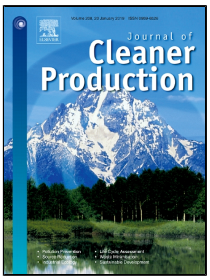
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Framing The Sharing Economy A Media Analysis Of Ridesharing Platforms In Indonesia And The Philippines

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Framing the Sharing Economy

A Media Analysis of Ridesharing Platforms in Indonesia and the Philippines

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Abstract: Few studies on ridesharing have so far been conducted in developing countries. To explore this, the present paper presents a frame analysis of news content on ridesharing platforms in Indonesia and the Philippines. We identify five distinct frames, perceiving ridesharing as a (1) commuter solution, (2) unregulated public transport service, (3) cooperative business, (4) non-conformity solution, and (5) informal livelihoods. We show how these frames emerge from a particular developing-economy context characterized by gridlock problems in densely populated cities, the utilization of "informal transport" as a gap-filler, and an emphasis on collectiveness. The paper furthermore argues that the identified frames shape different policy responses to ridesharing in Indonesia and the Philippines, which 1) address the absence of legal status; 2) ease traffic congestion. The paper concludes that these responses are driven primarily by commercial and legal concerns rather than sustainability concerns.

Keywords: sharing economy, ridesharing, digital platform, developing economies, informal transport

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Highlights:

1. Ridesharing in developing economies is framed differently than in developed economies.
2. Five frames are identified: 1) commuter solution, (2) unregulated public transport service, (3) cooperative business, (4) non-conformity solution, and (5) informal livelihoods.
3. These frames emerge from a particular developing-economy context characterized by gridlock problems in densely populated cities, the utilization of "informal transport" as a gap-filler, and an emphasis on collectiveness

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4. The differences in frames lead to different policy responses, primarily related to commercial and legal concerns rather than sustainability concerns.

1. Introduction

The rise of the sharing economy is often portrayed as disruptive to traditional economic practices, particularly when combined with digital platforms. This emerging, digitally enabled, sharing economy is of great interest because it sits at the intersection between two major technological revolutions: digitalization and organized sharing. The combination allows for new forms of business activity, politics, and social interaction, often organized in rapid-growing digital platforms. Such economic activity based on sharing underutilized assets enabled by digital platforms is called the sharing economy.[1] It taps into the unique characteristics of digital platforms, mobilizing sophisticated algorithms and cloud computing to convert raw material data into new economic tools. As such, algorithms are crucial components, a fabric of software that is interwoven with the

[1] Defining sharing economy has been a struggle due to its relative novelty and hybrid nature. Botsman & Rogers, for instance, define the sharing economy as "an economic model based on sharing underutilized assets from space to skills to stuff for monetary or non-monetary benefits" (Bostman and Rogers, 2010, p.11). They further highlight three features of the sharing economy; (1) product service systems (PSS), (2) redistribution markets, (3) collaborative lifestyles. Stephany (2015) adds the element of online accessibility and the enabling power of the internet as critcial dimensions of the sharing economy. Yet there are other definitions too (e.g. Belk, 2010; Lessig, 2008; Sacks, 2011).

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economy (Kenney and Zysman, 2016). Furthermore, the sharing economy often comes with a promise of sustainability, as making use of idle capacity might decrease the demand for products and make their use more efficient (Heinrichs, 2013; Cohen and Kietzmann 2014; Daunoriene et al. 2015; Nica and Potcovaru 2015; Hamari et al., 2016, Ma et al. 2018, Piscicelli et al., 2018).

As sharing-economy initiatives become part of societies, emerging practices start to institutionalize into more durable structures such as new transport policies. This process is in some cases contested and confrontational and concerns a deeply political process through which the distribution of benefits and risks stabilize into regulatory, normative, and cognitive institutions (Scott,1995). Framing the sharing economy (and disagreements over those frames) is an inherent part of this process (Phillips et al, 2004). As such, frames have been a key concern and topic of analysis in the sharing economy literature. In San Fransisco, for instance, ridesharing platforms have been interpreted as a progressive step to make the city “the innovation capital of the world” (Flores and Rayle, 2017). In China, ridesharing is framed as a service that will lead to substantial energy savings and emission reductions by weakening willingness to purchase new cars (Biying et al, 2017). In Singapore and Australia, ridesharing is framed as an important factor in building “smart tourism ecosystems” (Tham, 2016). On the other hand, ridesharing companies such as Uber are also framed as practicing the “neoliberal playbook” by misclassifying their workers, exploiting economically vulnerable workers (Zwick, 2017), and burdening drivers with superficial consumer ratings (Rosenblat et al., 2017). Such companies have also been framed as potential monopolies and as practicing unfair competition and therefore in need of smart regulation (Frenken and et al., 2015).

In terms of the geographical focus of sharing-economy research, current studies are dominated by developed economy experiences and perspectives (Schor, 2017; Münzel et al., 2017; Fabo et al., 2017; Chan and Shaheen, 2012; Ma et al., 2017; Furuhata et al., 2013, Martin, 2016; Gruszka, 2017; Humphery, 2017, Voytenko, 2017). While publications on sharing-economy experiences in developing economies are

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emerging (Roxas, 2016; Widdows et al. 2017; Surie and Koduganti, 2016; Wahyuningtyas, 2016; Schechtner and Hanson, 2017), few so far explicitly undertake a framing analysis. We argue that such developing-economy contexts are different in many ways and that there is a need to identify whether frames in these contexts are different and, if so, how they differ.

To give a more balanced perspective on different framings of the sharing economy, the research described in the present paper therefore focuses specifically on distilling frames from news content on ridesharing platforms in Indonesia and the Philippines. In this paper, frames are defined as "organizing principles that are socially shared and persistent over time, that work symbolically to meaningfully structure the social world" (Reese, 2001, p. 11). Given the long tradition of ridesharing in Indonesia and the Philippines, it is expected that such an analysis will provide a meaningful contribution to the existing literature.

The cases in Indonesia and the Philippines are important not only because the digital market in South-East Asia encompasses around 190 million Internet users (ASEANUP 2017), but also because of motorbike ridesharing (e.g UberMotor, GrabBikes, Go-Jek, GoMoto, GoBounce) (Low, 2017), which is typical for developing economies and has been popular for decades. There are also notable differences between the two countries, as the Philippines had already established regulations on ridesharing in 2015 (TechInAsia, 2015), while Indonesia is still undergoing a long process of formulating and revising regulations.

The paper addresses the following two research questions: (1) what frames can be identified based on news articles on ridesharing in Indonesia and the Philippines? And (2) how do these frames reflect the policy responses to ridesharing in a developing-economy context? To address these questions, the paper presents an analysis of online ridesharing platform news articles, identifies framings that both support and reject ridesharing, and discusses regulatory decisions based on these frames.

