



Article

Positioning new identities for appeal: Configurations of optimal distinctiveness amid ancestral identities

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Abstract

The theory of strategic balance argues that organizations that are neither too similar to nor too distinct from their rivals will be best positioned to meet competing demands for legitimacy and competition. This is because a similar identity to other organizations signals conformity, thus generating legitimacy, while adopting a distinctive identity through differentiation provides competitive advantage. Recent studies have noted that various combinations of conformity and differentiation tactics can achieve “optimal distinctiveness,” which, depending on the particular competitive landscape, may be low, moderate, or high. This study disentangles the effect of distinctiveness in a landscape from the effects of conformity to and differentiation from ancestral identities that serve as templates for new identities. Taking a configurational approach, we explore whether distinctiveness, proximity to an ancestral identity, hybridization of multiple ancestral identities, and vertical or horizontal differentiation are necessary or sufficient, alone or in combination, to generate appeal for new identities.

Keywords

conformity, differentiation, optimal distinctiveness, organizational identity, qualitative comparative analysis, strategic balance

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Introduction

The strategic positioning of an organization in a market—based on its features such as target customers, product offerings, technologies, and the like—has been conceptualized as picking a location in a socio-cognitive market landscape (Deephouse, 1999; Porac et al., 1995) or a corresponding identity (Hannan et al., 2007; Hsu and Hannan, 2005; Ruef, 2000). Distance of a position from other positions in this landscape is referred to as its *distinctiveness* (Hsu and Hannan, 2005; Lo et al., 2020), or, in its inverse, as its *strategic similarity* (Deephouse, 1999). Similarity confers legitimacy and organizations that occupy highly distinctive positions risk being disregarded by external audiences such as regulators, consumers, and investors that control access to resources. However, organizations in identity positions that are too similar to others face greater competition.

Observing this trade-off between the dual pressures of legitimacy and competition, Deephouse (1999) put forward the theory of *strategic balance*, proposing that organizations that are as dissimilar from other organizations as legitimately possible will outperform those that are too similar to or too distinct from their rivals. Subsequent work referred to these positions as those providing “legitimate distinctiveness” (Navis and Glynn, 2011), or exhibiting “optimal distinctiveness” (Zhao et al., 2017). The theory of strategic balance predicts that an optimally distinctive position mixes tactics of conformity and differentiation in just the right amounts and lies at a moderate distance from the typical organization in the landscape (Deephouse, 1999). This is because conformity with standard industry strategies increases similarity while differentiation (e.g. addition of a new product or targeting a new customer segment) makes positions more distinctive (Porter, 1980).

Recent studies have argued that this characterization of strategic balance and optimal distinctiveness may be too simplistic. Strategic landscapes may present complex institutional and competitive forces that make different degrees of distinctiveness appealing to audiences (Gong et al., 2019; Gupta et al., 2020; Haans, 2019; Tauscher et al., 2020). Moreover, multiple institutionalized templates and many different identity-relevant features may exist in an organizational field, affording multiple ways for organizations to conform or differentiate (Barlow et al., 2019; Durand et al., 2007; Durand and Jourdan, 2012; Giachetti and Lampel, 2010; Greenwood et al., 2011; Lamertz et al., 2005; Philippe and Durand, 2011; Zhao et al., 2013). Consequently, scholars have called for a more nuanced conceptualization of balance and optimality and a more elaborate theory of the many ways in which they can be attained by orchestrating or configuring various tactics of conformity and differentiation (Durand and Kremp, 2016; Lo et al., 2020; Zamparini and Lurati, 2017; Zhang et al., 2020; Zhao et al., 2017).

We answer this call by disentangling the following two aspects of identity positioning among new identities in an organizational field: (1) *distinctiveness of new identities relative to all other identities* in the landscape and (2) the *tactics through which new identities conform to or differentiate from institutionalized identity templates*, which we call “ancestral identities.” New identities can be seen as embedded in established meaning systems in a field, as conforming to audience expectations, if they are highly similar to an ancestral identity. They can be simultaneously conforming to and differentiating from established meanings if they hybridize characteristic features of multiple ancestral identities (Battilana et al., 2017; Hsu et al., 2012; Negro and Leung, 2013). New identities can also be perceived as differentiated if they adopt novel features that no ancestral identity has supported. These can be features that create “vertical differentiation” that will be recognized by all audiences in the field, or “horizontal differentiation” that will be appreciated by a subset of the audience (Zuckerman, 2016). Any new identity position can be characterized by one or more of these tactics of conformity and differentiation that relates it to ancestral identities, and by its level of distinctiveness with respect to the entire set of identities in the landscape.

In a field with diverse ancestral identities, a new identity’s distinctiveness with respect to the entire set of identities and its conformity to and differentiation from ancestral identities can be

empirically separated. A new identity that conforms to an ancestral identity that is distinctive in the landscape will itself be distinctive. New positions may be differentiated from ancestral identities but not appear distinctive in the landscape if they differentiate from ancestral identities in similar ways. Various configurations of the tactics of conformity and differentiation (proximity to an ancestral identity, hybridization of multiple ancestral identities, vertical and horizontal differentiation) can lead to similar levels of distinctiveness in the landscape but elicit different evaluations from audiences because they fit differently into the existing identity schemas.

Our empirical investigation extends prior studies by asking how distinctiveness, along with tactics of conformity and differentiation, is related to appeal. Is a new identity's relation to ancestral identities sufficient for understanding its appeal, or is there additional value in knowing the level of distinctiveness of the position in its landscape? If distinctiveness is associated with appeal, is it always in combination with particular tactics of conformity and differentiation?

Our theoretically driven exploratory study encompasses all new identities that emerged outside of ancestral identity positions in the landscape of Turkish higher education from 1982 to 2014, during which the number of universities grew from 19 to 163. In the first part of our study, we identify new identity positions and document their distinctiveness with respect to the entire set of identities in the landscape, along with the specific tactics through which they conformed to and differentiated from ancestral identities. We find considerable but not maximal variety among the 14 new identity positions. Ancestral identities served as templates to these new positions, as new organizations tended to adopt key features of one or more ancestral identities, even toward the end of our observation period. Nevertheless, many new identity positions were also differentiated from ancestral identities through the addition and emphasis of new features. As a result of the different mixes of conforming and differentiating tactics and the prior diversity of ancestral identities, new identity positions ended up having different degrees of distinctiveness in the landscape. Moreover, there emerged positions with different degrees of conformity to or differentiation from ancestral identities but with similar levels of distinctiveness in the landscape.

In the second part of our study, we use qualitative comparative analysis (Fiss, 2011; Fiss et al., 2013; Greckhamer et al., 2008; Misangyi et al., 2017) to examine how the appeal of new identity positions (proxied by the performance of organizations that locate at these positions) is associated with configurations of their distinctiveness in the landscape and their position relative to ancestral identities (proximity to an ancestral identity, hybridization of multiple ancestral identities, vertical and horizontal differentiation). We find that neither the distinctiveness of positions nor their conformity to and differentiation from ancestral identities are by themselves necessary or sufficient to gain appeal. The association of a position's distinctiveness with its appeal—whether it benefited from being non-distinctive, moderately, or highly distinctive—depended on how the position related to ancestral identities in the landscape through conforming and differentiating tactics. Our findings suggest an extension of the metaphor of orchestration, such that it refers not to organizational features being harmonized to produce an optimal level of distinctiveness, but to the need to consider both an identity position's distinctiveness in the landscape and the way it fits into the prevailing identity schemas informed by ancestral identities.

Theory

Identities as positions in a landscape

According to the socio-cognitive view of markets, external audiences distinguish between organizations based on some key features (Hannan et al., 2007, 2019; Hsu and Hannan, 2005; Kennedy and Fiss, 2013; Rosa et al., 1999). The original agenda of research in strategic balance was to

incorporate a multiplicity of features that impact the appeal of different strategies for various audiences (Deephouse, 1999). Nonetheless, studies have often observed only a subset of features, such as genre of products (Cennamo and Santalo, 2013) or corporate social responsibility strategy (Zhang et al., 2020). Recent studies have emphasized the need to reflect features that are viewed as important by multiple audiences (Zhao et al., 2017).

We achieve this by relying on the concept of a multi-dimensional feature space. In ecological studies, organizational identities are conceptualized as sets of feature values and represented by points in an “identity space” (Ruef, 2000) or “feature space” (Kovács and Hannan, 2015; Pontikes and Hannan, 2014), with each coordinate of a point indicating the value for a single feature dimension (Hannan et al., 2007). The dimensions of the feature space correspond to the features perceived by external audiences as relevant to their definitions of organizational identities, such as target customers, product offerings, and technologies (Dobrev and Kim, 2019; Porac et al., 1995; Ruef, 2000).¹ A feature space can be used to represent all identities that can theoretically be defined through the same feature dimensions in a landscape, irrespective of whether there are any organizations that occupy those positions or not (Peli and Nooteboom, 1999).² It thus allows us to conceptualize and operationalize the relative positions of new and incumbent identities in a landscape.

