

RA **Economics and institutional change**

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**From *La Bohème* to *La Wally*:
How Organizational Status
Affects the (Un)conventionality of Opera Repertoires**

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Abstract

In this paper we examine the relationship between organizational status and nonconformity in complex institutional fields characterized by the enduring tension between divergent institutional logics. First, we hypothesize the existence of an inverted U-shaped (IUS) relationship between status and nonconformity. Second, we argue that legitimacy and celebrity enhancing signals, that complement the external perception of a firm's market identity, moderate the relationship between status and nonconformity, by springing up or inhibiting opportunities for firms to protect vs. raise their status position through high status patterns of affiliations. Specifically, we argue that while celebrity enhancing efforts reinforce middle status nonconformist behaviors by emphasizing the visibility and exceptional valence of their nonconformist undertakings, legitimacy enhancing signals constraint middle status deviant behaviors and reverse the IUS curve. Unveiling the taken-for-granted traits of their identities hampers middle status ambition to raise the social hierarchy through nonconformity but fosters low and high status freedom of deviance through a reinforced security in their social position. We found strong support for our arguments in statistical analysis of 42 Italian opera houses repertoires from 2004 to 2011.

We synthesize our findings by offering an integrated framework on how the interplay between status, legitimacy and celebrity enhancing signals affects organizations' ability to depart from established institutional frameworks under conditions of institutional complexity.

INTRODUCTION

Understanding how firms navigate the tension between divergent institutional logics has become a central theme in institutional theory (Greenwood et al., 2011; Lepoutre & Valente, 2012).

Institutional logics refer to broad cultural beliefs and rule that structure cognition and fundamentally shape decision making and actions in a field (e.g., see Thornton, 2002, 2004; Marquis & Lounsbury, 2007). As noted by Thornton (2004:70), institutional logics frame and constraint the behavioral opportunities of actors, prescribing “how to interpret organizational reality and how to succeed” (see also Friedland & Alford, 1991). The rupture between incompatible prescriptions triggers institutional complexity and exposes organizations to the competing influence of misaligned players with the power of influencing their decisions by means of resource dependence relationships (Pache & Santos, 2010). Studies on institutional complexity have primarily focused on the shift from one dominant logic to another one: in publishing, a market logic replaced an editorial, professional logic (Thornton & Ocasio, 1999; Thornton, 2001, 2002), in the classic music field the aesthetic logic that guided symphony orchestra artistic decision making process yielded to a commercial logic (Glynn & Lounsbury, 2005), and in the culinary field, nouvelle cuisine substituted haute cuisine (Rao et al., 2003). While recent studies have started to focus on the persistent tension between different logics (e.g., see Dunn & Jones, 2010 on the conflict between care and science in the healthcare sector; Reay & Hinings, 2005, 2009), little attention has been dedicated to the examination of how identity shapes organizations’ responses to enduring institutional complexity, altering their immunity to dominant institutional frameworks and unraveling their willingness to embrace a divergent logic. Indeed, connecting complexity and identity studies is a promising yet underdeveloped area of research (Greenwood et al., 2011).

Most research in this recent tradition has concentrated on organizational identity which emphasizes the central, distinctive and enduring features that constitute identity for an internal audience (Albert & Whetten, 1985; Dutton & Dukerich, 1991; Glynn, 2000). How market identity –

defined as organizations' membership in the social categories that are used to identify what the external audience should expect from its products (Jensen, 2010; Kim & Jensen, 2011; Jensen & Kim, 2013; Jensen et al., 2011) – affects organizations' ability to handle the tension between incompatible institutional prescriptions is still largely unexplored.

Whether theorized as vertical status categories or horizontal product categories, market identities give rise to specific sets of external expectations about which actions are appropriate for an organization that claims a given identity (Jensen & Kim, 2013; Kim & Jensen, 2011; Jensen et al. 2011). Organizations' ability to defy established logics will thus be contingent on the extent to which the categories that define its identity embody dominant institutional expectations. Several studies on institutional nonconformity and change have indicated that vertical status categories influence the sensitivity of an organization to prevailing prescriptions and are thus likely to determine the degree of immunity of an organization from pressures for conformity to them (Phillips & Zuckerman, 2001; Greenwood & Suddaby, 2006; Kostova, Roth, & Dacin, 2008). Studies in this latter stream offer mixed results. In a key contribution Phillips & Zuckerman (2001) focused on the middle status conformity argument, suggesting that contrary to middle status firms, high and low status firms have a leeway to defy established conventions: the former are in fact more confident in their legitimacy and social acceptance while the latter are permanently excluded from the focal audience attention regardless of their actions. Recent studies, however, have emphasized that high status firms can fall from grace (Adut, 2005; Graffin et al., 2013) and low status firms can ascend the status hierarchy (Lounsbury, 2002), especially when they are not out of the spotlight of public attention (Phillips & Zuckerman, 2001; Deephouse & Carter, 2005). Central to this conundrum are the structural and social-psychological conditions that trigger organizations' freedom of deviance by affecting the confidence in their social position (Sauder et al., 2012; Deephouse & Suchman, 2008; Phillips & Zuckerman, 2001).

First, the tension and contradictions between divergent logics in the field can affect the solidity of the status hierarchy (Lounsbury, 2002). This may threaten the security enjoyed by high status actors

while opening up opportunities for status mobility efforts built around divergent logics. Second, the interplay between status, legitimacy and celebrity enhancing signals that extend and complement the external perception of their market identity, reveals the social-psychological disposition of organizations to nonconformity and deviance. By emphasizing different aspects of an organization's identity (i.e., social acceptability, positive standing and visibility), these mutually reinforcing yet definitely distinct signals influence the perceived uncertainty surrounding controversial actions and act as lenses through which organizations' partners interpret a focal organization identity (Rindova et al., 2006; Pollock & Gulati, 2007; Ebbers & Wijnberg, 2010). They are thus likely to influence the affiliations opportunities of firms in different status positions, providing new impulses for them to leverage on nonconformity to improve their social position.

In this study we set out to understand how organizational status, theorized as an essential component of an organization's market identity, affects nonconformity in complex institutional fields, characterized by unstable status structures and the simultaneous presence of divergent institutional logics. In this respect, we shed light on which status position provides organizations with the discretion to face the complexity of the field by undertaking deviant actions that reconfigure their identity in a nonconformist way, editing the template of established institutional logics while distinguishing themselves from the rest of the field (Sahlin-Andersson, 1996), through the reinterpretation of the dominant framework that inhabit their identities (King & Whetten, 2008; King et al., 2011). We then examine how the interplay between status and other intangible signals of legitimacy and celebrity affect organizations' immunity against pressures for conformity.

By shedding light on how organizations in different status positions are differentially willing to deviate depending on the interplay between status, legitimacy, and celebrity enhancing efforts, we develop a more nuanced theorization of how vertical status categories affect nonconformity. At the same time, we also respond to the call for more studies on the interaction between signals (Connelly et al., 2011). Specifically, we advance the understanding of how specific combinations of intangible signals contribute at establishing the acceptance of products that deviate from widely accepted norms.

We test our hypotheses on how organizational status affects nonconformity with data on the Italian opera market from 2004 to 2011. The opera houses' field is ideal for the study of how organizational status affects firm-level deviations from a prevailing institutional logic. Indeed, opera houses are conservative institutions that cement their status positions around the preservation of a small number of historically established operas that guarantee market success. As a result, the programs of different opera houses resemble one another (Heilbrun, 2001; Pierce, 2000). However, as the dominant logic of conservation of a commercially, successful operatic patrimony of the past is increasingly challenged by the logic of artistic renewal, opera houses experience a trade-off between oppositional logics corresponding to different programming decisions (conventional vs. unconventional) and supported by various constituents (large audience vs. public stakeholders and experts). In this scenario, opera houses in different status positions face the dueling, competing pressures to conform and to deviate from a conservative, conventional artistic repertoire that builds the backbone of the Italian operatic heritage. We hypothesize that institutional complexity alters the structural conditions that underlie the relationship between status and nonconformity in opera, determining incentives and penalties for programming unconventional operas at different levels of status. We also predict that the success or failure of status in fostering unconventional programming decisions is contingent upon the moderating role of other intangible signals that unveil the taken-for-granted vs. exceptional and visible traits of their market identities. These signals differentially influence opera houses' search for novelty, shaping their ability to "find their own voice" by making them more or less subject to the scrutiny that stems from market popularity.

The rest of the paper is structured as follows. First, we provide a review of the theoretical and empirical literature on the relationship between organizational status and nonconformity. Second, we develop a set of hypotheses about how organizational status affects nonconformity in complex institutional fields as well as the moderating effect of legitimacy and celebrity enhancing signals on this relationship. Third, we describe the dataset we collected and develop measures. Next, we analyze

the data and present our results. In the last section we discuss implications of our findings for research and practice, examine limitations, and make suggestions for future research.

THEORETICAL FRAMEWORK AND RESEARCH HYPOTHESES

Status and nonconformity

Status has commonly been described as a firm's position in the social system that can be rated among other positions based on its relative prestige or social esteem (Jensen et al., 2011; Weber, 1978; Merton, 1957). According to this view, status functions as a basis for vertical hierarchical differentiation among organizations in a field that results from accumulated acts of deference, respects and admirations (Goode, 1978; Ridgeway, 1984).

