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## How Consumer Empathy Drives Platform Success

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## **How Consumer Empathy Drives Platform Success**

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### **Abstract**

Drawing from the sociology of emotions, this article analyzes the influence of empathy (a consumer's ability to compassionately relate to another actor's situation) on the success of a platform market. A multi-year ethnography of the Uber ride-hailing market reveals that the legitimacy of platform markets evolves over the course of contestations between platform risk narratives circulated in the news media and empathetic consumer narratives promoted by the platform company. Each contestation addresses an enduring tension between a market's competitiveness and care. We show how Uber's management team drew on three empathetic platform myths (Safe Haven, Caring Commons, and Cultural Mosaic) to alleviate the physical, financial, and social consumer risk perceptions of using Uber, thereby stabilizing Uber's platform market. We close by offering four consumer empathization strategies (apathization, verification, prototyping, and naturalizing) that can be used either by managers seeking to render a platform business legitimate or by other stakeholders seeking to undermine its marketing success.

One of the most fascinating marketing developments in recent time has been the so-called “platform revolution” (Parker, Van Alstyne, and Chaudry 2016), the rise of platform markets generally understood as markets that have two or more distinct consumer groups who provide each other with network benefits through value creation exchanges (Rochet and Tirole 2005). When platform companies like Uber, Airbnb, Etsy, TaskRabbit and others first entered the scene, they were met with utter skepticism and treated as villainous contributors to physical, financial and social consumer risks that should be banned from our communities. A decade later, many of these companies have become leaders in transportation, hospitality, retail, and other industries. They are widely celebrated as champions of community wellbeing. And they have been enthusiastically adopted by millions of consumers all over the world.

How are platform markets created? Although platforms should be a prominent marketing topic, research addressing their creation has been surprisingly sparse. Perhaps this oversight stems from the fact that platforms differ considerably from conventional markets, not only economically but also emotionally. First, platforms do not produce anything but rather mediate among consumers with complementary goals (e.g., Uber riders and drivers), thereby shifting considerable market risk away from institutions to individual consumers (Rochet and Tirole 2005). And second, platform markets are routinely represented through the lens of an empathy-centric marketplace mythology. Uber’s and Airbnb’s promotional language, for instance, is ripe with rhetoric suggesting that their platforms are superior to regular markets because people never passively consume these platforms for their own benefit but instead intimately connect with other peoples’ social and economic situations and experiences.

When we consider market creation as a social process of legitimation (Humphreys 2010a, b; Ertimur and Coskuner-Balli 2015) and risk narratives signal a market's perceived incongruence with extant norms (Humphreys and Thompson 2014; Thompson 2005), platform creation may be understood as an emotional process. It may be through contestations between emotional risk narratives circulated in the news media and empathetic consumer narratives promoted by the platform company that trust is built, and a platform business is legitimized. To explore this dynamic, we draw on sociological research theorizing emotions as a "resource for affective market regulation" (Chabot-Davis 2004, 403). For Carolyn Pedwell (2012a, 32), who builds on Hochschild's (1979, 2003) fundamental contention that in order for any market to operate effectively its risks must be reflected in actors' emotional self-understandings, one such emotion is empathy – the act of "imaginatively experiencing the feelings, thoughts and situations of another." Patnaik and Mortensen (2009, 62) have proposed that affective regulation involving the cultivation of widespread empathy among the members of a market might be called "empathization."

To date, neither the different managerial phases or strategies nor the specific meaning systems involved in the empathization of consumers are properly documented. We found that consumer empathization entails four strategies through which managers can empathize platform consumers and alter their risk perceptions (apathization, verification, prototyping, and naturalizing). Apathization shifts the responsibility for the alleviation of a platform risk away from institutional frameworks of risk alleviation towards the cultivation of an empathetic consumer mindset. Verification draws on scientific and psychological experts to authenticate the proposed consumer mindset.

Prototyping translates the proposed mindset into role identities and technological frameworks. And naturalizing ensures members' continued enactment of the consumer mindset.

In this article, we theorize the influence of empathy on the legitimacy of a platform market. We introduce four strategies of consumer empathization, which parallel Pedwell's (2012a, b) sociological theorization of empathy and examine how they influence a platform business's legitimacy over time. Specifically, we define consumer empathization as a fourfold legitimation process (apathization, verification, prototyping, and naturalizing) through which the structural conditions for more empathetic relationships are established and negative consumer risk perceptions are diffused. Our model (1) calls attention to the strategic role of empathy in the legitimacy of a platform business, (2) offers insights into how platform companies can use empathy to more effectively manage their inherent consumer risks, and (3) provides managers with conceptual tools needed for creating and sustaining empathetic platforms.

To examine consumer empathization, we selected Uber - a platform whose legitimacy has been challenged by governments, taxi companies, consumers, and the news media owing to its inherent tendency to bypass traditional mechanisms for dealing with rider and driver safety. Founded in 2008 by Travis Kalanick and Garret Camp, Uber is available today in over six hundred cities worldwide. The company offers the Uber app, which allows consumers ("riders") with smartphones to submit trip requests, which are routed to Uber drivers who use their own cars. We first summarize relevant insights from the sociology of emotions to conceptualize consumer empathization. After that, we examine how platform risks in the Uber market have been dealt with over time. Finally,

we synthesize the insights from these analyses into a four-stage model of platform empathization that can be applied by managers seeking to render a platform solution less risky or by other parties seeking to undermine its success.

## **CONSUMER EMPATHIZATION**

Like any market, platform markets face an enduring tension between competitiveness and care. From an economic standpoint, markets are sources of innovation and progress that naturally promote consumers' social and economic wellbeing (Fourcade and Healy 2007; Amable 2011). In this view, market competition produces the best outcome for consumers. A competing perspective, however, has emphasized that the proper functioning of any economic system requires regulatory interventions of care owing to any market's ability to provoke incalculable social, financial, and physical consumer risks (Polanyi [1944] 2001). Over time, the quest for protection undermines competitiveness because the efforts to curb a market's risks invariably necessitate more monitoring technologies, performance standards, and regulations charged with assessing, managing, and distributing these risks (Giddens 1991).

The conflict between a market's competitiveness and the need to curb its risks through formal regulation is thought to be resolved when products and services are no longer exchanged through conventional markets but through platforms that "cultivate empathy, care, and engagement" and other affective skills "crucial to the development of caring, peaceful, and civil societies" (Pedwell 2012a, ix). This mythology of empathetic platforms postulates that platforms are superior to traditional markets because they

nurture a particular emotional mindset – an attitude of perspective-taking and fellow-feeling towards other consumers as well as “distant sufferers” (Chouliaraki 2006, 1). Hence, through the lens of this mythology, the conflict between competitiveness and care is resolved and both commercial and social goals are met when consumers are organized in a system that encourages them of “stepping outside of themselves” and “walking in someone else’s shoes.”

The mythology of empathetic platforms not only encourage platform consumers to imagine each others’ situation or suffering (Pedwell 2012a; Patnaik and Mortensen 2009; Hochschild 1979, 2003). The market-based empathy that is imagined also requires, for instance, a rider’s experience of the driver’s situation to be “dramatic” and “unsettling” enough to be generative of both personal and social change through what Chabot-Davis (2004, 406) has called “the recognition of complicity.” Through establishing an empathetic identification with other members of an imagined emotional collectivity, consumers are held to experience a radical transformation in consciousness, which leads them not only to perceive their own risks with greater optimism but also to recognize themselves as responsible for other market actors’ risks. For instance, whereas in a traditional market setting taxi riders are more likely to ask for greater protection from a bad driver, in an empathized platform market, they will be more likely to deal with this risk by empathetically relating to the driver’s situation.

However, merely asserting that platforms nurture greater empathetic participation is never enough. A general call for empathy can encourage platform users to adopt a more empathetic mindset and behaviors. But these behaviors are never focused enough to link an actor’s beliefs and behaviors to specific physical, social, or financial platform

risks. To accomplish this, platform narratives must also draw on empathy myths that can translate market risks into more specific empathetic consumer mindsets. A qualitative analysis of empathy narratives across a broad array of consumer-facing platforms reveals three such mythic idealizations that have crystallized over time: Safe Haven, Caring Commons, and Cultural Mosaic. Each myth promises the resolution of a particular platform risk through the creation of an empathetic consumer mindset.