The degree to which an identity stands out in its landscape by virtue of its features being different from others is referred to as its *distinctiveness*. Studies vary in how they define the other identities that serve as a benchmark for distinctiveness. One approach is to think of distinctiveness as a position’s dissimilarity from a typical, representative organization in its market (defined by the median or average feature values of all organizations in the industry, as in Cennamo and Santalo, 2013; Deephouse, 1999; Gong et al., 2019), or in its market category (defined by the average member, a prototype, or an exemplary member, as in Barlow et al., 2019; Tauscher et al., 2020).³

A different approach, adopted by ecological studies, is to conceptualize distinctiveness of a focal position in relation to all other identities in the landscape, as *the average distance to all other positions in the field* (Hannan et al., 2019; Lo et al., 2020). An important aspect of this approach is that the distinctiveness of a position will depend on the distinctiveness of other existing positions. A position that is in the “middle” of a landscape will be highly distinctive if all other positions are at the far “corners” of the landscape but very indistinctive if all other positions are clustered in the “middle.” Within a landscape that contains diverse identity positions, distinctiveness of positions can vary to great extent. We use this approach because it is more suitable for measuring the degree to which new identities stand out in landscapes with diverse other identities.

Consider a hypothetical new identity emerging in the landscape of breweries, an industry that has been studied over decades. Since the growth of microbreweries starting in the 1980s, the field has contained two main identity templates: large scale low-cost producers of undifferentiated products and small craft-based producers of differentiated products that are associated with a particular place (Carroll and Swaminathan, 2000). In order to describe a new identity position in this landscape, we can refer to its distinctiveness, which would reflect how far apart it is from all identity positions, including these two. We can also refer to its conformity with and differentiation from these two main identities, which would reflect how audiences might attribute specific meanings to these positions in relation to familiar, institutionalized templates. Distinctiveness in the landscape and relationship to established templates may have separate effects on appeal, as suggested by the literature we review below.

Conformity and differentiation

Whether framed as strategic balance (Deephouse, 1999), proposed as a two-stage model of competition (Phillips and Zuckerman, 2001), or situated within a community ecology paradigm (Ruef,

2000), prior studies on the effect of identities on appeal have examined conformity as a primary determinant of legitimacy and differentiation as a source of competitive advantage among legitimate organizations. Conformity enables audiences to see new identities as fitting into pre-existing schemas. Differentiation creates a source of value that is not provided by organizations occupying established identity positions. In this section, we review the various tactics of conformity and differentiation that previous studies have identified.

The extent to which new identity positions are perceived as conforming depends on what audiences expect from organizations. In fields where a diverse set of established identities exist, conformity can be achieved by appearing “conventional” according to a certain identity position (Durand and Kremp, 2016), most readily by adopting features that are seen as characteristic of that identity, and thus satisfying a “test code” (Hannan et al., 2007). Prior research suggests that organizational identities that are established in the early history of an organizational field can serve as identity templates for new organizations (King et al., 2011; Patvardhan et al., 2015; Pólos et al., 2002). New identity positions that are sufficiently similar to one of these *ancestral* identities may benefit from its historical legacy and potentially higher status (Heugens and Lander, 2009; Sharkey, 2014) and transfer legitimacy from it (Haack et al., 2014). Audiences are likely to perceive these new identity positions as conforming, even if they show high distinctiveness with respect to the entire set of identities in the landscape. Therefore, we consider similarity to an ancestral identity, in particular, *proximity to the nearest ancestral identity* as one key tactic of demonstrating conformity. New identity positions that are proximate to at least one ancestral identity are likely to benefit from spillovers of legitimacy (but may also be subject to a “violation-by-comparison penalty” (Dobrev et al., 2006; Khessina and Reis, 2016)).

Another way in which identities can be conforming to audience expectations is by *combining characteristic features of two or more ancestral identities to create hybrid identities*.⁴ Hybridization is often driven by the intention to draw on the appeal of multiple identities (Battilana et al., 2017; Wry et al., 2014). Whether a hybrid identity is seen as conforming or not is likely to depend on the identities that are being bridged, as well as the particular form that hybridization takes. For instance, Durand et al. (2007) showed that the success of efforts by French haute cuisine restaurants to strategically reposition themselves by integrating nouvelle cuisine practices hinged on whether audiences perceived these efforts as code preserving or code violating. Hybrid identities are somewhat different from each of the parent identities and can, therefore, be perceived as violating institutionalized expectations of each (Hsu et al., 2009; Negro and Leung, 2013; Rao et al., 2003; Zuckerman, 1999). This can lead to them being ignored or actively devalued. These negative outcomes are more likely when the spanned identities are distinct from one another (Kovács and Hannan, 2015), presumably because the hybrid position is more dissimilar to either parent.

Hybridization of multiple ancestral identities can also be a tactic of differentiation (Dalpiaz et al., 2016). It may lead to creative recombination (Fleming, 2001; Rosenkopf and Nerkar, 2001) or the development of new organizational capabilities (Markides and Williamson, 1994). Features that were previously not combined may be discovered to be complementary—that is, they create greater value in combination—or to appeal to the same audience segment, thus creating added value. Prior literature documents successful cases of hybridization of products (e.g. minivan: Rosa et al., 1999), categories (e.g. modern Indian art: Khaire and Wadhvani, 2010), and even industries (e.g. nanotechnology: Kennedy et al., 2010). However, hybrids may also get “stuck in the middle” (Porter, 1980), because they are seen by audiences as not competing effectively with either of the hybridized positions (Hsu, 2006) or because the logic of value creation for the hybridized positions involves trade-offs (Cennamo and Santalo, 2013; Thornhill and White, 2007).

Differentiation can also be achieved by introducing novel features—features that do not exist or are not prominent in ancestral identity schemas (Durand and Khaire, 2017; Powell and Sandholtz,

2012). The following two main tactics of differentiation have been proposed: (1) *vertical differentiation*: adding a novel feature that will appeal to the audience generally, based on shared performance standards and (2) *horizontal differentiation*: adding a novel feature that will extend the appeal to a new segment of the audience, based on its particular standards (Lancaster, 1979; Zuckerman, 2016). Vertical differentiation is often achieved by adding competence-enhancing features. Horizontal differentiation is achieved by targeting an audience segment whose demands are not met by current offerings in the market. Both tactics of differentiation present opportunities for creating appeal but also put positions at risk of being perceived as illegitimate due to the alien feature (Hannan and Carroll, 1992) or because they create too complex an identity (Hsu and Hannan, 2005).

Distinctiveness and its appeal

In strategic balance theory as originally formulated by Deephouse (1999), a moderate level of distinctiveness is thought to be one that strikes a balance between legitimacy and competition *because* it mixes conformity and differentiation in the right amounts. In this view, distinctiveness itself has no appeal—it is a proxy for strategic balance. Similarly, Zuckerman (2016) implies that successful identities will have moderately distinctive positions in their landscape because they will have satisfied audience demands for conformity and differentiation. Other studies, while pointing out that organizations may pursue multiple tactics of conformity and differentiation to achieve an optimal level of distinctiveness in markets that feature complex institutional and competitive forces (Barlow et al., 2019; Durand et al., 2007; Giachetti and Lampel, 2010; Gong et al., 2019; Greenwood et al., 2011; Haans, 2019; McKnight and Zietsma, 2018; Philippe and Durand, 2011; Zhao et al., 2013, 2017), have not considered the effects of distinctiveness as being potentially separate from these tactics either. Rather, “optimal distinctiveness” and “strategic balance” are often used synonymously with mixing tactics of conformity and differentiation.

This raises the question of whether distinctiveness has any effect on appeal beyond the conformity and differentiation it might reflect. Going back to our brewery example: is it sufficient to know how much a new brewer conforms to ancestral identity templates (e.g. to the microbrewer template by producing small batches of products through traditional techniques) and whether it differentiates from them (e.g. by pursuing an unfamiliar value proposition, such as healthfulness), or would we also want to know how distinctive it is? Perhaps, given the clear segmentation in the market, any information about distinctiveness is redundant. For instance, regional breweries have been “stuck in the middle” of low-cost national and differentiated local rivals, unable to compete on cost or value (Carroll and Swaminathan, 1992; Porter, 1980). Could we not predict their lack of appeal from their inability to engage any segment of the audience, their lack of fit with either of the identity templates that audiences find appealing? Does knowing the distinctiveness of this position provide any useful information?

The primary way in which distinctiveness has been suggested to affect appeal—independently of its possible reflection of conformity or differentiation—is through its effects on perception and attention. Distinctive positions are more visible to external audiences. Non-distinctive positions may be seen as varieties of existing identities, redundant, indistinguishable, and therefore, not worthy of attention (Lo et al., 2020). Distinctive identities will appear clearer, more salient, and separate from other identities in evaluators’ minds (Hsu and Hannan, 2005). This is likely to be important especially for new firms that need to build a reputation from scratch (Rindova et al., 2007). The attention that distinctiveness focuses on new identities can spur the formation of social worth judgments that may be positive or negative (Ferguson et al., 2000). Accordingly, we might expect distinctiveness to strengthen the legitimacy or competition-inducing effects of conformity and differentiation tactics.

