

Forthcoming in: ***Marketing Theory***

Market Legitimation in Countercultural Market Change

Bernard Burnes

Chair of Organisational Change
Stirling Management School
University of Stirling
FK9 4LA
Scotland
Email: bernard.burnes@stir.ac.uk

Hwanho Choi

Associate Professor of Marketing
School of Business
Ajou University
Republic of Korea.
Email: hchoi@ajou.ac.kr

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Abstract

Drawing on concepts of institutional work, legitimacy, and institutional logics, we investigate why countercultural markets experience institutional change and the actions institutional work market actors perform to inform institutional logics and ensure the legitimacy of countercultural markets. Although previous research suggests market changes and disruption, little attention has been paid to markets that originate from different institutional backgrounds, changes in the market experience in relation to its legitimization, and institutional work to attain legitimacy. The case of indie music in South Korea illustrates the evolution of a cultural market from the introduction of its ethos, the crisis caused by legitimacy pressures, and the transformation of the market. Using data gathered through in-depth interviews with indie labels and music consumers in South Korea, and archival sources, our research illuminates the source of market struggle and theorizes approaches that market actors perform to overcome the struggle.

Keywords: institutional theory, counterculture, legitimation, market dynamics, popular music

Introduction

This article aims to extend the understanding of countercultural market settings through the perspective of institutional theory (Arsel and Thompson, 2011; Hietanen, and Rokka, 2015; Thompson and Coskuner-Balli, 2007). Research has suggested links between countercultural and mainstream market dynamics. The discussion has been centered on theories of co-optation, suggesting the absorption and adaptation of ideas, styles, and myths of countercultural markets by commercial actors to turn the countercultural values into market offerings (Hietanen and Rokka, 2015; Thompson and Coskuner-Balli, 2007). Less attention has been paid to the attempt of countercultural markets to absorb the ideas and practices of mainstream ones.

We address this through the institutional theory and a qualitative investigation of the indie music market in South Korea. In particular, we draw on concepts of institutional work, legitimacy, and institutional logics within institutional theory. Previous marketing research that applied institutional theory has found that market actors have often failed to adjust market offerings to changing market environments, leading to a loss of legitimacy (Baker et al., 2019). However, sufficient attention has not been paid to markets originating from different institutional backgrounds that require local-level legitimacy, while market actors who are willing to translate an institutional form to their local contexts experience a misalignment of institutional logics and legitimacy pressures (Tracey et al., 2018). Research suggests that such institutional disruption can call market legitimacy into question (Baker et al., 2019), undermining existing institutional work and calling normative institutional foundations into question. In addition, the dominant institutional logics are challenged (Ertimur and Coskuner-Balli, 2015; Greenwood et al., 2008). To overcome institutional disruption and regain legitimacy, markets must engage in new forms of

institutional work and the introduction of redefined institutional logics (Baker et al., 2019; Dolbec and Fischer, 2015; Scaraboto and Fischer, 2013). This result aligns with research on markets that suggests that they are socially embedded and adaptive systems that are not static but evolve through time (Mele et al. 2015). Moreover, markets are malleable and display plasticity, suggesting that their identities are undergoing constant formation (Nenonen et al., 2014). Countercultural markets also experience ongoing negotiations between market-shaping practices for growth and market-restricting practices to oppose commodification (Hietanen and Rokka, 2015). Based on this understanding, our research focuses on two questions: 1) Why does a countercultural market experience institutional changes? and 2) What institutional work do market actors perform to inform institutional logics and secure the legitimacy of the countercultural market?

Understanding institutional theory

According to Scott (2014), institutions are regarded as structures guiding human behaviors and beliefs (Scott, 2014). The institutional perspective thus suggests that shared organizing sets of institutions, such as rules and practices in organizational fields, can help achieve conditions appropriate to the surrounding environment (Greenwood et al., 2008; Scott, 2014). From the institutional perspective, researchers have investigated the emergence, maintenance, and change of institutions. The evolution and destabilization of institutions occur through endogenous and exogenous impacts, changing not only entities and the nature of their relationships but also because of social forces (Scott, 2014).

Legitimacy refers to the process of actors or entities gaining social and cultural acceptance and credibility, accorded through conformity with social norms, cultural agreement, and formal laws (Scott, 2014; Suchman, 1995); thus, legitimacy is a contested concept. Three types of

legitimacy exist: regulative, normative, and cultural-cognitive (Scott, 2014; Suchman, 1995). Organization studies suggest that gaining legitimacy is critical for the sustenance and growth of new ventures (Kostova, 1999). In particular, when entrepreneurs try to establish a new venture model that is legitimate in one institutional context in a different one, they often face legitimacy pressures. This includes local-level pressure, which is “to be viewed as a legitimate organization in the institutional context in which it is created” (Tracey et al., 2018: 1627), and category-level pressure, which is “to be viewed as a legitimate member of the organizational form on which it is based” (Tracey et al., 2018: 1628). In particular, local-level legitimacy is essential for a newly-created firm (Kostova, 1999). When a new organization is created through the influence of an existing one in a different institutional context, it may struggle to attain local- and category-level legitimacies (Tracey et al., 2018). To overcome the legitimacy pressures from local- and category-level stakeholders, organizations engage in authentication attempts to convince them that the organizational form is appropriate and desirable (Suchman, 1995; Tracey et al., 2018). Tracy et al. noted that local-level authentication work, which they defined as seeking “to explain the venture to local-level stakeholders and adjust the target model so that it fits with local expectations in an effort to secure access to local resources” (2018: 1638), is required to respond to local-level legitimacy pressures. Previous research suggests that local-level authentication work consists of practice work and meaning work (Gawer and Phillips, 2013; Tracey et al., 2018). Practice work means “to design a set of practices that allows the venture to operate effectively in a given institutional context” (Tracey et al., 2018: 1628). Meaning work comprises activities that seek to frame an issue to ensure that one can “construct shared understanding about these practices so that they ‘make sense’ in that context” (Tracey et al., 2018: 1628). We consider that countercultural markets are also required to perform practice and meaning work to gain legitimacy. In addition,

achieving optimal distinctiveness between conformity and differentiation is an important issue for the survival and growth of an organization in a popular music market (Zhao et al., 2017).

The concept of institutional work has been defined as a product of human action and focuses on understanding its role in creating, maintaining, and transforming institutions (Lawrence and Suddaby, 2006). It is performed by actors in institutional fields to secure the acceptance of institutions and to be accepted as legitimate ones (Scott, 2008). Thus, the literature offers an understanding of institutional changes and the role of human actions in the changes, as the concept of institutional work shows “how agents act purposefully to engage in and change their institutional context in various ways and with various intentions” (Gawer and Phillips, 2013: 1039). Institutional work is informed by institutional logics, as human actions are largely based on taken-for-granted aspects of institutional fields and embedded in established institutional logics, although institutional work is not completely defined by them. Institutional logics and structures are subject to change; thus, institutional work and human agency can contribute to creating, maintaining, and disrupting institutions (Dolbec and Fischer, 2015; Greenwood and Suddaby, 2006).

