarterly***, 54(3): 486-520.

Salganik, M. J., Dodds, P. S., & Watts, D. J. 2006. Experimental study of inequality and unpredictability in an artificial cultural market. ***Science***, 311(5762): 854.
Satariano, A. 2021. In a first, uber agrees to classify british drivers as 'workers'. https://www.nytimes.com/2021/03/16/technology/uber-uk-drivers-worker-status.html; retrieved 23.09.2021.
Schelling, T. C. 1960. ***The strategy of conflict***. Cambridge, MA: Harvard University Press.
Sen, C. & McArdle, M. 2018. Saving hollywood from the chinese box office. https://www.bloomberg.com/opinion/articles/2018-01-10/saving-hollywood-from-the-chinese-box-office; retrieved 20.11.2019.
Seo, M.-G. & Creed, W. E. D. 2002. Institutional contradictions, praxis, and institutional change: A dialectical perspective. ***The Academy of Management Review***, 27(2): 222-247.
Shi, Y., Sorenson, O., & Waguespack, D. 2017. Temporal issues in replication: The stability of centrality-based advantage. ***Sociological Science***, 4: 107-122.
Shoard, C. 2019. Gender and racial diversity on the up in blockbuster films, study finds. https://www.theguardian.com/film/2019/sep/04/diversity-films-gender-race; retrieved 03.11.2020.
Siqueira, A. C. O., Webb, J. W., & Bruton, G. D. 2016. Informal entrepreneurship and industry conditions. ***Entrepreneurship Theory and Practice***, 40(1): 177-200.
Smith, E. B. 2011. Identities as lenses: How organizational identity affects audiences' evaluation of organizational performance. ***Administrative Science Quarterly***, 56(1): 61-94.
Spence, M. 1973. Job market signaling. ***Quarterly Journal of Economics***, 87(3): 355-374.
Stinchcombe, A. L. 1965. Social structure and organizations. In J. G. March (Ed.), ***Handbook of organizations***: 142-193. Chicago: Rand McNally.
Strauss, A. & Corbin, J. 1998. ***Basics of qualitative research: Techniques and procedures for developing grounded theory*** (2nd ed.). Thousand Oaks: Sage.
Strauss, A. L. & Corbin, J. 1990. ***Basics of qualitative research: Grounded theory procedures and techniques***. Newbury Park, CA: Sage.
Suddaby, R., Bitektine, A., & Haack, P. 2017. Legitimacy. ***Academy of Management Annals***, 11(1): 451-478.
Sull, D. 2005. Strategy as active waiting. ***Harvard Business Review***, 83: 120-129, 160.
Sull, D. N. 2007. Closing the gap between strategy and execution. ***MIT Sloan Management Review***, 48(4): 30.
Sundararajan, A. 2016. ***The sharing economy: The end of employment and the rise of crowd-based capitalism***: The MIT Press.
Teodoridis, F., Bikard, M., & Vakili, K. 2018. Creativity at the knowledge frontier: The impact of specialization in fast- and slow-paced domains. ***Administrative Science Quarterly***, 64(4): 894-927.
Thelen, K. 2018. Regulating uber: The politics of the platform economy in europe and the united states. ***Perspectives on Politics***, 16(4): 938-953.
Thomas, L. D. W. & Ritala, P. 2021. Ecosystem legitimacy emergence: A collective action view. ***Journal of Management***, 48(3): 515-541.
Tracey, P., Phillips, N., & Jarvis, O. 2011. Bridging institutional entrepreneurship and the creation of new organizational forms: A multilevel model. ***Organization Science***, 22(1): 60-80.
Tracey, P. & Phillips, N. 2016. Managing the consequences of organizational stigmatization: Identity work in a social enterprise. ***Academy of Management Journal***, 59(3): 740-765.

