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Construction of temporal profiles and shaping of markets

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Introduction

Business market processes, both routinized exchange between buyers and sellers and processes affecting market structure, are somehow coordinated across space and time. Logistics and market communication provide examples of routinized such processes. Processes changing market structure, such as mergers and acquisitions, market entry, development of new and breaking of old business relationships, are affected by strategic actions committed by business actors. Related to such developments are frequent, contemporary references in business press and business market analyses to temporal dimensions as evidenced by terms like ”time-based competition”, ”time to market”, ”born globals”, ”merger wave”, and ”logistic efficiency”. Three major trends in industrial production during the last couple of decades have been ” lead time reduction”, ”outsourcing”, and ”globalisation”. Firms have to consider when and how, in what sequence and with what speed to act in order to stabilize and/or change the firm’s relations to other firms. This is of increasing importance as interdependencies between firms in the market grows.

”First mover” and ”follower strategies”, ”sequence models” (in marketing), ”the product life cycle”, ”time to market” ideas, ”strategic windows” are examples of market strategy and marketing models with links to temporality. Analyses of the temporality of strategic actions by firms in these models are however not explicitly related to a market theory and shaping of markets. Academic research in other fileds, like organisation research, has seen a proliferation of research papers explicitly focusing on time, timing, and temporal perspectives (cf. Ancona et al 2001), but not with specific focus on the interdependence between the handling, i.e ”the construction”, of time by market actors, and the shaping of markets.

The construction of time can be seen as part of the process of ”creating orderliness” in business operations, e.g.in connection with some strategic actions. For example, interacting firms might need to use new forms of planning and scheduling as ways to construct temporal complementarity among temporally assymetric business contexts and operations. We know fairly little about the nature of these temporal integration processes, what Bluedorn (1986) entitled (temporal) ”entrainment” between organizations. This could include, for example, practical processes of mutually adapting time/planning horizons, the allocation of ”temporal resources” etc.

Purpose and disposition

Our purpose is to discuss how the construction of time, in the sense of temporal profiles of market episodes enacted by business actors, interacts with the shaping of markets i.e dynamic construction of market structure and market behaviour. We focus on business situations in which we can anticipate the emergence of ”controversies” on temporality, e.g. two merging companies with two partly opposing temporal logics and routines trying to stabilize a new, joint temporal logic. Hence, we are interested in understanding the practical, performative problems when business actors attempt to stabilize new temporal orientations in business contexts, involving networks of actors. ”Time orientation” can mean and encompass different temporal factors, depending on business situation. We build on the analysis in Andersson & Mattsson (2006) where we analyse timing, sequencing and coordination of strategic actions in a ”globalisation” process and in Andersson & Mattsson (2006a), in which we add speed and duration to a more general analysis of the temporal profile concept. In the present paper we extend the analysis of temporality by adding the ” construction of time” and the performativity aspects.

In the following subsections we first discuss the market concept, second refer to an ANT inspired model for understanding the shaping of markets (Helgesson et al 2005), third comment on the treatment of temporality in the literature and fourth present the temporality dimensions used by us. We then present and analyse three empirical illustrations before we conclude by suggesting some areas for further research.

About markets and shaping of markets

Markets are societal institutions. They are governance structures for economic exchange that can be described in terms of connectivity, i.e. how actors are directly and indirectly connected to each other, as counterparts in business exchange and/or as competitors. The market coordinates activities through interaction in dynamic exchange relationships that are interdependent with other such relationships in the market. This coordinative function also involves changing and stabilizing the shape of the market, including market structure.

Strategic actions are aimed at influencing how business actors are connected to each other (Johanson & Mattsson 1992). Actors aim both to stabilize some aspects and to change some aspects of their relationships in the market. Market actors are affected by the shape and shaping of the market but they also affect the shaping and the shape of the market.

Perceptions and interpretations of the market and market dynamics differ between actors, due to their position in the market, their experiences, cognitions, strategic intentions etc. Boundaries of what is perceived as the relevant market changes over time, e.g. due to internationalization, convergence between technologies, changes in institutional market rules etc. Market processes have both spatial and time dimensions. We are in this paper focusing on time and the construction of temporal dimensions. All actions have temporal dimensions. We argue that to understand the role of these profiles for shaping of markets, seen as socially constructed, we need to consider how the construction of time affects market dynamics.

Reflected in the actors' behaviour, they act with different *time horizons* and take different *time perspectives.* They act in interplay with the ”moving context”, for example they take different *temporal vantage points* and *different temporal viewing directions*. (Pieters & Verplanken 1991). Dynamics of markets is affected by interplay between actors with different time horizons and time perspectives. Changes in the time perspective of actors, and subsequent adaptations of their market perception, is affected by changes in the market. This also influences opportunities to coordinate time perspectives between actors and across connected strategic changes. The coordination of time perspectives is part of the *temporal profiles* of market changes (Andersson & Mattsson 2006 and 2006a).

