



## Digital participation: a comparative analysis between platform and traditional cooperatives

**Eixo Temático:** Governança, Gestão e Inovação

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### **Abstract**

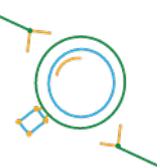
Digital platforms connecting service providers to consumers are creating a new model of business and society. The so-called “sharing economy”, based on disruptive technologies, is radically changing the reality of traditional sectors of the economy, such as transportation and accommodation. The platforms have been based solely on economic results, paying little attention to the social and environmental aspects of their activities. Alternatively, another movement called platform cooperativism has emerged from cooperative developers, academics, tested an alternative model of platform. Due to this context, we will analyze the aspects of democratic governance and self-management in platform cooperatives and traditional cooperatives based on practices of digital participation. Our objective is to compare traditional and platform cooperatives regarding communication and transparency with the cooperative, co-creation of services and decision-making. We use three data sources for the paper: documental analysis techniques, survey and interviews. Leaders of traditional and platform cooperatives with digital practices were interviewed. Our findings show that both traditional cooperatives and platform cooperatives have few initiatives for digital participation compared to the possibilities offered by the literature.

**Keywords:** Digital democratic participation; shared economy; platform cooperatives; governance; digitalization.

### **Resumo**

As plataformas digitais que conectam provedores de serviços aos consumidores estão criando um novo modelo de negócios e de sociedade. A chamada “economia compartilhada”, baseada em tecnologias disruptivas, está mudando radicalmente a realidade de setores tradicionais da economia, como transporte e acomodação. Essas plataformas estão baseadas exclusivamente em resultados econômicos, prestando pouca atenção aos aspectos sociais e ambientais de suas atividades. Alternativamente, outro movimento chamado cooperativismo de plataforma emergiu como modelo alternativo. Inserido nesse contexto, o objetivo desse trabalho foi de analisar os aspectos de participação





democrática e governança, comparando práticas de participação digital em cooperativas de plataforma e cooperativas tradicionais. Buscou-se comparar as cooperativas tradicionais e de plataformas quanto à comunicação e transparência com o cooperado, co-criação de serviços e tomada de decisão. Para isso, foram aplicados questionários em 52 cooperativas de créditos brasileiras e realizadas entrevistas em cinco cooperativas, sendo três tradicionais e duas de plataforma. Os achados do trabalho indicam que as cooperativas tradicionais e as cooperativas de plataforma têm poucas iniciativas de participação digital em comparação com as possibilidades oferecidas pela literatura.

**Palavras-chave:** Participação democrática digital; economia compartilhada; cooperativas de plataforma; governança; digitalização.

## 1. Introduccion

The sharing economy, based on technologies that connects service providers to consumers are radically changing the reality of traditional sectors of the economy and society. Digital platforms are the most valued and admired companies of current times, but a new movement, according to Martin, Upham, Klapper (2017) affirms that sharing economy is been criticized in public discourse for failing in keeping the biggest power to their corporate owners. Even if is connecting people it keeps concentrating power. The platforms have been based solely on economic results, paying little attention to the social and environmental aspects of their activities.

Platform cooperativism is an alternative model based on democracy and ownership to recover the purpose of the movement giving power to the people that uses the platform (SCHNEIDER, 2018). The movement has less than 10 years but so far has more than 250 initiatives. Since most of the ventures come from Internet related people, not necessarily with cooperativism knowledge, the links between a more profound sharing economy and cooperativism are strong and has great potential, but still has a lot of subjects to been studied, stablished and improved.

One specific that is challenging in traditional cooperatives has new possibilities on the digital era, but not many has been documented yet about how members in platform coops take decisions. Participation is key to make platform coops truly different and must be discussed and better explored. In other hand, traditional cooperatives have longer experience on the topic, but don't seem to care about spreading power and digitalize governance and participation topics. Traditional cooperatives are investing on the digitalization of their business-related processes but not on their cooperative identity. Traditional cooperatives are those with a physical location. On the other hand, the platform cooperatives are linked to a digital platform, often without a physical location for the cooperative users or members.