Institutional logic defines the content and meaning of institutions. It is socially constructed and historically patterned with cultural symbols, assumptions, values, and beliefs by which actors in specific contexts provide meaning to produce and reproduce their social reality, daily lives, and experiences (Thornton et al., 2012). Although early research on institutional complexity suggested a defensive approach in dealing with conflicting logics, recent research has shown the utilization of conflicting logics to create hybrid forms of organizations or pursue new market opportunities (Battilana and Dorado, 2010; Dalpiaz et al., 2016; Tracey et al., 2018). Understanding institutional logic is thus important when determining market dynamics, as changes are related to market evolution (Thornton et al., 2012). Doing so is also important because “institutional logics provide

a link between institutional structure and individual/organizational actions as well as ideology and practice” (Ertimur and Coskuner-Balli, 2015: 43). Past research on market evolution has focused on the replacement of logic, as a market was perceived as having a dominant institutional logic (Ertimur and Coskuner-Balli, 2015). The incompatibility of multiple logics suggests potential changes to the accepted one (Greenwood et al., 2008). Other studies suggest the evolutionary emergence of new logics and the coexistence of prior logics (Dolbec and Fischer, 2015). However, a particular logic cannot easily enable the domination of a field because actors are embedded in different fields and the degree of their embeddedness within a field varies (Thornton et al., 2012). The coexistence of multiple logics underlies the complexity of market dynamics, and their transitions help us understand market evolution and change (Ertimur and Coskuner-Balli, 2015).

The indie music market in South Korea

Indie music in South Korea emerged as a form of popular music created by smaller record labels or musicians standing against the domestic commercial-oriented entertainment companies and traditional media channels such as television and radio, which have acted as key gatekeepers for the distribution and broadcasting of popular music. Defining indie music in South Korea needs a careful approach, and it is to be noted that the market has its own distinctive features when compared to indie music markets in the US or the UK (Lee, 2010). For instance, in the UK, the relationship between major and indie labels has become complementary (Hesmondhalgh, 1999), which is still not the case in South Korea. Please note that when we mention major labels in South Korea, we do not refer to international record companies, but rather local major entertainment companies that normally produce what is now known as K-pop, including SM Entertainment, JYP Entertainment, and Big Hit Entertainment. The domestic entertainment companies targeting youth

audiences and focusing on producing dance pop and ballad music have been able to dominate the popular music market in South Korea since their initiation in the mid-1990s. (Kim, 2012). They have established a symbiotic relationship with major broadcasting stations in South Korea, which also need cultural production to attract young audiences for their media programs (Kim, 2012). Musicians not willing to participate in the commercial system, as well as those performing other popular music genres such as rock, jazz, and folk have been neglected in mainstream cultural production and circulation.

Given the background of the popular music market in South Korea, musicians and producers were willing to pursue alternative systems with higher level of creative autonomy and less interest in pursuing commercial success gathered in the district around Hongik University (Lee, 2010; Shin, 2013). Documentary sources (e.g., Jang et al., 1999) suggest that the district was a destination for indie artists wanting to perform their music and develop networks with other artists. This university district had been recognized as a cultural space for the young in the mid-1980s. Many cultural and art-related places and events emerged, and the area surrounding the university, containing galleries and ateliers, was known for the fine arts. It was natural for the area to be commercialized in the 1990s, with the opening of stylish cafes and shopping centers (Ahn, 1993). Finally, small businesses saw commercial potential, and youths looking for an exotic place to spend their time began to flock to the area to have fun. In summary, cultural, political, and commercial objectives played a role in constructing the area, and an alternative music culture emerged as a part of its development.

The indie music sector in South Korea has also begun to gain recognition from the press and the wider public. However, its presence continues to be relatively insignificant with regard to internal and external issues. A critical internal issue is that the excessively competitive nature of

the industry, where failure is more common than success, poses a difficulty for indie music producers to recover their initial investment (Jang et al., 1999). The crucial external issue is the strong relationship between the dominant mass media such as major broadcasting stations and mainstream domestic music companies and talent agencies, which have been armed with systematic business and management capabilities since 2000 (Kim et al., 2000). Under these difficult conditions, they have been able to find ways to manage their status and continue to offer new musical and cultural value to audiences. Artists such as Kiha and the Faces, Oksang Dalbit, 10cm, Peppertones, and Broccoli, You Too? have gained recognition from the mainstream music market by selling more than 10,000 records, a difficult target to reach in the indie music market. In 1996, fewer than 10 albums were released in the indie music segment. Suddenly, in 2010, more than 500 albums were released, reaching 1,000 in 2012 (KOCCA, 2012). In addition, the Grand Mint Festival, which predominately featured indie musicians, attracted 40,000 fans starting in 2013, and several indie musicians or bands are now able to fill venues with around 500 people (KOCCA, 2016). These numbers show that in less than 20 years, the indie music sector in South Korea has achieved some success.

Methodology

We consider a qualitative case study of the indie music market in South Korea. To understand the market dynamics, it is necessary to observe and interact with local-level stakeholders. This approach reveals actual participants' perspectives and their detailed consumption patterns and unexpected features (Belk et al., 2013). In this research, data were collected from three different sources: interviews with indie music labels, interviews with indie music fans, and archival data.

First, we conducted face-to-face semi-structured interviews with indie music fans. Key members of indie-music-related communities and projects were recruited for this purpose. In addition, other interviewees of indie music fans were recruited using the personal contacts of one of the authors. Two individual interviews and one group interview with three participants were conducted, none of whom were key members of any indie-music-related communities or projects. In total, five indie-music-related communities or projects (see Table 1) agreed to the interviews. Community A was one of the largest online rock music communities, whose members shared information and discussed indie music in South Korea. The interview participants of Community A were amateur musicians with regular jobs who were able to form bands through online music communities. Community B was organized by university students who wanted to contribute to the development of indie music. To do so, they were engaged in several indie-music-related activities such as producing a radio program in a small town. The key managerial members of Community C were involved in small-size indie music concerts to promote music they loved. It was a voluntary project organized by indie music fans. Thus, they did not pursue profit per se. Project A produced music videos for independent musicians and shared them on the web for free. Project B was involved in the production of an indie music podcast. The informants of the communities and projects who were first contacted also agreed to attend the interviews with other members of the communities and projects who were normally co-managers and key members. Thus, group interviews with the communities and projects were conducted. The ages of the interviewees ranged from their late teens to their forties. Seven of the 18 participants were university students, and 11 had jobs in creative industries such as journalism, publishing, media, and fashion (see Table 1). The duration of the interviews was 35–112 minutes.

From the interviews in general, we sought a detailed understanding of how they understand indie music and why they show passion for countercultural value. This enabled us to gain an understanding of the indie music consumption and market in South Korea from the perspective of the fans. In addition, we considered that they would be able to offer personal experiences and perspectives regarding the market change, such as stigma they experienced, changes in the dominant musical expression in the indie music market, and representational changes in the indie music market on the part of the media. The main reason for conducting interviews with the key members of indie-music-related communities or projects was that we believed that they would be able to offer different narratives and experiences in the indie music market as members of indie-music-related collectives. Due to their distinctive position in the indie music market, they often have active interactions and relationships with indie music labels or musicians, thus often acting as mediators between indie labels or musicians and ordinary fans. These interviews afforded us a more detailed understanding of the indie music market and its changes, rather than solely focusing on the individual music consumption experience.