An important base influencing strategic actions by a focal actor is its ”network theory” (Johanson & Mattsson, 1992), defined as the actor's set of systematic beliefs about market structure, processes and performance and the effects of its own and others' strategic actions. (Thus also an actor who perceives the market as atomistic or only with arm´s length transactions, can be said to have a network theory) The network theory includes both spatial and time dimensions. Part of the network theory is the actor's *network horizon*, (a spatial dimension) i.e. how ”far” from its own position it perceives change processes to be relevant for its own actions. Part of the network theory is also the actor's view of *time* and *temporality*. When the perceived interdependence between actors increases, so does their sensitivity to the timing aspect of their strategic actions (Andersson & Mattsson 2006). Temporality aspects are part of single actors' (social) construction processes, and are also embedded in established network ”norms” and processes of norm creation (cf Helgesson et al 2005).

Part of the ”construction of time” concerns the complicated timing problem, where each individual actor more or less explicitly considers sequences of strategic actions, influenced by constructed views of e.g. time horizons (and network horizons.) This sequence is contingent upon changes in the context, and thus also other, connected actors' ”temporal constructions”, whether common with other actors or not.

Strategic actions in markets are interconnected which means that firms must in respect to time (eg in terms of timing, speed, duration and sequencing) relate their actions to the past, concurrent and potential future processes that connect firms in the market. The importance of these issues follows from the (increased) connectivity of actors and processes in business markets.

Market practices and the construction of markets

The construction of temporality becomes part of the market practices of actors involved in shaping markets. (We here limit our discussion to business actors, even if other types of actors take part in shaping markets). To analyze market practices we draw on the conceptual model proposed by Helgesson et. al. (2005) distinguishing three broad subcategories of market practice: exchange practice, representational practice, and normative practice (see Figure 1).

Exchange practice refers to the continuous activities that purport to temporarily stabilise certain conditions (the parties to the exchange, the exchange object, the price, the terms of exchange) so that an economic exchange becomes possible. This includes both highly idiosyncratic activities and more general ones that go into creating a specific economic exchange. We interpret, for our purposes, the concept also to include practices of a ”strategic action” nature such as mergers, market entry, establishing and breaking exchange relationships.

Representational practice refers to activities that contribute to depict markets and/or how they work. In order to speak of the market for a certain type of good, it is necessary to bridge temporal and spatial distances between individual exchanges. Representational practice is therefore just as fundamental to shaping markets as is exchange practice. The ”network theory” concept referred to earlier is an important aspect of representational practice.

Normative practice refers to activities that contribute to establish objectives for how a market should be (re)shaped or work according to some(group of) actor(s). It reflects the observation that many attempts are made to affect markets in specific directions. Some examples are market reforms, general rules of competition and strategic planning performed by individual firms.

The practices that contribute to shaping a market are linked to each other through chains of translations involving various intermediaries (Callon 1992). Thus, normative practice may produce rules and tools that become employed in exchange practice, as well as indicate measures and methods of measurement to be used in representational practice. Representational practice will produce both market descriptions that can be drawn upon in normative practice, and different types of results that feed back into on-going exchange practice. Exchange practice, finally, enter into representational practice through more or less systematic measurements and into normative practice through the interests it creates among (groups of) actor(s).

We thus assume that construction of time is part of, and interacts with the market practices that affect the shaping of markets.

QuickTime och en
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krävs för att kunna se bilden.

Figure 1.Market practice as exchange, representational and normativepractices linked in chains of translations (Kjellberg and Helgesson 2004).

Construction of time

As stated by Ancona et al (2001) research on time in organizations spans disciplines and introduces a wide range of concepts (p.512): ”Suddenly time and timing are everywhere.” Different researchers, in their overviews present different aspects of the research.

Ancona et al (ibid) differentiates between three categories of temporal research: (1)”Conceptions of Time”, which can be separated into general types of time (cyclical etc.) and socially constructed time. The latter is focused on the ways in which various social groups in different cultural settings create time. (2) ”Mapping Activities to Time”, describe research that has studied how events and activities can be mapped to time e.g in terms of rate, duration and allocation. (3) ”Actors Relating to Time” focus on the way actors engage in activities of time, dividing research into two basic sub categories: ”Temporal perceptions”, and ”Temporal personality” (including temporal orientations and temporal styles) focusing on ”the characteristic way in which an actor perceives, interprets, uses, allocates, or otherwise interacts with time” (p.519). Ancona et al thus presents a number of time studies, with a constructivist connection, both on a social group and single actor level.