Orchestration

As the above review shows, each tactic of conformity and differentiation involves a trade-off. Proximity to ancestral identities confers legitimacy but increases competition. Hybrids of ancestral identities can risk being perceived as violating expectations and the benefits they expect from differentiation may not come to pass. Differentiation, likewise, may put identities at risk of an illegitimacy discount. It is for this reason that the theory of strategic balance and optimal distinctiveness predict that both conformity and differentiation are necessary to generate appeal (Deephouse, 1999; Zhang et al., 2020). A similar formulation is the two-stage valuation framework, according to which conformity with categorical expectations ensures that organizations enter evaluators' consideration sets, after which they can be rewarded for their differentiation from others in the consideration set (Phillips and Zuckerman, 2001; Zuckerman, 2016).

Extending the idea that both conformity and differentiation are necessary for appeal, recent studies have iterated that there can be various ways in which multiple tactics of conformity and differentiation can be combined, or orchestrated, into a balanced identity. Zhao et al. (2017) propose two specific orchestration methods: integrative orchestration, whereby multiple strategic features are combined to achieve a coherent whole that is perceived as an appealing identity, and compensatory orchestration whereby disagreeable features are compensated by appealing ones. In a study of new cleantech firms, McKnight and Zietsma (2018) find a third method called threshold orchestration, which involves organizations generating sufficient legitimacy to overcome certain liabilities.

We extend this line of investigation further by examining how tactics of conformity to and differentiation from ancestral identities in a field (*proximity to the nearest ancestral identity, hybridization of multiple ancestral identities, vertical and horizontal differentiation*) in combination with *distinctiveness* are associated with appeal. In other words, we explore whether distinctiveness can itself be one of the positional qualities that is "orchestrated" with others, as implied by some prior studies. For instance, Kennedy et al. (2010) argue that strategies that blend elements of multiple categories create value when audiences perceive them as new "pure play" strategies. This might be more likely at higher levels of distinctiveness (Lo et al., 2020). Given its likely effect on salience, moderate or high distinctiveness may be necessary for any new identity position to gain appeal, while not sufficient to create appeal on its own. Conversely, highly distinctive positions may be successful only if they target the specific needs of an audience segment through horizontally differentiated features, like microbreweries do (Carroll and Swaminathan, 2000). More generally, while tactics of conformity and differentiation place new identities within the established identity schema, distinctiveness may strengthen or weaken any effects of conformity and differentiation by drawing more or less attention to their positions.

Following the lead of prior studies on orchestration, we adopt a configurational approach to explore whether the five positional qualities of new identities (distinctiveness, proximity to the nearest ancestral identity, hybridization of multiple ancestral identities, vertical and horizontal differentiation) are necessary or sufficient, alone or in combination, to achieve high appeal (McKnight and Zietsma, 2018; Zhao et al., 2017). These five positional qualities may appear in a variety of configurations in any landscape as new identities relate to multiple ancestral identities through different tactics and as their distinctiveness in the landscape depends not only on their conformity to and differentiation from ancestral identities but also on the positioning of all identities in the field. For instance, a new brewery that emulates highly distinctive farmhouse breweries will itself be occupying a distinctive position, whereas one that emulates an urban brewpub identity will occupy a non-distinctive position (unless it also adds a health orientation, in which case it would be distinctive). A configurational approach allows us to explore the many different paths to appeal.

A note on constraints

The particular configurations that can be observed in an empirical study depend on various context-specific factors. While it seems that numerous combinations of the five positional qualities we have identified earlier are possible, organizations are likely to be constrained in their identity positioning. The most well-theorized constraints are barriers to imitation (Barney, 1991; Reed and DeFillippi, 1990). The argument that organizations cannot choose identity positions at will, that there exist barriers to imitating successful positions, is at the core of theories of strategic groups (e.g. Caves and Porter, 1977; McGee and Thomas, 1986). New identity positions that are close to ancestral identity templates may be rare because the latter are hard to imitate. In other words, an organization's realized position in the landscape will be shaped not only by the features it aims to adopt but also its resources and capabilities that do or do not permit it to adopt those features. Indeed, as Deephouse (1999) noted, "Each firm's strategic position is supported by its resources and capabilities, reflecting the idea that resources and positions are two sides of the same coin" (p. 148).

Similarly, in terms of differentiation, prior research shows that both motivations for differentiation and ability to differentiate can vary across organizations. For instance, organizations that are seen as nonconforming as a result of some immutable aspect of their identity may be more likely to conform in other aspects, to compensate for their unorthodoxy (Miller et al., 2018). Nonconformity may depend on the level of resources (Miller and Chen, 1996) or status (Durand and Kremp, 2016).

Accordingly, before we examine how configurations of the five positional qualities of new identities are associated with high appeal, we first examine which configurations emerge as new identity positions in the field that we study. This requires us to place new identity positions within the institutional and historical context of the field, which we describe in the next section.

Empirical context: the Turkish higher education field

Our empirical exploration is set in the context of the Turkish higher education field over the period of 1982–2014. Observing all new identity positions that emerge during this long period helps us overcome biases that selective sampling of appealing identities may cause. We first provide a historical background, which describes the emergence of ancestral identities within the field. We then consider the external forces that shaped organizational demographics and are likely to have influenced identity dynamics during the three decades over which we examine new identity positions.

History of ancestral identities

When founded in 1923, the Turkish Republic inherited from the Ottoman Empire a single public university (in Istanbul) and various specialized professional schools, also public, in civil service, commerce, engineering, and fine arts. This first university was modeled after the Continental European *Classical* university, comprising faculties of sciences, letters, theology, law, and medicine. In 1946, a replica of this university was founded in Ankara, the capital. Also in the mid 1940s, the pre-existing engineering school was converted into a specialized *Technical* university (ITU) that only included faculties in engineering and architecture (Okyar, 1967). These two (*Classical* and *Technical*) constituted the first two ancestral identities.

The third ancestral identity emerged in the aftermath of the Second World War, during the economic, political, and military rapprochement between Turkey and the United States, with the founding of a new public university (METU) patterned after an American model (Dodd, 1962). The university was composed of a narrow range of professional faculties with relative specialism

in technical disciplines (i.e. incorporating engineering and architecture), though it also offered a faculty of business and a faculty of arts and sciences (Reed, 1975). Most notably, the language of instruction was not Turkish but English, and most of the academic staff, though largely Turkish, had obtained their doctoral degrees in the United States (Aysan and Kurtuluş, 1973). A second example of an *American* university was established in 1971, when the higher education branch of an American school in Istanbul was handed over to the Turkish government to become a public university (Boğaziçi), which maintained all the features of its predecessor (Freely, 2009). Thus, by mid 1970s, the three ancestral identities (*Classical*, *Technical*, and *American*) were well established.

Restructuring of the field

Turkish higher education was redesigned with an overhaul in legislation in the early 1980s, which brought about three major changes (for further details, see Barblan et al., 2008). First, the binary division of a university sector and a non-university sector was changed to a unified structure consisting only of universities. Second, philanthropic foundations were allowed to establish not-for-profit private universities, which were subject to the same legislation as the public universities and were ascribed the same set of aims and functions, but differed in being governed by lay boards appointed by the parent foundation and being funded largely by student tuitions (which they are free to determine), whereas public universities were essentially tuition-free. Third, field governance was centralized through extensive powers granted to a national-level “higher-education council” (the so-called YÖK). Since then, the establishment of new universities and new faculties in existing universities, for example, require YÖK, government, and parliamentary approval. Nevertheless, both the private and the public universities retained considerable degree of initiative with respect to their identity-defining features, as they could negotiate creation or closure of faculties, their student intake, and other core features such as the language of instruction.

Post-1990 expansion and attempts at new identity positions

Only one private university was founded in the 1980s. Expansion began in the latter part of the 1990s, followed by fast growth after the mid 2000s. By the end of 2014, there were 68 private universities in the country. There was a parallel growth in the number of public universities, occurring in three waves: 1992–1993, 2006–2008, and 2010–2011, as different politically driven projects were implemented. Together with the occasional founding between these waves, the number of public universities increased from 19 in 1981 to 103 by the end of 2014. This period of fast growth in both public and private universities led to an “oversupply.” The oversupply was accompanied by greater competition for students, especially after the mid 2000s. At the same time, universities experienced increasing pressures from YÖK to produce international publications.