INSERT TABLE 1 HERE

Second, the interviews with indie music labels offered rich narratives regarding the value of the music and the historical understanding of the emergence and changes in the market. From the interviews with professionals, we expected to hear their direct and indirect experiences due the market change, from which we considered that we would be apprised of key narratives about market changes, such as what drove the market change and the responses of the indie music market to it. To conduct face-to-face and semi-structured interviews with indie labels, some labels were selected from small record labels located in or involved with the surrounding area of Hongik

University, known as the center of the indie music scene. In total, 12 interviewees from 10 record labels in South Korea agreed to participate in the face-to-face interview (see Table 2). The indie labels who agreed to participate in the interviews were mostly small, operated by only one or two members. Therefore, the owners or key members of the labels were involved in the areas of business including producing and promotion. Six of the interviewees were directors or chief producers of the labels, and the majority of them had managerial responsibilities. All participants from the labels were male and the duration of the interviews was 45–130 minutes. All interviews with music fans and labels were conducted in Korean by one of the authors, audio-recorded, and transcribed, and only necessary quotations were translated into English.

INSERT TABLE 2 HERE

Third, historical and archival data (see Table 3), including books and news articles, were collected to offer a rich understanding of the emergence and transformation of the South Korean music market. These published materials offer in-depth historical and bibliographical knowledge and understanding of the (indie) music industry in South Korea. However, only the data necessary to support research findings and theoretical contributions were used. The secondary data were used to corroborate data collected from other sources as well as to attain a deeper understanding to support the research findings. To search for archival data such as books, academic articles on indie music in the country, and government reports, we searched relevant online webpages such as government websites. To search news articles and those in weekly magazines, we used the new library search engine of a portal website, Naver, where most news articles published in South Korea are available, using search terms such as “indie music” in Korean. The initial search for

news articles and articles in weekly magazines yielded 3,121 and 857 articles, respectively. After review, 109 news articles and 65 magazine articles were selected for analysis.

INSERT TABLE 3 HERE

Qualitative data analysis was regarded as an appropriate strategy for this research, as it allows researchers to pay attention to emergent themes and their relationships with the theoretical foundation and the issue being studied. Before performing data analysis using NVivo, which facilitates the organization and analysis of data, we read the interview transcripts several times and reviewed the secondary data to ensure familiarity with any data connected with the research objectives and aims. Each data set was analyzed as a whole in relation to the theoretical perspective of this research and its aims. The core aspects of qualitative data analysis are categorizing the data and connecting the categories (Belk et al., 2013; Dey, 1993). Thematic analysis was used, allowing us to identify initial sets of themes, develop categories, and examine the relationship between categories based on objectives and adapted theory for this research (Nowell et al., 2007). This process was iterative rather than sequential, based on constant comparison (Glaser and Strauss, 2008). While creating the initial codes, we also developed higher categories; these were open to modification.

Findings

Market emergence

Earlier, the term “independence” strictly implied independence from the mainstream music market, which represents a commercial orientation. This approach of indie musicians aimed to attain local-level legitimacy by differentiating them from the mainstream music market. Indie music’s pursuit

of musical and cultural creativity was seen as an attempt to attain artistic purism and essentialism while standing against or rejecting commercial rewards. This was an engagement in local-level authentication work (Tracey et al., 2018) to convince local-level stakeholders that the music culture is appropriate and desirable (Suchman, 1995). Beginning with the following section, we would like to illustrate the local-level authentication works, distinguishing the practice and meaning work of the indie music market to attain local-level legitimacy.

Practice work: Developing an indie system. In terms of practice work, the early indie music producers tried to adapt to the democratic and alternative nature of the indie music market in the Western context. This adaptation was intended to gain market legitimacy by engaging in authentication works as a countercultural market form. Some interviews with the labels and secondary data sources illustrated the struggles they experienced in distribution and the development of their own system for indie music. An interviewee from Label A described his experiences:

The existing distribution system at that time refused to distribute our records. The size of the [indie] market was too small, so distributing [our records] nationally was difficult. ... There was Indie, which did the national distribution for indie labels.

A secondary source noted that previously, indie labels had to rely on the existing system, in which wholesalers and retailers were not keen on dealing with the records produced by indie labels due to the lack of marketability of its music. To overcome this, Indie established a direct distribution channel through consignment sales with approximately 200 retailers (Jang et al., 1999). To achieve

this, one of the staff members of the label visited local record shops all over the country, driving a mini-van with CDs (Kim et al., 2000).

Concerning practice work, the changing nature of political and cultural contexts also influenced the emergence of the indie music market. The vice president of Label A illustrated the rise of indie music in South Korea associated with policy changes and DIY cultural production:

The incident that was so encouraging at that time was well ... the abolition of the censorship system. ... Before that, when senior musicians released albums ... because of the preliminary deliberation ... they needed a permit to release something. ... Before that, if you wanted to record a quality album, you needed capital, big, huge capital. ... So, with low-cost equipment and simple devices, we could do music that we wanted to do, so our concept was a bit of a Lo-Fi concept...

The development of accessible digital music technologies allowed musicians to record and produce music at a low cost. They did not necessarily rely on the conventional music production system such as professional recording studios or producers. Several interviewees from the labels pointed out that the introduction of home recording and production around 2000 sparked a rise in the number of labels and enabled them to introduce the DIY ethics more effectively. Meaningful production practices were implemented in consideration of the environment of the indie music market to differentiate it from the mainstream industry.

After democratization in South Korea in 1987, the pre-review system, which was used to oppress freedom of expression from the pre- to post-production stage, was abolished in 1996. It had monitored the entire process of artistic and cultural creation, including the appropriateness of scores, records, broadcasts, and album jackets. Several secondary sources suggest that due to the

abolition of censorship of recorded music, musicians had greater expressional freedom than in the past. Before the abolition, records that could not pass the censorship system were not allowed to be distributed and performed, and musical forms regarded as damaging to social morals were prohibited for public performance, distribution, and sales. The system made musicians and labels self-conscious about their expression while producing music. For instance, when there was censorship, insulting words could not be included in music. Therefore, 1996 was important for indie music, as censorship was abolished and the first record produced by an independent label, Drug, was released. It was a split album of two bands, Yellow Kitchen and Crying Nuts, titled *Our Nation*, including one song, “Mal dalrija” (Let’s Ride a Horse), which became one of the single largest hits in the history of indie music, whose lyrics contained the phrase “shut up.” Many secondary sources suggest that it was only due to the abolition of censorship that a phrase like that could be released and performed.

Meaning work: Positioning as a new counterculture. For meaning work, early indie musicians in South Korea tried to position themselves as an alternative cultural and social expression (Jang et al., 1999; Kim et al., 2000; Shin, 2013). A manager of record Label J stated:

There can be an aesthetic issue. So, there is a question of how to break away from existing music ... such music was punk rock. ... So, it showed the attitude of presenting them as a new kind of music and an aesthetic severance (from the past) by bringing music from the Anglo-American punk rock or modern rock.

When indie music emerged, the actors in the market felt that to gain market legitimacy, it was important to differentiate it from mainstream music and present it as a new form in South Korea.