According to this view, when firms enter into relationships with other firms they often become identified with one another. As a result, firms have strong incentives to establish relationships with firms in higher status positions in order to benefit from status-enhancing effects while increasing the perception of their quality in a market.

This perspective acknowledges the relational component of status, constructed as a set of exchange relationships among actors in a field (Benjamin & Podolny, 1999; Podolny, 2001; Podolny & Phillips, 1996). Status derives from the affiliation patterns stemming from the transfer of individuals between firms. This is a common conduit of status. For example, by attracting a major figure from a socially esteemed competitor, a firm can improve its status. Similarly, the mobility of academics between institutions often facilitates the transfer of status among academic departments; drawing a prominent member from a highly respected department is a typical strategy for augmenting a department's status. In all these cases, networks function as a transfer of resources within a social structure (Owen-Smith & Powell, 2004; Whittington, Owen-Smith & Powell, 2009) and status flows through the channel that link market actors in a field (Podolny, 1993).

The effect of status on an organization's willingness to undertake nonconforming behaviors has been investigated in several studies (Phillips & Zuckerman, 2001; Davis & Greve, 1997; Haunshild & Miner, 1997; Jensen, 2006; Rao et al., 2007). Taken together, these studies suggest the existence of upsides and downsides to nonconformity from both high and low status positions.

On the one hand, scholars increasingly recognize high status organizations are in the best position to deviate from institutionalized practices and behaviors. According to this view, status provides a source of agency that enables organizations to act more independently from institutional pressures and protects from the negative consequences of deviation (Jensen, et al., 2011; Guler, 2007; Stuart, 1998; Phillips & Zuckerman, 2001). In this respect, Phillips & Zuckerman (2001) suggest that high status actors are able to challenge the status quo, as the confidence in their social acceptance offers them protection against criticism and negative external reactions. Not only does status provides agency, but it is also a source of social acceptability. As a matter of fact, studies show that high status actors have the consensus necessary to legitimize potential controversial behaviors (Davis & Greve, 1997; Rao et al. 2005, Haunshild & Miner, 1997). For example, Rao and colleagues (2003), found the positive effect of the participation of high status organizations in the diffusion of deviant practices.

On the other hand, several studies note that high status positions are not always a boon for deviance and innovation. As high status organizations are highly conspicuous in the eyes of their audiences (Jensen et al., 2011; Jensen, 2006), they may receive greater scrutiny and public criticism when challenging conventional practices (Adut, 2005; Graffin, et al., 2013). By contrast, being at the periphery of the social system, low status organizations are out of the focal audience attention and they feel themselves socially excluded and rejected independently of their actions. This in turn frees their willingness to adopt unconventional behaviors (Phillips & Zuckerman, 2001).

High and low status actors' propensity to challenge established practices ultimately depends on the feeling of confidence they have in their social position (Dittes & Kelley, 1956; Sauder et al., 2012). In particular, when the enduring tension between divergent logics affects the stability of the status structure, high status organizations' freedom of deviance may evaporate. At the same time,

when low status organizations are not completely out of the focal audience attention, their immunity from pressures for conformity vanishes (Deephouse and Carter, 2005; Spong, 1990). For example, in the field of Italian opera, the necessity for low status theatres to avoid the risk of social repudiation and economic penalties that derive from the rejection from a focal audience attention, poses limits to their willingness to pursue nonconformist artistic undertakings. Although low status opera houses are less subject to public scrutiny compared with their high status counterparts, and have connection with alternative interfaces (e.g., affiliations with school, universities) that facilitate their creative search for novelty, they are not immune from conformity pressures.

The interplay between status and the acquisition of intangible assets of legitimacy and celebrity that frame the interpretative logic through which an organization is externally perceived, may enhance or reduce the threat of status loss and the risk of social exclusion that could affect high and low status actors' position in the field, altering the security in their social position.

While an organization's efforts to signal its legitimacy increases the perception of its social acceptability and compliance with taken for granted norms (Brown, 1997, p.664; Meyer & Rowan, 1977, p.351; Carroll and Hannan, 1989; Meyer & Rowan, 1977), an organization's celebrity enhancing efforts strengthen its ability of standing out of the crowd through an increased visibility and fame (Pollock & Gulati, 2007). By reinforcing different traits of an organization's identity – namely its social acceptability and positive standing – legitimacy and celebrity enhancing actions make organizations in various status positions differentially immune from pressures for conformity, reducing or strengthening their sensitivity to the dominant logic that governs a field.

Status and nonconformity in complex institutional fields

Institutional complexity arises whenever organizations face multiple and conflicting prescriptions

from different institutional logics (Greenwood et al., 2011). The tension engendered by incompatible logics compromises the stability of the institutional field (Rao et al., 2003). In contexts of institutional stability, the status hierarchy tends to be more stable (Lounsbury, 2002) and both high and low status positions in this hierarchy are fixed. This makes their actions become essentially irrelevant and accepted a priori by virtue of their structural position. As a result, they are both emboldened to deviate from conventional practices (Hollander, 1958; 1960).

Conversely, institutional instability renders the status hierarchy more susceptible to change (Lounsbury, 2002). Specifically, when the logic that solidifies status positions in a field is challenged by competing ones, the simultaneous co-existence of different systems of principles and social beliefs may open opportunities for status mobility efforts built around divergent logics and enacted by organizations with the aim of advancing their social positions. For example, at the beginning of the 1980s the conflict between the regulatory logic and the market logic in the US field of finance, facilitated status mobility projects, enabling actors to attain a higher status position in the social hierarchy (see Grusky, 1994; Lounsbury, 2002). In that context, the uncertainty stemming from the tension between contrasting logics (Beckert, 1999), opened up opportunities for various actors to make status claims while engaging in product and service innovations that challenged the dominant institutional framework.

We argue that institutional complexity makes high status actors more rather than less willing to adhere to institutionalized templates. In this respect, as the presence of divergent institutional logics facilitates upward status mobility efforts, the need to protect their social position leads high status organizations to conform more to a dominant institutional framework with the aim of consolidating their prestige and perception of quality among a wide audience.

Although low status organizations' peripheral social position should enable them to depart more easily from established social beliefs by appealing to alternative audiences, their low level of legitimacy provides them with few opportunities for boosting the acceptance and success of

unconventional practices. This prevents them from leveraging on nonconformity to protect and advance their status position.

By contrast, middle status organizations are in a best position to deviate. Indeed, they have more legitimacy compared with low status organizations. This enables them to give social acceptance to unconventional practices that reflect a divergent logic. The incentive for this, we argue, are possibilities for status advancement and the reputational and economic opportunities that arise from an enhanced status position. These include a heightened prestige and third parties' perception of quality of an organization both contributing to its survival and success on the market. In fact, nonconformity may allow middle status organizations to gain social esteem by establishing connections with high status peers. This occurs through the attraction of high status flows of human resources, whose motivation to participate in unconventional projects is fostered by their expectations for success and credibility among different audiences. For example, earning artistic acclaim by attracting the favor of experts may be a strong incentive for high status actors to participate in commercially risky movies and unconventional projects (Jensen, 2010). As the transfer of human resources among institutions is a typical conduit for status, the attraction of high status human capital is an opportunity for middle status to advance their position in the social structure by establishing ties with prominent organizations in the field.

We argue:

Hypothesis 1. In a complex institutional field, characterized by the tension between divergent institutional logics, the relationship between status and nonconformity is inverted U-shaped.

The moderating role of legitimacy-enhancing signals on the relationship between status and nonconformity

An organization acquires legitimacy by conforming to established norms (Meyer & Rowan, 1977) and making broader public view its activities as socially acceptable and desirable (Lounsbury & Glynn, 2001; Suchman, 1995). Legitimacy differs from status as it focuses on the degree to which a firm's products, practices and structures are consistent with societal expectations and social

acceptability standards (Suchman, 1995; Dowling and Pfeffer, 1975:122; King & Whetten, 2008) rather than on its distinctive performance outcomes or on its social positioning.

On the one hand, legitimacy seems systematically antithetical and antagonist to nonconformity as it anchors an organization to the taken for granted, predictable and familiar aspects of its identity. On the other hand, establishing standards of legitimacy may enable firms to justify novel and unconventional strategies built around logics that contradict institutionalized frameworks (Lounsbury & Glynn, 2001; King & Whetten, 2008; Douglas, 1986).

Studies show that legitimacy fosters the credibility of an organization's identity. As noted by Jepperson (1991), part of the cultural congruence captured by the term legitimacy involves the existence of a credible collective account of what an organization is doing and why.

By developing products that conform to well-accepted, institutionalized standard categories firms enhance the recognizability and legitimacy of their identities, while making them adhere to the dominant logic that is inherent to established categorization systems.

We believe that emphasizing the congruence between their identities and well-established social expectations (Dowling and Pfeffer, 1975:122) provides a basis for low status organizations' nonconformity.

Whereas being deprived from the social acceptability that is conferred to high status organizations put low status organizations in an unfavorable position to raise the performance of unconventional products (Cattani & Ferriani, 2008), by signaling their identity-compliance with acceptable values and social codes, low status organizations enhance the potential for raising the performance of nonconforming, unconventional undertakings. Indeed, legitimacy fosters the perception of predictability, meaningfulness and trustworthiness of an organization's identity (Zuckerman, 1999; Hsu et al. 2009). By reinforcing the credible traits of low status organizations' identities, increasing their memberships in well-established market categories, protect them from the negative consequences of deviation, including the potential dissolutions of their current relationships and exclusion from the social system. This in turn provides a leeway for them to deviate and to attend to

divergent ideas without the anxiety of contrasting accepted norms.