The paper is structured as follows: Section 2 provides a discussion of existing literature on framing analysis and on the sharing economy, especially on the role of digital platforms in reconfiguring ridesharing. Section 3 presents the methodology and

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elaborates on the context in Indonesia and the Philippines. Section 4 shows the identified frames. Section 5 discusses the policy responses to ridesharing in a developing-economy context. The conclusions are presented in Section 6.

2. Theoretical Discussion

2.1 Frame analysis

Research on frames in news content is situated within the subfields of political communication and mass communication. This work encompasses a variety of topic areas, including political campaigns, policy formation, legislation, litigation and court decisions, and international affairs. Hence, there is no consensual treatment of frame research. Framing has been called an approach (Pan and Kosicki, 1993; McLeod and Detenber, 1999), a theory (Scheufele, 1999), a class of media effects (Price and Tewksbury, 1997), a perspective (Kuypers, 2005), an analytical technique (Endres, 2004), a paradigm (Entman, 1993), and a multi-paradigmatic research program (D'Angelo, 2002). Some researchers have used more than one term; for example, Reese called framing an approach and a paradigm. Reese defined frames as "organizing principles that are socially shared and persistent over time, that work symbolically to meaningfully structure the social world" (Reese and et.al., 2001, p.11). In addition, Reese argues that frames should be utilized as a macro-level analysis to give meaning to the policy legislation process. The frame constructed and communicated can then be perceived as constructionist and critical. "Critical in the sense that frames are expressions and outcomes of power that are unequally distributed and constructionist in the sense that frames are interpretive packages that are used by actors in understanding the social world" (ibid).

Framing theory generally indicates that the experiences and attitude of individuals toward socio-political issues are influenced by a linguistic construction that frames issues in particular ways (Lakoff, 2010). In analyzing frames, Snow and Benford identify three sub-frames employed within the system framing process through which such influence is constructed: (1) the diagnostic sub-frame, which identifies problems (problem), (2) the

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prognostic sub-frame, which offers solutions to these problems (solution), (3) the motivational sub-frame, which establishes the rationale for taking action to address the problem (rationale) (Snow and Benford, 1988).

A rising number of publications analyze the sharing economy with framing theory. Martin elaborates six frames of sharing economy that relate to pathways of sustainability based on Anglo-American experiences (Martin, 2016), Gruszka identified four frames based on the city of Vienna's experiences and argues for more local studies rather than a global framework for understanding the sharing economy (Gruszka, 2017). Palgan uses framing analysis to identify the environmental, economic, and social implications of the sharing economy (Palgan et al., 2017). Humphery analyzes the framing of the ethical enterprise of alternative consumption in Australia (Humphery, 2017). Sharp argues that narrative framing of the sharing economy for community empowerment and grassroots mobilization has been used by Shareable to drive a "sharing transformation" and by Airbnb through "regulatory hacking" to influence urban policy (Sharp, 2018). The developed country focus of these papers signals the urgent need to enrich the discussion of framing analysis in sharing economy in developing-economy contexts.

2.2 The influence of platforms in a ridesharing economy

The current debate on the sharing economy has increasingly been associated with the term "platform economy" (Slee, 2015), where a company utilizes the platform to create a two-sided market between suppliers (owners of idle capacity) and consumers (Dreyer et al., 2017) and gains profit from facilitating the interaction between these two sides (Murillo et al., 2017). Such platforms are driven by big data and use algorithms as pricing models, which also disrupts the existing relationship between the regulator and regulated (Srnicek, 2017).

Initially, the conceptualization of the sharing economy was shaped by a non-market frame, emphasizing altruistic motivations to exchange goods and services and at the same time contributing to sustainable consumption (Prothero et al., 2011). Current discussions of the sharing economy mainly take place in a market frame, highlighting

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economic and regulatory issues. Some see the sharing economy as a form of profit-driven collective consumption (Hamari et al., 2015), or as peer-to-peer markets (Kohda and Masuda, 2013), or shifting asset markets (Sundararajan, 2014). Regarding regulatory issues, Sundararajan recommends government intervention to avoid market failure (Sundararajan, 2014). Some are concerned with the protection of users (Ranchordas, 2015), some look for a balance between regulating the sharing economy without stifling innovation, by introducing experimental regulations (Hannah, 2015). Some critics have perceived the sharing economy as growing a precariat working class, who join the sharing economy out of desperation (Roose, 2014), and as a practice of "sharewashing" that shifts risks onto drivers (Kalamar, 2013). In general, the concept of sharing, and ridesharing in particular, seems to be contested between market and non-market narratives. We will use the definition of ridesharing by Amirkiaee and Evangelopoulus: "any use of an automobile that includes, in addition to the driver, non-dependent passengers, without a fully commercial/formal relationship, with an agreement to share the ride, and with or without sharing the travel costs" (Amirkiaee and Evangelopoulus, 2018, p.10). This definition outlines the intersections between the sharing economy and informal or semi-informal transport.

Frenken articulates three future scenarios for governing the sharing economy: (1) platform capitalism, which is characterized by the integration of various sharing-economy initiatives into a super-platform that follows neoliberal development, (2) platform redistribution, which is state-based distribution for public interest and uses principles of social justice and (3) platform cooperativism as a grassroots movement that uses collective ownership and management principles. (Frenken, 2017). These three scenarios leave room for exploring different angles to understand the sharing economy, as we will attempt in our cases in Indonesia and the Philippines.

3. Methods and Contexts

This research utilized an online ethnography (Boellstorff et al., 2012) to gather and analyze online news data containing various frames of ridesharing in Indonesia and the Philippines. News data are a common data source in framing analysis. We adopted an

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exploratory and iterative research approach consisting of three interlinked elements of data gathering and data analysis focusing on frames of ridesharing: problems, solutions, and rationales. This research is “exploratory” because very few studies on ridesharing have so far been conducted in developing countries, where the topic is new and the issues are in a preliminary state (Babbie, 2007). We cannot take for granted that findings from earlier work in developed countries apply to this very different context. Our samples of online news are mainly in English, but we complemented them with examples in Bahasa Indonesia.

3.1 Data gathering

This research utilizes data from three online news media sources that cover stories from Indonesia and the Philippines: Kompas (an Indonesian national newspaper), the Inquirer (a Philippine national newspaper) and Rappler (a news website that covers stories from both Indonesia and the Philippines). We used Rappler as it is the first news website in the Philippines to have adopted the extensive use of online multimedia and to use social media sites for news distribution. Moreover, because it has a bureau in Jakarta, Indonesia, Rappler covers news from both Indonesia and the Philippines (Rappler, 2012). Rappler and Inquirer report the news mostly in English. There are some Tagalog quotes, but English translations are also provided. Our analysis of the Philippines news relied on the direct translation from the news publisher. Kompas reports the news in Bahasa Indonesia, which is the mother tongue of the first author. The first author translated news in Bahasa Indonesia into English and the translation has been reflected on and verified by a native English speaker, in collaboration with the first author and the author team.