These developments prompted some newly founded universities to locate in new identity positions. Some public universities in the provinces emulated urban universities (mostly *Classical* ones), making this particular ancestral form accessible around the country. Some private universities adopted features of successful public universities. Some universities, public or private, differentiated themselves from ancestral identities by investing in research to increase publications and thus rise in national and international rankings and/or by increasing their faculty-to-student ratio to bolster an image of orientation to quality (as opposed to quantity) in teaching. Interviews with university presidents confirm that they saw themselves as strategic actors, shaping features of their universities to gain more students and thus more funding from the government (in the case of public universities) or greater tuition income (in the case of private universities). While interviews and close observation of

the field as participants (with all three authors having studied and worked in Turkish universities) indicate a range of new identity positions that emerged outside of ancestral identities, identification of the entire set of new identity positions, characterization of their types with respect to the five positional qualities we have identified in the “Theory” section, and an analysis of their appeal requires a systematic method. The next section describes our methodology.

Methodological framework and data sources

Following our theorization, different combinations of the five positional qualities that characterize a new identity position (distinctiveness, proximity to the nearest ancestral identity, hybridization of multiple ancestral identities, vertical and horizontal differentiation) might variably be associated with the position’s appeal. In order to address such complex relations (Miller, 2018; Misangyi et al., 2017), we required a set theoretic methodology to study cases as configurations of conditions and to analyze causal complexity, as opposed to studying the net effects of independent variables (Ragin, 2008). Specifically, we applied qualitative comparative analysis (QCA), which has fruitfully been used in organizational research (Fiss, 2011; Fiss et al., 2013; Greckhamer et al., 2008, 2018; Misangyi et al., 2017).

The set of new identity positions (those that deviate from the three ancestral identities of *Classical*, *Technical*, and *American*) in the Turkish higher education field constitutes the sample of our QCA. Step 1 below explains our method of identifying these new identity positions and measuring their positional qualities. The five positional qualities constitute the causal conditions in QCA whose different configurations we associate with appeal, as described in Step 2.

Step 1: identifying new identity positions and five positional qualities that characterize them

As mentioned earlier, we conceptualize organizational identities as sets of features that correspond to positions in a feature space that is defined by the entire set of *identity-relevant feature dimensions* as perceived by audiences. We conducted audience interviews to determine the set of identity-relevant feature dimensions in our setting. We then obtained archival data on these features to locate each university’s identity position in the feature space for each year in our study period.

As research in strategy and organizational ecology shows, organizations tend to cluster at identity positions (Cattani et al., 2017; Hannan et al., 2007; King et al., 2011; Peteraf and Shanley, 1997). In other words, identity positions in a competitive landscape potentially host multiple organizations. We conducted cluster analysis for every year on identity-relevant university features to identify the distinct identity positions in the Turkish higher education field. We then coded the five positional qualities for each identity position. We provide a broad outline of our procedure here, with greater detail in the Supplemental appendices.

Determining identity-relevant university features (constructing the feature space). Measurement of the feature space as a space of organizational features that are perceived as identity-relevant by audience members requires eliciting the perceptions held by audiences (see Elsbach and Kramer, 2003; Hsu and Hannan, 2005). We did this through interviews where we used card-sorting techniques (e.g. Budhwar, 2000; Daniels et al., 2002; we provide the details of the procedure in Appendix 1). Our informants were faculty members and high school counselors that represent audience groups who are a key to the operations and outcomes of universities in the Turkish higher education field. These interviews showed that audience members continued to perceive *Classical*, *Technical*, and *American* as salient and desirable identities. Informants indicated the features that they perceive as

characteristic of these identities: large size and presence of a faculty of medicine for *Classical*, specialism in technical disciplines for *Technical*, and English-medium instruction for *American*. They also identified other identity-relevant features, some of which they viewed as differentiating new identities from ancestral identities: research orientation, ownership (i.e. public vs. private), location (i.e. large cities vs. provinces), and quality orientation in teaching (signaled by higher faculty-to-student ratios). Exemplary quotations from our informants related to these features are presented in Online Supplementary Materials.

We construct the feature space of the field of Turkish higher education as composed of these eight identity-relevant university features. Appendix 2 explains the way we operationalized them to acquire archival measures over time. We obtained archival data on these features on a yearly basis, using the following data sources: (a) the “Law on the Organization of Higher Education Institutions” (for faculty composition and location), (b) the annual central university examination manuals (for language of instruction and undergraduate programs offered), (c) annual higher education statistics (for student and academic staff figures), and (d) the Web of Science database (for journal publication counts). Given that the data pertaining to universities are generated and published by governmental agencies and used by students to select schools, we consider them reliable. We have data on all study variables since the year 1982,⁵ and our most recent records are in the year 2014. The end of our analysis period predates the increase in government involvement in university governance that followed the coup attempt in 2016.

Finding new identity positions. We identified organizational clusters of convergence in the feature space using a cluster-analytic approach. In order to determine new identity positions that deviate from incumbent ones, we conducted cluster analyses on a yearly basis. We examined the membership in clusters and their feature values to track incumbent identities and the emergence of new identity positions distinct from those identified in previous years.⁶ Appendix 3 provides more detail on the procedure and results of our cluster analyses. Notably, we find nearly perfect overlap between our cluster solution for 2014 and the clusters that informants reported when we did the interviews in 2016, providing evidence that our method of identifying identity positions worked.⁷ Furthermore, the fact that our cluster analyses produced the ancestral identities reported in historical monographs (Barblan et al., 2008; Öncü, 1993) provides some confidence that our method worked well longitudinally.

Our yearly cluster analyses show that ancestral identities (*Classical*, *Technical*, and *American*) continued to exist as separate clusters during the entire study period. We find 14 new identity positions that deviate from the three ancestral identities over this period. This set of new identity positions constitutes our QCA sample.

Coding the positional qualities that characterize new identity positions. We coded each new identity position according to the five positional qualities that we culled through our literature review, as follows:

1. *Distinctiveness* is operationalized as the overall dissimilarity of a new identity position from other existing identities in the field. The exact measure we use is the average of pairwise Euclidean distances between the new identity position and existing identities, both ancestral and other. This measure is similar to prior measures of distinctiveness as strategic deviation (Deephouse, 1999) and is calculated at the level of the entire landscape (Lo et al., 2020). In addition to the continuous measure of distinctiveness, we generated a dummy variable indicating a moderate level of distinctiveness (between the 33rd and 66th percentile of the sample scores of distinctiveness) and used it as the causal condition in supplementary analyses.

2. *Proximity to the nearest ancestral identity* is calculated as the inverse of the minimum of the Euclidean distances between the new identity position and the three ancestral identity templates (*Classical*, *Technical*, and *American*), based on all of the eight identity-relevant features.
3. *Hybridization of multiple ancestral identities (hybridity)* is operationalized as combining characteristic features of multiple ancestral identities. As noted earlier, *Classical* universities are characterized by large size and the presence of a faculty of medicine, *Technical* by specialism in technical disciplines, and *American* by English-medium instruction. We generated a dummy variable for hybridity that took the value of 1 if the new identity position combined characteristic features of at least two ancestral identities (e.g. *American's* English-medium instruction and *Classical's* faculty of medicine), and 0 otherwise.
4. *Vertical differentiation* refers to addition of novel competence-enhancing features. Turkish universities attempted this in two ways, by investing in research to distinguish themselves in national and international rankings, and by investing in teaching resources to improve perceptions of teaching quality. Research orientation, which had not been a characteristic feature of any ancestral identities, was emphasized by YÖK and other authorities that produced domestic and international rankings as a mark of positive differentiation. And while teaching had been the primary mission of Turkish universities, a higher faculty-to-student ratio emerged as a mark of quality orientation in teaching during this period. We thus consider orienting toward either research or quality in teaching as novel features that afforded an opportunity to appeal to all audiences, rather than a particular subset of the audience.
5. *Horizontal differentiation*, as we described earlier, refers to an attempt at targeting a part of the audience. In contrast with universities within the ancestral identities, which were mostly located in the largest cities of the country, many new universities were located in smaller cities. This reflects horizontal differentiation in our setting, as it can appeal to students that reside in the provinces or those who are attracted to the lower living costs of the provinces.

Step 2: application of QCA to investigate the configurations of positional qualities associated with appeal of new identity positions

QCA serves our aim to investigate the way the five positional qualities that characterize a new identity position are associated with their appeal, not only individually but also in combination with one another. It is the ideal method to study how configurations of conforming and differentiating tactics, in addition to distinctiveness, may be more or less balanced or optimal (Zhao et al., 2017).

