

Competitive paper

**Facilitating and Framing Network Entry in New International Networks:
The Cases of Danish Water Technologies and Australian Agriculture in Asia**

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Abstract

We examine how managers frame their initial evaluation and expectations when entering new business networks and how the degree of alignment of these schemas among network participants affects the subsequent development and functioning of the network. Based on a case study of the formation of a network of Danish water technology firms seeking to enter markets in South East Asia, we show how the participants' incoming perceptions and expectations and their degree of alignment shape the development of network goals and activities. We compare this case to two previously-reported case studies of the formation of business networks to enter international markets and show how the assortment of firms attracted to the network and the degree of alignment of their initial schemas depends on the way the initial focus of the network is framed and the degree to which initial network goals are supply versus market oriented. Our results have important implications for managers entering new networks as well as the developers of such networks.

Keywords: Network development and framing, sense making, schema configuration, alignment, expectation, international market entry.

INTRODUCTION

Firms are embedded in relations and networks with others with whom they have both complementary and competing interests that enable and constrain what a firm can do, see and think, which in turn affects a firm's ability to create and deliver value to its customers and its overall performance. Relations and networks are the means by which key resources, skills and markets are accessed and co-developed by firms in order to achieve their goals (Wilkinson 2008).

The key dimensions of business networks are actors, activities, resources and schemas (Håkonsson and Snehota 1995, Welch and Wilkinson 2002). The actors are the assortment of firms and other organizations comprising the network and the bonds between them. The activities are the assortment of activities that actors are engaged in and the links between them. The resources are the assortment of skills and abilities actors have and the way they are inter-linked. The schemas are the ideas, goals, perceptions and expectations of actors and their coupling across the network. The focus here is schemas, i.e. the way firms frame their initial goals and expectations regarding network entry and how their degree of alignment across the network affects networks functioning and outcomes. While some prior research has focused on the early stages of relations, (e.g. Ford 1980, Dwyer et al. 1987, Wilson 1995) the initiation of new networks comprising multiple relations has not received much attention so far (Edvardson et al. 2008). Here our focus is on advancing our understanding of the initiation issues in the early stages of network development, which involves the identification and recruitment actors and the development of new types of relations, activity links, resource ties and schema couplings.

The framing of a firm's goals and expectations with regard to network entry is problematic, particularly in international markets because knowledge is limited. One can only really know this by experiencing it from the inside, by becoming a member of a network. The initial framing is influenced by a firm's experience and outcomes of other relations and networks it is involved in as well as prior relations. This shapes managers' schemas, including their goals, expectations and perceptions of the potential value and challenges of entering in and operating in business relations and networks.

A firms' initial framing may be characterized as a mix of exploitation and exploration schemas and activity. Firms seek to exploit and build on their prior knowledge and resources and their relations and network position in other networks. They seek to do this by exploring the potential of entering new networks. Prior research regarding the "pre-relationship" stage – i.e. identifying and investigating potential partner – indicates it is mainly focused on exploration (Yamakawaa et al. 2011). Work in management has examined the circumstances under which exploration strategies are more likely and this confirms that relationship-starting is a key reason for exploration (Gupta et al. 2006) with learning, innovating and finding resources given as the other main reasons for exploration (Rosenkopf and Nerker 2001). Exploration is concerned with experimentation with new alternatives and "(i)ts returns are uncertain, distant and often negative" (March 1991, p. 85), which are the characteristics of new network entry. Exploitation refers to the activities associated with the leveraging of "existing firm resources and

capabilities; the goal is to join existing competencies with complementary assets that exist beyond a firm's boundary" (Yamakawaa et. al. 2011, p. 289). Using a schema-based perspective highlights that exploitation and exploration are often linked. Firms can "exploit" existing schema in the form of capabilities and experience to facilitate more effective exploration activities.

