MARKET REPRESENTATIONS IN ACTION

FOUNDATIONS FOR THE PERFORMATIVITY OF REPRESENTATIONS IN MARKETING

CARLOS A. DIAZ RUIZ
Market Representations in Action

Foundations for the Performativity of Representations in Marketing

Helsinki 2014
Market Representations in Action: Foundations for the Performativity of Representations in Marketing

Key words: market representations, market dynamics, market systems, market intelligence

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The paper is a re-conceptualized version of a conference paper presented at the 2012 European Marketing Academy (EMAC) in Lisbon, Portugal, and was presented at 2013 CCT seminar on Consumption Markets and Culture in Ankara, Turkey.
PART I
1 INTRODUCTION

Cheered by advocates and vilified by critics, markets are at the center of a spirited debate. Proponents argue that free markets are at the pinnacle of human organization rebutting critiques into imperfections to be corrected. Conversely, while acknowledging the unprecedented wealth in western societies attributed to markets, critics point to profound inequalities in wealth distribution and demonstrate overexploitation of natural resources. This debate, however, may be disconnected from how markets actually operate since markets are often evoked rather than studied (Hahn, 1993; Krugman, 2009; Lie, 1997; Venkatesh, Peñaloza, and Fuat Firat, 2006). The problem is that solutions cannot be drafted without a profound understanding of markets; thus, a stream of publications invigorated the study of markets by placing attention on the practices that constitute and stabilize markets (Araujo, Finch, and Kjellberg, 2010; Araujo and Kjellberg, 2009; Callon, 1998a; Fligstein, 2001). This dissertation is a collection of essays showing that, because markets involve complex interdependences, and because the boundaries of markets and society are shifting, the form in which markets are represented matters.

The central claim in this dissertation is that by understanding how representations are produced, consumed, and circulated, marketing scholars are better positioned to see how representations are part and parcel of acting in markets. A tenet for this dissertation in line with Callon’s (1998a) performativity thesis is that marketing practitioners deploy techniques that actively produce and stabilize how markets work. Further, in line with Miller (2002), this dissertation argues that the ideological and representational dimensions of marketing practices are crucial to understand why markets function the way they do, how are markets organized, and how markets change.

The study investigates how the dominant view of the perfect market originating from Smith’s (1776) classical economics fails to explain the markets in which marketing practitioners’ work. Instead, marketing practitioners, hammered with overwhelming complexity, sort and assemble their own market representations. The problem is that marketing has an overabundance of tools to represent markets without actually qualifying whether representation and market fit. By mobilizing theories of action such as performativity, the purpose of this dissertation is to conceptualize market representations by their constituents, assemblages, and purposes.

This dissertation proposes that market representations are suitable objects of study to understand the constituents of markets in practice. However, this claim raises a series of questions: What is a market representation and why is it important? When are markets represented? Who represents markets and for what purpose? The answers to these questions may be clearer through examples before introducing formal answers. Please consider the following three scenarios: First, imagine a corporate boardroom of glass and steel looming from far above. Managers there want information to design market strategies and hire consultants to bring the market to the managerial board. Consultants clad in dark suits show charts representing the market and advise courses of action. However, the managers in the audience are not convinced of what they see: the chart does not correspond to the market that the managers know. The problem in this scenario is that consultants are hired to bring the market to the board; however, the market is not really brought for managerial attention, just a representation. Markets are represented through interpretations that can be contested (e.g., through charts).
The second scenario is the coverage of markets in the news. Please imagine yourself with a morning coffee reading journalists’ warnings about volatile markets. The context of volatility is unclear for a reader disconnected from financial innuendo. Journalists do not mean that strawberry markets will evaporate, or that traders will be angry; most likely, journalists mean uncertainty in certain places, such as the New York Stock Exchange. The stock exchange is a type of market trading specialized bonds and securities that are largely out of reach for most people. When journalists refer to volatility in markets, non-finance readers will see limited implications in their daily life. In the context of finances, journalists represent markets as institutionalized systems of trade including formalized rules and very specialized financial instruments.

Continuing with the second scenario, but in other parts of the newspaper, China is said to be a growing market. In this representation, the geopolitical borders of countries contain the boundaries of markets. When country and market overlap, especially when they are said to be “growing,” journalists situate markets in time and place. Another part of the newspaper refers to the success of the smartphone market in the teenage market. Journalists represent markets simultaneously in terms of a product category, in this case smartphones, and a group of people in their capacity to buy those products, in this case teenagers. Lastly, a hurricane is said to affect the tourism market. Such a market, tourism, refers to a self-selected group of firms that complement each other to accommodate travel, accommodation, and intermediation among other practices. The previous scenario of markets reported in newspapers reveals that the constituents of markets are rather eclectic: institutions (e.g., New York Stock Exchange), countries (e.g., China), product categories (e.g., smartphones), groups of people (e.g., teenagers), and complementing firms (e.g., tourism). Markets are represented through multiple constituents that are sorted and selected.

The third scenario is the interaction between markets and politics. The perfect market from economics is ideally separated from politics, but often this is not the case. In forums with political leaders, business representatives use the opportunity to both defend their markets against further regulation, and ask for bailouts for firms “too big to fail.” Business leaders isolate specific aspects of their markets simultaneously for and against governmental intervention. On the one hand, speakers invoke the ideal espoused by early economists of a free market operating without external intervention. The ideal of a perfect market is mobilized against possible imperfections caused by governmental interference. On the other hand, bailouts for firms “too big to fail” are requested by invoking the embeddedness of markets and society. The beneficial role of firms and society in terms of employment and dynamism is used to justify governmental intervention. Markets are represented simultaneously as self-contained entities and systems integrated into society. The problem in this situation is that markets simultaneously draw from idealistic perfect markets and pragmatic trade. This scenario reveals that markets are represented for multiple purposes by isolating crucial aspects of interest and by drawing simultaneously from the world of ideas and the world ‘out there’.

In the previous examples, managers, business leaders, and journalists simplify very complex phenomena into a motley category of “markets.” The vagueness of the market concept is remarkable (Hahn, 1993 Carrier and Miller, 1998; Miller, 2002), yet although vagueness is rather inconvenient, obscuring the constituents of markets does not prevent actors from continuously representing markets. A representation refers to correspondences between the world of ideas and the world of things (Rabinow, 1986), whether sharing structural correspondences with reality (Mitchell, 1995), or being independent of it (Baudrillard, 1994). A market is represented through coherent yet
incomplete views of what a market is and how it works either now or in a future alternative. Converse to an ideal market composed by abstract forces of supply and demand, markets are represented by isolating associations among humans, money, techniques, and materials. Therefore, when markets are said to be represented here, the reference is that the market concept signifies multiple aspects of social reality that are simplified and mobilized in daily use.

Markets undoubtedly play a role for provisioning society through global interdependences (Fligstein, 2001; Layton, 2007), and thus, markets should be of primary concern in marketing research (Araujo and Kjellberg, 2009; Buzzell, 1999; Peñaloza and Venkatesh, 2006; Venkatesh et al., 2006). Nevertheless, scholars argue that we know little about how markets actually work (Kjellberg et al., 2012). The unit of analysis through this dissertation is that of market representations demonstrating that assumptions about markets matter in marketing practice. The reason is that actors working under certain assumptions about markets make markets more like their representation (Callon, 1998b; MacKenzie, 2006).

This dissertation provides the conceptual foundations and empirical evidence for market representations. Different representations of markets exist because markets are far too complex, and thus actors simplify markets into coherent yet incomplete views. A conceptualization of market representations is offered so that multiple representations can be assembled more thoroughly than with existing conceptualizations. Anchoring this work on the academic concept of performativity (Callon, 1998a; Kjellberg and Helgesson, 2006), and representations (Baudrillard, 1994; Rabinow, 1986), this thesis will argue that the manner in which markets are represented have effects on marketing practice.

This work begins by describing the research problem, posing the research questions, and situating its contribution in the appropriate sub-field of the marketing literature. What follows situates the domain of research by defining key concepts such as markets and representations. Since the work refers to concepts anchored to a social reality, the philosophical positioning is discussed. Once the fundamental research processes are introduced, this work summarizes the contents of each essay, while giving particular attention to the following questions: What are markets? How are markets represented? How can representations influence action? Finally, this paper discusses the findings, integrates them into contributions, and paves opportunities for future research.

1.1 Research Problem

It is easy to forget just how complex markets really are. Markets mobilize constellations of firms and individuals (Normann and Ramirez, 1993), each contributing a bit to stabilize a system of trade well beyond the final sale of a product or service (Vargo and Lusch, 2011). In “I, Pencil”, Read (1999 [1958]) described the many complex interdependences needed to manufacture a pencil, one of the simplest and most ordinary tools for reading and writing. Read demonstrated that producing and selling a
pencil requires global networks of interdependences. Complex global operations including sawing trees in Oregon, mining graphite in Ceylon, and producing the yellow lacquer through chemical preparations, are but a few of the vast operations involved. No one can produce a pencil alone, not even the president of the pencil company. Recently, Thomas Thwaites (2011) tested whether Read exaggerated by single-handedly building a toaster. Rather than buy a simple toaster for about six euros, Thwaites spent nine months and 250 times more money building a device. The sheer scale and complexity of interdependencies reveals a paradox: while making a million toasters is relatively simple, making just one is almost impossible.

Markets are increasingly complex, and yet the form in which markets are represented remains understudied (Kjellberg et al., 2012). Thus, the research problem is framed in the following argument:

a. Representations in markets have been studied predominantly in terms of how close the correspondence is between representation and reality – the accuracy concern.

b. However, less often, representations have been studied as means of active intervention in markets – the performativity concern.

c. The lack of the performativity concern in market representations limits further understanding regarding why markets work the way they do.

The main concern in marketing about market representations is that of accuracy. Firms use representations, for example, to learn from their markets (Day, 2002). Because the process of simplifying complexity is complicated, representation and market should have a strong correspondence; this is the accuracy concern. While markets are increasingly complex (Callon, 1998a; 1998b; 2005; Fligstein, 2001; Miller, 1998), marketing scholars aim for guidelines of action that should be generalizable (Bass, 1995). The problem is that when guidelines are too general they may lose correspondence with the market. It is understandable that marketing scholars like clear-cut narratives leading to precise advice, but if representation and reality lack correspondence, then poor advice may follow. Argyris (2000) suggests that poor managerial advice often results from failing to consider specific adaptations in the managerial context. Managerial practice is always situated within the context of a market; thus, when the characteristics of specific markets are neglected, generalizations become less sound.

Understanding markets has been argued to be of primary concern in marketing scholarship (Buzzell, 1999). Markets are so important for marketing that the word “market” is in the title of the discipline, and yet, marketing practitioners are ill-equipped to face the complexity of markets (Araujo and Kjellberg, 2009). Classic commentators in marketing, such as Alderson (1965, p. 23), argued that the purpose of marketing, as a distinctive scholarly discipline is to explain how markets work. However, for many years, the study of markets has been neglected (Buzzell, 1999; Venkatesh, Peñaloza and Fuat Firat, 2006). In the view of Venkatesh et al. (2006, pp. 252–253) "the term market is everywhere and nowhere in our literature [. . .] (and) has
not been employed with much seriousness or rigor.” Marketing scholars call for a new understanding of markets into the core of marketing research (Buzzell, 1999, p. 61), and champion the potential of a theory of markets (Vargo, 2007, p. 56; Vargo & Lusch, 2011, p. 186).

An overabundance of tools attached to different types of views exists in marketing practice: McCarthy’s Four Ps, Porter’s Five Forces, the Boston Consulting Group Matrix, market share, and market segmentations, among many others. What is unclear is how marketing scholars and practitioners can qualify each of these tools for their own context. When faced with the complexity of markets, marketing scholars and practitioners could use a representational approach to qualify and simplify social, technical, and material constituents of different types of markets into market representations.

1.2 Research Objectives and Research Questions

The overall research problem in this dissertation arises from the difficulty of simplifying social reality into neat and coherent representations. The problem is that because the market representation originating from economics is limited (Fligstein and Dautier, 2007), managers require alternative market representations in their daily work. Multiple market representations exist simultaneously in the form of mental models that differ from manager to manager (Day and Nedungadi, 1994). Market representations were investigated before, but only about the “accuracy concern”; that is, how closely the representation corresponds to the real world. However, a gap of literature is in the constructive aspect of market representations to marketing practice. Subsequently, the overall purpose of this dissertation is to conceptualize market representations in action by means of investigating their constructive aspect. The overall purpose of the dissertation is divided into four research objectives, each corresponding to the research questions discussed in the previous section.

This thesis offers the conceptual foundations for studying markets through a representational approach. Key to the argument is showing how the complexity of markets is simplified into coherent representations, and that these representations have effects on actions taken. This section explains the overall purpose and specific objectives. Further, the correspondence between the objectives and the essays is presented. Table 1 illustrates the relationship between the research objectives and the essays in this collection. Each paper fulfills a different aspect of the overall purpose, and the research objective is further divided into specific objectives.
Table 1  Research objectives and units of analysis

<table>
<thead>
<tr>
<th>Research Objective</th>
<th>Unit of analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Investigate how the market concept is objectified</td>
<td>Assumptions and simplifications used to conceptualize markets</td>
</tr>
<tr>
<td>2. Identify how marketing practitioners simplify the complexity of markets</td>
<td>The practices for assembling market representations</td>
</tr>
<tr>
<td>3. Investigate the constructive dimension of market representations</td>
<td>Market representations used in marketing practice</td>
</tr>
<tr>
<td>4. Develop a conceptualization for market representations in action</td>
<td>Correspondence between market and representation</td>
</tr>
</tbody>
</table>

The previous objectives are framed into formal research questions. Table 2 shows the research problems, the corresponding research questions, and the essays in which each question is addressed. The research questions are addressed conceptually and empirically. The conceptual aspect traces multiple interpretations of markets from their early development in economics to contemporary research in the fields of sociology, economics, and marketing. The empirical part identifies how practitioners sort and select diverse constituents including technologies, social formations, and material devices to form a coherent view of the market. The conceptual and empirical parts are integrated into marketing theory by addressing the research questions presented below.
<table>
<thead>
<tr>
<th>Research objective</th>
<th>Research question</th>
<th>Essay</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Investigate how the market concept is objectified</td>
<td>1. How are markets conceptualized?</td>
<td>1. Theories of markets: Insights from marketing and the sociology of markets. (<em>The Marketing Review</em>)</td>
</tr>
<tr>
<td>2. Identify how marketing practitioners simplify the complexity of markets putting together representations on a daily basis</td>
<td>2. How are market representations assembled in practice?</td>
<td>2. Assembling market representations. (<em>Marketing Theory</em>)</td>
</tr>
<tr>
<td></td>
<td>3b. How representations influence action?</td>
<td></td>
</tr>
<tr>
<td>4. Develop a conceptualization for market representations in action</td>
<td>4. What are the conceptual foundations for market representations in action?</td>
<td>This dissertation’s Introduction</td>
</tr>
</tbody>
</table>

The first objective is to investigate how the market concept is objectified. In order to advance this objective the assumptions and simplifications used to conceptualize markets are studied. Some assumptions about how markets work highlight contrasting, and even contradicting, constituents, such as competition versus relationships. Consider how different it is to think that markets consist of bitter cutthroat competition, rather than supportive interdependent networks of business relationships (Håkansson et al., 2009). On the one hand, a firm recognizing competition as the key feature of its market may focus on aggressive short-term actions aiming to dominate that market. The aggressive strategy derived from cutthroat competition has been addressed extensively through military allusions (Arndt, 1985). On the other hand, a firm recognizing the importance of business relationships may implement diplomatic long-term actions aiming to foster key relationships in that market. When presented with competing assumptions about markets the reader may question: Which assumption is correct? The problem is that the market concept originating in economics has been criticized for its disconnection with real-world markets (Krugman, 2009; Lie, 1993, 1997). Hence, research question (1) is: *How are markets conceptualized*?

Research question 1 – *How are markets conceptualized*? – is advanced in Essay 1. The essay investigates how market representations are theoretically constituted in the economic sociology and marketing literatures. One of the complications is that scholars
use markets in the form of black boxes – concepts requiring no further analysis. To solve this problem, the essay provides an overview of six different literatures that address the notion of markets. Surveyed academic disciplines are in marketing and sociology. Sub-fields in sociology include: networks, fields, and performativity. From marketing: trade arenas, markets as aggregations of customers, and market systems. The paper clears ground for further theoretical development and for positioning the dissertation in different literatures addressing the market concept.

The second objective is to identify how marketing practitioners simplify the complexity of markets by putting together representations on a daily basis. When the assumptions used to study markets are questioned, a practical problem is the overwhelming complexity of markets. Managers work with this complexity by isolating certain aspects of markets for their own purposes. Day and Nedungadi (1994) refer to the process of isolating self-reinforcing views of markets as mental models, and claim that managers rely on those models by continuously simplifying complexity. Bjerrisgaard and Kjeldgaard (2013) show how myths and ideological representations of markets produce certain effects on market boundaries that managers use. Bjerrisgaard and Kjeldgaard illustrate their case by showing the interaction between a firm and an agency through the effects produced by a market research technique developed by that agency. Managers use representations, ‘myths’ in Bjerrisgaard and Kjeldgaard’s (2013) work, to frame and organize the boundaries of what constitutes global and local markets. Therefore, research question (2) addresses the representational practices that managers use in their daily practice: How are market representations assembled in practice?

Research question 2 – How are market representations assembled in practice? – is advanced in Essay 2. Essay 2 takes a qualitative in-depth approach to understand how market researchers describe markets to their clients. Essay 2 identifies the same general gap as in Essay 1, that markets are understudied; however, Essay 2 introduces an empirical element by focusing on the representational objects arranged by market researchers in order to represent a market to their client. Essay 2 mobilizes in-depth qualitative methods of enquiry. The empirical investigation reveals that marketing practitioners represent their markets through a process of sorting and selecting among representational objects including: the frame of the market (exchange or non-exchange), what to include in the content of the representation (actors or practices), what purpose will be accomplished (ostensive or performative), and how to approach what is assembled (internal or external perspectives). The interest of following marketers in their daily work follows a recent stream of literature addressing the internal workings inside marketing (Zwick and Cayla, 2011). This stream of literature addresses how marketing practices are central to the functioning of markets (Bjerrisgaard and Kjeldgaard, 2013; Cayla and Peñaloza, 2012). Marketers simplify the complexity of their markets into somewhat coherent views that are mobilized in daily work without further questioning. In this way, market representations are revealed to be purposeful, that is, a means to an end.

The third objective is to investigate the constructive dimension of market representations. The complication is that multiple assumptions constituting market representations may lead to very different actions. The market practices literature suggests that markets are outcomes resulting from the actions and practices that actors take in markets (Araujo, Kjellberg, and Spencer, 2008). To detail, actors in markets can shift the configuration of their markets by steering how the market operates (Storbacka and Nenonen, 2011a). This line of literature argues that the underlying structures of markets shift according to actions of framing and overflowing (Callon, 1998b).
Different ways to put together market representations have effects in the form through which firms conceptualize their markets (Bjerrisgaard and Kjeldgaard, 2013). The third objective results in two research questions. (3a) What are the constructive dimensions of market representations to managerial action? Once the possible dimensions are identified, then, the following question addresses (3b) How do representations influence action?

Research question 3a – What are the constructive dimensions of market representations to managerial action? – is addressed in Essay 3. The essay is an empirical inquiry investigating whether market representations are constructive to marketing strategy. Essay 3 follows a crucial finding from Essay 2 – that market representations are purposefully crafted as a means to an end. Essay 3 mobilizes market representations in an experimental design to test whether different types of market representations influence the kind of strategy that is more likely to be selected. The empirical investigation reveals that market representations are constructive as well as descriptive. Market representations, at least under controlled settings, influence how markets are understood in the minds of managers and, therefore, have an effect on strategy selection. If the market is represented as a conventional competitive market where normative marketing knowledge applies, then marketing techniques are more likely to be mobilized. In contrast, if the market is represented as uniquely structured, then the unique capabilities of the organization are more relevant when selecting a strategy. However, the limitation of the experiment is that even if the phenomenon is identified, the process remains obscure, and thus Research question 3b is needed.

Research question 3b – How do representations influence action? – is addressed in Essay 4. The essay is an empirical paper interested in how market representations are assembled for learning and for taking action. Essay 4 mobilizes the *map-territory dilemma* to explain the constructive dimension of market representations. The key point of the map-territory dilemma is that representation and reality often are confused (Korzybski, 1994[1933]). Representations and reality may have weak correspondence or none (Bateson, 2000[1972]; Baudrillard, 1994). The paper investigates reports in market research and analyzes and conceptualizes their assemblage through a dual purpose: ostensive and performative. Ostensive representations describe a market configuration for discovery and learning, and performative representations are used for changing that market configuration. The work introduces market representations for descriptive and instrumental purposes that simultaneously serve to learn and act.

Finally, the fourth objective of developing a conceptualization of market representations in action is provided in this introductory essay in the discussion. The work of representations usually refers to learning about the world (Mitchell, 1995). Managers, however, use representations for action. The form in which managers think about their market has an effect when put into action. Chris Argyris studied how managerial theories are used and found that ineffective managerial advice has roots in discrepancies between how things should be and what people actually do. The problem is that contradictory conceptualizations of markets can lead to unsound advice to marketing practitioners (Argyris, 2000). This problem leads to the fourth research question: What are the conceptual foundations for market representations in action?

Research question (4) – What are the conceptual foundations for market representations in action? – is addressed in the Introduction of this dissertation. Marketing has an overabundance of market representations that often not only fail to correspond with markets, but can also fail to be implemented. This introduction provides a conceptualization of market representations that can be used to assemble
and qualify market representations. The essay introduces the domains of markets and representations as fields of study and draws from the notion of performativity to investigate the correspondence between market representations and existing market configurations.

1.3 Position of This Dissertation in the Literature

This section explains how this dissertation is positioned among various streams of research. The body of this work is situated in the marketing literature consisting of three single-authored manuscripts accepted for publication in marketing journals. Figure 1 is a graphic representation of the different sub-fields of marketing and sociology converging on the contemporary study of markets in general and the study of market representations in particular. The following lines explain in more detail the position of this thesis in the interface of sub fields within marketing and sociology.

![Figure 1 Position of the thesis at the intersection of marketing and sociology](image)

The state of literature was mapped while crafting Essay 1, a review article published in *The Marketing Review*, an official journal of the Academy of Marketing in the UK. Review articles are attempts to summarize the current state of affairs on a topic by discussing research previously published (Baker, 2000). Essay 1 is the result of searching and sorting bits and pieces of research published in academic journals on the topic of markets. Findings sorted into coherent categorizations revealed that the topic of markets has received plenty of attention of late in the sociology and marketing fields even though the concept originates in economics (Varey, 2010).

Seminal work for the renewal of interest in the study of markets can be situated in economic sociology, particularly in Callon’s (1998a, 1998b) *The Laws of the Market*, and in Fligstein’s (2001) *The Architecture of Markets*. Callon’s book is an edited collection venturing into how markets are stabilized. The Introduction by Michel Callon asks: “Why does economics have so little to say about the market?” (p. 1). Callon’s assertion is that “economics, in the broad sense of the term, performs, shapes, and formats the economy, rather than observing how it functions” (p. 2). In the final essay of the book, Callon argues that the market is emerging and reemerging (p. 245).
To support the claim that markets are emerging and reemerging, Callon revisits the economic notions of externalities. The concept of externality has been nested in economics with the idea of market failures. Failures for economics involve suboptimal allocation of resources. Economic theory argues that perfect markets result in equilibrium from the equalization of costs through exchange. Externalities, whether positive or negative, distort the market by bringing inefficiencies. The control of externalities, such as imposing taxes on polluting firms, is a common public policy to reduce costs of society. In fact, much of the economic work in public policy is dedicated to containing externalities with the aim of achieving a more efficient market.

However, Callon (1998a) discusses externalities in terms of framing and overflowing. The concept of framing was introduced by Goffman (1974) explaining that frames establish boundaries involving norms and expectations of human action. Callon argues that the concept of framing can be applied to economic externalities. Callon’s conceptualization of externalities is different from that in economics. Economics assumes the existence of institutional frameworks preceding exchange, and thus, when externalities are controlled, the structure of perfect markets can make markets efficient. Callon’s view holds that overflows are the norm, and that framings are expensive and always imperfect. Callon argues that something being framed is fragile, requiring extensive physical, symbolic, and institutional support.

In The Architecture of Markets, Fligstein (2001) argues that the predominant imperative for firms in markets is a double-sided quest for stability first and then profit. This important distinction separates Fligstein’s political and cultural approach from economics. For Fligstein, markets require extensive institutional support and, therefore, firms’ desire for stability necessarily relies on governments in four areas: property rights, governance structures, rules of exchange, and conceptions of control. Subsequently, corporate actions are quite different from those predicted by markets dominated by forces of supply and demand. Since the primary objective is survival, dominant firms establish their position by creating networks of relationships to leverage their influence and reduce uncertainty.

Fligstein argues that a sociological alternative to economic accounts of markets must include a political and cultural component. He maintains that economic accounts of markets fail to explain how markets really work because people operating in markets — governments, entrepreneurs, managers, workers and shoppers — rather than operating in a vacuum, are part of a social, political, and cultural environment. Fligstein’s book discusses economic sociological research arguing for the inclusion of a more political and cultural investigation of markets.

Carrier and Miller’s Virtualism (1998) argues that economic models are prescriptive to form a world that they describe. For Carrier (1998; p. 2), “Economics has come to portray a virtual reality — a world that seems real but is merely a reflection of a neo-classical model — and how governments, the World Bank and the IMF combine to stamp the world with a virtual image that condemns as irrational our local social and cultural arrangements.” The work of Miller is crucial to link performativity and representations; thus, Miller’s work is expanded in the performativity section later in this dissertation.

Sociologists argue that since markets are core institutions in capitalist economies, markets are an important field of study. One important contribution in economic sociology is Granovetter’s (1985) “Economic action and Social Structure: The Problem of Embeddedness.” Granovetter’s work mobilizes views earlier proposed by Polanyi
considering that the economic world substantively corresponds with the entire social organization of material life. Granovetter discusses how economic behavior should be regarded as embedded in social relations in contrast to the approaches that occupy the individualist end. Social relations include aspects of power and leverage between relationships.

Economic sociologists are concerned with aspects of material production, organization of production, and organization of consumption (Fligstein and Dautier, 2007). Much of the work in sociology investigates the coordination problems that actors need to resolve to organize markets: competition, valuation, and cooperation (Beckert, 2010). While economic sociology is concerned with the social cause and effect of economic phenomena (Swedberg, 2009), the sociology of markets is more interested in the structuring elements of efficient operations and institutional structures enabling markets to operate (Fligstein, 2005).