The authorship of news articles varies. We used news articles from Kompas and Inquirer to clarify frames of ridesharing that we identified from Rappler and to add more details on sub-frames. Kompas is one of the most prominent printed and online news sources in Indonesia; in 2017 Kompas was awarded the Best Website Award in the News Category by Indonesia Bubu Awards. According to a survey conducted by AGB Nielsen Media Market Research Philippines in 2015, The Philippine Daily Inquirer was the top choice of news readers in the major urban area.

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To gather our main data, first, we typed “ridesharing” into the search engine of the Rappler webpage. We found 194 articles related to ridesharing and captured them using NVivo. Second, we selected the search results that fell within the period June 2015–November 2017 timeframe, because 2015 was the year in which Philippine authorities introduced the category of Transport Network Company (TNC). Third, we selected the articles that only discuss ridesharing in the Philippines and/or Indonesia. Fourth, we read each article thoroughly and categorized it within three sub-frame codes: “problem”, “solution” and “rational”. Fifth, during the content reading process, we also identified different keywords that were used interchangeably with ridesharing. These are “ride-hailing”, “sharing economy”, *colorum* (a Tagalog word for unregistered passenger transport), “online taxi”, and “*transportasi* online” (i.e., online transportation). We used these new keywords in the Rappler search engine to identify additional articles. Following similar protocols, we also included articles from Kompas and the Inquirer to ensure corroboration and consistency of the sub-frames. The final dataset consisted of 213 articles from Rappler, 112 articles from Kompas, and 111 articles from the Inquirer.

3.2 Data analysis

We analyzed our data by capturing and categorizing the date into three sub-frames (problem, solution, rational). In analyzing the content of each articles and building our frames and sub-frames, we undertook an inductive procedure to avoid the risk of taking too much of a pre-defined developed world perspective, as most existing studies are based on cases in the developed world (Martin, 2016; Gruszka, 2017; Humphery, 2017, Voytenko, 2017).

First, we looked at the articles and identified sub-frames by searching for problems, solutions, and rationales of ridesharing discussed in the articles. Not all of these three sub-frames necessarily occurred in one article. For example, an article about the regulation of ridesharing only reported the problem (i.e. unregulated passenger transport service) and discussed a solution (i.e. regulating ridesharing). Initially, we found 7 problem sub-frames, 8 solution sub-frames, and 7 rationale sub-frames. The problem sub-frames are: traffic congestion, unregulated status, unfair competition, exploitative

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relations, *colorum*/illegal conduct, expired permit, and economic opportunity. The solution sub-frames are: ridesharing as digital solution, regulating the price, regulation operational area, vehicle permit, cooperative-based, new categories, fine as punishment, and operation without permit. The rational sub-frames are: public demand, technology as enabler, resistance from conventional taxis, inevitable consequence of technological innovation, Uber is not a transportation company, Uber is violating the law, and *colorum* is inevitable result.

Second, we combined the sub-frames and elaborated them into full frames. From the set of sub-frames, we gathered the sub-frames that tended to co-occur in one article. For example; ridesharing as a digital solution mostly co-occurred with the problem of traffic congestion. In this way, the two sub-frames were gathered, and an iterative process was conducted by re-collecting similar articles about traffic congestion and re-coding until we found full frames containing three sub-frames. To verify these full frames, we re-analyzed random articles in our dataset (approximately 20% of the original data set from Rappler) to see whether the full frames identified are employed fully or partly in the articles. This step confirmed that the process of frame identification was consistent with the empirical data.

Third, we structured all identified frames in two tables: one for Indonesia and one for the Philippines. We analyzed the similarities in and differences between the frames for the two countries. Fourth, we explored the policy documents on ridesharing that have been formulated in Indonesia and the Philippines. The policy documents were used to examine the extent to which the regulations reflect the variety of frames that we identified in each country.

3.3 Indonesia and the Philippines: contexts

To give a more detailed overview of our case studies, in this part we will discuss the development of the digital market and ridesharing in Indonesia and the Philippines, followed by a discussion of the traffic problems in the context of developing economies. The first point to note about the context in Indonesia and the Philippines is the size of the

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digital market in both countries. The number of Indonesians using the Internet has followed the upward global trend, increasing from 2 million in 2000 to 132 million in 2017 and for the Philippines from 2 million in 2000 to 57 million in 2017 (Internet World Stats, 2017).

Interestingly, the sharing economy in Indonesia and the Philippines has potential. According to the Nielsen Global Share Community Report, in 2014 87% of Indonesians were willing to share with others; in the Philippines, the figure was similar: 85%. (Nielsen 2014). In Indonesia, the ridesharing hype began in 2013 with the launch of Indonesian profit-based ridesharing platforms such as Go-Jek, a startup that provides a platform for motorbike ridesharing in Indonesia. Go-Jek's multinational competitors are Uber, which arrived in Indonesia in August 2014, and Grab (a Singaporean-based company), which entered the Indonesian market in June 2015 (Faisal, 2015; Freischlad, 2015). In mid-2016 Go-Jek raised USD 550 million in new capital, giving it a value of USD 1.3 billion. This is considered an incredible result, given it had launched its first mobile phone application only a year and a half earlier (Pratama, 2016). Uber followed the motorbike ridesharing success by opening UberMotor. Grab introduced GrabBike. Go-Jek also started Go-Car to compete with Uber and Grab in car ridesharing. More dynamically, there were also smaller local players who tried to bridge contextual and cultural gaps, such as Ojek Syar'I, which provides an online booking service for Muslim female motorbike riders in Indonesia (Ojesy, 2015).

In the Philippines, even though in the city of Manila there is long experience of shared transport such as Jeepney, the online platform-based ridesharing was started by a foreign company, GrabTaxi (from Singapore), in 2013. One year later, Uber came to Manila and became the biggest competitor for the Grab platform. In 2015, GrabTaxi changed its name to Grab and started a new Uber-like service called GrabCar and the motorbike taxi service called GrabBike.

Another large influence on the success of these services is that road traffic in Indonesia and the Philippines faces severe threats from gridlock, road rage, and other traffic calamities which together are popularly known as "Carmageddon." In Numbeo's traffic ranking, Indonesia ranks no. 11, with an "average one-way time needed to transport" of 41.73 minutes; the Philippines ranks no. 9 with an "average one-way time"

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of 43 minutes (Numbeo, 2017). Indonesia's capital, Jakarta's metropolitan area, is home to about 24 million people, but only 13% of all trips are on public transport (Ford and Honan, 2017). Many Jakarta residents prefer to use a motorcycle as a commuting vehicle because it needs less space on the road. However, motorcycles are worsening traffic congestion. According to data from the Jakarta Police, in 2014 the city had roughly 17.5 million motor vehicles on the road, a significant increase from 16 million the previous year. Meanwhile, the road growth in Jakarta is increasing by only 0.01 percent each year (Jakarta Post, 2015). Traffic problems are also imminent in the Philippine's capital city, Manila. Japan International Cooperation Agency (JICA) reported that traffic congestion in the Philippines costs the economy PHP 2.4 billion (around 47 million USD) daily. A study conducted by JICA in 2014 warned that by 2030 the Philippines would be losing PHP 6 billion (around 118 million USD) daily due to traffic congestion (Japan International Cooperation Agency, 2014).