As the network develops over time the network changes as firms learn more about other actors and their activities, resources and schemas. The nature of the actors, activities, resources and schemas develop and change. Competing interests may arise as firms pursue their own self-interest, which adds a further dynamic to the composition of the network and how firms adapt to each other. Firms may enter and leave the network as the nature and potential of the network becomes increasingly influenced by the direct experience and outcomes of operating in the network. These experiences will influence the framing process, including their perceptions of what can be achieved (Tidstöm 2009). New relations emerge and others end. Actor bonds and schema couplings will evolve and the overall focus of the network can change and even split into sub-networks as new types of opportunities emerge as a result of the pursuit of the original objects and/or as the wider environment changes. A virtuous or vicious dynamic can emerge in which firms' commitment to the network increases and the value, stability and effectiveness of network improves or where outcomes are not as expected and commitment declines, leading to eventual dissolution.

In this paper we describe the framing process involved in the formation of a new network to assist Danish water-technology based firms to enter South East Asian markets and compare it to two cases of network development to enter international markets previously described in the literature. Our research question(s) around which this discussion is organized is: What are the key processes within the framing activities that are involved in building a network to enable access to new markets? How do these processes interact with and guide the associated facilitation processes? To investigate the commonalities of these processes, we use a comparative case method where a contemporary main case is compared with two previous-published cases. The three cases consider market development in three quite different contexts. In each the focus on the processes of framing and facilitation that occurred and when and how this built capability. In the next section we describe the case methodology for the main case, which is followed by a description of the case. Next we compare the main case with the other two cases. Finally, we discuss the implications of our results for managers and new network developers and future research opportunities.

METHODOLOGY

The paper is based on a multiple, comparative case study (Eisenhardt 1989) concerning firm's matching of expectations in the early process of network farming. A case study is primarily chosen as it allows understanding such a complex and social phenomenon in its real context (Yin 2003), as well as with the ambition to refine theory through analytical generalizations (Eisenhardt and Graebner 2007). Further advantages of a case study is that it welcomes alter-

ing between empirical and theoretical knowledge (Yin 2003) and is recommend when investigating actors and their resources and activities in networks and business relationships (Easton 1998; Halinen and Tornroos 2005). A comparative method has been used because the patterns of phenomena that are of interest include time dependence, history dependence and equifinality (where it is likely that there is more than one possible path to a particular outcome) (Meyer et al. 1993). This requires that researchers study and compare the deep processes at play (Fox-Wolfgramm 1997). The conducted case study is of a descriptive nature and its unit of analysis is the relationship between firms in an emerging network around the Danish Water Technology House in Singapore. The House is aimed at promoting Danish water technology and knowhow in Southeast Asia through for instance identifying market opportunities and technological partnerships between Danish and Southeast Asian firms.

The data generation for the case study is based on a mixed-method approach of two steps. The first step is made up by a quantitative explorative survey with the ten initial firms of the network (see Figure 2) with the aim to understand their organization and portfolio of products and services as well as their current involvement in Southeast Asia. Building upon that, the second step was centred around semi-structured, in-depth personal interviews with key representatives from the ten firms from step one in order to identify their expectations and resource commitment to the network. The interviews followed an interview guide with open ended questions, which made it possible to concentrate on the special characteristics of each firm as well as to be flexible and follow new perspectives when discovered along the interviews. The interviews were recorded, took place at the firms, and were documented in case reports, which were approved by the interviewees.

The abductive method by Dubois and Gadde (2002) has guided the data analysis. The analysis has been made by challenging the empirical data with theory from the theoretical framework of the paper, and vice versa, along the lines of Miles and Huberman (1994) and their data categorization and recombination process with the stages of data reduction, data display and drawing of conclusions and verification. For data reduction thematic coding was used along the theoretical concepts in the interview guide and for data display a grid has been applied (Gammack and Stephens 1994), which enabled an overview of the many expectations of participating firms. Finally, for the drawing of conclusions and verification, findings from the two previous steps were subject for triangulation and they were the result of an ongoing interaction between the authors as to reach a point of joint agreement of interpretation. This strengthened the construct validity of the study.