Consequently, we posit, the enhanced social acceptability that stems from low status organizations' reinforced membership in legitimate market categories, makes it easier for them to raise the social acceptance of practices that enact divergent logics, decreasing the psychological constraints to nonconformity that derives from their weak position. Establishing the legitimacy of low status organizations' identity may prompt these firms to pursue positive, novel differentiation strategies akin to cultural entrepreneurship (Lounsbury & Glynn, 2001) and to emphasize the explorative, cutting-edge and sophisticated nature of their identities.

Nevertheless, the legitimacy-enhancing value of increasing membership in well-established categories does not make all actors immune from pressures for conformity.

We believe efforts to legitimize identities will hamper nonconformity at middle levels of status.

When middle status organizations emphasize their presence in legitimate categories, their incentive to deviate from established institutional logics vanishes. Accentuating the taken for granted facets of their identities may ultimately constraint upward status mobility efforts, increasing their difficulties in the acquisition of new high status partners. While differentiation opportunities and potential for status advantages are strong incentives for middle status organizations to embrace nonconformity, the higher the legitimate traits of their identities, the lower their psychological disposition to nonconformity. The enhanced taken-for-grantedness of their identities may in fact decrease their ability to signal the divergent nature of their nonconforming undertakings. Conversely, raising the illegitimate traits of their identities would indicate a higher departure of their nonconforming actions from the safe cornerstone of dominant, well-established frameworks. This supports the attraction of high status flows of individuals who can take advantage from the possibility of nurturing the divergent traits of their market popularity while exploring new sources of knowledge and ideas that can hardly been accessed at the core of the social field (Schilling, 2005). Without the incentive of status acquisitions through the attraction of high status individuals, middle status organizations' willingness to nonconformity evaporates.

A reinforced membership in established market categories fosters nonconformity at the highest levels of the status hierarchy. As noted by Phillips & Zuckerman (2001), one of the pre-requisite for high status organizations to perceive conformity to be valuable is that the threat of delegitimation must not be so great that it also discredits them. Empirical research indicates that high status actors may receive greater public punishment when challenging institutionalized norms, precisely because of their elevated social positions (Adut, 2005; Graffin et al., 2013). Within this perspective, studies suggest that deviation from established norms can be a significant threat to the standing of the identity of high status organizations (Jensen, 2006; Durand et al., 2007; Rhee & Haunshild, 2006; Jensen, 2006). On these grounds, we believe that when high status organizations send identity- threatening signals, the perception of risk that comes from nonconforming actions is higher. Under these conditions, the threat of status loss hampers their propensity toward nonconformity (Phillips & Zuckerman, 2001).

By contrast, emphasizing their identity compliance with the dominant logic that governs a field provides a leeway for high status organizations to achieve distinctiveness through nonconforming behaviors. In other words, legitimacy protects high status organizations from status loss, reinforcing the security in their role incumbency, which in turn enables them to deviate. Compared with their lower status counterparts, high status organizations are more exposed to the risk of criticism and negative audience reactions that may arise when they defy established conventions (Jensen et al., 2010). In this regard, invoking standard of legitimacy enables them to justify novel actions and help them to distinguish themselves through nonconformity (Lounsbury & Glynn, 2001; Navis & Glynn, 2011). Put differently, legitimacy-enhancing actions built around an increased emphasis on dominant categorical codes, support the credibility of high status organizations while mitigating the social and psychological barrier toward nonconformity.

Thus, we predict that at the lowest and highest levels of status, enhancing the legitimacy of an organization identity by increasing its membership in well-established market categories fosters nonconformity. By contrast, the combination of middle status positions with increasingly legitimate

identities is likely to have the lowest impact on nonconformity.

Hypothesis 2. Increasing the membership in well-established market categories infused with a dominant logic will moderate the curvilinear relationship between status and nonconformity in such a way that, low and high but not moderate levels of status will positively relate to nonconformity, resulting in a U-shaped relationship.

The moderating role of celebrity-enhancing signals on the relationship between status and nonconformity

Celebrity has its theoretical foundation in the sociology of mass media and reflects the perceived potential of a firm to achieve important results and an attractive social identity. The construction of celebrity involves actions aimed at acquiring higher levels of public attention (Rindova et al., 2006). These actions are enacted by firms with the intent to improve their external image through impression management mechanisms (Elsbach, 1994; Lounsbury & Glynn, 2001).

Celebrity enhancing efforts are at the basis of status acquisition because they are drivers for relationship formation. Research has shown that centrality to the social system is not the only mechanism influencing relationship formation. Attracting large-scale public attention through celebrity building may help a firm to stand out of the crowd (Pollock & Gulati, 2007) which in turn plays a catalyst role in the acquisition of resources through partnership formations (Gulati, 1999; Gulati & Gargiulo, 1999; Pollock & Gulati, 2007).

Celebrity is thought to be linked to nonconformity. Indeed, while the incentive for firms to pursue nonconforming actions is the acquisition of distinctiveness and differentiation, which in turn creates opportunities for enhancing reputation (King & Whetten, 2008), by increasing their celebrity firms strengthen their visibility and positive standing (Rindova et al., 2006).

At the same time, though, as celebrity enhancing efforts also intensify the visibility of the firm in the eyes of external audience, they may end up being disincentives to nonconformity for organizations that are emboldened to deviate precisely because of their peripheral social position (Phillips & Zuckerman, 2001).

We posit that celebrity enhancing efforts hinder low status organizations' ability to deviate from

established conventions. Being at the margin of the social system should foster low status organizations' ability to defy established conventions (Cattani & Ferriani, 2008). Indeed, the rejection of celebrity and fame supports low status actors' attempt "to find their own voice": they renounce to their presence in the public spotlights as a way of maintaining and nurturing their image of explorative and cutting-edge hubs. Thus, we posit, emphasizing the visible traits of their identities through celebrity enhancing efforts may inevitably hamper their nonconformist attitudes. After all, accentuating the exceptional facets of their identity increases the visibility of low status organizations, making them more exposed to public scrutiny, which in turn may threaten their vulnerable social position. Thus, we expect the acquisition of this intangible asset to make low status organizations more vulnerable to the risk of social exclusion, hampering their search for novelty through nonconformity.

By contrast, at middle levels of status we expect a different effect. We reckon that the visibility that arises from celebrity enhancing efforts reinforces middle status organizations' ability to attract high status flows of resources, facilitating their upward status mobility efforts. Celebrity enhancing efforts unveil the desirable and exceptional traits of an organization's identity (Shrum & Wuthnow, 1988), reinforcing the positive external evaluation of a producer's offer. Consequently, these signals support middle status actors' aspirations to raise the status hierarchy by reducing the uncertainties experienced by high status individuals when they partner with firms lower in status, while at the same time boosting the visibility of their participation in unconventional projects. Indeed, participating in prominent nonconforming projects can reinforce an individual's status by providing visible evidence that the individual can afford to follow his own volition, without being a mere following the script actor (Bellezza et al., 2014). Moreover research has shown that high status actors have strong evaluative abilities that enable them to differentiate among potential partners and are more exclusive in the selection of partners (Jensen & Roy, 2008). Thus, the exceptional standing of middle status organizations in the market signals the quality of their unconventional deviant undertakings, thus nurturing both high status individuals entrepreneurial search for novelty and their search for prestige

and improved external image.

Beyond moderate levels of status we expect a different effect. At the highest levels of the status hierarchy, further enhancing the visibility and media exposure of organizations constraint their freedom of deviance. As celebrity enhancing actions magnify the visibility of nonconforming projects, they make high status organizations become even more subject to the external criticism that stems from nonconformity. By exposing high status organizations to the risk of status loss, celebrity enhancing actions strengthen the social and psychological barriers that prevent them from undertaking the high risk path of nonconformity. Thus, we posit:

Hypothesis 3. The inverted U-shaped relationship between organizational status and nonconformity will be significantly stronger in firms that increase their celebrity-enhancing efforts.

The conceptual framework and hypotheses of the paper are summarized in table and figure 1.

Please Insert table 1 and figure 1 around here

EMPIRICAL SETTING

This study is set in the Italian opera field. Italian opera houses' market identities are very much associated with tradition as theatres assort their programs choosing among a small set of historically established pre-20th century operas with no commitment to rare and unconventional works (Boerner, 2004; Dowd et al.; 2002; Heilbrun, 2001; Hoegl, 1995; Pierce, 2000). As a result, the programs of different opera houses increasingly resemble one another (Boerner, 2004; Dowd et al.; 2002; Heilbrun, 2001; Hoegl, 1995; Pierce, 2000).

Whereas Italian opera houses are the pillar of the Italian operatic tradition and they are heavily funded by the State in a substantial way because of their ability to preserve and enhance the Italian operatic patrimony, the State has always been called to bail out these theatres whenever they have gone to red (Sicca, 1997). This has generated a situation of structural '*inertia*'; opera houses have lost their commitment to audience development and artistic innovation, becoming de facto museums of the most popular 19th century operas.

