

ENACTING REPRESENTATIONS OF MARKETS IN EXCHANGE PRACTICES IN THE DANISH POTATO INDUSTRY

Competitive paper

Special track:

Representing multiplicity in markets – multiple representations of markets

Lars Esbjerg

Aarhus School of Business, Aarhus University

Abstract

Purpose of the paper and literature addressed: The paper explores the potential of John Shotter's (2008) relationally-responsive version of social constructionism for studying and analysing representations of markets and how these are enacted in actual exchanges practices.

Research method: The paper uses the extended case study method to integrate existing concepts and theories using empirical data from the Danish potato industry. Twenty semi-structured, narrative interviews were conducted with different actors in the industry

Research findings: Analysis suggests that the representations various actors have constructed of the Danish market for potatoes and the different market actors share many common features, but also that there are important differences in representations between members along the marketing channel that explain why actors in the Danish potato industry have difficulties finding common ground and why retailers are dominant.

Main contribution: The paper shows that most activities performed by actors in the industry sustain codified representations of the market, but some activities contest and challenge prevalent representations of the market for potatoes. Not all of these disorderly activities can be considered market-shaping events.

Key words: Accountability, exchange, language, markets, relations, representations

ENACTING REPRESENTATIONS OF MARKETS IN EXCHANGE PRACTICES IN THE DANISH POTATO INDUSTRY

ABSTRACT

Purpose of the paper and literature addressed: The paper explores the potential of John Shotter's (2008) relationally-responsive version of social constructionism for studying and analysing representations of markets and how these are enacted in actual exchanges practices.

Research method: The paper uses the extended case study method to integrate existing concepts and theories using empirical data from the Danish potato industry. Twenty semi-structured, narrative interviews were conducted with different actors in the industry

Research findings: Analysis suggests that the representations various actors have constructed of the Danish market for potatoes and the different market actors share many common features, but also that there are important differences in representations between members along the marketing channel that explain why actors in the Danish potato industry have difficulties finding common ground and why retailers are dominant.

Main contribution: The paper shows that most activities performed by actors in the industry sustain codified representations of the market, but some activities contest and challenge prevalent representations of the market for potatoes. Not all of these disorderly activities can be considered market-shaping events.

Key words: Accountability, exchange, language, markets, relations, representations

INTRODUCTION

This paper discusses how actors on the Danish market for potatoes, in an everyday process involving a myriad of contested interactions, unknowingly shape or construct not only a sense of their own identities but also a sense of their social worlds (Shotter 2008). The paper analyses how different actors see themselves and how they relate themselves to other actors and to their own circumstances, i.e., to the market they see themselves as part of.

In recent years there has been increasing focus on how markets are constructed through the practices of different actors. Whereas much of the emerging literature on how markets are performed is rooted in actor-network theory (e.g., Araujo 2007; Callon and Muniesa 2005; Cochoy 2008; Kjellberg and Helgesson 2006), this paper draws extensively on John Shotter's (2008) relationally-responsive version of social constructionism to discuss two basic kinds of activity and their role in constructing, maintaining and reconstructing markets. First, the set of relatively stable institutionalised, well-ordered, self-reproducing activities that are sustained by actors that are accountable to each other for their actions in terms of codified versions of order that were created in previous interactions. Second, the set of more disorderly, institutionally unaccountable, chaotic activities that contest and challenge codified versions of order, i.e., prevalent representations of markets and market practices.

In discussing these two sets of activities, the paper draws on a study investigating the different realities formulated by different actors in the Danish potato industry and how these realities are enacted in interactions and relations with other actors. The study explored the

recursive processes through which realities were constructed, focusing on how quality and health aspects of potatoes intended for human consumption were constructed in and through relationships between various actors in the Danish potato industry.

The Danish potato sector is an institutionalised setting where actors must develop the requisite linguistic competence – to learn the proper language – in order for their utterances to be accepted by other actors (Shotter 2008). Organisations that have constructed similar representations of markets and products ‘should find it easier to transact with each other and to engage in various forms of co-operative activity’ (Pfeffer 1981: 26). Conversely, if actors do not have a minimum level of convergence in their understandings of the product to be exchanged, its monetary value and the terms of business, they will find it difficult to engage in transactions or other forms of co-operative activity. Convergence does not imply that meanings are shared or identical. Indeed identical meanings might hamper innovation since differences in meanings can foster creative discourse. On the other hand to large differences in meanings risks creating conflict or stifling communication.

THEORETICAL BACKGROUND

Most current approaches within social constructionism suggest that we must draw upon existing vocabularies and social conventions in order to talk to others in meaningful ways. There is thus a focus on patterns of regularity in our talk and activities.