THE DANISH WATER TECHNOLOGY CASE

Denmark is a well-known exporter of water technology and knowhow, only outmatched by Italy in the EU27 when export share is compared to total exports (Damvad 2015). In 2014 the Danish export was 2.3 billion USD and primarily consists of pumps, valves, pipes and tubes. The largest importers are Germany and Sweden (Damvad 2015). The water technology industry suffers from several challenges, including a diversity of firms in terms of size and competences, a lack of flagship firms that can take the lead when it comes to internationalization and

coordinating system solutions, and a limited opportunity to take advantage of the innovative capacity of public-owned utility firms (Schacht 2015).

As a response to some of these challenges a formal network of initially ten water technology firms (see Table 1) was formed with the aim to promote Danish water technology and knowhow in South East Asia within these fields of specialization: groundwater, non-revenue water, and aquaculture. We studied the formation of this network first through a survey and thereafter through semi-structured interviews with senior managers in all 10 firms.

The network has a complementary nature since its participants have no major competing interests and have similar competences along the value chain of water technology. The formality of the network is visible through its financial and organizational structure. The participating firms pay a membership fee depending on their number of employees and the network is coordinated by employees at the Freshwater Center in Denmark and their newly opened water technology house in Singapore. Indeed, those employees are responsible for running a number of network reinforcing activities such as seminars and company visits as well as business reinforcing activities like market analyses and facilitation of partnerships for product and technology development.

The network includes firms of varying sizes, ranging from 2 to around 1100 employees. Some firms are entirely focused on either manufacturing or servicing of water technology solutions and others embrace both fields of expertise. Their customer portfolios comprise public and private firms, mostly public utility firms, and their customer relationships consist of arm's length relationships based on a price-quality ratio as well as of embedded relationships where development of new innovative and customized solutions on for example how to minimize water waste and improve water treatment are central. Finally, the firms are generally highly internationalized through export and nine out of ten are present in at least five foreign countries either through agents or through own sales subsidiaries. In relation to Southeast Asia, seven of the ten firms have at least sporadic export activities and one has even a representative there – with an employee from Denmark posted there.

	Firm A	Firm B	Firm C	Firm D	Firm E	Firm F	Firm G	Firm H	Firm I	Firm J
<i>Founded</i>	Between 1950 and 2000	Between 1950 and 2000	Between 1950 and 2000	After 2000	After 2000	Between 1950 and 2000	Before 1950	After 2000	Before 1950	After 2000
<i>Employees</i>	1100	8	21	7	2	170	900	4	350	4
<i>Business offers</i>	Consultancy and research about water environments	Visualizing, interpreting and publishing of geophysical data	Analysis and documentation of microbial contamination in water systems	Method to disinfection of water	Consultancy on water and wastewater management	Develops solutions for water resources, water supply, and wastewater	Supplier of energy and water metering solutions	Water quality monitoring	Mapping of ground water	Develops software for handling, processing an inversion of geophysical data
<i>Share of export</i>	80-90 %	5 %	40 %	60 %	70-80 %	25 %	80 %	30 %	0 %	90-95 %
<i>Main customers</i>	Consulting engineers	Public sector	Public sector, architects, contractors, and insurers	Producers of hot-water systems and detail chairs	Utility firms	Utility firms and public sector	Utility firms	Public sector, consulting engineers, and farmers	Public sector	Public sector
<i>Southeast Asia involvement</i>	Own representation and agents	Sporadic experiences	Sporadic experiences	No activity	Own representation and partners	Through another water tech. firm	Own representation and distributors	No activity	Sporadic experiences	No activity

Firm expectations

From the beginning all of the ten initial firms in the network had these two overarching expectations: they would like to start or expand their sales of water technology and knowhow in Southeast Asia and get access to new resources. However, the importance of these expectations differed. The small firms for the most part had no experience or their experiences with Southeast Asia were only sporadic. They were therefore eager to start selling their own water technology and knowhow. Besides this, they did also expect that they in the long run would be able to establish relationships to other Danish water technology firms participating in the network as well as becoming better at understanding the market characteristics of Southeast Asia. As a result of these expectations, they have not only advocated for the Water Technology House and their employees to act as a facilitator of contact or even as a sales agent to customers in Southeast Asia but also to identify projects, create leads, and establish intra-network relationships and knowledge exchange. In sum, the expectations are primarily related to their own sales activities and are typically not very codified.