Although a large fraction of their current audience is still reluctant to accept unpopular, unfamiliar artistic choices, as tax-exempted, government funded institutions, opera houses have an obligation to society to design their programs not only on the basis of these conservative preferences, but also on the basis of what experts regard as 'good' or 'necessary' for cultivating audience tastes, for future generations of spectators and for the development of the opera field itself (Stigler & Becker, 1977).

In this scenario, the conflicting logics of conservation and artistic renewal give rise to a persistent tension between conformity and deviance from opera houses' artistic heritage.

Nonconformity in this field means bringing back underperformed operas that have fallen into disuse or making new works enter the repertoire (Di Maggio & Stenberg, 1985). Through nonconformity theatres distinguish themselves from their peers.

For example, by programming underperformed operas by Alfredo Catalani (e.g., *La Wally*), an opera house is less conventional in its artistic choices compared to one whose season revolves around well-known Giacomo Puccini masterpieces (e.g., *La Bohème*). While *La Wally* crop up occasionally in Italy and had not received a full staging in Lucca (Catalani's birthplace) since 1983, Puccini's *La Bohème*, is considered one of the most popular works in the opera repertoire.

The divergence between competing logics in this field triggers instability which is further exacerbated by the volatility of government funds and the negative consequences of the financial crisis that have compromised the precarious economic sustainability of these institutions, putting most of them at stake. Under these conditions, competition for the attraction of scarce financial resources has become fiercer. These contextual factors have boosted the compelling need for opera houses to maintain or enhance their status as a way to increase their chances of survival and success on the market.

Opera houses are embedded in a dense network of relationships that arise from their artist sharing patterns (Cori, 2005). The status of an opera house depends on its centrality in this social system and is transferred through the mobility of artists: drawing a prominent artist from a highly respected opera house is a way for a focal theatre to acquire status (Cori, 2005). Within this perspective, the formation and dissolution of networking relationships between opera houses through their artists-sharing patterns have strong spill-over effects, determining how opera houses' programming decisions are perceived by the external audience. It is widely recognized that the main motive behind affiliations with high status houses is the perceptual impact that such affiliations have on the external audience assessment of the quality of opera

houses' productions (Cori, 2004).

In terms of our hypotheses, we expect the limited social acceptability of low status theatres and the compelling need for high status theatres to preserve their social position by protecting their artists against the negative consequences of deviation, to lead them to increase the conventionality of their repertoires. Conversely, middle status opera houses are more willing to prioritize artistic renewal through the staging of unconventional operas in an attempt to boost their social position.

For example, over the last ten years, the middle status coproduction partners Teatro del Giglio in Lucca and Teatro Comunale in Livorno and Teatro di Pisa have developed a cycle of highly unconventional opera productions including underperformed contemporary works (e.g., *Il Cappello di Paglia di Firenze*, *Napoli Millionaria* by Rota) and forgotten masterpieces of the past (e.g., *La Rondine* by Puccini). While these projects have been supported by experts and public bodies, they also attracted renowned conductors and directors from high status opera houses. This in turn contributed to enhancing their social position providing access to new economic and artistic opportunities.

We also expect legitimacy and celebrity enhancing actions to influence the ability of theatres in different status positions to distinguish themselves from their peers through unconventional programming strategies. Opera houses' identities embody the logic of tradition to the extent that they adhere to the codes of a category of pre-20th century, visually pure performances that define the authorized rules of staging opera. By increasing their membership in this category, theatres raise the legitimate, uncompromised traits of their identity. This in turn reinforces their external view as socially acceptable players in the field.

Conversely, theatres signal the illegitimate traits of their identities either when they increase their membership in 20th century operas, a category in the repertoire shaped by music and visual elements that radically depart from tradition (Jensen & Kim, 2011) or when they create hybrids,

visually impure operas. These operas alter commonly understood and established categorization systems, bastardizing the authenticity of a historically established operatic canon by blending traditional pre-20th century music with modern 20th century visual attributes.

Disrupting the codes of tradition can further decrease the social acceptability of low status opera houses while threatening the security enjoyed by their high status counterparts. This can lead high and low status theatres to resist more rather than less to the divergent logic of artistic renewal. Conversely, we expect this practice to boost middle status opera houses' willingness to deviate from established repertoires. As unraveling the illegitimate facets of middle status organizations' identities facilitates upward status mobility, it becomes a pre-requisite for middle status organizations to perceive the selection of unconventional opera titles to be valuable.

Celebrity enhancing efforts contribute at raising the market popularity of an opera house. Celebrity is acquired through the development of new productions (i.e., new casts, set designs, costumes and stage directions not previously staged by any other opera house). Indeed, by mounting new productions, opera houses nurture their fame and popularity by attracting a huge media attention. Although new productions are not synonymous of unconventionality (e.g., highly conventional operatic titles can be presented as new productions), in the Italian context this practice fosters opera houses' pride and prestige (Sicca & Zan, 2005) and captures a huge amount of media attention (Santoro, 2010). This practice can therefore be considered as a celebrity enhancing mechanism enacted by theatres to favorably impress the external audience and attract public attention.

We expect celebrity enhancing efforts to differentially shape the nonconforming behaviors of opera houses in various status positions. While this practice enhances nonconformity at middle levels of status by unveiling the visible and exceptional traits of an opera house identity and contributing to the positive external evaluation of opera houses' productions, it hinders high and low status opera houses' ability to deviate from established conventions. Indeed,

raising the visibility of low status theatres will hamper their ability to retain their obscure, explorative and inherently academic status. At the same time, an enhanced visibility will constraint high status freedom of deviance by making the public scrutiny elicited by nonconforming actions more fierce.

METHODS

Data and sample

Nowadays Italian opera houses are a fragmented sector, characterized by an offer shared out by a high number of different non-profit institutions (Sicca & Zan, 2005).

Our sample is composed by the most important professional Italian opera houses (i.e., Lyric and Symphonic foundations, Teatri di Tradizione) and operatic festivals. We excluded from our sample 'lirica ordinaria', small scale theatres with short seasons that sporadically include operas in their repertoires. Moreover, we did not consider Accademia S. Cecilia in Rome, a lyric and symphonic foundation whose repertoire is not focused on staged operas but on concert opera and symphonic productions.

The Lyric and Symphonic Foundations (LSF) are private foundations located in the largest Italian towns. By contrast, Teatri di Tradizione (TDTs) are usually smaller than LSFs in size, and mainly located in medium size cities. Given the relevance of festivals for the Italian operatic tradition and for the artistic development of the field, we decided to include them in our sample. Operatic festivals are realized in a limited timeframe and located in distinct geographic area. Both LSFs, TDTs and festivals are significantly funded by public bodies at national and local levels.

Information about opera houses' funding sources, casts and programming decisions was collected from specialist yearly magazines (*Annuari EDT/CIDIM dell'Opera Lirica in Italia*), widely regarded as industry references. Each issue provides artistic and economic information

about the operas performed by Italian opera houses. Each opera is documented by means of various qualitative and quantitative data such as titles, composers, number of reruns and cast (stage directors, conductors, scene designers, choirmaster, orchestra and choir).

We constructed a panel data set containing information on 42 opera institutions from the artistic season 2004-2005 to the artistic season 2010-2011. As most of the time, Italian opera houses' artistic seasons do not coincide with the year, in this study we decided to adopt the artistic season as a reference time frame. This allows us to maintain the integrity of all the seasons in the database.

Using seasonally updated data from 2004 to 2011, our final sample includes 42 professional opera companies and festivals, which, given our lagged repertoires (discussed in the next section) results in 200 observations.¹

Measures

Dependent variables

Unconventionality (nonconformity) of opera repertoires. We measured this variable as the inverse of the conformity index (Di Maggio & Stenberg, 1985) which is calculated as the average number of times the opera titles programmed by a given theatre are also programmed by the other theatres in the sample. As operatic seasons are programmed two or three years in advanced, to measure the conventionality of the operas programmed by a theatre over a given artistic season, we first counted the number of times each opera in that season was produced by all the opera companies in our population over the last two artistic seasons (prior to the current one). We then calculated the average conventionality of these operas. The first season in our statistical analysis is 2006-2007 (conventionality based on the artistic seasons 2004–2005 and 2005-2007) and the last one is 2010-2011 (conventionality based on the artistic seasons 2008-

¹ Nine observations have been dropped due to missing financial data.

2009 and 2009–2010).

Independent variable

Relational measure of status. Theatres' status hierarchy derives from patterns of artists exchange relationships.

We identify an opera house's network from the opera house's sharing of artists (e.g., conductors and directors) with other opera houses. That is, a tie between opera house i and opera house j exists when opera house i shares artists with opera house j . To assess the status of opera house i we constructed a relational matrix R where each cell R_{ij} denotes the number of times that the artists hired by the opera house i are also hired by the opera house j . R is a symmetric $n \times n$ matrix where n denotes the number of times that the artists employed by the opera house i perform at opera house j . Having constructed the matrix, we then calculated status scores based on Bonacich's (1987) measure, a standard measure for relational data on status, to determine each organization's status relative to that of other organizations. The measure is defined as follows:

$$S_t(\alpha, B) = \sum_{k=0}^{\infty} \alpha B^k R_t^{k+1} \mathbf{1}$$

In this expression, α is an arbitrary scaling coefficient, B is a weighting parameter, $\mathbf{1}$ is a column vector where each element has the value "1," and S_t is also a column vector where element $S_{i,t}$ indicates the status of opera house i . Status scores are standardized so that the highest status opera house in a given year has a status of 1.