The first empathetic platform myth that we identified is the Safe Haven myth. Rooted in mythic idealizations of local community (Weinberger and Wallendorf 2011), Safe Haven formulations address the enduring contradiction between the principle of public safety and a platform's enhanced physical risk by pitting caring, vigilant, and cautious platform consumers against ignorant and selfish others. From this perspective, platform consumers are not carelessly risking physical injury or harm for themselves and others. Rather they are diligent citizens who navigate the world with more open eyes and deeply care about the physical wellbeing of themselves and others in their communities. Reviving the ideal of public safety not through formal policy, but through an empathetic outlook that focuses on other market actors' safety and physical wellbeing is consequently held to generate a safer and more caring community and assuage perceptions of physical risk associated with the product or service.

Second, the Caring Commons myth addresses the enduring contradiction between the principle of economic equality and a platform's enhanced financial risk by celebrating the platform as a promoter of greater altruism and economic justice—a powerful contrast between platform consumers as equitable, generous, and noble givers and others as greedy, self-centric, and ruthless takers. Rooted in a social justice frame (Giesler 2008),



this Caring Commons myth postulates that platform markets are not the harmful expressions of accelerated capitalism that critical observers might imagine. Rather, they are the exact opposite of ruthless and unbridled capitalism – organic systems of mutual care. Hence, platform consumers’ ability to take the perspective of other actors such as Uber drivers or Airbnb hosts – and not formal policies of economic redistribution – can make communities more equitable and financially inclusive.

Lastly, mythic articulations of platforms in the Cultural Mosaic genre address the enduring contradiction between the principles of diversity and social inclusion and a platform’s enhanced social risks. Cultural Mosaic narratives promote a meaningful distinction between open and culturally tolerant cosmopolitan platform consumers who actively take the perspective of other cultures and ethnicities and insecure, scared, and socially withdrawn others who remain steeped in their own culture and habits (Thompson and Tambyah 1999). From this vista, platforms are not promoters of discrimination, as critics might argue, but shining promoters of inclusion, tolerance, and diversity. The key to cultivating an inclusive community is thus not political action or formal policy to reduce a market’s risks, but the cultivating of platform consumers who can actively relate and respond to the cultural experiences of others.

Importantly, the mythology of empathetic platforms does not assume platform markets to foster empathetic consumer mindsets and relationships by nature. Rather their creation requires frequent interventions into the regulatory, normative, and cultural-cognitive pillars of legitimation (Humphreys 2010a,b; Giesler and Veresiu 2014). Institutions traditionally mandated to protect the consumer such as lawmakers, consumer rights organizations, and technical experts are placed on par with companies, grassroots

activism groups, celebrities, and regular consumers in negotiating the parameters of empathetic consumption. Together, these actors develop a host of emotional guidelines, codes of conduct, and behavioral recommendations that define the platform as an emotional system and sanction which responses to risk are desired and productive (e.g., compassion, altruism, and optimism for one's own and other actors' situation) and which ones are undesired (e.g., anger, frustration, and resentment).

An in-depth review of sociological research on empathy (Pedwell 2012a, b; Ahmed 2004; Hochschild 1979, 2003; Williams 1977) suggests that consumer empathization might entail several overlapping strategies that we will briefly summarize next: apathization, verification, prototyping, and naturalizing. First, in order for empathy to become an affective regulator, the responsibility for risk management must be shifted away from traditional institutions to individual consumers by positioning platform consumption as a solution to a larger empathy deficit in society (Pedwell 2012a). For this reason, empathization begins with an act of apathization. Apathization is the contrasting of an idealized empathetic consumer with an apathetic other. During apathization, marketers must link the occurrence of a specific social, financial, or economic consumer risk to the empathy deficits of individual consumers. From this perspective, alleviating such risks is not so much a matter of designing and enforcing more effective protective policies but rather one of cultivating greater empathy among consumers.

Apathization shifts the management focus to the individual consumer and deprives a given platform risk discourse of any systemic significance. Yet, the modified risk narrative is still only one among many explanations of consumer risk including the original call for greater safety standards. For this reason, consumer empathization also

requires expert regimes regarding the risk in question and powerful institutions to assist in the process of verification (Ahmed 2004), a host of legitimizing practices that effectively link the risk to extant definitions of accuracy and truth. Through their respective authority and experience, these actors must naturalize the linkage between risk alleviation and empathy as durable and objective while, at the same time, disqualifying all other risk articulations as subjective and inaccurate.

Through the previous two consumer empathization strategies of apathization and verification, a demand to address a given platform risk through forms of systemic intervention is effectively transformed into a promise of greater safety and wellbeing through consumers' exercise of greater compassion and fellow-feeling. By encouraging the cultivation of an empathetic consumer mindset and discouraging formal intervention, this alternative risk formulation justifies the platform's status as an unregulated market system. Yet, in order for any consumer to adopt an empathetic mindset in the manner that the mythology prescribes, specific material and technological infrastructures and behavioral guidelines may be needed, collaboratively established by product designers, software programmers, and advertisers (Hochschild 1979, 2003; Giesler and Veresiu 2014). We refer to this strategy as prototyping – the creation and provisioning of “technologies of empathization” (Pedwell 2012b, 23) such as learning tools and rating mechanisms that support the prescribed empathetic consumer mindsets and relational goals (Epp and Price 2011).

Finally, the previous three strategies of apathization, verification, and prototyping inscribe the proposed alleviation of a given platform risk through empathetic consumption not only as one among many other risk alleviation discourses. It actively

encourages consumers to manage risk creatively and autonomously by making more empathetic choices. Yet, empathy can only be effective when consumers are not only aware of the emotional mindset but have also internalized it as common-sense (Barthes 1973). We therefore refer to naturalizing as a set of managerial efforts that render a proposed empathetic consumer mindset natural and taken-for-granted. Together, these four strategies (apathization, verification, prototyping, naturalizing) may be instrumental in the widespread cultivation of empathy among a platform's consumers.

Our theoretical propositions up to now are summarized in a conceptual model of consumer empathization (Figure 1). When emotional narratives that render a platform as risky undermine said platform's legitimacy and justify stricter regulation, the company may draw on the mythology of empathetic platforms to encourage greater empathy for other market actors among its consumers. This process may diffuse consumer risk perceptions and stabilize the platform until another risk narrative will undermine its legitimacy again. To explore this dynamic in greater detail, we will next analyze consumer risk perceptions in the Uber ride-hailing market.

## **CONSUMER RISK ANALYSIS**

To understand the prevalence and types of risk discourses surrounding Uber, we created a dataset of mainstream news articles. To do so, we collected all U.S. articles containing the word "uber" in the headline using Proquest's ABI/INFORM Global, US Newsstream database. This resulted in a dataset of 11,395 articles from 306 publications. Because risk discourses associated with Uber can vary depending on city or

region, we felt it was important to collect a broad national sample to encompass these different perspectives. Further, the large number of publications allowed us to build a larger database of articles about Uber from its founding in 2008 than would have been possible if we included only the top three national newspapers.

After creating the full dataset, we randomly sampled 500 of the sample for qualitative analysis (Humphreys 2010a; Weber 1990). The articles were coded to look for the expression of risk discourses in this particular context. From the qualitative analysis, we created a dictionary of terms associated with risk and safety in general, and with types of risk in particular. These wordlists were then validated using a set of three coders and using procedures outlined by Pennebaker et al. (2007) and used previously in marketing research (e.g. Humphreys 2010a; Ludwig et al 2013). The dictionary categories and sample words can be found in Table 1. From this, we calculated the percent of words in each article that pertained to physical, financial, and social risk so these could be compared over time. The results from this analysis are summarized in Figure 2.

To further examine the ways in which Uber managed these consumer risk discourses, we also collected all of Uber's promotional communication (ads, videos, digital content, in-app communications, and press releases) published between 2008 and 2017. These materials totaled approx. 1 TB of digital information. We also conducted in-depth interviews with 34 Uber riders between 2012 and 2017. Interview subjects were recruited through a snowball system. Collected mostly face-to-face, over the phone, and, in a select few cases, during Uber rides, these interviews transcribed to 249 pages of single-spaced text. Interviews were conducted in Toronto, Chicago, Paris, and New York.