In Bluedorn & Denhardt (1988), a completely different approach to understanding time related research is presented. Starting with a macro perspective, they present research describing the connection between temporality, culture and organization. Drawing on well-known social constructivist ideas (e.g. Berger & Luckman 1966), they claim that these macro oriented texts ”demonstrate most clearly that time itself is a variable, not a constant.” (p. 300) and ”although time is so fundamental that people in any culture regard their conception of it as simply an immutable part of reality, we will see that time is fundamentally a social construction…”. Secondly, Bluedorn & Denhardt observe a group of time research that has ”a clear understanding that time is closely related to organizational productivity and that time can be viewed as a resource to be managed in the pursuit of organizational objectives”(p.303). Here time is considered one of several scarce resources, to be measured and manipulated in the interest of organizational efficiency and effectiveness. Related to this, a third group of research focuses on time in planning and organizational design, including issues like organizational perceptions of temporal variability in planning processes. Finally, they define a fourth group of research focusing on time and various types of organizational behaviour. Here, we find research on the individual level, looking at similarities and differences in individuals’ temporal orientations (e.g. time horizons, temporal aspects of decision making, and more). The review concludes that more research has been conducted at the individual and group level than at the organizational or larger levels of aggregation, stating that more analysis is needed in the area of ”time management” (p.315.)

In a third overview, Lee & Liebenau (1999) sums up organizational research on time in a matrix. The four notions of temporality are divided by the factors clock time vs social time, and time as an independent or dependent variable. Social time studies embrace studies on ”varying time” i.e how time conceptions differ between contexts, and secondly ”changing time”, i.e aspects of how time and temporality can change with changes in various organizational variables.

Some of this multitude of organizational studies on time bring in the interorganizational perspective. Bluedorn (1986) describes processes of integrating temporally differentiated activities and behaviours between organizations. Similarly, a few studies has an inter-organizational perspective, focusing on how changes in organizational factors like innovation and technology affect changes in temporal aspects. Lee (1999), for example, investigated how information systems affected the temporality of work in trading companies using EDI.

Overviews of temporal research in and between organizations indicate two important lines of social construction research: one focusing on macro level constructions (e.g. temporality in different cultural contexts), and one on the individual level (e.g. temporal perception and temporal personality) In addition, and as observed by Ancona et al (2001, p. 518), perceptional variables, although considered mainly individual-level variables, are often applied directly to multiple levels of analysis.

Aspects of time has been of major importance in IMP literature already from the beginning. Especially duration and dynamics of exchange relationships were in focus but also investment processes, coordination in technical development, sequential structure in internationalization are such examples, e.g. referred to in Ford 2002). Easton & Araujo (1994) is a general discussion of market exchange, social structures and time. Methodological aspects have been addressed in a temporal perspective (e.g. Halinen & Törnroos 1994). Papers on ”timing” have appeared more recently: (e.g. Andersson & Mattsson 1999; 2006; Hedaa & Törnroos 2002; 2005; Medlin 2005).

An interesting actor-network theory based study of changes in temporality is Kavanagh & Araujo (1995). A multi-layered view of time is presented in which different temporal frames co-exist and draw upon each other for their existence, illustrating the processes through which time is constructed. They show how different forms of temporality are the product of heterogeneous networks combining associations of human *and* non-human elements.

In line with Kavanagh & Araujo (1995), we adopt the idea that time is constructed in an unfolding process but not by pure associations between humans. We acknowledge the role that material resources and other artefacts play in addition to or in substitution to face-to-face interaction. The networks of the social are also heterogeneous and composed of people, texts, machines, money and a host of other intermediaries. ”To investigate how something is ”socially constructed” begs the symmetrical question of how the ”social” in socially constructed” is, itself, the product of construction.” (Kavanagh & Araujo 1995, p.107). As argued by Callon & Latour (1981) if the networks of the social were simply associations of people, then social order would not rest on particularly stable or durable foundations.

Towards a conceptual framework

So far we have introduced three frameworks. First, our *”network perspective”* on dynamics of markets, second the ”*market practice”* performative approach to understand shaping of markets and third the broad literature on *”temporality and organizations”.* To take one step towards simplification of the third framework we use the concept ”temporal profile” to capture the temporal characteristics of a market process. It was introduced by Sztompka (1993) who stated that ”…every social event or social change has its own ’temporal profile’. Based on our preceeding papers and the general time functions suggested by Sztompka (1993) we select *timing, sequencing, duration* and *speed* as time dimensions of market episodes and *coordinating* and *measuring* as further time functions in the temporal profile, assuming that in connection with strategic market changes, these dimensions are underlying organizers of the actors and the actions. Actors´ *temporal orientation* (in terms of their temporal profiles) may differ and actors might act to reduce the *temporal assymetry* by *temporal integration*. (Other temporal variables suggested in the literature such as synchronization, rate, differentiating allocation, scheduling, repeatedness, will not be further discussed in this version of the paper.)