Tracey, P., Dalpiaz, E., & Phillips, N. 2018. Fish out of water: Translation, legitimation, and new venture creation. ***Academy of Management Journal***, 61(5): 1627-1666.
Tversky, A. 1977. Features of similarity. ***Psychological Review***, 84(4): 327-352.
Uber. 2019. Amendment no.1 to forms s-1 registration statement under the securities act of 1933. In U. S. S. a. E. Commission (Ed.). Washington, D.C.: United States Securities and Exchange Commission.
Überbacher, F. 2014. Legitimation of new ventures: A review and research programme. ***Journal of Management Studies***, 51(4): 667-698.
USMagazine. 2016. Amy adams: I got more 'quirky and fun' character roles with red hair. https://www.usmagazine.com/stylish/news/amy-adams-red-hair-helped-her-career-w449731/; retrieved 24.03.2022.
Uzunca, B., Rigtering, J. P. C., & Ozcan, P. 2018. Sharing and shaping: A cross-country comparison of how sharing economy firms shape their institutional environment to gain legitimacy. ***Academy of Management Discoveries***, 4(3): 248-272.
Vergne, J. P. & Wry, T. 2014. Categorizing categorization research: Review, integration, and future directions. ***Journal of Management Studies***, 51(1): 56-94.
Vergne, J. P. & Swain, G. 2017. Categorical anarchy in the uk? The british media's classification of bitcoin and the limits of categorization. In G. Swain (Ed.), ***From categories to categorization: Studies in sociology, organizations and strategy at the crossroads***, Vol. 51: 185-222: Emerald Publishing Limited.
Watson, A. 2019. Box office revenue in the united states from 2012 to 2021 (in billion u.S. Dollars). https://www.statista.com/statistics/259988/box-office-revenue-in-the-us/; retrieved 13.12.2019.
Webb, J. W., Tihanyi, L., Ireland, R. D., & Sirmon, D. G. 2009. You say illegal, i say legitimate: Entrepreneurship in the informal economy. ***Academy of Management Review***, 34(3): 492-510.
Williams, C. C., Martinez–Perez, A., & Kedir, A. M. 2017. Informal entrepreneurship in developing economies: The impacts of starting up unregistered on firm performance. ***Entrepreneurship Theory and Practice***, 41(5): 773-799.
Wojcik, P. R. 2003. Typecasting. ***Criticism***, 45(2): 223-249.
Wry, T., Lounsbury, M., & Glynn, M. A. 2011. Legitimating nascent collective identities: Coordinating cultural entrepreneurship. ***Organization Science***, 22(2): 449-463.
Wry, T. & Lounsbury, M. 2013. Contextualizing the categorical imperative: Category linkages, technology focus, and resource acquisition in nanotechnology entrepreneurship. ***Journal of Business Venturing***, 28(1): 117-133.
Xu, H., Zhang, Z., Wu, L., & Wang, C.-J. 2019. The cinderella complex: Word embeddings reveal gender stereotypes in movies and books. ***PLOS ONE***, 14(11): e0225385.
Zerubavel, E. 1996. Social memories: Steps to a sociology of the past. ***Qualitative Sociology***, 19(3): 283-299.
Zhao, E. Y., Ishihara, M., & Lounsbury, M. 2013. Overcoming the illegitimacy discount: Cultural entrepreneurship in the us feature film industry. ***Organization Studies***, 34(12): 1747-1776.
Zimmerman, A. & Martin, M. 2001. Post-occupancy evaluation: Benefits and barriers. ***Building Research and Information***, 29(2): 168-174.
Zimmerman, M. A. & Zeitz, G. J. 2002. Beyond survival: Achieving new venture growth by building legitimacy. ***Academy of Management Review***, 27(3): 414-431.

Zuckerman, E. 2005. Typecasting and generalism in firm and market: Genre-based career concentration in the feature film industry, 1933-1995. ***Research in the Sociology of Organizations***, 23: 173-216.

Zuckerman, E. W. 1999. The categorical imperative: Securities analysts and the illegitimacy discount. ***American Journal of Sociology***, 104(5): 1398-1438.

Zuckerman, E. W. 2000. Focusing the corporate product: Securities analysts and de-diversification. ***Administrative Science Quarterly***, 45(3): 591-619.

Zuckerman, E. W., Kim, T.-Y., Ukanwa, K., & von Rittmann, J. 2003. Robust identities or nonentities? Typecasting in the feature-film labor market. ***American Journal of Sociology***, 108(5): 1018-1074.