Due to this context, we will analyze the aspects of democratic governance and self-management in platform cooperatives and traditional cooperatives based on practices of digital participation. Our objective is to compare traditional and platform cooperatives regarding communication and transparency with the cooperative, co-creation of services and decision-making.





In addition, the work goes beyond pointing out some propositions of initiatives that could be adopted by the cooperatives.

## 2.1 Platform Cooperatives and democracy in collective organizations

In recent years, a large number of new and different businesses based on the sharing economy have emerged (MUÑOZ AND COHEN, 2017). While some such as Airbnb and Uber gain full media attention in the face of unprecedented valuations and market penetrations, they have also created a wave of rejection of stakeholders who claim that these business models are unfair and compete in one deregulated environment. They still fail in quality, safety, exploit workers, and sometimes affect the quality of life of people in neighborhoods and cities (MCLAREN AND AGYEMAN, 2013). Martin, Upham, and Klapper (2017) argue that shared-economy platforms have been criticized in public and media discourse for distributing much power to their corporate owners. They have been based solely on the economic outcome, paying little attention to the social and environmental aspects of their activities (KALLIS, 2014).

On the other side of the spectrum of shared economics initiatives are repair coffee cafes, community gardens, and other initiatives that connect people to people to create public benefits that may or not evolve into formal business models (MUÑOZ AND COHEN, 2017). These initiatives are also based on sharing and exchange such as Airbnb and Uber, but their purpose, governance and expected outcomes are different (METCALF, 2015).

As an alternative, internet, cooperative and academic activists have defended the democratization of platform governance as a means of creating a more sustainable shared economy (SCHOLZ, 2016, ARTHUR, 2015, MCLAREN AND AGYEMAN, 2013). In this way, platform cooperatives have emerged as an alternative to these models.

The traditional cooperative business models are almost totally absent from the movement of digital platforms. Schneider (2018) speculates some of the reasons. The disruptive effectiveness of the venture capital financing mechanism has made it a scheme that excludes other approaches. The technological sophistication required to build online ventures has also proved prohibitive for communities that tend to adopt cooperative strategies because they are often of marginalized origin. And until recently, the internet could be considered an optional field of activity; cooperatives tend to appear when people have an unfulfilled need, not to provide a mere accessory or curiosity. But it is becoming increasingly difficult, throughout the world, to secure a livelihood without participating in the online economy. Perhaps that is why, in recent years, recognizable platform cooperatives have begun to appear.

It is also worth mentioning that the movement emerges on the side of internet cultures. Early software and hardware hackers employed certain cooperative practices as they gathered together the rudiments of the personal computer and the means of putting them on the net. Many emerging cooperatives among young people today are organized around flexible forms of networking rather than re-creating the jobs and associative societies of the industrial age. The platform cooperativism, therefore, is not starting from scratch in the movements of the internet (SCHNEIDER, 2018).



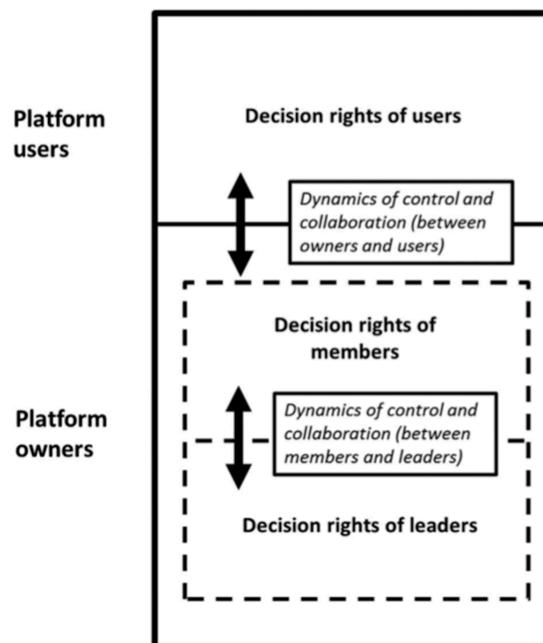


As the platform economy redirects how industries operate, it must also challenge corporate ownership models taken as right. Cooperative ownership not only shares wealth equitably among participants, but also enables efficiencies by reducing transaction and contracting costs with key stakeholders of a company (BOGETOFT, 2005; TAYLOR, 2015).