Building on the discussion above we connect temporality to the shaping of markets. The temporal profiles of specific strategic actions become connected to the actors' perceptions of the market, of ongoing change processes, and of the actors' readiness to act on these changes.

From the sub section on the market concerning behaviour of business actors we specically relate to actors´ *network theories, time perspectives* and *time horizons* (all part of representational practice), We assume actors to have different time perspectives, but these cannot be expected to remain stable during the whole course of a change process.

The temporal profiles of the change processes themselves are subject to change. Over time, the development of certain change episodes, are affected by the dominating, underlying temporal profiles. During the change processes tensions between different dominating profiles in different parts of the market, but also within companies, will surface. The time perspective **-** the vantage point and the viewing direction (towards the past, present or future) **-** is partly determined by changes in the market context. Changes in the time perspective of actors, and subsequent adaptations of network orientation, can be determined by changes elsewhere in the market. This also encompasses the opportunities to coordinate time perspectives between actors and across connected strategic changes.

The identity and separation of strategic actions and the episodes related to them is obviously analytically problematic. We argue that actors in the processes of constructiong time and temporality, try to frame actions into episodes to distinguish them from other on-going episodes. As the actors perceive interdependence with other actors this increases their sensitivity to the temporal dimensions and especially the timing aspect of their actions.

Empirical illustrations

Below we use three empirical ilustrations, taken from previous research, that however has not been conducted with specific reference to the conceptual framework used here. Hence, although we relate to constructivist ideas, we are not able to present any empirical studies, based on the methodological principles for this line of research. The first, more detailed, illustration concerns a merger between two firms, the second supplier-buyer relations and investment behaviour across business cycles in a process industry and the third a specific ”co-operative” practice in the consumer daily goods markets.

Illustration 1: The merger of two biotech companies

Temporality in strategic market changes is first illustrated with extracts from a study of the merger between a Swedish and an American manufacturer of dental care products, Nobel Biocare and Steri-Oss (Andersson 2002) The case is based on interviews during 2000-2001 with members of corporate management of Nobel Biocare and on selected secondary sources from the merger process, eg. time plans for various steps in the merger process. The extract focuses in particular on temporality dimensions surfacing when merging the units that interact with market actors.

In 1997, the management of Nobel Biocare intensified its discussions on the strategic growth options for the company in the growing market for dental implants. The product range offered to customers had to be broadened, the company's market position in certain geographical markets (e.g in the US) as well as various resources needed to be strengthened. Very early in the analysis, one American candidate emerged, Steri-Oss. A major difference between the companies concerned their international market organizations. While Nobel Biocare relied on their own sales subsidiaries around the world, Steri-Oss relied on an international market organization based on local distributors. In January 1998, the management of Nobel Biocare took the first contacts with the management of Steri-Oss.

> "When we first took contact with Steri-Oss, the timing proved to be very good. They were out to make an IPO, but had just been hit by the Asian crisis. So, our offer came just at the right moment for them. We fairly quickly saw that we had the same view on what was necessary to grow in our market. We also managed to establish very good contacts on a personal level at this meeting."

The question how a merger could be accomplished was discussed already from the outset. At a second meeting, a strategy for the new company was outlined. The secret discussions quickly advanced into details about the future strategy, organization and management of the new company. Major problems had to be solved: What should be done about the two overlapping organizations in the US, about the two sales organizations, and their strong links to different competing brands in the market and when should they be handled in the merger process?

The joint analyses showed that the two companies had relationships with partly different customer segments. The two management groups knew from experience that there was since long strong emotional bonds to the two respective brands and organizations. It was concluded that it was a crucial issue that had to be handled with great care. It was therefore decided to stick to the different brands in the first phase of the merger, but successively to train the two sales organizations on all existing and future product brands. It was argued that one integrated sales organization would cover the market regions in a better way. Decisions about the regions where distributors were used were also taken in the pre-merger discussions. In those countries in Europe and in Asia where Steri-Oss was represnted by distributors, Nobel Biocare's sales subsidiaries were to take over the local sales responsibilities.

Three weeks before the official merger announcement, the CEOs of the subsidiaries were called to a meeting in the UK to prepare them to educate those who had the ultimate responsibility for local customer contacts. This was considered one of the crucial questions in the pre-merger process. Once the deal was announced, some had to be responsible for minimizing potential negative effects on the customer relations. The first information about the deal at this meeting was met, as expected, with mixed reactions. However, the fact that the subsidiary executives became convinced about the merger during the three day long work-shop was to be considered a crucial step in the process.

