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Cooperative Membership and Strategizing in a Korean Consumer Cooperative Network: The Case of iCOOP

ABSTRACT

Membership is the foundation of cooperative identity distinguishing member-owned businesses from investor-owned businesses. While previous studies have largely focused on members' motives and the structures designed to encourage their participation in democratic control and economic contributions, our research explores how consumer cooperatives build and manage networks with diverse interests and how the membership plays in this process. A strategizing perspective sheds light on what organizations do and how members engage in the strategy development and implementation process. Cooperatives use strategic texts to represent their identity and persuade their legitimacy. The authors adopt critical discourse analysis to analyze the discourses within the iCOOP consumer cooperative's network. The cooperative's network changes based on its predispositions, which draw on its history and experiences to overcome immediate impediments. Membership facilitates greater engagement among cooperative stakeholders, who utilize strategic discourse to influence other members. This self-referential and self-clarifying discursive practice strengthens the cooperative's identity and fosters innovation. This study thus contributes to cooperative research by providing insights into the importance of membership and practice.

KEY-WORDS

KEYWORDS: MEMBERSHIP, COOPERATIVE NETWORK, STRATEGIZING, DISCURSIVE PRACTICE, ICOOP

1. Introduction

A cooperative is a business enterprise owned and controlled by the members who benefit from it (Birchall, 2011). This core sentence is found in many of Birchall's works (Birchall, 2000; Birchall and Simmons, 2004a; 2004b; Birchall, 2012; 2013) and has been referred to in legislation, management and practice. He highlighted the membership of cooperatives to manipulate cooperative values and principles in their business. Membership is the critical concept that explain cooperatives' success and failure and is undoubtedly accepted in the research community (Spear, 2004; Battilani and Schröter, 2012; Kramper, 2012).

Johnston Birchall visited Korea in 2013 and asked why Korean consumer cooperatives cooperate very closely with producers when hearing about the decision-making process on production and price and co-funded businesses to launch subsidiaries. For him, this is not a successful cooperative model because consumers and producers have different interests and cooperative members are not homogeneous. His work raises questions about the effectiveness of a hybrid membership compared to a single and united group with homogeneous membership in running a business.

The cooperative production network indicates who cooperatives must do business with (Sacchetti and Tortia, 2016), what role cooperatives play in the production network, and how this is controlled. Birchall (2011) explained the cooperative business model based on the primary or apex cooperatives, which consist of homogenous primary cooperatives. However, this scope should be reconsidered to broaden the cooperative network, including primary cooperatives and related organizations.

Despite the importance of developing networks with various types of organizations, including primary cooperatives and their affiliated secondary cooperatives (or associations), the role of members has been overlooked, with members being portrayed as passive entities who simply adapt to changing circumstances. For instance, in the case of consumer cooperatives, members have been characterized as self-interested and rational individuals who make better-than-market choices when buying and using cooperative products and services.

This paper adopts a strategic perspective to examine cooperative membership and its role in developing cooperative networks. The research questions focus on how members participate in this process, and the authors employ the strategizing approach, which draws on the theoretical resources from practice and sheds light on the process of strategy (Johnson et al., 2007; Chia and Holt, 2009; Golsorkhi et al., 2015).

To address this inquiry, the authors explore how cooperative strategy has been formulated, implemented, maintained, or modified and how cooperative membership has influenced the strategy. To accomplish this, the authors examine iCOOP—which established the SAPENet, a cooperative network—as an illustrative case.

2. Theoretical background

2.1. Membership of cooperatives

Membership still presents critical issues for cooperatives in terms of governance. Birchall (2011) doubts the effectiveness of multi-stakeholder-owned businesses in governance to take control of multiple interests, especially if the interests are in conflicts with each other. Because member-owned businesses are powerful when stakeholders have benefits, control the business, decrease governance costs, and provide room for innovation (Birchall, 2011). Although Birchall focused on the cooperatives where the members are single stakeholders such as consumers, producers, or employees, cooperatives are also likely to transition to multi-stakeholder organizations through the creation of subsidiaries, the organization of apex groups, and the expansion of their network to a big group of cooperatives (Sacchetti and Tortia, 2016). No matter what, the members have heterogeneous interests and the cooperatives build a network with other types of cooperatives.

