

# The product as a heterogeneous resource

## - Development and utilisation of product properties in the network

Work-in-Progress

Anu Söderlund

University of Vaasa, Department of Marketing  
P.O.Box 700, FIN-65101 VAASA  
Tel +358-6-3248508, Fax. +358-6-3248171  
E-mail: anu.soderlund@uwasa.fi

### 1. Introduction

This paper approaches the issue of product development and management from a network perspective. Instead of viewing the product as a “given” output of a development process, it is here considered as a resource that is created in interaction in the network.

The product is “used” in various ways by different actors that are connected to it. These users, such as different types of distributors or customers, may attach different meanings and purposes to the same physical product, and therefore a seemingly given product can be considered as heterogeneous resource, providing a different value in different resource combinations. The product can in this sense be considered embedded.

The background of this paper is constituted by the study for my doctoral dissertation, which deals with understanding the resource embeddedness of a product. More specifically, it aims at understanding how *resources* (and the actors controlling them) *affect*, i.e. contribute and restrict, the design and development of a *focal product*, regarding both its tangible and intangible properties. Secondly, as network theory suggests that resources both have a provision side and a utilisation side, it is also asked how the product in its turn affects and is being utilised by the network.

With this general theoretical background as a starting point, this paper examines how the properties of a product that is developed in one context, are being utilised in another and what are the consequences of this for product development and management. In other words, to what extent does the network manage to make use of the properties that have been developed to provide value, or does the new context imply that new, unexpected properties emerge or become emphasised in the product, allowing the product to become valuable in a way that could not be foreseen when the product was initially developed.

After a brief presentation of the conceptual foundations of resource embeddedness, some early findings from a forthcoming case study from the furniture industry are presented. In the light of this empirical material it is discussed how a product exhibits different properties when being connected to other resources and how the product itself can be utilised as a resource by the network in which it is embedded.

## 2. Theoretical background

This study is theoretically anchored in the business network research tradition. I have chosen to focus on one of the elements in the network model, presented in Håkansson 1987 and elaborated in Håkansson & Snehota 1995, namely resources. A framework for studying particularly this resource dimension in networks, "the 4R-model", has developed recently (see e.g. Wedin, 2001; Håkansson & Waluszewski, 2002, von Corswant 2003 and Baraldi, forthcoming) and this framework has also been used in my study. However, due to my choice to focus on studying products and their development and utilisation in the network, it is clear that also other streams of research are used to shed light on the specific phenomenon under study. For instance literature concerning industrial design and product development has been reviewed.

Nevertheless, the network approach is the dominant perspective steering the thesis. In the following, some key elements and assumptions (from the point of view of this study) of this theoretical standpoint are discussed.

### 2.1. Markets as networks and A-R-A

One of the underlying assumptions behind this study, is to view markets as networks of relationships, rather than as an "abstract whole", where companies come and go at will and where no transaction is related to others in the future or in the past. The company's supply and customer markets do not exist in isolation. The companies it buys from or sells to aren't simply units in a linear supply chain or a level in a distribution or marketing channel. Instead, each of the company's diverse relationships with its suppliers and customers are affected by their own relationships with their customers and suppliers, indirectly affecting the focal company. (Ford et al., 1998)

According to the network theory, these relationships consist of activity links, resource ties and actor bonds (see e.g. Håkansson, 1987; Håkansson & Snehota, 1995). Nonetheless, it is acknowledged that the resources are, due to their embedded nature, related to the two other elements, and cannot be analysed totally isolated. Actors carry out activities and activate resources, while activities consume resources and evolve as the capabilities of actors developed. Resources limit the activities that can be carried out etc. (Håkansson & Snehota, 1995: 35)

As the study is concerned with the *product* as the focal element, the *resource* dimension is selected as a starting point for analysis, out of the three layers of entities in the network model. But such a focus on resources does not mean that they will be studied isolated from the activity and actor layers. Instead, as Dubois & Torvatn (2002) point out, the chosen level of analysis needs to be understood in relation to its *context*, i.e. resources also in relation to actors and activities. Actors and activities are here interesting from the point of view of how they affect resource development.