The upper bound on B is the reciprocal of the largest eigenvalue of the R matrix. For the analyses that follow, we set B at this upper bound.

Given this specification, an opera house's status is a function of the number of opera houses that hire the same artists and of the status of these opera houses (which in turn derives from the number and the status of opera houses with whom they share artists and so on). Since an opera house's artistic season in the time period t is programmed over the previous two artistic seasons, we believed it was more appropriate to include the status of an opera house as a lagged variable $t-2$. This allows us to measure the status of an opera house at the time when the programming decisions for a given artistic season were actually taken.

Legitimacy

Music scholars differentiate between modern 20th-century opera and traditional pre-20th century operas (Parker, 1994).

While traditional pre-20th century operas are characterized by well-established codes and stylistic elements including a tonal system of music expression, traditional narrative standards and an aesthetic of beauty, modern operas disrupt these codes in different ways (e.g., reliance on non-tonal and dissonant musical expressions, use of plots that by traditional narrative standards go nowhere, aesthetics of difficulty and non-beauty) (Lindenberger 2007, Griffiths 1994). In this respect, modern opera is often described as a divergent and even oppositional genre (Jensen & Kim, 2013).

Given the multidimensional nature of opera, which is characterized by an amalgam of various systems of artistic communication (music, visual arts) (Parker, 1994), opera productions are sometimes hybridize through the creation of modern visual staging of traditional pre-20th century operas that mix traditional music with modern visual experiences.

Increasing the proportion of traditional, visually pure pre-20th century operas reflects opera houses' conservatism and willingness to reinforce the legitimate and taken-for-granted traits of their identity. As purist-traditional operas are shaped by historically consolidated,

uncompromised musical and visual codes, we used them as a proxy of opera houses' willingness to cement their legitimacy. Specifically, we measure legitimacy as the proportion of purist-traditional operas in the repertoire.

Celebrity Enhancing

We measured celebrity as the proportion of new productions in a theatres' repertoire. A new production includes new cast, set designs, costumes, and stage directions not previously used by the opera house. For example, in 2006 Teatro alla Scala in Milan set up *ex novo* a production of the famous opera *Aida* (composed by Giuseppe Verdi), with new cast, set designs and costumes, under the stage direction of Franco Zeffirelli. By contrast, in 2006 the same theatre rented a production of *Eugenio Oneghin* from the Glyndebourne Festival Opera (EDT/CIDIM, 2006). The former case is an example of new production, while the latter case is not. Whereas new production involve a certain degree of risk as they are subject to a new scrutiny by critics and media, they are staged by theatres as a way of increasing their presence under the spotlights of public attention through the attraction of media coverage (Santoro, 2010; Sicca & Zan, 2005). Thus, we used this variable as a proxy of theatres' efforts to build an attractive identity and to raise their market popularity and fame.

As noted by Sicca & Zan (2005), Italian opera houses mount new productions to nurture the prestige and the pride ingrained in their history. Opera houses aspire to be production centers, distributing their own newly produced operas to their audience as a way to create a positive external image.

Control variables

We used a number of variables to control for alternative explanations for the unconventionality of an opera repertoire. All the control variables were updated seasonally.

Structural holes. We rely on Burt's measure of structural holes (1992) to account for the effect of brokerage on opera houses' willingness to stage unconventional operas. As a matter of fact organizations occupying the position of brokers are more open to pursue innovativeness due to their ability to collaborate with previously unconnected alters and to recombine knowledge coming from different actors in the network (Burt, 2004). This measure is defined as follows:

$$H_i = \sum_{i'} \left(p_{ii'} + \sum_q p_{iq} p_{qi'} \right)^2$$

$i \neq i' \neq q$

where $p_{ii'}$ denotes the proportion of i 's network that is invested in the relation with i' , $p_{qi'}$ indicates the proportion of q 's network that is invested in its relation with i' . H_i ranges from 0 to 1. As i is connected to an infinite number of others who are themselves disconnected, H_i approaches 0. If i shares artists with few opera houses that are well connected among themselves (e.g., they constitute a clique and share the same artists), then H_i will approach 1.

Opera houses' funding sources. Opera houses' funding sources may also influence non conformity in different ways. As the audience falls dramatically for unconventional operas (Martorella 1977, Di Maggio & Stenberg, 1985), performing arts organizations having experienced high box office revenues and private funding in the past may have fewer incentives to favor unconventional repertoires. Conversely, as studies have shown that government intervention has a substantial influence in boosting artistic renewal in performing arts

organizations (Alexander, 1996; Krebs and Pommerehne, 1995; Pierce, 2000) we might expect government funding to positively influence opera houses' willingness to develop unconventional repertoires.

We controlled for opera houses' funding sources by computing the share of total revenues accounted for by national and local government grants, private funds and box office revenues.

Time dummies. We also included dummies for each artistic season in the model.

Artistic merit. Following Delmestri et al. (2005) we consider the awards received from leading national critics as a measure of theatres' artistic merit. As critics are in constant search for reviewing unconventional performances (Hilgartner & Bosk, 1988), an increased appreciation by critics might support theatres' nonconformist artistic undertakings. At the same time, though, opera houses whose performances have been highly appreciated by critics receive disproportionate attention and visibility which in turn might render them more subject to the potential negative social and economic consequences that stem from unconventionality. This might discourage their nonconformist undertakings. We included the number of awards a theatre received over the two previous artistic seasons as a proxy of the theatre's artistic merit. Data on awards come from the well-established National Association of Italian Music Critics that every year awards the Prize Franco Abbiati to the worthier productions staged by Italian opera houses.

Size. Size may affect the extent to which an opera company stages unconventional operas. As theatres larger in size have more resources and capabilities to develop innovative activities, size could decrease conventionality. At the same time, though, larger theatres may be more embedded in institutionalized frameworks that create pressures for conformity and resistance to change (DiMaggio and Stenberg 1985, Pierce 2000).

We used the *total number of programmed runs* to control for an opera house's size. We measure this as the number of performance runs an opera house set up in the artistic season t .

Descriptive statistics and correlation matrix are presented in table 2.

Please Insert table 2 around here

RESULTS

Table 2 provides the mean, standard deviations and correlations for the study variables. We estimated the model with a fixed-effect regression (table 3). A Hausman test indicated that the fixed-effect model was more appropriate than random-effects (Stock & Watson, 2007).

Model 1 (table 3) is a baseline model that contains only the control variables. This model shows that none of the control variables has a statistically significant effect on nonconformity. In Model 2 (table 3) we added the status of opera houses as an independent variable. As shown in this model the linear relationship between opera houses' status positions and nonconformity is not significant. In Model 3 (table 3) we added the status position of opera houses and the status position squared as independent variables in our model in order to test the inverse U-shaped hypothesis, as well as the two moderators legitimacy and celebrity enhancing. In model 4 (table 3), in order to test the positive or negative moderating effect of legitimacy on the relationship between organizational status and nonconformity, following Aiken et al., (1991), we compute the first and second order interaction between status and legitimacy. In model 5 (table 3) the first and second order interaction between status and celebrity enhancing are computed in order to test hypothesis 3. Finally, in model 6 – the full model – all controls, main effects and interactions are included.

Please Insert table 3 around here

Hypothesis 1 suggests the presence of an inverted U-shaped (IUS) relationship between an organization's status position and nonconformity: middle status opera houses are more nonconforming with respect to opera houses at high and low levels of status. Model 3 provides strong support for this hypothesis. As shown in Model 3 (Table 3), there is a statistically significant, positive relationship between status and nonconformity ($\beta = 47.800$, $p < 0.05$) and a negative relationship between status squared and nonconformity ($\beta = -43.257$, $p < 0.01$). The latter relationship suggests a curvilinear relationship and combined, these two relationships denote an inverted U-shaped relationship between status and nonconformity, thereby supporting Hypothesis 1.

The higher R-squared in Model 3 (with respect to Models 1 and 2) is an indication that the introduction of the status squared variable increases the proportion of the variance explained by the regression equation.

In figure 2 we plotted the relationship between status and nonconformity using the estimates shown in column 3 of table 3. This graph shows that the nonconformity of opera repertoires is maximized at intermediate levels of status.

Please Insert figure 2 around here

Turning our attention to interpreting the inverted U-shaped curve's inflection point, we found that the inflection point is located almost in the middle of the status range. In particular,

in our sample, the standardized status index ranges from 0 to 1, with a mid-range equals to 0.5. In Model 3, the inflection point was located at a level of status equals to 0.55 (meaning that nonconformity increases within the [1, 0.55] range of status, while decreases within the [0.55,1] range). This highlights that empirical results are in line with our argument that nonconformity increases up to moderate (mid-range) levels of status, after that nonconformity starts to decline. 69% of our observations lie below the inflection point while 31% of them are above it.

As suggested by Aiken et al. (1991), in interpreting the effect of moderators on the curvilinear inverse U-shaped relationship between status and nonconformity we focus on the sign and significance of the second order interaction coefficients (i.e., squared term * moderator).