The comparative advantages of member-owned business arise from ownership, control and benefit (Birchall, 2012; 2013); thus, membership is a critical competency of cooperatives. Cooperative researchers have continuously studied membership (Pönkä, 2018), and even in documents advocating cooperatives, membership is used as an essential discourse resource to emphasize differences from other viewpoints and approaches (ICA, 2020). A distinctive feature of membership as an organizational competency is democratic control by members. But this feature leads to the question of how to actively encourage members' participation in cooperative management (Birchall and Simmons, 2004b; Birchall, 2012). This question is not only about the membership structures that facilitate democratic control, but also about the values and objectives that members and boards agree upon. This has been emphasized by Davis (2001; 2013) as a crucial aspect of cooperative management.

Strengthening the cooperative's membership system is essential to manage the heterogeneous interests of members (Birchall, 2013; Sacchetti and Birchall, 2018). Members express their interests through participation and attend a place where democratic control is exercised, such as the General Assembly. Birchall and Simmons (2004b) explained that member participation could be induced through a structure and a system that can practice mutual incentives: member participation is not simply derived from individual incentives, but also from collectivistic incentives. Member participation is something that an organization can induce and interacts with members' experiences and expectations through feedback effects (Birchall and Simmons, 2004a; Sacchetti and Tortia, 2021).

2.2. Strategizing of cooperatives

How is strategy developed within the cooperative with a specific management practice and member democratic control? How does the cooperative convince members to follow particular strategies, principles and practices? How do members participate in the strategy process? Strategy research has approached these questions from a practice perspective. To explain more specifically,

strategy as practice (SAP) provides insight into strategizing through praxis, practices, and practitioners, emphasizing the significance of individuals and their actions (Jarzabkowski, Balogun and Seidl, 2007). This approach differs from the one adopted by traditional strategy researchers, who focus on identifying the "best" strategy. SAP challenges the conventional discourse of strategy academics by emphasizing people's roles and agency.

SAP researchers state that strategy is not something an organization has, but is implemented by people (Golsorkhi et al., 2015). This perspective emphasizes three differences. First, strategy is not static and observable, but continuously changing and constructed with its context. Second, strategy is not confined to a single level within an organization. Instead, it is a socially constructed notion that encompasses different levels, including individual actions and institutional levels. Third, strategy is a social construct that emerges and transforms through interactions between diverse actors within and outside the organization.

Discourse is crucial in strategic research, as it helps organizations understand and critically evaluate the content and approach to answering important questions (Balogun et al., 2014; Hardy and Thomas, 2014). The International Cooperative Alliance's statement on the cooperative identity is an example of this, as it is a globally constructed framework based on the practices of the cooperative movement. Furthermore, it promotes the local cooperative movement and helps cooperative enterprises sustain themselves.

Research investigating the discursive aspects of the strategizing process focuses on the symbolic meaning of strategic discourses and their development during the strategy formation process (Knights and Morgan, 1991; Vaara, 2010; 2015; Lee, Lee and Kim, 2020). Within cooperatives, these discourses are conveyed and replicated through strategic documents such as General Assembly reports and communication reports. For example, the Desjardins Group, Canada's largest financial cooperative, used the story of its founder, Alphonse Desjardins, as a resource of strategic discourse to legitimize its strategic changes in relation to the cooperative (Basque and Langley, 2018).