Zuckerman, E. W. 2017. The categorical imperative revisited: Implications of categorization as a theoretical tool, ***Studies in sociology, organizations and strategy at the crossroads***, Vol. 51: 36-68. Bingley, UK: Emerald Publishing Limited.

Appendix

Chapter 3: Appendix A. Evidence for First-Order Codes Ordered by Second-Order Themes and Phases

Enter Regulatory Gap	
Defy Existing Transportation Regulation 1. "Flexibility is possible because as a platform Uber is unregulated and drivers are independent contractors who choose their driving." (Baron, 2018; p. 442) 2. "[…] California lawmakers passed AB 5, a bill that's expected to upend the business models of gig economy companies like Uber and Lyft that depend on the cheap, relatively unregulated labor of a contractor workforce." (NYT, 2019) 3. "The app companies have argued that they are intermediaries who provide network technology, and hence not subject to transportation regulations." (Parrott, 2018; p.88) 4. "Uber entered urban markets claiming to be a "technology company" and operated in disregard of taxi regulations." (Dubal et al., 2018; p.920) 5. "Along the lines of operating in a "legal void," Uber and similar companies classify their drivers as "independent contractors" rather than employees, which exempts them from having to provide their workers the protections and benefits associated with a standard employment arrangement." (cf Benner, 2014; in Isaac, 2014) 6. "What's not going to work is to say we have a 40-year-old transportation law and 'how does Uber fit into that?" (Politico, 2015)	**Phase 1: Market Entry**
Classify Employees Most Favorably 1. "The second phase is maintaining and strengthening its market position in the face of market challenges by its rivals without sacrificing its core platform and challenges from the institutional environment, such as the possibility of having its drivers classified as employees rather than as independent contractors." (Baron, 2018; p.439) 2. "Uber's business model is to provide a peer-to-peer platform that matches travelers with drivers who are independent contractors and choose whether, when, and how long to drive." (Baron, 2018; p.439) 3. "Uber seeks to differentiate itself from its rivals by describing itself as a technology platform rather than a taxi company, while it classifies its drivers not as employees, but as 'registered partners." (Dudley et al., 2017; p.493) 4. "Uber has historically classified its drivers as independent contractors, avoiding the taxes and benefits that an employer usually has to cover for its workers." (Splinter, 2015) 5. "Any way you slice the numbers, classifying Uber drivers as employees is bound to cost the company tens of thousands of dollars per employee." (Splinter, 2015) 6. "Based on Barclays' estimate that the company has 140,000 drivers in California, the total cost of reclassification would amount to a staggering $508 million." (Peterson, 2020)	
Deploy Innovation and Independence Narrative	
Claim Benefits for Drivers 1. "With platforms like Uber, you can fit work around the rest of your life. And ridesharing is making transportation more affordable for low-income residents all across the world. These are powerful economic effects—and by the way, they're economic benefits that require zero government funding." (Uber, 2015) 2. "As employees, drivers would drive set shifts, earn a fixed hourly wage, and lose the ability to drive using other ride-sharing apps as well as the personal flexibility they most value." (TechCrunch, 2015) 3. "One of the main reasons drivers use Uber is because they love being their own boss. As employees, drivers would drive set shifts, earn a fixed hourly wage, and lose the ability to drive elsewhere as well as the personal flexibility they most value. The reality is that drivers use Uber on their own terms: they control their use of the app." (BusinessInsider, 2015) 4. "They can work whenever they like, or not at all; they aren't required to wear uniforms; they can seek fares from other apps at the same time as they are looking for riders via Uber's app." (WSJ, 2017) 5. "Tens of thousands of people in London drive with Uber precisely because they want to be self-employed and their own boss. […] The overwhelming majority of drivers who use the Uber app want to keep the freedom and flexibility of being able to drive when and where they want." (Cnet, 2016) 6. "It's important to remember that the number one reason drivers choose to use Uber is because they have complete flexibility and control" (Uber, 2015)	**Phase 2: Avoid Classification Issue**