Lastly, the ridesharing services are commonly used in urban communities. In 2015, Indonesian urban commuters started using the ridesharing services of Uber, Grab, and Go-Jek. These companies could benefit from the commuters' frustration with traffic congestion, inadequate public transport, and the growing use of smartphones. The consumption of ridesharing services in Indonesia is rising, even though some technical barriers remain, such as the credit payment system, fare regulation, driving licenses, and passenger safety. The technical barrier in the Philippines was somewhat similar, as only around 31% of Filipinos have bank accounts, with an estimated 4% having access to credit cards. Furthermore, the smartphone penetration in the Philippines was around 21% in 2017. The current market for ridesharing services is therefore limited to a small segment of the urban population, compared to the overall shared transport market. (Schechtner and Hanson, 2017).

4. Results

We have divided our analysis into three parts. First, we have identified and compared frames that illustrated the discussion of ridesharing in Indonesia and the Philippines, by showing their similarities and differences. Second, we have related these frames with the

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policy response to ridesharing in both countries. Last, we discuss some insights from these frames in a discussion of ridesharing in the developing-economy context.

4.1. Identified frames of ridesharing in Indonesia and Philippines

Table 1 presents the frames created for news articles about ridesharing: three for Indonesia and four for the Philippines. The frames identified from the Indonesian data are the commuter solution; unregulated passenger transport services; and cooperative business. For the Philippines the four frames are: commuter solution; unregulated passenger transport service; non-conformity; and informal livelihoods. From these frames, it is clear that both countries share similar frames (commuter solution and unregulated passenger transport service). This is indisputably the effect of the severe traffic congestion problem in the two capital cities, Jakarta and Manila. However, interestingly, both countries showed differences regarding law-making and law enforcement related to ridesharing. In Indonesia, the cooperative business frame illustrates the government's strategy to address the absence of legality of the ridesharing, while in the Philippines, the frames of non-conformity and informal livelihoods illustrate the different implications of enforcing the new legislation. Each frame is presented below, paying attention to three elements or sub-frames: problem, solutions, and rationales.

Frame 1: Commuter solution

The frame starts from the traffic congestion as being the *problem*. Inadequate and ineffective public transport, particularly during rush hours when the buses and trains are overcrowded, with long queues and unpredictable schedules, has made daily commuting a nightmare. On the other hand, sometimes commuters have suffered from a tricky taxi pricing mechanism which can be unpredictable and significantly raises the cost of daily mobility. This description can be illustrated by the first paragraph of the example quoted below:

> *The Philippines - "Not too long ago, commuters had to rely exclusively on taking multiple modes of transportation, or aspiring to buy their vehicles if they wanted*

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> *full control of their rides. These options can be time-consuming and expensive. On bad days, say, the evening rush hour made even worse by a sudden downpour, one can spend hours on the road just driving or trying to get a ride.*
>
> *Today's technology has made it possible for reliable transportation options in the city to be more accessible for anybody, anywhere at just a tap of a smartphone. Thus, Filipinos have embraced ridesharing services such as Uber, which offer easy access to rides, with the safety, reliability, and convenience that private cars offer (without actually having to acquire one). It is especially useful for those who live in areas that aren't along routes of major public transport options." (Jules Matabuena, Rappler, 3 June 2017)*

The quote's second paragraph could be analyzed as the *solution* sub-frame because it described the function of ridesharing applications that enable commuters to hail drivers instantly. In this sense, the daily traffic problem faced by commuters is solved by the presence of a ridesharing platform. Not surprisingly, the ridesharing application has become well-known to the urban population, as shown by the quote below:

> *Indonesia - "Booking online* ojek*/motorbike sharing has become a habit for society especially in Jakarta, which has serious traffic congestion. Compared to taking public transportation, booking on-demand transport such as Go-Jek, UberMotor, and GrabBike is faster for commuters in the middle of congestion". (Aditya Hadi Pratama, Rappler, 3 November 2016)*

In this frame, ridesharing is seen as a solution for the daily commuting problem in developing economies. We identified the *rationale* sub-frame as the ability of ridesharing applications to make the transport process more efficient, cutting time spent on the road and bringing predictable and competitive prices.

> *The Philippines – "Filipinos are tired of dealing with rude and crooked taxi drivers who refuse passengers based on their destinations, use rigged meters, charge arbitrary fares, and – for some reason – are always out of change. Uber and Grab allowed us to escape that horrible era. Also based on commuters' recent protests online, they are not having more of it again." (JC Punongbayan and Kevin Mandrilla, Rappler, 18 July 2017)*

We found that this frame is quite a dominant frame from a consumer's point of view. Although there were some concerns about the security issues of ridesharing, overcoming traffic congestion has somehow outweighed consumers' considerations for choosing

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ridesharing. We interpreted this as being associated with the developing-economy context, in which the alternative (e.g., public transport) is often inadequate.

Frame 2: Unregulated passenger transport service

We identified the *problem* of the illegality of ridesharing and the unfair competition practice. In the Filipino language there is a specific term for the illegal or unregulated: *colorum*. The existence of Uber and Grab in Indonesia and the Philippines has challenged the conventional and legal definition of a public transportation company, as described in the quote below:

> *Indonesia - Traditional taxi, motorbike taxi, and other public transport drivers are angry that the new services are offering rides at lower prices, claiming they are not paying taxes, and are operating without official permits. "Why should thousands of people who did not pay tax, get a permit, or undergo car checks roam the roads freely while we have had to fulfill those duties?" said Yohannis Rorimpandey, a protester who works for Blue Bird, one of Indonesia's biggest taxi groups." (Agence France-Presse, Rappler, 22 March 2016)*

We see that the quote above not only illustrates the problem of the illegal status of ridesharing, but also highlights the potential loss of income for existing businesses and the conflicts arising due to people trying to protect themselves from this business threat. We acknowledge that new ventures often spur legal action both in developed and developing countries, as existing businesses often drive the government to regulate these new competitors.