Strategic actors engage in the discursive activity of strategy. For example, Hardy, Palmer and Phillips (2000) found that actors with strategic leadership roles in an organization that was transforming from an international non-governmental organization to a local non-governmental organization used discourse to justify the organizational change. In addition, these actors utilized discourse as a means of communication to convey meaning to internal and external actors. Similarly, Vaara, Kleymann and Seristo (2004) describe how strategic actors used discourse to legitimize strategic airlines alliances in the aviation industry.

3. Research method

This article employs critical discourse analysis (CDA) to elaborate on the cooperative network strategy (Fairclough, 2003; 2012). Since strategy is regarded as a discursive practice, cooperatives utilize strategy as a discourse resource.

3.1. Critical discourse analysis

Understanding strategizing in cooperatives requires acknowledging the significance of actors interconnected with social practices and structures in discourse analysis. Critical discourse analysis—introduced by Fairclough (2003; 2012)—is suitable for this purpose. CDA differs from textually oriented discourse analysis because it emphasizes the connection between social practices and discourse. According to Vaara (2015), discourse is socially constructed and language serves as a tool for creating and reproducing the world, even as it reflects reality. Within this framework, social actors establish relationships between text elements and play an essential role in the process of text creation, despite being structurally constrained by linguistic elements or genres (Fairclough, 2003).

To conduct CDA, the authors follow the research process of Vaara and Tienari (2004) and Vaara (2015), which includes four repetitive stages that are interactive with the research context. First, the text analysis is conducted with regard to overall and close reading of specific texts. Then, an interactive process of theoretical and empirical interpretation is employed to draw conclusions and generalizations.

The research involved examining various types of texts, classified into four categories. Firstly, the study focused on the official meeting documentation from the iCOOP federation, specifically the General Assembly official documents from 1997 to 2022. The purpose of these documents is to inform primary cooperative representatives about the cooperative's business and activities and to help make decisions on the official strategy of iCOOP and SAPENet. In addition, these documents contain information on the performance and evaluation of the management, both quantitatively and qualitatively.

Secondly, the authors analyzed the educational documentation which iCOOP prepared for board members of primary cooperatives and voluntary activists. The aim was to educate them about iCOOP's policy and strategy and to empower them to persuade other stakeholders in their primary cooperative members and to advocate iCOOP's business.

Thirdly, the authors examined iCOOP's annual reports, published in Korean, English, and Japanese since 2011. These reports provide insights into the performance and impact of iCOOP and serve as a means for the cooperative to legitimize its business. The authors analyzed how iCOOP identifies its network and catchphrases in these reports.

Finally, the authors reviewed research articles on iCOOP authored by Korean scholars. These articles utilized various research methods such as interviews, surveys and participant observations. Additionally, the authors used five Korean books published or authored by iCOOP, which provided text resources for analyzing how the CEO and management communicate the cooperative's identity and strategy and what discursive action they have taken.

3.2. The cooperative network of iCOOP

The consumer cooperative movement in Korea has its roots in the initiatives taken by agricultural and farmer communities, as well as civil society, to establish organic food businesses and organize urban consumers to collaborate with producers (Jung, 2006; Jung and Choi, 2019). Among the

four prominent consumer cooperatives in Korea—namely iCOOP, Hansalim, Dure Consumer Cooperative, and Happy Coop—this paper specifically focuses on the transformation of iCOOP's network between 1997 and 2022.

The secondary cooperative that iCOOP evolved from was established by six local consumer cooperatives known as the "Kyungin District Cooperative Association". iCOOP has grown the business to include 100 primary cooperatives, 310,568 consumer members and 253 stores across Korea. In 2019, iCOOP unveiled its network called SAPENet, which comprises iCOOP Coop Group, Farmer's Coop Group, the enterprises in Natural Dream Parks, and social economy organizations. SAPENet includes 183 organizations, employs 4,122 people and has a turnover of 650 billion Korean won, according to iCOOP's 2022 report (see Table 1).