<table>
<thead>
<tr>
<th>Research stream</th>
<th>Work</th>
<th>Important because:</th>
</tr>
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<tbody>
<tr>
<td>Economic Sociology</td>
<td>Granovetter (1985)</td>
<td>Argued for the embeddedness of markets and society</td>
</tr>
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<td></td>
<td>Callon (1998b)</td>
<td>Seminal work for the re-emergence of markets as a domain of academic enquiry</td>
</tr>
<tr>
<td></td>
<td>Fligstein (2001)</td>
<td>Provides the foundations for an institutional perspective to study markets</td>
</tr>
<tr>
<td></td>
<td>Beckert (2010)</td>
<td>Identifies three coordination problems in markets: competition, valuation and cooperation</td>
</tr>
<tr>
<td></td>
<td>Carrier and Miller (1998)</td>
<td>Abstractions in economics are prescriptive</td>
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The work of economic sociology has been influential in marketing. Current debates about markets in marketing are conducted at the boundaries of sub-fields within marketing, such as macromarketing (Layton, 2007), industrial marketing (Araujo, 2007), and consumer culture theory (Giesler, 2008), and yet these sub-fields communicate little. The growing interest of markets in marketing is particularly strong in the sub-fields of market studies and consumer culture theory (CCT); thus, this dissertation is positioned at the interface. The following lines introduce the intellectual communities conforming researchers in both market studies and CCT.

The market studies literature is interested in a reconnection of marketing with markets through the study of marketing practices (Araujo et al., 2010). This community of researchers is interested in how practitioners organize markets (Kjellberg et al., 2012; Zwick and Cayla, 2011). Researchers in this intellectual community are interested in conceptualizing the practices that organize markets. As noted above, market practices are bundles including material arrangements that contribute to perform markets (see Araujo et al., 2008). Three types of market practices are distinguished (see Kjellberg and Helgesson, 2007): a. exchange practices result in the consummation of individual transactions; b. normalizing practices are the constraints of those participating in
markets; *c. representational practices* are the views and portrayals of the operation of the markets.

The work of this line of research can be found in the special issues organized in *Marketing Theory* (Araujo et al., 2008), *Consumption Markets and Culture* (Geiger, Kjellberg & Spencer, 2012), *Journal of Marketing Management* (Mason, Kjellberg, and Hagberg, forthcoming), and edited collections (Araujo et al., 2010). In the Introduction for the special issue of *Marketing Theory*, Araujo et al. (2008) noted that some researchers interested in the study of markets have a background in industrial marketing (e.g., Araujo, 2007; Finch and Geiger, 2011; Harrison and Kjellberg, 2010). The wave of publications about markets in *Industrial Marketing Management* could be explained in that industrial markets are harder to categorize into the well-known structures of supply and demand (e.g., Azimont and Araujo, 2007, 2010; Storbacka and Nenonen, 2011). Subsequently, industrial marketing scholars developed more appropriate concepts such as relationships, networks, and interdependences to explain markets (Brennan, 2006).

Scholars interested in market studies have studied the forms of valuation and calculations that make it possible to organize the infrastructure across industries; for instance, Azimont and Araujo (2010) focused on the negotiations that determined the typology for classifying different types of gas stations sustaining a designed economic organization. Negotiations to stabilize markets can be seen in the interactions between manufacturers and retailers shaping how product categories are organized (Azimont and Araujo, 2007). Trade shows are used to impose categorizations among producers which later become standard trends (Rinallo and Golhetto, 2006). Industrial segmentation of potential markets shape groups of interest in the minds of managers (Harrison and Kjellberg, 2010). Because managers craft value propositions aiming to push the boundaries of markets (Storbacka and Nenonen, 2011b), market studies have demonstrated that the actions of firms have tangible effects toward shaping how markets are organized.

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<th>Research stream</th>
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<tr>
<td>Araujo (2007)</td>
<td></td>
<td>Introduced economic sociology in marketing, also discussed an institutional approach of markets</td>
</tr>
<tr>
<td>Market studies</td>
<td></td>
<td>Provided the foundations for the study of markets from a practice perspective</td>
</tr>
<tr>
<td>Araujo et al. (2010)</td>
<td></td>
<td>Argued to reconnect marketing to the study of markets</td>
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Literature on market studies has investigated how actors organize the structures of markets to suit their own purposes. However, little is said about how consumers shape markets. Scholars associated with CCT have been interested in the form in which consumption results in new forms of market organizations (Giesler, 2003; Martin and Schouten, 2014; Peñaloza and Venkatesh, 2006; Venkatesh and Peñaloza 2006). CCT scholars note that “markets are not universal, self-contained entities, but rather take on distinct discursive forms and material practices across various social contexts and over
time” (Venkatesh and Peñaloza, 2006; p. 147). CCT publications can be found in the Journal of Consumer Research (Martin and Schouten, 2014), Journal of Marketing (Humphreys, 2010), Consumption Markets and Culture (Geiger et al., 2012), Marketing Theory (Giesler and Fischer, forthcoming) and edited volumes (Zwick and Cayla, 2011).

Some of the main contributions conceptualize markets as sign systems (Venkatesh et al., 2006) and social systems (Giesler, 2003), and study the creation of markets as a social process (Humphreys, 2010). Their work mobilizes cultural constructs such as identity and ideology (e.g., Luedicke, Thompson and Giesler, 2010) in a quest to understand how people “live” markets: escaping from the system (Kozinets, 2002), creating new identities with their possessions (Belk, 1988) and forming communities (Muñiz and O’Guinn, 2001).

Consumption pushes new forms of market organizations. For instance, conflicts in the war on music downloading between groups of consumers and producers revealed how markets evolve through stages of structural instability (Giesler, 2008). Groups of consumers help to create new categories such as minibikes by means of conversions of existing products and the organization of interest groups (Martin and Schouten, 2014). The work of Martin and Schouten (2014) shows how consumers modify artifacts and organize practices, thereby introducing independently new product categories that firms join later. This form of market formation involves new devices and techniques that are led by consumers. Similarly, institutional and cultural aspects contribute to stabilizing markets as part of a social process. Humphreys (2010) traced how newspapers legitimized or challenged casino gambling over the years through non-market attributes such as increases in crime or benefits to local employment to structure the market of casino gambling.

Of particular interest is the literature of market “myths” (e.g., Bjerrisgaard and Kjeldgaard, 2013; Giesler, 2008; Thompson and Tian, 2008). Myths involve ideological and identity beliefs continuously constructing markets in line with social-geographic-historical contexts. One example is the political struggle between coffeehouses and the historic Ottoman Empire (Karababa and Ger, 2011). The coffeehouses were banned and reopened several times as the Ottoman rulers contended against dissent. The uneasy relationship between the coffeehouses and the government was crucial for the stability of the Ottomans who used their geographic position to exert economic and military power. Consumers and producers are both involved in creating and sustaining market myths such as the “American West” (Peñaloza, 2001) or “The South” (Thompson and Tian, 2008). Marketers promote certain consumer practices to give form to the lifestyle and identity of “The South” in the US (Thompson and Tian, 2008). Market boundaries such as global and local are contingent on the mobilization of marketing techniques and, therefore, myths, half-truths, or fiction precede the real (Bjerrisgaard and Kjeldgaard, 2013).
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<tr>
<th>Research stream</th>
<th>Work</th>
<th>Important because:</th>
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<tr>
<td>Consumer Culture Theory</td>
<td>McCracken (1988)</td>
<td>Provides the symbolic character of consumer goods</td>
</tr>
<tr>
<td></td>
<td>Peñaloza and Venkatesh (2006)</td>
<td>Called marketers to study markets as social scientists including cultural aspects</td>
</tr>
<tr>
<td></td>
<td>Venkatesh et al. (2006)</td>
<td>Suggest that markets are sign systems</td>
</tr>
<tr>
<td></td>
<td>Giesler (2008)</td>
<td>Identifies markets as social systems where consumers and firms interact through conflict and compromise</td>
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1.4 Key Concepts

Several concepts used in this dissertation are either unfamiliar neologisms developed in specialized literature, or familiar concepts with meanings separated from everyday use. This section offers a reference of the most common definitions used throughout this dissertation.

Assemblages: From science and technology studies (STS), assemblages are complex associations among heterogeneous constituents such as technologies, ideas, discourses, money, and people that can be arranged in various ways to form a unified whole. Assemblages reconnect natural objects, social phenomena, and discourse into hybrids associated through the interaction of people, things, and concepts (Law, 2009).

Black boxes: From STS, black boxes are the way in which the inner workings of scientific and technical achievements are obscured by their own success (Latour, 1999, 2005). Black boxes result when assemblages are taken for granted and its contents rendered unimportant because the matter of study is settled.

Markets: A structured configuration of trade involving heterogeneous assemblages among humans, techniques, and materials with the purpose of provisioning society. Markets are outcomes resulting from the practical accomplishments of actors acting within, and pushing further structures constraining their actions.

Market Practices: Bundles including material arrangements that are performative in markets (see Araujo et al., 2008). Three types of market practices are distinguished (see Kjellberg and Helgesson, 2007): a. exchange practices result in the consummation of individual transactions; b. normalizing practices are constraints of those
participating in markets; c. representational practices are the views and portrayals of the operation of markets.

**Market Representations:** Coherent yet simplified views of what a market is and how it works, either now or in an alternative future version. Managers sort out and select among representational objects including observations, personal experiences, and secondary information to form a self-reinforcing view of the market. The various ways and forms in which representational objects are routinely put together is a representational practice.

**Performativity:** An analytical approach as well as an empirical phenomenon where the world of ideas affects the real world (see Kjellberg and Helgesson, 2006). Performativity of economics study how ideas, theories, and models about markets may contribute to frame the economy (Callon, 1998b, 2007).

**Representations:** Human creations sharing structural correspondences with reality while remaining independent. Representations result when something stands for something else in a way that representations can be confused for the real (Mitchell, 1995). Representations may correspond with reality strongly or weakly; if a representation does not correspond with reality at all it is called a simulation (Baudrillard, 1994).

**The Market:** An idealized structure from economics based on rationality and individuality that allows buyers and sellers to exchange any type of goods and services. The market concept rests on several assumptions (Geroski, 1998): an infinite number of buyers and sellers able and willing to participate; participants are free to enter or leave without barriers; buyers and sellers have unrestricted access to information; exchanges occur without incurring transaction costs; sellers offer homogeneous products aiming to maximize profits; no externalities exist.

1.5 **Structure of the Dissertation**

This thesis is structured as follows. Part 1 integrates findings derived from the essays forming this dissertation. In Part 1, this introductory chapter has identified the research problem, stated the purpose, and situates this research in the literature. Chapter 2 anchors the object of research by providing a theoretical background for the study. Chapter 3 discusses the research methodology including issues for the philosophy of science. Chapter 4 provides a summary describing the contributions of each essay. The final and fifth chapter of Part 1 discusses the overall contributions of the dissertation, distinguishing between theoretical and practical implications. Part 2 consists of the three papers forming the foundation of this dissertation.
2 THEORETICAL ANCHOR FOR MARKET REPRESENTATIONS IN ACTION

This section offers an overview of the theoretical background. A detailed description of the domain of research and the theories mobilized in its study are proposed. The domain of research is the interface of markets and representations; hence, market representations. Performativity is the theory mobilized to understand the object of research.

The domain of research is situated in the interaction of markets and representations. Markets and representations hardly receive attention simultaneously since both concepts originate from distinct research traditions. On the one hand, the market concept developed in economics, with further refinements in economic sociology and business scholarship. On the other hand, representations are grounded in the work of philosophers and cultural scholars interested in aspects which constitute the human experience (Rabinow, 1986). Seldom do scholars in the humanities interact seriously with economists and business scholars (Slater and Tonkiss, 2013); thus, scholars in the humanities tend to avoid matters of money, while economists avoid culture. This mutual avoidance is unfortunate since contemporary society cannot be separated in false dichotomies of “either-or”: either human experiences or monetary transactions. Fortunately, marketing as an academic discipline involves both culture and money; although admittedly, the roots of marketing are anchored more deeply in economic research than in cultural studies (Varey, 2010).

2.1 Domain of Research: Markets

The market concept is a remnant of the idea of a marketplace where people used to meet to trade; thus, similarities between both permeate contemporary understandings of markets (Callon, 1998a, 1998b). The work from Adam Smith heavily influenced the form in which we think about markets now (Lie, 1993). Smith published his “Wealth of Nations” in 1776 describing how when people strived to maximize their own private benefits, society also benefited as a result. It remains unclear whether Smith, a religious person, intended the invisible hand to be a metaphor or the actual intervention of God in society (Kennedy, 2009; Rothschild, 2003). A decade before Smith, Anders Chydenius (1765), a priest in Finland/Sweden, wrote a treatise of classic liberalism arguing that economic life cannot be governed from above. Chydenius argued that the only guiding principle for economic organization should be freedom for people to advance their own selfish interests. The invisible hand is used today when explaining markets through the equilibrium found between supply and demand.

If we immerse ourselves in the spirit of the era, we could picture the image of a Scottish gentleman, such as Adam Smith, influenced by the concepts of rationality and individuality dictated by the Age of Enlightenment. In a dimly lit room, Adam Smith like many of his contemporaries, such as Thomas Hobbs or Immanuel Kant, contemplated the many changes that society was suffering when moving toward a social
organization based on reason and individual responsibility (Kennedy, 2009). Of particular interest for classic economists such as Bentham, Say, and Malthus, was whether governmental intervention in price setting mechanisms was counterproductive. One crucial topic included the benefits and limitations that free trade brought to urban societies (e.g., the price at which food originating from the countryside was sold in cities). Inspired by the rapid advance of the natural sciences, mathematicians such as Cournot modeled pricing mechanisms revealing how complicated it would be for any central authority to settle on an optimal price for every actor. Early economists recognized that each individual is responsible to rationally decide whether or not to purchase. Since the individual is assumed to be rational, the responsibility for determining pricing is in each individual participant and not in a central government. The market is free when two rational individuals exchange goods; the price would necessarily be optimal, because if the price was too high from the seller to the buyer, the seller would waste his inventory.

Over the next 160 years, economists developed an extensive body of theories elaborating the idea that a free market was stable and trustworthy (Krugman, 2009). Discrepancies between theory and reality were reduced to imperfections in need of correction; of particular importance were externalities, or costs imposed on others without paying prices such as pollution (Laffont, 2008). Economists believed that if externalities were minimized and governmental intervention halted, markets would be efficient and free. Consequently, economists refer to “The Market” in terms of an idealized system of structured interactions through exchanges.

The following are assumptions about perfect markets. A market should have an infinite number of buyers and sellers with the ability and willingness to supply and buy products at a given price. No barriers of entry should exist for new participants in the market. All consumers and producers are assumed to know perfectly about prices, quality, and utility. Importantly, buyers and sellers should not incur transaction costs when exchanging products. Firms offer homogeneous products which are the same among firms aiming to maximize profits. Last, no externalities should exist.

While the market concept originates in economics, insights of markets have been criticized by an over-reliance on doctrine (Geroski, 1998; Lie, 1993, 1997). In other words, when a market under observation does not correspond to the idealized model, the model is not corrected; instead, the observed market is considered imperfect. Economic sociologists mobilized ethnographic methods aiming to identify whether different types of markets exist, and how markets are organized (Fourcade, 2007). And while we have learned much from the application of anthropologic methods in markets (Cayla and Arnould, 2013), ethnographic insights are yet to be fully integrated into marketing research for the benefit of managers, public policy, and society. However, one clear insight is that markets have become too complex and too multifaceted to be explained by a single metaphor of an invisible hand mediating supply and demand. As with any other system in contemporary society, a series of abstractions, simplifications, and interpretations

---

The perfect market assumes:
- An infinite number of buyers and sellers
- No barriers of entry should exist
- All consumers and producers know prices, quality, and utility
- Buyers and sellers should not incur in transaction costs
- Sellers offer homogeneous products
- No externalities should exist

---
are needed to partially comprehend markets. Contributions from the humanities are important in business and economics to understand how humans make sense of the complexity that we created ourselves; thus, this work mobilizes representations as a tool to understand markets.

Many well-established marketing practices work directly against assumptions found in the market concept: product differentiation challenges the assumption of product homogeneity (Smith, 1956), and uncertainty challenges the assumption of perfect information (Read et al., 2009). Consider that advertising is a persuasive practice which often mobilizes emotional arguments, challenging the assumption of complete rationality. Marketing scholarship is in the fortunate position of providing a distinctive perspective for the understanding of markets because of its closeness with marketers who are engaged in markets.

Unfortunately, for many years the study of markets has been neglected in marketing (Buzzell 1999; Day and Montgomery, 1999; Kjellberg et al., 2012). One reason is that when discussing markets, the most notable reference is that marketing attributes a specific meaning defining markets as a collection of customers: “All persons or business units who buy or may be induced to buy a product or service” (Kotler 1967, p. 6). Marketing scholars locked themselves to a narrow domain of research where the market is the aggregation of customers. Literature abounds with characterizations of markets as customers: market segmentation addresses “segments of customers with distinct demand functions” (Dickson and Ginter, 1987, p. 5), market orientation means customer orientation (Kaur and Gupta, 2010, p. 90; Slater and Narver, 1995, p. 63), and market creation means identifying a latent need in consumers (Anderson and Gatignon, 2005, p. 401).

The definition of markets used in this paper originates from the literature of market studies: A structured system of trade involving heterogeneous assemblages among humans, techniques, and materials. Markets are outcomes resulting from the practical accomplishments of actors acting within, and pushing further structures constraining their action. Researchers affiliated with market studies (e.g., Araujo et al., 2008), consider that markets are constituted by ‘market practices’ (Kjellberg and Helgesson, 2006; p. 842), including what marketers themselves do (Hagberg and Kjellberg, 2010). Practices are essential when defining the boundaries of markets because their actions reconfigure markets whether consciously or not. There are three different types of market practice (Kjellberg and Helgesson, 2006, p. 843): exchange practice (the concrete activities involved in consummating economic exchanges); normalizing practice (focusing on establishing how actors should shape markets or other actors); and representational practice (activities that portray how markets work or should work).

### 2.1.1 The market vs. markets

This section distinguishes between “the” market and “a” market. Addressing “the” market implies an objectification of a single concept. The market concept is an idealized structure based on rationality and individuality that allows buyers and sellers to
exchange any type of goods and services when drawing from Cournot and Marshall. The market concept rests on several assumptions concerning the competition making the market perfectly idealized: an infinite number of buyers and sellers able and willing to participate; participants are free to enter or leave without barriers; buyers and sellers have unrestricted access to information; exchanges occur without incurring in transaction costs; sellers offer homogeneous products aiming to maximize profits; no externalities exist.

“A” market is a configuration which occurs in the real world where multiple versions of markets can exist either now or in the future; hence, markets are plural (Kjellberg et al., 2012). Markets are studied in their multiplicity and situated in time and space since practices, although resilient, can be modified and, thus, markets change (Araujo et al., 2008). Multiplicity is integrated in the definition of markets used in this dissertation: A market is a structured system of trade involving heterogeneous assemblages among humans, techniques, and materials with the purpose of provisioning society. Markets are outcomes resulting from the practical accomplishments of actors acting within, and pushing further structures constraining their actions (Araujo et al., 2010). To detail, markets vary in type and kind and their study is linked to tangible aspects such as prospective customers and distribution channels, as well as intangible mechanisms, including legislation and traditions.

Table 6 compares the differences between the market concept and the study of markets. One of the principal differences lay in their domains. While in principle the market concept is concerned with resource scarcity, its domain lays exclusively in economic transactions, and this is a limitation that has been explored at length (e.g., Vargo and Lusch, 2004). The type of construct used to study markets is situated in time and place; thus, the constituents of markets are revealed in interdependences. Interdependence and heterogeneity reveals that the study is highly contingent on the context; therefore, the observer requires interpretations of the environment. The form in which observers make sense of markets through representations is studied in the following section.
Table 6  Comparison between “The market” concept and the study of “markets”

<table>
<thead>
<tr>
<th>Concept</th>
<th>The Market</th>
<th>Markets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Definition</td>
<td>An idealized structure based on rationality and individuality that allows buyers and sellers to exchange any type of goods and services</td>
<td>Structured systems of trade involving heterogeneous assemblages among humans, techniques, and materials</td>
</tr>
<tr>
<td>Domain</td>
<td>Economic transactions</td>
<td>Heterogeneous; revealed in social, technical, and material associations</td>
</tr>
<tr>
<td>Purpose</td>
<td>Individual and rational participants maximize their own benefit</td>
<td>Interdependent associations serve to provision society</td>
</tr>
<tr>
<td>Type of construct</td>
<td>Idealized</td>
<td>Situated in time and place</td>
</tr>
<tr>
<td>Multiplicity</td>
<td>Singular; Real-world variations are imperfections</td>
<td>Multiple versions can exist as practices change</td>
</tr>
</tbody>
</table>

2.1.2  Is the market concept a black box?

This dissertation argues that the market concept has become a black box in marketing because the representations used to simplify complexity in markets are not studied enough. Latour (1986, 1999) refers to “blackboxing” as the process in which the constituents of an assemblage are obscured and taken for granted. Latour (1994) explains that black boxes often arise because certain technologies become too successful, to a point where there is no longer any need to investigate their contents. Consider, for instance, the case of the internal workings of a car engine which is ubiquitous. The car is considered a unit forgetting about the engine, but as soon as the car stops working, the parts of the engine become relevant. Black boxes happen in markets as well: Nobel laureate, Paul Krugman (2009), accused economists of growing complacent when the economy grows, while neglecting flawed assumptions in times of crisis. Krugman’s article in The New York Times reflected upon the financial crisis of 2008 arguing that flaws in economists’ models are apparent in failures and breakdowns. A comic vignette accompanying Krugman’s article showed how economists’ flawed assumptions become “visible” in times of crisis and recessions: “Blanchard, Bernanke and Lucas thought that economics was in excellent condition, until the economy fell apart,” satirized the comic vignette.

The risks of treating the economy as a black box were apparent during the financial crisis in
2008, and the risk is relevant for marketing practitioners as well. Consider that when advice is based on doctrine and black boxes the risk increases since the black box becomes visible only at times of failure. How could managers qualify advice if their context is treated as a black box? Accessing the assumptions behind markets is a safeguard in case the existing insights are insufficient to understand how a specific market works. A safeguard is necessary because if and when prescriptions fail, opening black boxes becomes necessary.

In a rhetorical sense, a black box, according to Latour (1986), is used to establish facts. Facts, Latour argues, are one part authoritative statements, one part truths. Latour explored how claims are presented and contested as technical facts to legitimize a certain course of action. It is important to identify black boxes because marketers often accompany facts with a liberal use of prescriptions. Prescriptions may be less useful because representations may not apply to every context. Does marketing scholarship have such black boxes? If so, how do black boxes in marketing contribute to explaining what marketing does?

Latour explains black boxes through a series of three interconnected statements. In the first statement, a claim is introduced as a fact. This is the black box. The second statement argues for a course of action when the black box is accepted as a fact. The third statement rebukes the course of action, the second statement, by questioning the black box, the first statement. Please consider the following sequence as an example:

1) In the market there is competition
2) We should aim to dominate through aggressive pricing
3) Our competitor is also our client, perhaps we should aim for a relationship

If we agree with (1), we will be eager to think about the market in terms of power and resistance because competitors are bound in an eternal struggle for dominance. After all, the game in cutthroat competition is winning or losing. Competition says nothing about long-term survival, because competition is focused on the next transaction. Assuming that (1) is accepted as a fact, then it will be more likely to accept the course of action suggested in (2). Price setting mechanisms have been prescribed as the most significant method for setting the allocation of resources between the supply and demand in an environment of competition. The assumption that the environment works under standards of competition will lead to the immediate assumption that aggressive pricing will win contracts. However, (3) rebukes the course of action suggested by (2) by exposing (1) as a black box; thus, in business to business environments, relationships and networks play a more important role than price alone. If managers use an aggressive pricing strategy in industrial markets, it is possible that when the competitor plays the role of client, overall revenues will decrease since the relationship may be damaged. Sentence (3) draws attention to the delicate interdependencies needed in industrial markets, which in turn exposes assumptions of competition in markets, and (1) as a black box with the consequence of diminishing its strength as a fact.

Black boxes are more than rhetorical tools. In STS, black boxes are used to study how techniques and concepts are objectified (Pickering, 2010[1995]). When a technique finally assumes an accepted status, it becomes a black box. For a technique to become a black box a certain degree of consensus is needed. For example, while an automobile may not necessarily require four tires and a steering wheel, a vehicle without such devices will hardly be considered an automobile. Andrew Pickering (2010[1995])
argues that the stabilization of techniques in science is originally local and temporal, but that when the technique is found to be reliable, it becomes a working instrument, a black box. The technique thus transitions from an object of investigation to an instrument because it is trusted to produce certain results. A black box stops being interesting as an object of inquiry.

Since consensus is required to objectify a concept into a black box, the process of blackboxing is deeply political. Consensus requires groups to agree what constitutes the black box. Nevertheless, the black box may breakdown; that is, the black box may fail to be completely reliable. In case of breakdowns, the black box returns again to being an object of inquiry. For purposes of this dissertation, when the market is shown to be faulty, the black box is preserved arguing for imperfections in reality. In other words, economists reverse the process that Pickering proposes by forcing an idealization into reality as a black box and then making reality comply. This reverse process of black boxing is similar to Carrier and Miller’s (1998) thesis of virtualism. Carrier and Miller argue that economists create an idealized representation of how the market should be and then design tools to bring that vision into how real markets operate.

2.2 Domain of Research: Representations

In order to understand how multiple versions of markets are possible, it is important to establish the role of representations. The importance of representations has been recognized in marketing literature since at least the 1950s (Gardner and Levy, 1955). Marketing is said to be a representational practice (Levy, 1999[1959]; Stern, 2004), since marketers work daily to make something stand for something else. One example is in the practice of branding where a firm designs a sign aiming to represent the capabilities and values of the organization; thus, a brand is a representation that has similarities to the tangible and intangible capabilities that firms offer to their customers. Another example is the practice of advertising where firms use images, to represent the benefits of whatever the firm has to offer. While ads often correspond to real benefits, advertisers have been accused at times of misrepresenting those benefits. Consequently, the correspondence between a representation and reality can be either strong or weak.

2.2.1 Correspondence between representations and reality

Representations are human creations sharing correspondences with reality or signs while remaining independent of their author. Representations result when something stands for something else in such a way that representations can be confused with the real. One example is when marketers say that diamonds mean love. Diamonds are used profusely in engagements and weddings to represent long-lasting and true love because diamonds share structural similarities with love: purity, rarity, and resilience. Diamonds and love are different, of course, but diamond merchants are eager to maintain the comparison, and partly because of their insistence, diamonds continue to represent love. Rabinow (1986) argued that representations are socially constructed conventions linked to what we know. For Rabinow, knowledge is contextual and situated in a particular space and time:

To know is to represent accurately what is outside the mind; so to understand the possibility and nature of knowledge is to understand the way in which the mind is able to construct such representations. Philosophy's eternal concern is to be a general theory of representations, a
theory which will divide culture up into the areas which represent reality well, and those which
do not represent it at all (despite their pretense of doing so). (Rabinow, 1986, p. 235).