Participants were informed that the interview pertained to “a study about Uber” and were assured that their identity would remain confidential.

The move from our institutional and interview data to a broader understanding of how Uber has managed consumer risk perceptions involved a hermeneutic approach (Thompson 1997; Giesler 2012) of tacking between data and theory, which eventually culminated in three empathetic consumer narratives established by Uber. Each narrative encourages the alleviation of a particular consumer risk (physical, financial, and social) through empathizing with the feelings and situations of multiple others. Next, we use findings from our media analysis, historical inferences, and interview excerpts from Uber riders to elaborate on each rider narrative in greater detail.

### **How Uber’s Safe Haven Rhetoric Helped Reduce Perceptions of Physical Risk**

Physical risk, defined herein as the potential harm a product or service might pose to the consumer’s safety and physical wellbeing (Jacoby and Kaplan 1972), is a direct threat to consumer trust and a market’s stability, and yet consumer empathization can reduce consumer perceptions of risk by positioning the company as a platform that actually makes communities and societies safer. In the Uber market, we found a dramatic increase in discourse about physical risk (see figure 2). Mentions of physical risk — words like hurt, hospital, fatal, rape, and death — increased the most dramatically in media coverage about Uber, from .01% in 2009 to a high of .13% words per article in 2014. This amounts to 500 more mentions in 2014 than in 2009. However, after reaching a peak in 2014, mentions of physical risk decline, falling to .08% by 2017. Regulators frequently decried a need to protect “public safety,” and competing taxi and delivery

companies pointed to insurance liability and lack of skill. To illustrate physical risk, consider the following newspaper quotes:

Tuesday's arrest of an Uber driver accused of attempting to break into the Denver home of a passenger he had just dropped off at the airport exposes some of the risks of riding with strangers. Devoted Uber patrons said they aren't daunted by isolated incidents. The company says it takes all sensible precautions. Denver police say they are unaware of any string of crimes related to Uber. But as Uber -- which connects people who need a ride with drivers available to accommodate them -- has grown, so have negative incidents. (*Denver Post*, April 1, 2015)

A deadly accident involving a California ride-sharing driver has brought to light a potential downside to this new high-tech carpooling: Who pays when something goes wrong? [...] Companies such as Uber, Lyft and Sidecar have long insisted that the insurance they provide their drivers is sufficient to cover accidents. But a recent tragedy shows the murky legal terrain in which these new taxi-like services operate. On New Year's Eve, an Uber driver struck and killed a 6-year-old girl who was crossing a San Francisco street with her family. (*Los Angeles Times*, February 5, 2014)

Around 2011, in the face of this growing tension between competitiveness and care, Uber CEO Travis Kalanick and his team began to develop a mythic response that has notable parallels to the Safe Haven myth. From Uber's perspective, the traditional taxicab industry and its outmoded consumer protection standards have created a culture of apathy that fundamentally undermines consumers' ability to compassionately care for the physical wellbeing of others. In this framing, the risk for Uber riders to become victims of assault, injury, driver DUI, and other forms of bodily harm isn't inherent to Uber's liberal ride-hailing system. Rather, it is the result of a systematic deficit in individuals caring for each others' physical wellbeing and (special) safety needs, encouraged and promoted by rigid frameworks of safeguards and protection standards. Hence, consumer safety is best accomplished, not through a structure of formal risk protection measures, but through consumer choices that encourage greater mindfulness of

each others' health and wellbeing. When this framing is implemented, it enables consumers like Thomas (29, March 2016, Toronto) to forge powerful contrasts between regular taxi riders and Uber riders. Whereas regular riders perpetuate "a culture of ignorance," Uber riders creatively nurture a community of mutual care:

What sets an Uber rider apart from a cab rider? That you are mindful of others in the city more than of supporting the taxicab monopoly. Realizing that this mix of protection, privileges, and bribes has not only made cabs more dangerous but also created a culture of ignorance where we no longer care about each other. Have you ever tried to complain? Like when your cab driver is yelling into his phone nonstop and it literally feels like you're just a second away from crashing into a school bus? [...] You just don't have this with Uber. [...] Because you and your driver, you're keeping your eyes on the road. [...] And if you're not caring like "Ajay" [Uber driver] here, if you don't care about each other and people on the street, there would be some real consequences. You'd get a bad rating. And when you have a bad rating, what does that mean? It means that you don't care. And the system weeds that out nicely...

To better understand the ideological contrast between safe and dangerous modes of transportation that enables Thomas' empathetic self-presentation, consider some of Uber's verification initiatives. Since 2011, for instance, Uber has partnered with M.A.D.D. (Mothers Against Drunk Driving) and published a widely circulated study finding that "Uber is having a measurable impact on driving down alcohol-related crashes," that greater public safety is a matter of "shifting mindsets" (<http://ubr.to/2t5FJPj>), and that ending drunk driving means cultivating an empathetic consideration for the consequences of one's ride choices on others. When circulated through media channels, this and other verifying narratives not only enable Thomas to remove any sense of doubt that he might expose himself to physical risk when using Uber. They also allow Uber riders like Rebecca and Patsy to present themselves as selfless supporters of Uber's community:



Rebecca, 32, Toronto, October 2015: Every year hundreds of people are getting killed on our roads because someone's driving when they shouldn't. You know, either they're drunk or tired or impaired or, you know, they shouldn't be behind the wheel for some other reason. That could be you or me after a party. Or the victim could be your kid or mine. The question is how much do we really care about the wellbeing of others? [...] Uber is a way to say you know what, I pass, and go for a safer option. It ultimately comes down to taking other peoples' safety seriously. So are you a person who cares about the safety of others or are you ignorant, just caring about your own ride and that's that?

Patsy, 42, New York, February 2016: My birthday was amazing. Dinner first and then we went bar hopping. And we all had a lot to drink. Probably a little too much. But it didn't matter. You know why? One thing that I did as the host was to make sure that everyone was going to be able to go home safe and that meant getting them a free Uber ride home. So I already announced in the invite that I was going to give out free Uber rides to all my friends, all six of them. They loved it because it's a nice treat and it's considerate. And I was happy because I knew that everyone was going to make it home safe. [...] And you know what's the best? Since I started it, this Uber gesture has become a standard now in our circle of friends. Three other friends of mine have done the same thing recently. I'm really proud that I started it...

While Rebecca diffuses any sense of doubt that Uber might subject her to higher physical risk through her felt compassion for victims of drunk driving, Patsy reaches the same conclusion by presenting herself as a guardian angel for her friends. What lends authenticity to these prosocial consumer narratives is Uber's forging of alliances with organizations and experts that credibly associate empathetic mindsets with public safety goals such as safer cities, neighborhoods, and children. In Uber's AMBER alert program, for instance, the company has partnered with the National Center for Missing and Exploited Children (NCMEC) to push child abduction related emergency notifications out to its drivers. These and other verification initiatives reinforce the same message: greater consumer empathy, not regulation, will yield safety benefits. Whereas classic safeguards nurture a selfish and anonymous society, Uber cultivates a warm and

empathetic mindset that makes cities safer by “galvanizing the entire community” (<http://ubr.to/2svPOGJ>).

To implement the contrast between uncaring traditional transportation and Uber’s empathetic platform, Uber has also shaped empathetic rider mindsets through technology and material infrastructure (prototyping). Here, Uber promotes the recognition of complicity and relational identities (Epp and Price 2011) required for Safe Haven myth to help nurture public safety by emphasizing that it is a “data-driven company” that “connects people” through “data and technology” and that “understands the power of information for communities” (<http://ubr.to/2tfwwm7>). Every holiday season, Uber riders are urged through emails and push notifications on their smart phones to submit an online “pledge to protect” (<http://bit.ly/1dA5j3F>) to leave their keys at home to protect loved ones. For Uber, advice on “how to keep yourself safe” includes calls for greater empathy such as “be kind and respectful” (<http://ubr.to/2nwiZFT>), a message routinely communicated to Uber riders in their email ride receipts.

