# Modes of exchange

Consumer Research

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# Selling, Sharing, and Everything In Between: The Hybrid Economies of Collaborative Networks

## DAIANE SCARABOTO



Recent consumer research has examined contexts where market-based exchange, gift-giving, sharing, and other modes of exchange occur simultaneously and obey several intersecting logics, but consumer research has not conceptualized these so-called hybrid economic forms nor explained how these hybrids are shaped and sustained. Using ethnographic and netnographic data from the collaborative network of geocaching, this study explains the emergence of hybrid economies. Performativity theory is mobilized to demonstrate that the hybrid status of these economies is constantly under threat of destabilization by the struggle between competing performativities of market and nonmarket modes of exchange. Despite latent tension between competing performativities, the hybrid economy is sustained through consumer—producer engagements in collaborative consumption and production, the creation of zones of indeterminacy, and the enactment of tournaments of value that dissipate controversies around hybrid transactions. Implications are drawn for consumer research on the interplay between market and nonmarket economies.

Keywords: hybrid economy, performativity, exchange, sharing, gift giving

Background

Consumer Resistance; Disruptive Assemblages of Cultural Meanings, Practices & Material Resources



#### The Socio-Historic Patterning of Consumption

Shaping of consumption by class, ethnicity, gender, and other oversocialized categories; consumption under conditions of attenuated cultural resources; the institutionalization and reproduction of socio-economic hierarchies; interplay of social, cultural and economic capital; ideological production of consumer subjectivities

Governmentality and Structure-Agency Tensions



#### Marketplace Cultures

Socio-cultural processes embedded in brand communities, consumption communities, microcultures, consumption subcultures, consumer tribes; marketplace as mediator of social linkages & social relationships

#### Consumer Identity Projects

Identity goals and experimentation; negotiating body image issues; self-presentation and forging symbolic distinctions to others; extended self; experiential and hedonic dimensions of consumption



#### Mass-Mediated Marketplace Ideologies and Consumers' Interpretive Strategies

Representations of consumer lifestyles and consumer culture ideals in media; consumers' active uses of media and practices of co-production; intersections of global media influences and local cultures (glocalization)

Consumer-Driven Market Emergence and Socially Embedded Consumption Practices



Ideological Shaping of Consumer Identity Goals and Desires





# Can Consumers Escape the Market? Emancipatory Illuminations from Burning Man

**ROBERT V. KOZINETS\*** 

This ethnography explores the emancipatory dynamics of the Burning Man project, a one-week-long antimarket event. Practices used at Burning Man to distance consumers from the market include discourses supporting communality and disparaging market logics, alternative exchange practices, and positioning consumption as self-expressive art. Findings reveal several communal practices that distance consumption from broader rhetorics of efficiency and rationality. Although Burning Man's participants materially support the market, they successfully construct a temporary hypercommunity from which to practice divergent social logics. Escape from the market, if possible at all, must be conceived of as similarly temporary and local.



# Frustrated Fatshionistas: An Institutional Theory Perspective on Consumer Quests for Greater Choice in Mainstream Markets

DAIANE SCARABOTO EILEEN FISCHER

Why and how do marginalized consumers mobilize to seek greater inclusion in and more choice from mainstream markets? We develop answers to these questions drawing on institutional theory and a qualitative investigation of Fatshionistas, plus-sized consumers who want more options from mainstream fashion marketers. Three triggers for mobilization are posited: development of a collective identity, identification of inspiring institutional entrepreneurs, and access to mobilizing institutional logics from adjacent fields. Several change strategies that reinforce institutional logics while unsettling specific institutionalized practices are identified. Our discussion highlights diverse market change dynamics that are likely when consumers are more versus less legitimate in the eyes of mainstream marketers and in instances where the changes consumers seek are more versus less consistent with prevailing institutions and logics.



# Refashioning a Field? Connected Consumers and Institutional Dynamics in Markets

PIERRE-YANN DOLBEC EILEEN FISCHER

We investigate the participation of engaged consumers in the fashion market through the lens of institutional theory. We develop theoretical insights on the unintended market-level changes that ensue when consumers who are avidly interested in a field connect to share ideas with one another. We find that consumers take on some of the institutional work previously done primarily by paid actors and introduce new forms of institutional work supportive of the field. We show that engaged consumers can precipitate the formation of new categories of actors in the field and the contestation of boundaries between established and emergent actor categories. Further, we propose that new consumer-focused institutional logics gain momentum, even while consumers support and promote preexisting logics through their practices. We compare cases where discontented market actors have brought about market changes with our investigation of one where contented consumers unintentionally precipitated market-level dynamics, and we show that the accumulation of consumers' micro-level practices can have pervasive and profound impacts.