There were concerns about the reactions of the sales organizations. The situation was handled by immediately engaging the new joint sales organization in intense training programs. During the Fall 1998, sales personell was trained to handle both Strei-Oss and Nobel Biocare systems. The intense training finished with a major kick-off meeting in the US. Although the sales regions in fact became smaller geographically, the merger process was not perceived as threatening. All 90 people in the sales organization, including the three regional sales managers from Nobel Biocare and the three from Steri-Oss, could remain in the new organization. Every sales representative now had responsibility for a smaller region, but had instead contacts with a larger number of customers.

A central part of the merger preparations concerned the handling of the customer relationships. Different customers were contacted in different ways. To simplify, three types of contacts were identified: the central VIP customers that could be situated anywhere in the world, the national ("local") VIP customers, and the thousands of small customers in different parts of the world. Hence, special treatment was given to around 100 VIP customers around the world. The most important among these were big customers and/or important opinion leaders in dental care with great influence over other customers. They were, for example, important specialists in university clinics. The VIPs were contacted personally, in some cases also by the CEOs during the early phase of the merger process. Some of the local VIPs in different countries were in the same way contacted by the CEOs of the local subsidiaries. Within 24 hours when the merger announcement had been made, the majority of the VIPs had been contacted by telephone and had been informed about the merger. Steri-Oss VIPs were informed that business would continue as usual and that Nobel Biocare had no intention to interfere and radically alter the ongoing contacts. In the same way, the Nobel Biocare VIPs were informed that Nobel Biocare did not intend to radically change their business concept, based on a long tradition of leading edge R&D. A second follow-up call was made to the VIPs some weeks later.

To support the subsidiary executives, the pre-merger group had also developed presentation material to be used in local organizations and a folder describing the new deal, the motives, the new organization, the different product brands, and more. The folder was shipped out secretely to the subsidiaries. When the announcement was made, they were mailed quickly to the customers. This market communication to customers was considered crucial and had been well prepared when the announcement came. In total, the two companies had around 20-25000 customers, ranging from single dentists to chains of dental clinics, dental laboratories, and important specialists at university clinics. While the number of customers was fairly equal between the two companies, Nobel Biocare had a higher share of large, often specialist customers. Nobel Biocare was the larger of the two. As the analysis had shown that the customers' links to the different brands were strong, the market communication had to be directed towards this. Information to the customers had to be prompt in order to avoid confusion about how the different brands and products were to be handled in the future. When the announcement came, 10 000 copies of the folder describing the deal were sent by courier to the most important customers around the world. The letter also included a hand written letter from the local subsidiary executive plus a letter from the two CEOs. The message to the customers that the two major brands now were handled by the same sales and service support organization was a challange. Training the sales representatives to educate and inform the customers in the right way to avoid misunderstandings was an important step in this process. The process to establish the new organization and inform about it continued after the first year of the merger.

Of great importance was also the handling of the distributors in those countries where distributors were used. The customers would always be able to get in contact with somebody, if support would be needed, but the problem was that nobody could at early stage of the merger give any clear information what would happen to these distributors. When the merger announcement came in June 1998, the distributors were more or less shocked by the information. For them, it was completely new that two of the major competitors in the field were going to merge. Like the customers, also the distributors were contacted immediately after the merger announcement.

> "When the processes with the distributors started after the first contacts had been taken with them, we could notice the intense communication that started between the distributors. They knew each other quite well and knew also quite well us, Nobel Biocare, their former main competitor. At the outset there were signs that could be interpreted as if they might create a united resistence movement."

However, this never happened, although it was obvious that many distributor contracts had to be broken. In accounts of the merger process, two general factors were forwarded internally and in external reports as determinants of this success: the handling of temporality (timing, sequencing etc.), and the handling of communication and social relations, internally and externally. Representatives of Nobel Biocare stated that preparations and careful planning of the merger process before the announcement contributed to the achievements.

Only one year after the deal had been made official, a new joint sales and marketing organization had been established in all major markets, the fusion of remaining functions continued, and new strategic moves for the new joint organization were prepared. For some functions, mainly marketing and sales functions, the speed of the process was even more apparent. Within the first quarter after the deal was signed in September, most of the new company's interfaces with customers had been established.

Comments: Part of the pre-merger planning discussions, meetings, preparations of written material to be distributed was concerned with the adaptation of the actual merger process (its temporal profile), taking into account the differences in routines, structures and operations in the two companies, including temporal profiles. Hence, on a general level, pre-merger activities concerned the *temporal integration processes*, (i.e. what Bluedorn (1986) entitled temporal "entrainment" between organizations). This included in the case, practical processes of mutually adapting time/planning horizons. This also links to our second area of interest, i.e. how actors attempt to create/construct *temporal symmetry,* i.e. make involved actors subscribe to one particular pattern of temporal orientation, in connection with a strategic change. The discussions to create a clear sequential structure for the upcoming merger process in the pre-merger discussions was an important element of this process. The merger role prescriptions developed included clear descriptions of how "sensitive" to disturbances that certain functions were considered to be, and therefore needed special attention, and a certain time order of consideration.