Hypothesis 2 suggests that increasing the membership in well-established market categories infused with a dominant logic (legitimacy enhancing efforts) will moderate the curvilinear relationship between status and nonconformity in such a way that, low and high but not middle levels of status will positively relate to nonconformity, resulting in a U-shaped relationship. As shown in model 6 (table 3) the interaction between organizational status squared and legitimacy is positive and significant (status squared x legitimacy: $\beta = 133.936$, $p < 0.01$). This provides support for our hypothesis 2.

Hypothesis 3 suggests that the inverted U-shaped relationship between organizational status and nonconformity will be significantly stronger in organizations that undertake celebrity enhancing efforts. As shown in model 6 (table 3), the interaction between organizational status and celebrity enhancing efforts is negative and significant (status squared x celebrity enhancing efforts: $\beta = -107.258$, $p < 0.01$), thereby offering support for Hypothesis 3.

In figure 3 we graphed the moderating effect of legitimacy on the curvilinear Inverted U-shaped relationship between status and nonconformity. The IUS relationship between status and nonconformity varies according to our predictions. At high levels of legitimacy, there is a

definite U-shaped relationship between status and nonconformity, as high and low status opera houses are more nonconforming compared with middle status opera houses.

In figure 4 we graphed the moderating effect of celebrity enhancing on the curvilinear IUS relationship between status and nonconformity. As figure 4 demonstrates, at high levels of celebrity-enhancing, the IUS relationship between status and nonconformity becomes stronger. In this respect, on the high celebrity enhancing curve middle status organizations becomes more nonconformist than on the low celebrity enhancing curve.

Please Insert figure 3 and figure 4 around here

We tested the robustness of our results in multiple ways. First we estimated all the models without the Teatro alla Scala (because of its unique status of the Italian opera industry), and we found that the results are not affected. Second, we repeated the analysis by mean centering all the variables to guard against multicollinearity (Aiken et al., 1991). This did not alter our results. In order to check for a multicollinearity effect on regression results, we developed a variance inflation factor (VIF) between the explanatory variables. Since none of the independent variables have VIF values greater than 10 (the average VIF value is equal to 1.36), we do not find evidence of multicollinearity (Hair et al., 1995). We also tested another version of the model with dummy variables for low, mid and high status organizations but results are largely unaffected by alternative model specifications.

DISCUSSION AND CONCLUSION:

Our objective in this article was to understand how the status categories that shape an organization's market identity affect nonconforming behaviors in complex institutional fields.

We focused on under-examined structural and social-psychological conditions that frame the dispositions of organizations in different status positions toward nonconformity.

First, we found that an inversed U-shaped relationship between status and nonconformity arises when *a)* the tension between conflicting institutional logics fosters the instability of the status hierarchy threatening the security of high status players by opening possibilities for upward status mobility *b)* low status organizations are not excluded from a focal audience attention. Under these conditions, the complexity of the field opens opportunities for status mobility efforts built around divergent logics. While the threat of social exclusion encourages low status organizations to signal conformity to dominant principles and social beliefs, the potential for status advancement emboldens their middle status counterparts to deviate from established institutional frameworks. The reason for this lies in the boundary-straddling social position occupied by middle status organizations. Middle status organizations have a leeway and an incentive to deviate: whereas their high level of legitimacy compared with their lower status counterparts confers them protection against the negative social judgments that may stem from nonconformity, deviation from prevailing institutional logics supports their ability to attract high status flows of individuals which provides opportunities for them to boost their social position.

Second, our findings show that by differentially altering the salient traits of organizations' market identities, legitimacy and celebrity enhancing actions undertaken by organizations in different status positions mitigate vs. magnify the social and psychological constraints to their freedom of deviance by influencing their ability to leverage on nonconformity to protect and advance their status.

Specifically, our results show that legitimacy enhancing efforts built around an organization's increased membership in well-established market categories imbued with a dominant institutional logic positively moderates the relationship between organizational status

and nonconformity, resulting in a U-shaped relationship. By solidifying status positions in the field, a reinforced adherence to the codes of taken-for-granted market categories, supports the willingness to deviate of low and high status organizations, responding to the need of safeguarding their social position from the risk of social exclusion or status loss that may arise as a consequence of nonconformity.

At the same time, though, by highlighting the recognizable, predictable aspects of an organization's identity, increasing the membership in well-established market categories signals the inconsistency between middle status organizations' nonconformist undertakings and the risk-averse nature of their identities. By de-emphasizing the radical departure of their nonconforming behaviors from the safe cornerstone of dominant institutional frameworks, strengthening the membership in well-established market categories hampers the attraction of high status flows of resources, restricting middle status organizations' ability to defy established conventions. Conversely, by unveiling the exceptional traits of organizations' identities and enhancing the visibility of their unconventional undertakings, celebrity-enhancing actions drive opportunities for status advancement at the middle level of the status hierarchy. This fosters middle status organizations' efforts of standing out of the crowd through nonconformist undertakings.

Our study offers several contributions. First, it contributes to institutional theory (Di Maggio et al., 1983; Clemens & Cook, 1999; Deephouse, 1999; Jones & Massa, 2013; Pache & Santos, 2010; Greenwood et al., 2011; Souitaris, 2012, Rao et al., 2003), by exploring how organizations in different status positions cope with institutional complexity and which social positioning provides them with the discretion to deviate from established conventions. In this respect, we seek to connect identity and complexity studies by responding to the call for a deeper investigation of the role played by identity as a filter to institutional complexity. In doing so, we emphasize how the organizations' freedom to infringe dominant institutional

frameworks is affected by legitimacy and celebrity enhancing actions that forge the socially acceptable vs. exceptional traits of an organization's identity. In this respect we found that, abandoning the safe anchor of a membership in legitimate categories nurtures middle status organizations' incentives to re-edit the boundaries of their identities in nonconformist ways.

By shedding light on how legitimacy and celebrity enhancing signals intermingle with status to shape (non)conformity, we develop a more nuanced, fine grained picture of the relationship between status and (non)conformity (Phillips & Zuckerman, 2001; Battilana et al., 2009; Greenwood & Suddaby, 2006; Lounsbury, 2002). We disentangle the effect of status from the effect of other intangible assets that may affect the social-psychological orientation of actors toward nonconformity by shaping opportunities for status protection and status advancement. While previous studies have highlighted the tenure of a firm's role incumbency or a firm's age as determinants of organizational nonconformity, in this study we shed light on the role played by market signals of legitimacy and celebrity enhancing as engendering significant variations in the dispositions of organizations toward nonconformity. We show that the protection provided by an increased membership in legitimate categories is a pre-requisite for low and high status actors to perceive nonconformity to be valuable. Conversely, opportunities for status advancement that stem from the disruption of the codes of established categorization systems foster middle status nonconformist attitudes. We also shed more light on the so far under-examined role of celebrity-enhancing actions. Although recent research has extended the concept of celebrity from the individual to the firm level of analysis in order to explore the sources of the disproportionate levels of public attention and excitement that a firm attracts (Rindova et al. 2006), there is a lack of studies focusing on how celebrity enhancing efforts interact with status to shape nonconforming behaviors.

This study takes an important step toward developing a more fine-grained picture of the legitimacy based role of the interplay between market signals. Specifically, we advance the

theoretical understanding of the legitimizing role of market identities (Jensen, 2010; Jensen & Kim, 2013; Kim & Jensen, 2011) by uncovering not only how status justifies and supports nonconforming actions but also how the interplay between status and actions that signal the legitimate vs. illegitimate attributes of their identities contain the seeds for (non)conformity to dominant institutional logics. Results from previous studies suggest that middle status individuals are in a best position to legitimize unconventional products (Jensen, 2010). We extend these findings to organizations and we shed light on new conditions that alter the propensity to nonconformity of firms occupying different status positions. Affiliation with categories with higher legitimacy as well as firms' efforts to attract public attention through celebrity enhancing actions are important yet so far under-explored factors that may offer an alternative explanations of how firms in different status positions navigate the tension between conformity and deviance.

Previous studies provide an argument that firms need to demonstrate conformity to field-level norms to establish or confirm legitimacy in order to achieve distinctiveness through nonconformity (King & Whetten, 2008; Deephouse 1999; Navis & Glynn, 2011). In essence, these studies highlight that legitimacy provides a basis for distinctiveness. Organizations have a leeway to deviate as a way of creating identity that are plausible because simultaneously distinctive and legitimate (Navis & Glynn, 2011). Our contribution lies in underlying how legitimacy may differentially shape nonconformity depending on its interplay with an organization's social position. Driving the decision to deviate from established conventions are the incentives for status protection and status advancement. At middle levels of status, delegitimizing firms' identities through the disruption of the dominant social codes inherent in established categorization system supports firms' search for distinctiveness through nonconformity by functioning as drivers for resource attraction. By contrast, at low and high

levels of status, being nonconformist requires firms to instill more legitimacy in the market categories that delineate their identities.

We substantiated our theoretical arguments and found empirical support for them in the Italian opera field. In doing so, we advance the understanding of the determinants of unconventional repertoire selection in the performing arts such as theater, classical music, and opera (DiMaggio and Stenberg, 1985; Pierce 2000; Voss et al. 2006).

Despite these contributions, our study has also some limitations. First, we did not examine the process through which unconventional operas developed by middle status opera houses become consecrated over time and emulated by their high and low status peers. Future studies should explore how nonconformist productions, once adopted, diffuse through the organizational field.