Since 2011, digital collective initiatives using cooperative models have begun to emerge in Spain, Italy, Canada and the USA. People around the world who were trying to develop online platforms through ownership and democratic governance and began to unite their scattered efforts into a new economic ecosystem (SCHNEIDER, 2018).

Martin, Upham and Klapper (2017), on the other hand proposes a sketch of how this would work. The conceptual models draw attention to the dynamics of control and collaboration between two groups, the organization's leaders and the organization's associates. Limiting power to an organization's leaders can make their roles excessively commercially oriented or serve themselves. One way to balance this is by electing leaders on a fixed-term basis and decisions of leaders to be subject to approval by members. Or, still, to adopt a collaborative dynamic and with the joint decision making with the associates. The authors consider that the model adopted in cooperatives is what should be adopted in shared economy platforms based on the dynamics of control and collaboration between users and owners. In addition, mediated by technological constructs (for example, the platform itself) and social constructions (for example, formal and informal rules), according to Figure 1.

**Figure 1** - Conceptualization of democratic models of governance in the platform.



Fonte: Martin, Upham e Klapper (2017)





## 2.2 The Challenges of Governance in Cooperatives

According to Birchall (2014), the cost of orchestrating member's voice can easily be justified, not only by stimulating democracy, but a clear business advantage in developing trust and loyalty among members and thanks to the digital revolution, there may be a reduction of costs. Also for the authors Vargas (2004), Katz and Boland (2002) governance in cooperatives poses challenges to the form of capital contribution, its relative importance, its form of transmissibility and to its format of retribution.

Pozzobon, Zylbersztajn and Bijman (2012) cite that they have high costs in their decision-making because of their three bodies: horizontal (among members of the general assembly), diagonal (between associates and members of the board) and vertical levels (between associates and managers). Costs related to horizontal and diagonal conflicts of interest are associated with democratic costs, while costs related to vertical conflicts of interest are associated with agency costs.

Overall, the results showed that cooperatives are more oriented toward minimizing the costs of opportunity agencies (vertical, between managers and partners) than the democratic costs of opportunities (between partners and partners). The study shows that, with a lower membership level, direct democratic costs (which focus on engaging members) may be reduced, but agency costs can increase as fewer members monitor management. In this case, cooperatives should increase membership participation or use additional agency mechanisms (such as audits) to reduce exposure to agency problems.

That is, for the challenges of governance in cooperatives, even at costs, encouraging the participation of members is essential. Birchall (2014) point out that a cooperative's success depends on how it effectively serves the purpose of its associate and how the cooperative is organized to do so.

The digital revolution made it possible for participation costs to fall almost to zero, especially because of the spread of low-cost communication technologies. Members can "attend" an annual meeting online and send questions through texts, as does the Cooperative Group, the English consumer cooperative. They can organize themselves into interest groups and can make friends with each other through social networks. Those responsible for orchestrating listening to members nowadays have a wide range of robust tools for contacting members to explain and justify the cooperative's strategy.

## 3. Methods

The research presents an essentially qualitative nature and rely on the use of three different strategies: documental analysis techniques, survey and interviews. Leaders of traditional and platform cooperatives with digital practices were interviewed. The documentary analysis was carried out based on articles that reported examples of digital tools of participation in organizations.





The target population of traditional cooperatives was 91 Brazilian credit cooperatives, of which 52 cooperatives participated in responding to a quantitative questionnaire. About the subject studied is a cooperative credit system composed of, besides the singular cooperatives, different types of companies to support the cooperatives that deal with the members. After the application of the questionnaire, 3 cooperatives were selected for deepening through an interview. The selection of these cooperatives occurred because they were the only ones that had assemblies in non-traditional format and with digital tools. In the work will be called *Coop A*, *Coop B* and *Coop C*, both coming from the credit area.

Cooperative respondents were people who have broad involvement with the democratic process such as presidents, cooperative development advisors and under the bias of the participant, an associate or core coordinator. To conduct the interviews with the traditional cooperatives, a semi structured script was developed (Table 1). This script is based on the theoretical framework.