Research focused on actors and activities may also offer helpful concepts for understanding interaction in product design. For the analysis of resource development, for instance the the awareness boundary can be a relevant concept, as actors make decisions about the deployment of resources based on their knowledge of a system's history, and its ties and adaptations. This awareness boundary may also stretch into other firms (Torvatn, 2001)

The actor level may also be relevant in the analysis in the sense that the focal phenomenon of interacting around product design involves the different perceptions, objectives and interests of the actors involved, related to the product. These are issues that may require to be analytically treated on a different level than interfaces between resources, but at the same time they are an integrated part of the same problem.

## 2.2. The nature of resources

Companies both make use of resources, acquire resources from others and provide resources for others in the form of products and services that they offer. In this sense, resources have a both a provision side and a user side. This implies that companies not only *economise* on scarce resources, but *use* resources (both the internal and those of others), in order to provide resources for others. (Håkansson & Snehota, 1995).

Placing the emphasis, not on what individual firms can do with their resources, but how they can be used together with other resources, is what distinguishes the industrial network perspective, from a similar approach, namely the resource based view of the firm (Dubois & Torvatn 2002: 16). The RBV largely focuses on core competences that distinguish firms, whereas the network approach emphasises resources as negotiated between companies. Further, the RBV sees capabilities as sources to competitive advantage, while the network approach is more interested in how they are adapted through interaction to *fit* in relation to existing resources. (Dubois & Torvatn 2002: 2).

One of the most central assumptions about resources within the industrial network field, seems to be that of **resource heterogeneity** (Holmen 2001:142). Penrose (1959:25) claims that *“Strictly speaking, it is never resources themselves that are the inputs in the production process, but only the services that they can render. The services yielded by resources are a function of the way in which they are used”*. This implies that that the same resource can have different value if used for different purposes and in different combinations. And when resources modified and developed, new “services” emerge as a result.

Penrose’s idea of resource heterogeneity has been adopted by the industrial network approach, assuming that features of a resource are created as it is combined with other resources. A consequence of this is that a resource always has hidden qualities, since there are always new ways of combining this resource with others and in this way discover new qualities in it. By being combined or activated in a new way, an existing resource can exhibit new features. At the same time this means that it is impossible to have full knowledge of any resource and the potential ways it can be used. (Håkansson & Waluszewski, 2002:32).

Håkansson & Snehota (1995) state that the value of a resource lies in their use, i.e. a resource can only be regarded as a resource, when use can be made of it, i.e. when it is coupled to a context. If then resources are considered heterogeneous in the sense that their value depends on which other resources they are combined with, it means that resources need to be evaluated in different constellations and combinations; as **embedded** and not as given elements.

Based on this, Håkansson & Snehota (1995) emphasise the double-faced nature of resources, i.e. seeing them as relations with a provision side and a user side. The mechanism that permits

companies to access and develop resources, is the business relationship. It is through interaction in the relationship, that resources are activated.

Interaction is not only social exchange, but involves adaptation of the products exchanged and influences both the requirements and the solutions offered. The exchanged products are in this sense not given, but a result of the interaction process. (Håkansson & Waluszewski, 2002:27).

To understand interaction and its consequences for resource utilisation and development Håkansson & Waluszewski (2002:33) claim that, it is not enough to look at the interplay between the participating actors, but to also understand the interplay between resources. In recent industrial network studies with a resource focus (e.g. Wedin 2001) a research tool developed by Håkansson & Waluszewski (2002) has been utilised for the analysis of resource interaction. This “4Rs model” comprises the following essential resource entities, which all are created and / or formed in the interaction processes:

1. Products: artefacts exchanged between economic actors
2. Facilities: equipment and facilities used to create or transform products
3. Business units: the organizational structure, competence and personnel skills characterizing firms.
4. Business relationships: the substantial links, ties and bonds resulting from the interaction between firms.