# **Consumption-Driven Market Emergence**

DIANE M. MARTIN JOHN W. SCHOUTEN

New market development is well theorized from a firm-centered perspective, but research has paid scant attention to the emergence of markets from consumption activity. The exceptions conceptualize market emergence as a product of consumer struggle against prevailing market logics. This study develops a model of consumption-driven market emergence in harmony with existing market offerings. Using ethnographic methods and actor-network theory the authors chronicle the emergence of a new market within the motorcycle industry that develops with neither active participation nor interference from mainstream industry players. Findings reveal a process of multiple translations wherein consumers mobilize human and nonhuman actors to co-constitute products, practices, and infrastructures. These drive the growth of interlinked communities of practice, which ultimately are translated into a fully functioning market. The study highlights the roles of distributed innovation and diffusion, embedded entrepreneurship, and market catalysts in processes of market change and development.

Different ways in which consumers (socialize with one another) interact with markets

# Consumption viewed as productive

- → Can consumers escape the market?
- → Can consumers convince brands/marketers to produce goods for them
- → How consumers interacting with one another contribute to change in market dynamics/structure
- → How consumers dissatisfied with a market offering engage in consumption activities and contribute to the emergence of a new market
- → How consumer collaboration with one another and marketers contributes to the emergence of a new market logic





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# Modes of exchange



# Market-based exchange

Transaction between two parties + € + economic resource

Market logic: profit maximization + independence between actros who have self-interested motivations (Scaraboto: 2015: 153)



# Gift – giving

"Gift-giving, on the other hand, has been noted to require wrappings and ceremony (at least in its prototypical form [Belk 2010]), and to follow the logics of mutuality and reciprocity (Mauss 1950/1990), establishing "a feeling-bond between two people, while the sale of a commodity leaves no necessary connection" (Hyde 1979/2007, 58)." (ibid)



Much of our everyday morality is concerned with the question of obligation and spontaneity in the gift. It is our **good fortune** that all is not yet