John Shotter’s (2008) relationally-responsive version of social constructionism is distinctive in the sense that it focuses on spontaneously expressed activities and events and on the social influences shaping such events. People and organisations face new and unique circumstances every day and have to work in the moment to determine how to best to go on. Without denying the taken-for-granted and routine character of many of the day-to-day activities of many actors, it is important to emphasise the uniqueness of their everyday activities, where everything happens for ‘another first time’ (Garfinkel 1967: 9). Failure to do so reduces the complex exploratory struggle involved in finding a way ‘to go on’ in a never-previously-encountered situation (Shotter 2008).

People and organisations construct different ways of relating or orienting themselves towards others and their circumstances. In an everyday process involving a myriad of spontaneous, responsive, practical, unselfconscious, but contested interactions, actors unknowingly ‘shape’ or ‘construct’ not only a sense of their own identities, but also a sense of their own ‘social worlds’ (Shotter 2008).

Different sense-making communities may construct different, equally plausible, worlds. In other words, different actors in different positions at different moments will live in what they formulate as different realities (Shotter 2008). Such human realities must continually be remade in people’s everyday social activities; otherwise they do not endure (Shotter 2008).

Conversation is central to the version of social constructionism developed by John Shotter (2008) because actors constitute both themselves and their worlds in their conversational activities. Communication between actors in an organisational field or a market is both a matter of solving pressing operational problems, such as stock-outs, quality problems or promotional activities, and a matter of ‘people becoming oriented in relation to each other, of coming to ‘know their way about’ within each other’s worlds, and of how ‘to go on’ with each other with the shared worlds constructed in their meetings’ (Shotter 2008: 8).

What actors take the meanings of events occurring in the present moment to be is shaped by their anticipations and expectations. For people and organisations to be able to organize their inter-activities with each other, they have to be able to arouse in each other, as they act, transitory *understandings* of 'where' so far in their activities that have got to, and *action guiding anticipations* of 'where' or 'how' next they are likely 'to go on' (Shotter 2008). It is important to note that it is only in the course of their actions that actors can organise their conduct of them, not before by planning them, nor after by criticising them.

Actors in the Danish potato industry have many opportunities to discuss their on-going business relationship. To solve immediate operational problems telephone calls can be made or spot meetings can be arranged at short notice. In addition, actors typically engage in regular, planned rituals such as annual negotiations. In their everyday interactions and in regular, planned encounters such as annual negotiations, people and organisations both evaluate previous activities – developing and performing retrospective, justificatory, reason-giving accounts of outcomes that have already been achieved – and look to the future, developing what Shotter (2008) calls 'prospective, action guiding accounts' of the detailed struggles required to achieve, develop or construct certain desired outcomes.

In order to coordinate action, actors have to develop shared understandings of important concepts. Shared understandings or shared agreements do not refer to overlapping content, but to the often-implicit agreements about a set of inter-related narratives that serve as an interpretative context. The meaning of a concept is not self-evident, but always problematic and subject to negotiation:

'Concepts cannot be defined on their own as single ontological entities; rather, the meaning of one concept can be deciphered only in terms of its 'place' in relation to the other concepts in its web. What appear to be autonomous categories defined by their attributes are reconceived more accurately as historically shifting sets of relationships that are contingently stabilised' (Somers 1995: 136).

Language is primarily a device for use by people co-ordinating their individual actions and creating new conversational realities (Shotter 2008; Wittgenstein 1958). Our ways of speaking and writing gives shape to reality. They work practically to formulate the topics of our talk and to give them a structure that is appropriate to particular forms of life (Shotter 2008).

All our talk of our selves and our circumstances only makes clear and intelligible sense within the confines of particular language games. Furthermore, we must realise that our talk is part a larger activity, i.e., 'our talk gets it's meaning from the rest of our proceedings' (Wittgenstein 1969: §229).

According to Wittgenstein (1958), words acquire their meaning through their use within 'language games' that are again embedded within broader patterns of actions and objects called 'forms of life'. Words themselves do not describe the world, but come to function as 'truth-telling' within the rules of the specific or circumscribed language games of a certain group (Gergen 1999). Words, concepts and symbols thus derive their meanings from 'their location within concrete utterances, and these in turn only make sense in relation to other utterances within ongoing flows of transactions' (Emirbayer 1997: 301). Meanings are created by, with and for people in their interactions with each other (Shotter 2008).

What actors experience themselves as being, and what they experience as the being of their world, are both determined by them, and for them, in all the self-other relationships they are involved (Shotter 2008). 'It is only by re-ordering our practical relations to the others and

otherness around us, i.e., by developing new practices, that we can change ourselves' (Shotter 2008: 95).