In contrast to the small firms, the large firms within the network typically have had some experience of doing business in Southeast Asia and they already have an advanced pool of internal resources to promote their own sales. That has influenced their expectations and generally made them more focused on the entire network and its role in connecting Danish supply and Southeast Asian demand and rather than their being focused only on their own sales activities. Indeed, they seek to be part of a strong value chain of water technology firms that in the long run will increase the knowledge about Danish water technology, foster system solutions in which their products and services are part, as well as developing their already existing Southeast Asian relationships. In the wake of these expectations they have proposed, for example, that the Water Technology House and their employees should facilitate projects and establish intra-network relationships and knowledge exchange that can both add to the individual firms and to the whole network. In sum, their expectations are that the network can provide an infrastructure, which can support the interests of Danish water technology broadly. The expectations of the large versus the small players are to some extent conflicting, at least in the short run, and it is the job of the Water Technology House, their employees and the network firms to find a suitable balance between them. For that to take place a mutual understanding must evolve where the fulfillment of a firm's own expectations becomes a way of fulfilling the collective expectations of the network. This is for instance recognized by the network member DHI, a large multinational, who proposes that the large firms, in the short run, have to accommodate the aspirations of the small firms and allow them to focus on their pursuit of their sales ambitions in order to achieve network synergies in the long run.

Network framing

The framing of the network around the water technology house takes place in different tempi. The firms focusing on groundwater technology have jointly decided that they will target the Indonesian market, at least in the beginning, because of the major market potential in that country. Each of the participants in this subgroup fulfills a vital role in the groundwater value chain going from background research and conceptual modelling to drilling and water management. That, combined with several years of collaboration on groundwater projects in

Denmark and Thailand, has resulted in an accumulated set of competitive competences and mutual trust which has led to a strong commitment and rules of collaboration that help to lower the perception of risk. In addition, the commitment has also been enhanced by the managing director from firm E. His personal experience in Southeast Asia and his status in the water technology industry have enabled him to be a generator and mediator of trust and drive among the other network members.

The unity that has been built up among the firms also has worked as a selection mechanism. Membership of the groundwater subgroup now depends on an aspiring firm's capability to build trust-based schema. An example of this is where a firm was denied access to the subgroup due to their lack of trust – manifested in its unwillingness to follow the group's norms of collaboration. In general it seems that this subgroup is built on loyalty and there is an effective balance between individual and collectivistic expectations.

However, the firms involved in the non-revue water subgroup have so far not reached the same level of unity. The reasons for this in part can be traced back to there being no lead firm or lead person that acts to drive collaboration and helps identify market potentials. To date, this group has only progressed to agreeing to develop a business case that can be used to attract additional Danish firms and capital to the group as well as acting to attract development partners from Southeast Asia. The Non-Revue Water Subgroup is only in the early stages of developing a collective orientation. They have reached a level of awareness and early exploration of network possibilities – from this there is the possibility that a set of basic ideas of collaboration can arise.

The final subgroup on aquaculture has closed down due to a lack of interest among members. As highlighted by network facilitator and press officer Tina Gade, the early framing of the network including the development of the subgroups has been difficult because there is a missing alignment of expectations. To some degree this is based on lack of knowledge and previous experience. For some of the participating firms, especially the small ones with no Asian experience, it has not been made clear to them what resources they have to allocate if they are to succeed as an exporter to Southeast Asia. Furthermore, some of the firms do not have the network framing competencies (Ritter et al. 2002) that would have led to them considering what they can contribute with to the network and how that relates to their own and others expectations. Instead their focus has been primarily or entirely on what the network should provide to them. In addition to this being the result of insufficient knowledge about the network and its purpose, this also is may be due to an absent or incomplete screening of the firms by the organizing body before allowing firms to join the network.