**Table 1** – Interview script applied in traditional cooperatives.

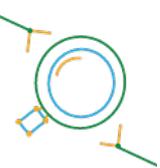
Dimension analyzed	Question
Communication and transparency	Does your cooperative use technologies to make matters transparent to the members? (reports, website, etc.)
	Do you use tools like email group, whatsapp, etc.?
Co-creation with the associate-user	Does your cooperative have listening or co-creating moments with members about products and services?
Decision making	How did your cooperative decide to test a virtual assembly? What factors were motivating?
	Describe how your virtual assembly experience was.

In the sample of Platform Cooperatives the target population was of 282 cooperatives according to list made available by <https://platform.coop/directory>. This is the main list available in the world with a platform cooperative population. The choice of cooperatives was made for convenience and easy access. The Cooperatives will be called *Coop D* and *Coop E*, and their main characteristics are described below.

**Coop D:** The cooperative began in 2016 and is present in 5 European countries. The purpose of the cooperative is: *the promotion of tourism, through a digital platform, including hotel and complementary accommodation facilities, extra-hotels, outdoors, in natural environments, rooms for rent, bed and breakfasts or others defined by local laws and regulations. In addition, the Cooperative can carry out activities related to commercial services and mediated catering thanks to digital platforms of a cooperative nature.*

**Coop E:** A central cooperative, located in the United States, formed by small cooperatives, which has a platform that provides residential and business cleaning services.





To conduct the interviews with the platform cooperatives, a semi structured script was developed (Table 2). This script is based on the theoretical framework.

**Table 2** – Interview script applied in platform cooperatives.

Dimension analyzed	Question
<p><b>Communication</b></p>	<p>Is there any kind of communication for members/owners during the year other than the general assembly meetings? Any report/newsletter is sent?</p>
	<p>2. Is the communication channel with the member the same when dealing with subjects such as user role and owner role? Or is there a separate session on the platform?</p>
<p><b>Co-creation with the associate-user</b></p>	<p>Are users heard to co-create products? Do you observe differences in this relation when the user is also the owner?</p>
<p><b>Decision making</b></p>	<p>Is there a general assembly meeting for accountability and election of new board members? How is this annual or monthly meeting held with the members (virtually or face-to-face physically)?</p>
	<p>In case of virtual, is it in live or recorded? Are discussion forums used?</p>

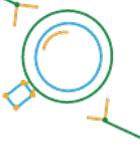
For the analysis of the interviews, the technique of Textual Discursive Analysis was used, which according to Moraes and Galiazzi (2007) is a technique that seeks to interpret the subject's discourse, through deepening and re-reading what he is saying.

## 4. Results and discussions

Our results are divided into three major sections. The first section presents results of traditional cooperatives related with some aspects: communication and transparency, co-creation with the member-user and decision making. In the second section we present the results of these three aspects for platform cooperatives. In the last section, we made a brief comparison between the results found for traditional cooperatives, platform cooperatives and the state of the art from cases and literature on digital participation.

### 4.1 Participation, democracy and governance in traditional cooperatives





Communication in cooperatives is one of the aspects that had most impact by digital transformation. In the interviews, the respondents report that technology has been something inevitable and present in the daily lives of people and consequently of the coop members.

*"Technology, for me, has greatly helped to have a closer relationship with delegates. This for me was a very good evolution and a way for me to have proximity to them. The cooperative has 290 delegates, how can I be around them if everyone is in their homes and then we meet them at most twice a year? We only met in the assembly and often did not even have time to talk "(President Coop. A).*

About the use of information technology to give transparency, Coop C comments that leaves the results system online in the system's website, because it does not have its own website. They disclose on Facebook, Instagram and by the press office, at the time of the assemblies, the annual report.

It is noted that there are initiatives to give transparency to the data, but are still little digital and updated frequently and periodically. The opportunity to give as much information as a public company, as explored Birchall (2014), is little used by the cooperatives. The reports released are annual and there are no electronic means for follow-up of the results by the associates or core coordinators, only in face-to-face meetings.