For all the types of consumer risk that we identified, perhaps the most important prototyping tool we found is Uber’s rating mechanism. We found that Uber has set up ratings as both a performance of empathy on the side of the rider as well as a way to evaluate a driver’s empathy performance. For instance, through emails, the Uber website, and the app’s help section, Uber riders are constantly reminded that ratings are never merely a way to rate ride quality but a way to ensure that “only the most respectful riders and drivers are using Uber” (<http://ubr.to/2hlldCs>). As such, Uber ratings impress two key criteria of an empathetic mindset onto the consumers: the ability to respond to a challenge, not with anger, but with lenience and forgiveness and the ability of teaching

others empathy (Nussbaum 2005). Ratings can thus serve as a disciplinary technology to remind others to express greater empathy as in Bess's (35, Toronto, June 2015) case.

Rather than shunning Uber altogether, doing "the sensible thing" means taking on monitoring duties formerly assigned to institutional actors:

We [boyfriend and I] had a situation once where our driver was clearly impaired. That guy was weird. He had this hung-over appearance, he was sweating excessively, he smelled, his voice sounded like he had been drinking, and his reaction time seemed off too. And at one point, I think he almost ran a red light. Not sure if it was just his style of driving on a very hot summer night or what was going on. But that was a weird situation where we looked at each other a few times during the ride and there was an odd silence in the car. And so after we had arrived home, we talked about it and we compared mental notes and all. [...] With Uber, you want to be a good rider who cares about the community and that entails making sure you watch the driver and make sure he's straight. [...] At any rate, in the end, we both agreed that we had to report this. That would be the sensible thing. And so we gave him only a one star. I also submitted detailed feedback [to Uber] describing my impression of the guy. So I think they must have taken him out. I'm pretty sure they kicked him out.

For Bess, a veritable physical risk such as an impaired Uber driver would never be a reason to abandon Uber. On the contrary, whereas regular consumers might respond with anger and cowardly revert to a more regulated transportation option, Bess uses this risky situation as an opportunity to perform a dual moral and economic deed. Her Uber experience, we are led to believe, is not a reckless act of endangering herself and others but a selfless act of community care and ensuring greater safety for all. Uber's community of care is strengthened, public safety has been improved, and the driver has been given an opportunity to learn from his mistake.

In summary, we found evidence that, between 2009 and 2014, mentions of physical risk increased dramatically in media coverage about Uber, thereby challenging consumer trust, and thus, Uber's overall legitimacy. To combat these physical risk perceptions, Uber gradually reframed its platform market as contributing to a healthier

and safer city and society. Mentions of physical risk connected to Uber declined in the last three years. Through this empathization effort, the company implemented a powerful narrative targeting public safety and encouraging certain ways of managing Uber's physical consumer risk while actively discouraging others. For Thomas, Rebecca, Patsy, Bess and many other interviewed riders, the physical risks associated with Uber are no longer objects to be managed institutionally through regulations, safeguards and binding scripts but attractive opportunities for expressing and enacting empathetic consumer mindsets and choices. By socializing riders and drivers into an imagined community of care that promises to "make cities safer" (<http://ubr.to/2vqnEtR>) and by positioning conventional transportation alternatives as too rigid, inattentive, uncaring, and irresponsible, Uber has been able to challenge the critical argument that its platform enables a reckless bandit taxi regime that systematically undermines the passengers' wellbeing and public safety.

### **How Uber's Caring Commons Rhetoric Assuaged Perceptions of Financial Risk**

A second challenge to platforms is financial risk. Uber eased perceptions of financial risk through the empathetic narrative of the justice promoter, which addresses financial risk as a function of Uber riders' ability to care for the financial wellbeing of others. To understand this narrative, recall that Uber uses a surge pricing mechanism to determine the price of Uber rides in accordance with current market demands. This dynamic pricing model provoked perceptions of financial risks, defined as the possibility of monetary loss arising from the consumption of a product or service (Jacoby and Kaplan 1972), and motivated policy makers and competitors to request a stricter

regulation of Uber. Financial consumer risk—words like fare, price, and surge—increased from zero in 2009 to .27% in 2013 (see figure 2). The following media quotes serve to illustrate financial consumer risk:

What [Tina Gutierrez-Brewster] didn't realize was that [Uber]'s surge pricing - a term describing how the company raises rates during peak hours and events - was in effect and had reached 10 times the normal rate. What would have been a \$9.71 ride rang in at \$97.10. It wasn't until Gutierrez-Brewster was out of the car and received a receipt via email that she saw what the 3.4 mile ride had cost. "I thought, 'Good Lord, this is pretty crazy,'" said Gutierrez-Brewster of Tampa. "We haven't taken Uber since." (*Tampa Bay Times*, December 31, 2014)

I am a teacher at Pike High School in Indianapolis, and I chaperoned our prom Saturday night. The storm forced some to leave early, and I ended up left without a ride home. As the night came to a close (about 11:30 p.m.) and most students had headed home and the streets continued to flood, I realized I needed to quickly find a way back to my apartment. [...] There was a surge charge presented, but with no upfront price provided on the screen. I went ahead with my request for a ride home. I was to be picked up from The Crane Bay Downtown and driven to the Northeast side to my apartment -- about a 20-minute ride. After being dropped off I opened the app to rate my driver, and I read the total cost: \$186.59, for a 20-minute cab ride. (*IndyStar*, May 3, 2017)

Starting in 2009, Uber began addressing these financial risk perceptions, and discourse about financial risk has fallen to .07% in 2017. Drawing on the Caring Commons mythology, Uber began by diagnosing a veritable apathy crisis, thereby shifting notions of financial security away from the domain of formalized protection such as price-gouging legislation to the level of individual consumer affect (apathization). From this vista, by assigning all concerns for financial security away from individuals and towards rigid protection standards, the traditional taxicab industry and policy makers have acted as perpetuators of not only financial consumer risk but of profound, systemic social and economic inequality. In sharp contrast, encouraging riders to be justice promoters acknowledges that "raising the price is *the only sustainable way* to maximize

the number of rides and minimize the number of people stranded – by providing *a meaningful incentive for drivers* to come out in undesirable conditions”

(<http://ubr.to/2upGF1U>, emphasis added). In the context of financial consumer risk, our informants routinely echoed the idea that the only mechanism to create financial security is one that actively encourages consumers to adopt “a much more holistic perspective” that departs from being “a really ignorant person” and instead makes an active effort to care for the economic situation and problems of others. Consider Tom (36, Paris, February 2014):

I can see how this hurts medallion owners because it undermines their monopoly, but for regular consumers and drivers it’s largely a positive thing. And on a deeper level, it makes for a nicer and more equitable market. For example, I used to be a really ignorant person I think, just worrying about what the meter said and not taking anyone else’s perspective into account. Now when I think about calling an Uber I think about things in a much more holistic manner, not only where do I need to go and when, but also, you know, you get to think a lot about other people needing a ride, the weather and traffic situation, and how things may be on the drivers’ side. Everybody does that with Uber and that’s very different from the more selfish transportation model we had in the past.

To render Tom’s concern for “a more equitable market” authentic, Uber has forged countless partnerships (verification). For instance, the company has asked University of Chicago economist Chris Nosko to verify that surge pricing brings “the number of people waiting for a ride and number of available riders *closer together*” (<http://ubr.to/2t1cknb>, emphasis added). American University’s Nagla Rizk has shown that “Uber has a positive role in helping address youth unemployment” (<http://bit.ly/2ujYgJm>). And NYU’s Rudin Center of Transportation has found that Uber ride choices support lower income individuals because “areas with limited access to transportation had the highest rate of unemployment and the lowest rate of income,

access to transportation for getting to work is highly correlated with upward mobility” (<http://ubr.to/2t1626N>).

These Caring-Commons oriented arguments not only link Uber’s pricing to positive financial outcomes. They also disqualify regulated options on the basis that they ignore the needs of economically disadvantaged “others” such as women, veterans, or handicapped. Whereas conventional consumers are apathetically unaware, Uber riders actively support Uber’s partnerships with U.N. Women, the U.S. Military, and the Communication Service for the Deaf (CSD). They help nurture “a vision for equality and to ensure safe and equitable earning opportunities” (<http://ubr.to/2tUBYg7>). They recognize that “transitioning from military to civilian life can be challenging” and are as proud as former U.S. secretary of defense Robert Gates “to be a part of this unprecedented effort by a single company to ensure that tens of thousands of our nation’s military members, veterans and spouses have access to a unique entrepreneurial opportunity” (<http://ubr.to/1QhTsYs>). They recognize that “unemployment and underemployment of the deaf is at 70%” and give the deaf “an opportunity to be independent and make money” (<http://ubr.to/2t1claJ>).