Our two case study countries have tackled this problem differently. In May 2015, the Land Transportation Franchising and Regulatory Board (LTFRB) in the Philippines created a new category of passenger transportation: the Transport Network Company (TNC). It is a category for companies that provide app-based transportation hailing services. The government also created TNVC (Transport Network Vehicle Services) as a franchise license for TNC's partners (drivers). To get TNVC accreditation, each driver must register and pay a fee to LTFRB. TNC and TNVC have become *solution* sub-frames for the Philippines and are regarded as the first attempts at regulation of ridesharing in

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South-East Asia, while the *rationale* sub-frame is solving the traffic congestion as illustrated by the quotes below:

> The Philippines - *In May, the Philippine government introduced new transport categories aimed at easing traffic congestion. One of these is the Transportation Network Vehicle Service (TNVS), which are vehicles of application-based, ridesharing service providers, like Uber, GrabTaxi, Tripda, and EasyTaxi.*
>
> *"The main challenge of the different government agencies and offices is to align their rules and regulations, as well as policies, to solve the worsening traffic conditions in Metro Manila," Aquino, chairman of the Senate Committee on Trade, Commerce, and Entrepreneurship, said in a statement.(Rappler, 20 August 2015)*

In contrast, Indonesia has more dynamic and varied *solution* sub-frames for the unregulated status of ridesharing, which has slowed down the process of law-making. There has been quite strong resistance from incumbent actors, who have accused ridesharing companies of unfair competition, as illustrated in the quote below:

> *Indonesia – Thousands of Indonesian taxi drivers staged a violent protest Tuesday, March 22, against Uber and other ride-hailing apps, blocking major roads in the capital, clashing with rivals from app-based services and setting tires alight.*
>
> *The protesters adorned their vehicles with signs saying "stop unregulated taxis" and rallied in front of parliament and government buildings, in an upsurge of anger at the technology they say is threatening their livelihoods.*
>
> *Herman, a 49-year-old taxi driver involved in the Jakarta protest, who goes by one name, said his earnings had dwindled from around 250,000 rupiah ($20) a day several months ago, to almost nothing due to the increased competition.*
>
> *"I have not paid my rent, and I need to feed my three children and my wife," he said. (Agence France-Presse, Rappler, 22 March 2016)*

Due to the escalating social conflict that emerged between supporters and opponents of ridesharing, the Indonesian Ministry of Transportation has introduced, withdrawn, and revised regulations several times; the last revision was introduced in October 2017 and was planned to be implemented in January 2018. The government encouraged app-based ridesharing companies to collaborate with local taxi companies or cooperatives (*koperasi*). This regulation also accommodated several problem sub-frames that have been debated since 2015, i.e., a pricing mechanism, an operational area for ridesharing, vehicle evaluation, and the power of an app-based service provider. With the new regulation, the government acknowledged the legal status of Uber and Grab as technology companies but reduced their role to providers of a hailing service that only

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connects users with a transport provider. The *rationale* sub-frame of the Indonesian government is that Uber, Grab, and Go-Jek had been operating without legal status and therefore needed to be regulated within the existing law without forcing them to change from being technological companies to passenger transportation companies. The illegal status of ridesharing is illustrated below:

> Indonesia - "*Based on documentation shown to Rappler on Monday, 14 March, in which GRABTAXI and Uber are seen to be violating three regulations: UU No. 2 2009 (about traffic and road transport), UU No. 25 2007 which stipulates that foreign investment must be in the form of a limited company based on Indonesian law); and the regulation by Chief of Investment Bureau (BKPM) No. 22 2001 that states that the UBER office in Indonesia cannot perform commercial activities." (Santi Dewi, Rappler, 14 March 2017)*

We found that this frame illustrates the disruptive effect of ridesharing to transportation in both countries. The debate on the legal status of ridesharing has become a global debate to which each region has responded differently. In our case, we found that the speed of policy response is determined by the strength of resistance from incumbent actors, with Indonesian incumbent actors offering more resistance than their Filipino counterparts.

Frame 3: Cooperative businesses

Covered more in Indonesian news media, this frame is connected with the unregulated status of ridesharing. The *problem* sub-frames that we identified are the dominant control of the ridesharing companies, i.e., through pricing decisions, and recruiting, and blocking drivers. Moreover, based on Indonesian regulation (UU. Number 22, 2009), an individual may not provide a passenger transport service. In this sense, individuals who offer ridesharing are considered illegal. There are two options to address this illegal status; the first is for the ridesharing company to become the umbrella organization employing individual drivers, transforming from technology company into a transportation company. The ridesharing companies resist this option because they argue transportation is not their core business and by being a transportation company they are required to own vehicles as company assets. The second option is to urge drivers of ridesharing to form a cooperative legal entity, in which every member are allowed to own assets. The vehicle

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used in ridesharing will be under the ownership of each driver. Conventional taxis and other passenger transport in Indonesia have operatied under this cooperative model. Therefore, the latter option is more favorable to the government and becomes the *solution* sub-frame as discussed in the quote below:

> *Indonesia – "The government encourages ridesharing companies to form cooperatives (koperasi). As an example, this solution will be implemented by Grab in the GrabCar service. Actually, there are two ridesharing services i.e. Uber and GrabCar. However, the government chooses to work with GrabCar as the role model for similar service." (Yoga Hastyadi Widiartanto, Kompas, 17 March 2016)*

Responding to their illegal status, the ridesharing companies seem to agree with the government's idea. Individual partner drivers are discouraged, but cooperative or company partners are encouraged. An individual driver has the option either to form his or her own cooperative (with a minimum of five members) or to join an existing local passenger transport company or *koperasi* (Permenhub 108, 2017). The Grab ridesharing company has mainly collaborated with local companies and *koperasi*. In this sense, the ridesharing company only acts as an app-based hailing service provider and the power to determine the pricing is shared between the app-based company, passenger transport company, and drivers, and must fall within the pricing limit set by the government.

> *Indonesia - On Thursday, March 24, the government urged ride-hailing apps Uber and Grab to become business entities and to partner with a local transport business by May 31 or face a ban after a protest organized by taxi drivers on Tuesday.*
>
> *"It is in line with a government regulation from 2009 that all public transportation needs to be a legal entity, register and work together with legal taxi businesses," said ministry spokesman J. A. Barata.*
>
> *In response to the government's order, Grab's Indonesian unit said it was already working with a local Indonesian partner. "Grab is now trying to ensure that our partner can and will follow every requirement from the government," said Ridzki Kramadibrata, managing director of Grab Indonesia. (Rappler, 24 March 2016)*

Although it originated from the ridesharing's unregulated status, we argue that the longstanding Indonesian practice urged the formation of the cooperative entity as an easy solution to fill the institutional void. The *rationale* sub-frame is that ridesharing is perceived as an inevitable consequence of technology innovation. Instead of forbidding ridesharing,

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it needed to be accommodated within the existing regulation of the transportation business, for which the cooperative business served as an easy way out.

Frame 4: Non-conformity

In contrast to the Indonesian ridesharing regulation process, the fourth frame we found illustrates the reaction from a ridesharing company in the Philippines after the enforcement of the regulation that introduced the TNC and the TNVC categories. This regulation requires each driver to have an accredited license that is valid for one year and can be renewed by the LTFRB. We identified the *problem* sub-frame as the recruitment of new drivers by Uber and Grab, who do not have a license or whose license has expired. The companies explained that their drivers experience difficulties in obtaining their license from LTFRB due to lack of information.