As for co-creation with the cooperative-user, it is observed in traditional cooperatives a difficulty in the process, especially in cooperatives that operate through a system, due to the hierarchical levels in the organization. As Frey (2015) puts it, cooperatives should involve the member also as users and study their behaviors, but it has not been so widely seen in cooperatives. Another possible reason for this result is that in the cooperative system, the development of products is in another unit and not with the cooperative, which would be a failure in this process of creativity, because who owns the knowledge of the needs is not who creates the products.

There is a vast opportunity space to develop tools and applications for cooperative-cooperative member interaction. In traditional cooperatives sampled, there was an absence of digital tools for co-creation, as well as the lack of use of data and information that cooperatives hold to improve the products and services provided by cooperatives.

Coop B comments that it does not have digital listening mechanisms, but that people have opportunities during the year of participation:

*"There has been a lot of action involving the community, financial education workshop, youth committee, women's committee, community actions, lectures have taken place, and the associate as owner wants to see the final result, execution of the strategic planning and if the goals have been reached" (Coope B).*

On the other hand, the decision-making in the cooperative dimension, in traditional cooperatives is summarized in the assemblies. One practice that is seen in the system of traditional cooperatives studied is the use of electronic voting during the physical assembly.

Of all 52 cooperatives, 49 responded that they had not tested digital or different formats of assemblies and only 3 said they had performed. This phenomenon of the low use of technology for digital experiments is opposite to what has been seen on the advent of the era of the digital revolution, is also





opposite to the arguments of Cuesta et al. (2015), Frey (2015), and Birchall (2014), who say that cooperatives should digitize to be closer to members, that is, to involve them in decision making.

On the reasons why the advisors believed that assemblies in alternative formats had not yet been tested responses were free, but some patterns were identified. About 20 cooperatives said they had not tried alternative formats because they did not find it necessary, either by the associates or the presidents. Another 8 cooperatives tested during the assembly the electronic vote or recorded parts, 5 answers indicated a legal uncertainty in relation to the subject and another 4 an impossibility by the lack of necessary structure, like Internet access.

Many cooperatives said they had not tested alternative formats because they did not find it necessary, either from members or from presidents. Some of the answers illustrate this factor:

*"There is still a lack of awareness of the Board regarding the change in format."*

*"No, we did not, because the Cooperative had no need."*

*"Very conservative and resistant to changes and innovations".*

*"The model we are using is working well in our cooperative."*

*"The Board has not yet filed this need."*

*"It had not yet been the Cooperative's focus due to the need of the members."*

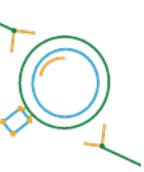
Some cooperatives have proved to be uncertain about the legality of digital participatory experiences. Snaith (2017) mentions that in European countries is already a reality. In Brazil delegate meetings are possible digitally. It seems that legal issues about digital assemblies are not as deterrent as people's belief that they are in fact restrictive to such experiences.

Finally, some cooperatives mentioned access to technological issues as a difficulty. It is believed that in our sampled, more than 50% of the assemblies do not have access to the Internet in their places of accomplishment and this is still a difficulty in the Brazilian context. On the other hand, there is an internet penetration and high smartphones in the country and a new, more digitized public that would not have access problems. What is understood is that, for non-exclusion of associates, it would be necessary to keep the physical assembly and increase with the digital possibility and not be eliminatory of the other.

The device that is given to all associates who participate in the physical assembly has good acceptance in cooperatives, although it demands a rather high investment, since it solves the problem of access to technology as the authors put it. (Norris, 2000, Hoffman, Novak, Schlosser, 2001). That is, it is not necessary to have a cell phone, since everyone in the meeting receives the voting control.

The literature, such as Birchall (2014) and Shaah (1995), presents on the challenge of the directors to put their needs before the partners, but what is noticed is that also the representatives of the members, before the power structures, have difficulties in adopting technologies. Whether it is due to the difficulties of understanding the more digitized generation, the challenge of giving unrestricted access to the members that may question the management, or for fear of failure during the assembly process that is one of the most important for the cooperative, it is noted that compared to other innovation fronts. There is still difficulty in adopting and accepting new technologies for the processes of democratic participation because of a cultural issue.