Therefore, the local-level authentication works of early indie music actors focused on the development of symbolic meaning, emphasizing discontinuity from the musical heritage of the mainstream market. The founder of the label Indie mentioned that the indie bands and musicians in the early days did not consider legendary rock musicians in Korea their heroes; rather, he stated that Western bands like Nirvana and Sex Pistols were heroes to them (Kim et al., 2000). In the market, obscure and unusual musical styles were important to show that they had different or somewhat superior expression to the mainstream music market, dominated by conventional styles such as dance pop and ballads. The early indie music consumers also demanded these aspects due to a desire for a cultural and musical diversity unavailable in the mainstream market.

Many interviewees among the music consumers expressed their view that the value of indie music was its direct and straightforward expression, which enabled them to be associated with, and which the mainstream market could not offer them. Many secondary sources also suggest that to music fans, indie and live music clubs around Hongik University became an important source for experiencing the new culture. They were able to attract the young who were eager to experience new entertainment.

Media such as broadcasting stations, newspapers, and magazines contributed to the development of the image of indie music and its story as a countercultural form to the mainstream market. In the late 1990s they covered and supported the indie music culture, characterizing it as comprising the guerrillas of the music industry, who experimented and pursued a freedom of expression that was not generally visible in the mainstream music industry (Kim et al., 2000). The concept of indie musicians as cultural guerrillas and innovators therefore unexpectedly infused the idea among the media, the public, and the indie market that the pursuit of the logic of commerce in the indie music market should be abandoned. This rejection was partly derived from the elitism

and privilege of a field that are regarded as typical features in the cultural sphere (Arsel and Thompson 2011; Dolbec and Fischer 2015). This conception about what indie music should be often caused disputes in the market. When a punk band, Crying Nut, regarded as the first generation of indie music, tried to expand its status to the mainstream by producing an album consisting of soft rock in 2001, other musicians, fans, and producers criticized it as a betrayal. The owner of the label that produced the band's album protested that the rejection of the logic of commerce should not be a path that indie music should follow, and that the notion of purity was utopianism (Park, 2009). In addition, the absence of commercial awareness among businesses and owners of indie labels contributed to the market logic that pursuing commercial objectives was not something they should value.

Market crisis

The introduction of existing institutional settings to different markets often occurs without considering their suitability to the local institutional context (Tracey et al., 2018). This can be a source of legitimacy pressures and can devalue local-level authentication works. The adaptation of the misaligned institutional context of indie music in Western markets caused such a struggle, exerting legitimacy pressures and devaluing the local-level authentication works in the music market. The legitimacy of indie music was also threatened by the public and media depicting it as destroying traditional cultural norms and values, although it was originally illustrated as an alternative expression.

Exogenous factors: Macrolevel issues. The legitimacy pressures of indie music reflected several social, cultural, and economic effects and changes that South Korea underwent during the Asian

financial crisis in the late 1990s. During and after the crisis, the indie music market suffered from a lack of financial resources and experienced a dramatic decrease in record sales and live club attendance (Shin, 2013). The country had to undergo industrial restructuring by nurturing information technology (IT) industries, which resulted in the wide proliferation of high-speed Internet access. This saw the diffusion of MP3 music files, and the music industry, which did not have a clear solution for illegal downloading, experienced a severe downturn in physical format sales (Shin, 2013).

Importantly, the indie music culture and market were not free from social prejudices and stigma (Lashley and Pollock, 2020). The stigmatization of the indie music market contributed to the pressure on local-level legitimacy and devalued authentication works (Tracey et al., 2018). The music culture, which symbolized the anti-social and rebellious youth culture, was now regarded as a threat to traditional social and cultural values. Therefore, the indie music market, which resisted dominant social and cultural norms, was perceived as a dangerous and detrimental culture destroying the necessary social order. The music market struggled to gain normative legitimacy (Humphreys, 2010; Scott, 2014). Interviewees described the social prejudice and stigma they experienced. The experience of one of the music consumers (Interviewee N) typifies the issue. She stated that although indie music consumers had not done anything illegal or broken social rules, they were asked questions such as “Why on earth are you listening to indie music?” The stigma was partly a result of the commercialization of the Hongik University neighborhood. As it became famous for exotic culture, people curious about the cultural offerings gathered there, attracting businesses who saw commercial potential. One business that saw this potential was dance clubs, which attracted the youth. A news article offered this criticism:

As the hegemony of Hongdae club culture has shifted to dance clubs, voices of concern have emerged at one point. Unlike live clubs that emphasize experimental creativity, dance clubs are recognized by the public as a place to dance and play, so Hongdae culture is degenerating into an entertainment culture. (Dong-a Ilbo, 2005)

The key problem with the emergence of dance clubs was that it symbolized commercial entertainment and cultural sensationalism. This compromised the cultural-cognitive legitimacy of indie music (Humphrey, 2010).

This distorted view of and stigma toward indie music and its consumers were intensified by a shocking incident, as secondary sources illustrated. In 2005, a male member of an indie band intentionally exposed his genitals during an appearance on a national music TV program. The band was arrested on charges of public lewdness and interference with business. The investigation was expanded to all live clubs in the Hongik University area, and the TV program decided to stop featuring indie music. This incident was covered by all national media channels, including prime time news programs, and shocked the public, arousing stronger public hostility toward indie music and stigmatizing the entire indie music market as a noxious culture. As many secondary sources reported, this led to the loss of legitimacy and devaluation of the authentication works of indie music on the local music market. However, secondary sources also showed that the actors in the indie music market claimed that the attempt to decry and stigmatize the entire indie music culture, which delegitimated its status in the culture industry, is wrong. This means that the key concern here is a categorical level of stigma that questions key characteristics of the indie music culture and leads individuals to worry that the stigma may transfer to them (Lashley and Pollock, 2020). One magazine article argued that the cultural sensationalism and commercialism of dance clubs

should bear the blame, and pointed out that the criticism that should have been directed at the cultural sensationalism and commercialism of dance clubs indiscriminately targeted the indie music market (Lee, 2005).

The regulative legitimacy of the music market was scrutinized, its normative legitimacy was questioned, and its cultural-cognitive legitimacy was compromised. This resulted in not only a poor public image of indie music, but also suppression of the freedom of artistic expression. Given these social conditions and cultural crises, it lost its local-level legitimacy (Tracey et al., 2018) and could not be sustained by relying on traditional notions.

Endogenous factors: Stigmatizing commercial logic and enclosure in a logic of art. Secondary sources show that the indie music market, which had been able to gain some level of public recognition, was beginning to lose the initial momentum of its early days (e.g., Park, 2009). Signs of this were already beginning to appear from the early 2000s, as mentioned by the founder of the label Indie, who described in his book about indie music the difficulties that the indie music market experienced, such as the lack of capital and the continuous devotion without financial returns for survival, and called for changes to ensure the survival of indie music culture (Kim et al., 2000).

The endogenous factors derived from the lack of business and management capability were associated with the stigmatization of the logic of commerce and enclosure in a logic of art. Many label owners relied on their intuition rather than business sense and a strategic approach. One interviewee from indie labels (Label G) pointed out that

To be honest, I think that 70–80% of the people in this scene has done business based on their intuition. ... It is certain that you will be left behind if you cannot get ahead of time.

According to him, many indie labels have relied on the intuition of key label operators for business decisions rather than strategically assessing and making decisions on key managerial issues. An interviewee (a manager from record Label J) also described the lack of a strategic approach in the indie music market:

Until 2005, the indie music didn't have a strategy... Strategically acting ... there was no such thing during that time.