In responding to the talk or actions of others, an actor's replies are never wholly his own – to an extent they will always be 'shaped' by being situated 'answers' to 'the call' of another (Shotter 2008). What any individual is doing is part of what a 'we' is doing, as reflected in Wittgenstein's notion that the basic move in a language game is a reaction. Wittgenstein (1958) was concerned with our ability to 'go on' with each by being able to make 'followable', 'responsible', or 'answerable' sense to each other. According to Shotter (2008: 99), 'it is in terms of each speaker's anticipations of each listener's responses that they will find each other's responses satisfactory, or not'.

METHODOLOGY

The goal was not to develop new theories from scratch, but to use empirical data to integrate and extend existing concepts and theories. Therefore, the extended case study method was adopted as the methodological strategy for the present study. The extended case study method (Burawoy 1991) method differs from the original version of 'grounded theory' (Glaser and Strauss 1967) in that it is not focused on developing new theories from scratch, but on using empirical data from case studies to integrate and extend existing concepts and theories. This is also in line with view that Anselm Strauss, one of the originators of grounded theory, later took when he argued that existing concepts and theories should play a guiding and sensitizing role in research (Strauss and Corbin 1998). Rather than begin from scratch and develop new theories, Burawoy suggests that researchers should try to 'consolidate and develop' theories and concepts that have already been proposed. Following this suggestion, this paper draws on the existing literatures on institutionalism, inter-organizational relations and business networks to develop an analytical framework.

Empirical data were primarily generated using semi-structured, narrative interviews with 'informants' from different actors in the potato field. These different actors represent individual cases in our study. The interviews sought to give informants ample space to elaborate on issues or to introduce new issues to the conversation in order to learn about the rules, norms, values, interpretations and 'taken-for-granted' understandings that shape their potato-related activities (Rubin and Rubin 1995; Schütz 1953).

Selection was based on theoretical sampling (we wanted to interview informants representing different links in the potato supply chain and representing different types of companies) and snowballing (Berg 2007). We thus probed informants for suggestions for people to interview by asking questions such as "Who do you interact with?" or "Who shares your views on the potato sector and who do you disagree with?" A total of 20 interviews were conducted. Informants include three potato growers, an agricultural advisor, a breeder of new potato sorts, seven wholesalers/packers, five processors and three retail buyers. In addition, two consumer focus groups and a consumer survey have been conducted, but these are not considered further in this paper.

All interviews were recorded and subsequently transcribed verbatim. Transcripts, notes and documents were read thoroughly looking for themes and patterns in the empirical material (Miles and Huberman 1994). Analysis of the empirical material involved (1) coding documents and transcripts using categories partly developed based on theoretical concepts and frameworks (Coffey and Atkinson 1995), (2) 'meaning condensation' (Kvale 1996),

which involves the reduction of the empirical material into more concise statements and (3) cross-case analysis to discern patterns of similarities and differences.

Among the issues analysed were the meanings that different actors associated with the words quality and health with regard to potatoes, the processes through which actors learn and develop knowledge about potatoes, whom actors construct meanings with, how concepts develop/change and opportunities for product and process innovation.

PRODUCT AND SETTING

The potato is a mundane product. After the Spanish brought it to Europe in 1570, the potato has been feared, mistrusted, disdained and laughed at. It is so ordinary as to be almost beneath notice, but one that has played an important role in facilitating the industrialisation of Europe (Zuckerman 1998).

The potato has had a turbulent history as part of the Danish diet. The potato first came to Denmark in the middle of the 17th century and initially was an exotic food reserved for the royal family and the nobility, but from 1719 onwards it became more common because the Huguenot's began to grow it around the town of Fredericia following emigration from France. Interest in potatoes grew during the 18th century because potatoes were a very important food in years of crop failure. During the 19th century, potatoes became common in ordinary kitchens and slowly the potato became a central element of everyday Danish cuisine and a prominent part of almost any hot meal as the main sidedish.

Potatoes thus entered slowly into traditional Danish cuisine, but for a century and a half have been a mainstay of Danish diets. Although the Danish Nutrition Council recommends increased consumption of the potatoes, consumption has fallen by half since the 1950s. Although the potato is still consumed at least once a week by almost all Danish consumers, the average frequency of consumption is declining (Haraldsdóttir, Holm and Larsen 2005). Today the status of the potato in Denmark is ambiguous. It has a grandmotherly image and is considered old-fashioned, dull and cumbersome to prepare compared to newer alternatives such as rice or pasta. Furthermore, there has been considerable debate about the healthiness of potatoes in the media.

Contributing to the decline was the fact that for many years the potatoes sold in grocery stores were standardised commodity products that were sold in bulk (large bags and 10kg nets) and on price. In response to declining consumption, retailers and suppliers over the last 10-15 years have strived to increase the value of the fresh potatoes sold in stores. These efforts have taken different forms, including differentiation in packaging, smaller package sizes and "easy potatoes" requiring only little processing by consumers (peeling potatoes is regarded as a very tedious task). Although this has not increased the consumption of potatoes in terms of volume, it has increased sales, as these newer, more convenient products are sold for higher prices than the traditional bags and nets of potatoes.