These verification attempts not only effectively reframe Uber from a “disgusting” profiteer who “cashes in” on others’ misfortune (<http://dailym.ai/2vgmGjD>) to a promoter of caring and equitable community. They also allow individual Uber riders to forge powerful identity contrasts between those who recognize the economic sacrifices of others and those who don’t. For Stan (56, Toronto, May 2013) critical arguments against Uber’s surge pricing are evidence of their authors’ inherent entitlement and lack of compassion for the sacrifices other consumers make to transport them:

So you have a problem with surge pricing? Shows me how little you care about the sacrifices others make to keep you safe. [...] Picture yourself on Christmas eve, away from your family and kids, in the middle of a snow storm. That's the reality of it and surge pricing is what makes sure that I get a good deal on a regular day and that this person, who is driving me, is getting a fair pay for leaving everything behind just to get me home safe on a special day. Importantly, in addition to verification, Stan's Caring Commons identity is also more directly shaped by the app, its push notifications and emails, and Uber's surge pricing algorithm (prototyping). For instance, Uber frequently reminds consumers via email and through the app to "do the right thing" and view surges as a reflection of others' needs in financial high-risk situations such as hurricanes (<http://ubr.to/2upGF1U>) or rain storms (<http://ubr.to/2vnMaeW>). The company also regularly urges riders to have "a deeper look at Uber's dynamic pricing model" to learn that "drivers are people too...the operator of each and every care on the Uber service is a human just like all of the passengers" and "to consider the basic human reasons why they may choose not to drive at the exact same time that you are most interested in not driving" (<http://ubr.to/2fJVYI3>). Emboldened by these messages, riders approach Uber's financial risk no longer as a burden to be avoided but as an opportunity to evaluate the situations of multiple stakeholders, to perform empathetic deeds, and to teach other people to become less selfish:

I remember last fall, it was during Nuit Blanche [a city-wide art festival in Toronto], it was very cold, we had been out all night, and [girlfriend] was tired. So we opened the Uber app and the surge was on. And [girlfriend] wasn't so pleased. So I said, don't worry, let's just wait for half an hour and go somewhere for a drink. And so we went to [bar] and sat down. But of course she kept complaining [laughs]. And so I explained to her what the principles are behind the higher price, why it's a good thing economically, not a bad thing. [...] I encouraged her not to be so selfish but to also to see a bit more the drivers' side,



how drivers have a difficult time in busy markets, when everyone's out like on a busy night, and how being understanding and patient is the key to helping drivers. Matt (46, Toronto, March 2015) presents himself as a caring citizen by navigating a looming financial risk with the skill to balance the interests of multiple stakeholders. On the other side of this justice promoter identity, proponents of a conventional mindset such as his girlfriend are rendered as hopelessly impatient, moody, and narrow-minded individuals who sow the seeds of apathy by relentlessly following their own self-interest. Instead of carefully considering the financial situations, problems, and required incentives of other market actors, these consumers sadly undermine the positive, restorative effects that Uber's platform market can have. For this reason, they must be taught to be more "understanding and patient." Hence, financial security is never naturally given but rather the result of a particular emotional conduct (Pedwell 2004b). Or as the morale of Tina's (31, New York, March 2014) story suggests, whereas those who express care for others will be rewarded, those who do not will be punished:

[Friend of mine] had one of these "I gotta go home now" freak outs [on a late Saturday night downtown]. She threw a hissy fit over the two or three times the regular price or whatever it was in that very moment, probably due to the storm or because everyone wanted to go home in that moment or both. Probably both. Anyways, she's hailing a regular cab, pushing everyone aside just to be able to catch that cab, which was so arrogant, and off she goes. Whereas I kept waiting for a bit until the surge was over and then I Ubered it. And you know what? She arrived later than I did. Because she got stuck [in traffic] and I got home. Karma's a bitch.

A battery of disparagements ("freak out," "hissy fit," "pushing everyone aside," "arrogant") allow Tina to position herself as a rational decision maker, thus illustrating another hallmark of consumer empathy in the Uber ride-hailing market: an empathetic rider mindset is evidence of one's prudence whereas seemingly rational requests for protection from financial risks raise suspicions of hysteria. Owing to this linkage of

empathy with economic rationality, for the most empathized Uber riders we interviewed, some of the riskiest rides were also the most reliable ones. A looming financial risk is not seen as a threat that would justify calls for greater protection but an opportunity to showcase emotional superiority over an apathetic other.

To summarize, our quantitative analysis of Uber-related risk language found an increase in mentions of financial risk in media coverage about Uber between 2009 and 2013, followed again by a considerable decrease. Our ethnographic analysis further reveals that Uber has successfully counteracted some of these negative perceptions by actively encouraging Uber riders to cultivate a more caring and equitable city. Through these acts of empathization, the company was able to galvanize Uber riders in an empathetic mindset around the management of financial risks, specifically as they occur in the context of surge pricing, thereby encouraging individualized, affective responses to the financial risk of Uber consumption while actively discouraging institutional ones. By socializing Tom, Stan, Matt, Tina and many other Uber riders into an empathetic consumer mindset that promises to ensure everyone's financial wellbeing and by positioning conventional transportation alternatives as perpetuating systemic economic inequalities, Uber has been able to combat the critical argument that the possibility of monetary loss arising from consuming Uber justifies stricter regulation.

### **How Uber's Cultural Mosaic Rhetoric Helped Reduce Perceptions of Social Risk**

The last empathy-inducing initiative that we have identified draws on the Cultural Mosaic mythology, which addresses social risks by highlighting Uber riders as promoters of diversity and inclusion. Social risk, the potential harm that Uber might pose to the

consumer's acceptance by other individuals or groups (Jacoby and Kaplan 1972), can range from awkward encounters to harassment and outright discrimination of riders, exposing them to sexism, sustaining an "aggressive, unrestrained, workplace [and ride] culture" (<http://nyti.ms/2tk9Lkb>), and undermining important social goals of diversity and inclusion. Mentions of Uber's social risk increased to .16% in 2014 but then declined to .08% by 2017 (see figure 2). Due to its breadth as a construct and a concern, it remains the most common form of consumer risk mentioned during all but one year of the period analyzed. Consider the following newspaper narrative for illustration:

I was trending on Uber, all right, and not in a good way. I had avoided Lyft not only because of that pink mustache but because I had heard that you were encouraged to sit up front with drivers and give them fist-bumps. It seemed more like The Flintstones' car than Cinderella's pumpkin coach. But, now, instead of quietly sitting in the back seat of my Uber and checking my phone or reading the paper, I had to start working to charm. "Your husband likes oysters?" I enthused to one woman driving me in San Francisco. "What are the kids up to this summer?" I chirped to another. It was starting to have the vibe of friending, liking and sharing on Facebook, and that always gives me acid flashbacks to the '80s when I was forced to go to my brother's house and watch slides of his wedding. Finally, my nephew explained that I didn't need to grovel or gush. I simply needed to say, as I got out of the car, "Five for five." If I promised to give them five stars - even in the Wild West of Uber X, where the drivers often seem so unfamiliar with the local terrain it's as though they've arrived from Mars - they would give me five stars. Bribery. Lies. Cover-up. My Uber app turns out to have all the usual Washington vices. An article in Business Insider advised giving an extra cash tip and not passing gas if you want a five-star rating. (*New York Times*, May 24, 2015)

Once again, Uber's team responded to these criticisms using an affect-based approach (apathization). To shift social risk management away from Uber's platform to the emotional mindsets of individual riders, Uber has drawn on a variation of cosmopolitanism, broadly understood as an ideology that all human beings belong to a single community that is based on a shared morality (Thompson and Tambyah 1999).