Table 1. SAPENet groups

Group	Member organizations
iCOOP Coop Group	101 local consumer cooperatives, the federation of member cooperatives and the affiliated companies
Farmer's Coop Group	Farmer's cooperative (social cooperative) and affiliated companies (agriculture corporations)
SAPENet enterprises for cooperatives	Enterprises in Natural Dream Parks (rural industry clusters of iCOOP) in Gurye and Goesan
Social economy enterprises/ non-profit organizations	Non-profit organizations, foundations and social cooperatives to support iCOOP consumer members' activity and the social economy sector in Korea

iCOOP uses discourse resources as a consumer cooperative network in strategizing. Firstly, the General Assembly serves as a place to present iCOOP's position on important issues and report the overall performance to regional cooperative representatives. This is essential for cooperative business and movement to be justified by its members, especially in the regions where they operate. The new strategies aim to provide immediate solutions to specific events and problems while ensuring that past accidents are not repeated.

Secondly, these strategies are reinforced through educational materials for cooperative leaders and activists. Strategic messages and texts are used repeatedly to convince local cooperative leaders and new activists (Kim, 2021). Repetitive texts are used to prevent misunderstandings and to maintain internal unity among members. In cases where new strategies and innovations are proposed, such as changes to the operating systems of primary cooperatives, not all member cooperatives may agree. In such cases, the management reports to the General Assembly to explain and persuade the organization to agree on a common discourse.

4. Changes in the consumer cooperative network

This section presents the iCOOP network from a strategizing perspective in which strategy is seen as being shaped by and shaping other agencies. The case study shows how the network has been transformed through interactive relationships with strategy and how membership plays a critical role in shaping the strategy discourse.

The classification of the group of organizations varied depending on the situation. Initially, iCOOP divided the network into consumption and production groups in annual reports from 2011 to 2015. Then, in 2013, the affiliated company was introduced, and in 2016 and 2017, the names of organizations working with iCOOP were included in the annual report. Finally, in 2018, SAPENet was introduced and the legal entities within the network were separated into four divisions, each forming a group that contributes to SAPENet.

To evolve from a small group of six primary cooperatives to a more extensive network consisting of 184 legal entities, iCOOP has relied on coping actions in response to specific events and incidents, which have been transformed into strategic discourse resources. According to Knights and Morgan (1991) and Hardy, Palmer and Phillips (2000), strategy is a resource of discourse and is constructed and enabled by discourse. As such, organizations like iCOOP respond to their environment by constructing their identities, changing or reinforcing them and shaping strategic discourses in the process. The transformation of iCOOP's network is closely linked to its strategic discourses. iCOOP uses strategic messages in their annual reports (see Table 2), and the changes in cover and catchphrases reflect the evolution of their strategic discourses and the communication of their core values to stakeholders.

Table 2. The catchphrases in iCOOP's annual reports

Year	The catchphrase in annual reports
2011-2015	Ethical consumerism: a most beautiful practice
2016	Making a future together
2017	iCOOP creates a future together
2018-2019	Better food to heal and restore more people
2020	SAPENet's activities to heal ourselves, our neighbors and our planet
2021	Healing people, cooling the planet

The following is an overview of the case study presented. Firstly, changes in the composition of the iCOOP network are analyzed, and secondly, the evolving role of membership is explained. The study explores how the network's strategy changed in response to the network change process and

how the organizational structure and strategy influenced each other. The iCOOP network was not pre-determined, but emerged through a process of strategizing, with consumer membership playing a crucial role in its development and expansion. The growth of the network from a local cooperative association to SAPENet, which includes producers, enterprises and support organizations, has raised questions about managing diverse interests based on consumer membership.

4.1. Federation of consumer cooperatives

To begin with, six local consumer cooperatives formed the Kyungin District Cooperative Association to overcome their financial and operational difficulties. Their common strategy was centered on increasing efficiency by controlling business operations while dividing the cooperatives into locally-based primary cooperatives to enhance member participation. iCOOP put this conceptual idea into practice through its organizational structure and discourse resources, distinguishing business and movement.