Focus in this study was on fresh potatoes sold to private consumers for human consumption. Fresh potatoes intended for consumption represents less than one fifth of production (see Table 1). Potatoes grown in Denmark are predominantly used in potato flour manufacturing to produce starch, with production of seed potatoes also being important both domestically and with regard to exports. The growing of fresh potatoes for consumption thus competes with growing potatoes for other purposes (and with growing other crops such as wheat) and

to some extent the quality of fresh potatoes sold to consumers is therefore influenced by the demands and wishes of other users of potatoes (manufacturers, caterers etc.).

Table 1 Production and utilisation of potatoes in Denmark

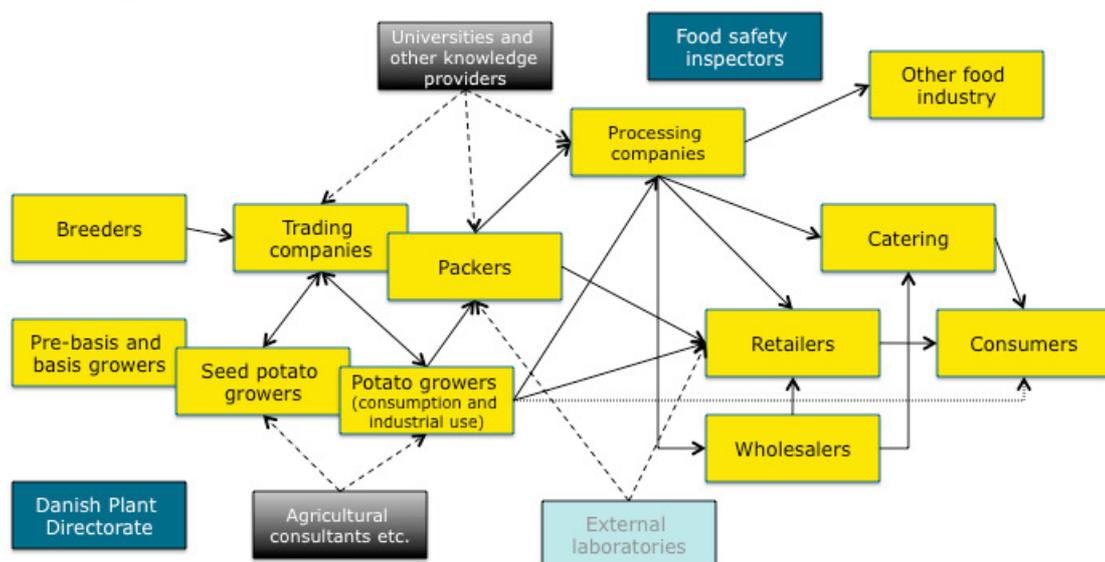
	2006	2007	2008
	<i>Million kg</i>		
Crops in agriculture	1361	1626	1693
Crops less waste	1157	1382	1439
Imports	412	513	291
Utilisation			
Exports	364	349	338
Seed potatoes	97	103	101
Potato flour manufacturing	664	864	887
Other manufacturing	69	41	38
Human consumption	299	300	302
Consumption for feeding	77	238	64

Source: Statistics Denmark (2010)

STUDY FINDINGS

Figure 1 provides an overview of the different types of actors in the Danish potato industry. It has been developed based on analysis of the various interviews conducted and illustrates that a number of different actor are constituted as important members of the potato industry – or better, the ‘organisational field’ (DiMaggio and Powell 1983; Scott 2008). To foster understanding of the peculiarities of the potato ‘field’ it is relevant to briefly describe the various actors before discussing in greater detail the realities they construct and enact in interactions with others.

Figure 1 Overview of types of actors in the Danish potato industry



Breeders develop new varieties of potatoes. In Denmark there is only one breeder, LKF Vandel, which is jointly owned by the largest producer of starch (KMC) and a large potato trading company (Danespo). KMC and Danespo own the commercial rights to all potato varieties developed by LKF, and can determine which growers are allowed to grow which

varieties. LKF earns a royalty from growers growing its potato varieties. LKF does not have a monopoly on offering new potato varieties for sale as other breeders are represented on the Danish market through subsidiaries or other middlemen.

It takes 10-15 years from an idea for a new potato variety has been fostered until growers have propagated it sufficiently for it to be mass-marketable. Developing new varieties thus involves developing qualified guesses regarding what consumers and potato flour manufacturers will demand in 15 years time.