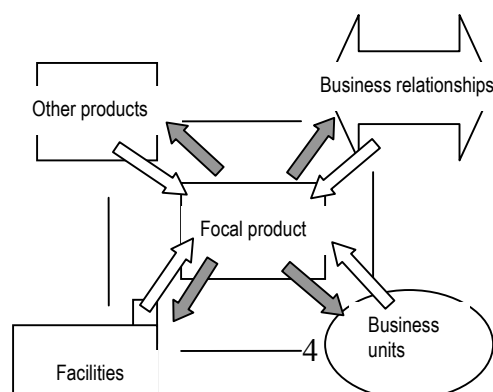
The two latter are social resource elements that “organize” the more physical product and facility resources.

Håkansson & Waluszewski (2002:39-40) acknowledge that when attempting to study resources that can mean one thing in one structure and again have completely different features in if placed in another structure, some important contradictions need to be considered. To understand the interactive dimensions of a resource, resources must be seen:

- both as a totality and as a set of interrelated components in a larger context
- both as an object in itself and as an image object
- both as given and non-given
- both as a source of development and as a point of reference for other resources

### 2.3. The product as a resource

As this study focuses on product properties and their utilisation, the focal entity out of the four elements in the 4R model will naturally be the product. The object of study and level of analysis is thus **the product-centred resource network relevant for the product’s development and utilisation**. The analytical tool for the study can thus be illustrated in the following way:



**Figure 1.** The focal product's resource interfaces

The white arrows thus illustrate the effects of the other resource items on the product; while the darker arrows show how the product in connection to other resources can provide value as a resource.

In the network perspective, the features of the product are considered as a result of interfaces between resources, instead of being fully given. The product can be adapted to suit the product the buyer is producing, or be based on specifications provided by the buyer, or sometimes even a result of the involvement of several actors. Or the other resources that the product is combined with, say for instance the distribution facilities, its image features and other products sold these, may affect how the product is perceived and which properties receive emphasis in each resource context. The ways in which interaction can create imprints on the product can thus be varied.

Products can be seen as both parts of a “selling” system and of a “using” system, and receives thus specific features from product it interacts with in these systems. Not only does the product receive its features through interaction; as the product interacts with other resources, it thereby also affects the network in which it is embedded. Through interaction with new buyers, the focal product can be brought into new settings where its features may be changed. (Håkansson & Waluszewski 2002:35)

Holmen & Pedersen (1999:16) use the metaphor “puzzle creation” to describe the development of a new product related resource structure. The firms involved have a number of multifaceted parts (resources), which can be combined to make the complete picture. The usefulness of each part depends on the parts of the other "players". Firms also attempt to gain advantages by participating in the creation of new pictures or improving existing ones, but as many parts are already part of other puzzles, removing or modifying them may make them less useful for the other pictures.

From a more strategic perspective, resource development, which in this case refers to the design and development of a product, becomes largely a question of relationships and adaptation between the product and its context, so that the network is able to utilise the product as a resource for value creation.

To understand the heterogeneous nature of a product and when and how it serves as a resource, we need to take a deeper and more detailed look at the interaction between the focal product and the resources that it is connected to. That is, attempting to identify the “content” of the interfaces (the grey and white arrows in figure 2) on a more specific level. The theoretical outcome of this study is hopefully a more detailed understanding of the interfaces between a product and the other resource elements.

### **3. The product's fit with the resource network – findings from a case study**

#### **3.1. Empirical investigation**

In this section, the issue of product embeddedness is discussed in the light of some preliminary case study findings. In this paper focuses only on a part of the empirical material that is currently being gathered. Here, only one product collection will be discussed, although data has also been gathered about other products that the focal company is manufacturing and selling. Such information, however, provides knowledge of the background for the resource network around the focal collection and may help in identifying what is particularly remarkable or different with the chosen unit of analysis.