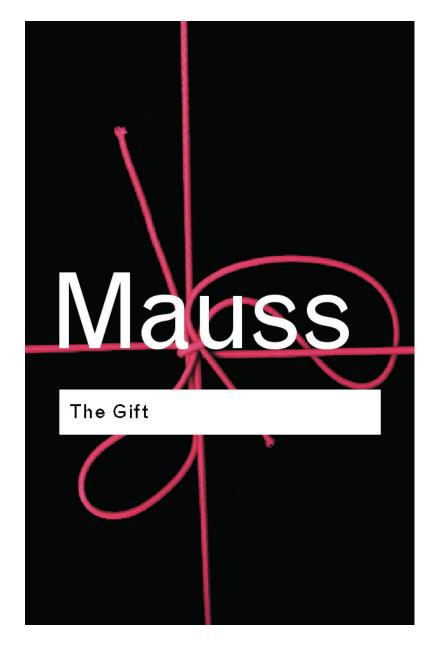
— Marcel Mauss

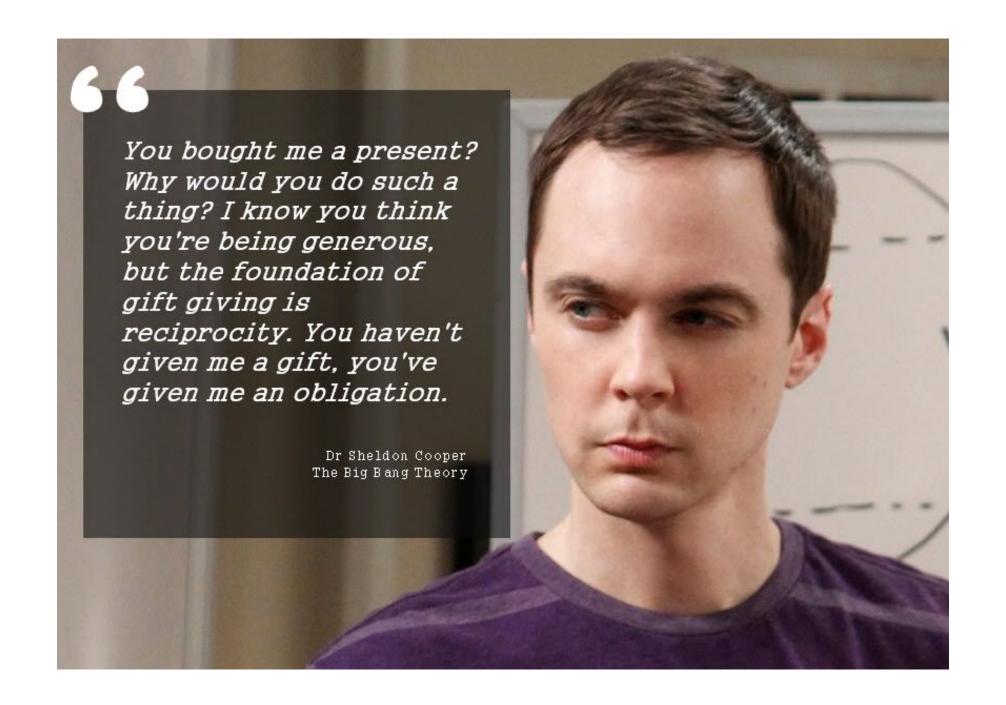
The Gift

couched in terms of purchase

and sale.







Market based exchnage + gift giving = hybrid economy





"Hybrids that cut across prototypical logics and modes of exchange emerge in various contexts where consumers collaborate with entrepreneurs, marketers, and among themselves to create value." (ibid) "Performativity" theory

Compare to Theory of Tastes from last lecture

- How something (e.g., a market) succeeds or fails, ... becomes stable
- → Process theory
- \* "statements are ... performative, they are actively engaged in the constitution (making up) of the reality it describes ... they cause the reality that they describe to exist" (Callon, 2006: 10)

### THE EMERGENCE OF A HYBRID ECONOMY



#### MODES OF VALUE EXCHANGE IN HYBRID ECONOMIES

Mode of value exchange	Predominant logics	Definition	Examplesfrom the collaborative network of geocaching
Commercial exchange	Independence between parties Self-interest Maximization of profit Rationalization	Transactions between two parties in- volving the transfer of a good or ser- vice in exchange for an amount of money considered equivalent to it	<ul> <li>FTF Magazine, a monthly magazine that prints stories and articles contributed by geocachers. Sold for subscription fees.</li> <li>Geocoins are available for sale on online stores</li> </ul>
Theft	Independence between parties Self-interest	Unilateral transfer of property that takes place without mutual consent (Geary 1986)	Geocoins and travel bugs left in caches are stolen     Entire caches are stolen
Barter	Independence between parties Self-interest	Direct exchange of goods and services where no money or equivalent medium of exchange is involved, and with the least social implications possible	Cache swag trade: when geocachers find a cache, they may take something from it, but they should leave something of equal value in turn.  Geocoin trade between collectors in events
Gift-giving	Interdependence between parties Self-interest/mutuality	Nonreciprocal and nonobligatory (in appearance) exchanges or transfers of ownership involving qualitative relations between people (Belk 2010; Mauss 1950/1990)	<ul> <li>Gift of premium memberships: geocaching.com makes possible for any player to anonymously give a premium membership for a fellow geocacher.</li> <li>Some players hide caches as gifts to other players</li> </ul>
Intracommunity giving	Independence between parties Mutuality	"Type of gifting when community mem- bers in one social position give to community members in another posi- tion in which the central goal is intra- community, rather than interpersonal, relationship work" (Weinberger and Wallendorf 2012)	<ul> <li>Free entrance to events: most geocaching events are free to all participants.</li> <li>Volunteers enlist companies as sponsors in order to cover the events' costs.</li> </ul>
Sharing	Interdependence between parties Mutuality	To divide an inherently finite good or to grant free use rights to a good that can be considered nonrival. (Belk 2010, 725).	<ul> <li>Potluck meals during geocaching events</li> <li>Groundspeak's API open to selected developers: the Web site allows a few selected partners to use its database to create new apps and software.</li> </ul>
Donationware	Independence/interdependence between parties Mutuality	Mode of exchange whereby a valuable is free, but financial donations are re- quested or accepted to offset pro- duction and maintenance costs	Podcacher podcast: weekly audio shows available on iTunes and on a Web site. Donations from listeners are incented.
Freemium	Independence/interdependence between parties Self-interest/mutuality	Mode of exchange where the basic component of a good or service is offered for free, but premium features must be paid for	<ul> <li>Premium memberships to the Web site geocaching.com: allows exclusive ac- cess to geocaches hidden by other pre- mium members and additional features of the Web site</li> </ul>
Creative Commons	Independence/interdependence between parties Self-interest/mutuality	Different types of licenses (e.g., Attribution/ Commercial/Non-com- mercial, Share/Share-alike) that help creators retain copyright over a valu- able while allowing others to copy, distribute, and make selected use of their work. May or may not allow for commercial exchange	Ontario Trail Maps: Co-created by local geocachers, the software is published under the Creative Commons, allowing anyone to use and transform the maps as long as the resulting product is also shared online.



Q&A!