> *The Philippines – Discussions of Grab and Uber's suspensions raised numerous complaints from commuters, especially those taking metered taxis. The suspension dilemma is also heavily reflected on 50,000 Grab and Uber drivers operating around the country.*
>
> *"Hindi ko naman po alam na kailangan naming kumuha ng ganoon sa LTFRB kasi hindi malinaw ang instructions nila sa amin, ang hirap po kasi lahat kami mawawalan ng trabaho," said Grab driver Dodie Cabatu.*
>
> *"(I did not know that we had to get [those forms] from the LTFRB because their instructions were not clear to us. It is hard because a lot of us will lose our jobs [because of this])." (Kimiko Sy, Rappler, 29 July 2017)*

The *solution* sub-frame from the government was to suspend the operation of these companies in August 2017 and to fine them each PHP 5 million. The *rationale* sub-frame behind this decision is that the government acknowledged Uber's and Grab's conduct of accepting drivers' applications without the formal license as irresponsible and not complying with the law:

> *Uber has said that it did accept new applications for drivers amid strong demand, but did not process them. Monday's suspension order described that as "irresponsible" behavior in "unduly challenging the limit of fair regulation.*
>
> *LTFRB Chairman Martin Delgra told Brown his organization was not picking*

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> *a fight with Uber and hoped the problem could be resolved at a meeting set for August 23."This is not a fight. We are trying to work together here to address public transport issues," he said." (Jovic Yee, Inquirer, 14 August 2017)*
>
> *The Land Transportation Franchising and Regulatory Board (LTFRB) imposed a fine of PHP 5 million each on Uber and Grab on Tuesday, July 11, for letting some of their drivers operate without permits.*
>
> *Classified as Transport Network Companies (TNCs), Grab and Uber admitted that they allowed some Transport Network Vehicle Service (TNVS) drivers to operate even if they do not have permits.*
>
> *"It appears that the TNCs are not without fault for having these TNVS [drivers] operating unregulatedly," LTFRB Chairman Martin Delgra III said. "We need to be mindful of our responsibilities not only as TNVS [drivers] but also as TNCs." (Rambo Talabong, Rappler, 11 July 2017)*

With this frame we found that in the Philippines, even though the government has facilitated ridesharing by introducing the new category, problems remained in terms of compliance with the new law. However, we found that the new policy has become an instrument that enables the government to act firmly by suspending or fining individuals.

Frame 5: Informal livelihoods

The fifth frame represents the demand side of ridesharing in the Philippines. The *problem* sub-frame is the increasing number of new ridesharing drivers that exceeded the quotas imposed by the government. Demand is partially induced by supply, as ridesharing has become an informal economic opportunity for the unemployed and retired. On the other hand, this frame is also constructed by the consumers who argue that the government regulation was only hampering their need to have access to a safer way of commuting. The online petition #WeWantUberGrab illustrates the demand from the drivers and the commuters.

> *The Philippines – "On Twitter, the hashtag #WeWantGrabUber trended as commuters expressed their anger and frustration. Citing bad experiences with taxis, some netizens say Grab and Uber remain the safest way for them to commute." (Katerina Francisco, Rappler, 28 July 2017)*

The *solution* sub-frame emerging from ridesharing drivers is to operate without a permit and work informally, meaning that the status of ridesharing drivers is that of informal

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workers. The *rationale* sub-frame is that circumstances do not allow other options: the informal status of the drivers of ridesharing is unavoidable, or in other words, *colorum* not by choice. The following quotes summarize this:

> *The Philippines – "While applicants have been rejected from applying as TNVS drivers, some 7,000 already-accredited drivers did not get their PAs renewed in 2016, with all of them having expired PA permits by December 2016," Busypaps president Jephthe Gamad said.*
>
> *"We are not* colorum *by choice, our colleagues were left with no choice," they said in the petition. "Many of us were unemployed, some are retirees. We were given a chance to be productive in becoming partners of TNVS companies." (Rappler, 7 July 2017)*

As a response to the fourth frame, we found that the "informal livelihoods" frame illustrates the reaction from ridesharing companies and drivers. We found this frame as emerging in parallel with the non-conformity frames.

Table 1: Identified frames of ridesharing in Indonesia and the Philippines.

	INDONESIA			**THE PHILIPPINES**			
FRAMES	**Commuter solution**	**Unregulated passenger transport service**	**Cooperative business**	**Commuter solution**	**Unregulated passenger transport service**	**Non-conformity**	**Informal livelihoods**
PROBLEM	Traffic congestion	Unregulated status, Unfair competition	Exploitative relations between company and drivers	Traffic congestion	Unregulated status, *colorum*	Uber and Grab recruit drivers without permit or with expired permit	Opportunity for unemployed or retired people
SOLUTION	Ridesharing	Regulating pricing mechanism, operational area, vehicle permit, role of each actors	Encourage formulation of cooperative-based ridesharing	Ridesharing	New categories TNC and TNVC introduced by LTFRB in May 2015	LTFRB ordered Grab and Uber to pay a fine of PHP 5 million each	*Colorum* practice (operation without permit), petition,
RATIONALE	Public demand, Technology as enabler of more efficient process	Operating without regulation, resistance from conventional	Inevitable consequence of technology innovation. It should not be banned but	Public demand	Uber and Grab are not transportation companies,	Uber and Grab are irresponsible by violating the law	The *colorum* status is inevitable result of legal situation

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		taxi and other passenger transport drivers	regulated smartly	To answer traffic congestion problem

5. Discussion

Based on the identified media frames, this section discusses and reflects on the distinct policy responses to ridesharing in the spatial and economic context in cities in the developing world. First, we review the differences between the frames identified in Indonesia and the Philippines and consider the corresponding policy responses (Section 5.1). Second, we highlight the characteristics of ridesharing in the developing world and how they differ from the experiences in the developed world (Section 5.2).

5.1 Relations between frames and policy responses to ridesharing

In this section, we discuss the variety of frames in the two countries and discuss how these frames reflect the similarities and differences between the two countries regarding their policy responses to the introduction of mobile-app based ridesharing as a disruptive innovation in urban passenger transport. First, we compare the response from the governments of the Philippines and Indonesia immediately after they faced pressure and disruption from both proponents and opponents of platform-based ridesharing. Second, we reflect on the potential longer-term consequences of these policy responses.

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The government of Philippines prides itself on being the first country in South-East Asia to formulate legal regulations for ridesharing firms. In 2015, the government announced the Memorandum Circular No.2015 (11-15) as a legal umbrella for the operation of app-based ridesharing. This regulation categorized an app-based ridesharing firm like Uber or Grab as a Transport Network Company (TNC) rather than a transport provider company. Drivers who were operating through an app-based ridesharing firm are defined as "partners" and they are considered as an integral part of the category Transportation Network Vehicle Service (TNVS). The Land Transportation Franchising and Regulatory Board (LTFRB) is the authority in charge of issuing TNVS partners/drivers with permits that are valid for one year. In the context of the frames "commuter solution" and "unregulated passenger transport service," this new form of regulation is narrated as a way to deal with informal practices as well as a way to ease overall traffic congestion (Rappler, 11 August 2015).