Moving on to growers, informants distinguished between three main types of potato growers. A small number of *pre-basis and basis growers* are responsible for initial propagation of new potato varieties, growing the first generations of new potato varieties develop by LKF. This is small-scale production, which is very labour-intensive.

Informants furthermore distinguished between seed potato growers and ordinary growers, which focus on either producing potatoes for consumption or potatoes to be processed to potato flour. In practice many seed potato growers also produce potatoes that are used for consumption and/or potato flour production. However, their focus will typically be on growing seed potatoes.

Seed potatoes have traditionally been a major export for the Danish potato industry. Several informants mention that these exports are under pressure from grower in Germany and in particular the Netherlands, which have better conditions for growing 'good-looking' potatoes. Although the visual appearance of seed potatoes is not considered an indicator of the quality of the potatoes they spawn, buyers of seed potatoes are constituted as being increasingly focused on appearance.

The central actors in the marketing channel for fresh potatoes intended for consumption are potato traders/packers and grocery retailers. Some companies function both as traders and packers, the difference being that packers deal with retailers while traders sell to packers or processing companies. The majority of potatoes used for private consumption are sold through grocery retailers (discounters, supermarkets, hypermarkets), with direct sales to consumers being of minimal importance.

Although consumption has declined steadily and retailing has become increasingly concentrated, the number of traders/packers has not declined significantly for many years.

It is noteworthy that our informants do not constitute public authorities as important. One explanation given is that, for instance, the Danish Plant Directorate is not concerned with the quality of potatoes, but mainly with approving new potato varieties. Similarly, food safety inspectors are not concerned with quality aspects of food products, only with ensuring that the products sold to consumers are safe.

REPRESENTATIONS OF MARKETS

We turn now to the different representations of markets constructed by actors in the Danish potato industry. Our analysis suggests that the representations various actors have constructed of the Danish market for potatoes and the different market actors share many common features, but also that there are important differences in representations between members along the marketing channel.

Informants agree that consumption of potatoes has been declining in terms of volume. They also agree that the composition of consumption has changed over the last 20 years, as consumer preferences have changed from white to yellow potatoes and consumers buy smaller package sizes. Rather than bulk buying more or less generic potatoes by the 5kg sack, consumers increasingly buy smaller packages of 'tray potatoes' (600-1000 grams) that are of a higher quality, and also cost more. Thus consumer sales have been increasing in value terms. Furthermore, there is widespread agreement that the quality of potatoes sold to consumers has increased in the last 10-15 years and that this trend is continuing.

Both retailers and packers argue that consumers 'buy with their eyes' and that buying decisions are made at the point of purchase. Consumers are seen to prefer potatoes with a clean, smooth surface that are of similar size and are easy to prepare. Danish consumers are widely seen as very conservative and slow to adopt innovative products (such as fresh, microwaveable potatoes). On the other hand, consumers want to buy products that are easy to prepare and cook, i.e., are convenient. In this connection, a recurring theme across different types of informants is that consumers do not like peeling. Perhaps exaggerating his point somewhat, the CEO of one packer offered the fact that peeling potatoes is used as punishment for unruly boy scouts and soldiers as explanation for the antipathy that especially younger consumers have towards peeling.

The main beneficiary of the trend towards buying higher-value 'tray potatoes' is constituted to be retailers. Even though consumption has been declining for many years, the number of traders/has packers has remained the same. Consequently the industry is constituted as suffering from surplus capacity, which enables retailers can pit packers against each other and thereby secure low prices, making it difficult for growers and packers alike to earn money. This representation is widely shared by actors in and around the potato industry.

In December 2008 the Danish association of potato growers thus rang the warning bells, issuing a press release in which it claimed that 'the situation for Danish potato growers is serious' (Dansk Kartoffel-producent forening 2008). The price growers received for the potatoes they supplied to packers did not cover production costs, it was claimed. Furthermore, it was suggested that some growers were trying to sell potatoes of inferior quality to packers, resulting in potatoes of poor quality being delivered to stores. This could result in consumers having negative experience and with the potential consequence that consumers would not buy potatoes in the future.

'Growers can help themselves by refraining from deluging packers with phone calls trying to sell potatoes. Growers have been pushing hard for too long and it is our perception that the present situation is more or less self-inflicted,' the Danish association of potato growers argued (Dansk Kartoffel-producent forening 2008).

In an earlier press release from February 2006, the Danish association of potato growers blamed an 'internal war' between packers for loosing growers millions each year (Dansk Kartoffel-producent forening 2006). The association claimed that packers systematically misinformed growers about the situation on the European market for potatoes in order to keep market prices down, thus enabling growers to supply grocery retailers at low prices.