Claim Benefits for Customers

1. "Street hailing, in sharp contrast, has no accountability or safety support for either riders or drivers. Trips taken off-line and not on Uber's platform are not GPS tracked, and, therefore, cannot be tracked." (Uber, 2020)
2. "We have already begun to realize the potential of our platform to support law enforcement. For example, last New Year's Eve, we worked with nine cities in North America to send drivers an in-app message that took the guessing out of how to report suspicious activity related to counter terrorism. We also worked with leading organizations to help disrupt human trafficking." (Uber, 2018)
3. "Behind every successful Uber ride is a technology many of us take for granted: maps. Mobile maps and GPS allow us to match you with the closest available driver, navigate the fastest path to your destination, and give you an accurate ETA […] Over the past decade mapping innovation has disrupted industries and changed daily life in ways I couldn't have imagined when I started." (Uber, 2016b)
4. "Innovation is in our DNA at Uber; we thrive on finding ways to constantly improve and refine our technology to provide safe, reliable rides. Our app connects drivers with riders in ways that were simply impossible six or seven years ago." (Uber, 2016c)
5. "We are currently piloting in Pittsburg. While we may be far from the launch of self-driving cars, in the future we believe this technology will mean less congestion, more affordable and accessible transportation, and far fewer lives lost in car accidents. These goals are at the heart of Uber's mission to make transportation as reliable as running water – everywhere and for everyone." (Uber, 2016c)

Claim New Mode of Work

1. "The potentially nefarious and exploitative aspects of such a system have been obscured from the public and regulators alike through TNCs' deliberate fashioning of favorable corporate identities. These identities are primarily based upon the perceived inherent beneficence of technological innovation and automation when applied to systems of employment, a belief that has held up against criticism until very recently." (Peterson, 2020; p.6)
2. "(Uber) provided new job opportunities for people who wanted to offer driving services. Drivers did not need to own their own medallion or taxi. Nor did they need to pay […] for the use of someone else's taxi or black car. […] it was no longer necessary for drivers to work for, or contract with, a taxi company or black car company, to pay for a dispatch service, or to find their own passengers by driving around town looking for potential customers." (McCrary, 2013: p. 29)
3. "Flexibility allows people to choose if, when, where, for whom and for how long they work. This means that unlike traditional employment relationships, offering their service via platforms like Uber can fit around a person's other priorities - whether that be caring for a child or loved one, studying, or combining multiple earning opportunities at the same time. This provides access to earning opportunities for people who often find themselves excluded from the labor market." (Uber, 2020)
4. "The increased demand for flexible forms of work continues to transform the way people interact with the labor market across Europe. From cleaners to engineers to taxi drivers, the paid-by-the-job model is nothing new. However, the rise of digital opportunities has created new forms of independent work across a wide variety of sectors." (Uber, 2020)

Avoid Problematization

Steer the Public Debate Away from Driver Categorization

1. "Uber itself channeled the way in which the preferences of "the public" were presented through the aggressive use of social media, "solving" consumers' collective action problems while also controlling the message they sent to policy makers." (Thelen, 2018; p.945)
2. "The success of this posturing hinges on attempts to conflate Uber's labor practices with equitable social outcomes, publicize narratives that overemphasize and mischaracterize the benefits of flexible work schedules, and co-opt consumerist terminology in its description of drivers' relation to the company." (Peterson, 2020; p.5)
3. "But when you look at the full picture of how people are truly using these platforms, it's clear that this is much more of an opportunity to be seized than a problem to be solved. The question is: how can we build on and strengthen these important gains? We look forward to that debate and will engage in it on behalf of the tens of millions of people over the coming years who will benefit from these innovations." (Uber, 2015)
4. "Forging a powerful alliance with its users, Uber was able to frame the debate, such that the politics in the United States played out on a rhetorical plane heavily skewed toward the company. Thus, in contrast to Europe, the American debates more often counterposed "stifling" regulation against efficiency, innovation, and consumer choice." (Thelen, 2018)