Firstly, the primary local cooperatives simultaneously joined two associations: for business operations, they joined the iCOOP Solidarity of Consumer Cooperatives (from 1998 to 2010) which later changed its name into the iCOOP Union (from 2011 to 2019); and for movement operations, they joined the Korea Cooperative Federation (from 2002 to 2007) which also changed its name first into the iCOOP Association of Consumer Cooperatives (from 2008 to 2011) and later into the iCOOP Consumer Activities (from 2012 to 2019). These associations decided on the overall strategy for iCOOP's operation and activities.

Secondly, the contents of the General Assembly materials used by the two types of associations differed, with different quantitative indicators used to legitimize their identity and performance (see Table 3). Finally, the separation of business and activity further strengthened each area by highlighting the dual identities of cooperatives as business enterprises and associations. However, both areas were connected and coordinated by a common discourse—their identity as a consumer cooperative—which required them to satisfy their members' needs while encouraging consumers to become members and owners through consumption.

According to Birchall (2011), effective cooperative governance requires collaboration between a professional management team and a board representing members, who supervise and coordinate the management team to ensure that members' interests are continuously reflected in the business. While iCOOP's differentiation between business and activity is distinct from Birchall's recommendation of a two-tier board, it has a more horizontal governance structure that divides roles and unites them under the consumer cooperative's organizational identity. This approach aims to increase operational efficiency in producing products and services requested by members while expanding and differentiating the activities of cooperative organizations and members.

In the federation of consumer cooperatives, the strategic discourse was developed more directly with the involvement of leaders from primary cooperatives. The chairpersons of less than 50 primary

cooperatives were part of the General Assembly of the business and movement part associations, and played a crucial role in decision-making and dissemination of strategic discourses that connected the primary and apex levels. In addition, the board members of local cooperatives were strong supporters of iCOOP's strategy and contributed to its performance (Choi et al., 2014). In this stage, the General Assembly reports included detailed management information.

Table 3. Performance indicators reported in the General Assembly materials

Business part	Association part
• Number of members	• Number of members
• Member shares	• Number of local cooperatives
• Turnover	• Number of member directors, member leaders
• Number of producers	• Number of education programs
• Number of new products and renewals	• Participation of members in campaigns and advocacy activities
• Information on products (e.g., accidents, certification)	
• Employees (including education)	

4.2. Partnership with the producer group

Korean consumer cooperatives prioritize the relationship between consumers and producers in eco-friendly agriculture industry, distinguishing themselves from their European and Japanese counterparts (Kim et al., 2020). This partnership with producer groups is reflected in the cooperative's textual resources, including organizational charts on their websites (Yeom, 2022) and articles (Jung, 2006).

In 2000, iCOOP began building a partnership with a producer group. In 2001, iCOOP established a distribution center involving 12 producer organizations. The partnership with the producer group was then incorporated into the cooperative's discourse, with the organized group of producers being seen as aligned with iCOOP's policies.

In order to improve business efficiency, iCOOP started creating separate business entities to handle specialized functions. In 2003, iCOOP had three such enterprises, but by 2010, the number had increased to 19, and by 2015 and 2021, it reached 35 and 84, respectively. As a result, the total number of organizations in the iCOOP network, which began with six in 1997, has reached 184 (see Table 4).

This process shows how iCOOP transformed the constitution of the network depending on the situation with purposive action to legitimate its relationship with non-consumer cooperatives and

organizations. In 2000, it changed its policy from focusing solely on consumer cooperatives to including relationships between consumer and producer groups, addressing the solution of the eco-friendly agriculture business. Recognizing the importance of a coordinated approach between producers and consumers, iCOOP addressed issues related to the supply chain, pricing and food safety. This strategy was in effect until 2015, creating separate subsidiaries for consumer members and producers.