From this Cultural Mosaic perspective, if Uber riders are exposed to any social risk, this is not because the Uber platform is protecting consumers inadequately. Rather, sexism, harassment, discrimination, embarrassment, and other instances of social risk stem from a larger apathy problem in society whereby over-regulation has nurtured a culture of passive bystanders who refuse to look beyond their own noses, lack tolerance and relationship skills, fail to listen to others, and shy away from navigating culturally diverse landscapes. In our above discussion of physical consumer risk, we have already discussed how Uber has established the act of rating as an empathy performance. Consider next how a full-blown cosmopolitan mindset based on a sensibility for another person's cultural and class-based situation enables Lilly (36, New York, March 2015) to approach an awkward "therapy session on wheels" as an important lesson in life happiness that is worth five stars:

Oh man, I had this poor guy [as a driver] once, that was like a therapy session on wheels. [...] He asked me how I was and I said fine, just saw this cool movie with my boyfriend. And then he asked me what movie we saw and I told him about the movie. And then I asked him so how has your day been so far. And then he literally started telling me his whole life story, he talked about how he and his wife had come from India, and how he came home from work one day and she had left him and had taken the kids. And I thought what a terrible story. And so I listened to him and asked some interested questions and then he showed me a photo of his five kids and told me their names. And then he said that he didn't want to despair because life goes on. That was so touching and sweet. [...] In the end, we hugged and I gave him five stars, two for driving me and three for making me understand the importance of happiness.

Whereas a more conventional transportation mindset would have likely rendered the unsolicited sharing of intimate personal information as a violation of norms, Lilly, in sharp contrast, does not feel any sense of discomfort. On the contrary, we are led to believe that her twenty-minute ride was a therapeutic experience, a "touching and sweet" life lesson that was carefully co-created by rider and driver. Yet, as with Uber's

renderings of the Safe Haven and Caring Commons mythologies, the message that a risk should not be met with a negative attitude but with an open-mindedness and the willingness to listen is not strictly a function of Lilly's inherently cosmopolitan-like character. Rather, her response is steeped in numerous verification moves and initiatives.

To authenticate its vision of the Uber market as a Cultural Mosaic, Uber has not only drawn on top-down verification measures such the enrollment of high-profile experts and opinion leaders of inclusive change including media mogul Arianna Huffington (<http://ubr.to/2u2tUd3>), political strategist and former Obama campaign manager David Plouffe (<http://ubr.to/2uC8fKe>), or Harvard Business School leadership expert Frances Frei (<http://ubr.to/2vaSIOP>). It also supports numerous bottom-up initiatives such as local neighborhood initiatives and employee-run resource groups. Los Ubers, for instance, “is a group of Uber employees from around the world committed to spreading the vibrancy of Latino culture across Uber while driving an impact to the business, organizational culture and diversity of the company” (<http://ubr.to/2vvEsiS>). These verification initiatives not only render Uber “culturally sensitive” and indispensable to creating a climate “where everyone can be their authentic self, and where that authenticity is celebrated as a strength” (<http://bit.ly/2usKrZ8>). They also invariably disqualify Uber critics as enablers of social exclusion, racism, sexism, and other forms of intolerance.

To better understand some of the prototyping activities in which Uber has engaged to nurture its desired cosmopolitan mindset of care and compassion in terms of the provision of more concrete rider-centric behavioral protocols and role identities, consider the following narrative from Joyce (46, Chicago, May 2015):

...my friend Betty and I in Chicago... [our driver] was absolutely clueless.... he was probably new because he obviously didn't know the way. Betty...already like "oh my god" and rolling her eyes. But I thought, he must be so embarrassed right now. [laughs] So I did what my mom used to do with us kids when we grew impatient on long road trips, you know, give everyone a role. You count the bridges, you count the trucks. So I said, you know what Betty, you'll check the street names. Give me your phone and I'll try to navigate on the [Uber] app. Everyone's mood changed completely, we started laughing. In the end, we managed this as a team.

On one level, Joyce's narrative illustrates the identity value afforded by Uber's propagated narrative distinction between cosmopolitan and conventional rider mindsets. In the presented scenario, Joyce adopts a "we're in this together" ethos that meets even the most challenging of rides with grace and optimism. In as much as Betty (the conventional rider) is infantilized as an irritated child that requires appeasement through entertainment, Joyce is elevated to a cultural adventurer who has no problem taking matters into her own hands and transforming a loss of orientation into a fun-filled, improvisational road adventure. At the same time, Joyce's narrative also sheds light on the role of technology in supporting such empathy performances. Joyce's ability to elegantly slip into the role of the navigating co-pilot is not only enabled by the Uber app, which allows riders to follow the trip on a map in real time or informs them if their driver has an impairment that might influence the ride. It is also actively encouraged through Uber's "community guidelines," directly echoing Joyce's conviction that rides are best managed "as a team" when everyone shows "mutual respect," without expressing signs of "being aggressive or discriminatory" (<http://ubr.to/2vvRe14>).

Consider next how two riders mobilized variations of the Cultural Mosaic mythology to approach social risks in situ. Cameron (38, Toronto, December 2016) explains that even a big "screw up" such as a seemingly intentionally prolonged ride is no

reason to be a “rating Nazi” given his awareness that “being an Uber driver isn’t easy.”

Jody (29, New York, March 2015), in turn, positions herself as a champion of diversity and tolerance who views Uber as an opportunity for nurturing ecumenical dialogue. For Jody, allowing her driver’s religious comment to produce a sense of discomfort would mean complicity in perpetuating the same old Western narrow-mindedness and intolerance instead of proactively building bridges between faiths:

Cameron: He was like taking the Allen, which then cost us about twenty minutes or so. You know, where the Allen exits onto Eglinton and you’re always bumper to bumper. So I looked at the [Uber] app and the logical thing to have done really would have been Bathurst going south. Bathurst not the Allen. So turns out the app said the same. And so that way, we would have avoided the extra time. So he was clearly taking the longer route. [...] So how many stars would you give the guy...because he had clearly screwed up big time or at least, you know he should have taken a more direct route. So I thought about it and then I was like shit, what if I rate him out, so I’m like giving him like only one star and that’s the end for him? [...] Dude, being an Uber driver isn’t easy. How much can they possibly make in an Uber and I also read somewhere that Uber is super strict about the ratings. And so I was like whatever. I don’t want to be a rating Nazi.

Jody: So my friend Julien is in town and we are on our way to dinner. Julien hasn’t been to New York in a while. And so we’re driving along and Julien says oh wow, look at all of these new high rises and condo projects. Every time I come back, the skyline looks different. And I say yeah, it’s pretty impressive. It all goes so fast, right. And then our driver chimes in and says that in the Koran, he says, tall buildings are a sign of the end of times to come, a sign of civilization’s moral corruptness. So I’m seeing Julien’s jaw drop and things are kind of going south for him, probably thinking that we’re with a member of ISIS or something. So then I’m thinking, let’s not go there, let’s not be those people. And then I’m like, I think the bible actually argues the same. You know, in the story of the tower of Babel. But I had no idea that the Koran did too. That’s interesting. And both Julien and the driver express relief. [...] In retrospect, I’m thinking, I haven’t even read the Koran. Have you? We should probably do that...

Both Cameron and Jody exhibit Uber’s Cultural Mosaic inspired rider mindset par excellence. While Cameron readily restores trust in Uber by putting himself into the socio-economic shoes of his driver, Jody diffuses any suspicion of religious extremism by cultivating an aura of tolerance. Both informants convey the idea that an Uber ride is

never merely a means to get from point A to B. Rather, it presents a unique opportunity for everyone, and especially for consumers like Julien, to overcome their ideological biases, broaden their horizons, and understand that, although we may differ in our ethnic identities and religious beliefs, we are all citizens of the world.