Identity appeal constitutes the outcome variable in QCA. All universities in Turkey admit students through a centralized examination administered by the state-run Student Selection and Placement Center. Entrance scores in this examination constitute reliable data for comparing universities in terms of appeal.⁸ Schools that are demanded by more students admit students with higher scores. Since this is the only mechanism for students to be matched with schools, admittance scores serve as almost the sole mechanism in gauging the appeal of universities to students (and by extension, other audiences such as recruiters and parents), and they are closely watched by any audience in this field. For each new identity position that we observe, we measure appeal as the average appeal of universities that adopt the identity position over the whole period of our study.⁹

Both the outcome (i.e. appeal) and the causal conditions (i.e. the five positional qualities) in QCA are conceptualized as sets, and each case's membership in these sets is determined through a process called calibration. We apply the direct method, which is a well-accepted practice for

calibration of variables into fuzzy sets (Ragin, 2008). This method requires the determination of three break points: for full membership (1), full non-membership (0), and the crossover point (0.5). We follow prior applications of QCA and determine these break points using 75th, 50th, and 25th percentile of sample scores as the fully in, crossover, and fully out thresholds of set membership (Fainshmidt et al., 2019; Greckhamer et al., 2018; Ho et al., 2016). We then use our knowledge of the empirical context to validate the relevance of membership assignments.¹⁰ Anchor points for calibrating each variable are presented in Appendix 4.¹¹

The next step of the analysis involved creating a truth table, which is a data matrix capturing all logically possible combinations of causal conditions (Fiss, 2011). QCA uses Boolean algebra to analyze this property space of 2^k combinations, where k is the number of causal conditions included in the analysis. Following previous research (see Misangyi, 2016; Misangyi et al., 2017), we utilized the fs/QCA 2.0 (Ragin, 2006) for the analysis, and report the intermediate solution produced by the software. Whether conditions are considered core or peripheral is determined by a counterfactual analysis facilitated by the three different solutions produced in fs/QCA. Complex solutions do not integrate simplifying assumptions based on counterfactuals (i.e. theoretically possible configurations for which no cases exist); parsimonious solutions include all counterfactuals; intermediate solutions only integrate those counterfactual cases consistent with existing knowledge (Fiss, 2011; Ragin, 2008). Those conditions that are part of both parsimonious and intermediate solutions are core conditions, and those that only appear in the intermediate solution are the peripheral conditions.

QCA evaluates necessity and sufficiency relations through set theoretic measures of consistency and coverage, which serve analogous purposes of significance and effect sizes in regression analysis (Greckhamer et al., 2018; Ragin, 2008). We set the lowest acceptable consistency for solutions at 0.80, which is above the minimum recommended threshold of 0.75 (Ragin, 2008). We report the consistencies and coverages for the overall solution as well as for each configuration.

Findings

We first examine which configurations of conditions (i.e. positional qualities) we observe in the data. Table 1 displays the 14 new identity positions, the conditions that characterize them, and the positions' appeal. The conditions of hybridity, vertical and horizontal differentiation are by their nature crisp sets, with mutually exclusive membership (1) or non-membership (0) states. We present fuzzy set calibrated scores for the remaining conditions, where the value 1 indicates full membership, 0 indicates full non-membership, and 0.5 the crossover point. We derive three main observations from the data presented in Table 1.

First, new identity positions in this field exhibited very different configurations of conditions, such that none of the conditions appear redundant or overly deterministic of others. For instance, while proximity to the nearest ancestral identity and distinctiveness are correlated, the correlation is modest ($r=-0.38$). Neither do levels of differentiation from ancestral identities determine degrees of distinctiveness in the landscape. There are new positions that are horizontally differentiated but not distinctive (IP1 and IP3), vertically differentiated but not distinctive (IP12), and highly distinctive but not highly differentiated (IP5 and IP14). Notably, the most distinctive two new identity positions are unlike in the ways they conform to and differentiate from ancestral identities. IP7 is distinguishable through hybridization (of *American* and *Technical* identities) and vertical differentiation (high research orientation). IP5 is a position occupied by private universities that conduct instruction in English at higher levels than all other new identity positions. It is not proximate to the ancestral *American* template (due to being private), and it has no differentiating features (horizontal or vertical). As such, it is distinctive in the landscape, but it is not clearly differentiated from ancestral identities through vertically or horizontally differentiating features.

Table 1. The conditions that characterize new identity positions and their appeal.

New identity position	Proximity to the nearest ancestral identity	Hybridity	Vertical differentiation	Horizontal differentiation	Distinctiveness	Appeal
IP1	0.51	0	0	1	0.07	0.09
IP2	0.06	0	0	1	0.54	0.00
IP3	0.21	1	0	1	0.10	0.02
IP4	0.99	0	0	0	0.04	0.95
IP5	0.01	0	0	0	1.00	0.07
IP6	0.98	1	1	0	0.59	0.95
IP7	0.02	1	1	0	1.00	0.97
IP8	0.02	1	1	0	0.95	0.61
IP9	1.00	0	0	1	0.62	0.49
IP10	0.19	1	0	0	0.43	0.60
IP11	0.61	0	0	0	0.05	0.01
IP12	0.51	0	1	0	0.04	0.97
IP13	0.93	0	1	1	0.01	0.49
IP14	0.84	1	0	0	0.97	0.10

Notes. The table presents the fuzzy set calibrated scores, where the value 1 indicates full membership, 0 indicates full non-membership, and 0.5 the crossover point. We do not apply this fuzzy set calibration for two of the causal conditions; hybridity and horizontal differentiation. These two variables are by their nature crisp sets, with mutually exclusive membership (1) or non-membership (0) states.

Second, we see that ancestral identities continue to be used as templates for new identity positions. Eight of the 14 new identity positions are at least moderately proximate to an ancestral identity, and six of the 14 are hybrids of two ancestral identities (there were no identities that hybridized all three ancestral identities). This may be partially driven by the fact that organizations occupying ancestral identity positions enjoy high appeal throughout the period of our study, with the *American* showing the highest and the *Classical* and *Technical* registering the next highest levels of appeal. The appeal of all new identity positions remains lower than that of the *American*, while the most successful of the new identity positions (IP4, IP6, IP7, and IP12) approach the appeal of universities with *Classical* and *Technical* identities. (Note that our analysis below does not include the three ancestral identities.) We further observe that new identity positions with high appeal (IP4, IP6, IP7, and IP12) host less than 8% of the universities in the entire field (Table S3 in Appendix 3).

Third, there are some patterns in configurations that exist (against the background of all theoretically possible configurations). These patterns seem to arise because the tactics through which organizations pursued differentiation was shaped by their immutable characteristics (such as ownership), which determined access to resources and relationship to audiences. Public universities, given their mission to serve the entire country, were more likely to locate in the provinces (horizontal differentiation). Private universities, which could not compete with the tuition-free public universities in the provinces, were more likely to locate in urban areas. As a result of being in more crowded markets and not having financial support from the state, they were more likely to build research capabilities that could draw research grants, contribute to a rise in rankings, and thus potentially increase appeal (vertical differentiation). Some of them promoted higher faculty-to-student ratios as a mark of quality orientation in teaching. They were also more likely than public universities to imitate the most selective of the ancestral identity templates, the *American*. Their ability to do either of these with fidelity depended on their resources, however.

We next turn to our analysis of how the five conditions were associated with the appeal of new identity positions. The first step in QCA was to test for necessary conditions for the outcome of interest (i.e. appeal). None of the individual conditions exceeded the consistency threshold of 0.80 for the high appeal outcome (see Appendix 5). That is, none of the causal conditions, including distinctiveness, taken alone, was sufficient for a new identity position to be appealing.

Summary results of the QCA are presented in Table 2. Three configurations consistently led to high appeal. We refer to these as “solutions” and present them following notation applied in previous studies (Fiss, 2011; Ragin and Fiss, 2008). A black circle (“•”) indicates the presence of a condition, whereas a circle with a cross-out (“Ø”) represents its absence. In addition, core conditions (for which the evidence indicates a strong causal relationship with the outcome of interest) are indicated with larger circles, while peripheral conditions (for which the evidence for a causal relationship with the outcome is present but weaker when compared to core conditions) are indicated with smaller ones. A blank space in a solution indicates a “don’t care” situation—that is, the causal condition may be either present or absent. Consistency scores capture how consistently observed configurations are linked to the outcome, whereas coverage gauges a configuration’s empirical relevance or importance. While all three solutions in Table 2 exhibit high consistency, unique coverage scores¹² suggest that Solution 3 is empirically more prevalent in our data, followed by Solutions 1 and 2.

Solution 1 designates new identity positions that are proximate to an ancestral identity, are not hybrids of ancestral identities, are not horizontally differentiated (i.e. are in urban areas), and are not distinctive in the landscape. The organizations that occupy these identities tend to emulate the *Technical* university identity. It appears that their similarity to an ancestral identity, combined with lack of a differentiating novel feature and distinctiveness in the landscape, created an attraction to expanding numbers of students in urban areas who valued this ancestral identity specialized in technical disciplines.

Solution 2 points to positions that are proximate to an ancestral identity, are not hybrids of ancestral identities, are horizontally differentiated from ancestral identities (i.e. are in provinces), and have high distinctiveness in the landscape. It seems that the main draw of these universities was to expand the *Classical* ancestral template into the provinces, thus attracting students who did not want to or could not afford to study in large cities.