Some indie labels felt the need to develop their own promotional and marketing strategies in contrast to mainstream music, which had strong symbiotic relationships with major media channels. However, developing their own business system was not successful, as a well-known indie label owner confessed.

[I thought that] it isn't right to follow the business approach of the mainstream. ... However, we were not able to organize our ways of business. The indie music scene still suffers from it and stands on the fence.
(Park, 2009, p. 79)

One indie fan (Interviewee Q) also identified the lack of promotional skills and marketing strategies of indie labels as a feature that worsened the situation by limiting the labels to a small market. Owing to this strong resistance to the established commercial system in South Korea, the independent music market was often wrongly perceived as being against commercial recognition and as favoring the pursuit of a logic of art. A journalist who was once a member of an indie band reported the lack of a business mind in the indie music market in his news article:

Until the early the 2000s ... the Indie scene was based on the fact that it produced music away from the logic of capital itself as an important foundation for its existence. ...Our CEO was satisfied with the fact of making a record,

and there seemed to be no income statement. ... Early indie labels were more like a community or a private group. (Jung, 2009)

For the label owner, stigmatizing commercial logic was the same as pursuing artistic purism and essentialism.

Due to the lack of a business mentality, the founder of BGBG Records, a successful indie label, argued that when people talked about indie music, they considered it to lack popular appeal and to be of low quality (BGBG Records, 2009). Therefore, the music market in South Korea used to be considered to have two different markets: mainstream music under a logic of commerce, and independent music under a logic of art. Cultural elitism still exists and those artists who regard themselves as cultural activists see themselves as having subcultural capital (Shin, 2013). This elitism, privilege, and possessiveness of a field governed by the traditional means of professionals and vested consumers is not unusual in the case of cultural industries (Arsel and Thompson, 2011; Dolbec and Fischer, 2015).

Market transformation

To escape the stigmatization of indie music as marginal, raw, and only expressing alternative cultural values, the market tried to expand its status by acquiring and producing musical and cultural styles that could attract the wider public. This was an effort to gain local-level legitimacy by engaging in local-level authentication work and to achieve optimal distinctiveness between conformity and differentiation (Tracey et al., 2018; Zhao et al., 2017). To meet these objectives, the indie music market has engaged in practice and meaning work.

Practice work: Establishing a new order in cultural production. In terms of practice work, first, the indie music market began to establish a link with the heritage of popular music culture in South Korea. Indeed, several interviewees from the indie labels mentioned that from the mid-2000s, musicians who admitted that their music was indebted to Korean pop from previous generations began to appear. The interviewees from Label J also mentioned the changes:

In 2005–2006 ... a bit of a Korean vintage style (emerged). ... It's a kind
[of music that was] influenced a lot by Korean folk music or pop songs of
the 80s and 90s.

Interviewees from the indie labels and the secondary sources identify bands like Kiha and the Faces as the key actors who drove the change in the indie music market. The musical style of Kiha and the Faces shared similarities with the rock and psychedelic music that appeared in the 1970s in Korea. The band admitted the inheritance of Korean pop music of the 1970s in their music. People who listened to these bands were reminded of the nostalgic sounds of those eras. This approach allowed audiences to experience familiar but modernized and reinterpreted sounds. Musicians and labels began to establish links with the Korean pop music heritage, which offered familiarity in terms of melody and rhythm, and highlighted the importance of lyrics, reflecting the issues of daily lives that the fans experience, rather than singing about resistance and focusing on musical experimentation.

Second, the emerging indie music producers tried to reconceptualize it by accommodating business-oriented practices. The recognition of the importance of business and management skills enabled them to expand their market outside the indie music scene by approaching previously non-indie music consumers. One interviewee among the music consumers (Interviewee M) pointed out:

The president of Pastel Music once said that women in their 20s and 30s like indie music because it is “indie” rather than because they care about the classification of musical genres or musical styles. What it means is that indie music now has the characteristic of a status. Many indie music fans nowadays feel like, “If I like indie music, I am a culturally rich, trendy, sophisticated person.” They think, “I don’t exactly know what indie music is. Anyway, I emotionally share its values, and support indie music.” [I think] the president of Pastel Music knows this point exactly because he once said that our label is going to target [the consumers] and preoccupy the market.

We understand that the target consumers expanded from a small group of people who pursue countercultural values to music consumers who do not necessarily care about countercultural and rebellious values, which were the core values of indie music when it emerged. Some labels understood this change and the need for a new direction to promote their music and expand their market size. Unlike past indie music consumers, who valued alternative and obscure cultural expression as well as marginal and subcultural status, consuming indie music is not only associated with these traditional meanings but is also related to symbolic ones. These labels have focused on producing music and managing artists to attract their target markets, women in their 20s and 30s, who were not conventionally regarded as main consumer groups in the indie music market. The labels also promote well-crafted images of musicians as having not only creativity but also visual charm. The visual images of indie musicians that used to be promoted in the media were rough and mostly rebellious; however, nowadays, many indie musicians shown in promotional materials

and photographs published in newspapers and magazines are smartly dressed and have fashionable hairstyles, and the photos are mostly sleek and professionally mastered.

In addition, the indie music scene has begun to identify the importance of social media and utilize it to the maximum extent. The launch of a website called Mint Paper contributed to the rise of a new generation of independent music. A director of Label F stressed the influence of Mint Paper and the emerging importance of social media:

In the case of Mint Paper, the labels gathered [in the website] to reproduce the content. Put simply, female fans of modern rock visit the Mint Paper homepage, and turn on Mint Radio, which became a lifestyle that plays that genre all day.

The website has become a hub for introducing and sharing independent music. Its content is shared by consumer networks on social media; thus, consumers have become new influential institutional actors in the indie music market in South Korea. This change allowed indie music to become part of the daily lives of its fans rather than emphasizing the music as rebellious and subversive. This reconceptualization of indie music as a culture of daily life is closely related to the rise of social networking practices through which users express their own distinctive identities and cultural tastes. The website says that the community was launched to promote “modern music” that is not categorized by genres but instead is “sophisticated music stimulating sensibility.” The introduction page of the website emphasizes themes such as “sentimental” and “modern life.” The key themes of the website indicate that what they now pursue is unlike the past ideological goals of independent music.

Lastly, regarding the efforts to reconceptualize indie, it adopted a more open-minded strategy to collaborate with local-level stakeholders from the public and commercial sectors and

with category-level stakeholders. Government bodies such as the Ministry of Culture, Sports and Tourism, Seoul City Council, and Seoul Foundations for Arts and Culture and private companies such as CJ have provided financial, policy-level, and infrastructural support to vitalize indie music. Indie music producers argued that complete independence from capital is not possible in the networked and interdependent system of the industry. The president of Label G argued:

...then what is indie? If there's an antipathy there (against capital), we're going to be ruined together. ...The issue is coexistence, with capital and maybe an opportunity for commercialization.