In sum, the network framing is uneven and progresses in different tempi as a result of the diverse levels of experience and commitment that exists. Any unifying network identity is not in sight at the moment and only exists to any degree in one of the subgroups.

CHINA GRAIN CASE

The first case, China Grain, is about the formation of cross industry network of firms in Australia to bid for a share of a major World and Asian Bank Funded infrastructure project in China. Northern China is the world's largest producer of wheat but it faced problems in processing winter wheat harvests, storing the grain in efficient and effective ways that reduced spoilage and transporting it the markets in Southern China. The project involved designing and building a massive new infrastructure of grain handling, transport and storage facilities and new ports. One firm by itself could not seek to take advantage of this opportunity; instead it required a coordinated effort of firms spread across industries and the country, as well as government and industry bodies. Australian industry had considerable expertise in designing and building and managing grain handling infrastructures to serve the world class wheat export industry but they did not form a cohesive network that could coordinate the necessary actors, activities, resources and schemas to address the opportunity. Many of the firms involved did not know each other and were domestically, not internationally, focused. A government trade organization, Austrade, set about developing a network of firms that could take advantage of the opportunity. Through various meetings it explained the nature of the opportunity to different firms and industries and facilitated meetings between them. To begin with, the framing of many of the firms' goals and expectations with regard to joining the network were rudimentary. This was particularly the case for smaller firms. Some firms such as the Australian Wheat Board and large international engineering consultants were able to frame their understanding of the network and its potential value more quickly and in much more developed ways (Welch et al. 1996b).

The degree of alignment of firms' schemas with each other and in relation to the opportunity was at first unclear. This changed over time as a result of the interactions and learning taking place and the way the mix of firms in the network and their schemas evolved and adapted to each other. Austrade organized various meetings, including inward and outward trade missions during which managers from different firms interacted and learned more about each other and their potential skills, resources and schemas, as well as the nature and the opportunity and the interlinked kinds of activities involved (Welch 1996b). Firms began to more clearly frame their objectives and expectations about entering the network. In this way the configuration of schemas evolved to be more aligned in a self-organizing way – with some assistance from the organizing body Austrade. Firms whose schemas conflicted with others' either left the network or learned to connect them in new ways (Wilkinson et al. 1998). In the end the network was successful in getting a major share of the design work for the project and establishing local network partners to bid for parts of the project. In the process the network split into two sub-networks and spawned new networks to pursue other opportunities (Welch et al. 2001).

The processes articulated in the China Grain case differ from the Danish Water case because the formation of the network is focused more directly on a particular market opportunity rather than on a particular industry and technology. For this reason the boundary of the network was flexible and the configuration of schemas in the network evolved to be aligned as only those with schema-development-capabilities relevant to this context continued in one or the other of the networks. The need for this is further evidenced by the China Grain network split-

ting in two, firms with different schema and business models joined different networks. In the Danish Water case the overall purpose was much more loosely defined and focused on building a network of firms centered around one type of technology to identify and exploit market opportunities in a particular region. This brought together firms with different ideas about the nature of the opportunities to pursue and how the network should operate, which were not always aligned. This combined with an overall lack of leadership and network competence (i.e. experience) among the actors has led to the disintegration of some of the sub-networks and to conflicting schemas in others. This has been a common problem in the development of industry based export development groups, who have trouble agreeing on the focus of the group, in part because they tend to comprise firms who are competitors with conflicting objectives and expectations (Welch et al. 1998).

In contrast, in the China Grain case the challenges were not as substantial. The formation of the networks began with a well specified opportunity; it did not need to be identified. This combined with strong leadership from the onset and a core of experienced network actors further facilitated the network's exporting success and continuing development.