Data gathering for the case is still in progress, so the picture provided at this stage is far from complete. The description of the case is based on interviews with informants who are involved with the focal product in different ways and at different stages (such as purchasing, production, marketing and distribution), both within the manufacturing firm and the customer side. Several visits have also been made to their facilities, providing the possibility to get acquainted with the production lines and warehouses. Product brochures and advertisements have also to a certain degree helped enhance the understanding of the focal product and the way it is presented. Even though the perspectives at this stage still are only limited and analysis has not developed very far, it is still hoped that the findings so far can provide an illustration of the studied phenomenon in the empirical reality.

#### **3.2. Description of the focal resource**

The case is pictured with a focal product, the Hilding collection, as a starting point. The Hilding collection comprises a range of different box and spring mattresses, top mattresses that are used on top of the two previous and also continental mattresses and motorized elevation mattresses. The various models within the collection have differing spring alternatives (density, type, comfort) and different fabric materials, which implies that the collection comprises a wide range of products, from more basic and affordable mattresses to more exclusive ones, all of which still share a fairly similar appearance and are presented in a similar way. That is, as a collection where there are different alternatives and sizes for different consumers.

For the Finnish market, the collection is manufactured and sold by Oy Unituli Ab, which is a mattress factory that belongs to the Sweden based Hilding Anders group. In Finland, the focal collection is sold exclusively to the furniture chain Stemma, which has some 50 furniture stores around the country.

The components of the product that most significantly contribute to the physical properties of the product and thereby the degree of comfort that users experience, are the springs, the fabric, the foam plastic and in some products, latex. Other important parts are the wooden base boards and legs. Some of these components are not specially adapted, but can also be found in other products, while for instance the fabric is exclusively designed with this collection in mind; with the Hilding logo woven into it. The product concept comprises apart from this physical core also the manner in which the product is displayed in the stores. Uniform appearance of the pillows, pillowcases and other fabrics, as well as an oak laminate floor, is thought to provide a suitable contrast to the blue and white coloured beds. Brochures and

posters also contribute to the concept of how the collection is presented. In addition, training is also provided for sales staff in order to transmit knowledge about the product features and their effect on physiological well-being and comfort. With such information it is thought that the sales staff will be better equipped to sell the products successfully.

In this case, it can be noted that the focal product receives its properties not only from the business unit that manufactures and sells it. Connections to other business units within the mother company as well as to the buyer also significantly mark its properties. These relationships are closely linked to product decisions. Let us next look closer at this.

### 3.3. Creating the collection

The Hilding collection that is exchanged between Unituli and Stemma, originates from a collection under the same name, made in Sweden by Hilding Anders AB. This collection has been on the Swedish market for several years and it is also sold in Norway. The original development of this resource has in other words taken place outside of the business unit that manufactures and sells it in Finland.

The Finnish version of Hilding began to emerge as representatives for the Stemma chain visited the furniture fair in Stockholm. Having faced a need to renew their mattress product line, they became interested in the collection and after negotiations the Finnish Unituli factory began manufacturing mattresses that looked like these, but with certain modifications, that were thought to be required concerning the requirements of the Finnish market. The product concept was thus largely transferred from one market to another, with the development work already embedded in it. The modifications that were made to the original collection, were a result of a process of mediation between the manufacturer and the buyer. Changes to the original Hilding collection also needed to be approved by the Hilding Anders group. That is, the actors in the product's new context were not fully allowed to adjust the product as it liked to make it fit better, but had to make sure the Finnish version would not deviate too much from the original identity of the product.

The variety of models within the collection was decreased in terms of the number of alternative top mattresses and the number of weight classes, which provides the mattresses its firmness. The Finnish consumers are thought to prefer more firm mattresses, while the Swedish more soft ones. Therefore changes were made with respect to this physical feature so that the Finnish Hilding range in all is harder than the softer Swedish one. On the other hand, the Finnish collection became wider than the original one in terms of the number of alternative sizes. Apart from these adjustments that are less apparent on the surface, the collection has in a way been transferred as such from other similar markets where it has been successful. From the mother company's point of view, this can be seen as "fitting an existing piece into a new puzzle", to use the metaphor by Holmen & Pedersen (1999).