Rabinow (1986) traces how Foucault treated the problem of representations as a
general cultural concern informing multiple social domains and practices because of the
interest in which representations capture the problem of truth and subject. The problem
is that there is always the risk of confusing the representations in the mind with the truth out
there (Marcus and Fischer, 1986). Some applied
disciplines, such as cartography, work
intensively with representations. Cartographers
discuss projection methods to represent three-
dimensional objects such as the Earth in two-
dimensional surfaces. Cartographers know that
each projection technique has benefits and
limitations in terms of the distortions on the
plane; therefore, cartographers discuss whether
or not certain projections are suitable for certain
purposes. Projections used to navigate on the
sea are different from projections showing geopolitical boundaries. Stern (2004)
argued that the problem of representation has not been properly studied in marketing
literature even though much debate is centered on the object of representations; that is,
the phenomena of interest in markets, rather than the manner in which market
phenomena are represented.

Representations may correspond with reality strongly or weakly; if a representation
does not correspond with reality at all it is a simulation (Baudrillard, 1994). In his
_Simulacra and Simulation_, Baudrillard (1994) presented four stages of disconnection
between representations and reality: First, the representation is a faithful reflection of
reality. The metaphor is that of the mirror where a representation reflects the real
world to our senses, a foundational requirement for theories of knowledge. Second, the
representation hints at the existence of something else. This stage is explained with the
metaphor of the mask where it is impossible to gain access to reality with our senses, which
need to be unmasked. Third, a representation is _simulacra_ involving a substitution of
representations for objects; thus, logos and brands blur the distinctions between the real
and the imaginary. Fourth, no connection with reality is even pretended; there is no clear
indication of where reality stops and the representation begins, with the simulation blurring the distinctions between _hyperreality_
and reality. Baudrillard argues that Disneyland is hyperreal because its artificiality makes the experience authentic. Baudrillard (1994, p. 1)
coined the phrase “the map precedes the territory” to show how representations precede
social reality.

Unlike a representation coming into existence after the referent, _simulation_ is a pretense

<table>
<thead>
<tr>
<th>Degrees of disconnection between representation and reality (Baudrillard, 1994):</th>
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<tbody>
<tr>
<td>○ Faithful reflection of reality (a mirror)</td>
</tr>
<tr>
<td>○ Hints at the existence of something else (a mask)</td>
</tr>
<tr>
<td>○ Substitution of representations for real objects (logos and brands)</td>
</tr>
<tr>
<td>○ No clear indication of where reality stops and the representation begins (simulation)</td>
</tr>
</tbody>
</table>

| Representations are human creations sharing correspondences with reality or signs while remaining independent of their author. |
without correspondence to any reference. It is the fundamental absence of reference that allows a simulator to produce signs that convince others about something that is not really there. A favored example of Baudrillard’s was explaining how media is able to simulate something that is not really there but with real effects, such as convincing society that war is inevitable. Baudrillard’s (1995) example for illustrating how media shapes social reality is in his book *The Gulf War Did Not Take Place*, which shows how images of war precede real war; thus, war begins when society is convinced that war is coming, instead of with gunfire. The events and violence in the Gulf War were masqueraded in such a way that it was impossible to distinguish between the actual conflict and selective misrepresentation. Baudrillard argues that simulation threatens the difference between the true and the false, and between the real and the imaginary. Simulators have the ability to produce real effects by confusing the real and the feigned.

Baudrillard’s concepts are relatively foreign in the marketing literature (Brown, 1995), requiring this work to argue for the relevance of representations in marketing. The reason may have been explained precisely in the following quote by Brown:

*The map is not the territory* (Korzybski, 1994[1933], p. 58).

Departing from Baudrillard’s defense of postmodernism, the correspondence between the referent and representation has been studied in the philosophy of science. The work on representations has been discussed widely in the context of the scientific creation of knowledge. The underlying question is that if representations can be separated from truth, how could we know that knowledge is truth? Scientific philosophers have discussed at length whether representations in the mind correspond with reality at all. Commentators such as Mitchell (1995) argued that a representation needs a correspondence between symbols and real-world objects to become knowledge. Representations are able to do more than mediate between the observer and knowledge, since representations “obstruct, fragment and even negate knowledge” (Mitchell, 1994, p. 188). Consequently, for Mitchell, representations actively construct knowledge. On the other hand, since representations depend on context and social conventions (Rabinow, 1986), scholars have questioned the existence of definite truths (e.g., Rosaldo, 1993), distinguishing that often what seems like truth is impregnated with the ideology of dominant groups (Lyotard, 1984). For Stuart Hall representations are rather political since objects, people, and practices do not have stable meanings on their own, but instead such meanings are produced by other humans who have the power to attribute meanings (Hall, 2003).

Representations can be confused for the real.

*The map is not the territory* (Korzybski, 1994[1933], p. 58).
accuracy and usability in maps. Borges (1964) illustrated the dilemma in a short fictional story about an empire so obsessed with the accuracy of its maps that it commissioned a map on a scale of one-to-one. The map was completely accurate, but unfortunately also useless because the map and the territory were the same.

Reality and representations correspond by means of structural similarities; thus, representations can be used in reality even though they do not correspond completely with the real. Bateson (2000[1972]) studied Alcoholics Anonymous (AA) and found that AA’s practices resemble more of a religion than a science, and yet their precepts often work since religious practices are structurally similar to the epistemology of self-control. Elsewhere in that chapter, Bateson conceptualized the structural similarities into symmetric or complementary. In symmetric relations, more behavior stimulates more response, such as in arms races, or “keeping up with the Joneses.” In complementary relations, behaviors are dissimilar but fit together such as in nurturing-dependence.

The conundrum of representations is how close they are to reality, if at all. For Bateson, a correspondence between representations and reality is imaginary. Bateson (2000[1972]; p. 361) differentiates the mental world from the real world: “Always, the process of representation will filter it out so that the mental world is only maps of maps, ad infinitum. All ‘phenomena’ are literally appearances.” In a similar vein, Derrida (1978) and Baudrillard (1975, p. 128) attribute different domains to representations and reality: “The sign no longer designates anything at all. It approaches its true structural limit which is to refer back only to other signs.” This work has been introduced in marketing by describing markets as sign systems (Venkatesh et al., 2006), and postmodern marketing (Brown, 1995).

This paper distinguishes the work on representations: on one hand as social constructions where the world of ideas can only refer back to constructions; and on the other hand, as representations mediating the world of ideas with the world out there. Importantly, this paper refers to the latter arguing that a representation is an object itself that can be assembled and qualified independently of the interpreter. This view can be illustrated in the correspondence between representations and reality with Korzybski’s original notion that the map is not the territory. A complete representation of the world requires an exact replica. If an exact replica of the countryside is needed, a drawing as large as the countryside is the map. However, a map of such proportions is unnecessary since the replica and the world become identical. Rather than the representation, it would be necessary to walk the countryside itself. If the map is scaled down, accuracy of the representation must be sacrificed.

The correspondence between the representation and object becomes weaker with more abstraction. The map remains useful to navigate the countryside even if disconnected from reality. The problem of representations is that the more we use something unreal for useful purposes, the more we translate the representation into the real. That is, simply by an act of repetitive use and reliance, the unreal representation seems like the real even if it is not. The representation is used to navigate through the world. For
example, a scaled down map used to drive through the city is just a part of driving. If the driver looks only at the map, an accident can happen. A driver needs to shift back and forth between the un-real map and the real street.

### 2.2.2 Market representations

Market representations are defined here in terms of coherent yet incomplete views of what a market is and how it works, either now or in an alternative future version. Managers sort out and select from direct observation, personal experiences, and secondary data the elements that constitute a self-reinforcing view. Day and Nedungadi (1994) argue that representations of competitive advantage become mental models that are difficult to change. When managers make up their mind about how their market operates, they tend to accept only opinions supporting that worldview and disregard evidence showing alternatives. Since social reality is very complex, managers rely on chains of interpretations to make sense of their market (Brown, 1998). Managers make assumptions about crucial aspects of markets in order to impose a sense of order to an otherwise rapidly changing environment. Consequently, managers impose order by isolating points of action. These points of action are constructive for the managerial repertoire available to a manager at any given time.

Managers can use market representations to learn (Day, 2002), but as discussed elsewhere, the correspondence between representation and market is far from straightforward. Representations mediate, obscure, and even negate knowledge when representation and reality correspond weakly. As a consequence, representations are constructive to what managers learn about their markets. One example is when managers extrapolate divisions in their own organization into market representations: a firm could divide their market into two regions (e.g., the US market vs. the rest of the world) only because the Sales Department in the organization is divided in such a manner. An arbitrary structure imposed into market representations mediates what firms could learn about their environment.

However, the idea that managers simplify the complexity of markets in various ways is generally not acknowledged in the literature. The question of how individual managers understand their environment is of little relevance when self-seeking economic rationality is emphasized because, as the story goes, managers should converge on optimal decisions given that they act as rational self-interested maximizers (cf. Ghoshal, 2005). Under economic rationality, managers are assumed to know their environment and act under similar maximizing principles; thus, understanding how managers represent markets seems inconsequential. Despite increasing attention on deviations from rationality in human behavior, marketing literature has a strong legacy of economic rationality (Varey, 2010); therefore, important contributions, including how markets are constituted via networks are yet to be fully incorporated in mainstream marketing research.
Business scholars have presented convincing arguments that managers use a sort of bounded rationality and select issues from their markets in order to make business decisions. Business cases report that the selection of these important issues influences the type of strategy that firms follow (Harrison, 2012). Nevertheless, market representations are considered just too obvious to challenge. When typewriter manufacturers measured their markets in the eighties, representations probably included a number of typewriters sold against competitors. However, not a single typewriter manufacturer survives today; in retrospect, analysts could argue that the signs of change in the market were too obvious to ignore, and still giants of the time, such as Olivetti, no longer exist. Market representations reveal as much as they conceal.

Marketers commission market representations daily presuming a strong correspondence with reality and consultants claim to discover markets on behalf of a client. Thorpe (2003) observed that in the field of market research a strong correspondence between representation and markets is always assumed, even though the previous section revealed that a strong correspondence between representation and reality cannot be taken for granted. Hackley (2003) argues that the construction of facts in agencies is negotiated between conflicting views of the world. Hackley’s example is the form in which creative advertising professionals see their work as an imaginative and symbolic activity inspired by alluring and persuasive ideas, in contrast to agencies employing “hard” factual data as a rational justification for their work. While creative and hard approaches intend to persuade consumers to buy more, the representational practice is quite different.

The work of Normann (2001) suggests that firms have a wider repertoire of actions than previously recognized, including the ability to build visions of a redefined environment and organize others to enact that vision. Storbacka and Nenonen (2011a, 2011b) used their experience as consultants to study how their clients deconstructed their environment only to construct it again in the form of disruptive actions designed to take the upper hand. Harrison and Kjellberg (2010) studied how the form in which industrial firms represent their markets is crucial for determining strategy. Market representations are constructive since the repertoire of managerial actions depends on the form in which the context of the firm is understood. The form in which the world of ideas affects the real world is studied in the performativity literature and mobilized here to discuss the interaction between markets and their representations.

2.3 Mobilizing Theories of Action: Performativity

This section introduces the theoretical perspective used to discuss the dynamics between markets and representations. The theory mobilized is that of Callon’s (1998a, 1998b) version of performativity which originates in STS and draws from the concept of assemblages from Latour (1986). Both concepts overlap partially since Callon and Latour participated in the development of the Actor Network Theory (ANT). The following lines introduce the concepts of performativity and assemblages which work simultaneously as a phenomenon under study and an analytical framework.
The renewed interest about markets in marketing originates in the performativity literature inspired by Callon (1998a), which in turn draws from linguistics. Austin (1975) wrote in How to Do Things with Words that a speech act is performative when it simultaneously does what it says. One classic example is the statement made at weddings: “I pronounce you man and wife.” Through those words, a person invested with authority causes effects in the life of the couple, that is, the words do what they say. According to Austin (1975, p. 5), performativity utterances go beyond describing or reporting because they have the power to create an alternative reality. Even more importantly, performative utterances fall outside the true/false dichotomy.

The concept of performativity has developed interdisciplinary. In gender studies, Judith Butler (1990) uses performativity to explore how daily expressions structure social reality. Gender performs the identity by means of the expressions of gender. In more populist terms, a man and a woman are the result of the words spoken, the clothes worn, and the associated behaviors. Butler suggests that the body is constantly performing as gendered; thus, it is by repetition of behavior that gender becomes stabilized. Butler argues that the form in which speech recreates conventions and ideologies, and thus, the world of ideas, has effects in the world around us: we enact with actions the reality that we speak. For Butler, gender is rehearsed as people construct their gender through daily actions, thus, it is performed. Performativity, therefore, emphasizes the enactment of repetition and authority; hence, in order to declare a marriage, a person must have institutional authority. Further, statements perform reality through consistency and repetition in order to have effects.

An important milestone in the development of the concept of performativity is in the work of Bruno Latour. While Butler investigates the notion of how an individual’s identity is performed by the actions of gender, Latour explored performativity in terms of hybrids, including technical and social components. Latour distinguished between the ostensive and the performative to claim that the study of society based on principles (ostensive) differs from the study of society based on associations (performative). For Latour, the two positions, ostensive and performative, differ deeply. An ostensive view of social reality, Latour (2005) argues, accepts the possibility that the fundamentals holding society together can be found deep down. In contrast, a performative view contends that such fundamental proprieties holding society together are recreated continuously; thus, it is possible to trace the associations that precariously organize society. For the performativity of Latour, society is constructed through the continuous efforts made to organize it, a society made and maintained by continuous efforts.

Performativity is a central concept in the work of STS, investigating how technology and science are formed and its effects on social reality (Law and Urry, 2004). A stream from STS scholars applied the concept of performativity, but in the context of markets and the organization of the economy. This stream of literature can be found in economic sociology, and particularly in the seminal collection of essays edited by Callon (1998a).
Callon’s Performativity. The roots for the interest of performativity in marketing (Araujo, 2007; Kjellberg and Helgesson, 2006) can be traced to STS and economic sociology. Callon (1998a) suggests a link between the form in which knowledge is produced and disseminated with the form in which knowledge is enacted. Consequently, a performative science is a science that simultaneously describes and constructs its subject matter. Callon argued convincingly how economics is more than a descriptive discipline passively studying the economy; economics and related disciplines (e.g., marketing and accountancy), are technologies that contribute to forming how the economy works (see Callon and Muniesa, 2005 MacKenzie, 2007; Muniesa, Millo, and Callon, 2007).

For performativists, such as Callon, Muniesa, MacKenzie, and Cochoy (1998), economics is performative since the discipline has effects on the production of the economy. In other words, economics is a technology constructing a world closer to what is described. Performativists study the extent to which economic disciplines have effects on markets by placing attention on the many devices which frame action (Muniesa, Millo, and Callon, 2007). In contrast to the emphasis on language that performativity has in gender studies and linguistics, economic sociologists and science and technology scholars emphasize techniques and devices.

Performativists have studied the effects of economics in markets, and particularly the financial markets. MacKenzie (2006) found that the increased risks that bankers take, so evident in the recent financial crisis, result in part from a piece of mathematics: the Black-Scholes model for pricing “futures.” When first introduced, the Black-Scholes model did not fit how traders operated. MacKenzie demonstrated a performative effect when officials and economists at the Chicago Mercantile Exchange worked together to change how traders behave to fit the model proposed by Black and Scholes. Key to MacKenzie (2006) is that far from being a “camera” picturing a state of affairs, tools in economics became an “engine” for allowing bankers to take even more risks than they would otherwise. Performativists revealed that what had seemed like an embedded characteristic of free markets is a highly contingent outcome of techniques in financial mathematics.

The foundations of the performativity thesis can be found in the redistribution of agency leading to new entanglements and disentanglements (Callon, 2005). The conceptualization of agency redistributes the power to act from the individual to a hybrid assemblage (Hutchins, 1995). As a result, Callon, (2005, p. 3) explains that the capacity to act cannot be contained in subjects alone, and neither in the “institutions, norms, values, and discursive or symbolic systems assumed to produce effects on individuals.” Agency, including the ability to produce meanings, is hybrid and, thus, human beings and material and technical devices form collectives that frame agency. The process of entanglement means that heterogeneous actors – marketers, advertisers, designers, and others – participate in the creation of a “web” that is needed for markets to exist. Part of the performativity program is focused on the devices and techniques used to organize and stabilize markets.

The distributed agency within markets as “assemblages” highlights how all actors in a market – human, non-human and technical – can come to effect actions. The work of hybrids is based on Deleuze’s notion of “agencement” which translates to assemblies or arrangements. By focusing on assemblages, humans and devices can act through their interaction. “Instead of considering distributed agency as the encounter of (already ‘agenced’) persons and devices, it is always possible to consider it as the very
result of these compound *agencements* (and this applies to economic action in particular)” (Muniesa, Millo, and Callon, 2007, p. 2)

More than constituting purely human interactions, technologies, ideas, discourses, money, and people constitute and organize social relations. Latour (2005) proposed the concept of heterogeneity to reconnect materiality, social phenomena, and discourse as hybrids formed in the interaction of people, things, and concepts. In contrast, a homogeneous market would be explained in terms of only people or only ideas. Markets are heterogeneous, including people, objects, techniques, spaces, and devices. Heterogeneity is crucial to sociologists of science and technology (Law 2009). In *Reassembling the Social*, Latour explained how tracing heterogeneous associations helps to “visualize” the role of objects, subjects, and procedures that form a whole. Latour and Woolgar (1986) in *Laboratory Life* defined social reality in terms of complex associations, including technologies, ideas, discourses, money, and people. Latour and Woolgar’s account of how laboratories operate presents a number of observations for how scientists write papers and financial reports, heavily influencing laboratory research practices. Latour and Woolgar describe scientists in deep association with technologies, ideas, discourses, money, and people.

These associations become stable over time by means of repetition and materiality. Law (2009) explained how assemblages become relatively stable when objects are deployed; thus, prisons make use of walls to constrain movement because walls are never off duty unlike policemen who need to sleep. The material aspects of assemblages are contingent on strategic interests; therefore, prisons are built to isolate only in conjunction with a legal and enforcement system to declare who should be isolated and for how long. Prisons are assemblages that can only exist in association with tangible and intangible elements including people, walls, legislation, and routines. Assemblages avoid constant decay by a process of making and re-making, and it is this process that researchers can trace to better appreciate transient aspects of social reality. For example, Callon (1986) studied how marine biologists tried to restock the St. Brieuc Bay with more scallops. Callon found that devices, techniques, and ideas were as important as people in understanding how the St. Brieuc Bay survived. By studying assemblages, Callon traced real, social, and narrated elements and then linked them back to explain a unity. By tracing assemblages, researchers benefit from a safeguard against excessive attention to the unified whole, as that unity can be assembled in multiple ways.

One example of how the performativity thesis can be used to explain how markets are organized can be found in Holm and Nielsen’s (2007) description of how fishing quotas are established and then traded. Holm and Nielsen (2007) show that once the technical achievements have been made to transform the sea into an aquarium where the replenish rate of wild fish is known (or at least statistically estimated), the fishing quotas are established. The importance of establishing fishing quotas is their resemblance to economic models drawing limited resources; thus, fishermen, against the government’s advice, claim the tradability of fishing quotas. Things, objects, and devices form a very important aspect to how reality is stabilized (Muniesa, Millo, and Callon, 2007). Some devices stabilize the form in which we represent the world by standardizing and repeating authoritative descriptions of what must be “seen” in the market. The form in which analysts justify the use of charts is one example (Preda, 2007), or modeling the amount of fish that can be caught in a certain year (Holm and Nielsen, 2007) result in assemblages that can be sold. Chartists and modelers simplify social and natural reality with profound effects in the operation of markets: for example, fishing quotas in Norway and how Ethiopia’s coffee is valued.
Miller’s Virtualism. The theories of Callon and others on performativity, while widely applied, have received criticism. One line of criticism is the lack of emphasis on how representations and performativity relate (Miller, 2002). Although agreeing with the basic premise that economics has an impact on performing markets, Daniel Miller questions whether the study of practices and devices alone can explain how economics is materialized in the world (Miller, 2002, 2005). That is, Miller argues that one of the major limitations of performativity is the lack of emphasis on how economic theories produce representations of material practices that then become objectified in practice (Miller, 2002). Economics is not only about producing econometric models; thus, one cannot claim to understand the effects of economics in the economy without considering ideological and representational dimensions. For instance, the virtual representations of a future “perfect” market drive the theories used in economics aiming to produce “really existing” perfect markets in the world. Miller argues that the strong emphasis on techniques and devices in Callon’s performativity leaves questions open as to why such techniques are mobilized to begin with.

Miller traces materiality in an attempt to show how ideas often precede social reality by design. For example, in his ethnography in Trinidad, Miller compared management consultants to missionaries as they profusely advocated the use of shareholder value and the wonders of the Internet to solve every managerial problem. Miller (1997) compared the advice offered by the International Monetary Fund (IMF) to Trinidad to a priesthood where the country must conform or be punished for heresy. The representation of the perfect market is performative when the idealized version is enforced through aid packages subject to policy change.

In a lively debate (Callon, 2005; Miller, 2002, 2005), Miller and Callon discussed the role of representations as part and parcel of markets. As a sort of conclusion to the debate, Miller (2005, p. 4) argues that the premise of virtualism is compatible with the performativity thesis, “We live in a period of history where we can see the increasing ability of certain powerful discourses, including that of economists, to realize themselves as models in the world through their increasing control over that world.” Miller and Callon agree on basic premises but disagree on the method. While Callon follows techniques and devices, no doubt a heritage of Actor Network Theory, Miller follows how ideas and abstractions are realized in the world through materiality.

Miller agrees with Callon’s performativity that more than describing the economy, economic models drive economic relations. However, the differences with Callon are found in the processes of how economics enforces their models into social reality. For Miller (2002), the representation of the idealized “perfect” market is enforced through institutional mechanisms where the ideal predicted by the model makes real world processes conform, instead of the other way around. Miller and Carrier’s argument is that idealized representations framed within economic models and consumer models drive real-world processes, practices, and politics to conform to the ideal (Carrier, 1998).

Although Miller’s virtualism and Callon’s performativity share a similar principle – that theoretical ideas and techniques, such as those in economics, have effects in how markets are organized – Miller’s critique shows that the role of representations in performativity is unclear. Miller’s virtualism complements the performativity thesis by highlighting the role of representations driving the view of economists into social reality. Miller is interested in the increasing ability of economists and other agents to produce abstract models that later become materialized (e.g., in the form of audits and consultancies) to transform the world into closer approximations of theories and
models. Miller and Carrier's argument is that the abstraction of how economic activity should be along with the abstraction of what consumers should do drives real world processes (cf. Miller, 2003).

**Performativity in Marketing.** Marketing scholars extended performativity from financial markets into new contexts. Marketing scholars provided evidence of performative effects in procurement (Andersson, Aspenberg, and Kjellberg, 2008), category management (Azimont and Araujo, 2007), commuting (Azimont and Araujo, 2010) and high-fashion (Rinallo and Golfetto, 2006). Accounts explained how practices and devices shaped market structures. Examples include the introduction of automated procurement software which transforms the way office workers resupply their office (Andersson et al., 2008). Since office workers are not talking with people when using procurement software, workers change their practices to comply with available brands and delivery conditions that the software allows.

Marketing scholars studied coordination between manufacturers and retailers defining how product categories are displayed on shelves (Azimont and Araujo, 2007). The extensive coordination between retailers and a wide selection of competitors through yearly category reviews produce framings where certain products are associated with different categories to stabilize the market. An example is placing cigarettes in the cashier point to converge on convenience and the impulse to drive the purchase. Another example is placing soda and chips together to produce a “party” category. Gas stations changed according to the restructuring of commuting practices (Azimont and Araujo, 2010), and firms were observed steering market trends through fashion shows (Rinallo and Golfetto, 2006). Scholars demonstrated how firms have access to theories, representations, devices, and techniques which are designed to perform the markets in which they operate.

Scholars demonstrated that marketing techniques perform markets. Kjellberg and Helgesson (2006) distinguished between “Austinian” performativity, where a strong link clearly explicates theory has results in the market, and *generic* performativity, where a partial correspondence with reality is formed. Further, MacKenzie (2007. p. 55) proposes a “Barnesian” performativity in which the practical use of an aspect of economics makes the economic processes more like their depiction by economics. Studies following the prism of performativity explained that people depend on a series of tools and techniques which are constantly evolving.

Shoppers are not the only ones framed by marketing technologies; marketers themselves are also bound by their own repertoire of techniques (Preda, 2007. Marketing academics compile practices, doctrine, and prescriptions and spread that knowledge back through condensed formulas in business schools. Consequently, business schools “peer-form” the very actions of practitioners by representing prescriptions closely inspired by theory (Cochoy, 1998). Marketing techniques such as the Boston Consulting Group Matrix or the Four Ps Marketing Mix are ways to see the world in which marketers are inextricably entangled. Therefore, from a performatively perspective, markets become an effect instead of an explanatory foundation, involving heterogeneous assemblages including human participants, objects, and techniques.

The work of Normann (2001), Callon (1998, 2010) and others cleared the path for the development of a stream of literature in marketing that suggests that firms have a wider repertoire of actions than previously recognized, including the ability to build visions of a redefined environment and organize others to enact that vision. Researchers observed the form in which theories and practices contribute to shaping how a market works
Scholars explored how actors actively conceptualize and re-conceptualize their markets through their practices (Kjellberg and Helgelsson, 2007). Although not within the performativity literature, the same argument – that firms can influence their markets – can be seen elsewhere in marketing (Kumar, Scheer, and Kotler, 2000). In the ‘market driving’ literature, firms shape the behavior of a wide set of market actors and structures in a direction that enhances the firm’s competitive position. The market shaping approach is not only more proactive; it also includes a wider set of stakeholders in the company, rather than focusing only on customers and/or competitors. Kumar, Scheer, and Kotler (2000) identified that pioneering companies develop innovative visions which are implemented through unique business models. Such activities include redrawing customer segmentation, activating new pricing points, and reconfiguring channel structures, among others.

Among such activities, the introduction of self-service is a good example. Normann (2001) explained how IKEA, a Swedish furniture manufacturer, challenged retail practices by introducing self-manufacture undertaken by the consumers themselves. Changes in the structure of the market extended the manufacturing function to consumers themselves. Cochoy (2012) explored how the introduction of the shopping cart had consequences for traditional convenience stores. A self-service paradigm accompanied new devices: shopping carts, cellophane packaging, and automatic doors. Shoppers are constrained by options allowed by shelves, shopping carts, and individually packaged goods.