Japan Hay Case

The Japan Case is even more closely comparable to the water technology case in that it involves firms engaged in one industry and technology, the growing of oaten hay for export to the Japanese market. As with China Grain and in contrast to the Danish Water Case, the market opportunity had already been identified. In contrast to those cases, here market opportunity had been in part already exploited with network members all having at least limited Japanese exporting experience (Welch et al. 1996b). However this case illustrates the substantial problems that non-alignment of actors' schemas can create. The initiation of the Japan Hay network stemmed from non-alignment of actors' schemas across the industry with respect to export strategy and product quality and the problems it created. The network was born to solve these problems (Welch et al. 1996a).

There was a strong demand from Japanese dairy farmers for Australian Oaten hay but this was in limited supply and only available seasonally. Most of the market was supplied by feed crops from North America but Australia had a counter-seasonal advantage being in the Southern Hemisphere and was perceived as (sometimes) providing the best quality product. The original Australian hay industry structure comprised farmers growing oaten hay and processors who sourced hay from the farmers and prepared and packaged for shipment to Japanese buyers. Many processors from across Australia were exporting to Japan and it was a very profitable business. This had attracted into the industry some opportunistic, low quality operators who would occasionally supply cheap, poor quality oaten hay to Japan. This was damaging the reputation of the Australian product and threatening the industry.

Austrade took the initiative to try to develop a network of exporters that could establish and protect a quality standard for the Australian product. To begin with the processors did not know much about each other and framed their relations as purely competitive – this was based on competitive interactions in the Australian market. But through a series of meetings and

interactions facilitated by Austrade, including inward and outward trade missions to Japan to meet importers and farmers, the configuration of schemas in the network changed. They also began to understand better and develop relations directly with Japanese dairy farmers rather than just Japanese importers. This changed the way they framed their perceptions of the new network, including their objectives and expectations and how it should operate. Actor bonds, activity links and resource ties changed alongside the evolution of schema. Processors would share experiences and expertise and help each other out in meeting demand when crops failed in one region, thus maintaining better relations with Japanese counterparts. This ultimately changed the nature of their relations with each other in domestic sphere with this context also more characterized by collaboration (Welch 1996a, 1998).

The Japan hay case is similar to the Chain Grain in that the formation of the network is based around a specific targeted issue, in this case to overcome a problem facing the industry. Once again the configuration of schemas evolved over time to become more aligned. It started with two kinds of misalignments of schemas: the presence in the industry of short term-oriented opportunists who damaged the interests of others, and the way the wholesalers and distributors framed their relations with each other as competitive based on their domestic competition. Over time the opportunists were marginalized and a more cooperative framing of the nature and operation within the network emerged, which helped all those in the new network. There were still conflicts leading one major processor to leave the network but even he still maintained personal relations with many of the others in the network.

DISCUSSION

The three cases show the important role played by the exploration-focused schemas firms bring to a new network and how these shape the way they frame their objectives and expectations regarding network entry and the degree to which they are aligned. They also show how these schemas evolve over time through the outcomes and experience of the interactions taking place and may become more aligned, at least for those remaining in the network. In the China Grain case the network was initially managed through the leadership of Austrade around a specific market opportunity but increasingly self-organized over time through the interactions taking place. This led to the schema configurations in the network becoming more closely aligned, in part based on evolution of membership. A number of firms started out as watchers on the periphery of the network and then either left it altogether or they began to better frame their objectives and expectations regarding network participation and moved to a more central role.

In the other two cases the composition of the network is predefined around an industry and technology and this is associated with more stability in network membership. This requires members to work more aggressively to frame their schema. In the Japan Hay case the evolution of schemas to ever-more-cooperative ones comes about through the interactions taking place and there is almost no evolution of network membership. The Danish Water case is similar to Japan Hay in terms of the specificity of its industry focus although it is characterized by lower initial levels of competitiveness. However its framing and facilitation different than that of Japan Hay (and China Grain) because for Danish Water there is no clearly defined

opportunity or problem, only a loosely defined regional market focus and the goal to therein exploit opportunities. As a result of this less focused scenario, the members of the network frame their objectives and expectations in more diverse ways that are not aligned and some sub-networks have broken up as a result of lack of results, i.e. lack of development of common goals, positive market outcomes and network development. This highlights that without a clear common goal there is no nothing around which schemas and network membership can co-evolve.