In summary, our quantitative analysis reveals a significant increase in mentions of social risk in media coverage about Uber until 2014 that likely challenged consumer trust in the service, and by extension, Uber's legitimacy. Our ethnographic analysis, in turn, demonstrates that Uber was able to combat these social risk perceptions by drawing on a variation of the Cultural Mosaic mythology, and language about social risk connected with Uber has declined in public discourse. Uber has used all four strategies of empathization to systematically encourage the management of social risks emanating from the Uber ride-hailing platform not through market-freedom curbing regulations but through a particular emotional consumer mindset that encourages curiosity, open-mindedness, inclusivity, patience, and the ability to relate proactively to alternative cultural protocols. These interventions legitimize Uber in at least two important ways. On the one hand, they enable riders such as Lilly, Joyce, Cameron, Jody, and many others to present their own social risk experiences as opportunities for meaningful self-transformation. On the other hand, they diminish criticisms of Uber's "aggressive, unrestrained, workplace [and ride] culture" (<http://nyti.ms/2tk9Lkb>) as symptoms of an apathetic, intolerant, and exclusionary society in need of moral reform.



## DISCUSSION

By bringing the sociology of empathy to bear on an in-depth analysis of consumer risk perceptions in the Uber market, we have demonstrated the influence of consumer empathy on the legitimization of a platform market. We began by identifying the mythology of empathetic markets, a robust narrative structure for accommodating the individual management of a broad range of risk situations. We have also examined three instances through which Uber diffused physical, financial, and social risk perceptions undermining trust in its ride-hailing platform and stabilize its platform.

By considering the role of empathy in maintaining platform legitimacy, we highlight the potential of platform businesses to actively shape and assuage emotional consumer responses to risk, thereby creating risk mindsets that are more aligned with the goal of market-based competition, a dynamic previously undocumented in research examining how cultural forces such as macro-cultural discourses, dramatic worldviews, and inter- and intra-personal motives shape particular emotional consumer responses to marketplace risks (Celsi, Rose, and Leigh 1993; Thompson 2005).

In turn, the prospect that firms can increase a platform business's acceptance through the mobilization of empathy extends previous research on legitimization and market creation (Humphreys 2010a, b; Ertimur and Coskuner-Balli 2015; Humphreys and LaTour 2013; Giesler 2012; Giesler and Fischer 2017). Drawing on Suchman's (1995) definition of legitimization as a process of rendering a particular solution or practice congruent with extant norms and values, prior scholarship has argued that marketplace

acceptance rests on three pillars: cultural-cognitive, normative, and regulatory legitimacy (Scott 1995).

Our findings from the Uber market suggest that a fourth type of legitimacy might exist, largely unrecognized by prior research: affective legitimacy. We define affective legitimacy as the degree to which a business is aligned with accepted structures of feelings and maintains the emotional support of its constituents. In contrast to cultural-cognitive legitimacy, which focuses on the degree to which consumers understand a product or service and are able to integrate it with cognitive schemas and structures (Suchman 1995; Ertimur and Coskuner-Balli 2015; Humphreys and LaTour 2013; Bitekine 2011), affective legitimacy centers on the need for firms to gain emotional traction with consumers and other stakeholders. Consider, for example, the role of emotions such as empathy in ensuring the ongoing success of organizations such as the Red Cross, Tom's Shoes, WholeFoods, or The Body Shop. Conversely, it is reasonable to assume that emotions have played a significant role in the downfall of companies like Enron, Lehmann Brothers, or Lance Armstrong's LiveStrong Foundation. Affective legitimacy may be understood as a companion to cultural-cognitive and normative legitimacy. It may act as an additional support, and in some cases, a driver of one or more of the other pillars.

How can platform managers use empathy to influence consumer trust? From the observed relationship between risk and empathy in the Uber market and prior sociological research on empathy (Pedwell 2012a, b; Hochschild 1979, 2003), we derive a fourfold platform consumer empathization process. This process can be used by

managers seeking to instill consumer trust in their platform business or by managers seeking to undermine consumer trust in a competing platform offering.

### **Apathization: Shifting Risk from Institutions to Individual Consumers**

Consumers will trust a product, service, or company when it has acquired the status of an empathic identity resource (Holt 2004), that is, when its consumption is generally understood to actively contribute to the resolution of a seemingly irresolvable conflict between competition and the ideal of care in a given market. Consequently, the first step in combatting consumer risk perceptions and generating consumer trust is apathization – the rendering of the platform and its consumers as indispensable to the solution of a considerable apathy crisis in society.

Managers can approach apathization as a creative expropriation of Western society's deeply ambivalent stance towards the competitive market (e.g., Polanyi [1944] 2001; Keynes 1971). First, they must screen cultural conversations for instances where a perceived imbalance has been diagnosed between a market's competitiveness and the equally important goals of social care and protection. Second, they must craft an emotional narrative that actively renders their specific managerial objective (either adopting or avoiding the product, service, or company) as important to restoring harmony between these two competing forces. For instance, by floating a narrative that frames consumers as vulnerable and in need of protection, Uber critics were able to render Uber as a source of veritable financial risk, thereby systematically undermining the legitimacy of the ride-hailing platform. By variously drawing on the Safe Haven, Caring Commons,

and Cultural Mosaic myths, however, Uber's management team was able to reposition Uber as a force of good, a market institution indispensable to accomplishing a more equitable, safer, and more socially inclusive society.

### **Verification: Authorizing an Empathetic Consumer Mindset**

Consumers will trust a platform when their trust is understood as being rooted in fact-based knowledge. While apathization is a powerful instrument that allows platform managers to leverage the enduring conflict between competitiveness and care for captivating risk assessment that rhetorically contrast between apathy and empathy, it is never decisive enough to validate their desired risk assessment in ways that firmly implicate consumers. Managers seeking to legitimize a platform market must therefore also emphasize the superiority of their preferred risk/empathy narrative over any other competing narratives. Verification is a set of legitimizing practices that effectively link an empathy narrative to extant notions of accuracy and truth.

To validate their empathetic consumer risk assessment, platform managers should partner with organizations relevant to the types of platform risk that are salient to consumers. However, they must also beware of partnerships that may be too close to, or be undermined by, firm activities so as to avoid perceptions of inauthenticity and corporate hypocrisy (Wagner, Lutz, Weitz 2009). For instance, partnering with Mothers Against Drunk Driving (M.A.D.D.) and economists capable of demonstrating statistically that cities in which Uber is present are safer allowed Uber to convey the impression that its ride-hailing platform really does nurture a Safe Haven-like community in which

people more actively care for others' wellbeing. Conversely, experts citing evidence that Uber fosters a dangerous, unrestrained platform culture buttressed the idea that Uber riders really are powerless, vulnerable, and in need of protection.

### **Prototyping: Empowering an Empathetic Consumer Mindset**

Consumers will trust a platform when managing the risks associated with it is straightforward. Prototyping - the act of empowering consumers to adopt an empathetic mindset - requires more concrete material interventions. It cannot be accomplished by the first two empathization strategies alone, where the focus is on crafting and validating discourses prescribing trust behaviors that are aligned with the business while, at the same time, disqualifying risk perceptions and mindsets that place business in a hazardous light. Rather, prototyping echoes Giesler and Veresiu's (2014, 843) argument that establishing an ethically oriented consumer subjectivity is never solely a matter of telling captivating stories about good versus evil but also requires the company to provide "a concrete material infrastructure, technologies, and practical regimes" that empower and encourage consumers to execute the envisioned emotional mindset.

Using technology in ways that actively support empathy is the key to building trust in this strategy. Technology creates an infrastructure that provides the most expected but also the easiest and most straightforward behavioral template for consumers to address risk. At the same time, this renders all other risk responses unattractive and, therefore, less likely to occur. Consider, in this context, how Uber notifies riders directly through its smart phone app when "your driver is deaf or hard of hearing," when

“demand is off the charts! Fares have increased to get more Ubers on the road,” or when “rates have dropped at [specific location]. Request a ride as soon as possible to avoid surge pricing.” These framings shape the way consumers perceive and then respond to the unexpected in ways congruent with a company’s strategic goals.

### **Naturalizing: Implementing an Empathetic Consumer Mindset**

Lastly, naturalizing exemplifies Roland Barthes’ (1973) famous contention that behaviors that legitimize market competition are never viewed as artificial and extraordinary but as natural, obvious, and common-sense definitions of “how things are.” Mapped onto the domain of consumer trust, consumers enact trust intuitively over time, and the company must frequently remind and also adapt these regular performances to changes in the cultural and risk landscape. Here, the managerial task is to ensure that consumers naturally reinforce the desired emotional response to risk through their own individual use (or avoidance) of the product, service, or company.