Move Critical Issues Out of Public Debate 1. "More importantly, however, in the United States the labor issues that Uber raises have mostly been relegated to the courts. The venue is important because it takes the employment issue out of the public spotlight." (Thelen, 2018; p.945) 2. "Uber proceeds to grow its consumer base and to use its app to amplify the voices of drivers who value the flexibility the job affords while suppressing critical voices that raise concerns about arbitrary deactivations and relentless price reductions that cut into drivers' pay." (Thelen, 2018; p.945)	
Extend Innovation and Independence Narrative	
Elaborate Previous Narratives 1. "AB 2293 is an attack on innovation and the technology industry," the company said. "The bill only serves to help the insurance industry and will increase litigation by trial attorneys." (BizJournals, 2014) 2. "In our view mutuality of obligation remains essential to determining whether someone is an employee or a worker or not. Being in absolute control of whether to take work, or not, from any given source at any given time, is a core and essential facet of being self-employed. A person who is free to reject work when unwilling to perform it is not under any obligation to work." (Uber, 2018) 3. "Despite the fact that drivers overwhelmingly don't want to be employees, some continue to believe the only way to support these independent workers is to force them into the employment system, where they would receive the benefits associated with traditional jobs." (Khosrowshahi, 2020) 4. "Plaintiffs are taking positions directly contrary to the desires of many of the very people they claim to represent – who do not want to be employees and view Uber as having liberated them from traditional employment." (McCrary, 2013). 5. "We hypothesize that the higher life satisfaction among Uber drivers partly reflects their preferences for flexibility and the autonomy that the platform offers."(Berger et al., 2018)	**Phase 3: Shape Classification Scene**
Buttress Claims Through Studies/Testimonials 1. "Drivers have collected 120,000 video testimonies, starting to appear together online under tags such as #UberLove and #UberEtMoi, and walls of support notes. Recently, 2,000 drivers responded to the British regulator Transport for London's call for public comments on how "private hire" vehicles should be regulated." (Politico, 2015) 2. "According to our research, if Uber instead employed drivers, we would have only 260,000 available full-time roles—and therefore 926,000 drivers would no longer be able to work on Uber going forward." (Khosrowshahi, 2020) 3. "We provide suggestive evidence showing that drivers that emphasize flexibility as an important motivation to join Uber also report higher levels of subjective well-being. Meanwhile, a minority of drivers who report that they would prefer work as an employee report lower levels of life satisfaction and higher levels of anxiety." (Berger et al., 2018) 4. "In public surveys over the last decade, the vast majority of drivers have said they don't want to be employees because of how much they value flexibility. A recent survey commissioned by Uber and other companies found that two out of three app drivers would stop driving if their flexibility was compromised." (Khosrowshahi, 2020b)	
Politicize Innovation and Independence Narrative	
Collect and interpret Data Opportunistically 1. "They are seeking to convince California voters that the ballot initiative reflects the will of drivers. They've cited limited survey data saying the vast majority of drivers want to remain contractors." (WashingtonPost, 2020) 2. "An Uber spokesman told NBC NY that the company's data showed there were 500 fewer drivers than usual Wednesday morning, which is less than one percent of the 120,000 for-hire drivers in the city." (NBCNews, 2019) 3. "In some cities, the company has asked its employees to devise computer programs that automatically respond to city-administered surveys in a way favorable to the company." (Collier et al., 2018)	
Foreshadow Dystopian Future 1. "But employment comes with a cost: hundreds of thousands of drivers would lose work opportunities overnight." (Khosrowshahi, 2020) 2. "According to our research, if Uber instead employed drivers, we would have only 260,000 available full-time roles—and therefore 926,000 drivers would no longer be able to work on Uber going forward. In other words, three-fourths of those currently driving with Uber would be denied their ability to work." (Khosrowshahi, 2020) 3. "Killing 10,000 NYC Jobs, With One Taxi-Backed Bill." (Uber, 2015) 4. "Shifting to an employment model would force us to limit the number of people who could drive on Uber in order to manage costs that are fixed per employee." (CNet, 2020)	