The Indonesian policy response has differed markedly from the Philippine policy response. The immediate response of the Indonesian government to the emergence of digital ridesharing companies could also be narrated from the two frames of "commuter solution" and "unregulated passenger transport service." However, the Indonesian Ministry of Transportation did not introduce a new category of passenger transport services like in the Philippines, but instead it introduced the Permenhub 32/2016 regulation in 2016. The regulation emphasizes the pricing mechanisms and requirements for collective membership for partners, stipulates that the ridesharing companies must determine the price of their services in agreement with public authorities, and prohibits private individuals from being ridesharing partners/drivers. Instead, what is viewed as a "partner" should consist of a minimum of five individual car owners, who together form a cooperative entity.

The identified frames can also be used to reflect on potential longer-term consequences of different policy responses in Indonesia and the Philippines. The frames of "non-conformity" and "informal livelihoods" identified in the Philippine news articles are instrumental in understanding the situation after the introduction of the TNC and TNVS categories and regulations. Through the lens of these frames, ridesharing companies can

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then be viewed as actors who violate regulations by allowing drivers to operate without a license and the government as an actor that attempts to control the situation and discipline the ridesharing companies. This line of argument was used in 2016 when the LTFRB decided to limit applications for new TNVS and eventually when they suspended the operation of Uber and Grab and fined them PHP 5 million for permitting their drivers to operate without obtaining TNVS.

In Indonesia two other frames, of “unregulated passenger transport service” and “cooperative business” can be mobilized to narrate the effects and consequences of the introduction of the Permenhub 32/2016 regulation. The regulation faced opposition from conventional taxi drivers, who viewed the regulation as legitimizing unfair competition practices, and from app-based ridesharing drivers, who viewed the regulation as hampering their livelihoods.

In August 2017 the Indonesian Supreme Court decided to annul Permenhub 26/2017, especially relating to the pricing mechanism and vehicle standards. As reported in the media sources, one of the main reasons for this annulment is that app-based ridesharing is viewed a logical consequence of technological innovation geared to enable more efficient and low-cost passenger transport. Regulation would then mean restriction of innovation, an association that the Ministry tried to avoid by withdrawing the regulation by introducing a revised version in April 2017 (Permenhub 26/2017). The new regulation includes more requirements relating to the partners of the ridesharing firm: each vehicle must meet a public transport standard. This regulation reflects the unfair competition sub-frame that illustrates the demand of conventional taxi drivers to treat ridesharing vehicles as similar to other kinds of passenger transport and re-emphasizes the cooperative mechanism in governing ridesharing services. The Ministry still requires ridesharing drivers to either form a cooperative entity or to join an existing local taxi company or cooperative in order to be acknowledged as a ridesharing partner. In contrast with the withdrawn regulation, the pricing mechanism will be collectively decided upon by the ridesharing firm, the local cooperative, the drivers, and the government. The reaffirmation of the cooperative entity reflects the “cooperative business” frame, which can be identified

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as a governance strategy to accommodate multiple stakeholders in ridesharing and to achieve a balance of power among these stakeholders.

5.2 Ridesharing in developing economies

Based on the identified frames, we explore four contextual characteristics of ridesharing, which are not only relevant for the spatial- and economic settings in Indonesia and the Philippines, but may be indicative for the different ways in which ridesharing is unfolding throughout the developing world.

1. *Ridesharing as a reaction to fast urbanization and traffic congestion*

Our case study of Indonesia and the Philippines provides an illustration of how ridesharing companies proliferate in settings throughout the developing world. Two important reasons for the fast growth of ridesharing stand out. First, like many megacities in the developing world, Jakarta and Manila can be characterized as socio-spatial contexts marked by urban sprawl, rapid influx of new urban dwellers and insufficient provision and access to public transportation. In this sense, Jakarta and Manila have become primary centers and bustling hotspots for experimental urban development. Second, the explosive growth in vehicle ownership and utilization reflects path-dependent development trajectories that force urban commuters toward the use of private vehicles. As a result, commuters are trapped in daily traffic congestion. These two contextual developments in Jakarta and Manila might explain the existence and fast growth of ridesharing as an alternative for urban commuters faced with this challenging situation. As an example, in Indonesia, Go-Jek, a motorbike ridesharing company that officially launched in 2015, recruited almost 900,000 drivers within two years (Kompas, 2017) and Grab hired around 930,000 drivers (Grab, 2017).

To link this to our five identified frames, the commuter solution frame could narrate the rationale of ridesharing as the alternative mode of transportation for commuters in Jakarta and Manila. The primary rationale of this frame is that the algorithm used in

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ridesharing applications has enabled commuters to access transport services more efficiently and affordably. By comparison with other pre-existing frames in previous studies, Martin's frames of the sharing economy are based on Anglo-American experiences (Martin, 2016). In those settings, the sharing economy is mostly framed within the context of more comprehensive public transport services and therefore ridesharing is not primarily seen as an alternative in the face of traffic congestion.

2. Ridesharing as (un)sustainable alternative

One of the frames present in earlier studies mobilizes the sharing economy and related digital ridesharing practices as a transformative movement toward more sustainable consumption (Heinrichs, 2013; Cohen and Kietzmann 2014; Daunoriene et al. 2015; Nica and Potcovaru 2015; Hamari et al., 2015, Cohen and Munoz, 2016, Ma et al. 2018, Piscicelli et al., 2018). As Martin has argued: "the sharing economy is heralded as a new and sustainable form of consumption based on individuals accessing rather owning resources" (Martin 2016, p.154). In this sense the sharing economy is seen as a way to empower individuals, as a way to create economic, social and environmental value, and as a way to optimize the utilization of resources. Martin explains that niche actors in the sharing-economy sector primarily mobilize this frame.

But there is a difference here between the developed word and the developing world. Whereas some proponents of the sharing economy in the developed world stress these environmental sustainability promises, in the developing world, ridesharing is hardly ever framed as sustainable or as an environmental solution. In our analysis of ridesharing in Indonesia and the Philippines we found that ridesharing companies frame ridesharing primarily as a solution to insufficient public transport. It would seem that the economic motivations and practical concerns outweigh environmental concerns in the minds of ridesharing actors in Indonesia and the Philippines. We believe that this might be the case in other developing world contexts as well, but that is something future research would have to establish.

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What can be regarded as sustainable is of course context-dependent and reflects local values and priorities (Raven et al., 2017), but our findings illustrate that the values associated with the sustainability of ridesharing in Indonesia and the Philippines are greatly overshadowed by concerns of traffic congestion and economic growth. Our identified frames do not explicitly illustrate how to conceive the environmental contribution of ridesharing, but instead limited elements of sustainabily are implicitly evoked when ridesharing is presented as an attempt to solve the inefficiency problem and as offering a more affordable and reliable alternative.