Solution 3 comprises positions that hybridize features of multiple ancestral identities, are vertically differentiated (i.e. have high research orientation), and are distinctive with respect to the entire set of identities in the landscape. These positions are occupied by highly resourced public or private universities that hybridize the *American* identity with either the *Classical* or the *Technical* identity (IP6 and IP7). Even though they embody characteristic features of two ancestral identities, they are not necessarily close to either parent.

The results in Table 2 and a comparison of the three appealing solutions therein with all existing configurations (depicted in Table 1) further shows that it was particular combinations of distinctiveness with tactics of conformity and differentiation that generated appeal. Namely, non-distinctive identities did not do well unless they were proximate to an ancestral identity, while distinctive identities had high appeal only if they were significantly differentiated through novel features that distinguished them vertically or horizontally from ancestral identities. Several positions existed outside this pattern, being non-distinctive in the landscape and not close to any particular ancestral identities (IP3) or being highly distinctive in the landscape but not differentiated from ancestral identities through novel features (IP5 and IP14).

In other words, the positive correlation between distinctiveness and differentiation and the negative correlation between distinctiveness and conformity that one would observe among the appealing positions in our data did not arise because organizations primarily located in such positions, but

because the audience preferred distinctive organizations that were highly differentiated from ancestral identities and non-distinctive organizations that were highly conforming to ancestral identities. This may be explained by audience members trying to make sense of new identities' distinctiveness within the framework of the meaning system provided by ancestral identities. Seeing a highly distinctive new identity, they seek a legitimate reason (such as a valuable source of differentiation) for it being so different than other organizations. Seeing a non-distinctive new identity, they expect it to conform to one of the ancestral identities. Failing either expectation leads to poorer evaluations.

We also see some evidence of strategic balance emerging from orchestration of conformity and differentiation tactics, independently of the distinctiveness of positions. For instance, hybrid positions did not do well unless they were also vertically differentiated (e.g. positions that are hybrid but not vertically differentiated: IP3, IP14). As another example, horizontally differentiated identities created appeal only if they were very similar to an ancestral identity (e.g. positions that are horizontally differentiated but not proximate to an ancestral identity: IP1, IP2, IP3). These patterns suggest that hybridity and horizontal differentiation (which apparently were not seen as creating value on their own) could achieve appeal only in combination with tactics that provided clear value (in this context, proximity to an ancestral identity and vertical differentiation).

In supplementary analysis, we measure the condition of distinctiveness with a moderate distinctiveness dummy (shown in Appendix 5). We observe that Solution 3 has moderate distinctiveness, whereas Solutions 1 and 2, respectively, have low and high distinctiveness with respect to the entire set of identities in the landscape. These findings reinforce our conclusion that any level of distinctiveness can be consistent with high appeal, depending on how the new identity position is related to ancestral identities.

As a robustness check for having relied on positional qualities rather than specific organizational features in our QCA analysis, we add ownership structure of the universities occupying the identity position that might plausibly affect appeal. As we report in Appendix 5, this does not make a significant difference in QCA results. As further reported in Appendix 5, our results are also robust when we include the density (i.e. number) of organizations at new identity positions as a condition in QCA. Finally, we use a measure of appeal that is based only on the appeal of new universities that adopt an identity position (i.e. excluding older universities that have joined a new identity position). The results we obtain from this analysis are exactly the same as the results of the main QCA that we report in Table 2.

Discussion and conclusion

Our study not only corroborates that many organizations locate in new identity positions (McNamara et al., 2003), but adds that these positions can exhibit considerable variety in fields that start out with a diverse set of ancestral identities. Even within the highly institutionalized field that we study, where most new positions emulate at least some aspects of ancestral identities, we find new identities that combine characteristic features of ancestral identities in novel ways or add novel features that create differentiation. The diversity of ancestral identity templates and openness to experimentation and outside influence generated even greater diversity. Moreover, several of the new identities could gain appeal. Note that this does not indicate an easy-to-compete landscape, as a minority of universities were located at the appealing positions. Still, there was considerable variation in the types of positions that audiences found appealing.

We further found that it was impossible to predict strategic balance from positional qualities, at least without a close understanding of the audience. Hybridity and horizontal differentiation, which would normally be seen as adding value, were not considered valuable in this context. Proximity to an ancestral identity, which we thought would provide value but also competition, did not necessitate

Table 2. Configurations for high appeal (QCA results).

	Solution		
	1	2	3
Distinctiveness	∅	•	•
Proximity to the nearest ancestral identity	•	•	
Hybridity	∅	∅	•
Vertical differentiation			•
Horizontal differentiation	∅	•	∅
Consistency	0.99	0.81	0.99
Raw coverage	0.23	0.09	0.32
Unique coverage	0.23	0.09	0.32
Overall solution consistency	0.94		
Overall solution coverage	0.64		

Notes. 1. Black circles indicate the presence of a condition, and circles with “∅” indicate its absence. Large circles indicate core conditions; small ones, peripheral conditions. Blank spaces in a solution indicate a “don’t care” situation in which the causal condition may be either present or absent.

2. The solution configurations can be interpreted as follows:

Solution 1: Proximate to an ancestral identity, does not involve hybridity, does not involve horizontal differentiation, has low distinctiveness in the field (e.g. IP4—Yıldız Teknik University).

Solution 2: Proximate to an ancestral identity, does not involve hybridity, has horizontal differentiation, is highly distinctive in the landscape (e.g. IP9—Akdeniz University).

Solution 3: Hybridizes core features from multiple ancestral identities, has vertical differentiation, does not involve horizontal differentiation, is highly distinctive in the landscape (Supplemental analyses presented in Table S4 in Appendix 5 show this solution to be moderately distinctive; e.g. IP6—Hacettepe University; IP7-Bilkent University).

any complementation by differentiating tactics or distinctiveness. This resulted in positions that appeared un-balanced gaining appeal. These patterns highlight the importance of taking contextual dynamics into account, as well as the fact that these context-specific patterns were likely not apparent to field participants until they observed audience reactions to various identities.

Several aspects of our empirical context put scope conditions around the generalizability of our findings with respect to these specific effects of positional qualities of new identities. The lasting impact of ancestral identity templates, even during fast growth, was likely possible because this was already a cognitively mature field when growth started, with three ancestral identities firmly established in the audience’s schema of identities. Our interviews indicated that the identities were salient at the end of our observation period as well, and our data on appeal show that they continued to have high appeal. While many mature fields are likely to have one or more ancestral identities, fields that experience disruptive change may not have prominent identity positions that serve as attractors. In frequently changing fields, even recently emerging identities can serve as templates. Moreover, organizations in the higher education field generally enjoy high socio-political legitimacy, due not least to being subject to a state-based regulatory framework. Furthermore, prestige hierarchies tend to be stable within higher education fields, exacerbating the impact of high-status ancestral identities. It is possible that in newer or unregulated fields, without much regard for status value, proximity to ancestral identities would be less attractive, hybrids more accepted, and differentiation more valued.

Nonetheless, abstraction of positional qualities from organizational features increases the generalizability of our findings to other contexts. This is because audiences value identity positions not only as configurations of organizational features, but also, simultaneously, of meanings that are embedded within those features due to their associations with ancestral identity templates. We found, for instance, that the many features that defined different ancestral identities could generate similar

effects by virtue of tapping into different reservoirs of legitimacy. Likewise, three types of hybrids existed (each hybridizing a different pair of ancestral identities), yet, they all had similar effects within the configurations. Some identities with comparable levels of distinctiveness had very different relationships to ancestral identities, yet we found some interpretable effects of distinctiveness.

Specifically, we find that no level of distinctiveness is necessary to generate appeal. Our findings reveal three appealing configurations, one with low, one with moderate, and one with high distinctiveness, providing empirical support for arguments that different levels of distinctiveness may be “optimal” (Gong et al., 2019; Haans, 2019; Schneiberg and Clemens, 2006; Tauscher et al., 2020; Zhao et al., 2017).

Nor is distinctiveness (regardless of being high, low, or moderate) sufficient to explain the appeal of new identity positions. Rather, the association of a position’s distinctiveness with its appeal depended on how the position related qualitatively to ancestral identities in the landscape. Non-distinctive identities were not found appealing unless they were proximate to an ancestral identity. Moderately or highly distinctive identities were found appealing only if they were highly differentiated from ancestral identities, with either horizontally or vertically differentiating novel features.

These findings suggest that audiences noticed positions with particularly high and low levels of distinctiveness and conditioned their evaluations of them on whether the levels of distinctiveness made sense in the context of the position’s relationship to ancestral identities. As a result, distinctiveness could be associated with appeal only when considered in combination with tactics of conformity and differentiation. Our findings, therefore, extend the metaphor of orchestration (Zhao et al., 2017): It is not that conformity and differentiation are mixed in appropriate amounts or harmonized to produce an optimal level of distinctiveness, but the appeal of distinctiveness depends on how it fits into established identity schema.

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Supplemental material

Supplemental material for this article is available online.