### 3.4. Upstream linkages and production

The components to the products come from suppliers in Belgium (fabrics), Germany (fabrics, springs) and Denmark (springs). Unituli "inherited" these supplier contacts along with the product concept that was taken over from the group's Swedish unit. As the same product, as well as other similar ones, are manufactured also in other business units within the Hilding

Anders group, contracts and discounts for are centrally negotiated for several of the business units within the group. The group has also encouraged the companies to component uniformity; that is to reduce the amount of different components by replacing less frequently used ones. In other words, there is an aim to increase the utilisation of the same component in more models. It can thus be stated that the group has a significant intermediate role in the relationship between supplier and manufacturer. Unituli as a business unit appears to be an interesting “middle man” between customer impulses, supplier innovations (in e.g. fabrics) and parent company policies with regard to utilisation of components as resources. The awareness that this actor has of both resources in the development stage and of those in the selling stage, is critical to how well the product adjusts to its context.

The box mattress in the Hilding collection differs from the other products that Unituli manufactures by the fact that the mattress and the fabric cover are sold separately, i.e. the activity of putting on the fabric “hood” is postponed all the way to the final customer. This idea is part of the product concept; by being detachable, the cover can thus be washed if necessary. On the other hand, there is also a logistical reason for this product feature. As the most common standard mattress sizes are 80x200 and 160x200, two 80x200 mattresses can easily be put together into a double bed only by using a different “hood”. The fact that the cover is detachable, places special requirements on the base board as well as on the fabric with respect to how the fabric is fastened to the frame. The special base boards, with a unique fastening mechanism, are purchased from one of the Swedish sister companies. The fabric cover in turn, is sewn in-house at Unituli, in order to be better able to ensure and monitor the quality of this fairly demanding stage of production. For most other products, the covers are purchased as ready-made from the group’s production unit in Estonia.

Initially, the idea that the hood was separate from the mattress itself, faced a lot of scepticism and resistance from the sales people. They thought no one in Finland would buy such a mattress. This product feature (detachability of the fabric) was however considered such an important product characteristic important by Hilding Anders that they would not agree to let it be manufactured in the same way as other mattresses. Production and sales had to adjust to this. Once the sales staff were convinced that detachability in fact could be used as a sales argument instead of being an oddity, this product property has no longer been perceived as problematic.

The production phases in Unituli’s facilities, basically comprise the assembly of the components on three assembly lines; one for box mattresses, one for spring mattresses and one for top mattresses. As mentioned before, the fabric covers for the Hilding collection are also sewn within the facility. The same production lines are used for all collections that Unituli manufactures. They have so far adapted to the requirements of producing different collections, even if there are some products that the unit does at present to have adequate facilities to produce. Instead, the intent is to import such products (that have been developed in other units within the group), with Unituli functioning as an intermediary between the producing sister company and the local customer. Unituli has since it was acquired by the Hilding Anders group in 1997, been shifting increasingly from being a manufacturer of basic and affordable mattresses towards the more prestigious end of the market; not least due to the introduction of existing and well-proven product concepts from the group’s other units, into Unituli’s product portfolio.

A significant facility resource within the focal business unit, with a very positive and much emphasised effect on customer relationships, is the inventory and the sales forecasting system.

Ordered products are normally found in stock and can be delivered with a speed that one informant characterised as excellent. Unituli is the only mattress manufacturer in Finland that maintains an inventory of finished products, something that the customers naturally appreciate not having to do themselves. The resulting fast and reliable deliveries are by Unituli considered to be a key determinant of their high (approximately 50 %) market share and the trust that has built up in the relationships. As reliability and speed of deliveries were emphasised as important - although somewhat more indirect - product features by the interviewed customers, it could be considered that the Unituli's logistics facilities thus leave positive imprints on the relationship, and indirectly also on the focal product. The final customer may prefer this bed to another alternative, as he/she receives it faster.

