

Institutional Work on Platform Business Models

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Many companies have developed platform business models that invite collaboration between and among different ecosystem actors in the process of creating and capturing value (Akaka et al. 2012). These platforms (Van Alstyne et al. 2016) operate business models that challenge the traditional boundaries between customers and brands of so-called pipeline businesses (Kortmann and Piller 2016). At the heart of these platforms are different, but deeply ingrained logics of how value is created and captured, and what resources are being integrated and exchanged and how. These logics, when brought together, exhibit the kinds of paradoxes and tensions that often result from heterogeneity in the way people think and act (Kraatz and Block 2008; Ocasio and Radoynovska 2016; Laasch 2017). Companies tend to operate from a market logic in which actors create economic value by designing products and bringing them to market on behalf of a brand. Conversely, brand fans are inclined to enact a community logic in which value is created through social interactions taking place around the brand. Actors who engage on these platforms are confronted with inherent paradoxes between these logics and seek to make sense of them.

We argue that the viability of platforms such as the one we scrutinize depends on actors reconciling clashing logics by performing institutional work -- maintaining and disrupting existing logics and creating new ones (Lawrence and Suddaby 2006). The literature on platforms has yet to address tensions that result from the interplay of actors' diverse institutional logics, nor does it address work performed by such actors in confronting and resolving these paradoxes. We address these gaps. Our research questions are (1) How do platform actors enacting different institutional logics support enduring collaboration by performing institutional work (maintaining, disrupting, and creating logics)? (2) What is the institutional outcome of institutional work performed? (3) What can managers do to facilitate the reconciliation of different institutional logics in order to ensure viability? Understanding these tensions and the work entailed in resolving them is important for managing increasingly diverse collaborations with partners who enact different institutional logics.

We examine the Lego Ideas platform on which Lego encourages fans to design and share new Lego models, with a chance for a select few models to be produced and sold under the Lego brand. Fans embody a community logic in line with the active communities which they have developed and contribute to (Schau et al. 2009), while Lego employees who manage the platform embody the traditional corporate institution and its market logic. These differences are reflected in the purpose of the actors' participation in the platform, the nature of resources that are integrated and exchanged, and the asserted governance of the platform. The platform provides an unequalled repository of rich data that captures the participating actors' practices, thereby offering a clear window into the underlying institutional logics at play. Access to the wealth of dialogue on the platform enables us to be first-hand witnesses of the institutional work they perform (Gergen et al. 2004; Lawrence and Suddaby 2006) and identify the specific micropractices that constitute institutional work by both sets of actors. We pay close attention to the practices of resource integration and how fans and Lego employees maintain and disrupt their existing logics and fashion a new emerging logic.