Notes

1. Because our research question concerns the appeal of positions rather than why and how organizations claim certain positions, we focus on organizational identities as they are perceived and socially conferred by external audiences. While “identity claims” (the way organizations present their identities to external audiences) and “identity beliefs” (the way organizations’ members perceive their organization’s

identity) are also relevant for the formulation and implementation of strategy (Ravasi et al., 2020), they fall outside the scope of our analysis. Accordingly, we rely on the feature space and not the semantic space within which organizational identities are defined by their labels (Pontikes and Hannan, 2014; Van Venrooij, 2015).

2. The strategy landscape can be conceptualized as encompassing this identity landscape, as it can include features that are not perceived as being identity-relevant but are nonetheless significant for strategy (if any such features exist).
3. Organizations tend to cluster at identity positions, forming categories that are recognizable to audiences as strategic groups or organizational sub-forms (Cattani et al., 2017; Hannan et al., 2007; Hsu and Hannan, 2005; Peteraf and Shanley, 1997; Porac et al., 1999). In a category-focused interpretation of optimal distinctiveness, the most appealing positions are those that clearly belong to a category but are at the same time distinctive enough to be distinguished from other members of the category (Phillips and Zuckerman, 2001; Zuckerman, 2016). In comparing and evaluating research findings, it is important to keep in mind the difference between category-focused approaches and field-level perspectives. Organizations that are highly distinctive within their categories (e.g. Tauscher et al., 2020) will appear only moderately distinctive if one includes multiple identities (or organizations outside of categories) in the analysis (e.g. McNamara et al., 2003).
4. Given that hybridization has been studied both at the level of products and at the level of organizational identities, it is helpful to clarify the relationship between the two. Organizations can span product market categories by producing multiple kinds of products, such as in a “food court,” or by blending features of multiple categories, such as in “fusion food” (Baron, 2004; Kovács and Johnson, 2014). In terms of organizational identities or strategies, however, both specialist organizations that offer products from a single category and generalists that offer a range of products from different categories should be seen as distinct positions in the competitive landscape. For instance, restaurants that serve both Mexican and Japanese food, restaurants that serve only Mexican or only Japanese food, and restaurants that serve fusions of these cuisines, may each be considered as having separate identities. A new, previously unseen, hybrid of these identities may be one that sells Mexican, Japanese, and fusion items, or one that combines other organizational identity features from each ancestral identity, such as offering Mexican food but having a traditional Japanese décor.
5. By 1982, the field had already been mature, with ancestral identities all having been established by 1971. We register all the identity positions that emerge after 1972 but are able to collect data on all features starting in 1982, due to data constraints.
6. Membership into identities on a yearly basis according to cluster analysis results is available from the first author upon request.
7. While the cluster analysis is done on the basis of the feature dimensions that we learned from our interviews and, therefore, an overlap between the cluster analyses and the clusters that the informants provided is expected, this overlap nonetheless serves as a validation of our approach. We could have failed to find the same clusters if one or more of the following happened: the feature dimensions that we elicited from our interviews did not capture all the dimensions that the informants saw as relevant for classifying organizations (that some features remained hidden despite our in-depth interviews); our measurement of features, which we did through archival sources, did not match informants’ perceptions; the clustering algorithm did not mimic how informants categorize universities on the basis of feature dimensions.
8. We determine a university’s relative position in terms of appeal on the basis of maximum and minimum of the lowest entrance scores in each available type of score (verbal, quantitative, language, and equally weighted) for each program in the university. We z-standardize the entire set of scores in a particular score type throughout the field for each year. Each university’s appeal (relative to other universities) in a given year equals the mean z-score of its programs.
9. Members of new identity positions are to a great extent newly founded universities. Yet, in certain instances, older universities adopt a new identity as they change some of their identity-relevant features. In order to account for the effect of this difference on the mechanisms that we investigate, we conduct a supplementary analysis where we measure the outcome variable (i.e. identity appeal) as the average appeal of newly founded universities that adopt the identity position. This does not make a significant

difference in QCA results. The results of this supplementary analysis are available from the first author upon request.

10. We observe that the assignments overall make sense as they are aligned with the images of universities that we have in our minds. The complete list of university memberships into identity positions is available from the first author upon request.
11. We do not apply this fuzzy set calibration for two of the causal conditions; hybridity and horizontal differentiation. These two variables are by their nature crisp sets, which evaluate set membership in terms of mutually exclusive membership or non-membership states.
12. The difference between raw and unique coverage is due to overlap between configurations. Raw coverage indicates the overall coverage of a configuration that may overlap with other combinations, whereas unique coverage is uniquely due to a configuration.

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Appendix I. Procedures for identifying identity-relevant features

We used card sorting techniques to determine the features that audiences perceive as identity relevant (Budhwar, 2000; Daniels, Johnson, and Chernatony, 2002). We handed informants cards with names of 30 universities and asked them to form clusters, name each cluster, and describe its characteristics, explaining how it differed from the others. We recorded features informants mentioned as being relevant to defining the identity of each cluster. After repeating this process as many times as informants could produce different cluster solutions, we asked them to consider if they would come up with alternative clustering solutions or distinguishing features if we were to give them the entire list of Turkish universities. Informants did not mention any additional clusters or features at this point.

We conducted interviews with five faculty members and five counsellors for two samples of 30 universities each (see Online Supplementary Materials), ending up with 20 interviews in total. Although both were convenience samples, we tried to increase representativeness by including faculty members with different levels of tenure (1 to 42 years, mean=14.7, sd=14.1), employed by universities in various locations (three informants from small and seven from large cities), different gender (six females, four males), and discipline (six in social sciences, two in natural sciences, and one each from medicine and school of languages). High school counsellors varied on tenure (5 to 18 years, mean=10.5, sd=3.6), gender (eight females, two males), location (two informants from small and eight from large cities), and school type (three from public and seven from private high schools). Interviews lasted between one to one and a half hours and were taped with informants' consent.

Each of our informants mentioned six to 14 distinct attributes for distinguishing universities (mean=9.1, sd=3.8). We combined the attributes that the informants listed into unique features based on the descriptions that they provided during the interviews, which resulted in 10 features. Specifically, we combined attributes that reflect different ends of the same continuum such as "universities located in the three largest cities" and "universities located in the provinces" under a single identity feature (i.e. location). Similarly, we combined "providing education to a high number of students although having limited resources" and "Some universities aspire to be 'boutique'. They have fewer students per faculty." into "quality (over quantity) orientation in teaching".

There is a lack of reliable longitudinal data for two out of the 10 features identified by the informants, namely, political stance and financial resources. As the informants also mentioned, political stance is perceived to vary across faculties and departments of a university and also over time. Our informants had substantial agreement on the remaining eight features, with a kappa statistic of .75.

Appendix 2. Operationalizations of identity-relevant features

We operationalized identity-relevant university features as indicated below. All but the ownership measure – which is time invariant – were calculated or coded on an annual basis.

1. *Size*: total student intake of a university
2. *Presence of a faculty of medicine*: 1 if the faculty exists in the university, 0 otherwise
3. *Specialism in technical disciplines*: proportion of faculties in technical disciplines (engineering and architecture)
4. *English-medium instruction*: proportion of departments in the university in which instruction is in English
5. *Research orientation*: ratio of the total number of articles that were published by a university's academic staff in journals covered by the Web of Science database to the total number of undergraduate programs within the university
6. *Ownership*: 1 if the university is a private "foundation" university, 0 if public university
7. *Location*: 3 for the three largest cities (i.e., Istanbul, Ankara, and Izmir), 2 for other large cities, and 1 for the remaining ones
8. *Quality orientation in teaching*: ratio of total number of full and associate professors to the total number of students

Appendix 3. Finding organizational identity positions over time

In order to designate new identity positions that emerged in the Turkish higher education field over time, we conducted cluster analyses for each year between 1982-2014 on the entire set of universities, using the university features that the interviewed audience members identified as identity relevant (i.e. size, English-medium instruction, presence of a faculty of medicine, specialism in technical disciplines, location, research orientation, quality orientation in teaching, private ownership).

Specifically, we used average-linkage hierarchical clustering procedure, which minimizes within-cluster variance (Hair et al., 2006) in Stata 15 for each year on the entire set of organizations, using the z-standardized scores for each identity-relevant feature dimension. The clustering results are robust when we apply the Ward's procedure. Through an analysis of the dendrograms together with the clustering indexes provided by Caliński and Harabasz (1974) and Duda, Hart and Stork (2001) for each year, we identified clustering solutions with the largest possible number of clusters. Our yearly cluster analyses show that ancestral identities (Classical, Technical and American-modeled) continued to exist as separate clusters over the whole period of our study. This is in line with the historical monographs of this field (Barblan et al. 2008; Öncü, 1993) and our informant interviews. We observe the emergence of 14 new identity positions that deviated from categories of organizations that reflected the three ancestral identities. Figure S1 below shows the number of identity positions identified by the cluster analyses over time. We observe the emergence of two new identity positions at the beginning of our analysis period in 1982, which makes five total positions including the three ancestral identities. As of 1982, the ancestral identity clusters (Classical, Technical and American-modeled) have 4, 1, and 2 universities respectively, whereas the two new identity positions have 10 and 2 members.