### 3.5. Interfaces in the sales context

The Stemma furniture chain, which has exclusive right to sell the Hilding collection in Finland, consists of 55 independent furniture stores, with joint purchasing and marketing operations. Stemma's product managers and product team act as a kind of scouts for new products and present their suggestions to the owners / managers of the individual stores, who are the final decision makers in the process. There are thus multiple actors and stages of decision-making to take into account when interacting with the buyer side.

Presently, the Hilding collection is sold in all Stemma stores and its share of the total sales of mattresses in Stemma is estimated to nearly 50 %. For Unituli, the Stemma relationship accounts for approximately 15 % of the sales.

Unituli's key account manager, with a background as a Stemma store manager himself, describes Stemma as "*ordinary people's furniture store*", where price and special offers are emphasized in marketing. Stemma's product manager's assessment of the Hilding collection as "*logical and broad*" relates to the fact that the variety of the collection is considered to match the variety of Stemma's consumer segments. The collection thus includes product versions that suit well the needs and preferences of the various segments, such as the youthful and somewhat trendy, families with small children, senior consumers etc. Hilding is sold equally well to consumers in all of the different segments.

The messages and images provided by various brochures and advertisements provide a somewhat inconsistent picture. Some product brochures emphasise atmosphere and are visually appealing, seasonal catalogues and advertisements are very focused on transmitting the technical features of the product and making sales, rather than providing aesthetic value or painting up images. This seems to reflect the embedded nature of also the communicative properties of the product, as the advertisements have been briefed by different actors with a different interpretation of the key properties of the product, and different communication objectives.

As the Stemma stores are run by individual entrepreneurs, without strict chain management, it is obvious that the stores differ remarkably from one to another with respect to size, appearance, style of advertising etc, providing very different environments for the Hilding collection to be sold in. The key account manager characterises the stores as not very exclusive but at best *nice-looking* and *pleasant*, although there also are less well-managed ones. In terms of other products that can be "used" together with the mattresses, the Stemma stores were assessed to provide a versatile assortment of other bedroom furniture. Presenting

matching combinations of products is primarily the task of the staff in the store, but Unituli's representative can also sometimes be involved in this.

A significant interface regarding how all the features of the product become "visible" and transmitted to the consumer, is that between the product and the selling business unit and the sales staff within it. Buying a mattress is different from buying other pieces of furniture, in the sense that it is less of a decorative element and instead largely a question of personal comfort. The sales arguments for beds and mattresses in general have in the recent years become increasingly centred around physiological well-being and quality of life. Such awareness and imagery building performed by other manufacturers, also indirectly affects the way customers and consumers perceive Hilding.

In the Hilding collection the technological dimension of the product includes offering individuality, that is, products of different degrees softness or firmness, to suit the needs and preferences of consumers who are lighter or heavier or prefer to sleep either on a harder or softer surface. These technical solutions and differences between product features are quite hidden inside the mattress, implying that the sales personnel are in a key role in conveying these characteristics further. Even though mattresses do have a product declaration, the sales person can contribute to the picture provided by e.g. telling about how different types of springs affect the quality of sleep. In a way, such products allow the sales person to take on a certain expert role, not necessarily prevalent in selling other items of furniture. Sales staff is however discouraged from trying to act like doctors in solving consumers' sleeping problems, but instead provide reassurance and additional information when a customer experiences that a mattress feels good and suitable for him/her.

Even if the technical properties receive much emphasis when products are portrayed in advertising or sales speeches, also appearance plays a significant role. Customers may also be primarily driven by an appealing appearance, and based on this, they begin to reason for themselves why the product is also otherwise preferable. The Hilding collection is characterised by dark blue fabric on the frames and white or blue-and-white on the top mattress. This blue-and-white appearance is thus very "Finnish", although paradoxically designed in Sweden. Many informants have emphasised the collection's fresh appearance as one of the most important properties of the product.