From an *exchange practice* point of view, it was clear from the beginning that the two companies had developed different organizational structures and routines for taking care of the customer contacts. This fact, combined with the idea that the sensitivity of the customer relations needed special attention, was an important argument in the intense internal discussion of creating a working sequential structure for the merger process. Exchange practices entered into various representational practices during the long pre-merger planning phase through both qualitative analyses of customer handling practises in the two companies and through measurements, e.g. through evaluations and differentiation of various customers and customer relations. The pre-merger and merger processes included various concrete activities to stabilise certain conditions (the customer categories, the exchange objects/products, the terms of exchange for different types of dental systems and customer types, etc.

A major part of the pre-merger discussions were a way to create a common view of the situations, i.e. concerned efforts to create common *representational practices*. These processes of creating common representational practices included activities to depict the dental market in general and how they worked in light of the emerging globalisation. In order to be able to speak of ”the global dental market”, the two management groups needed to bridge partly overlapping, partly differing market analyses, by creating new, joint representations. These were later transated into communication materials, brochures and more, which were distributed internally and externally as part of the timing of certain step in the sequencing of merger activities. These representational practice produce both market descriptions on a general (”macro”) level and customer specific descriptions and representations. The results of these analyses and internal translation processes were later fed back into the (new) on-going exchange practices.

Hence, as indicated the strategic planning and processes of establising the objectives of the merger and of the new joint organisation became part of the emerging normaticve practises. The representational practices aiming to create new views of customer groups: how they should be divided and grouped, and how they should be approached by the new marketing organisation, fed into the new *normative practices*. Also temporality fed into these new normative practices. For example, Part of the new marketing objectives developed were new norms and measurements for how often (i.e. ”repetitiveness”) key account customers should be visited etc. by what units in the new marketing organisation (i.e. ”differentiation”). Thus, normative practices in the pre-merger phase produced rules and tools (in documents) that became employed later in the new emerging exchange practices. These included measures and methods of measurement from the representational practice which had produced market descriptions that were drawn upon in the normative practice.

Overall, and coming back to our overalll research question: In what different ways can we understand the processes of constructing ”time” and ”temporality” to be part of the processes of ”constructing the market”? Firstly, the case illustration indicates some strong links between all three practices in this process, exchange practices, representationla practices and normative practices. Various aspects of temporality embedded in exchange practices (sequential structure of activities, differentiation of time to certain activities, and more) become part of both the representational and normative practices. Secondly, these general dimensions of temporality become tightly intertwined with the temporality of the actual change process (its ”temporal profile”, including timing, speed, duration, sequentiality), and later, the processes of making efforts to stablize new structures and routines. The two merging companies market analyses were used in the new joint representational practices in the pre-merger process. In various steps of translation, they became part of broschures etc. that became tools in the processes of creating a new joint ”market organisation” that would subscribe to partly new exchange practices (with new spatial *and* temporal ”logics”) in relation to customers and distributors. These representational practicess and transalltions included both ”macro” descriptions of the market and ”micro” descriptions concerning specific market regions (partly redefined), local customers and local distributors.

Illustration 2: Market processes in the pulp and paper industry

Seller-buyer relations during business cycles. The paper and pulp industry is characterized by important business cycle variations implying opportunities for differentiated interaction between suppliers and buyers over time and controversies related to market practice in a temporal perspective. It is a matter of how to adapt prices and volumes over time due to changing expectations and strategies. Individual seller-buyer relationships are affected by past experiences and future expectations. Market practice is characterized by routinized interaction between suppliers and buyers with, more or less mutual, short and long term planning to adapt to cyclical variations and individual growth strategies. According to a very experienced practioneer sequences of events in market practice (involving aspects of exchange, representational and normative practice) during each of the four phases of a business cycle can be identified and repeated in each cycle. However, the timing, duration and speed varies, due to uncertainty about phase duration in the cycle. (”Haslett´s Pulp Time Loop” in Pulp & Paper International, April 1983).

Mats Klint´s dissertation (Klint 1985) analyses market practice over and across business cycles, with an emphasis on the seller´s freedom of action. The seller is more powerful in a boom period and the buyer is more powerful in the recession. If the supplier uses its power too much in the boom period, the buyer might ”hit back” in the downturn. The supplier-buyer relations is characterized by negotiated adjustments based on experiences and expectations of the counterpart´s behaviour across business cycles and the timing and amplitude of demand/supply variations. We use a few episodes from the study as illustrations.