Second we did not explore the artistic and commercial consequences of nonconformity for actors at different levels of the status hierarchy. We strongly encourage future studies to explore the artistic and financial performance of nonconformity for opera houses in different status positions.

Third, the decision to focus on a specific industry and geographic market may limit the generalizability of these findings. Studies re-assessing the relationship between status and nonconformity in different settings shaped by similar contextual conditions will help to further test the generalizability of our findings.

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Table. 1 Effect of status, legitimacy and celebrity enhancing actions on nonconformity

Intangible assets	Theoretical foundations and sociocognitive basis of the asset	Process through which the asset is built	Effect on (Un)conventionality (nonconformity)	Rationales
<i>Status</i>	Network theory: relative position in the network of market actors as a proxy of quality and social esteem.	Patterns of affiliations. Affiliations with high status actors in the field (Podolny, 2001; Benjamin & Podolny, 1999; Podolny & Phillips, 1996; Bonacich, 1987).	High conformity at low and high levels of status. Middle status nonconformity.	Opportunities for middle status mobility efforts built around a divergent logic. High status threat of status loss. Low status threat of social exclusion.
<i>Legitimacy</i>	Institutional theory: fit with normative values and beliefs.	Adherence to the social codes inherent in established categorization systems (Zuckerman, 1999; Zuckerman et al., 2003; Hsu et al., 2009; Meyer & Rowan, 1977).	Moderating effect. High and low but not middle levels of status will positively relate to nonconformity (U-shaped relationship). Legitimacy decreases nonconformity at middle levels of status. Legitimacy increases nonconformity at high and low status levels.	Increases protection from status loss at the highest levels of the status hierarchy. Hampers opportunities for status advancement at middle levels of status, by signaling the taken for granted aspects of firms' identities.
<i>Celebrity</i>	Sociology of mass media: perceived potential to achieve important results and an attractive identity.	Attraction of public attention (Rindova et al., 2006). Firms' efforts to manage the impression about themselves in the media (Elsbach, 1994; Lounsbury & Glynn, 2001).	Moderating effect. Middle but not high and low levels of status will positively relate to nonconformity (enhanced inverted U-shaped relationship between status and nonconformity).	Threatens high and low status social position through increased visibility and public scrutiny. Increases middle status actors' opportunities for status advancement by making them standing out of the crowd.

Figure. 1 Conceptual model: the moderating role of legitimacy and celebrity enhancing on the relationship between status and nonconformity

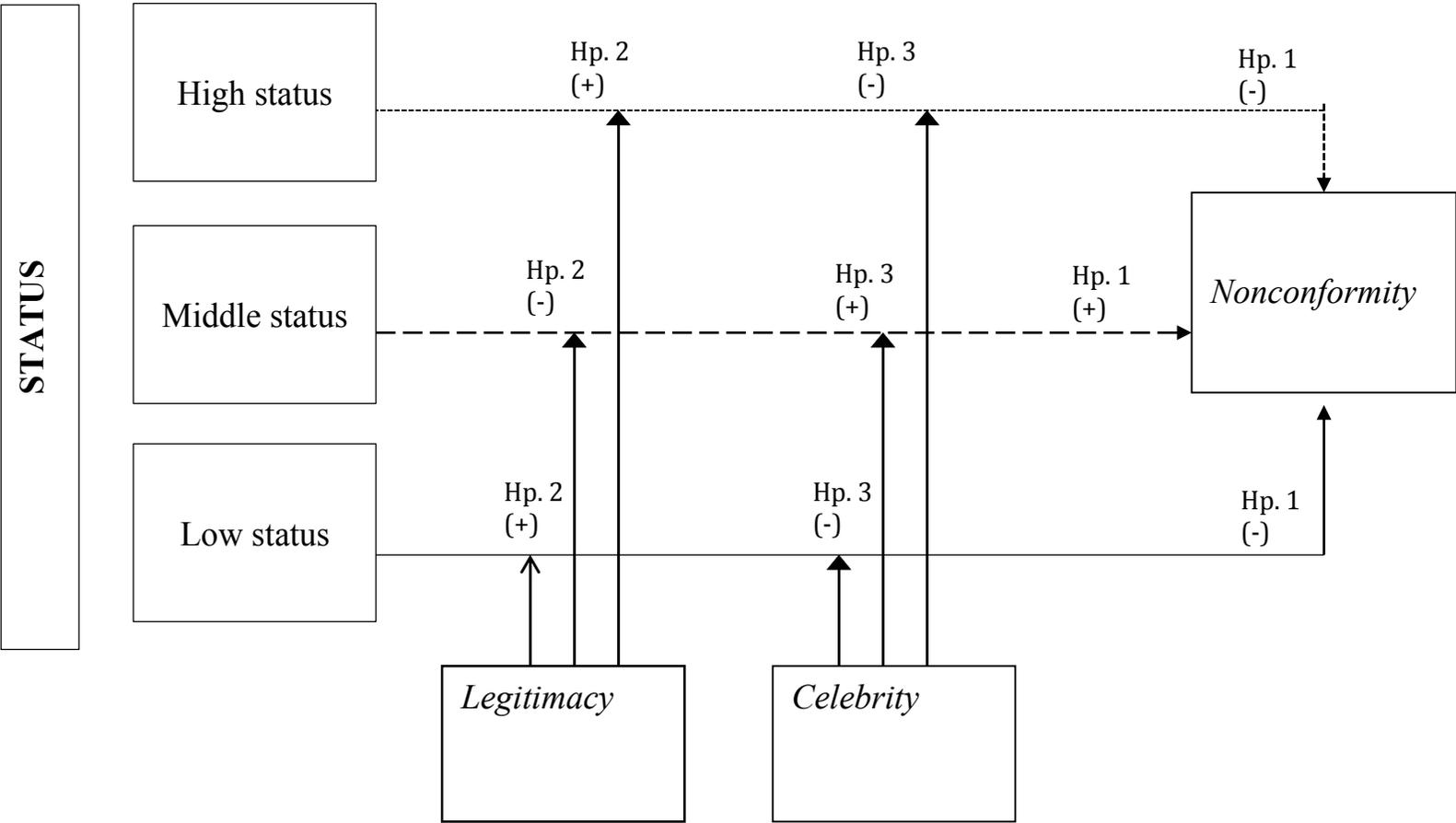


Table 2. Descriptive Statistics and correlation matrix

	Variable	Mean	SD	1	2	3	4	5	6	7	8	9	10
1	Non Conformity	-23.972	13.936	1									
2	Status	0.416	0.275	0.128†	1								
3	Legitimacy	0.456	0.274	-0.446†	-0.182†	1							
4	Celebrity Enhancing	0.389	0.296	0.297†	-0.134†	-0.140†	1						
5	Size	26.526	25.113	0.025	0.360†	0.045	-0.173†	1					
6	Structural holes	0.286	0.134	-0.277†	-0.521†	0.253†	-0.037	-0.207†	1				
7	State funding	0.347	0.177	0.041†	0.157†	-0.100	0.193†	0.193†	0.389†	1			
8	Artistic merit	0.280	0.450	-0.215†	0.438†	-0.104	0.158	0.158†	0.331†	0.116†	1		
9	Private funding	0.091	0.085	0.018	0.067	0.071	-0.009	0.034	-0.002	-0.286†	-0.190†	1	
10	Box office	0.151	0.126	-0.336†	-0.025	0.1822†	-0.152†	0.084	0.084	-0.127†	-0.035	0.001	1

Significance: † $p < .10$

**Table 3. Model estimation
Results of moderated regression analysis**

	<i>Dependent Variable: Non conformity index</i>					
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
<i>Independent variables</i>						
Status	-	-2.907 -0.55	47.800* (2.56)	100.761*** (3.85)	10.539 (0.48)	65.250* (2.32)
Status squared	-	-	-43.257** (-2.80)	-96.181*** (-3.90)	-7.991 (-0.41)	-60.706* (-2.30)
Legitimacy	-	-	-5.980† (-1.83)	14.545† (1.73)	-5.428† (-1.70)	16.205† (1.95)
Celebrity Enhancing	-	-	5.695† (1.67)	4.775 (1.41)	-11.745† (-1.72)	-12.179† (-1.82)
<i>Interaction effect</i>						
Status *Legitimacy	-	-	-	-127.511** (-2.82)	-	-133.931** (-3.01)
Status squared*Legitimacy	-	-	-	127.051** (2.74)	-	133.936** (2.93)
Status*Celebrity Enhancing	-	-	-	-	107.725** (3.02)	111.903** (3.22)
Status squared*Celebrity Enhancing	-	-	-	-	-98.011** (-2.77)	-107.258** (-3.10)
<i>Control variables</i>						
Repertoire size	0.042 (0.41)	0.038 (0.37)	0.054 (0.55)	0.068 (0.71)	0.060 (0.62)	0.080 (0.85)
Structural holes	-12.410 (-0.86)	-17.036 (-1.02)	0.992 (0.06)	0.152 (0.01)	7.331 (0.43)	6.928 (0.42)
Artistic merit	-1.113 (-0.47)	-.549 (-0.21)	0.874 (0.34)	1.052 (0.41)	-0.310 (-0.12)	-0.198 (-0.08)
State funding	6.967 (0.60)	6.910 (0.59)	5.048 (0.45)	8.263 (0.74)	5.727 (0.52)	9.601 (0.88)
Private funding	-10.151 (-0.55)	-11.529 (-0.62)	-7.090 (-0.40)	-4.744 (-0.27)	-1.549 (-0.09)	0.042 (0.00)
Box office	-28.767 (-1.95)	-28.644 (-1.94)	-26.563† (-1.87)	-26.560† (-1.89)	-28.448* (-2.04)	-27.745* (-2.02)
<i>Time dummies</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>	<i>Included</i>
<i>Constant</i>	-15.459† (-1.93)	-12.957 (-1.40)	-29.307 (-2.72)	-39.858** (-3.56)	-26.409* (-2.46)	-38.428*** (-3.43)
<i>No. of observations</i>	200	200	200	200	200	200
<i>R-sq</i>	0.117	0.119	0.211	0.253	0.260	0.305
<i>F</i>	1.95*	1.79*	2.74**	3.00***	3.10***	3.40***