### 2.4 Summary of the Literature in Light of the Research Questions

Table 7 summarizes the literature anchoring this collection of essays. As a quick summary, the previous section introduced markets and representations as the domain of research. The interest of markets originates in economics and was invigorated recently in sociology and marketing. Sociologists found that the foundational assumptions for the market concept proposed by economists have limited explanatory power when studied in the context of contemporary markets. The divide found between the market concept and markets can be explained because the market is an idealized concept while markets are found in the real world. The limited explanatory power of the market concept is found when markets do not work as expected: breakdowns reveal the market to be a black box. Sociologists and marketers study markets as outcomes resulting from the practical accomplishments of actors acting within and pushing further structures constraining their actions.

Representations form the second part of the domain of research. Representations originate in humanities and cultural studies interested in the gap between the world of ideas and the world. Scholars interested in representations are interested in the correspondence between the knower and the reality out there. The correspondence between representations can be strong or weak; thus, representations can be confused with the real, provide visions that precede reality, or become simulations without any actual connections.

Performativity is the theory mobilized. Performativity originates in linguistics and has been used in gender studies and STS. The roots in linguistics can be traced to the words that do what they say. Gender scholars extended the notion of performativity to mean that social conventions are enacted by routinely repeating doings and sayings. Subsequently, science and technology scholars elaborated on the effects that the world
of ideas has in the real world. This line of research studied how technologies and devices have profound effects on society. In economic sociology, performativity studies how the discipline of economics shapes the real economy by manifesting techniques and doctrines. Further, a complementary concept is that of assemblages. Heterogeneous constituents form a unity in multiple ways. Heterogeneity means that people, objects, ideas, money, and techniques are part of an assemblage.

Table 7  Summary of the literature

<table>
<thead>
<tr>
<th>Research aspect</th>
<th>Concept</th>
<th>Summary</th>
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| Domain         | markets | Originating in economics and studied later in sociology and marketing
Sociologists found limited explanatory power of the assumptions of the market concept in real markets
Distinguishes between the “idealized” market and the “real world” markets
The market is said to be a black box implying that constituents are taken for granted until failures occur
Markets are outcomes resulting from the practical accomplishments of actors acting within and pushing further structures constraining their actions |
|                | representations | Important domain of research in humanities and cultural studies
Representations are concerned with the correspondence between reality and the knower
Representations can be confused for, precede, or simulate the real
Marketing is a representational practice |
| Theory         | performativity | Originating from linguistics and used in gender studies and STS
In linguistics: words that do what they say
In gender studies: society enacts conventions by routinely repeating doings and sayings
In STS: interested in the effects that the world of ideas have in the real world. Focus on materiality |
|                | heterogeneity and assemblages | From STS, describe how a unit can be studied by its constituents
Heterogeneity means that people, objects, ideas, money, and techniques are part of the study |
3 RESEARCH METHODOLOGY

This chapter outlines important concerns for the scientific philosophy supporting the conceptual foundations of this dissertation. The philosophy of science is important since the world views of the researcher drastically shape which research questions are asked, and which methods are used to pursue the answers (Burrell and Morgan, 1979). Consequently, Tadajewski (2004) advised disclosing fundamental assumptions in knowledge production in marketing. The first part of this chapter introduces the philosophical positioning of the thesis drawing particular attention to interpretativist perspectives in marketing. The second part discusses specific implications in the choice of method for each essay.

3.1 A Philosophical Position or a Socio-Cultural Context?

The consensus in academia is that fundamental assumptions for research need to be disclosed (Tadajewski, 2004). Since this study mobilizes loaded concepts such as markets and representations, one important aspect is to disclose the philosophical position. Do we consider that certain aspects of markets exist independently of the observer? Do we accept that markets result from the social construction of those operating in them? The work of Peñaloza and Venkatesh (2006) calls upon these questions, and invites marketing researchers to take the position of social scientists seriously.

The academic tradition, at least in Europe, is that a doctoral dissertation has to deal with the well-established problematics of the philosophy of science involving epistemology and ontology. The philosophy of science is interested in questions about the nature of reality and the constituency of scientific knowledge. The problematics of the philosophy of science include the problem of truth in scientific knowledge. In more populist terms, the chapter on the philosophy of science in a doctoral dissertation should answer the following question: How do you know that what you claim is true?

The usual solution is to go shopping for one of the existing sets of assumptions already available in the philosophy of science. For instance, Burrell and Morgan (1979) divide scientific knowledge into camps of assumptions that are not compatible among themselves. A subjectivist and functionalist are divided not only in their methods, but also in their core assumptions about social reality. The reason for this incommensurability is that philosophers of science follow what Thomas Kuhn (1962) called paradigms in scientific knowledge. According to The Structure of Scientific Revolutions, Kuhn argues that science evolves through radical changes on the consensus, or paradigm. In consequence, the doctoral candidate searches for a philosophical position and then defends such position by arguing, along a given ontology, that reality exists independently of the observer (or not), and that the researcher can access knowledge through certain methods (or not).

The problem here is that the concepts under study – markets and representations – along with the frame of study – performativity – come with their own set of assumptions. The performativity thesis, along with the mobilization of the concept of representations, is the brainchild of intellectuals participating in a specific sociocultural moment. In the case of performativity, major figures come from STS. In the case of representations, major figures include Baudrillard, Bateson, Derrida, and other figures.
strongly linked with postmodernism. Both types of philosophies are far from compatible as Miller's critique of Callon's performativity reveals.

In this regard, instead of taking the usual solution of positioning this thesis vis-à-vis a pre-existing philosophical category, I will situate the actual people behind the concepts mobilized here so that the reader can understand their sociocultural context and see the assumptions that lead them to develop such concepts. I will begin with the philosophical context of the scholars associated with performativity and then I will discuss the context of the scholars linked to representations.

The performativity literature is influenced by prolific authors such as Latour, Callon, Law, and Pickering linked to STS. Scholars in this field are interested in the effects of science and technology in social reality, how new technology is coined and disseminated, and what constitutes a scientific fact. While philosophers study the problem of truth in scientific knowledge, STS scholars investigate how scientific knowledge is produced (Pickering, 2010[1995]). Their work on techniques, materials and devices allow them to conceptualize a socio-technical reality where the subject and the technique are all connected.

One example of why the sociocultural context is important to understand the ideas of STS scholars is in the concept of distributed agency. The main idea of distributed agency, as explained earlier, is that the capacity to act cannot be relegated to the subject or motivations alone. Agency requires the interaction of humans, machines, and procedures, but the question is: How did Hutchins arrive at this distributive ontology where humans and non-humans are incorporated at the same level of importance? Hutchins (1995) gathered his fieldwork while on board a helicopter carrier of the US Navy in the early 1980s. He was on the navigation bridge and observed how the crew solved the problem of positioning their vessel in interaction with tools, observable fixed points, and maps. He found how the capacity to act was distributed between the sailors of different ranks, but also among the tools, techniques, and processes.

Stalder (2000) reviewed the ontological position in the work of Bruno Latour in Pandora's Hope: Essays on the Reality of Science Studies. After being accused of constructivist allegiances, Latour lays out strong arguments on why these allegations miss the point in his work. The following segment reproduced from Stalder (2000, pp. 245-6) clearly summarizes the dilemma that Latour faced when explaining his philosophical positioning:

“Do you believe in reality?” (. . .) The question is quite a challenge. Answering “Yes, I believe in reality” would place Latour in the camp of modern science (realism), which claims to discover facts that are “out there,” in an objective reality untainted by social activity. Answering “No, I do not believe in reality” would not only sound odd, but also put him in the camp of social constructivism and postmodernism (relativism), which maintain that what appears as reality or as scientific fact is merely a more or less arbitrary construction that, for whatever reason, needs to be deconstructed.

Latour calls [his] alternative a “realistic realism” and offers a qualified yes regarding his belief in reality. (. . .) Both modern and postmodern science presume a gap between the cognitive subject—a “brain-in-a-vat,” as Latour calls it—and the outside world. Once this gap is accepted, the question boils down to “is it possible to build a reliable bridge across this gap?” “Yes,” says the realist, “science is that bridge.” “No,” says the relativist, “science is just another language game.” And Mr. Latour says: “There is no gap!” (Stalder, 2000, pp. 245–6)

Latour provides an alternative to the realist-constructivist problematics precisely because his work revolves around finding how scientists produce knowledge. In order to understand the realistic realism of Latour's work it is necessary to understand his
context. The fieldwork of Latour and Woolgar (1986) is an ethnography of a laboratory. The authors narrate to an ignorant observer how scientists conduct their daily work. If an ignorant observer would enter a laboratory, he would see a strange group of people of “compulsive and manic writers... who spend the greatest part of their day coding, marking, altering, correcting, reading and writing” (Latour and Woolgar, 1986, pp. 48–49). Consequently, Latour and Woolgar find that the purpose of the laboratory is to produce papers for publication in scientific journals in a similar fashion to how products are assembled in a factory line.

Latour’s coinage of black boxes comes from investigating the construction of scientific facts. A scientific fact is a statement that scientists do not attempt to disprove any longer and, thus, is politically and historically situated. Latour’s work presents a challenge to traditional ideas of epistemology in connection with truth. For example, while a physicist is supposed to conduct research in a specific field, as soon as the actual activities for the physicist are investigated, the field becomes deeply political. Latour tries to explain that the relationship of the scientist with his machines, instruments, and other scientists are crucial for the production of facts. After situating Latour as an observer in a laboratory, it is then possible to understand the rationale behind the concept of hybrids permeating his work.

In the market studies literature, Kjellberg and Helgesson (2006) offer a philosophical position when discussing the performativity thesis. Kjellberg and Helgesson (2006) borrow from the work of STS scholars (e.g., Law and Urry, 2004) arguing that social reality is continuously produced and stabilized in interactions that are simultaneously material and social. Kjellberg and Helgesson (2006, p. 841) argue that their work should be classified as practical constructivism. This constructivist is an alternative to Latour’s realistic realism by arguing that social reality exists, but it is also made.

This dissertation introduced concepts such as representations and assemblages assuming that reality exists independently of the observer. A representation is a human-made object standing for an external reality. Representations assume that reality can know, at least to some extent, and at least some aspects of reality exist independently. The form in which humans perceive that reality and their representations is problematic. Theorists following the work of Jean Baudrillard studied how representations are integrated into daily “real” experiences to the extent of becoming indistinguishable from reality: a condition of hyperreality where the real and imaginary overlap. Scholars can only gain knowledge about the circular relationship between social reality and practice. In this sense, the observer is an integral part of the phenomenon.

We can describe the philosophical position through three adjectives: institutional, heterogeneous, and dynamic. Institutional because it requires, whether explicitly or not, agreed mechanisms of operation that are acknowledged at any given time (e.g., norms, practices, and protocols). Heterogeneous, because associations not only occur among humans, but also with non-humans (cf. Latour, 2005). This means that material and social interactions simultaneously produce and stabilize social reality. Also, social reality is dynamic because it can be described as both contingent and emergent. Kjellberg and Helgesson (2006) view reality as an ongoing process of creation emphasizing an emergent reality of reality that is enacted in interactions which are material, social, and semiotic. When assemblages are used here, the implicit idea is that boundaries of social reality are framed, yet constantly contested by the form in which people act in the world. Each actor contributes recursively to frame their social system with their daily actions. It is contingent because it depends for existence on something
not given or certain; and it is emergent, because coherent structures arise out of a multiplicity of interactions, which cannot be predicted from the knowledge of its parts in isolation.

3.2 Interpretivist Framework for Analysis

The performativity thesis in economic sociology draws from the field of STS in the work of Latour, Law, and Callon. Conversely, the work on representations draws from poststructuralists, such as Derrida and postmodernists such as Baudrillard. The debate between Miller and Callon demonstrates that both fields can be difficult to integrate. For Miller, Callon’s performativity fails to consider aspects of ideology in their quest to trace the actors. The form in which this dissertation links performativity and representations is arguing that interpretations are constructive as well. The form in which the world is understood influences and constrains the repertoire of available actions. Consequently, the framework for analysis is interpretivist.

It is important to say that while interpretivism is often linked with qualitative methods and a constructive ontological assumption, the position in this dissertation takes interpretivism as a framework of analysis. Previous lines introduced markets in terms of complex systems which managers have to make sense of. This section highlights the usefulness of interpretive analysis in theorizing representations and markets. Interpretivists are concerned with the form in which the human world differs from the natural world, requiring unique methods of enquiry (Schwandt, 2003). Fundamental to interpretivism is Weber’s notion of verstehen implying an empathetic understanding of humans in context. Interpretivists argue for the unique subjective experience; thus, actions that people take in the world are attached to their own views (Schwandt, 2003). As an analytical method of enquiry, interpretivism aims for insights of meanings in context and, therefore, observational methods and in-depth interviews are privileged (Arnould and Price, 2006; Arnould, Price, and Moisio, 2006). Interpretivism involves a quest for human meaning as Geertz (1973) describes in the following quote:

Believing, with Max Weber, that man is an animal suspended in webs of significance he himself has spun, I take culture to be those webs, and the analysis of it to be therefore not an experimental science in search of law, but an interpretative one in search of meaning. (Geertz, 1973, p. 4)

Interpretivism is often discussed as a research paradigm. According Burrell and Morgan (1979, p. 28), interpretivism is “informed by a concern to understand the world as it is, to understand the fundamental nature of the social world at the level of subjective experience.” Burrell and Morgan’s work hints at the nature of social reality and could risk confusion between method and ontological assumption (Schwandt, 1994): an interpretative ontology derives fundamental assumptions of the world, while an interpretative method appreciates how individuals make sense of their world in order to better understand their social action. This work mobilizes interpretivism as a method aiming to understand how people make sense of their own reality.

Johan Arndt (1985) introduced Burrell and Morgan’s (1979) model in marketing. Arndt conceptualizes interpretivism into a “subjective world” where marketing phenomena are understood from the viewpoint of an “experiencing man” embedded in everyday life. An example of this type of approach is Cayla and Peñaloza’s (2012) account of the identity that marketers emphasize in foreign markets. The authors explored the intricate relationship between an advertising agency in India and the foreign clients
attempting to commercialize products in India through the mobilization of identity projects.

Arndt’s “subjective world” includes methods such as storytelling and ethnographies that authors such as Belk, Arnould, Price, Fournier, and others have used to bring meaning and understanding to market phenomena. CCT scholars call researchers to consider context to generate theory; context means considering experiential, social, and cultural dimensions of a time and place (Arnould et al., 2006). Subsequently, CCT uses qualitative methods more than they use experiments and surveys to interpret and situate context. One good example is the form in which symbolic meanings contribute to develop identity; thus, Belk (1988) studied how possessions are an integral part of who we are. For Belk, possessions open a way to access and interpret the world view in which consumers live through the notion of extended self – combining the self “me”, with possessions “mine.” Unlike a descriptive approach where attention is drawn to causes, effects, and explanations, an interpretative approach draws attention to meanings and understandings.

Conversely to the subjective world proposed by Arndt, the dominant method in marketing research is hypotheses-testing (Hunt, 2010); a logical empiricist paradigm where an “instrumental man” uses measurements for purposive action (Arndt, 1985). A consequence is marketing’s reliance on structuralisms and measurements for managerial action. Arndt uses the “warfare” metaphor to explain marketing’s reliance on purposeful action and taking militaristic actions: campaigns, tactics, and strategies. Nevertheless, even in a research paradigm dominated with logical empiricism, researchers have used interpretative methods of research. Interpretive methodologies are appropriate to cope with complexity especially in contexts where social structure and agency blend (Zaltman, 1997).

One example where interpretivism has been used to understand how managers make sense of their markets is Day and Nedungadi’s (1994) work on competitive advantage. In their work, Day and Nedungadi (1994) argue that managers simplify environmental uncertainty to take decisions through a coherent structure of knowledge. Day and Nedungadi (1994) identify four ways in which managers interpret their experience: 1. self-centered – inner-directed with little regard for what competitors are doing or what customers believe; 2. competitor-centered – micro adjustments to a narrowly defined collection of similar businesses; 3. customer-oriented – analysis of benefits and satisfaction of end-user segments; and 4. market-driven — balance between customer and competitor perspectives. However, their characterization was limited, because they included only two dimensions: customers and competitors. Day and Nedungadi’s (1994) key contribution was that they explained how managers often take decisions by imposing an interpretative frame on the sources of information. An interpretive research approach considers both the structuring external forces, and also the actionable and agential capacity or managerial work. Interpretive research methods are highly contextual which allow managers to relate to the situation and find actionable inputs becoming more relevant to managers.
3.3 Method Considerations

This section introduces the author’s background and the research process following the philosophical positioning and analytical framework described above. The intention is to give the reader an understanding of how the research process was conducted, an overview of the most important research decisions, and a justification for such decisions. Since this dissertation follows an interpretative framework for analysis, it seems appropriate to disclose the author’s background (in the first person).

3.3.1 Researcher subjectivity

I was interested in the correspondence of markets and representations through my career in industry. When I graduated from a well-regarded business school in Mexico, my naïve belief was that I was equipped with some useful knowledge and techniques about marketing. My first disappointment was that most companies willing to hire a recent graduate were small firms. Family-owned firms did not have many options to implement marketing strategies often prescribed for big multinational organizations. Several marketing strategies such as creative advertising, promotional strategies, or product differentiation were out of scope; owners wanted a marketing graduate to take care of the catalogue. I rejected several offers from small firms because I wanted to do “real marketing.” I deduced that there were only two places to do this type of marketing: big multinational firms or marketing agencies.

I developed my interest on market representations, although I never used that term at the time, when I joined a very peculiar market research agency. The research agency was jointly owned by a pragmatic businessman and a philosopher turned business consultant. Their philosophy was to hire humanists, especially philosophers, because it was easier to teach techniques to those that already know how to think, than teach thinking skills to those who only know techniques. The agency conducted remarkable projects for major multinational corporations such as the Coca Cola Company, Bacardi, MasterCard, Bayer, Manpower, and domestic powerhouses such as Grupo Bimbo and CEMEX. I believe that part of the success of the agency was the ability of humanists-turned-marketers to disregard marketing tools and understand the client’s context uniquely.

The research process in the agency began with in-depth interviews with the managers who hired us. Interviewing our clients often revealed pre-existing conceptions that managers assumed about their own markets. Humanists-turned-marketers approached their clients with the same type of curiosity as when approaching the markets hired to discover. The in-depth interviews were so useful because these often included several members of the organization. I personally conducted a dozen interviews for Bacardi with managers across the organization including Mr. Bacardi himself (a member of the founding family at least). These interviews revealed that managers had conflicting views of what the market is and what to do with it. For example, the head of commercialization wanted his sales managers to compete with each other and, thus, asked the market to reflect sales regions. The manager in charge of distribution channels acknowledged the

Just like the work of Smith and Chydenius reflected their times, perhaps a renewed interest in markets corresponds to current times.

The researcher’s subjectivity becomes crucial to interpret this work.
importance of the intermediaries buying a large sway of the inventory. The preference of bars pushing the product to their final clients was a big concern. The marketing manager did not even consider intermediaries since her attention was on the “Top of Mind” brands among urban trendsetters. Managerial views of their market were so distinct that the managers could not even discuss them with each other.

Each firm had their own views of what the market is and how it should be represented. For some clients, their markets were exclusively quantitative, such as the number of units sold in a given period compared with a designated set of firms. A local distributor of Coca Cola in Mexico had this approach. We measured their market by continuously tracking distribution routes of trucks and evaluating the routes of trucks against each other. Their market was a collection of bottles sold in different sizes. One big innovation for them was when we introduced a “thirst factor” that compared their share with multiple solutions against thirst. The solutions included other soft drinks, but also beer, water, ice creams, juicy fruits, and even thirst itself. This new conceptualization of their market allowed them to acquire new business units. The distributor of Coca Cola now operates bottled water, juices, and energy drinks.

Neither my previous academic background in marketing, nor my experiences thinking creatively about markets were very useful for the challenges I faced when I later joined a commercial airline as a marketing manager. As frequent travelers know perhaps all too well, the experience inside commercial planes is quite standardized. Planes are equally fast or comfortable from one airline to the next, and only experienced travelers notice major differences. Product customization is planned years ahead with manufacturers. Further, pricing is so dynamic that teams of analysts and proprietary software are required. Even advertising is limited since families are bound to the school calendar and, thus, ads have limited persuasive power to convince families to take holidays during school days. Consequently, tools associated with marketing practices including pricing techniques, product differentiation, and market segmentation are unfit.

The airline market is unique, but no more than the context of financial brokers, organic farmers, hairdressers, and technology startups. Commentators may be tempted to explain, mistakenly I argue, that the uniqueness of these industries is limited to imperfections or context. An alternative explanation is possible: differences in industries can be attributed to overlapping multiple types of markets.

When I began the PhD journey, I found that some commentators were already working on the dilemmas I faced in practice: Araujo (2007) questioned whether marketing really knows markets and introduced ongoing debates in economic sociology. Peñaloza and Venkatesh (2006) called marketing researchers to study markets as social researchers approaching markets as a unique phenomenon loaded with symbolism. Kjellberg and Helgesson (2007) identified that multiple versions of markets can exist at any given time and drew attention to the practices that conform the market instead of the other way around. Of particular interest to me were the representational practices that were barely outlined by Kjellberg and Helgesson. The most important book for me was Normann (2001) who wrote about market configurations that managers can influence. The idea was so radical to me that I spent some time considering whether multiple versions of markets can actually exist. Normann’s idea was clearer with Storbacka and Nenonen (2011) who, drawing from their consultancy background, argued that firms can influence the configuration of their markets; although they do not really describe how. Armed with these newly found ideas I designed the research projects.
3.3.2 The research process

The first part of the process was to read, a lot. However, since English is not my native language and the academic writing traditions were foreign to me, I needed to learn how to read again. One very useful technique that Maria Holmlund, my degree supervisor, told me about early on (and that I have not found in literature so far), was to question literature for tacit assumptions that were taken for granted. When I was reading the literature, I found that some generalizations did not fit with my professional experience, but how could that be? The studies carefully tested data for reliability and validity, often using multiple studies. I had two options: believe the results or not. If conclusions are accepted even if they conflict with my own experiences, the only option is to take the study as real.

Literature on the philosophy of science illustrates the scientific process as a “king of the hill” where scientists build evidence for a dominant explanation until a different explanation challenges and defeats the dominant view (Kuhn, 1962). Nevertheless, my own experience in the market research agency taught me that multiple realities can exist even within the same organization. Some managers accepted and others rejected my interpretations of the market. Both can be correct because managers viewed my representations from multiple angles. Some managers thought about the market as a jungle where only the fittest survive, and others cared about relationships with other business actors, even with competitors.

I was not convinced with Kuhn’s view and read the questioned literature proactively. I found it useful to “question” literature for its assumptions about markets. I used the following question: What are the conditions needed for this study to explain reality completely? For example, Anderson and Gatignon (2005) claim that market formation results when firms correctly sense a latent need and communicate a solution to that need. When questioning Anderson and Gatignon’s claim, one could ask: What if the solution offered is illegal? What if the need is created rather than found? What if a better solution exists for minimal costs? What if the communication is ignored? In order to maintain explanatory power, several assumptions need to be maintained: perfect information between supply and demand exists, markets are unconstrained by laws and regulations, people can be classified into segments of consumers with similar needs, and so on. What I found is that the literature tacitly draws assumptions of a world where their findings are correct.

Commentators argue that literature reviews are useful to understand the status of the field since knowledge is argued to accumulate over time (Gabbott, 2004). However, literature can be treated as a representation resulting from cascades of interpretations; hence, literature can be qualified. Questioning the literature revealed the assumptions that researchers used even if these assumptions were not explicit for the authors themselves. Very few empirical papers explicitly define their assumptions by situating the social conditions where their research is valid. Questioning the literature for the implicit assumptions is an interpretative approach to uncover the assumptions that researchers used.

The first project then was to question the assumptions that academics themselves use when referring to markets. A literature review is a text written to identify, appraise, and synthesize research relevant to the research question (Baker, 2000; Gabbott, 2004; Hart, 1998). In the project, the literature was treated as a primary source and not a preliminary step for empirical research. Essay 1 is the result of this process, providing context for the marketing reader always prone to amnesia regarding contributions to
theory (Tadajewski and Saren, 2008), and reducing the risk of “re-inventing the wheel” (Gabbott, 2004, p. 413). I presented the project at the doctoral colloquium of the British Academy of Marketing. The Marketing Review and the Academy of Marketing organized a competition of literature reviews for doctoral students in 2011. Essay 1 won first place in the competition and was published.

I wanted to test my ideas in the field. However, as a foreign doctoral student in Finland, I was not equipped with the language skills or the connections to participate in an agency and follow their practices. My first attempts to approach market research agencies, advertising agencies, and media agencies were quickly discouraged. I discovered that agencies consider their views of the market as competitive advantages and secret weapons against competitors. Creative agencies draw from the insights of planners to have unique angles in advertising. Research agencies commercialize proprietary tools, highlighting certain aspects of the market uniquely, or so agencies claim. Media agencies closely guard access to the internal workings of their calculations used to monetize the value of advertising in terms of efficiency and reach. Agencies that include market researchers, ad-planners, and consultants who put together representations of their client’s markets provide unique insights that can be sold.

I found that market representations can be put together, or in other words, market representations are assembled. The second paper, Assembling Market Representations, identifies how market researchers assemble representations for their clients using qualitative in-depth methods. The problem in this project was to access “the obvious.” When I asked market researchers about their markets, a perplexed look followed. Experts seemed puzzled about questions about markets since markets are taken for granted. We hear about markets in the news, make decisions about markets daily, and debate markets and politics over dinner. The first interactions resulted in respondents rolling their eyes, probably questioning themselves how anybody could ask such obvious questions.

The second project is the empirical part of this dissertation using open narratives of what can be said about a market. The answers were much more interesting when I changed my research strategy. I contacted market researchers by email asking naïve open-ended questions. Market researchers were asked a series of questions about their daily work. For instance: when a client wants to hear about her market, what can you say? 52 experienced market research practitioners in four countries were interviewed: the UK (17), the US (17), Canada (14), and Mexico (4). The purpose was for market researchers to explain such obvious matters as if they were explaining their work to neophyte students or their own grandmother. As theorized by Geer (1991), open-ended questions permit interviewees to use expressions framing complex social constructs in simple ways. Several aspects of daily work are taken for granted and shrouded in black boxes when market researchers and marketing practitioners discuss with peers, but not when discussing with a naïve student. When the market researchers wrote their answers, they chose specific words and prioritized which aspects of the markets were important for their work. Open-ended questions allowed my inquiry to address vague concepts that were seemingly too obvious.