However the subgroup exhibiting the greatest progress towards becoming an effective exporting unit has unified itself under the umbrella of a strong and respected leader. This highlights the role that leadership can play in network development. The top-down forces that effective leadership can provide may act to guide, facilitate and reinforce the bottom-up, self-organization that network members need to be taking if network schema are to grow and flourish. This finding relates to the concept of role-taking, which expresses how actors interpret the behavior of others so as to create a role. In the Danish Water Case employees at the Water Technology House have the role of linking the supply of Danish water technology and knowhow with the South East Asian demand. However, due to the expectations hold by several of the network firms belonging to the groundwater subgroup the managing director by firm E has emerged as an unofficial leader in order to create momentum. He has been granted the role because of his previous success in South East Asia and because he is seen by the other participants as a generator of trust. In both the Chinese and Japanese case Austrade has facilitated the network activities by organizing meetings, trade missions etc., and this role has been taken as the firms involved did not know each other from the beginning.

CONCLUSION, LIMITATIONS, IMPLICATIONS AND FUTURE RESEARCH

The comparison of cases highlight that there are common processes at work in the framing and facilitation of export network development. The comparisons are apt because there is contextual similarity in terms of opportunity-seeking – all three cases are concerned with exporting to South East Asia. In all three contexts export networks are needed to facilitate exporting and all three are guided by an external organization that plays a facilitating role. The differences between the cases provide further insight. The differences in the mixes of experience of network actors, the competitiveness or connectedness of relations between actors in their domestic markets highlight the impact of these factors in facilitating or impeding the development of network schema and its effective implementation in export markets.

While the Australian data is historical, the Danish case is an emergent one. The network(s) being developed in this case is still in early stages. This limits the degree to which comparisons can be made. In the Australian cases both the early stage network establishment processes and their ultimate impact can be and are reported. This is not possible in the Danish case. As time passes the longer term impacts of current activity will emerge and hopefully further comparisons can be made. The Australian cases illustrate that evolution is not always as expected. And they further illustrate that more concrete opportunities may be identified that can serve to guide the evolution of the network in productive and unexpected ways.

A number of avenues exist for further developing the Danish case research. We will continue to chart the development of this network. This will provide important real time information about the deeper processes at play in this network's development. This is in contrast to many case studies where the data is largely or entirely reflective – i.e. based on the memories of those that participated. While this has value, combining reflections with longitudinal data provides more powerful explanations (Bairstow and Young 2012).

This is part of a larger research agenda. We need more systematic case histories of the development of new networks in order to better understand the mechanisms and processes driving the emergence of schema configurations. The effect on network development and performance of the way the purpose of the network is initially framed and members are identified and recruited also warrants further investigation. Lastly, a better understanding of intervention strategies for promoting greater alignment of network members' schemas is required, including the role of the network facilitator or developer. In the Japan hay and China grain cases action learning events, or "business dance parties" (Wilkinson et al. 1998), such as inward and outward missions proved pivotal because of the way it shaped personal interactions and understandings and thereby affecting the way firms framed their objectives and expectations. Still more need to be learned about framing process. Especially with regard to if particular framing patterns can be observed and whether particular triggers and barriers may exist!

What are the implications of our analysis for firms and network developers? First, network developers need to be careful who they try to recruit to join the network. Having a clear and specific opportunity or problem to address provides a better basis for deciding who to target. Second, managers need to appreciate that their initial framing of the value of the network is provisional and shaped by their experience and existing relations; it will change and adapt. This is not a failure of planning because it is not possible to anticipate all possible outcomes; the nature of the actors, activities, resources and schemas in a networks and its potential can only really be learned from the inside. A business network is an example of a complex adaptive system in which the overall configuration of schemas emerges in a bottom up self-organizing from the local actions and interactions taking place in the network over time. No one firm is in control of this, although some may have more influence than others. The network that emerges reflects the history of this collective but differential participation in network activities and the successes (or failures) that it engenders.

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