Significance:

*** $p < .001$; ** $p < .01$; * $p < .05$; † $p < .10$; t-statistic in parenthesis

(*) Reference time period: season 2006-2005

Figure 2. Curvilinear Inverted U-Shaped relationship between status and nonconformity

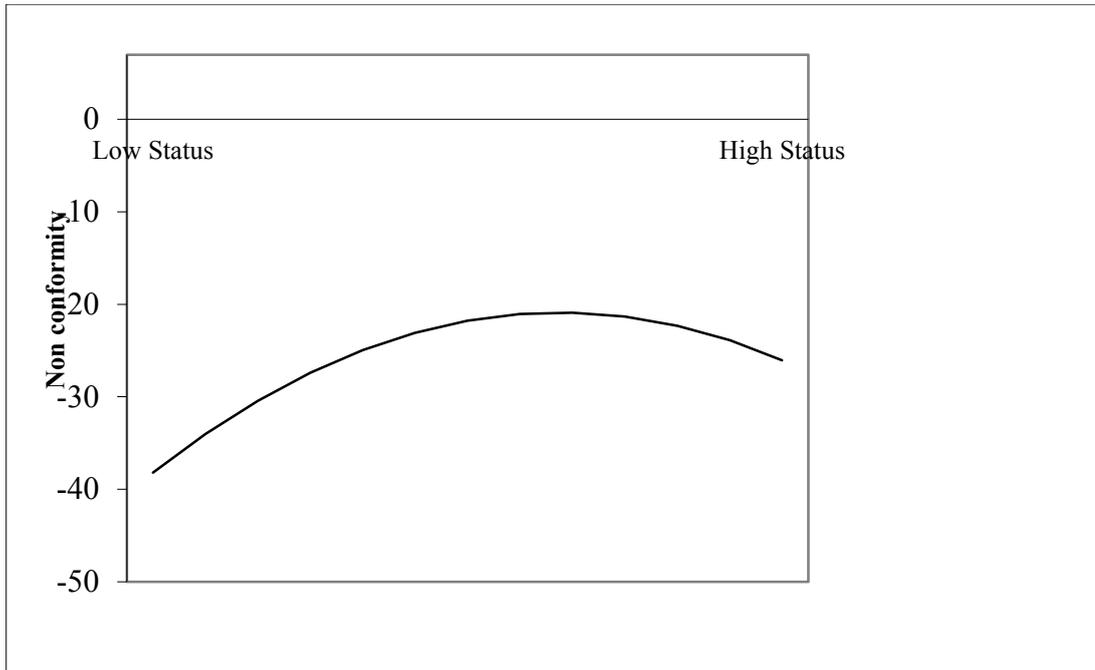


Figure 3. Moderating effect of legitimacy on the curvilinear Inverted U-Shaped relationship between status and nonconformity

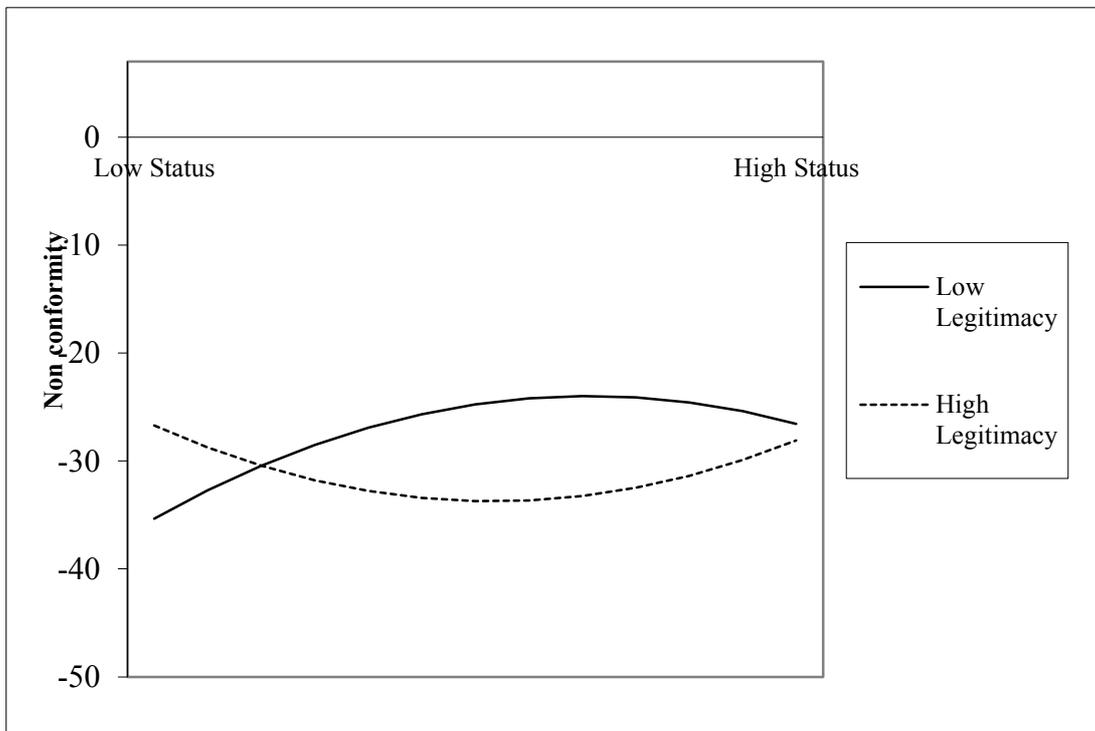
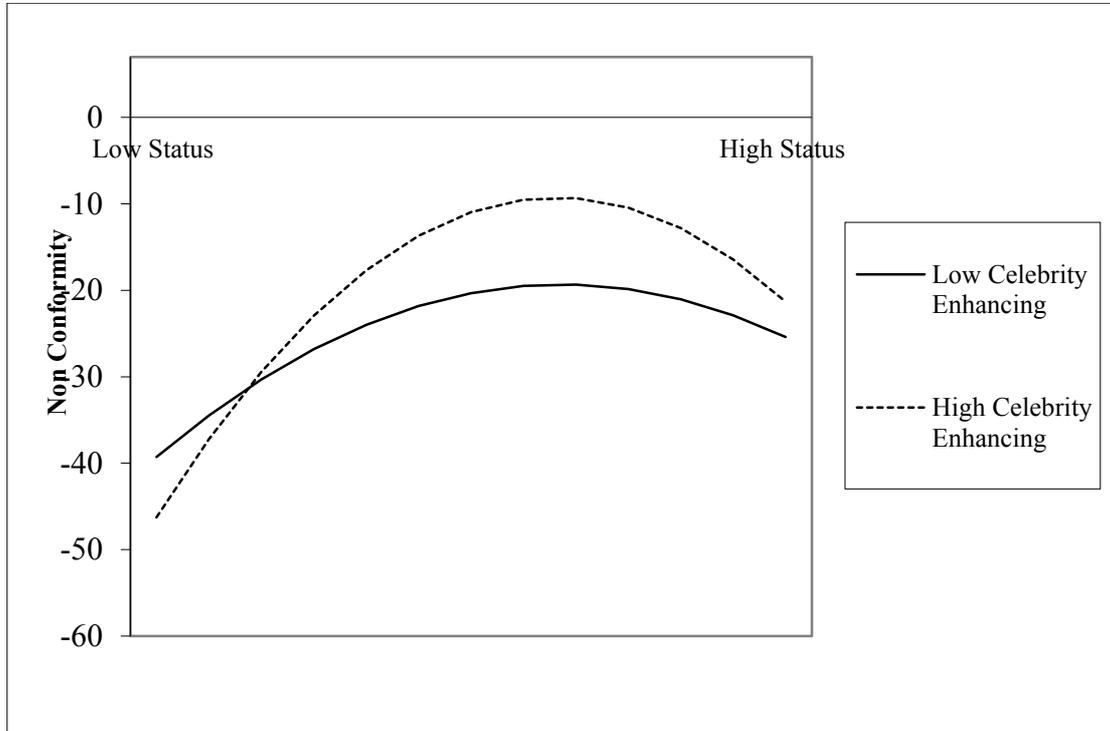


Figure 4. Moderating effect of celebrity enhancing efforts on the curvilinear Inverted U-Shaped relationship between status and nonconformity





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