Several informants, including grower, traders and packers, argued that the bargaining power of growers and packers was weakened by short-term thinking among growers and some traders/packers, who according to their colleagues are more concerned about selling their entire production than with getting good prices. There are too many wheeler-dealers among

potato grower who 'do not act particularly rationally nor take a long-term perspective', as one informant argued. These wheeler-dealers dump surplus production wherever possible and ignore contracts with packers if they can get a better price elsewhere.

Because of short-sightedness and opportunistic behaviour it is difficult to build close relationships between growers and traders/packers. The two groups are inherently suspicious of each other. Some traders/packers complain that many growers are more interested in production yields than in the quality of potatoes they grow. On the other hand, some traders/packers are accused of working without any kind of system and not enforcing their own quality demands when market conditions are favourable to them. That growers and wholesalers/packers are short-sighted and act opportunistically is typical of agriculture, one retail buyer argued. Another informant was even more blunt in his assessment of 'the potato people', suggesting that potato growers and packers are worse than horse dealers and have a reputation for having particularly shady business practices among farmers. Only bee-keepers are worse.

On the other hand, it is abundantly clear that potatoes are very important to the people working with them – both in terms of the personal and professional identities (cf. (Sluss and Ashforth 2007; Sommerlad 2007)). For many informants working with potatoes is more than just a job, it is a way of life. Growing potatoes is often a family tradition, and several of the other actors interviewed (including packers/traders and processors) have worked with potatoes more or less their entire career. Even though the potato is a difficult crop to work with (due to vulnerability to soil conditions, the weather and numerous other factors), this difficulty is also what makes the potato interesting to work with. You are never done learning about growing and processing potatoes.

Growers focus on quality when talking about the potatoes that they grow. They are proud of the products they produce but argue that not all subsequent links in the marketing channel share their focus on quality. Some wholesalers are accused by growers of being more focused on the volume of products they buy than on the quality of the products they sell.

Perhaps the importance potatoes have for many informants explains why some actors entertain romantic ideas about how the negative trend in potato consumption can be reversed if only consumers were educated about the diversity of potatoes available and their many potential uses when cooking.

Retailers are also the objects of severe criticism from other actors. There are too few people with any substantial knowledge of potatoes working for retailers, which is unfortunate as the importance of having a competent person in charge of fruits and vegetable departments is stressed by several traders/packers as being all-important. In contrast, retailers are generally considered to be competent (with regard to potatoes) at chain level, although there were also dissenting voices here. One informant thus argued that 'there are not many working for retail chains that know a lot about potatoes or potato varieties.' He continues by suggesting that '[retail buyers] have at least learned the names of different varieties' but know little beyond that. Retail buyers might have learned some of the requisite vocabulary, but do not know the entire 'potato' language.

Retailers are also accused of only focusing on prices, not on quality, and of being faithless. Furthermore, several informants representing actors prior to the retailers in the marketing channel considered (most) retailers to have practices at the store level that did not suit

potatoes. This is for instance the case with regard to how potatoes were stored (too warm) or displayed (too warm and too much light), resulting in poorer quality for the end-consumer.

ENACTING REPRESENTATIONS IN EXCHANGE PRACTICES

The representations actors have constructed regarding the market for potatoes as a whole and about other actors are enacted in exchange practices. In our analysis of how actors in the Danish potato industry interact we will consider the importance of particular notions of quality are important for how actors in the potato industry interact. Particular definitions of quality are enacted along the supply chain.

Our empirical material supports our initial contention that actors with similar meanings are more likely to engage in co-operative activities, e.g., joint marketing activities or developing new potato sorts. Actors might engage in transactions with actors with divergent meanings, but these transactions are focused on the economic utility of the specific transaction and do not involve any relationship building (Dwyer, Schurr and Oh 1987).

Despite the concerns that informants express about each other and actors from other links in the marketing channel, the three main Danish retail groups all have long-term relationships with their respective main suppliers of potatoes. These relationships are described as cooperative. Retail buyers consider it important to have relationships with competent suppliers, and relationships between retailers and main suppliers are characterised as cooperative and functioning well, although one retail buyer says that the biggest supplier is not the main partner in relation to developing new products. Retailers and suppliers engage in frequent interactions about day-to-day operations. In addition, regular information exchange about future cooperation occurs 3-4 times a year when retailers and suppliers sit down to discuss ongoing projects and to develop mutual understanding of the direction in which the market/they are moving. Relationships are non-exclusive, as both retailers and suppliers have different partners.