Delegitimize Decision Makers

Claim Incompetence

1. "We believe the judge made a serious error by ignoring a century's worth of case law requiring the courts to guard the voters' right of initiative […] This outrageous decision is an affront to the overwhelming majority of California voters who passed Prop. 22." (ABCNews, 2021)
2. "Reuters' original headline was not accurate. The California Labor Commission's ruling is non-binding and applies to a single driver. Indeed, it is contrary to a previous ruling by the same commission, which concluded in 2012 that the driver 'performed services as an independent contractor, and not as a bona fide employee." (Uber, 2015b)
3. "The bill (AB2293) only serves to help the insurance industry and will increase litigation by trial attorneys. At Uber, we are proud of our safety record and our insurance coverage, which is more than triple the coverage required by drivers in California." (BizJournals, 2014)
4. "In mid-July, Uber struck again with a "DE BLASIO" setting on its app that showed 25-minute waits to get a car in Manhattan and no service whatsoever in the outer boroughs." (Slate, 2015)
5. "As part of this public-oriented strategy, Uber also targeted legislators who supported or were undecided about the bill. In one of the clearest instances of such a strategy, Uber targeted the bill's sponsor and launched a public campaign in the district where she planned to run for state Senate in 2015, claiming that she was anti-technology and a stooge of the insurance industry." (Dubal et al., 2018; 927)
6. "Uber slams liability legislation as 'attack on innovation'." (BizJournals, 2014)

Build Public Pressure

1. "When electronically signed, the petition automatically sends pre-written email to customers' local Assembly members." (LATimes, 2015)
2. "Uber encouraged London's citizens to tell the TfL that its proposal and the ongoing consultation was against the public will and should be not considered." (BBC, 2015)
3. "(Uber) mobilized their users and drivers in San Francisco to sign petitions, contact elected officials, and attend public meetings." (Flores and Rayle, 2016: p.3768)
4. "Uber also used the contact information from petition signatories to automatically generate e-mails that opposed regulations and that were sent to policymakers." (Collier et al., 2018)
5. "To influence local legislators to accept Uber, Mr. Kalanick took extra steps. In 2014, Uber hired Ben Metcalfe […] (who) created an email-based system to aid Uber users and drivers to directly contact local legislators to lobby for allowing Uber in their cities." (NYT, 2017)
6. "Uber London needs your support. Sign the petition to let know riders and drivers come first." (Uber UK, 2015)
7. "Just before the vote on the California bill, Uber used its app to tell customers that the proposed regulations threatened its operation in the state and initiated a petition through the app." (Collier et al., 2018)

Target Alternative Decision Makers

Woo Prospective Decision Makers

1. "Uber has tried to influence or change regulatory outcomes through directly […] lobbying elected officials." (Collier et al., 2018)
2. "(Uber) used its vast financial resources to hire 14 of the top 15 lobbying firms in Sacramento, and it hired former Obama campaign manager David Plouffe to make sure […] the rights outcomes happen." (Badger and Goldfarb, 2014)
3. "Uber does not have a single employee listed in the EU's transparency register as a full-time Brussels lobbyist (just four part-timers). Yet it's still spending more "than a traditional Fortune 100 company because of the local nature of the work." (Politico; 2015)
4. "It showed the effect of Uber's advertisement and lobby activity of former prime minister David Cameron and former First Secretary of State George Osborne who both pressured Johnson to drop Uber restrictions." (Dailymail, 2017)

Call Other Instances

1. "We're calling on policymakers, other platforms and social representatives to move quickly to build a framework for flexible earning opportunities, with industry-wide standards that all platform companies must provide for independent workers. This could include introducing new laws such as the legislation recently enacted in California. Or based on a more European model of social dialogue, where platform workers, policymakers and social representatives work together to set earning principles." (Khosrowshahi, 2021)
2. "We believe independent workers across Europe deserve better - work that offers flexible and decent earning opportunities when they want it, and protection and benefits when they need it. That's why today […] calling on platform companies, policy makers and social representatives across Europe to come together to set a new standard for platform work." (Uber, 2016)
3. "Moreover, in the face of the important wins across various member states, gig companies are shifting focus to the European level." (SocialEurope, 2021)
4. "But among the gig economy companies, Uber has been the most forceful about taking its vision for the