Although the move to the mainstream music market was regarded as a sell-out in the early days of indie music, now it is considered that the complete rejection of the logic of commerce is not an appropriate choice. The development of indie musical styles and a business approach led them to collaborate with and seek legitimacy from category-level stakeholders. Although interest in indie music has been increasing in the local market, its expansion has been limited due to the size of the market. The indie music market has found it necessary to pursue overseas markets to access the resources required for growth. In particular, indie musicians have been trying to access markets considered the epicenter of indie music such as the UK and the US. Indie musicians and labels have been participating in and are invited by festivals such as South by Southwest (SXSW) and the Glastonbury Festival. The efforts to gain legitimacy from category-level stakeholders succeeded, as some indie musicians were able to sign contracts with international record labels. For example, one band, Jambinai, signed with Bella Union, a London-based record label. A digital music company, Poclano, reported that one of Bella Union's founders, Simon Raymonde, a member of Cocteau Twins, had the opportunity to watch the band's performance at the Primavera Sound 2015 festival in Spain. He said that he fell in love with the band's musical style and sound,

which is a fusion of Korean traditional music and rock. Positive feedback from category-level stakeholders can increase the legitimacy of local-level ones. Therefore, the potential benefits of expanding popularity in the local market are possible.

Meaning work: Pursuing optimal distinctiveness and a logic of sensibility. For meaning work, the indie music market has symbolically positioned itself as representing an optimal distinction between pure indie and mainstream music forms. In terms of the reconceptualization of indie music, a manager of Label J positively evaluates the change:

I'm personally thinking it's going for a normal balance ... There was no middle stage. ... Now, the middle stage is forming ... doing a little bit of work at the point of juncture of indie taste and some popular taste.

Therefore, the indie music market began to incorporate commercial elements without completely rejecting its core values. It began to develop the image of a cultural form with which youth could associate their life issues. Therefore, unlike the past, when there were conflicts between the logic of art and of commerce in the indie music market, a new logic, what we can call a logic of sensibility, has gained increasing influence. The logic of sensibility is associated with the deteriorating social conditions that face South Korean youth. Under these social conditions, music fans regard whether music can offer them emotional consolidation and comfort in their challenging daily lives. The social and economic conditions in South Korea deteriorated after the Asian financial crisis, which affected the younger generation struggling to find and keep stable, regular jobs. They have been described as lost and abandoned because they gave up on critical things such as marriage and friendship, and as feeling a need for music that provides consolation from insecurity and helplessness. For instance, the massive hit single of Kiha and the Faces, "Cheap

Coffee,” has been described as a song that depicts the broken generation of today. A manager of record Label J points out:

So, in the case of college students in their 20s, “they [indie songs] are representing my story, my emotion.” [They] prefer that because of the emotional identification. ... “This seems to be very similar to my situation, but in (mainstream) popular music I can’t find anything similar”.

Although the band has reiterated that this was not his intention, young people suffering from the economic recession and high unemployment have made a connection between their sense of loss and anxiety and the band’s music.

A logic of sensibility has become an important aspect of the market for indie music fans as well. In interviews with music fans, empathy was recognized as an important part of indie music. Several interviewees mentioned the significance of lyrics that they could understand and feel the same way as expressed in the songs. One interviewee (R), who is a music consumer, spoke of the emotional sharing she experienced evoked by listening to music with her friends. In this sense, she said the value of music lies in its honesty.

Interviewer: What is the attraction of indie music?

Interviewee: Honesty. ... what I first felt from indie music was that the lyrics of the music are honest. The dialogues we have in daily life appear. ... In particular, young people are now in difficulties, struggling, broken, and hurt in society. [Indie music] well represents the sentiments from those wounds, fears, and anxiety. ...

[They sing] words that people who have personally experienced and were wounded can only express.

Another interviewee (H) among the indie music fans commented that listeners' own feelings about such difficult issues in society are mirrored in the music. These respondents develop emotional ties with music that depicts everyday concerns and real-life events. The emotional experience they have when they listen to it makes them imagine they are not the only ones who feel that way, and as a result they find consolation and gain encouragement. The music consumers also recognize that they can learn something from the music they listen to; it can impact the way they live and the way they see the world. An indie music fan (Interviewee G) expressed the importance of indie music in her life as:

There are various things to learn from music, which can be stimulating.
... It can suggest directions in terms of how to live. It includes aspects such
as encouragement and comfort ... Listening to music is like learning by
reading a book; there is space to sort out and develop my thoughts.

The interviewees, who are indie music fans, said that music listening is not an activity to escape from social and personal reality; rather, it offers them the chance to think about existence and their lives. The traditional logic of music as art or commerce is not of great concern to current music listeners in South Korea; rather a new logic has gained visibility, one of sensibility, that suggests music should offer empathy and consolidation and be closely tied with the reality of the younger generations.

Discussion

Our findings contribute to the literature on countercultural market changes by exploring the process of market emergence, struggle, and transformation from the perspective of institutional theory (please refer to Table 4 for a summary of the market changes).

INSERT TABLE 4 HERE

Theoretical contributions

First, some research suggests that institutional work is informed by institutional logics (Dolbec and Fischer, 2015; Greenwood and Suddaby, 2006). Other studies illustrate how institutional work can influence institutional logic change on an organizational level (Gawer and Phillips, 2013). Our case shows that in the process of market shaping and changing, institutional work plays an important role in institutional logic changes on a market level. When the actors in the indie music market perceived a market struggle, they began to engage in institutional work to establish new cultural production, positioning indie music as having conformity and differentiation by offering a new market logic. Our research suggests that legitimacy and the struggle for it in a countercultural market can be investigated using the concept of authentication work, which allows us to look at how practice and meaning work are performed by the market actors. Our research underlines the importance of gaining local-level legitimacy to be accepted as a legitimate form of culture in a society. When market elements are not aligned with social and cultural norms and standards, consumers may refuse engagement with it, which can lead to market decline (Baker et al., 2019). Therefore, conveying local-level legitimacy can be achieved by incorporating relevant sociocultural values and embodying communal identities (Coskuner-Balli and Ertimur, 2017). Based on the institutional background, the implementation of appropriate and context-driven institutional work by employing practice and meaning work are required, which can be a critical source of pressures on logic change and lead to achieving local-level legitimacy (Gawer and Phillips, 2013; Tracey et al., 2018).

Second, previous research suggests that businesses seek to claim conventional expectations so as to meet established norms and values pursuing conformity, but they also try to establish meaningful distance from the institutionalized conventions by following novelty (Fisher, 2020). In this condition, businesses may pursue an intermediate level of being “as different as legitimately possible” (Deephouse, 1999: 147). This paradox leads to the need for optimal distinctiveness (Zhao et al., 2017). Our findings suggest that a countercultural market may need to pursue an optimal distinctiveness between conformity and differentiation (Tracey et al., 2018; Zhao et al., 2017) when the purist values of the market are hardly accepted by society (Coskuner-Balli and Ertimur, 2017). For the longevity of a countercultural market, market-shaping practices for market growth and market-restricting practices to oppose commodification need to be presented in balance (Hietanen and Rokka, 2015). According to Hietanen and Rokka (2015), this contradictory authenticity tension needs to be sustained as a paradox, as it is necessary for the vibrancy of a countercultural market. Moreover, the transformation of creative and management practices to overcome legitimacy pressures enables the indie music market to attain competitiveness, not only in the local market but also in the international one. Access to the international market affords actors extra resources to expand the market and enhances the benefits of strengthening local-level legitimacy, thus expanding their popularity in the local one. This phenomenon is a strategic approach of dual optimal distinctiveness work, as Tracey et al. (2018) suggested. Such engagement promotes a market in a virtuous circle of local- and category-level legitimacies because “what makes it legitimate at the local level is what makes it distinct at the category level” (Tracey et al., 2018: 1654). However, a careful approach to securing optimal distinctiveness is necessary, as it runs the risk of creating a “muddled meaning” for local- and category-level stakeholders (Anthony et al., 2017).