The meanings actors in the field have constructed about consumer preferences are the basis of product development and are translated into quality criteria and quality control routines. Some actors at the processing or wholesale have developed quite elaborate quality control schemes to ensure that the products they sell are of consistent quality, even though potatoes are regarded as a volatile crop that is very dependent on weather conditions (rain, sun) and soil conditions. Quality control schemes typically include guidelines for growers about how to grow potatoes, what fertilisers to use (or not to use), when and how to use pest controls or when to dig up potatoes. Although some growers argued that quality could, somewhat mysteriously, deteriorate quite dramatically between their farm and their customer (wholesaler, processing company), implying that some wholesalers are less than fair in their quality control assessments, the quality control routines of processors and wholesalers provide transparency in the marketing channel. They facilitate the performance of relatively stable institutionalised, well-ordered everyday activities that sustain codified versions of order (representations of markets).

The starting point for innovation is argued to be consumer demands. As noted above Danish consumers are seen as very conservative and slow to adopt innovative products (such as fresh, microwaveable potatoes). On the other hand, consumers want to buy products that are easy to prepare and cook, i.e., are convenient as consumers do not like peeling. Therefore retailers and suppliers collaborate in order to make products visually attractive: Potatoes are

washed and in some cases polished, which also has a convenience aspect, as it reduces the time needed to prepare potatoes. Furthermore, packers sort out potatoes with eyes, scabs, blemishes and sort them according to size in order to make products more visually appealing. Retailers focus on developing attractive packaging.

Innovation processes are in some cases somewhat short of being systematic, consisting mainly of booking a trip to London to seek inspiration from UK retailers and suppliers. It is argued to be difficult to develop radically new products and what some companies consider to be innovation simply involves copying competitors. Opportunities for innovation are seen as existing in relation to packaging, potato varieties and convenience aspects. Furthermore, some informants argue that it is necessary to develop product concepts that can generate impulse purchases and that are more focused on creating customer value than has hitherto been the case. Retail buyers think more in terms of the value they offer to consumers, one trader argues, while packers forget this.

With regard to innovation processes, these are in some cases somewhat short of being systematic, consisting mainly of booking a trip to London to seek inspiration from UK retailers and suppliers. In other cases innovation simply involves copying competitors. It is argued to be difficult to develop radically new products because it takes 10-15 years from a new crossing has been made between two or more varieties of potatoes, until propagation makes it possible to produce the new crossing in sufficient quantities as to be suitable for large scale production and marketing. Rather than develop new potato varieties, product development in collaboration between retailers and suppliers is therefore focused on changing processing and packaging.

Opportunities for innovation are seen as existing in relation to packaging, potato varieties and convenience aspects. Furthermore, some informants argue that it is necessary to develop product concepts that can generate impulse purchases and that are more focused on creating customer value than has hitherto been the case.

In addition to these relatively stable institutionalised, well-ordered, self-reproducing activities that are sustained by actors that are accountable to each other, there are a few instances of more disorderly, institutionally unaccountable activities that contest and challenge codified versions of order mentioned in the empirical material. One example is the introduction of 'tray potatoes' by Coop 12-15 years ago. According to the responsible buyer from Coop, other actors in a market where the norm was to sell 5kg of potatoes for DKK15-20 met the idea of selling 650 grams of potatoes for DKK15 with disbelief. The idea was not just to sell potatoes in smaller quantities, but to carefully select delicious high-quality potatoes that were easy to cook. Once the idea to sell high-quality potatoes in trays caught on with consumers, competing retailers copied the idea.

Another instance of an initiative that challenged existing representations of potato products and markets was the introduction of microwaveable potatoes on the Danish market by Palm Kartoffler. The CEO was convinced that he had come up with a new cash cow, as it would now only take consumers about 7 minutes to cook 600 grams of potatoes and the main retail customer was enthusiastic about the new product. However, actual sales have fallen far short of expectations. Explaining this, the CEO speculates that the company has not been good enough at communicating the benefits of the new product to consumers.

A third is the proposal to develop 'concepts' that can move potatoes out of store. According to one informant, a relative newcomer to the potato industry with background in FMCG, the

potato industry should focus on developing strong concepts that can move potatoes out of store, something which actors are currently not very good at. This could entail new ways of working together

Of these activities, the introduction of tray potatoes has played an important role in shaping the market for fresh potatoes, the introduction of microwaveable potatoes has only caused ripples and the development of strong concepts has market-shaping potential.

CONCLUSION

The analysis supports our initial contention that actors with similar meanings are more likely to transact and engage in co-operative activities with each other. Actors might engage in transactions with actors with divergent meanings, but these transactions are focused on the economic utility of that specific transaction.

Most activities performed by actors in the industry sustain codified representations of the market, but some activities contest and challenge prevalent representations of the market for potatoes. Not all of these disorderly activities can be considered market-shaping events.