Table S1 presents the first member of each new identity position together with the number of members and the cluster centers based on the eight identity-relevant university features in 2014, the end of our study period.

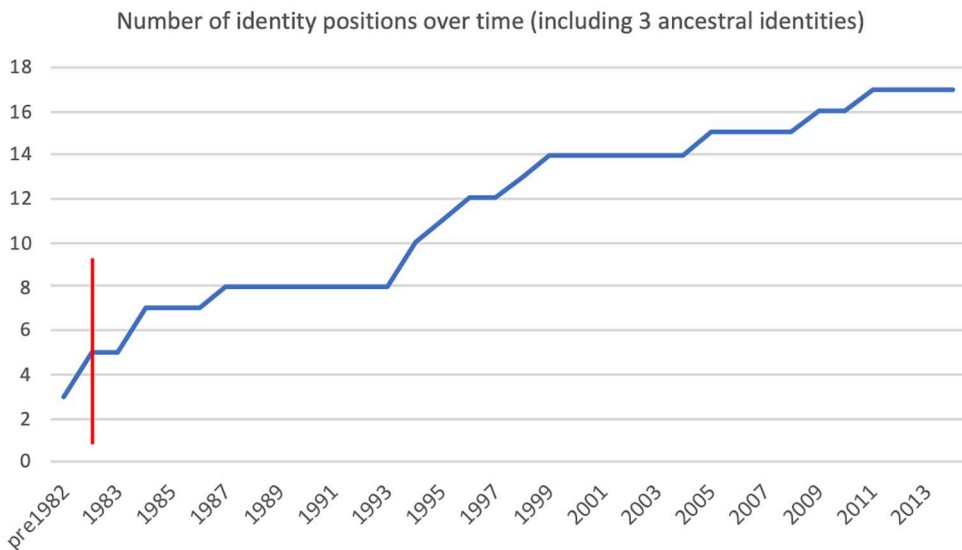


Figure S1. Number of identity positions according the cluster analysis results on a yearly basis

Table S1. New identity positions in the Turkish higher education field.

Identity position	Initial member	N	EMI		Medicine		Technical		Size		Research		F-S ratio		Private		Location	
			mean	stdev	mean	stdev	mean	stdev	mean	stdev	mean	stdev	mean	stdev	mean	stdev	mean	stdev
IP1	Atatürk Univ.	42	-0.41	0.18	0.67	0.00	-0.31	0.31	-0.32	0.69	-0.34	0.29	0.11	0.13	-0.81	0.00	-0.71	0.60
IP2	Selçuk Univ.	30	-0.45	0.13	-1.25	0.00	-0.65	0.52	-0.25	0.41	-0.65	0.12	-0.69	0.46	-0.81	0.00	-1.29	0.22
IP3	Trakya Univ.	1	-0.31	-	0.58	-	0.36	-	1.43	-	-0.71	-	-0.63	-	-0.81	-	-1.33	-
IP4	Mimar Sinan Univ.	3	-0.31	0.00	-1.66	0.00	1.29	0.49	-0.76	0.11	-0.56	0.59	0.12	0.43	-0.81	0.00	1.10	0.00
IP5	Işık Univ.	15	3.31	0.82	-1.11	0.00	-1.05	0.79	-1.23	0.23	-0.31	0.33	0.13	0.31	4.95	0.00	1.44	0.55
IP6	Hacettepe Univ.	4	0.42	0.53	0.88	0.00	-0.40	0.36	0.79	0.79	2.43	1.44	0.98	0.08	-0.20	0.00	1.44	0.00
IP7	Bilkent Univ.	4	2.82	0.15	-1.46	0.00	0.26	0.39	-1.12	0.21	0.56	1.93	-0.12	0.52	5.20	0.00	1.02	0.00
IP8	Başkent Univ.	15	-0.37	0.45	0.85	0.00	0.43	0.72	0.10	0.17	2.37	0.50	1.11	0.42	4.08	0.00	1.36	0.49
IP9	Selçuk Univ.	6	-0.35	0.12	0.89	0.00	-0.62	0.30	2.40	0.92	-0.34	0.12	0.02	0.30	-0.24	0.00	0.21	0.49
IP10	Yeditepe Univ.	6	1.82	0.63	0.87	0.00	0.25	0.48	-0.76	0.24	-0.54	0.91	-0.58	0.17	1.85	0.00	1.07	0.00
IP11	Beykent Univ.	17	1.24	0.94	-1.15	0.00	-0.14	0.78	-1.06	0.65	-0.52	0.19	-0.41	0.16	1.69	0.00	0.66	0.52
IP12	TOBB Univ.	1	-0.65	-	-1.09	-	0.97	-	-1.04	-	0.62	-	0.95	-	1.48	-	0.95	-
IP13	Anadolu Univ.	2	0.09	0.28	-0.88	0.00	-0.42	0.16	0.54	0.90	-0.35	0.33	0.94	0.48	-0.59	0.00	0.18	0.00
IP14	Piri Reis Univ.	4	2.24	1.24	-0.92	0.00	4.51	0.50	-0.93	0.08	-0.30	0.16	0.22	0.04	1.35	0.00	1.12	0.60

Notes: The presented numbers are based on z-scored feature values. We present the data at the end of our analysis period, in 2014.

Appendix 4. Calibration for QCA

The direct method of calibration of variables into fuzzy sets (Ragin, 2008) requires the determination of three break points; for full membership (1), full non-membership (0), and the crossover point (0.5). We follow prior applications of QCA and determine these break points using 75th, 50th, and 25th percentile of sample scores as the fully in, crossover, and fully out thresholds of set membership, respectively (Fainshmidt et al., 2019; Greckhamer et al., 2018; Ho et al., 2016). Anchor points for calibrating variables are presented in Table S2 below.

Table S3 below presents consistency and coverage scores of each individual condition in QCA. Accordingly, we observe that none of the individual conditions exceeded the consistency threshold of 0.80 for the outcome high appeal.

Table S2. Anchor points for calibration.

Variable	Range	Full non-membership	Cross-over point	Full membership
Proximity to the nearest ancestral identity	0.16–0.59	0.18	0.23	0.34
Distinctiveness	3.26–7.05	3.79	4.55	5.77
Appeal	–0.46–0.72	–0.22	–0.02	0.59

Table S3. Consistency and coverage scores of individual conditions in QCA.

Condition	Consistency	Coverage
Distinctiveness	0.54	0.53
Proximity to the nearest ancestral identity	0.60	0.56
Hybridity	0.51	0.54
Vertical differentiation	0.63	0.80
Horizontal differentiation	0.17	0.21

Appendix 5. Supplementary QCA results

Table S4 below presents supplementary results from three additional models of QCA. In the first, the distinctiveness condition is measured with a dummy variable indicating moderate distinctiveness instead of the continuous variable used in the main analysis. We find three solutions (i.e., configurations) that match the ones we find in the main analysis presented in Table 2 of the paper. Results confirm that Solutions 1 and 2, which in the main analysis were found to have low and high levels of distinctiveness, are not moderately distinctive. Solution 3, which appeared to include identity positions with moderate distinctiveness in the main analysis is confirmed here to indeed have moderate distinctiveness. In the second, we add private ownership (which was not reflected in the five conditions). In the third, we add density of the new identity position (calculated as the total number of universities that adopted the position). We see that neither of these changes in the model lead to a significant change in results.

Table S4. Supplemental QCA results.

	Supp. QCA 1			Supp. QCA 2			Supp. QCA 3		
	Solution			Solution			Solution		
	1	2	3	1	2	3	1	2	3
Distinctiveness				∅	•	•	∅	•	•
Moderate distinctiveness	∅	∅	•						
Proximity to the nearest ancestral identity	●	•		●	•		●	•	
Hybridity	∅	∅	•	∅	∅	•	∅	∅	•
Vertical differentiation			●			●			●
Horizontal differentiation	∅	•	∅	∅	•	∅	∅	•	∅
Private ownership					∅				
Density of the new identity position							•	∅	
Consistency	0.99	0.81	0.99	0.99	0.81	0.99	0.99	0.81	0.99
Raw coverage	0.23	0.09	0.32	0.23	0.09	0.32	0.23	0.09	0.32
Unique coverage	0.23	0.09	0.32	0.23	0.09	0.32	0.23	0.09	0.32
Overall solution consistency		0.94			0.94			0.94	
Overall solution coverage		0.64			0.64			0.64	

Notes: Black circles indicate the presence of a condition, and circles with “∅” indicate its absence. Large circles indicate core conditions; small ones, peripheral conditions. Blank spaces in a solution indicate a “don’t care” situation in which the causal condition may be either present or absent.