Essay 2’s Analysis included content analysis (Krippendorff, 2004) and experiential reflexivity (Bettany and Woodruffe-Burton, 2009). Content analysis is a research technique designed for unstructured text (Krippendorff, 2004). The analysis included seven steps (Spiggle, 1994): categorization, abstraction, comparison, dimensionalization, integration, iteration and refutation. To detail, text was browsed repeatedly to achieve immersion, and to build codes around specific ideas. The second
method used experiential reflexivity (Bettany and Woodruffe-Burton, 2009), which is a technique to include autobiographical experience vis-à-vis the data collected. For Bettany and Woodruffe-Burton (2009), “reflexivity” is a process of analyzing data through shared experiences. A consequence is that I reflected on my own experience as a market researcher and as a manager commissioning market research to understand the phenomenon more fully.

I began to use more and more complicated words deriving concepts from the literature to explain what market researchers did. I introduced concepts such as ostensive and performative representations that mean little to the uninitiated reader of performativity literature. I found that the term “representations” is also loaded with meaning and often derived in lengthy discussions about the nature of reality. I had enough background to introduce the concepts of representations in market intelligence, distinguishing between ostensive and performative representations.

Essay 3 is a quasi-experiment where I wanted to test empirically whether the concept of market representations had any relevance in management. I participated in a course about experiments on marketing. The coursework required an empirical exercise and I used the concepts developed in Essay 2 for the theoretical foundation for the experiment. The experiment turned out to be successful, and I submitted the results to the 2013 IMP conference in Atlanta, GA in the US. IMP is a discipline where the most common method used is case study. The IMP researchers recognized that the method presented in Essay 3 was innovative and invited the paper, co-authored with Christian Kowalkowski, for the special issue. Since the paper was based on coursework, a better experiment was crafted after learning from previous mistakes. Some of the mistakes were in controlling the treatment, and in the instrument. We based the new experiment in existing theory from service management literature where it is unclear why and when managers go for a service innovation strategy versus a product differentiation strategy. Essay 3 shows that the form of the market that is represented in the minds of managers influences the choice of strategy at least partly.

The development of different types of representations led to the question whether it is possible to identify multiple types of market representations in the wild. Essay 4 is the result of tracking purposeful representations in market research. The insights developed from the literature review and empirical study served to integrate the theoretical anchor for Essay 4. If multiple types of market representations exist, they should be identifiable in marketing practice. I used five different market research reports collected from colleagues working in marketing agencies and companies. I studied what the reports were about, how the reports were organized, and the kind of findings they contained. Further, I studied the recommendations and the context for the reports in order to deduce the purpose of the studies and how they were accomplished. The findings of this research suggest that the purpose of market research is explicit within the documents, and market researchers link their findings from the field to the purpose. Market representations are, thus, assembled as a means to an end.
4 SUMMARY AND CONTRIBUTION OF EACH ESSAY

This section includes a summary of each essay including the main findings, as well as the primary contributions. The first paper reviews the literature on markets and reveals hidden assumptions. The second paper mobilizes qualitative methods to understand the form in which market researchers put together representations of their markets to their clients. The third paper is a conceptual article providing the foundations for the form in which representations can have purposeful action in marketing through a re-conceptualization of market intelligence.

4.1 Essay 1 – Surveying Multiple Conceptualizations of Markets

Essay 1 surveys different conceptualizations of markets in the literature. The paper is a review of the literature and was crafted in the context of a competition for doctoral students organized by the British Academy of Marketing. The competition was hosted by the Marketing Review and the Academy of Marketing on the initiative of Michael Baker who served as guest editor. The context is important since the format of the competition required contextualizing concepts widely used in marketing and, thus the interface between sociology and marketing.

Essay 1 argues that the market concept can be unfamiliar for the marketing reader since even though the market concept has roots in economics, markets are analyzed in sociology and in sub-fields within marketing. Essay 1 draws from debates within economic sociology to uncover hidden definitions for what a market is for marketing authors. For instance, Kotler (1967, p. 6) referred to markets as a synonym for the demand side, whereas Bagozzi (1975) spoke of markets as systems of exchange.

Essay 1 traced how the market concept has been used in traditional market research. For example, the market in marketing management usually refers to customer demand. Kotler (1967, p. 6) defined markets as “All persons or business units who buy or may be induced to buy a product or service” This focus on the demand side might be inherited from the managerial turn in marketing. In the managerial turn, marketing as an academic discipline focused on a series of management technologies as viewed from the seller’s perspective. This required a closer understanding of demand. “The marketer is a specialist at understanding human wants and values and determining what it takes for someone to act” (Kotler, 1972, p. 53). Scholars interested in marketing management inherit assumptions in which the object of interest for markets is the demand side.

Scholars rely on rationality, competition, exchange, and free choice as intrinsic characteristics of markets. However, many of these assumptions have been challenged. The following lines summarize the arguments. Scholars found that institutional constraints require authoritative guidelines on how to behave and, thus, challenge the assumption that markets rely on free choice. This is an institutional view in which subjectivity yields to social constraints (Loasby, 1999, 2000). The market, thus, is an institution for fields such as institutional economics, and the field-analysis of the sociology of markets. Institutional approaches focus on constraints that shape what actors can do for transferring property rights.
Another widely accepted assumption of markets is that in markets the predominant aspect is competition. However, findings from industrial marketing reveal that firms and consumers operate in relationships toward each other, among themselves, and toward third parties. Thus, the market is a network formed by interdependencies and relationships. In marketing, this markets-as-networks approach is associated with the work of IMP (Håkansson et al., 2009). IMP is concerned with evidence suggesting that, foremost in industrial settings, relationships are more important than discrete transactions. This interactive approach, in ongoing business relationships, is based on the relevance of the relationship between an active seller and an active buyer. Instead of focusing on cutthroat competition in markets, the work of IMP, according to Håkansson et al. (2009), focuses on delicate interdependencies. Under this approach, managers are encouraged to search for interdependencies and long-term benefits, instead of encouraging survivalist behavior in an antagonistic environment.

The importance of exchange in marketing has been challenged by scholars studying how value is created. The focus of value is in the co-creation between customer and firm; thus, interconnected mechanisms such as service systems or value constellations are mobilized instead of using the market concept. From a value perspective, service is a central concept in markets since value means co-creating benefits for all participants in the market. Vargo (2007) proposed four ideas to understand markets: (1) a focus on value instead of products; (2) value creation as understood by the beneficiary, not the seller; (3) an integrated perspective between producer and consumer; and (4) a network perspective, instead of dyads (i.e., seller and buyer).

The centrality of the concepts of individualism and rationality in markets has been challenged by CCT scholars. Researchers in this stream getting “close and personal” with consumers have found that communities have much currency in markets. CCT scholars study markets as social systems describing how markets are more embedded into daily life as previously thought (Giesler, 2008). One example is Kozinets’ (2002) colorful illustration of how difficult it is to actually escape the market through emancipatory practices. As a counter-argument to individualism, Maffesoli (2007) discussed society in terms of tribes. The following lines offer a short summary of the categories identified.

Markets as customers. Markets can be seen as a collection of actual or potential customers. In market orientation, the market concept is mostly translated as customers (Slater and Narver, 1995, p. 63; Kirca, Jayachandran, and Bearden, 2005, p. 27). Since ‘market’ and ‘customers’ are concepts used interchangeably, market-orientation is equivalent to customer-orientation. Kaur and Gupta (2010, p. 90) identify that most scales designed to identify market orientation measure customer orientation items. Under this markets-as-customers approach, the concept of markets is often treated as unproblematic.

Markets as institutions. Markets are explained by means of guidelines of action which inform a determinate set of responses. Agreed mechanisms of operation are acknowledged by market actors (Loasby, 1999, 2000; Ménard, 1995; North, 1990). For Loasby (1999), exchange is supported by frameworks, conventions and procedures (i.e., institutions). Institutions, for North (1990, p. 3), are “humanly devised constraints that shape human action.” Frictions, in Loasby’s framing (2000, p. 299), enable controlled movement by restricting movement. This approach is found in the works of (new) institutional economics (Loasby, 2000), or in the structural stream of economic sociology (e.g., Fligstein, 2001). The latter focuses on market rules, power, and norms.
Markets as networks. A market can be seen as networks of relationships. A network in its most abstract form is, according to Håkansson and Ford (2002, p. 133), “a structure where a number of nodes are related to each other by specific threads”. In particular, nodes are business units (i.e., firms), and the relationships between them are threads. Markets, therefore, are networks of connected exchange relationships linking market actors. The aim of the markets-as-networks approach is to understand interaction within networks of heterogeneous organizations. In marketing, the markets-as-networks approach is primarily associated with the work of the IMP Group.

Markets as practices. Markets are constituted by routinized actions. Practices include not only consumer practices (i.e., the demand side) (Korkman, Storbacka, and Harald, 2010), but also market practices by firms and other agents, which consider the supply and middlemen (Kjellberg and Helgesson, 2007). Consumer practices, the first type, shift focus from identities to practices (Korkman, Storbacka, and Harald, 2010). An example can be seen when ‘breakfast’ is considered a market. A cereal brand competes not only with other brands of cereal, but also with scrambled eggs and fruit. Consumer practices can be found in CCT (e.g., Schau, Muñiz, and Arnould, 2009).

The second type refers to ‘performative market practice’ (Kjellberg and Helgesson, 2006), which observe economic action as an outcome of calculative processes including technologies and devices, and the inter-definition of agents. For example, MacKenzie (2006) claims that economic theory precedes practice. This approach has permeated into an emerging marketing research tradition (Araujo et al., 2010).

Markets as service systems. Service has been defined as the application of competencies by one entity for the benefit of another (Vargo and Lusch, 2004). A service system is a configuration of resources (including people, information, and technology) connected to other systems by value propositions. Service systems are said to include firms, customers, suppliers, and other partners in a firm’s network. A market, therefore, could be a rough translation of a service system. This approach can be found in service-dominant logic (Vargo and Lusch, 2004). Normann and his colleagues previously discussed markets in terms of value constellations (Normann, 2001; Normann and Ramirez, 1993).

4.2 Essay 2 – Assembling Market Representations

The second paper published in Marketing Theory identifies how practitioners conceptualize markets in their daily activities. Adopting a qualitative in-depth approach, the study classifies the representational objects that market researchers sort and use to represent markets for their clients. The study argues that views of markets are representations that are put together to form a coherent view of a market. The reason is that practitioners need to act in markets and, thus, the need for actionable representations simplifying complex social reality. The purpose of Essay 2 is to categorize the representational objects used to assemble market representations. Market representations are arrangements of coherent yet simplified views of what a market is, either now or in an alternative future version.
The empirical data consist of open narratives with experienced market research practitioners gathered online. Market researchers were asked a series of questions regarding how they represented markets to their clients in their daily work. For instance, when a manager wants to hear about her market, what can be said? Fifty-two experienced market research practitioners in four countries were interviewed: the UK (17), the US (17), Canada (14), and Mexico (4).

Essay 2 conceptualizes market representations in terms of assemblages of representational objects. Within each dimension, because certain representational objects may be present, the study elucidates implicit tensions in sorting and privileging them. Tensions arise out of the sorting of representational objects performed by managers when settling the frame of the market (exchange or non-exchange), what to include in the content of the representation (actors or practices), what purpose will be accomplished (ostensive or performative), and how to approach what is assembled (internal or external perspectives). Figure 2 offers a summary.

![Figure 2: Representational objects in market representations](image)

**Frame.** A frame implies boundaries in an allegory for a structure admitting or enclosing something, because if everything is a market, then nothing is. Frame is named after Callon’s ideas of framing and overflowing (Callon, 1998a). In Callon’s work, framing establishes the limits that guide the ways of acting, while overflowing challenges the limits imposed by frames. The frame of a market representation limits what will be part of a market.

The representational objects included in the frame are either exchange or non-exchange. On the one hand, markets are framed through exchange when attention is...
centered on trade. On the other hand, markets are framed as non-exchange when attention is centered in forces which may influence trade but which are not bound to price-setting mechanisms. Baron (1995) identifies the social, political, and legal arrangements that nominally are not drafted as part of the market structure, but still influence markets. Non-exchange objects differ from exchange objects because of characteristics such as majority rule, due process, or publicness. Non-exchange objects can include pressure groups, brand communities, employees, shareholders, and public opinion. The underlying tension responds to the extent to which non-exchange objects are drafted as an integral part of a market. For a marketer, a market frame which includes non-exchange elements is often necessary because marketers often operate on the fringes of cultural and economic domains; for example, a manager focuses on exchange when introducing a price reduction, but expands to non-exchange when publishing a CSR report.

Content. Content refers to the constituents of a market representation. The dimension 'content' contrasts market practices with ideas of what markets are. Content distinguishes between ways of doing things (i.e., practices), independently of who does it (i.e., actors). When the content of a market representation is composed of actors, 'who does' is privileged over 'what is done.'

For the market researchers in this study, the identification of actors in a market is part of the content of market representations. The identification of actors is consistent with existing literature since it is not always clear how actors are recognized (Andersson et al., 2008). The segmentation of actors into similar groups is a well-known procedure in market research; however, the literature has reported difficulties correlating practices with actors; for instance, Sunderland and Denny (2011) showed how actor-based segmentation collided with actual purchasing behavior. When the content of a market representation focuses on practices, 'ways of doing' are privileged (e.g., eating, walking, telling jokes, etc.).

Purpose. Purpose explores the reasons a market representation is assembled. A market representation can have many intentions; for instance, a representation can be assembled to explain how a market operates or to enable action by pointing out competitors’ weaknesses. An ostensive definition provides concise, stable and orderly explanations. Explanations are normally detached, and the object of interest is pacified, which means that it should not change. Performative definitions, in contrast, are not indicative, but instead, aim to change the (social) reality described. A market representation highlights aspects of the market in either an indicative manner (i.e., ostensive) or action-oriented manner (i.e., performative).

The tension in the purpose of a market representation is the extent to which a representation can show either stability or destabilizing opportunities. On the one hand, when the market is ostensive, it is recognized as is (e.g., this is how the market works, and cannot be changed). On the other hand, when performative, a market representation identifies the potential for change (e.g., this is how the market works now, but these actions can capture resources, eliminate competition, and change the rules).

Approach. Approach refers to the form in which a firm is thought to relate to its market. Representational objects in the approach dimension can be grounded internally or externally in relation to the firm. In other words, a market representation can be assembled using a logic that could mirror either how the firm itself is organized or draws from outside sources.
Market researchers describe market representations that often respond to already existing firm structures and patterns, such as distribution areas, sales structures, or internal product categorizations. An internal logic could reflect corporate structures such as organizational hierarchies, production lines, or the structure of the sales department. If mirroring how a sales department is organized, the market researcher will have to assemble a market representation according to how the company works (e.g., the ‘US’ market would be compared with the ‘rest of the world’ market). When market researchers assemble market representations based on external representational objects, cues from the environment are used. Organizations, for instance, often copy each other using benchmarks. A market researcher could ground a market based on external sources, such as best practices, potential buyers, or even legislation.

This study articulated the ideas that are put together to form a coherent view of a market. Four dimensions are presented regarding the representational objects used to assemble market representations, and propose that each dimension results from the negotiation of internal tensions. Tensions arise out of privileging which representational objects are included in terms of frame (exchange or non-exchange), what to include in the content (actors or practices), what purpose will be accomplished (ostensive or performative), and how to approach the market (internal or external perspectives). This conceptualization enables an assessment of market representations for elucidating potentialities of how firms can relate to markets, for instance, on the use of commissioned research.


A central question in this dissertation is whether market representations are constructive to managerial action. Contentions that market representations influence strategic choices have been explored (e.g., Harrison and Kjellberg, 2010; Rinallo and Golftto, 2006), but quantitative evidence is hardly available. In response to this limitation, Essay 3 reports on a quasi-experiment investigating whether market representations have a constructive aspect in business management.

Market representations have been theorized to affect the strategic actions (Normann, 2001), that is, the form in which markets are deconstructed in the mind of managers limiting and constraining their repertoire. Market representations result from privileging representational objects, such as observations and experiences, into coherent views of how markets work (Essay 2; Kjellberg and Helgesson, 2007). Market representations are important, because the form in which a market representation is assembled privileges certain ways to think about markets.

Empirically, Essay 3 compares two types of market representations in order to test for influence exacted by industrial marketing on strategies. Market representations that integrate the capabilities of an organization with the market (i.e., performative), and market representations that separate the market from the firm (i.e., ostensive) were presented as treatments in the experimental design. A social experiment is a quantitative technique where a treatment, the manipulation of an independent stimulus, is tested for effects in a dependent variable, a dimension of interest. Experiments involve systematically manipulating variables in order to establish a cause-and-effect relationship. The experiment consisted of a business case that was given to 123 advanced marketing students at the master’s level. Treatments were
market representations systematically manipulated to test in the dimension of interest whether strategies differed.

The difference between ostensive and performative market representations lay on the extent to which a representation separates how the market works from the capabilities of the firm. Market representations are performative when the capabilities of the firm affect the market, and market representations are ostensive when the market is separated from what the firm can do. An ostensive definition provides concise, stable, and orderly explanations, and what is described is objectified, which means they remain stable. An ostensive representation treats the market as independent from the firm (e.g., this is how the market works, and cannot be changed). On the other hand, performative representations focus on actions that can disrupt how a market works. The description of the market is connected to the destabilizing actions of the firm. When performative, a market representation identifies the potential for change, for instance, by seizing resources or exploiting weaknesses.

Results indicate that service focus is selected when market representations rely on agency in firms (i.e., performative), and product strategies are selected when structures are emphasized (i.e., ostensive). The reason can be attributed to the form in which marketing knowledge has been codified and taught. With an ostensive market representation, the business case presented seems like a conventional situation to be solved by relying on professional training. Therefore, marketing practitioners rely on marketing normative theory regarding product differentiation. On the other hand, service strategies have been argued to be appropriate for industrial firms, as can be found in the service infusion and servitization literature. When the capabilities of the organization are taken into account with a performative market representation, a practitioner is more likely to take a strategic choice to fit the situation of a firm.

4.4 Essay 4 – Marketplace Mythologies: The Mapmaker’s Dilemma in Market Research

This paper conceptualizes the knowledge produced in market research. Drawing from the ostensive and performative literature and by studying the composition of market research reports, the paper demonstrates that the knowledge produced in market research has the dualistic purpose of discovery and intervention. Ostensive and performative representations are mobilized to better appreciate how market research knowledge is crafted to become descriptive and instrumental simultaneously. This contribution supports marketing managers when commissioning and deconstructing market research knowledge.

The distinctions between ostensive and performative representations proposed by Latour (2005) are mobilized to investigate what is market research knowledge. The paper describes a brief history of market research drawing from environmental scanning and motivational research. The interplay of the dualistic aspects of market research is conceptualized as ostensive (the accuracy concern) and performative (the actionable concern).

In performativity literature, all representations are performative since they continuously construct reality.

However, by isolating their explicit purpose, market representations can be assembled for ostensive or performative reasons.
The paper argues that research knowledge is similar to the mapmaker’s dilemma from the social sciences. Like maps require simplifications to achieve usability; likewise, market researchers must manage the interplay of accurate yet actionable market representations. The two aspects are analytically different even though both can appear empirically at the same time. Both aspects compared in Table 8 are required to fully conceptualize market intelligence.

### Table 8  Market representations through their purpose

<table>
<thead>
<tr>
<th>Issue</th>
<th>Ostensive</th>
<th>Performative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Characteristics</td>
<td>Concise and descriptive: coherent snippets encapsulating defining aspects of the market</td>
<td>Dynamic and instrumental: actionable information linked to the capabilities of the actor</td>
</tr>
<tr>
<td>Objects privileged</td>
<td>Structures: recurrent patterns constraining options</td>
<td>Agencies: autonomous agents capable of shaping their environment</td>
</tr>
<tr>
<td>Purpose</td>
<td>Learning: information processing for predictive rationality</td>
<td>Doing: actionable missions based on means available</td>
</tr>
<tr>
<td>Role of knowledge</td>
<td>Cumulative: knowledge accumulates over time</td>
<td>Punctuated: knowledge is bracketed in time and space</td>
</tr>
<tr>
<td>Action</td>
<td>Reactive: permits adaptation and reaction to external forces</td>
<td>Proactive: enables firms to take action</td>
</tr>
</tbody>
</table>

**Ostensive representations.** Almost every discussion of market research emphasizes that firms learn about their customers, competitors, and channels in order to continuously scan and react to present events. Ostensive representations are formed by concise and descriptive views defining what a market is and how it works. Representations are ostensive when concise pieces of knowledge coherently encapsulate a defining aspect of the market (c.f. ostensive descriptions in Latour, 2005). A representation of the market that is declaratory or descriptive continues the tradition of scanning the external environment with the following characteristics: accounts are descriptive; structures are privileged; representations support learning; knowledge is cumulative; and, ostensive representations support market-driven orientation.

The identification of structures stabilizing over time is a major concern for ostensive representations assuming stability, orderliness, and predictability (Fligstein, 2001).
Measuring market share, for instance, only makes sense when changes can be tracked over time given certain parameters, such as products sold, or revenue, but also that most parameters remain stable (Dishman and Calof, 2008). Understanding the structure of how a market works is as important for planning and forecasting, which are activities of central concern in financial planning (Greenspan, 2013).

**Performative representations.** When managers ask for information to be actionable (Bernhardt, 1994), they refer to performative representations. Performative representations are instrumental in supporting strategic business decisions and privileging action (MacKenzie, Muniesa, and Siu, 2007). Performative representations envision a potentially different state of affairs and the means to bring that vision into reality (Kjellberg and Helgesson, 2006). Performative representations have the following characteristics that are explained below: accounts are dynamic and context-bound; agency and autonomy are privileged; representations enable doing; action is punctuated; and intelligence supports market-driving orientation.

Representations are performative when agency is privileged (Andersson et al., 2008). The agency structure is a standing debate over the capacity of actors to act independently and choose freely versus the dominance of patterns, arrangements, and constraints (Bourdieu, 2005). Firms display agency when their actions challenge boundaries and destabilize structures. Managerial concepts such as radical innovation, change management, and dynamic capabilities highlight the destabilizing role of firms in markets. The performative aspect is the representation of how actors can influence structures and modify practices (Feldman and Pentland, 2003). Market intelligence is performative when it acknowledges autonomy of action in firms and, therefore, privileges accounts of agency.

**Market research as mapmaking.** The double requirements on market research frame a marketplace mythology around the figure of the market researcher among other marketing practitioners as guide and mapmaker.

The relevance for marketing theory is that by studying how market representations are produced, used, and circulated, marketing scholars can better understand how representational practices are crucial for organizing markets. The contribution for market researchers and marketing managers is in the interplay of ostensive and performative requirements: too much emphasis on discovery may limit implementation, while too much emphasis on intervention may limit the legitimacy of the representation.
5 DISCUSSION

The purpose of this dissertation is to conceptualize market representations by their constituents, assemblages, and purpose. To that end, four research questions were crafted: 1. What are the constituents of market representations in literature? 2. How are market representations assembled in practice? 3. What are the purposes of market representations? 4. Could ideas about markets have effects in structuring real markets? This section summarizes the insights derived from this work by addressing these questions, and discusses implications for marketing theory, management, and public policy. Further, the section concludes by describing the limitations and suggesting avenues for further research.

How are markets conceptualized? The findings of this dissertation show that market representations can be conceptualized in multiple ways. The most common way to represent markets is through market forces of supply and demand originating from economics (Varey, 2010). However, “the market” is just one among other market representations. The market from economics is a dominant representation; thus, scholars in marketing and sociology frame alternative market representations against the limitations of the market concept.

Table 9 Challenged assumptions about markets

<table>
<thead>
<tr>
<th>Assumption about perfect markets</th>
<th>Challenges</th>
<th>Example</th>
<th>Field where challenge originates</th>
</tr>
</thead>
<tbody>
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Table 9 shows some of the challenged assumptions of the market found in the literature. The first column includes the assumptions about perfect markets in economics. The second column includes an alternative proposed by sociologists and marketing researchers. It is hardly surprising that marketing scholars frame their contributions by challenging multiple aspects of the market concept because the development and formalization of marketing as a research field was influenced by economics (Varey, 2010) For example, as a foundation for service-dominant logic, Vargo and Lusch (2004) criticized the centrality of exchange in marketing and proposed value. Vargo (2007) criticizes the prevalence of normative ideas instead of a positive understanding of markets at the core of marketing scholarship. Thus, the
service-dominant logic is framed as a challenge to specific aspects of the market concept that, according to Vargo and Lusch (2004), lack correspondence with a positive understanding of real markets.

Another example is the markets as networks literature from the IMP Group. IMP researchers challenge assumptions of isolation in markets. The market from economics relies on the assumption that actors in markets act individually for their own gain. Buyers and sellers are assumed to relate to each other only through discrete transactions and, thus, are isolated from each other. However, by studying industrial firms, IMP researchers found that business firms create enduring relationships relating to each other through delicate interdependencies. Executives inside firms form long-term relationships not only with buyers, but also with competitors. Conversely to the individualistic self-gain assumed in the market from economics, industrial firms form relationships and networks because, undeniably, no one prospers alone.

Other assumptions of the market have been challenged such as the existence of complete information. While one of the foundations of the market concept is that information is fully available, uncertainty is a characteristic of markets (Read et al., 2009). Managers operating under uncertainty, that is always, need to discern valuable insights if information is too complex, or conversely scan for insights when not available (Day, 2002). Table 9 offers more challenged assumptions.

The challenges to the dominant ideas from the market proposed by economics show that “the market” representation is limited. Since the market concept is limited, scholars and practitioners assemble their own representations to fit their own context. For entrepreneurs, the market is about uncertainty (Read et al., 2009), for industrial managers, the market is about relationships and networks (Håkansson et al., 2009), and for services marketing, the market is about value (Vargo and Lusch, 2004). In short, multiple constituents of markets can exist simultaneously.

**How are market representations assembled in practice?** Since the market from economics is a limited representation of markets, marketing practitioners produce their own market representations in their daily work. Marketing practitioners assemble multiple market representations by sorting and selecting the constituents of market representations that fit their context and purpose. The practical problem that marketing practitioners need to overcome is that the correspondence between representations in the world of ideas and the world out there is not always strong.

Previous work by Day (2002) noted that managers process information in order to learn about markets. The findings of this dissertation show that markets and representation correspond only to a certain degree. Managers interpret their markets through representations corresponding with reality strongly, weakly, or not at all. This insight shows how market representations offer the domain and logic for the actions that managers consider learning. Rather than just describing markets, market representations isolate crucial assumptions, effectively expanding or constraining the repertoire of managerial actions.
Market representations do more than passively describe markets to managers. In fact, the repertoire of actions available to managers is constrained by the market representations used. An example is the Boston Consulting Group matrix (BCG-matrix). The chart is widely used in marketing practice and was originally designed to help corporations analyze business units. The BCG-matrix supports the company to allocate resources by ranking market share and growth. Products falling in each of the resulting quadrants are assigned catchy labels: cash cows, dogs, question marks, and stars. Each offering is ranked across an area representing sales; thus, the BCG-matrix is a map of profitability (share and growth) with accompanying cash-flow actions for each offering. The purpose is to help investing and divesting decisions.