REFERENCES

- Araujo, Luis. 2007. "Markets, market-making and marketing." *Marketing Theory* 7 (3): 211-226.
- Berg, Bruce .L. 2007. *Qualitative research methods for the social sciences*. Sixth edition. Boston, MA: Pearson.
- Burawoy, Michael. 1991. "Introduction." In *Ethnography unbound*. Eds. M. Burawoy, A. Burton, A. A. Ferguson, K. J. Fox, J. Gamson, N. Gartrell, L. Hurst, C. Kurzman, L. Salzinger, J. Schiffman and S. Ui. Berkeley, CA: University of California Press, 1-7.
- Callon, Michel and Fabian Muniesa. 2005. "Economic markets as calculative collective devices." *Organization Studies* 26: 1229-1250.
- Cochoy, Franck. 2008. "Calculation, qualculation, calculation: Shopping cart arithmetic, equipped cognition and the clustered consumer." *Marketing Theory* 8 (1): 15-44.
- Coffey, Amanda and Paul Atkinson. 1995. *Making sense of qualitative data*. California: Sage Publications Ltd.
- Dansk Kartoffel-producent forening. 2006. Press release dated February 22, 2006. <http://www.kartoffelproduktion.dk/default.asp?.id=166>. Accessed March 31, 2010.
- Dansk Kartoffel-producent forening. 2008. Press release dated December 12, 2008. <http://www.kartoffelproduktion.dk/default.asp?.id=166>. Accessed March 31, 2010.
- DiMaggio, Paul J. and Walter W. Powell. 1983. "The iron cage revisited: Institutional isomorphism and collective rationality in organization fields." *American Sociological Review* 48 (April): 147-160.
- Dwyer, F. Robert, Paul H. Schurr and Sejo Oh. 1987. "Developing buyer-seller relationship." *Journal of Marketing* 51 (April): 11-27.
- Emirbayer, Mustafa 1997. "Manifesto for a Relational Sociology." *The American Journal of Sociology* 103 (2): 281-317.
- Garfinkel, Harold. 1967. *Studies in ethnomethodology*. Englewood Cliffs, NJ: Prentice Hall.
- Gergen, K. J. 1999. *An Invitation to Social Construction*. London: Sage.
- Glaser, Barney G. and Anselm L. Strauss. 1967. *The discovery of grounded theory*. Chicago, IL: Aldine.
- Haraldsdóttir, Jóhanna, Lotte Holm and Mogens L. Larsen. 2005. *Befolkningens fødevarerforbrug i 2004 – sammenlignet med 1995, 1998 og 2001*. Copenhagen: Ernæringsrådet.
- Kjellberg, Hans and Claes-Fredrik Helgesson. 2006. "Multiple versions of markets: Multiplicity and performativity in market practice." *Industrial Marketing Management* 35 (7): 839-855.

- Kvale, S. 1996. *Interviews. An introduction to qualitative research interviewing*. Thousand Oaks, CA: Sage.
- Miles, Matthew B. and A. Michael Huberman. 1994. *Qualitative data analysis: An expanded sourcebook*. Newbury Park, CA: Sage.
- Pfeffer, Jeffrey. 1981. "Management as symbolic action: The creation and maintenance of organizational paradigms." *Research in Organizational Behavior* 3: 1-52.
- Rubin, Herbert J. and Irene S. Rubin. 1995. *Qualitative interviewing: The art of hearing data*. Thousand Oaks, CA: Sage.
- Schütz, Alfred. 1953. "Common-sense and scientific interpretation of human action." *Philosophy and Phenomenological Research* 14 (1): 1-37.
- Scott, W. Richard. 2008. *Institutions and Organizations*. Third edition. Thousand Oaks, CA: Sage.
- Shotter, John. 2008. *Conversational realities revisited: Life, language, body and world*. Chagrin Falls, OH: Taos Institute.
- Sluss, David M. and Blake E. Ashforth. 2007. "Relational identity and identification: Defining ourselves through work relationships." *Academy of Management Review* 32 (1): 9-32.
- Somers, Margaret R. 1995. "What's political or cultural about political culture and the public sphere? Toward an historical sociology of concept formation." *Sociological Theory* 13 (2): 113-144.
- Sommerlad, Hilary. 2007. "Researching and theorizing the processes of professional identity formation." *Journal of Law and Society* 34 (2): 190-217.
- Statistics Denmark. 2010. *Agricultural Statistics 2008*. Copenhagen: Statistics Denmark.
- Strauss, Anselm; and Juliet Corbin. 1998. *Basics of qualitative research: Techniques and procedures for developing grounded theory*. Thousand Oaks, CA: Sage.
- Wittgenstein, Ludwig. 1958. *Philosophical investigations*. Oxford: Blackwell.
- Wittgenstein, Ludwig. 1969. *On certainty*. Oxford: Basil Blackwell.
- Zuckerman, Larry. 1998. *The Potato: How the humble spud rescued the Western world*. New York: North Point Press.