1. An old customer signalled during a dinner meeting in the Spring year 1 to a supplier that he wanted to increase the purchase volume for year 2 by 25%. No explicit agreement was concluded. Later in year 1, in formal negotiations, the supplier, now represented by a new manager, facing strong demand and capacity problems instead wanted to diminish the volume to that customer for the coming year. When the recession hit the market in year 4 the customer retaliated by decreasing the volume more from that supplier than from others. This shows how a perceived departure from normative practice in one period had an effect on exchange practice in a later period.
2. Anticipating a strong market development a customer during the yearly negotiations with a supplier wanted to increase the volume according to an established long term contract by 50 %. The supplier agreed. However, the downturn hit earlier than expected and the customer wanted to decrease the volume by 50%, based on the earlier volume. The supplier argued that the 50% should be deducted from the greater volume the customer initially asked for. The relationship deterioated substantially. This shows how a failed expectation about timing of business cycle variations led to a controversy about how a prior agreement should be interpreted and to deterioation of the relationship, negatively influencing future business exchange. The measuring part of representational practice failed to make an accurate forecast.
3. A customer changed its procurement policy from confrontational vis a vis suppliers to more cooperative, with more economic and technical exchange of information at frequent meetings. At the same time it changed from loosely defined long term contracts to one year agreements to increase flexibility. The increased ”mutual understanding” reduced the price variability across the business cycle. This illustrates a change in exchange practice related to change in the buyer´s representational practice. Frequency of interaction increased, duration of contracts was reduced and amplitude of price changes diminished. This case shows a change in the customer´s network theory, perhaps due to controversies with suppliers in boom periods.
4. A supplier changed its sales policy, including also efforts to reduce its mutual dependence to a specific customer. The supplier explained to the customer that it did not want to supply more than 50% (down from 85%) of the customer´s needs for the particular input. The market was strong in that period and to reduce the risk for the customer to lack supplies, the supplier developed a readiness to quickly supply the customer with extra volumes in crisis situations. In the coming downturn the customer continued to buy at the 50% level. This shows a change in exchange practice related to interpretration within representational practice. Normative practice showed supplier concerns for negative effects on the buyer, due to changes in seller policy..

Investments. When supply capacity due to production investments increases, the influence on supplier-buyer relations will differ depending on which phase in the business cycle that the volume becomes available. This is a matter of timing but since the investment takes time it is also a matter of duration and speed. However, also the investing supplier´s ability to effectively sell the added volume is dependent on resources in terms of established relationships to customers and the sales/distribution capacity it has available. If representational practice (network theory) considers such external assets as customer relationships and agents/distributors to be market investments and the seller´s own marketing organization as assets developed during a marketing investment process then temporal dimensions of market and marketing investments and temporal dimensions of production investments interact in shaping the market. (Johanson & Mattsson 1985). The temporal profile of investments will in such a case include timing, speed and duration in relation to business cycles and timing, speed, duration and sequencing as regards market/marketing vs production investments. Sequencing involves issues concerning to what extent production investments preceed, follow or are concurrent with market/marketing investments. If the influential representational practice disregard market and marketing investments that may affect utilization of added production capacity. If management have different network theories in this respect, controversies regarding investment priorities develop.

Illustration 3: ”Cooperative marketing activities in daily goods markets

A system evolved in the late 50s in Sweden according to which a major part of the manufacturers´ advertising and promotion activities became integrated with the grocery cooperatives and voluntary chains´ weekly advertising, store promotion and campaign pricing. (Lindh, 1976; Julander, 1984) This so called "SA/VA" (cooperative activities/weekly advertising) system, became a routinized, stabilized, and controversial, feature of the convenience consumer goods market(ing) during more than two decades. The actors adopted the numbering of weeks during a year instead of identifying the dates as an important planning device. The promotional price reduction was available for the consumer during one week, for the retailer during two weeks and for the wholesaler during three weeks. To a large extent the manufacturers´ fee payed to the chain covered the chain´s advertising outlays. The SA/VA system served to strengthen integration within the voluntary chains and to transfer funds from brand manufacturers to the chains. This contributed to financing new store development, and to the growth on the market of voluntary chains. The planning of manufacturing volumes, introduction of new products and the logistical processes were affected. There was an indirect coordination between competing and complementary suppliers of branded products due to the SA/VA needs. The brand manufacturers´association (DLF) and most manaufacturers expressed a critical, often conflict ridden, attitude to the system. The manufacturers had liked to put relatively more marketing efforts in direct communication with consumers, thereby also strengthening their relative power in relation the voluntary chains. Criticism was also expressed by some government agencies.