3. Ridesharing on motorcycles

In Indonesia and the Philippines, ridesharing is often characteristically performed on motorcycles. The frequently occurring gridlocks in Jakarta and Manila means that motorcycles are regarded as a coping mechanism for congested cities with spatial constraints. This mechanism has traditionally led to the opportunity for motorcycle ridesharing to become the “paratransit” or “informal transport” mode of choice. Informal transport can be defined as a transport service that operates “informally and illicitly, and somewhat outside officially sanctioned passenger transport” (Cervero, 2000, p.3). Cervero (ibid) also argues that motorcycle ridesharing as a form of informal transport is seen as a “gap-filler” which provides services that are not supplied by sanctioned public transport. Traditionally, the existence of such gap-fillers is somewhat tolerated by the public authorities, on condition that they remain more or less “invisible” to most motorists and are confined to low-income neighborhoods (ibid).

In this study, we found a shift of motorcycle ridesharing from its traditional use in low-income to upper-income neighborhoods. The shift is due to the enormous potential of motorcycles to act as “gap-fillers” and it represents a coping mechanism for congested cities which has attracted the interests of tech-based companies that develop app-based motorcycle ridesharing services. In Indonesia and the Philippines, this is shown by the emergence of services such as UberMotor, GrabBike, Go-Jek, and Angkas. These digital platforms offer more modern and secure ridesharing services for upper-income commuters and they have somehow increased the “visibility” of informal transport

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services and expanded their territory into middle-income neighborhoods. Furthermore, the organization of app-based motorcycle sharing services has appeared to be more formal, with the surge of companies resulting in rule-making. In many cases, however, the public authorities are still struggling to regulate this app-based motorcycle ridesharing. The interplay of digital platforms and informal transport may be interpreted as the "semi-formalization" of informal transport and has emerged as a new challenge in positioning these hybrid services in public transport categories (Sengers and Raven, 2014).

In this sense the frames of ridesharing in Indonesia and the Philippines could narrate three transformational elements of ridesharing in developing-economy contexts: (1) the utilization of motorcycles as ridesharing vehicles due to their function as "gap-fillers" in highly congested cities in the developing world, (2) the visibility of ridesharing services that shift from low-income to upper-income customers due to the innovative use of digital platforms, and (3) the organization of informal-traditional motorcycle ridesharing, indicating a situation of semi-formalization.

4. Cooperative model of ridesharing

The fourth characteristic is the distinctive transformation of the cooperative model of ridesharing in developing economies. In this research, the frame of cooperative business that mostly appeared in Indonesian news articles narrates a somewhat different kind of cooperative logic than what is found in Western societies. Frenken (2017) argues that "platform cooperativism" is one specific scenario for the future development of the sharing economy at large. He argues that in this scenario the sharing economy emerges as a bottom-up cooperative movement that utilizes ICTs to scale up its platforms. He also argues that the cooperative form is rather locally embedded and governed (Frenken, 2017).

Platform cooperatives work markedly differently in the developing world, as indicated by the identified frame of cooperative business ridesharing, particularly in Indonesia. In this frame, the cooperative has already become a default form of private passenger service in Indonesia. In the context of the developing economy in Indonesia,

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the cooperative has been narrated as a form of collective ownership and entrepreneurial organization based on family life, which has been embedded in the economic history of Indonesia since the pre-independence era (Henley, 2007). Therefore, the arrival of mobile-app based ridesharing in Jakarta since 2014 needed to fit within the existing mode of cooperative organization of transportation services in Indonesia.

6. Conclusion

Indonesia and the Philippines are among the many developing countries into which the sharing economy and its digital platforms are being introduced. Using a media-framing analysis we addressed the disruptive consequences of digital ridesharing in these two countries. We identified five dominant frames to understand ridesharing: (1) commuter solution, (2) unregulated passenger transport service, (3) cooperative business, (4) non-conformity, and (5) informal livelihoods. These frames narrate the particular transformation of ridesharing in the developing world and they are interpreted as highly embedded within their spatial and economic context. We illustrated how ridesharing is viewed in settings of densely populated cities marked by chronic gridlock problems and the utilization of informal transport as gap-fillers (especially shared motorcycles), and how there is an emphasis on cooperative mechanisms (especially in the Indonesian context) and a lack of emphasis on contributions to sustainability in these debates.

We also argued that the identified frames shape distinct policy responses to ridesharing in Indonesia and the Philippines. Based on our findings, the media frames demonstrate that the policy responses of the two counties are often geared at addressing the absence of legal categories and at easing traffic congestion. Ridesharing is seen as an alternative transport mode, and legalizing ridesharing will secure its operation and prevent further opposition. In the Philippines, the immediate policy response by the government was to establish a new legal category for ridesharing. However, in the longer term the legal enforcement remains a challenge. The government is attempting to discipline the ridesharing companies and drivers by suspending their operation and by imposing financial sanctions. In Indonesia, on the other hand, the process of formulating a policy response was more protracted but inclusive. The government used the existing

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legal category and principles of the “cooperative model” as inspiration for their regulations in order to accommodate demands of multiple stakeholders. The cooperative entity was chosen to provide a more balanced position between the ridesharing company, drivers, cooperative administrators, and government agencies.

These differences aside, we can conclude that in both Indonesia and the Philipines the introduction of digital ridesharing has profound and disruptive implications for traditional transport governance. This disruption is mainly driven by commercial and legality considerations rather than sustainability ones. This distinguishes the developing world contexts we studied from the developed world contexts studied by other scholars, who emphasize ridesharing more in terms of environmental sustainability rather than as a more efficient, reliable, and affordable alternative. We therefore suggest that the role of context is crucial when analyzing the sharing economy.

In addition, we revealed that the transformation of ridesharing and the corresponding policy responses in every country are shaped not only by local dynamics. There is an interplay between global debates about the sharing economy, national regulatory processes, and local law enforcement concerns, which is illustrated by our case studies, not least because providers of sharing-economy services and platforms often operate across borders. There is a considerable need to develop further research on this global–national–local interplay in the sharing economy. This raises questions on the extent to which global debates influence the implementation of the sharing economy in the local contexts and vice versa.

All things considered, the sharing economy has become a timely topic in both popular and academic debates. As transformations toward forms of collaborative consumption become more complex and locally embedded, we suggest two issues for further research. First, we argue that the sharing economy is locally embedded in a particular socio-economic context, which makes sharing-economy practices vary between countries and cities. However, considering the growing number of transnational sharing economy actors, it is important to ask how to govern such platforms across borders and whether this implies a transnational approach to sharing economy governance. Second, it appears that while environmental concerns are often mentioned

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as reasons to support sharing-economy initiatives, this was certainly less the case in the two countries studied in this paper. We believe, therefore, that in the context of the need for sustainable development, it is interesting to raise questions on how and why sharing-economy initiatives relate differently to sustainability values across locations.

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