A representational approach reveals several assumptions in the BCG-matrix. One assumption is the existence of an observable and definite product lifecycle. Money obtained from cash cows must be funneled into the rising stars of the future since, we are told, cash cows will inevitably decline into dogs. Managers relying exclusively and uncritically on the BCG-matrix constrain their repertoire to cash-flow techniques linked to product lifecycles. The lifecycle assumption built into the BCG-matrix neglects the importance of branding forming barriers to new entries. Leading brands can outperform newly launched brands in certain contexts such as luxury or fast-moving consumer goods. Branding actions can prevent assumed lifecycles, an action not explicit in the BCG-matrix.

The performativity of the market representation is that the inbuilt assumptions become real when managers take action based on the BCG-matrix: offerings catalogued as cows are milked instead of renovated and resources are diverted to rising stars even at the risk of speculative bubbles. One such bubble was the dot-com collapse in the early 2000s where rapid growth of rising stars over the Internet led investors to funnel cash into what appeared to be rapid growth. Internet firms ceased trading after burning venture capital and failing to produce profits. In the inbuilt assumptions of the BCG-matrix there is no room for speculative bubbles; thus, diverting cash from cash cows into rising stars can be counterproductive if such a bubble actually exists.

What are the constructive dimensions of market representations to managerial action? When marketing practitioners assemble representations, they are forced to take decisions of what to include and what to leave aside. The problem is that market representations are active in the sense that people use them to take actions. The purpose of a representation is both to take action and learn about the market. Since a market representation involves interpretations and simplifications, a market representation will never be complete. Some aspects of the market have to be left out and this creates tensions (see Essay 2).

The findings from Essay 3 show that market representations are constructive to managerial action. The reason is that the manners in which market representations are deconstructed and internalized enable managerial action by constraining options. That is, market representations make the market look like a conventional situation or a unique situation. When the manager deconstructs its market as a ‘conventional market’
then it is more likely to implement normative, mainstream marketing techniques. One reason is that the market is perceived to be less dynamic by relying on market forces that appear difficult to change. On the other hand, when the resources and capabilities of the organization are considered, the marketer can rely on innovative techniques that may or may not be aligned to marketing normative techniques. The context becomes important, and the specific capabilities of the firm become relevant for acting in markets.

*How representations influence action?* The investigation of how market research reports are assembled reveals that market research knowledge faces similar challenges as mapmaking. Market research knowledge is structured for a dual purpose: help the client to discover the market (ostensive concern) and steer the firm to navigate the market (performative concern). The dual purpose of market research knowledge is similar to the mapmaker’s dilemma in the social sciences (Bateson, 2000[1972]; Baudrillard, 1994; Korzybski 1994[1933]). Like mapmakers, market researchers face the challenge of integrating accuracy and usability. Market researchers face ostensive and performative requirements. Placing too much emphasis on discovery may limit implementation, while placing too much emphasis on intervention may limit correspondence with reality. Subsequently, designing market representations requires omitting constituents, and dilemmas arise: Which assumptions are deployed? What is the correspondence between market and representation? What is the purpose of the market representation?

- **First dilemma:** “Which assumptions are deployed?” Addressing the complexity of social reality requires simplifications. The conundrum is that the level of abstraction and the assumptions used may fit the context loosely. The explanatory power of market representations is in a large part dependent on deploying assumptions in an appropriate context. The dilemma is that deploying one type of assumption (e.g., competition) can be mutually exclusive with other assumptions (e.g., interdependencies). So, the first dilemma means moving back and forth between complexity and simplification among signs, materials, techniques, money, and people.

- **Second dilemma:** “What is the correspondence between market and representation?” Market representations are formed in the construction and deconstruction of multiple sources including managerial experiences, the opinion of collaborators, and empirical evidence. It is entirely possible that market and representation fail to correspond. Perhaps something didn’t work quite right in the moving back and forth between complexity and simplification. The dilemma is to challenge the correspondence between complexity and abstraction. Challenging a market representation is a dilemma because mental models are self-reinforcing (Day and Nedungadi, 1994).

- **Third dilemma:** “What is the purpose of the market representation?” This is the most complicated dilemma because market representations can have multiple purposes such as learning or intervention. The dilemma is to assert in the first place what the representation is for. Most organizations have access to an overabundance of market representations that can be used out of context or out of routine. One example is measuring customer satisfaction every month without further application. The problem is that by failing to address the purpose of the representation many efforts risk ending up shelved.

*What are the conceptual foundations for market representations in action?* This question relates to a call for research on the multiplicity of markets (Kjellberg et al.,
in emphasizing the role of the world of ideas and the ways in which representations contribute to explaining how markets are structured. Market representations [not only] [not independently] [not always] have a structuring role in structuring how markets operate. Market representations result from a practice of construction and deconstruction. In other words, actors assemble representations to act in markets, but at the same time, market representation enables them to act by presenting available options.

5.1 How to evaluate if a market representation fits the context and purpose?

Returning to the overall problem of this research, marketing theory has difficulties in assessing and qualifying the overabundance of market representations. What follows is a conceptualization to qualify market representations in terms of fit and purpose. Figure 3 can be used to qualify and evaluate market representations for a context. The figure is divided into two axes corresponding to the closeness of representation and the reality and the purpose of the representation.

![Figure 3 “Fifty shades” of market representations in action](image)

The vertical axis is the correspondence between the world of ideas and markets. The correspondence implies shifting degrees or “shades” between representation and reality. For Baudrillard (1994), reality and representation is separated by four degrees of disconnection: 1. Faithful reflection of reality. 2. Hints at the existence of something else. 3. Substitution of representations for real objects. 4. No clear indication of where reality stops and the representation begins. For simplicity, Figure 3 includes only three degrees. One end has a strong correspondence with reality and, thus, reality and representation overlap. A weak correspondence is that of a degree between fiction and discovery where reality and representation differ. On the opposite end a representation is independent of reality, a fiction where representation and market are independent.

The horizontal axis includes the purpose of market representations. The purposes discussed in this collection are ostensive and performative depending on whether the representation aims for descriptive learning or instrumental change. Market representations are ostensive when concise and descriptive snippets encapsulate
defining aspects of the market. Ostensive representations focus on structures and patterns constraining options; therefore, the focus is on how firms react to external constraints. Market representations are performative, when dynamic and instrumental accounts focus on the capabilities of firms. Markets are seen as moldable, thereby focusing on actions that can be disruptive. When managers ask for actionable information (Bernhardt, 1994), managers ask for performative representations. Performative representations envision a potentially different state of affairs and focus on the means for firms to enact that version into reality, for instance, by seizing resources or exploiting weaknesses.

Each category represents an evaluation of a representation in terms of correspondence and purpose. Each of the following categories can serve to qualify market representations, for example, when designing the market research budget or hiring consultancy. What follows is a short description of each category.

**Discovery** (ostensive purpose, strong correspondence): Most of the work on market intelligence and market learning states that firms scan their markets to discover threats and opportunities and to react to external forces (Day, 2002; Kohli and Jaworsky, 1990). A market representation that is a close approximation to the market enables firms to discover their market. When the representation and reality overlaps, the representation enables managers to process information about the market. This is what market intelligence is supposed to do: collect information from the market, distribute the information across the organization, and respond to that information. The information processing aspect of market research operates in this area.

**Masks** (ostensive purpose, weak correspondence): Often the market representation and the market differ in crucial aspects. Perhaps the model and the context do not fit completely. Regardless of whether the market representation was assembled carefully, the inbuilt assumptions may not correspond entirely. In this case, managers can question the assumptions and generalizations used in the assemblage of the market representation. Perhaps the representation is hiding the assumptions like a mask and it is used out of context. One example is market share. The metric is a percentage of the market in terms of units sold or a firm’s profit. While market share is widely used, there is no generally acknowledged best method for calculating it. Market share can be misleading since different computations produce different results even if data is available. Most of the time information is only available for publicly-listed manufacturing firms or retail outlets. Information outside manufacturing is restricted (e.g., services). Managers look behind the mask and see what market share is being measured.

**Myths** (ostensive purpose, independent correspondence): In some cases the market representation fails to have meaningful correspondences with reality. Perhaps too much emphasis is placed on competition when interdependencies are more important. One reason may include the mobilization of ideology resonating with the form in which certain markets work (Carrier and Miller, 1998), or because myths are included in the form in which markets supposedly work (Bjerrisgaard and Kjeldgaard, 2013). In this case, the representation is disconnected with managerial reality but still risks confusion. Myths may be independent of real markets but are not innocuous since they can be mobilized as prescriptions to make the world more like the vision.

**Intervention** (performative purpose, strong correspondence): Representations can be assembled for instrumental action. When the representation is close to reality a performative representation can identify resources to seize and weaknesses to exploit.
A market representation can be framed for intervention by making it “actionable” (Bernhardt, 1994). When the representation corresponds with reality but it is designed to change that reality, the resulting instrumental change is an intervention. The action is close to the marketing metaphors of warfare where a firm uses a representation to challenge the status quo by mobilizing resources to capture opportunities.

**Vision** (performative purpose, weak correspondence): When representations are assembled for action, but no immediate action is possible since the representation differs from reality, the market representation is a vision of an alternative future (Normann, 2001). Firms can organize visions of a potentially different market configuration by identifying the crucial aspects of the market that can/should be changed (Storbacka and Nenonen, 2011a). One example is in the work of Hagel, Brown, and Davison (2008) arguing for a vision that can be mobilized to shape markets. Hagel et al. (2008) propose three steps: 1. Formulate a vision of a redefined market with benefits for a wide range of participants; 2. Organize others to enact that vision; and 3. Demonstrate commitment by sharing benefits. Market representations are constructive since the repertoire of managerial actions depends on the form in which the context of the firm is understood.

**Simulation** (performative purpose, independent correspondence): If representation and reality are independent, then changes in the representation may work as scenarios, or simulations. A simulation is a representation that is not anchored in reality (Baudrillard, 1984), but only exists virtually. An example is in “what if” scenarios, or future thinking. One example of this type of application is simulating the effect of an anticipated law in the market. Because that law is not yet implemented, no one really knows its full effects, but simulations can help managers to anticipate possible scenarios even if only virtually. The simulation may be used to identify potentially effective courses of action.

### 5.2 Implications for Marketing Theory

#### 5.2.1 Implications for market studies

The market studies literature in the field of marketing has produced evidence demonstrating that marketing practices are part and parcel for the organizing of markets (e.g., Araujo and Kjellberg, 2009; Kjellberg et al., 2012). Their agenda has been inspired by the economic turn in STS and particularly by the agenda led by Michel Callon and his arguments on performativity (Callon, 1998, 2010). Broadly speaking, the contribution from the market studies reconnects marketing to markets through the study of marketing practices (Araujo et al., 2010). Nevertheless, Araujo et al.’s claim of reconnecting marketing to markets is limited, because ideological and representational considerations of marketing practices are lacking in the market studies literature. The lack of representational and ideological concerns limits the explanatory power of why marketing practitioners do what they do. Consequently, this dissertation argues along the lines of Miller (2002) and Pickering (2010[1995]) that a representational approach is a crucial companion for the performativity thesis often advocated in the market studies literature.

Araujo et al. (2008, p. 6) argue for a “practice approach” for market studies literature, but frame such an approach in contrast to a “representational approach.” By this comparison, Araujo and others borrow the distinction of representational and
performative from Pickering (2010[1995]). Pickering contrasts representational and performative idioms in the construction of scientific knowledge. A representational approach casts science as an activity that corresponds to the real world. In doing so, a representational approach precipitates the familiar problematics in the philosophy of science (i.e., epistemological concerns). Pickering argues that the construction of scientific knowledge can be studied through social, material, and temporal dimensions. The market studies literature advances the “practice approach” by focusing on market objects (Finch and Geiger, 2011), organizing techniques (Azimont and Araujo, 2010), actants (Andersson et al., 2008) and marketing techniques (Zwick and Cayla 2011). Nevertheless, Pickering (2010[1995]) carefully annotates that a performative approach should include a representational approach as well: “Science is not only about making machines, and one cannot claim to have an analysis of science without offering an account of its conceptual and representational dimensions” (Pickering, 2010[1995], p. 7). The performativity approach advocated by Pickering is in fact cultural; thus, the first implication for the market studies literature is the integration of representations, and the second is the inclusion of an anthropological approach common to CCT literature.

The first implication is proposing a representational approach compatible with a practice approach. Market representations actively shape the form in which managers and scholars think about markets and, hence, frame their actions. While this insight is not new (e.g., MacKenzie, 2006), this paper details the specific mechanisms (tensions, translations, assumptions and challenges) that marketing practitioners and scholars use when constructing and deconstructing market representations and then use them. While Kjellberg and Helgesson (2006) referred to representational practices, no further detail for the constituency of such practices was provided. This paper contributes to the performativity literature with a conceptualization of representations that can be qualified independently of the actor as market objects (Finch and Geiger, 2011). In this way, representations can be taken into account when studying markets.

The second implication extends the discussion between Miller (2002; 2005) and Callon (2005). In the discussion, Miller argues that materiality can be interpreted only as part of the wider context. For example, since Miller is an anthropologist he would explain a roman coin with the portrait of the emperor as an attempt to stabilize a vast and decaying empire through a central powerful figure. The abstraction - the stability of the empire - becomes an integral feature for interpreting the object - a coin with the portrait of the emperor. Miller is critical of Callon’s performativity because meanings and wider intentions embedded into objects should be part of analysis (e.g. Explaining that blue jeans were restricted in some countries during 1980s because of associations between blue jeans and capitalism). Miller argues that Callon’s performativity risks analysis where important human considerations are neglected.

In contrast, Callon (2005) argues that social scientists mobilize abstractions too carelessly. Concepts like "the social" "ideology" and "social class" are used too broadly and lack explanatory power by meaning everything and nothing. Callon (2005) argues that Miller's virtualism leads to impotence because abstractions seem inevitable – e.g. what can a person do against "the economy"? Callon favors detailed analysis of actors and actants making things happen; thus, objects, techniques, ideas and people resemble little engines, cogs and wheels connecting and making reality. Callon argues that reality exists but it is also made, and thus prefers analysis describing how the real is put together (i.e. assemblages or agencements in Callon’s work).

This paper has shown that abstractions are assembled as well. Like Miller argues, meanings and abstractions are crucial for understanding social reality, but unlike Miller
this work treats abstractions as outcomes; hence representations that are put together from picking and privileging assumptions and strategic intentions. Concepts like capitalism or the market are put together from assumptions, techniques and practices that people constantly use and slowly become taken for granted (black boxes). Unlike Callon, abstractions such as "ideology" and "the social" can be used by accessing the black box – i.e. by accessing how the representation is put together. Since a representation can be assembled in multiple ways, the identification of the constituents of such representations can be mobilized, and thus differences between Miller and Callon can be bridged.

5.2.2 Implications for CCT

By bridging work of representations with the concept of performativity the contributions from market studies and CCT can become synergic. Much of the work on CCT is in the cultural elements study of distinctive human traits in the context of consumption. While symbolism is very important to understand the meanings that consumers attribute, meanings alone are insufficient to understand how people act in a physical world: people rely on tools and their own bodies. The collection of papers in this dissertation mobilizes aspects of materiality found in the work of Latour, Callon, Law, and others in STS to better appreciate the objects that form the marketplace (Finch and Geiger, 2010). CCT’s traditional focus on practices, routines, and meanings, can expand into objects, devices, and materials to better appreciate meanings in practice. Recent work on CCT already includes aspects of materiality, techniques, and devices to explain how markets are formed (e.g., Martin and Schouten, 2014). To the CCT reader, this work disentangles representations from the observer in order to qualify representations as objects that form markets.

One concrete implication is a broader emphasis on markets and market systems. CCT techniques can be applied to actors such as marketing practitioners to better conceptualize market formation. This dissertation mobilizes qualitative in-depth techniques inspired by CCT work to study how managers assemble signs and systems that effectively constitute structures that support markets. CCT scholars have been fascinated by the form in which consumers construct meanings through consumption, but the account is incomplete without considering others influencing markets as well: managers, marketing practitioners, front-line workers, shareholders, and activists to name a few. Perhaps consumer culture theory could evolve into market culture theory to better understand the implications for society that is both consumerist and entrepreneurial.

5.3 Implications for Marketing Practice

Relevant for managers is that market representations permit two new actions in their repertoire: 1. assemble visions of a future version of a market, and 2. critically qualify market representations.

Assemble visions of a future version of a market. Market representations both open and constrain the repertoire of actions suggested by Normann (2001) and Hagel et al. (2008): 1. Formulate a vision of a redefined market with benefits for a wide range of participants; 2. Organize others to enact that vision; and 3. Demonstrate commitment by sharing benefits. Market representations are constructive since the repertoire of managerial actions depends on the form in which the context of the firm is understood.
An extended repertoire for firms is the possibility to assemble visions of an alternative future market (see more details in Essay 3). Normann (2001) argues that firms can create visions to mobilize other actors. Market representations become visions of an alternate future that can be enacted by the firm or by mobilizing others. The actions of the firm, along with the actions of others, contribute to crafting a potentially different version of the market through today’s actions. Market representations are important since a strong vision can precede reality when enacted.

**Critically qualify market representations.** By studying how market representations are assembled managers can critically evaluate and qualify market representations. Questioning market representations is important as the example of Olivetti, the typewriter manufacturer, demonstrates. In retrospect, it remains unclear how such a big company was unable to identify imminent changes in their market since, as we know, typewriters are so 1980s. The story goes that firms can spend money to learn about their markets, but incidents such as the case of Olivetti challenge such claims. Major players such as Kodak and Nokia faced similar constraints for identifying dynamism in their own markets. The managerial contribution is that when firms spend money on market research, market intelligence, or other actions aiming to learn about their markets, such learning is mediated by representations. Market representations are important in managerial work because representations reveal as much as they conceal.

### 5.4 Implications for Public Policy

Publications in marketing rarely make explicit implications for public policy (for exceptions see *Journal of Public Policy and Marketing* and *Journal of Macromarketing*). Perhaps the reason is ideological since the market concept is grounded in the idea that governments and markets should be separated. Everybody would agree, however, that governments should interact in markets at least to enforce that contracts are kept if nothing else. Nevertheless, the recent financial crisis, abundance of price cartels, and scandals of excessive compensation in troubled firms have reawakened a discussion for the role of markets in society. Marketing scholars hardly ever frame their findings for public policy. One reason is perhaps the conviction that marketing’s reason of existence is managerially motivated (Shaw and Jones, 2005). In other words, journals in marketing prioritize managerial implications since marketing scholars aim to be relevant for managers. Contemporary work in marketing strongly supports a managerial perspective in contrast to early scholars in marketing, such as Shaw’s (1912) study of agricultural intermediaries. The following lines propose the following contributions of this dissertation to public policy.

Policymakers are under constant pressure to guarantee free markets or face disruptions from market forces. This study demonstrates that such market forces, if they exist at all, are less well known than we thought. The foundations of markets have been challenged by findings in marketing and sociology. For instance, Essay 1 shows that assumptions such as rationality, individuality, competition, product homogeneity, and transaction costs can be challenged when studying how markets actually work. Consequently, differences cannot be attributed to imperfections but to multiple market structures. Essay 2 explains how simplifying complexity involves managing tensions for a unique representation. Public officials should consider that market representations serve the purposes of those who craft them. As seen in Essay 3, market representations and social reality can correspond strongly or weakly. By mobilizing the work of Baudrillard, this
paper shows that policymakers should qualify if market representations correspond with reality strongly, weakly, or simply simulate reality.

The work on market representations is important because misrepresentations of markets cause more than headaches to the readership of newspapers. The lack of understanding of markets in legislation may have large and unknown consequences for society. Policymakers assume that we know how markets work; however, despite assurances, we may not know enough about how markets work. Consider how important the idea of competition is for the market concept. The story goes that markets need competition; thus, introducing markets in core governmental activities will improve efficiency and is always positive. Instead, in quite a few cases, competition is not a key feature of markets as demonstrated by the “too big to fail” scandals. The story goes that competition make firms become efficient or disappear; and yet, political leaders bail firms considered too big to fail. When competition is insufficient some could argue that it is because of an imperfection in the market, and yet, the alarming regularity in which governments around the world bail firms as diverse as banks, car manufacturers, or airlines could mean instead that competition does not always work as intended.

The implication for public policy is that legislation on markets should be situated in time and place. Multiple market structures exist, and yet can be obscured, as in black boxes, until the system breaks. Public officials can use the conceptualization presented here to commission multiple representations to have a wider perspective, understanding that market representations are in fact interpretations. Markets deviate from the invisible market forces, because such forces are often not there (Stiglitz, 2006). The contribution of this paper is conceptualizing markets as social systems that can be represented by simplifying complexity. Like any other social system, markets require regulations to safeguard the system against abuse. Consider how social benefits are carefully loaded with safeties to make sure that only those with legitimate need receive an allowance. Like social benefits, markets are social systems, thus requiring governments to intervene to place safeguards against individuals abusing the system. Governmental allowances are channeled to markets through subsidies, tax privileges, and unaccounted externalities. The state has an important role in the regulation of abusive behavior when masked as inherent qualities of markets.

The dangers of not knowing well enough how markets work are best illustrated when markets replace core government functions such as national security. A recent interview with notorious whistleblower Edward Snowden reveals the difficulties of the marketization of central government functions (Seipel, 2014). When answering the question of how a 30-year-old man from North Carolina obtained access to millions of surveillance records worldwide, including private conversations of German Chancellor Angela Merkel, Snowden explained that private contractors gain levers without accountability because private for-profit companies are doing inherently governmental work like targeted espionage, surveillance, and compromising computer networks. The Snowden case reveals that policymakers did not know the full extent of the consequences from outsourcing governmental activities when approving relevant legislation. It could be argued that because markets became so complex and their interdependencies so wide, policymakers no longer know markets.

Policymakers are led to believe that introducing market mechanisms has the same effect as disregarding context. Conversely, this dissertation demonstrates that we know less about markets than we thought and, thus, marketization processes should be studied carefully. In some cases, marketization processes have proved positive to
enhance competitiveness, but competitiveness is not a key feature of markets in every case. The marketization of core functions such as pension funds, national security, and key aspects of healthcare have profound consequences for society. Proponents argue that we know how the markets work, but policymakers should be aware that when markets fail, our knowledge of markets is no more than a black box. Latour (1999) compares a black box with the mythical Pandora's Box that is blissfully ignored until things go wrong, but once opened and after a whirlwind of curses and ills clears, one finds hope. The hope is creating a social system that balances public needs with the many advantages of markets.

5.5 Further Research

The collection of essays in this dissertation argues that the complexity of markets can be better addressed by identifying how markets are represented. This dissertation provides foundations for market representations anchoring research in the literature and qualitative in-depth methods. Nevertheless, the work is far from complete. More research is needed, particularly in three areas:

4) The deconstruction of market representations;

5) The conceptualization of market agencies pushing the boundaries of established market structures; and

6) The representation of future alternate versions of markets and their enactment through actions today.

First, while market representations can be assembled from multiple constituents, it remains unclear how practitioners and managers deconstruct such representations. Day and Nedungadi (1994) observed that managers tend to have mental models that are self-reinforcing. New information conforming to pre-existing conceptions is adopted while evidence challenging the mental model tends to be discarded. Fruitful research can be crafted when studying how managers, consumers, and others use representations. This line of research resonates with the concept of theories-in-use from Chris Argyris (2000). Further research can include an expanded model of how market representations and theories are deconstructed when facing practical problems both in management and consumption situations of daily life.

Second, much of the work about markets addresses how markets are stabilized and organized. For markets to exist several complications of valuation, cooperation, and competition have to be solved (e.g., Beckert, 2010). However, we know less of how markets change. Dynamism of markets is understudied particularly regarding market agency. Marketing literature is based on the premise that consumers are supposed to buy what firms have to sell, but what happens when roles shift and consumers become donors, lobbyists, and even investors? More research is needed to understand how agents shift boundaries of markets. The shifting roles of actors have been described using the concept of co-creation (e.g., Prahalad and Ramaswamy, 2004). However, co-creation remains locked in fixed roles. Work on market agency may expand the shifting roles that consumers, firms, and other stakeholders play in market dynamism.

Third, the work on market representations can follow Normann (2001), Miller (2002), and Baudrillard (1994) explorations of how representations precede the real. When a representation of a future version of a market is mobilized and adopted by others, that
alternate version is performed in reality. CEOs create a vision of a future version of the company and much of their work is to align others to enact that vision in reality. To enact market representations means shaping the external conditions of firms so that the configuration is favorable. Most research in streams such as market intelligence advises firms to scan the environment to react to changing conditions, but few researchers have studied how the assembled market representations can be used to change markets proactively.
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PART II
ESSAY 1: THEORIES OF MARKETS: INSIGHTS FROM MARKETING AND THE SOCIOLOGY OF MARKETS

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I.

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Abstract: The unclear understanding of markets creates a gap that deters the construction of a Theory of Markets. The aim here is to disambiguate, for the marketing reader, the use of the market concept. To further this aim, a literature review surveys three approaches anchored not only in marketing but also in the sociology of markets. From the sociology of markets, Network analysis, Field analysis, and Performativity are used. From marketing, Trade arenas of price uniformity, Consumers’ cognitive frameworks, and Value systems are used. This literature review reveals that, to a large extent in mainstream marketing, markets are taken for granted. However, research streams within marketing, such as IMP, Macromarketing, or Service-Dominant Logic, have developed novel understandings of markets. This is the first time that a literature review on markets outlines understandings from both marketing and the sociology of markets.

Keywords: Market Theory, Market Dynamics, Performativity, Consumer Culture, Service Systems
1 THEORIES OF MARKETS: INSIGHTS FROM MARKETING AND THE SOCIOLOGY OF MARKETS

1.1 Introduction

The market is a central abstraction that seldom receives extended discussion in either economics (Lie, 1997) or marketing (Araujo, 2007). As Hahn (1993, p.203) pointed out, “Markets are conjured up, but not analyzed”. Recently, however, a wave of marketing publications signaled a renewed interest in markets (e.g., Araujo, 2007, Araujo, Finch, & Kjellberg, 2010; Araujo, Kjellberg, & Spencer, 2008; Venkatesh, Peñaloza, & Firat, 2006; Ellis et al., 2010). Scholars call for new understanding of markets as a core concept in marketing (Buzzell, 1999, p.61), and even as a transition towards a Theory of Markets (Vargo, 2007, p.56; Vargo & Lusch, 2011, p.186).