Even today, specific incidents are cited to illustrate product strategies such as organic certification and independent production. For example, incidents involving the adulterated production and processing of eco-friendly agricultural products in 2003 and 2004 were pivotal in promoting and strengthening iCOOP's independent certification system. These incidents also highlighted how iCOOP builds trust in its members and products within the eco-friendly agricultural product market. The primary goal of the certification system was to ensure the "safety" of products supplied to iCOOP.

To prevent member's withdrawal due to production accidents, iCOOP adopted a proactive approach by informing members about the process and strategies in place for dealing with accidents through official channels such as the General Assembly and a state of apology. iCOOP reflected this attitude to such an extent that it held a special general meeting in 2005, resulting in the expulsion of the actors involved in the incidents. This spontaneous coping action is based on the belief that it is more important to keep the consumption safe than to cause any more inevitable incidents by producers. The consumption-centered idea is revealed in the reports from General Assemblies that conveyed a dominant understanding that iCOOP existed as a consumer cooperative meeting the needs of its members. The partnership with producer groups was built on the premise that "we are the organized consumers".

In 2007, iCOOP established a task force team to shape its identity in celebration of its 10th anniversary. The need for a clear identity was consistently emphasized whenever iCOOP introduced new products or implemented changes. Members and stakeholders expressed the demand for iCOOP to establish its identity as a legitimate business engaging in ethical activities. Unlike other Korean cooperatives, iCOOP lacked a strong philosophical doctrine, necessitating the development of a distinct cooperative identity to guide its business direction.

The task force team's meeting topics included the study of the international consumer cooperative movement—particularly in the UK and Japan—as well as ongoing agricultural issues in Korea. As a result, iCOOP declared ethical consumption as its identity in 2008. Ethical consumption encompassed concepts such as "people and work, food safety, agriculture and the environment", underlining iCOOP's activities and business legitimacy. The figure of the "Yoon-So-Mom" (i.e., the ethically consuming mother) symbolized iCOOP's cooperative members, and purchasing iCOOP products became synonymous with ethical consumption. While ethical consumption featured prominently in the documents of iCOOP Solidarity of Consumer Cooperatives in 2008 and subsequent years, its frequency declined in 2018, with "climate change" emerging as a prominent focus.

Ethical consumption played a crucial strategic discourse in providing iCOOP members with an organized consumer identity. The active involvement of consumer members was deemed vital and required ongoing support to ensure the cooperative's survival. Consumer roles needed to be continually assigned to maintain this engagement, and member activists were tasked with finding their ongoing roles.

4.3. Network with four different groups

The eco-friendly food certification system based on the partnership with the producer group was the way of inspecting products and processed products by a third party funded by iCOOP. Subsequently, iCOOP established processing subsidiaries to produce and supply products that adhere to their certification system and eco-friendly food quality. This strategy is similar to that of investor-owned companies. It is a forward integration method of the value chain, in which a distribution company owns and integrates processing companies and integrates them vertically.

Initially, iCOOP faced issues with processed food products, including supply shortages and member dissatisfaction. To address these challenges, iCOOP purposefully decided to establish its own processing factories, aligning them with the certification system, production processes and other standards required by iCOOP. Simultaneously, iCOOP members played a crucial role in faithfully consuming the products produced by these processing subsidiaries. For instance, this strategy was evident when iCOOP established a ramen (instant noodle) factory in 2012 (Lee and Choi, 2018).

In 2008, iCOOP embarked on a project to create a cooperative eco-food processing complex. This initiative aimed to enhance product quality and price competitiveness while consolidating all agencies involved in the supply chain. iCOOP strategically created a cluster, consolidating all production subsidiaries within a single enclosure to facilitate management.