Third, our research offers further implications that as markets are socially embedded systems that evolve over time, the legitimacy of a market evolves as well (Humphreys, 2010; Lashley and Pollock, 2019). According to Johnson et al. (2006: 59), legitimation is “a contested process that unfolds across time.” This suggests that legitimation is not a binary concept—either legitimate or illegitimate—but rather a gradated one whereby markets become more or less legitimate over time (Tracey et al., 2018). The binary concept of legitimation is evident in countercultural market studies, and the binary concept of legitimacy can be a source of fragility in countercultural markets (Arsel and Thompson, 2011; Hietanen and Rokka, 2015). However, the gradated concept of legitimacy offers a flexible view of the sustainment and change of a countercultural market. The history of indie music in South Korea shows us that the notion of legitimation can gradually shift, and that a market also needs to be constantly seek alignment with the changing nature of the legitimation. In addition, as shown in previous research, the core concepts of legitimacy: normative, cultural-cognitive, and regulative legitimacy, have also been considered critical aspects of the local-level legitimacy of indie music in South Korea (Coskuner-Balli and Ertimur, 2017; Humphreys, 2010). The normative legitimacy previously earned when the music market emerged was delegitimated later because it was regarded as threatening social and cultural norms. Later, the music market was able to regain normative legitimacy by reappropriating the cultural form. To attain cultural-cognitive legitimacy, the music market has followed a strategy of adopting mainstream market practices by pursuing a balance between cultural novelty and conformity. This is a strategy of familiarization as in the case of American yoga (Coskuner-Balli and Ertimur, 2017). Regulatory legitimacy influenced the rise and fall of indie music in a relatively short time. The emergence of indie music was associated with policy changes such as the demise of the censorship system in the cultural sector. When the stigma and

prejudice against indie music were prevalent, the government tried to regulate cultural expression. However, recent changes at the policy and regulatory levels have been made to support the market expansion of indie music in local and international markets.

Fourth, previous research suggests that market logic is an important feature defining a cultural and creative market (Dolbec and Fischer, 2015; Scaraboto and Fischer, 2013). Our research shows that when traditional market norms no longer offer value and a market suffers legitimacy pressures from local-level stakeholders, the market dynamics, interconnected with its structures, social conditions, and consumers, are affected by the changes in these conditions. In these circumstances, the institutional logic is also questioned. However, as our case also illustrates, when market actors often fail to consider the legitimacy of the existing logics, they prevent the actors from thinking and acting beyond the logics' boundaries (Thornton et al., 2012). The findings suggest the emergence of a hybrid market based on the mixed logics of two competing ones. This act of incorporating different institutional logics allows firms or markets to appeal to diverse field-level actors (Battilana and Dorado, 2010). The indie music market no longer only pursues complete resistance to the dominant social order or mainstream cultural form; rather, it is a form of alternative expression and lifestyle in a fragmented society (Ulusoy, 2016). This observation suggests that the presence of the indie music market is driven by the blend of both logics to inspire the development of new market dynamics and practices (Dalpiaz et al., 2016).

Fifth, understanding institutions requires taking account of the social forces that can connect the micro-social and macro-sociocultural contexts rather than fully focusing on the individual consumption experience (Askegaard and Linnet, 2011). Our case offers further understanding of that aspect. In particular, our research offers a new logic of sensibility in the discussion of the consumption and production of popular music that has been dominated by the

concern over the logic of commerce vs. art. The logic of sensibility suggests that popular music consumption and production is interconnected with the micro- and macro-sociocultural contexts. The market transition suggests that indie music fans now adhere to a logic of sensibility that can offer them emotional empathy, consolidation, and comfort by reflecting their reality and social conditions.

When indie music emerged, South Korea also witnessed the rise of a new generation, Generation X, or Shinsedae in Korean. This generation resisted traditional social and cultural norms and pursued different values. Unlike most previous generations who pursued collectivism and were interested in social issues such as the political conditions under oppressive regimes in South Korea, the emerging generation was interested in self-identity as well as cultural diversity and alternative social values (Choi, 2018). At that time, the rise of indie music seemed natural, as its emergence established a music culture that stood against the established cultural and social norms and practices. However, this logic of the indie music market was not sustainable. As the actors realized that the revolutionary cultural expression could not be sustained to overturn the whole cultural system, society also realized that the pursuit of disobedience for societal change is hardly achievable. Society now contains lost generations who do not have the power or hope to change social conditions and must simply conform to reality (Kim, 2016). At a societal level, as South Koreans have experienced continuous social and economic difficulties such as low incomes, economic polarization, and job insecurity. For the younger generation in South Korea, the situation has been worsening. Rather than pursuing traditional values and lifestyles such as romantic relationships, marriage, and having children, they began to pursue their present-day happiness by travelling, going to fine restaurants, and reading psychological self-help books (Choi, 2018). With this social change, people have begun to focus on their present emotional and psychological status

rather than taking an interest in macro social issues. Therefore, anti-social or rebellious movements, which are normally associated with social or political issues, have become irrelevant. Rather than resistance and rebellion, consumers now need consolation and empathetic understanding. The transition of the indie music market from the mid-2000s was thus strongly related to the deteriorating social and economic conditions in South Korea.

Managerial implications

Our study holds critical managerial implications in the context of a countercultural market. First, the findings suggest that the value of a countercultural market should not be solely confined to the traditional notion, because doing so risks market survival and sustenance. Unlike the past, actors in the market no longer stigmatize the approach of pursuing commercial objectives as selling out (Arsel and Thompson, 2011). Previous research has shown that, most importantly, market logic plays a critical role when actors are involved in purist or celebratory notions to authenticate their position (Coskuner-Balli and Ertimur, 2017). From this analysis, we suggest that when the purist logic begins to be understood as unsuited to the social and cultural values of society, the marketplace suffers legitimacy pressure. As the market seeks to grow and attract actors with heterogeneous goals and ideologies, its boundary and initial identity cannot be sustained and its alteration is inevitable. When this occurs, marketers and businesses are required to find new ways of doing business and attracting consumers (Baker et al., 2019; Coskuner-Balli and Ertimur, 2017). If a market is reluctant to change in this condition, market decline would be unavoidable (Baker et al., 2019). Johnson et al. (2006) suggested four stages in the legitimation process of market development—innovation, local validation, diffusion, and general validation. In case of the indie music market in South Korea, the early market was able to achieve innovation and local validation

but failed to attain diffusion and general validation. After the market transformation, the indie music market was able to diffuse to broader segments of music consumers than in the past and achieve some level of general validation as a culture having unique sensibility and reality. Our case illustrates that the legitimation process can be disrupted; thus, institutional logics lose acceptance and institutional work is questioned. For the legitimation process to proceed anew, our study finds that market actors may need to alter institutional work to create new institutional logics based on a gradated conception of legitimation (Tracey et al., 2018).