For the marketing reader, however, market perspectives can be unfamiliar because contributions are anchored in external traditions. For instance, Kjellberg and Helgesson (2006, 2007) informed their work on market practices from discussions originating on the sociology of science (e.g., Latour, 2005), and Araujo (2007) drew from debates within economic sociology (e.g., Callon, 1998). Market perspectives, even if originating inside marketing, can be unfamiliar because of ambiguity. For instance, Kotler (1967, p.6) referred to markets as a synonym for the demand side, whereas Bagozzi (1975) spoke of markets as systems of exchange. This reveals a gap: the unclear understanding of markets.

The aim of this paper is to disambiguate, for the marketing reader, debates about markets. Toward this aim, this paper draws a literature review encompassing both marketing, and the sociology of markets. Interestingly, this is novel for marketing, since no recent overview has been crafted for markets as a domain. In contrast, the sociology of markets has produced extensive reviews on market understandings (e.g., Fourcade, 2007, Fligstein & Dautier, 2007).

A review is justified because the market is an abstraction. And, as such, an abstraction can change collective understandings and inform the research agenda (Baker, 2000; Gabbott, 2004; Hart, 1998). Hart (1998, p.27) cautioned to distinguish between what has been done, and what needs to be done. In marketing particularly, scholars seem to be susceptible to amnesia regarding contributions to theory (Tadajewski & Saren, 2008). A comprehensive review reduces the risk of “re-inventing the wheel” (Gabbott, 2004, p.413), because knowledge tends to increase by a process of accumulation (Baker, 2000).

The structure of this paper is as follows. After this introduction, the commentary frames the scope for the literature review, including perspectives anchored not only in marketing, but in the Sociology of markets as well. What follows is an outline of each of the six streams identified with highlighted exemplars and summaries. The paper then wraps up the argument in the discussion.
2 THEORETICAL APPROACHES TO MARKETS

This section introduces the scope of the literature surveyed. A literature review on markets cannot concentrate exclusively on marketing’s own contributions, because “the market” is not marketing’s exclusive domain. Marketing has focused largely on firms, not markets, since the managerial turn during the sixties (Shaw & Jones, 2005, p.257). During the managerial turn, marketing scholars, with the exception in macromarketing, shifted focus towards the seller at a micro-level. Nevertheless, other disciplines continued to focus on markets as a domain. The “Sociology of Markets” (Fligstein & Dauter, 2007), within the broader “Economic Sociology” (Swedberg, 2009), studies how existing markets really work. Economic sociologists observe markets as social mechanisms (e.g., power, norms, and networks); in contrast, neoclassic economists picture the market as devoid of social interaction (e.g., rationality and individuality) (Lie, 1993).

This paper surveys three approaches from the sociology of markets, and complements them with three categories that have influenced marketing literature. The categorization builds upon Fourcade (2007) and includes the development of the marketing discipline (Shaw & Jones, 2005). On the side of the sociology of markets, Fourcade (2007) observed three different streams. (1) Network Analysis—interested in interactive mechanisms that stabilize markets (e.g., Granovetter, 1985). (2) Field analysis—observing that subjective agency yields to market conventions (e.g., Fligstein, 2001). (3) Performativity—exploring how technology, artifacts, and calculative devices shape markets (e.g., Callon, 1998). On the other hand, three perspectives have influenced marketing thought. (4) Markets as trade arenas—price-setting mechanisms seek equilibrium of supply and demand. This perspective influenced early marketing writings (e.g., Shaw, 1912), and is usually inspired by neoclassical economics (Cournot, 1897). (5) Markets as consumers’ cognitive frames—culture, signs, and logics drive demand and is the focus of marketing management (e.g., Kotler, 1967) and Consumer Culture Theory (e.g., Arnould & Thomson, 2005). (6) Value systems—interconnected mechanisms of service. This perspective builds upon exchange systems (e.g., Alderson, 1957) and reviews Service Systems (Spohrer et al., 2007), and Value Constellations (Normann & Ramirez, 1993).

Table 10 summarizes the proposed categorizations. However, a cautionary note is in order. These categorizations are meant to give a sense of order to the review, yet they are ideal-typical. This means that hybrid examples do exist, and borders can be porous. However, each category also represents a coherent body of literature. Coherence does not intend to mean homogeneity. Different authors might not agree about the contents of their field or the definitions. This is why a complete representation of each research stream is out of the scope. The scope here informs about general representations of markets; the forest instead of a leaf. For space reasons, this paper surveys more briefly those approaches that arguably might be more familiar to the marketing reader, and delves deeper in those which either originate outside marketing’s own contributions, or instead, inform recent debates in marketing. The contents of Table 10 will be discussed in the following sections.

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1 For a collection of “Macro’ perspectives, see Shapiro, Tadajewski, & Shultz (2009).
<table>
<thead>
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<th>Markets as...</th>
<th>Research Tradition</th>
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| Trade arenas of price uniformity | Neoclassical Economics | -Price uniformity  
- General equilibrium theory | Cournot (1897) |
| Consumers’ cognitive frames | Marketing Management School | -Customer Orientation  
- Potential demand  
- Customer needs and wants  
- Social construction of markets  
- Cognitive frames  
- Sign systems | Kotler (1967) |
| | Consumer Culture | -Institutions  
- Rules and conventions  
- Constraints  
- Structures for collective action  
- Isomorphism | Penaloza & Venkatesh (2006); Arnould & Thomson (2005) |
| Fields | (New) Institutional Economics | -Business networks  
- Relationships | Loasby (1999, 2000); North (1990) |
| | Sociology of Markets  
– Field analysis | -Embeddedness of collective action in markets | Fligstein (2001); Dimaggio & Powell 1983 |
| Networks | IMP | -Performativity (i.e., practices that shape markets)  
- Markets as outcomes  
- Calculative agencies | Callon (1998); Callon & Muniesa (2005); Kjellberg & Helgesson (2006) |
| | Sociology of Markets  
– Network analysis | -Value Constellations  
- Configurations  
- Service Systems  
- Co-creation of value  
- Exchange systems  
| Performative practices | Sociology of Markets  
– Performativity | -Business networks  
- Relationships  
- Embeddedness of collective action in markets | Granovetter (1985, 2005) |
| Value-creating systems | Service Logic | -Performativity (i.e., practices that shape markets)  
- Markets as outcomes  
- Calculative agencies | Callon (1998); Callon & Muniesa (2005); Kjellberg & Helgesson (2006) |
| | Service-Dominant Logic  
Marketing Systems School; Macromarketing | -Value Constellations  
- Configurations  
- Service Systems  
- Co-creation of value  
- Exchange systems  
- Provision Systems | Spohrer et al. (2007) |
| | Service-Dominant Logic  
Marketing Systems School; Macromarketing | -Performativity (i.e., practices that shape markets)  
- Markets as outcomes  
2.1 Markets as Trade Arenas of Price Uniformity: The Neoclassical Market

The neoclassical description of markets by mainstream economics deeply influenced the development and formalization of marketing as a research field. Vargo (2007) traced the influence of Smith's normative ideas, instead of a positive understanding of exchange dynamics, in the foundations of marketing. In the early twentieth century, marketing observed the assortment and distribution of commodities to places of demand (Jones & Shaw, 2002). Moving commodities from places of supply to places of demand, early marketing scholars argued, was socially useful and valuable. The main phenomena for the marketing function were the effect of middlemen on price differences between farmers and consumers (Shaw & Jones, 2005).

The market, from a neoclassical perspective, is a trade arena seeking price uniformity (Cournot, 1897, p.51). Price uniformity means a tendency for the same price to be paid for the same thing, at the same time, in all parts of the market. As a mechanism, markets allow participants to evaluate and exchange any tradable item. Trade participants consist of buyers and sellers who influence price. This influence is of major concern in scholarly work, and several theories aim to explain the basic forces of supply and demand through price. One of those theories is the General Equilibrium Theory (Walras, 1958). This theory explains efficient distribution via price-setting mechanisms as part of a design for an optimal economic order. In other words, it aims to prove mathematically that a set of prices exists in which equilibrium results. The theory highlights the interconnectedness of supply and demand.

The neoclassical market is built upon three assumptions. (1) The market is composed of individuals who have rational preferences. (2) Buyers maximize utility and sellers maximize profits. (3) Market participants act independently and on the grounds of full and relevant information. This view of the market, however, is often criticized for its lack of focus on how markets really work (Lie, 1997, p. 342). Lie believed that mathematical proof of efficiency postulates is based on a series of assumptions that exist only under unlikely ideal conditions, which are seldom seen empirically. Some scholars in marketing share these concerns. Bagozzi (1974) argued for a systemic perspective on markets instead of isolating buyers and sellers. For Bagozzi (1975), markets are inherently social and depend on power, conflict, and shared meanings. Recent empirical evidence also challenges full-disclosure of information. Read et al. (2009) argued that market actors deliberately co-create opportunities in their environment. They found that entrepreneurs favor defining market characteristics themselves because markets are characterized by uncertainty instead of fully disclosed information.

In review, drawing from neoclassical economics, the market concept highlights price-setting mechanisms. The market is conceived as geographically located and is explained in terms of price. Three assumptions exist: the market is composed of individuals who have rational preferences; buyers maximize utility and sellers maximize profits; and market participants act independently, and on the grounds of full and relevant information disclosure.
2.2 Markets as Consumers’ Cognitive Frames

The market concept, as used in marketing management, usually refers to existing or potential demand. Kotler (1967, p.6) defined markets as “All persons or business units who buy or may be induced to buy a product or service.” This focus on the demand side might be an inheritance from the managerial turn in marketing. In the managerial turn, marketing as an academic discipline focused on a series of management technologies as viewed from the seller’s perspective (Shaw & Jones, 2005, p.256). This required a closer understanding of demand. “The marketer is a specialist at understanding human wants and values and determining what it takes for someone to act” (Kotler, 1972, p.53). Kotler echoed, to a certain degree, foundational articles in marketing by Shaw (1912) and Coutant (1936). Shaw (1912, p.746) addressed market distribution, but also included a discussion on demand. Coutant (1936), in the very first issue of *Journal of Marketing*, discussed the creation of markets as linked to the creation of needs.

More recent scholarly work on marketing still inherits this traditional focus on the demand side, for example, the streams of market orientation and market creation. In the research stream of market orientation, customers are used as a synonym for market (Kirca, Jayachandran, & Bearden, 2005; Kaur & Gupta, 2010; Slater & Narver, 1995). Kirca, Jayachandran, and Bearden (2005, p.27) interchangeably used the words customer, consumer, and market in their meta-analysis of 114 previous studies on market orientation. Kaur and Gupta (2010, p.90) observed that market orientation and customer orientation are often used as synonyms. Slater and Narver (1995, p.63) explicitly used customer as a synonym for market. In the second stream, market creation is defined as a demand-inducing activity (Darroch & Miles, 2011; Anderson & Gatignon, 2005). Market creation is seen as a direct outcome of product development, “Once a new product (that lacks close product substitutes) is launched, a new market is created” (Darroch & Miles, 2011, p.723). A market emerges when a firm identifies a latent need in potential demand and communicates a solution to that need (Anderson & Gatignon, 2005, p.401).

This focus on demand has led scholars to understand cognitive frames linked to consumption. A systematic understanding of consumption can be seen in Consumer Culture Theory (CCT). This stream focuses on “the socio-cultural, experiential, symbolic, and ideological aspects of consumption” (Arnould & Thomson, 2005, p.868). CCT research aims at illuminating the consumption cycle, and advances this aim through four research programs (ibid., p.871). (1) Consumer identity—how consumers build a sense of self using marketer-generated materials. (2) Marketplace culture—how consumers, as culture-producers, shape dominant cultural patterns. (3) Sociohistoric patterning of consumption—how a consumer society is constituted and sustained. (4) Mass-mediated marketplace ideologies—interpretative strategies for consumer ideology.

Through CCT lenses, markets can be seen as social constructions mediated through sign systems (Venkatesh, Peñaloza, & Fuat Firat, 2006; Venkatesh & Peñaloza, 2006; Peñaloza & Venkatesh, 2006). Markets take on diverse discursive forms and material practices, and, therefore, are not universal or self-contained (Venkatesh & Peñaloza, 2006, p.147). Venkatesh, Peñaloza, and Fuat Firat (2006) highlighted the fundamental role of signs to understand exchange. Markets, they proposed, should be the central unit of analysis in marketing research and knowledge development. To this end, Peñaloza and Venkatesh (2006) proposed the study of markets as social constructions in five steps: (1) incorporate an interpretative view; (2) include meanings and values;
(3) abandon the practitioner’s perspective, and instead don a social scientist perspective; (4) include agency in the consumer; and (5) use a social unit of analysis.

In short, following the managerial turn in marketing, markets refer mostly to the demand side. This led scholars to focus more on the cognitive frames linked to consumption. CCT advocates the understanding of cognitive frames for consumption. Under a CCT perspective, markets are seen as sign systems, which are socially constructed.

2.3 Markets as Institutions/Fields

Market actors participate in markets only after acknowledging authoritative guidelines on how to behave. This is an institutional view in which subjectivity yields to social constraints (Scott, 2008). Guidelines of action are the center of attention in markets. Scott (2001, pp.53–57) identified three types of guidelines: regulative, normative, and cultural-cognitive. Regulative guidelines focus on rules and sanctions, normative examines prescriptive and evaluative guidelines, while cultural-cognitive elements constitute shared frames for sense-making.

The market as an institution has been approached from (New) Institutional Economics, and the field-analysis branch of the sociology of markets. Both traditions are briefly outlined in the following lines. Institutional economists focus on constraints that shape market behavior (Loasby, 1999, 2000; Ménard, 1995; North, 1990). Ménard (1995, p.170) suggested that a market is “a specific institutional arrangement” and highlighted the importance of “rules and conventions” for the transfer of property rights on a regular basis. North (1990, p.3) described institutions as “humanly devised constraints that shape human action.” Market institutions, therefore, are explained in terms of property rights, regulations, and legal rules. Loasby (1999) observed market institutions in terms of frameworks and protocols to support exchange. Exchange is possible since institutions focus attention on a particular set of alternatives, which, in turn, enable controlled movement by restricting alternatives (Loasby, 2000, p.299).

Economic sociologists, on the other hand, show that social structures influence market actors, yet structures are also influenced in return. The main difference with economic thinking is that firms struggle to obtain not only profit maximization, but also stability (Fligstein, 2001). Stability entails corporate decisions, which differ from profit maximization only. Four elements enable structured exchange (i.e., markets): propriety rights, governance structures, rules of exchange, and conceptions of control.

Field analysts borrow from Bourdieu’s concepts of fields of action and habitus. Fields of action can be described as a social space where actors orient their actions to each other. The metaphor of a field is designed to stress that firms watch one another in search of clues as to what constitutes successful behavior (Dimaggio & Powell, 1983; White, 1981). An application of this can be seen in isomorphism (Dimaggio & Powell, 1983). Isomorphism in markets means that organizations in the same market converge into a few organizational forms. Three mechanisms converge (ibid., p.150): (1) coercive—political influences, regulations, and legitimacy; (2) mimetic—standard responses to uncertainty; and (3) normative—standardization of actor’s mind-frames via professionalization.

The second of Bourdieu’s concepts is habitus. According to Bourdieu (2005, p.84), “Insofar as he/she is endowed with a habitus, the social agent is a collective individual
or a collective individuated by the fact of embodying objective structures.” Habitus saves calculative effort under uncertainty. Individuals internalize a set of responses for a given problem or scenario. White (1981, p.517) claimed that markets are “a structure of roles”; mobile identities that serve to position themselves vis-à-vis each other. Firms signal one another, by means of price and quality for instance, as to which position in the market firms aspire.

In summary, markets are explained by means of guidelines of action which inform a determinate set of responses. In markets as fields, subjectivity yields to social constraints. Institutional economists focus on constraints that shape market behavior particularly regarding property rights, regulations, and legal environments. Field analysts from the sociology of markets focus on stability and corporate governance following Bourdieu’s concepts of fields of actions and habitus. This highlights standard responses and learned behavior.

2.4 Markets as Networks

Sociologists and marketers alike converge on the understanding that markets are social endeavors; market actors are seldom isolated. Firms and consumers operate in relationships toward each other, among themselves, and toward third parties. Some scholars, therefore, refer to markets as networks. The market as seen from a network perspective has been studied in marketing by the Industrial Marketing and Purchasing Group (IMP), and by the Network-Analysis stream in the sociology of markets. The following overviews the position of markets as networks from the perspective of both marketers and sociologists.

A network is a structure conformed by nodes, which are related to each other by threads (Håkansson & Ford, 2002, p.133). Nodes are market actors, such as firms, and the threads are exchange relationships. In marketing, this markets-as-networks approach is associated with the work of IMP (Ford & Håkansson, 2006). IMP is concerned by evidence suggesting that, foremost in industrial settings, relationships are more important than discrete transactions. This interaction approach, in ongoing business relationships, is based on the relevance of the relationship between an active seller and an active buyer. Instead of focusing on cutthroat competition in markets, the work of IMP, according to Håkansson et al. (2009), focuses on delicate interdependencies. Under this approach, managers are encouraged to search for interdependencies and long-term benefits, instead of encouraging survivalist behavior in an antagonistic environment (Håkansson & Sneholta, 2006). IMP tends to present studies with multiple companies, instead of studies within companies.

A networks approach, from an IMP perspective, implies an interface between an organization and its environment (Ford & Håkansson, 2006; Håkansson & Sneholta, 2006). Ford and Håkansson (2006) differentiated the markets-as-networks approach in the following terms: (1) exchange exists not only as discrete transactions, but also as ongoing relationships; (2) buyers and sellers are interconnected, and know each other, and market agents are not anonymous; (3) the supplier and the buyer are both active in the business relationship; (4) organizations, particularly in industrial settings, interact with a limited set of identifiable actors with considerable influence where agents are seldom atomized, (5) organizational boundaries are blurred and relationships extend outside the contractual boundaries of firms; and (6) bargaining power results from a relative position within a network, rational egalitarian interactions play a part but only to a limited extent.
The second stream surveyed in this paper is the networks approach from economic sociology. Unlike IMP where the focus is on business relationships, sociologists focus on embeddedness (Granovetter, 1985, 1992, 2005). Embeddedness highlights the effect of interpersonal connections in economic outcomes. This is a middle-ground between economic theory, which under-socializes market processes, and much of the existing sociological thinking, which over-socializes behavior. In this view, economic rationality is embedded within social relationships. Market actors, to a certain degree, are imbedded in affiliations, which, in turn, influence their opportunities to act. Embeddedness is explained in terms of not only quality of relationships, but also relative positions within networks. Social relationships determine individual and collective outcomes, from access to information to innovation. The main tenets are as follows (Granovetter, 1992, p.4), (1) economic goals are normally accompanied by non-economic goals (i.e. approval, status, and power); (2) economic action is socially situated, in other words, economic action cannot be explained by individual motives only, but is embedded in networks of relationships and seldom atomized; and (3) market institutions are socially constructed.

Therefore, markets are social processes in which actors are seldom isolated. The market highlights interpersonal connections, instead of exchange. In marketing, IMP studies business relationships pinpointing interdependencies in industrial networks. In the sociology of markets, the embeddedness program focuses on personal relationships as an antecedent for economic action and affiliations as interactive mechanisms that stabilize economic exchange.

2.5 Markets as Outcomes of Performative Practices

Market actors do not only act within their environment, actors shape markets with their everyday practices. In other words, markets are ongoing practical accomplishments (Kjellberg & Helgesson, 2007). Practices are conceived as arrays of human activity centralized around shared practical understandings. Practices highlight inter-definition among a large variety of agents, which interact among each other through concrete mundane actions, and calculative devices (Callon & Muniesa, 2005; Muniesa, Millo, & Callon, 2007). The markets-as-practices approach has seen a surge of recent activity in marketing following an introduction of performativity by Kjellberg and Helgesson (2006). Presented here is an overview of the three market practices and the resonance in the research that followed. The market practices are exchange, normalizing, and representational.

Exchange practices contribute to stabilizing modes and agents of exchange, at least for a while. Exchange practices focus around calculative processes (Callon & Muniesa, 2005) and market devices (Muniesa, Millo, & Callon, 2007). For example, Andersson, Aspenberg, and Kjellberg (2008) explained how automated purchasing software frames the form in which an order is placed to resupply office consumables. Rinallo and Golfetto (2006) observed how fabric manufacturers use key trade fairs to shape fashion trends by gaining legitimacy in the eyes of other market actors.

Normalizing practices contribute to shaping markets by establishing rules and regulations. Practices might involve third parties such as government agencies that are not directly involved in exchange, but that are endogenous to the process of shaping markets. Holm and Nielsen (2007) observed, for example, that the creation of a market for fishing permits (i.e., quotas) followed a specific set of normative practices to protect the biomass of cod available in Norwegian territorial waters.
The last set of practices is representational. Market representations are concrete activities, in this case market research, which contribute to representing economic exchanges as markets (Kjellberg & Helgesson, 2006, p. 843). Representational practices produce images of markets and frame mental models of actors. Representations are relevant because mental models are antecedents to business models (Storbacka & Nenonen, 2011b; Nenonen & Storbacka, 2009). Representations can change collective understandings. Azimont and Araujo (2007) explained that category reviews in retail serve representational practices with market-shaping potential because they (1) strengthen conventions and category boundaries, (2) create conceptual frames, and (3) provide new representations and categorizations.

The sociology of markets anchors the practice approach around the concept of *performativity*. Callon (1998) suggested that a performative science is a science that simultaneously describes and constructs its subject matter, a sort of self-fulfilling prophecy. Market sociologists have presented cases of performativity mainly in the financial sector (MacKenzie, 2006; MacKenzie, Muniesa, & Siu, 2007). MacKenzie (2006) claimed that Economists make markets to a certain extent. He traced how traders adopted the Black-Scholes model for pricing derivatives. He showed that the model did not fit with what happened on the trading floor, yet officials and theoretical economists at the Chicago Mercantile Exchange worked to shape the behavior of traders to the model. In MacKenzie’s view, economic representations do not just represent an objective reality like “a camera.” MacKenzie claimed, as reflected in the title of the book, that economic representations can drive markets like “an engine.”

MacKenzie (2006) described three categories of performativity: Generic, Effective and Barnesian. Generic Performativity arises when an aspect of economic theory is used by market actors whether or not this has any effect on market behavior. An example might be lowering the price of fruit on a sunny day under the assumption that this will increase demand before the fruit rots. The seller expects to increase demand by lowering price, as suggested by economics; but the effect may or not happen. Effective Performativity focuses on the practical use of an aspect of economic theory, and its effect on economic processes. For example, an official used an aspect of economic theory to set up fishing quotas. Barnesian Performativity implies that the practical use of an aspect of economic theory makes the actual processes more like their representation in theory. The Black-Scholes-Merton model is an example of this. This means that even if a theory was not originally realistic, it might become real when actors conform to it. In addition, Kjellberg and Helgesson (2006) proposed an additional distinction of Austinian Performativity, where a strong link has been forged between a clearly explicated theory and a resulting market, from Generic Performativity, where only a strong but partial link is formed.

Several marketing commentaries inform markets inspired by discussions on performativity (Andersson, Aspenberg, & Kjellberg, 2008; Azimont & Araujo, 2010; Harrison & Kjellberg, 2011). Andersson et al. (2008) addressed the problem of distributing agency to human and non-human acting entities in a pre-configured script. Harrison and Kjellberg (2011) observed that firms might attempt to shape market practices using iterative segmentations when offerings are either too specialized, or without direct antecedents. Azimont and Araujo (2010) claimed that classification devices serve to reshape even well-established markets such as those of gas stations.

Markets are understood as moldable outcomes following ongoing practical accomplishments. The sociology of markets anchors the practice approach around the concept of *performativity*. Technology, artifacts, and calculative devices shape
markets. Representative, normative, and exchange practices do not only exist in markets, but actually shape them.

### 2.6 Markets as Value-Creating Systems

A system involves interaction and processes. A system view of markets has a long tradition within marketing (Alderson, 1964; Bagozzi, 1974). Alderson (1964) observed marketing functioning as a dynamic system whose goal is aligning institutions and processes toward matching goods and needs. Bagozzi (1975) introduced exchange systems, and explained them in terms of social actors, which are not exclusively buyers and sellers. More recently, two streams within marketing observe markets as systems: provision systems as seen in Macromarketing, and service systems as seen in Service-Dominant Logic (S-D).

A systems perspective in marketing can be found in Macromarketing (Layton 2007, Mittelstaedt, J., Kilbourne, & Mittelstaedt, R., 2006; Shapiro, Tadajewski and Shultz, 2009). For example, Mittelstaedt et al. (2006, p.132) proposed that the reason markets exist is to serve as the provision system of society. They proposed three tenets: (1) markets are complex systems; (2) markets are heterogeneous in needs and offerings; and (3) actions of market actors have consequences in society, well beyond the boundaries of firms. Layton (2007) discussed the idea of the marketing system where the key concepts used to explain markets were a systems of actors, a participation in economic exchange, an assortment of (tangible or intangible) products, and a response to customer demand (p.230).

While Macromarketing explains markets in terms of provision, Service-Dominant Logic (S-D), a proposed perspective in opposition to a Goods-Dominant Logic, explains markets in terms of value (Vargo & Lusch, 2004). Vargo (2007) proposed four ideas to understand markets: (1) a focus on value instead of products; (2) value creation as understood by the beneficiary, not the seller; (3) an integrated perspective between producer and consumer; and (4) a network perspective, instead of dyads (i.e., seller and buyer).

S-D proposes the concept of service systems (Spohrer et al., 2007). Service is the application of competences by one entity for the benefit of another (Lusch & Vargo, 2006). A service system is a “configuration of resources (including people, information, and technology) connected to other systems by value propositions” (Vargo, Maglio, & Akaka, 2008, p.145). Service systems include firms, customers, suppliers, and other partners in a firm’s network. Vargo and Lusch (2011) expanded this claim by blurring the distinction between buyers and sellers. Actors are indistinguishable from each other, because actors have the same function, to co-create value by means of resource integration and service provision.

S-D parallels previous contributions from Normann (Michel, Vargo, and Lusch, 2008). Normann (2001) explained markets in terms of value-creating systems. He argued that value is unlikely to be created linearly but rather dynamically. He stated that the metaphor of a chain in value creation is inappropriate, and instead suggested the metaphor of value constellations (Normann & Ramirez, 1993). The conceptualization of markets as value constellations, including customers, is useful to see the customer as a co-producer, rather than a receiver. Firms can reframe business by rethinking the logic of value creation to reveal opportunities in reconfiguring those value constellations in which firms participate.
Building upon the idea of constellations, contemporary scholars seek to understand the technologies that firms use to influence markets from a managerial perspective (Nenonen & Storbacka, 2010; Storbacka & Nenonen, 2011a; Storbacka & Nenonen, 2011b). Markets can be viewed as configurations where interdependence leads to patterns (Storbacka & Nenonen, 2011a). Firms can, and often do, attempt to shape those configurations using three key elements (Storbacka & Nenonen, 2011b): (1) mental models, (2) business models, and (3) market practices. Business models in particular, are seen as an immediate device for management to influence its environment (Nenonen & Storbacka, 2010).