## 4.2 Participation, democracy and governance in platform cooperatives

In the case of the Coop. D, the cooperative is in the early stages of the life cycle. With this, the platform presents only functions of relationship with the users of the services and not with the governance within cooperative members. Communication processes occur informally, through social networks, telephone and emails. Despite Coop. D does not have great resources for communication and exchange of information inserted in the Platform, there are some communication characteristics that are particular of this organization.

Prior to the cooperative enters the community to offer its services, there is a search and conversation with stakeholders to discuss the impacts and opportunities of providing services in that area. This process helps in communicating cooperative values to the community, improving the acceptance and recognition of the organization on the community.

In Coop E the communication of the cooperative with the cooperative members, in the same way as Coop. D, does not occur through the digital platform. The platform is used only for the relationship between the users and the central cooperative (which receives the service demands), with the focus on the business.

It can be observed that the platform cooperatives analyzed have managed to digitize their offer of services and communication with the client but, on the other hand there are few mechanisms of communication and transparency inserted in the digital platform. The communication process of Coop. E among members occurs through groups of WhatsApp and by face-to-face meetings. Unlike Coop D, which has a presence in more than 5 countries, Cooperative E has a local presence in only one country and concentrates in a large metropolitan region. This local presence helps the interpersonal relationship between the members.

Concerning co-creation, it should be noted that platform cooperatives do not necessarily have to reject all the practices that conventional platform companies already employ, but they must remember the big difference. That is, managers are responsible not for the satisfaction of outside investors, but for the actual users of the platform, as well as the communities in which the participants live.

There are few tools for co-creation and interaction between the cooperative and the user through the Platform. On the other hand, there is a high potential for co-creation and development of services and products between the cooperative and the users.

The Coop D has a strong sense of local presence and dialogue with the stakeholders, stimulated by the allocation of part of the leftovers for investments in community projects. As described by the cooperative representative, there is a constant quest to listen to the stakeholders of the process to involve cooperative members and cooperative service providers, as well as the community impacted by their actions.

In cooperative E, the platform development process was done through a lot of dialogue between the unique cooperatives that form the central cooperative, which owns the platform. One of the main objectives of this dialogue was to work on the brand of the cooperative and the platform. The idea is not to appear as a service offered by the singular, but rather, the service of





the central. However, there is little use of data and information generated by the cooperative and the cooperative to produce new services. In both initiatives (Coop D and Coop E), the data generated by the cooperative and the cooperative are still used to generate the process of creating products, services and new processes together.

In the Coop D the bodies of the Cooperative Society are: a) the Assembly of Members; b) the Board of Directors; c) the Board of Statutory Auditors, if appointed. The functioning and formal decision-making process of this platform cooperative is similar to a traditional cooperative. It's interesting to observe that Coop A allows opportunities to do the Assembly of Members by video. As commented, in this Coop there are members from several countries in Europe. Without this digital form would be impossible to do monthly meetings.

The Assembly may be held with participants located in several places, contiguous or distant, audio/video connected on condition that the collegial method and the principles of good faith and equal treatment of members are respected, and in particular on condition that: a) the Chairman of the Assembly is allowed, also through his own bureau, to unequivocally ascertain the identity and legitimacy of those present, to regulate the conduct of the meeting, to ascertain and proclaim the results of the vote; b) the person taking the minutes is allowed to adequately perceive the events of the Assembly which are the subject of the minutes; c) the participants are allowed to participate in real time in the discussion and in the simultaneous vote on the items on the agenda; d) the notice of convocation (except in the case of a totalitarian Assembly) indicates the audio/video places connected by the Cooperative, in which the participants may attend, the meeting being deemed to have been held in the place where the Chairman and the person taking the minutes will be present. (Bylaw - Coop D).

Not necessarily the live broadcast of the physical assembly would constitute a virtual assembly. It could also be given by the use of forms (which are well filled through a page on the internet or sent by email) such as researches. The interviewee does not write any opinion, but inserting his identification code, then, he is limited to one of several options. In this way, it is considered as a decision-making mechanism that allows to store in a registry that all can access (evidently with the necessary guarantees and cautions) to gather the decision democratically established in that virtual assembly that is called to make the decision for each question.