The Hilding collection's suitability with the Stemma context is also influenced by the relationship history between Stemma and Hilding Anders group in Finland. In addition to Unituli, the group previously had also another manufacturing unit in Finland, Scapa Inter Finland. These Finnish units had previously been competitors but ended up as part of the same group after acquisitions by Hilding Anders AB. Scapa in Finland had been providing Stemma with a collection of beds and this relationship was "inherited" as the Scapa unit was shut down in 2002 and all production for the Finnish market concentrated to Unituli. The new collection to be exchanged between Stemma and Unituli emerged on the foundation of the old collection (called Crown) that Stemma had bought from Scapa. The intent was to have this collection as a starting point and make it more modern, better and more qualitative looking and better selling collection. The result was the Finnish version of the Hilding collection, which combined these new requirements and was close enough to the basic idea of the original Crown collection.

The traces of history, that is, of the no longer existing Crown-collection, can still be seen when examining the way the Hilding collection is utilised. Compared to Crown, Hilding has more

models towards the more exclusive end of the market. In this segment, Stemma also sells the competing Norwegian Jensen mattresses and there appears to be somewhat of overlap between these and the higher end of the Hilding products. The sales staff is in other words more familiar and comfortable with selling Jensen for customers demanding more prestigious mattresses; not being equally well able to bring out the advantages of corresponding Hilding products. On the concrete level; the best selling Hilding models are those that are most similar to the old Crown-models, while totally new product versions have been least successful. Hilding has thus so far fit into this context mainly as products that are similar to the old resource but more fresh looking, rather than succeeding as a whole concept transferred from one country to another.

Currently, there is a process of adjustment going on to differentiate more clearly the upper end of the Hilding collection from the Jensen collection so that they would not be clearly competing alternatives, by reducing the prices of the most expensive Hilding models, simultaneously as Jensen has raised their prices. Hilding and Jensen can thus be said to have adapted to each other in the Stemma context.

#### **4. Concluding remarks**

What does this case then tell us about the utilisation of a product as a resource?

From the perspective of the Hilding Anders group, the focal product could be said to serve as a tool in duplicating an existing resource to provide value. Existing solutions are only slightly modified to yield income in new settings. Correspondingly, Unituli is able to utilise relationships upstream as well as fruits of the development processes of other units in extending its product portfolio with ready – although not fully given – product concepts.

Stemma again can through this collection indirectly access resources within the Hilding Anders group, such as solutions used in more advanced markets as well as contacts to innovative suppliers. *“We now have mattresses from Europe’s biggest manufacturer”* has even been used as a sales argument. Unituli’s features as a business unit in turn affects the product properties among others through the capability of performing the sewing activity particularly well and fast. Also generally, the fact that manufacturing takes place in Finland, is considered to be an important characteristic of the product; it even has a concrete label showing it has been made in Finland.

In all, I believe that this case shows the importance of treating resources as something that are not fully given, but different properties are emphasised in different contexts and resource combinations. When the original Hilding concept was placed into new context, the result was that certain, more familiar features could better be utilised. Other properties, which were thought to provide a new type of value, remained unexploited as they collided with the use of a similar, but more familiar resource (the Jensen collection). If different actors who are involved with the product, such as manufacturer, distributor, seller etc. are not represented in the product creation stage, a successful adaptation of the solution is not always likely, even if it is thought that an existing collection is transferred from fairly a similar context, e.g. with respect to customer tastes and preferences. Efforts are required to communicate all the features and their advantages further to the different users, for the resource to be able to be valuable and usable. In the Hilding case, the idea of a detachable hood met initially great resistance

from the buyer and manufacturer, but the group insisted that this feature be kept as a part of the product concept. Eventually, the parties saw the advantages of this feature and it could be emphasised as a sales argument (washability / longer product life).

However the fact that the properties are not entirely given, also allows the product to fit even better into a new context, as some hidden features may prevail only later. For example the colours of the Hilding collection received a different, positive value in the Finnish environment of use. The Swedish design team hardly originally had the intent to make the collection particularly Finnish-looking.

Since the product thus can exhibit different (positive or negative) features in different contexts, the actors involved with designing and managing the product should perhaps need to acknowledge and be aware that the various properties of the product do not always “trickle down” as intended or expected. This in turn, makes it motivated to study product development and management from a network perspective in order to understand the product in its various contexts of use

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