The temporal profile of SA/VA was explicitly constructed by the business actors, using also importantly artefacts and related to sequencing, duration, timing, coordination and measuring. It was controversial and involved important temporal integration of exchange practices. "Network theories" concerning "block competition" and "pull vs pull" strategies were used by actors (Mattsson 1972). Measurements involved measures of campaign sales, and measures of "store follow-up". Exchange practices developed into routinized negotiations and mutual planning. Norms developed regarding cost/price structures. Temporal profiles of SA/VA interacted with the shaping of markets both directly and related to the structural development of the market (towards more concentration to increasingly powerful voluntary chains.

Shaping the market in the cases

The first case ilustrates how the temporal profile by which two competitors merge and integrate their market exchange processes, change the shape of the market. If more firms in the same market also merge, the temporal profiles of the two merger processes will further influence the shape of the market. (As reported in Andersson & Mattsson 2006 a number of interacting merger and alliance processes reshaped a market in a major way during less than a decade). The second case illustrates how the temporal profiles of supplier/buyer exchanges shape how the market adapts, in a stabilizing manner, to cyclical variations and how investments influence the shape of the market depending on how actors consider the relation and sequencing of production and market/marketing investments and the timing in relation to cyclical and trendwise change in demand. The third case illustrates the interaction between temporal profiles of a general exchange practice and the shaping of the market towards increased concentration and integration at wholesale/retail levels.

Concluding comments

Based on our framework and empirical insights, we conclude by discussing a set of issues, in efforts to link the interactive firm level processes constructing temporal profiles, with the industry/network level processes of constructing temporality in the shaping of markets.

Planning and scheduling processes to create temporal symmetry, and new market representations. An important part of the coordination processes of firms involved in strategic change processes are adaptive attempts at creating "temporal symmetry" between organizations, or parts of organizations. With an intra-organizational focus, Zerubavel (1981) argued that temporal symmetry refer to situations when groups or individuals subscribe to "one particular pattern of temporal conditions" (p.64). It can be assumed that, in contrast, temporal assymetry will occur when companies or groups subscribe to differing temporal orientations, and have different temporal profiles, even when coordinating activities. We can see in the first case that an important part of the joint planning procedures concerned attempts to create common sequences of change actions, *and* also outlines of new temporal structures for the handling of customer relations. Planning and scheduling were strongly linked to exchange and representational practices, laying out and mobilising actors to subscribe to new temporal profiles. New market regions were created in the planning process and were intertwined with new ideas of *how often, when* and by whom these should be approached in the new joint marketing organisation. Thus, the planning process in which new representational practices were developed served to create a new common, *temporal identity*. Also the third case new temporal profiles were constructed in interaction with the market practices. In the second case, most, but not all market episodes were aimed at stabilizing practices and the shape of the market. As stated by Barley (1985): "When people perceive that their lives flow in parallel, when they experience the same sequences, durations, temporal locations and rates of recurrence of events, they are more likely to believe that they share the same set of circumstances, and, on that basis, develop a sense of identity" (p.5-6). (However, such a sense of identity, as we see in the second case, could also create controversies)."Local" processes will interact with other such processes, thereby shaping the wider market, and thereby also further influencing local practices.

Framing and setting boundaries around new temporal profiles. Apart from the role of planning procedures, another line of connections between processes on the "micro" level to create new temporal profiles and "macro" level process to shape markets, can be observed in boundary setting activities. As argued by Barley (1985), perceptions of common identity are enhanced when a group's temporal order inscribes boundaries that set members of the group apart from the actors in the environment. We may here refer to the ideas of network and time horizons in the IMP literature. The planning as part of the coordination activities between companies includes the setting of temporal and spatial boundaries. We can assume a circular relationship between the setting of spatial boundaries and the creation of temporal profiles. We can assume that various normative practices will enhance the process of setting these boundaries, and thus the shaping of markets. Understanding the process of translation, from the introduction of new temporal profiles in the micro processes of interaction between firms, to shaping of markets (and their new temporal structures) in which new boundaries are set around new temporal orientations, is an important issue for more research.

Variablity of time in networks. Implicit in the three cases, an important part of the processes of creating new temporal orders within and between firms and the links to the shaping of markets is the fact that no complete "temporal order" will ever be achieved. As discussed by Bluedorn & Denhardt (1988), there will always exist a variablity of temporal orientations within and between firms and markets, and researrch need to recognize the plurality of temporal constructs and orientations within and between organizations. Normative and representational practices, irrespective of how standardized and monolithic they are, will never be able to fully reduce the variablity of temporal profiles of activities. All actors will never fully subscribe to temporal norms and representations. For example, as shown in the second case, the cyclical characteristics of certain "stable" industries, will always be embedded in tensions with other ("linear" etc.) temporal representations. Since the setting of boundaries around temporal orientations can never can be complete, how do companies and sets of companies handle the actual (and potential) tensions between different temporal profiles and orientations?

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