Second, the findings may be interpreted as indicating that all indie music has been moving to the mainstream; however, the indie music market in South Korea is still marginal compared to the mainstream music industry and most indie labels have the status of micro-label. If the indie music market mainly concerned itself with macro social and cultural issues in the past, such as cultural revolution, the actors are now more tied to micro social and cultural issues that ordinary fans can associate with their daily lives. This approach can facilitate the co-construction of markets and brand experience (Schembri, 2009). In addition, the change needs to be seen as the indie music market in South Korea beginning to seek a balance between countercultural and commercial values. This approach is understood as seeking a balance between market-driven (aiming to satisfy existing consumers) and market-driving (aiming to offer new values) (Kumar et al., 2000). Although previous research has shown that adopting a radical position that offers higher levels of differentiation is effective (Jennings et al., 2009), other studies have suggested the effectiveness of pursuing strategic balance by seeking intermediate levels between conformity and differentiation (Deephouse, 1999). If the indie music market in the past was understood as a unitary one, the music market now needs to be understood as heterogenous and ambiguous. Harnessing the heterogeneity of a cultural market by legitimating various styles contributes to the creation of

variations in cultural products and market expansion (Ertimur and Coskuner-Balli, 2015). Literature on brands suggests that the need for ambiguity in markets is increasing and that it needs to be embraced (Hietanen and Rokka, 2015).

Third, in the early days of indie music in South Korea, local-level authentication work to adapt the context of indie music in Western countries to the local market was lacking. This observation holds the important implication for organizations and managers that the direct adaptation or absorption of successful business models or brand identities in an institutional context to another market needs careful strategic approaches in accordance with the needs and culture of local markets (Tracey et al., 2018). (Baker et al., 2019; Ertimur and Coskuner-Balli, 2015). As Baker et al. (2019) claimed that “fields resistant to change increase their chances of disruption” (2019: 318), when a market is declining, marketers or businesses need to assess the key social and cultural contributing factors causing the decline and reconsider the local-level authentication works they have done to achieve legitimacy. Furthermore, an assessment of how and why social and cultural features are changing is necessary to overcome legitimacy pressures and to engage in local-level authentication works.

Conclusion

Drawing on institutional theory, we investigate why countercultural markets experience institutional change and the actions institutional work market actors perform to inform institutional logics and ensure the legitimacy of countercultural markets. Particularly, our research examines a countercultural market change in which institutional practices and shared beliefs originated from different institutional backgrounds such as social and cultural conditions. Considering a case in which a countercultural market with local-level authentication work and institutional logics,

predominantly originating from different institutional contexts, loses legitimacy, our research looks at how market actors adapt to the changing conditions to retain market legitimacy by applying redefined local-level authentication work and institutional logics.

We acknowledge that the generalizability of the findings is limited as this case is atypical. We consider that the attainment of market legitimacy may vary by geographical context. To become a legitimate market, the agreement of local-level stakeholders is vital. As different markets emerge based on different sociocultural backgrounds, how market actors are engaged in local-level authentication works will vary. Thus, the present research is one of many possible options, meaning that different actors in varying conditions and settings would arrive at dissimilar outcomes and implications.

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Table 1. Music Consumer Interviewees

Respondent	Gender	Age	Community features	Year established*	Nature of interview	Length of interviews (min)
A	Male	30s	Online rock music community	2003	Group	35
B	Male	40s				
C	Male	30s				
D	Male	20s	Local music and culture supporters	2008	Group	66
E	Female	20s				
F	Female	20s				
G	Female	30s	Music concert organizer	2008	Group	112
H	Female	20s				
I	Male	10s				
J	Male	20s	Music video filming and sharing	2009	Group	60
K	Male	20s				
L	Male	20s	Podcast production	2011	Group	104
M	Male	20s				
N	Female	20s	Long-term indie music fans		Group	50
O	Female	20s				
P	Female	20s				
Q	Female	20s	Long-term indie music fan		Individual	42
R	Female	30s	Long-term indie music fan		Individual	57

* When the communities or projects were initiated.

Table 2. Indie Label Interviewees

Record label	Interviewee's position	Years in music industry	Genres	Year established*	Length of interview (min)
A	Vice President	14	Rock, folk, etc.	1998	130
B	A&R Chief	14	Rock, pop, etc.	2006	50
C	Director	9	Rock	2010	70
D	President	10	Hip-hop	2010	85
E	CEO and Producer	22	Rock	2011	150
F	Director	17	Rock, pop, etc.	2006	80
G	President	18	Pop, jazz, etc.	2005	85
H	President	1	R&B, rock, etc.	2012	76
I	President	7	Rock, folk, etc.	2005	50
	Digital Media Manager	2			45
J	Manager	11	Rock, folk, etc.	2011	80
	Staff Member	8			60

* The year the label was established.

Table 3. Historical and Archival Data

Nature of source	Exemplary sources	Number of articles, books, or reports
Books	<i>Kayo, K-Pop and the Beyond, Off the Record, Indie Rock File</i>	13
Academic articles	<i>The Cultural Economy of Hongdae-ap Indie Music Scene, Post Indie? Certain Attempts of Indie</i>	33
Government and public reports	<i>Music Industry White Paper 2012, 2016</i>	9
Internet sources	Indie music and pop music webzines (<i>Sound, IZM, Groove Tube, Weiv</i> , etc.)	72
News articles	<i>Chosun Ilbo, Chung-ang Ilbo, Dong-a Ilbo, Hankyoreh, Kyunghyang Shinmun</i> (five major national newspapers in South Korea)	109
Weekly magazine articles	Ten weekly magazines in the areas of economy, culture, and society	65

Table 4. Indie Music Market Change

Market emergence			Market crisis		Market transformation			
Authentication works / Legitimation	Practice work	<ul style="list-style-type: none">● Aligning with purist value of indie culture● Drawing on policy changes<ul style="list-style-type: none">- Abolition of censorship system (1996)● Employing technological advancement (DIY production)	Legitimacy pressure / Devaluing authentication works	Exogenous factors	<ul style="list-style-type: none">● Economic downturn (e.g., Asian financial crisis in the late 1990s)● Nurturing IT industry by government (the proliferation of MP3s)● Stigmatization (commercialization of Hongdae area)	Authentication works / Legitimation	Practice work	<ul style="list-style-type: none">● Adaptation of local popular music tradition● Accommodating commercial logic● Collaborating with local-level stakeholders* (e.g., government)● Seeking legitimacy from category-level stakeholders
	Meaning work	<ul style="list-style-type: none">● Abandoning existing popular music market and tradition● Symbolizing as an institutional logic of art		Endogenous factors	<ul style="list-style-type: none">● Stigmatizing a logic of commerce● Enclosure in a logic of art		Meaning work	<ul style="list-style-type: none">● Pursuit of optimal distinctiveness● Fostering a new institutional logic, logic of sensibility

*Exemplary cases where the government (such as the Korea Creative Content Agency, Ministry of Culture, Sports and Tourism, or Seoul Foundation for Arts and Culture) has cooperated with the indie music market are listed below.

- Mu:Con (2012–) is an international music fair offering conferences, showcases and networking. Indie bands have had opportunities to showcase their work to actors in global music industry
- Local Music Centers (2013–) offers a creative infrastructure for indie musicians such as venues, recording studios, and practice rooms, and also offers business mentoring
- K-Music Showcase (2016–) has presented musicians, including many indie bands, targeting international markets
- Indie Music Ecosystem Project (2019–) has offered financial support to indie musicians