Naturalizing entails promotional initiatives that render a given consumer mindset a taken-for-granted aspect everyday life. Consider how Uber’s management team frequently reminds consumers to enact the Safe Haven mythology through “pledge to protect” (<http://bit.ly/1dA5j3F>) campaigns during the holiday season or how, every time riders open the Uber app in a new city, a brief vignette about the city’s culture reminds them to approach new and unforeseen social risks with a cosmopolitan rider attitude. Naturalizing also requires managers to respond to unforeseen shifts and changes. Because the risk landscape is continuously changing, consumer trust can never be taken for

granted. Rather a company's efforts to foster congruence with extant structures of feelings must be periodically revised and updated to curb new risk perceptions brought about by, for instance, changes in the technological or competitive landscapes, or by the occurrence of crises or disasters (Humphreys and Thompson 2014).

## **Conclusion and Future Research**

In this article, we have theorized the influence of empathy on consumer trust and, thus, on a platform's success. While the dialectic between care and competition is not new, the manifestation of this tension in any market - and the dynamics that it creates among multiple stakeholders - are endlessly permutating, forcing managers to frequently shift gears. We find that platform managers who systematically tailor perceptions of an offering to extant structures of feelings can steer these dynamics to gain and maintain consumer trust, as well as ensure long-term acceptance and marketing success. By considering what broader cultural understandings deem a legitimate (or illegitimate) emotional response to consumer risk, firms can productively shape consumer risk perceptions in any market.

While the present article has focused on the displacement of risk from institutions to individual actors such as consumers and producers, there are many other complex dynamics introduced by the transition from traditional to platform-based models that have not been the focus of this research. For example, network effects might suggest that platform-based companies can become increasingly stable—and better able to deal with risk—as they gain more consumers and network partners (Epp and Price 2011). However,

we can also imagine situations where the flock and flow behavior of consumers can create cascades that may destabilize these types of businesses when switching costs are low enough and risks are high (McCracken 2006). Further, we have considered primarily benefits to the firm in reducing consumer risk perceptions, but future research may also want to theorize the overall societal impact of market transition from traditional firms to platform-based firms.



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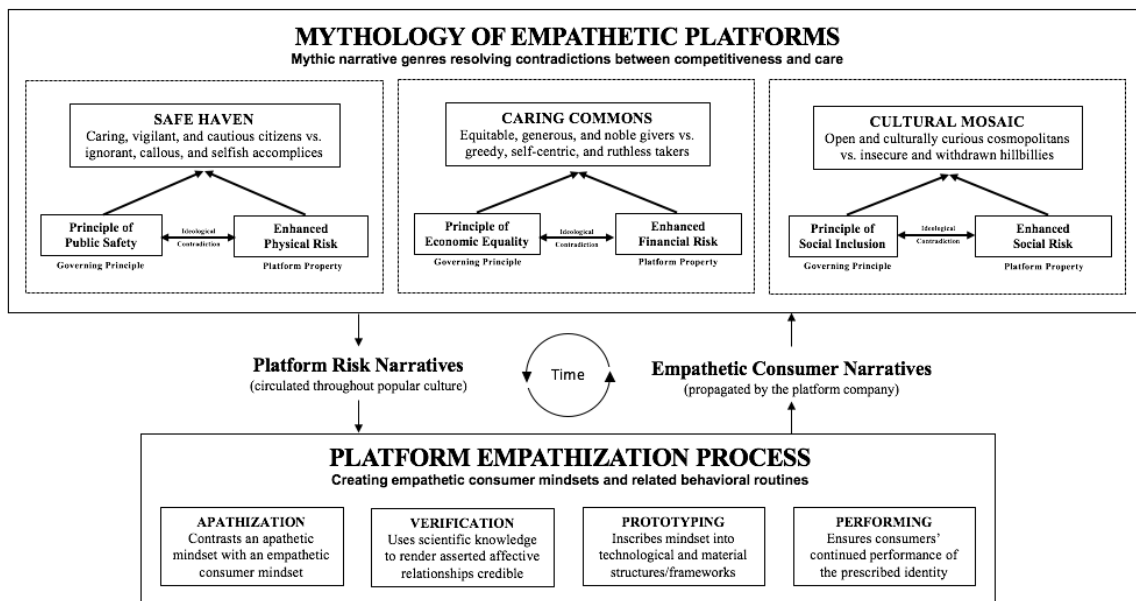
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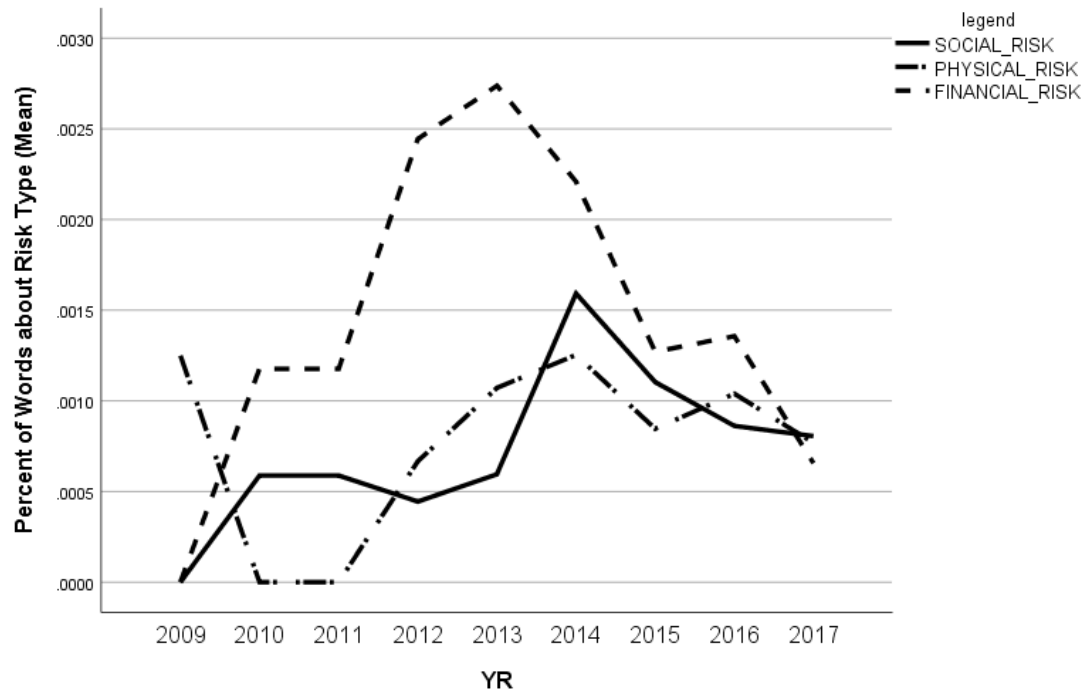
**TABLE 1: DICTIONARY CATEGORIES AND SAMPLE WORDS**

Category	Words	Number of Words	Agreement
Physical Risk	hurt, harm, injury, accident, hospital	12	100%
Financial Risk	credit card, scammed, surge	9	97%
Social Risk	argue, embarrassed, disagree	8	95%
Risk	risk, worried, scared, concern	7	93%
Safety	safe, secure, depend, protect	7	100%

**FIGURE 1:  
CONSUMER EMPATHIZATION: A CONCEPTUAL MODEL**



**FIGURE 2:  
SUMMARY OF RISK DISCOURSE ANALYSIS**



**FIGURE 3:  
FOUR-STEP CONSUMER EMPATHIZATION PROCESS**

Strategy	Apathization	Verification	Prototyping	Naturalizing
Managerial Action	Formulate contrast btw. apathetic and empathetic consumer risk mindsets	Recruit experts to qualify empathetic mindset and disqualify apathetic mindset	Design infrastructure that supports empathetic risk management	Remind consumers to enact empathetic mindset in everyday situations
Focus	Emotional Storytelling	Expert Partnerships	Hard- and Software	Internalization
Instruments	Structures of feelings, e.g.: marketplace mythology of empathetic care	Partnerships, research, statistics, endorsements, spokespeople, etc.	Mobile technology, apps,, rating systems, messages, guidelines, blogs, etc.	Advertising and PR, seasonal campaigns, reward systems, etc.