In 2017, iCOOP introduced "iCOOP NET" as a business plan, outlining three groups within iCOOP NET without explicitly identifying them. However, at that moment the discussion was focused on identifying the stakeholders of iCOOP. Following the logic of operational efficiency and differentiated delegation of authority, the SAPENet system assigned distinct roles to each group, indicating their specific focus areas through the business plan. For example, after the declaration of SAPENet, information regarding producer groups, partner companies, and social economy and non-profit organizations was excluded from the General Assembly documents of the iCOOP Cooperative Federation, known as the iCOOP Coop Group (see Table 1). This is similar to when information on activities of local cooperatives was excluded in General Assembly documents of the iCOOP business part association after the activity part association was established in 2002.

Interestingly, the division into four groups was not initially planned, but emerged as a response to the emergence of different corporate identities during the separation between business and organizational activity and consumption and production. They were categorized based on the differences recognized by each stakeholder through their business activities.

SAPENet emerged from the growth of enterprises in the two Korean clusters of Gurye and Goesan, which encompass iCOOP's processing companies and cultural facilities for residents and iCOOP members. These clusters symbolized the development and strategic outcome of iCOOP's completed production system. The enterprises in these clusters primarily adhered to the production and distribution certification system mandated by iCOOP and supplied their products to the cooperative.

Table 4. The number of organizations in the iCOOP network

Year	1997	2001	2005	2009	2013	2017	2021
Local cooperatives	6	26	62	73	77	95	100
iCOOP Group	-	-	5	10	10	38	21
Producer Group	-	-	-	9	14	21	15
Subsidiaries	-	-	-	-	6	-	-
Enterprises	-	-	-	-	-	-	38
Social economy enterprises/non-profit organizations	-	-	-	-	-	-	10

Table 5. Roles of stakeholders

Stakeholders	Roles
Members (consumers)	As a member of consumer cooperatives, we must actively purchase iCOOP's products and services, participate in the consumer campaign and advocate iCOOP's business to the public
Producers	As a producer of consumer cooperatives, we must produce what members need. So, we follow the iCOOP's certification system for members to trust
Enterprises	We must produce what members need and trust entering the production network of iCOOP and clusters
Social economy enterprises/non-profit organizations	For members to participate in the actions of social innovation, we support them with legal entities, education and research

In 2018, a civil society organization called the "Participating and Acting Consumer's Garden" was established, while iCOOP Consumer Activities, which had been the primary focus of members' activities, was disbanded in 2019. This shift meant that members instead associated their activities to

address the climate crisis, and on the business front, they attributed significance to products related to climate change, such as those that promote recycling. This approach aimed to extend the impact of consumption beyond individual members and encompass the regions and surrounding areas where members were active. The strategic message behind this shift was "action on climate change".

This transformation reflects changes in the role of consumer members. Climate change activism, like the discourse on ethical consumerism, emphasizes consumption as a consumer movement. However, while ethical consumption focuses on the value of all products iCOOP offers, climate change action focuses on specific products (e.g., packaged water) or packaging materials. Consumer members actively participate in climate change campaigns rather than engaging in the management of local cooperatives.

In the SAPENet four-group network, consumer membership remains within the iCOOP group. Compared to the consumer and producer partnership group networks, information on the business side has been relatively limited in the General Assembly documents of the Federation of consumer cooperatives. Additionally, iCOOP introduced the member relationship management policy to encourage the involvement of members from local cooperatives. As a result, consumer members become active participants who appreciate iCOOP's strategy, contributing to the survival of the business and the network rather than directly engaging in the operations of local consumer cooperatives.

iCOOP regularly conducts member surveys to gather demographic information, understand consumer behavior and identify member interests. Although it is a common practice for retailers, iCOOP is the only consumer cooperative in Korea that conducts surveys among its members. Through these surveys, iCOOP identifies commonalities among hundreds of thousands of members, groups their interests and incorporates them into its business decisions. Furthermore, iCOOP considers members' consumption behavior as a form of voting (Shin, 2020; Lee and Lee, 2021; Shin and Lee, 2021). For instance, in the General Assembly documents of the business part association, product-related performance indicators were used to evaluate the satisfaction of members' needs in terms of sales figures generated.