future of work to the national stage. The company has long advocated for a "third way" to classify gig workers." (TheVerge, 2020) 5. "Uber is shooting its shot at EU lawmakers as they dial up scrutiny of working conditions on gig platforms to decide whether new rules are needed to improve the lot of gig workers." (TechCrunch, 2021)	
Propose Acceptable Category Definition	**Phase 4: Launch Classification Attempt**
Cede Extreme Positions 1. "We support efforts to modernize labor laws in ways that preserve the flexibility drivers tell us they value while improving the quality and security of independent work." (Uber, 2020) 2. "We also understand the need to regulate Uber's services, and have consistently supported progressive, common sense regulations for both ridesharing and self-driving technology across the United States. We are hopeful that the Senate, as other states have, will work with us to improve the bill and to provide an approach that supports innovation and consumer choice." (Uber, 2020) 3. Uber wouldn't be what it is without drivers and couriers – they are at the heart of the Uber experience. But along the way, we lost sight of that. We focused too much on growth and not enough on the people who made that growth possible. We called drivers "partners," but didn't always act like it. An important part of being a good partner is being a good listener. (Uber, 2018) 4. "Over the last year we have made a number of changes to our app to give drivers even more control. We've also invested in things like access to illness and injury cover and we'll keep introducing changes to make driving with Uber even better." (TechCrunch, 2014)	
Suggest New Compromise Category 1. "There has to be a "third way" for gig workers, but we need to get specific, because we need more than new ideas — we need new laws. Our current system is binary, meaning that each time a company provides additional benefits to independent workers, the less independent they become. That creates more uncertainty and risk for the company, which is a main reason why we need new laws and can't act entirely on our own." (Khosrowshahi, 2020) 2. "While I recognize that the Administration and Congress have many pressing issues before them, I urge you to act quickly to provide protections for independent workers, and, in your ongoing efforts, to consider legislative action on a 'third way' that would update our labor laws to remove the forced choice between flexibility and protection for millions of American workers." (Khosrowshahi, 2020) 3. "But Uber's announcement is far from a clean win for drivers, and will likely prompt more legal wrangling, in the UK and elsewhere. It also shows how Uber increasingly is pushing for recognition of a "third category" of work, providing gig workers with some traditional employment protections, but falling well below those provided to employees." (Wired, 2021) 4. "Uber has said it will push for a California style "Prop 22" outcome globally — after successfully defeating a law to reclassify gig workers in its own backyard last year." (TechCrunch, 2021)	
Buying Time	
Refuse to Comply with Rulings 1. "In other cities, Uber's threats to leave a market have been an effective tool of overturning regulations." (Collier et al., 2018) 2. "Uber has also indicated it has no plans to change its business model since most of the existing cases in France only involve former drivers asking for severance payments. But an Uber spokeswoman clarified that if a current driver were to petition to change their employment status, Uber "would have no choice but to terminate the agreement with the driver as our app isn't built for this model (as of now)." (HackerFlynn, 2021) 3. "When over 3 million Californians are without a job, our elected leaders should be focused on creating work, not trying to shut down an entire industry during an economic depression." (Rosenblatt and Roth, 2020)	
Escalate Situation to Different Decision Maker 1. "Uber Technologies Inc. […] submitted a ballot initiative that would alter a statewide law intending to reclassify contract workers as full-time employees." (WSJ, 2015) 2. "Prop 22 will protect the ability of app-based drivers to work as independent contractors. Drivers like Alisha need flexibility and prefer to remain independent contractors by a 4-to-1 margin. Vote YES on Prop 22 to save this critical work." (Prop22, 2020) 3. "Drawing on a nearly $200 million campaign war chest that Uber, Lyft, food delivery app DoorDash and other tech companies have raised, they are seeking to convince California voters that the ballot initiative reflects the will of drivers." (WashingtonPost, 2020) 4. "A judge's ruling Monday won't be the last word, as Uber and Lyft vowed to immediately appeal the preliminary injunction. If the companies are forced to reclassify their California drivers as employees, they would be on the hook for overtime, health care and other costly benefits." (Bloomberg, 2020)	