### 4.3 What could we expect in digital participation in cooperatives?

Based on the cooperatives sampled, there was a low use of technologies and tools for digital participation, both in traditional cooperatives and in platform cooperatives. Table 3 shows the results found in the research regarding tools to promote digital participation in cooperatives and a comparison with proposals found in the literature based on Cuesta et al. (2015).

**Table 3.** Proposal and means for democratic digital participation.





	Results of cooperatives sampled		Proposals for digital participation
	Tradicional Coop.	Platform Coop.	Tradicional and Platform Coop.
<b>Transparency and communication with the cooperative</b>	Facebook, WhatsApp, Instagram, website	WhatsApp and other social medias.	Monthly reports, podcasts, website, webinars, videos.
<b>Co-creation</b>	Not developed by the coop, but by the second level bodies	Face to face conversation with stakeholders	Workshops, surveys, interviews, validations using app pushes
<b>Assemblies and decision making</b>	Recorded assembly format accessed from home. general meeting transmitted in two places and semi-digital transmitted on the branch	Live and recorded meetings	Live meetings, recorded assemblies, discussion forums with voting power, digital assemblies divided in mini videos by topic

In the transparency and communication with the members, the results of our study demonstrated a small number of initiatives in traditional and platform cooperatives. It is observed that in both organizations the process is restricted to the communication by individual social networks or in groups of message exchange. The process is still little institutionalized in the platforms and occurs informally. In the literature it is observed a vast number of tools still little explored by cooperatives like monthly graphs, podcasts, website, webinars, videos.

The second aspect analyzed, the co-creation in cooperatives, is still very low, both in traditional and platform. When analyzing co-creation in a digital way, experiences are practically absent. It is observed in the literature several possibilities to execute this process with the members, such as through workshops, surveys, interviews, validations. Contrary to what was initially expected, platform cooperatives, despite their digital nature, do not yet have many co-creation processes exploring the member role and using technology to capture it. One of the explanations for this may be due to the recent beginning of the life cycle of these platforms. Another could be the amount of members that are still physically manageable and shows benefits on been face to face. Once the number of members increases and the distance is bigger, technology is more demanded.

For the assemblies and the decision-making, there are occasional initiatives of the traditional cooperatives analyzed to explore digital formats. These initiatives are still incipient and little validated from the point of view of the country's legislation, especially in Brazil. The platform cooperatives, in particular the one that started with members in several countries, already have the





organizational culture of making assemblies remotely and digitally. In the literature there are other possibilities, such as discussions in forums.

## 5. Final Considerations

Participation and democracy is central to the survival of cooperatives. A cooperative with proper communication and interaction among members becomes more economically sustainable and socially just. Our objective was to analyze the aspects of democratic participation and governance in cooperative platforms and traditional cooperatives based on practices of digital participation.

Our findings show that both traditional cooperatives and platform cooperatives have few initiatives for digital participation compared to the possibilities offered by the literature. Traditional Brazilian cooperatives, especially credit cooperatives, still do not use the potential of the digital transformation process. A small number of cooperatives are looking for a different initiative, especially in the process of conducting the assembly. Communication with the cooperative has benefited from the digitization process, but the initiatives are restricted to the use of social networks for communication in one way.

In platform cooperatives, contrary to expectations, which was a larger number of digital participation initiatives, old practices and tools are observed, not very different from those practiced in traditional cooperatives. The main difference here was a cooperative case with presence in five countries, which by nature forced the cooperative to use digital tools for decision making.

Based on the literature, we can observe the presence of numerous tools, methods and initiatives for the participation of members in cooperatives. Our results lead us to establish conditions for increasing the use of digital participation initiatives. Small-scale cooperatives do not use because the cost of their adoption is greater than the cost to bring people together physically. In addition, most of the platform cooperatives are local. As the size of the cooperative and its geographic dispersion increase, it is expected that the tools of digital participation will increase.

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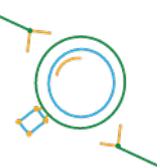
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