5. Conclusion

From a strategizing perspective, the authors elucidate the strategy of the cooperative network and examine how it has evolved in the consumer cooperatives through critical discourse analysis. The authors explore three implications arising from this analysis.

The first implication concerns the active involvement of consumer cooperative members in shaping strategy and identity through their participation in business activities. In the case of iCOOP, members have created their own strategies, identities and discourses based on their practices without depending on legendary leaders or documents of ethical philosophy. As a result, a wayfinding approach has emerged organically through experience and purposive action. Rather

than being passive and objectified, iCOOP members actively embrace their cooperative identity and participate in business activities to shape their identity. Essentially, they are proactive contributors to the cooperative's strategy.

The process by which iCOOP creates discourse is wayfinding. Although organizations generally establish goals and intended strategies to achieve them, their implementation often depends on purposive actions in response to changing circumstances (Chia and Holt, 2006; Chia and Rasche, 2015; Gomez, 2015). Wayfinding recognizes the difficulty of accurately predicting all situations or perfectly mapping reality. Thus, it emphasizes the value of immediate reactions, experience and coping actions based on habitus in comprehending an organization's strategy (Gomez, 2015; Bouty, Gomez and Chia, 2019).

Additionally, in the iCOOP case study, some outstanding members serve as discursive actors in strategizing and as leadership groups. The analysis revealed that local cooperative members, including board members and chairpersons, act as leaders within the network, expanding their activities to other consumer members, board members of federations and groups (Kim, Jang and Jang, 2018). Essentially, the internally educated and trained human resources function as organizational leaders within the network to maintain the identity of their cooperative.

The second implication is that iCOOP's identity, mainly composed of consumer members, extends to other stakeholders in SAPENet, including producers, processors and support organizations. This is due not only to the gathering of these four different stakeholder groups under one umbrella, but also to the fact that each group shares a cultural membership. Since SAPENet's inception, the ownership relationships of related companies have been restructured and shared interests have been established among each stakeholder group. Their strategic discourses—including certification, clusters, ethical consumption, climate crisis, organic food market, and health care—are utilized to persuade their members, and the effectiveness of these strategies further reinforces their discourses. This process is self-referential and self-clarifying. In other words, SAPENet's membership revolves around its identity as a consumer cooperative, and each stakeholder is loosely connected but bound by taken-for-granted practices.

The third implication reveals how cooperatives can drive innovation through wayfinding, which involves exploring numerous challenges, trials and failures. iCOOP network is in the process of innovation and its network is still changing. iCOOP has been trying to embrace producers, processors and non-profit organizations. It supports organizations all in one big tent as a family, namely, SAPENet. Building strategy and discourse together is not a matter of transaction cost, but a business that consumer cooperatives need and a business in which consumer members can play an active role.

Birchall (2011) emphasized the importance of membership because it offers advantages to the organizational capabilities and innovation of cooperatives as member-owned businesses. The wayfinding of cooperatives is an important theoretical concept for transforming membership into a fundamental and innovative player. After the symbolic innovations of the historically famous cooperative in the past, what kind of innovation can we create, spread and study? As we found in

the case study, member participation is necessary for strategizing as a decision-making process of cooperatives. Furthermore, membership is the foundation of an innovative network.

Membership is not just about the structural characteristics of a cooperative. Instead, through membership, cooperatives are more complex and diverse and have relational features that enable them to innovate through democratic interactions. Cooperatives do not grow as if a pre-defined map is shared with members. However, a map can be created by coping action through the interaction of various stakeholders and agencies based on membership, which is the foundation of innovation.

As the identity and values of a cooperative business continue to be described and defended as members' well-being and membership (one of ICA's missions is advocating for cooperative identity), the intensified discourse once again reshapes the strategies of local cooperatives. Membership is a critical discourse in the cooperative's strategy and in the future it will have a more substantial discourse and symbolic meaning. It will be used as a crucial discursive resource for justification.

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