To summarize, markets are explained in terms of value as seen by the customer instead of the firm. This highlights interconnected mechanisms, which are sometimes called service systems, value constellations, or market configurations. In this perspective, interdependence leads to patterns linked by value creation that includes the customer.
3 DISCUSSION

The recent wave of marketing publications signals a renewed interest in markets (e.g., Araujo, Finch, & Kjellberg, 2010), and even calls for a transition towards a Theory of Markets (e.g., Vargo 2007). Nevertheless, researchers, as individuals within society, have been socialized into how markets should work. One example is the following phrase: The ideal market needs competition. Evidence, however, shows that markets might not work according to normative views. Idealism conveys a risk for scholarly work, because theorists might be trapped in their own views on how markets should work, instead of focusing on how markets actually work.

Research streams within marketing provide a rich conceptualization of markets that is unique in the social sciences. Marketing has extensively studied interactions between firms and consumers. This is a key contribution of marketing. However, marketing would side with the firm more often than not. This seems reasonable for managerial purposes, but could be rather limiting for the construction of a Theory of Markets. Researchers need to overcome a normative narrative of markets. To further this goal, two steps are identified. First, forsake the managerial perspective, and favor instead, the view of a social researcher. The second step is to question explicitly assumptions of markets. The first step is discussed in detail by Penaloza and Venkatesh (2006), whereas the following lines expand the second step.

When constructs are modeled, assumptions permeate the design. If the design is unsound, or even wrong, the construct might have limited explanatory capabilities. In the case of markets, this paper has shown that assumptions are seldom questioned. This is a problem for market-based constructs. Constructs can be refined because markets are, after all, abstractions; markets do not exist objectively. As such, market assumptions can be refined by rational and empirical scrutiny.

This paper contributes to marketing by presenting challenges to conventional assumptions about markets. The following assumptions are challenged: (1) the isolation of market actors, (2) short-term profit maximization, (3) rational consumer behavior, and (4) exchange as the central mechanism in markets. The following paragraphs expand in more detail on each challenged assumption.

7) IMP researchers challenge assumptions of isolation among market actors. In approaches derived from economics, actors are assumed to work towards their own benefit, and are isolated from each other. One example is when the demand side is considered different to the supply side. Nevertheless, evidence in industrial settings, put forward by IMP researchers, does not support this gap. Instead, delicate interdependencies between buyers and sellers, along with long-term relationships, characterize market interactions better. Undeniably, no one prospers alone.
8) Macromarketing researchers observe the effects of markets in society. In economics, actors aim to optimize short-term monetary benefits. One example is when the return of investment (ROI) is maximized. In Macromarketing, instead, scholars observe that markets have a role within society. Market mechanisms are not disassociated with society, because firms also need long-term stability. Sustainability and social responsibility, along with financial returns, benefit firms. Consequently, markets are part of society.

9) Consumer Culture Theory disputes the assumptions of (pure) rational behavior in consumers. Traditionally, agents of supply and demand are said to act rationally. This is seen, for example, in the description of the *homo economicus* based in Rational Choice Theory. However, CCT observes that sign systems, signifiers, and interpretative understandings challenge rational choice as the unique basis of decisions. Therefore, consumers are complex beings capable of thinking on their own.

10) Service-Dominant Logic argues against the assumption that exchange is the cornerstone of markets. Traditionally, value was thought to be generated in exchange only. However, S-D observes that resources do not have an intrinsic value. Instead, value is derived from an outcome of a process in which customers integrate, and use, available resources, including their own knowledge, skills, and motivations. Therefore, service providers should focus on service systems that support value creation for the customer. Thus, value, not exchange, is the cornerstone of markets.

Revisiting assumptions has theoretical implications. Research streams within marketing have advanced the discussion of markets. However, the discipline at large is yet to acknowledge these contributions. For instance, constructs in marketing are based still on competition disregarding interdependencies, transactions neglecting relationships, and firm performance at the cost of social impact and sustainability. If scholars were to question assumptions of well-known constructs, new lines of research would surely surface.
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ESSAY 2: ASSEMBLING MARKET REPRESENTATIONS

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Abstract: Markets have been argued to be of central concern in marketing theory; nevertheless, the representations that depict what a market is, and how it works, remain understudied. To remedy the gap, this paper takes a qualitative in-depth approach to observe the representational objects that market research practitioners privilege when describing a market to their clients. The organizing of representational objects into market representations is studied through Latourian translations and assemblages. Four distinct dimensions of market representations are identified: frame, content, purpose and approach. Within those dimensions, tensions arise out of the sorting and privileging representational objects managers do when settling the frame of the market (exchange or non-exchange), what to include in the content of the representation (actors or practices), what purpose will be accomplished (ostensive or performative) and how to approach what is assembled (internal or external perspectives). This paper disentangles assemblages so that market representations can be qualified.

Keywords: Market studies, market representations, representational practices, market research, market intelligence, marketing practice
1 ASSEMBLING MARKET REPRESENTATIONS

1.1 Introduction

The concept of “markets” is fundamental for marketing theory. Alderson (1965; p.23) argued that the purpose of marketing, as a distinctive scholarly discipline, is to explain how markets work. However, even though the market concept is intuitively appealing, references to markets are often fuzzy. Even in marketing scholarly work, the term market has not been employed with much seriousness or rigor (Venkatesh et al., 2006: 253). The market concept is unclear because multiple facets are used to simplify a complex social reality, for instance: knowledge structures grouping similar products (e.g. Rosa et al., 1999), calculations enabling the exchange of commodities (Araujo, 2007), and the forces shaping a competitive environment (Porter, 2008). Multiple facets exist because the market concept is used in both academia and everyday life. The familiarity of the term obscures that markets are no longer limited to a physical place where buyers and sellers trade (i.e. marketplace), instead, markets are heterogeneous associations among humans, materials and signs whose purpose is to provision society (Callon, 1998; Diaz Ruiz, 2012).

For academic and practical purposes the market concept is multifaceted, and then, one step for a clearer understanding of markets is to identify how practitioners view markets. The purpose of this paper is to categorize the representational objects used to assemble market representations. Toward this purpose, the constructs market representations, representational objects and representational practices need further clarification. Market representations are arrangements of coherent yet simplified views of what a market is, either now or in an alternative future version. Practitioners use market representations because understanding the environment requires assumptions and simplification of complex elements (Deshpande & Zaltman, 1982). Representational objects are the constituents of a representation, such as observations and experiences, which are sorted and selected to form a view of a market. Representational practices are the various ways and forms in which representational objects are routinely put together.

Adopting a qualitative in-depth approach, the study classifies the representational objects that market researchers arrange to represent markets for their clients. The reasons for observing market research are three: First, market research is widely used in marketing (Malhotra and Birks, 2007: 6), and general management (ESOMAR, 2007: 5). Second, the work of market research is commissioned by many industries with revenues estimated at US$29 billion yearly in Europe alone (ESOMAR, 2010). Third, the roots of market research can be traced not only to marketing practice but also to motivation research (Tadajewsky, 2006) and German institutional economics (Arvidsson, 2004).

The theoretical motivation of this paper resonates with the stream of market practices (Araujo et al., 2010; Kjellberg et al., 2012). Market practices provide a framework for exploring markets by reconnecting them to marketing. Marketing requires a better understanding of markets, because marketing scholars often approach markets normatively (Vargo, 2007). The absence of markets in marketing theory is elegantly summarized by Venkatesh et al. (2006) when they argue, ‘paradoxically, the term market is everywhere and nowhere in our literature’ (252). Recently, scholars have begun to reconnect marketing and markets developing understandings of practices...
Three contributions can be drafted: First, an articulation of representational objects elucidates the ideas that are put together to form a coherent view of a market. Second, an assessment of market representations separates objectified representations from interpretations. Third, a conceptualization unlocks new perspectives for firms to understand their markets through the use of commissioned research.

To accomplish this, the rest of the paper is structured in the following way: After this introduction, the paper turns to clarifying representations, interpretations and translations focusing on the Latourian concepts of translations and assemblages. The section explores the layers of interpretations that not only complicate market representations but also give them meaning. What follows is an outline of the method detailing techniques used for collecting and analyzing data. Then, a device for assembling market representations is presented, and the paper concludes the argument with a discussion.

1.2 Assembling representations through translations

This section introduces market representations and the concept of translations (Latour, 2005). Furthermore, the choice of describing the arrangement of market representations as assemblages is discussed.

This paper proposes the representation of a market as unit of analysis. In general, a market representation includes the representational objects (what), and the practices in which objects are put together (how), in order to privilege a view of a market (what for). In particular, this paper conceptualizes the representational objects used to assemble market representations. Representations, in the broader social sciences, are questioned because of their (lack of) correspondence with reality (Stern, 1998). Academic traditions have debated whether representations correspond with reality strongly, weakly, or at all. On the one hand, commentators argued that a representation needs a correspondence between symbols and real-world objects (e.g. Mitchell, 1995), because of the importance of objectivity (Harvey, 1989). On the other hand, scholars disputed the form in which knowledge is produced, and therefore, question the existence of definite truths (e.g. Rosaldo, 1993), which was seen as liberating from ideologies (Lyotard, 1984). Moreover, in marketing, scholars question the use of representations, if representations result from a cascade of interpretations (Brown, 1998; Stern, 1998).

The justification for focusing on representations is that marketers commission market representations daily presuming a strong correspondence with reality. In fact, the legitimacy of market research comes from the claim of discovering markets on behalf of a client. Thorpe (2003) observed that a strong correspondence between market research and markets is assumed because market researchers are paid to solve a client’s problem by bringing markets into the managerial room. Nevertheless, since a strong correspondence with reality cannot be taken for granted, closer inspection of the form in which market representations are assembled becomes relevant. Thus, market representations are defined as follows: A market representation results from translations detailing what a market is and how it works, whether situated in reality or in a future imaginary form.
The previous definition of market representations relies on translations (Latour, 2005). Translations are conceived in terms of the operations enabled because, in a Latourian sense, translations are multifaceted negotiations that problematize how an actor responds to an action. Translations allow objects to be disentangled from actors; this means that translations are observed separately from the intentions of the interpreter. An assemblage is the result of the translations separating the intentions of the actor from the new object so that an assemblage can be qualified on its own.

The reference to assemblages is a consequence of tracing translations. In Reassembling the Social, Latour (2005: 1) warns against making superfluous assumptions about the nature of what is put together. Latour proposes assemblages as a safeguard against assuming that social constructs are already stabilized, because assemblages thoroughly scrutinize the content of what is put together. Although Latour’s work has been criticized (e.g. Walsham, 1997; McLean and Hassard, 2004), the use of assemblages is justified because two new operations can be introduced: Assemblages reveal the sorting of representational objects. Representational objects are defined as the constituents of market representations that are assumed to have strong correspondence with real markets. The privileging of representational objects as part of market representations can be identified. Underlying sorting and privileging practices made while assembling market representations can be deduced from the final arrangements whether representational objects are present.

In review, this section showed how market representations may correspond with reality either strongly or weakly. The study of market representations was justified, because commercial researchers pragmatically design and sell representations without questioning a strong link with reality. The concept of translations was introduced as a tool to scrutinize the representational objects used to organize a market representation. Last, the process of sorting and privileging market representations was anchored in the study of assemblages, a Latourian concept. The following section describes the method of the study.
2 RESEARCH DESIGN AND DATA GATHERING

The study was designed around open narratives of what can be said about a market. Experienced market researchers were asked what would be, in their practice, the domain of the market. For instance, when a manager wants to hear about her market, what can be said? This section provides a list of empirical definitions, considerations for data gathering and analysis.

This study takes a qualitative in-depth approach in the context of market research. ‘Market research (...) is the systematic gathering and interpretation of information about individuals or organizations using the statistical and analytical methods and techniques of the applied social sciences to gain insight or support decision making’ (ESOMAR, 2007: 5). An experienced practitioner is understood as an owner, a member of top management or an analyst with more than five years’ experience in a market research firm. A market research firm here means an organization belonging to a national and/or regional market research association.1 Companies from English-speaking or Spanish-speaking countries were selected, because of the language proficiency of the author. The organization should offer not only fieldwork services but also analysis and reporting. Constraints on fieldwork and analysis excluded management consultants, fieldwork outsourcers and freelancers.

The target population was pre-screened in a two-step process: pre-screening institutional websites and pre-screening professional social networks (e.g. linkedin.com). The contact information was cross-referenced on each company website according to the following protocol: (a) Register that the company is an operating market research firm; (b) confirm that the offering includes fieldwork and reporting; (c) update the founder/senior manager’s email address; (d) confirm affiliations. Then, the contact information of the company was confirmed on professional social networks. Missing contact information was updated and expanded with qualified respondents. For example, an experienced analyst might be listed only on a social network, and not on the company’s webpage. The resulting database yielded 664 qualified leads. A qualified lead was an individual matching the criteria of an experienced practitioner, with valid contact information. Two or more qualified leads, though, could be affiliated with the same company, and in that case, responses were attributed to only one qualified lead.

The qualified leads were contacted via an email referencing their name and affiliation and disclosing the researcher’s identity and contact information. On the website, two open-ended questions were asked: What does the concept ‘market’ mean for the professional services of your agency? What can a market research report tell about a market? These questions were asked to identify the representational objects to which a correspondence with markets was attributed. Questions were open-ended, because this format allows the respondent to use her own words and provide her own definitions. Geer (1991) explains that open-ended questions can avoid biases in pre-coding when the concept is ill-defined or has multiple meanings. This can derive richer insights by contrasting unique wordings. In addition, the respondents are busy people, hence, a short instrument.

The exercise yielded answers from 52 respondents in four countries: the UK (17), the USA (16), Canada (14), and Mexico (4). The data yielded 5525 words, about 10 pages of single-spaced text or seven sentences for each informant. This means that the respondents presented answers in an elaborate form. The vast majority of the
respondents wrote in English, but five were in Spanish, or about 9% of the final group of respondents.

2.1 Analysis

The analytic path followed content analysis (Krippendorff, 2004) and experiential reflexivity (Bettany and Woodruffe-Burton, 2009). Content analysis is a family of techniques designed for summarizing unstructured data into categories (Krippendorff, 2004). The analysis used the seven operations proposed by Spiggle (1994): categorization, abstraction, comparison, dimensionalization, integration, iteration and refutation. The analysis protocol included the following steps: First, comments were probed by reading them repeatedly to achieve immersion. Second, answers were explored in more detail, word by word, to derive codes by highlighting specific meanings. Finally, categories were compared to create different versions of categorizations based on peer feedback.

During the analysis, critical words such as customers, products, businesses, consumers, firms, industries or countries were identified. However, the analysis could not be easily reduced to word counts, because codes would not capture underlying meanings; a limitation of judgment-based codification (Perreault and Leigh 1989). Meanings were not clearly classifiable, because while some narratives referred to definite elements (e.g. firms or persons), others made indefinite references (e.g. whatever the client writes in the brief). Some emphasized descriptions (e.g. we help them understand), while others emphasized acting (e.g. so that the client can act). Clearly, markets were not represented always in the same way or for the same purpose. To conceptualize results better, in the second level of analysis the author relied on his own autobiographical experience vis-à-vis the data collected. In this case, the author relied on previous professional experience in the role of a market researcher and the role of a manager commissioning market representations. The author spent five years as a market researcher and two years as a manager commissioning and using market research. Bettany and Woodruffe-Burton (2009) call the process of reflecting about data in terms of previous experience ‘experiential reflexivity’. In this kind of reflexivity, the researcher’s and respondent’s shared experiences are used as common ground. A consequence is that the researcher’s experience becomes entangled with the research outcome as the author reflects on his own experiences to understand the phenomenon more fully (Bettany and Woodruffe-Burton, 2009: 669). The result is a conceptualization that situates the data in the three translations described below.

2.2 Situating results in the appropriate translations

This section situates the results in three translations identified as (a) sorting representational objects; (b) privileging representational objects into market representations (i.e. a representational practice); and (c) understanding a market representation in light of a certain context. provides a summary of the translations identified, and the following section explains the translations further.
Table 11  Layers of translations in market representations in market research

<table>
<thead>
<tr>
<th>Translation</th>
<th>Addressed in this paper</th>
<th>Description</th>
<th>Examples of associated questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sorting representational objects</td>
<td>Directly</td>
<td>Selecting the elements that integrate a market representation</td>
<td>What human, material or semiotic associations have a correspondence with this market? What is part of the market?</td>
</tr>
<tr>
<td>Privileging representational</td>
<td>Indirectly</td>
<td>Ways of ordering representational objects into market representations</td>
<td>Is this object more important than this other? Is the market better understood by this object?</td>
</tr>
<tr>
<td>practices</td>
<td></td>
<td>Destabilize the representation to fit a situation or to design strategy</td>
<td>How to use this market representation? Do we know enough to design a strategy?</td>
</tr>
<tr>
<td>Deconstructing market representations</td>
<td>Not addressed</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The first translation is the sorting of the representational objects attributed to some correspondence with a specific market. Sorting means categorizing representational objects assumed to have a link with real or future markets. Literature reviews have summarized how markets are described through different representational objects in academic disciplines (e.g. Diaz Ruiz, 2012; Venkatesh and Peñaloza, 2006). For instance, economists highlight supply, demand and competition; sociologists focus on networks, power and legitimacy; and marketers focus on consumers, needs and wants. Sorting representational objects is relevant for marketing not only in literature but also in practice (Cayla and Peñaloza, 2012). For instance, Sunderland and Denny (2012) reported the complexities of matching market representations, based on behavioral data, and those based on demographics. The study here is primarily situated in this translation, because data conceptualizes the representational objects that commercial researchers privilege when describing what a market is to their clients. In the results below, representational objects are divided into dimensions.

The second translation is the privileging of representational objects into market representations. Privileging means that representational objects are highlighted or neglected to form different market representations. The data revealed that markets were not represented always in the same way, or for the same purpose, perhaps because market representations are commissioned. However, the data in this paper provide only indirect insights into this translation, because data is obtained from asking, what is a market? Practitioners arranged representational objects into a view of a market, but it is unclear how and why market researchers do so.

The third translation refers to the way in which market representations are deconstructed. This means that managers infer from market representations elements that fit the context. This translation is important because the way in which market representations are used has a constructive dimension for framing new markets (Harrison and Kjellberg, 2010). Stubbart (1989) argued for a cognitive aspect in which managers determine strategy by what is brought to their attention. In marketing, Day and Nedungadi (1994) argued that
managers simplify environmental uncertainty to make decisions through a coherent structure of knowledge. Ottesen and Grønhaug (2002) explored how managers often interpret concepts substantially differently from their intended meanings. Empirical data here, however, does not contribute to the deconstruction of market representations. Still open for research is the form in which managers use market representations, which may be ignored.

In review, the data in this paper is situated directly in selecting representational objects, and indirectly in the representational practices privileging the arrangement of market representations. In addition, representational objects are categorized into four dimensions. Within each dimension, a tension privileges which representational object is highlighted. Table 12 offers a summary.
Table 12  Representational objects in assemblages of market representations

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Representation al objects</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frame</td>
<td>Selection of the boundaries of a market</td>
<td>Exchange</td>
<td>Buyers and sellers, Networked entities and third parties</td>
<td>Customers, transactions, Employees, brand communities, shareholders</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Non-exchange</td>
<td>Identifying intermediaries or buyers/sellers</td>
<td>Privileging practices such as breakfast, commuting, paying methods</td>
</tr>
<tr>
<td>Content</td>
<td>Object of interest to fill a market representation</td>
<td>Actors</td>
<td>‘Who does’</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Practices</td>
<td>‘What is done’</td>
<td></td>
</tr>
<tr>
<td>Purpose</td>
<td>Intentions for what the representation is built for</td>
<td>Ostensive</td>
<td>Discovering markets ‘as is’</td>
<td>Identifying the role of firms in a given market</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Performative</td>
<td>Destabilizing markets in terms of capabilities</td>
<td>Identifying competitive advantages, weakness in the market structure</td>
</tr>
<tr>
<td>Approach</td>
<td>Source of correspondence for a firm to relate to the market</td>
<td>Internal</td>
<td>Mirrors how the firm is organized</td>
<td>Copying sales structures, countries of operation, cost logics</td>
</tr>
<tr>
<td></td>
<td></td>
<td>External</td>
<td>Search outside the firm for clues</td>
<td>Selecting competitors, building benchmarks, following external analysts</td>
</tr>
</tbody>
</table>
3 CONCEPTUAL DEVELOPMENT

3.1 Frame: Underlying tension between exchange and non-exchange

A frame implies boundaries in an allegory for a structure admitting or enclosing something, because if everything is a market, then nothing is. Frame is named after Callon’s ideas of framing and overflowing (Callon, 1998). In Callon’s work, framing establishes the limits that guide the ways of acting, while overflowing challenges the limits imposed by frames. The frame of a market representation limits what will be part of a market.

The representational objects included in the frame are either exchange or non-exchange. On the one hand, markets are framed through exchange when attention is centered on trade (Varey, 2010). On the other hand, markets are framed as non-exchange when attention is centered in forces which may influence trade but which are not bound to price-setting mechanisms. Baron (1995) identifies the social, political and legal arrangements that nominally are not drafted as part of the market structure, but still influence markets. Non-exchange objects differ from exchange objects because of characteristics such as majority rule, due process or publicness. Non-exchange objects can include pressure groups, brand communities, employees, shareholders and public opinion. The underlying tension responds to the extent to which non-exchange objects are drafted as an integral part of a market. For a marketer, a market frame which includes non-exchange elements is often necessary because marketers often operate on the fringes of cultural and economic domains (Slater, 2012), for example, a manager focuses on exchange when introduces a price reduction but expands to non-exchange when publishes a CSR report. The market researchers interviewed reflected about the extent to which exchange is a central feature of their market representations:

The word ‘market’ in the research business seems to be used interchangeably with ‘consumer’. The fact that ‘consumer’ can be replaced by ‘market’ suggests that it differs from social or political research in that it has a commercial connotation at some level. (Principal, independent RA based in the UK)

Explaining non-exchange objects further, it is now the turn of mediators. For some market researchers interviewed, the role of mediators can be even critical when consumers have little room for choosing alternatives. Consider for instance the case of pharmaceutical companies. Consumers play a small part in choosing the prescription medicines they buy, since the doctor chooses the treatment. For market researchers involved in healthcare, the relevance of the consumer decreases, and instead, the physician gains preeminence regardless that the physician is not part of the actual exchange. The relevance of mediators can be seen in the following quotation:

Although the patient ultimately pays and uses the product, we tend to focus more on private insurance companies (whose premiums are typically paid by employers), government insurance services (the elderly and the poor, but also for products used in a hospital setting), and mainly the physician who is the primary decision-maker (within the economic constraints set by the payers: patients, insurance companies and governments). (Research Analyst, independent RA based in the UK)

To explain exchange objects further, we turn now to explore the situated limits of exchange. Market researchers responded that a market representation often includes consumers. However, for a market situated in space and time, determining who is a customer and who is not can be complicated. Arbitrary decisions are needed to define, for example, how often a purchase constitutes a customer or how long ago since the last
purchase constitutes a lost customer. In the following quote, the market researcher identifies potential markets as those who can become customers; however, if taken to the extreme, the endless potential market can include anyone: ‘We hear the voice of customers. But also of those who can become customers. Some are the market, the others are potential markets’ (Experienced analyst, part of a multinational RA based in the USA).

The frame sometimes delimits markets in terms that transcend a clear differentiation between exchange and non-exchange. Market researchers used the term markets to refer to a disparate set of representational objects that are as different as geographic territories (e.g. the German market) or product categories (e.g. the smartphone market). The disparity of representational objects that inform the market concept has been identified not only in literature (e.g. the six markets model by Payne et al., 2005), but also, as can be seen in the following quote, by market researchers in this study: ‘We are always very cautious when our clients speak about their ‘market,’ sometimes they mean a specific group of people, but other times, they mean pretty much anything outside their organization’ (Founder, independent RA based in Canada).

In review, the frame of the market representation defines the limits of a market. The frame can focus on exchange when the central aspect is on trade. The frame can be non-exchange when arrangements which are nominally not negotiated through price are included in the representation. The frame addresses the question of where to delimit what will be part of a situated market.

3.2 Content: Underlying tension between actors and practices

Content refers to the constituents of a market representation. The dimension ‘content’ contrasts market practices with ideas of what markets are (Kjellberg et al., 2012). Early commentators introduced the idea that markets can be structured in terms of interactions between actors (Myers and Tauber, 1977). The dimension content distinguishes between ways of doing things (i.e. practices), independently of who does it (i.e. actors). When the content of a market representation is composed by actors, ‘who does’ is privileged over ‘what is done’.

For the market researchers in this study the identification of actors in a market is part of the content of market representations. The identification of actors is consistent with existing literature since it is not always clear how actors are recognized (Andersson et al., 2008). The segmentation of actors into similar groups is a well-known procedure in market research; however, literature has reported difficulties correlating practices with actors, for instance, Sunderland and Denny (2012) showed how actor-based segmentation collided with actual purchasing behavior. Market researchers here refer to actors which can be grouped together under specific criteria:

‘We speak of target markets, and for companies, markets are people or companies which can be grouped together for some reason’ (Research Director, part of a multinational RA based in the USA).

When the content of a market representation focuses on practices, ‘ways of doing’ (e.g. eating, walking, telling jokes, etc.) are privileged (Korkman, 2006; Schatzki, 1996). For market researchers, observing market practices is a well-anchored approach. For instance, in a study of hair coloring, market researchers focused on the activities that take place in a bathroom, and in the process, researchers blurred the identity of the respondent, calling every person ‘Madame Michu’ (Desroches and Marcoux, 2012).
Here, market researchers explained how the understanding of a practice such as ‘breakfast’ permits to draw the content of a market representation:

Take a breakfast for example. We create a ‘stomach share’ for some of our clients. We want our clients to have as much share of the stomach during breakfast as possible. This means that a cereal brand does not compete against other cereal brands, but against eggs, bread, and butter. We want to know about eating habits; breakfast, dinner, and snacks are our markets. (Research Director, part of a multinational RA based in the USA)

One market researcher in this study observed that identifying practices can serve as the basis for structuring markets. A market could be structured, for instance, by discovering how consumers use products in unexpected ways to perform unforeseen tasks. The following quote informs how, when consumers find value in unexpected ways, marketing managers can integrate better or new offerings, or even identify new markets:

We sometimes find new markets. Seeing how people use products we can find, for example, that vinegar is used to clean stains in fabrics, instead of using it in salad dressings. Marketing people could use that as a new market. (Research analyst, independent RA based in Mexico)

In short, the content of a market representation refers to the object of interest of a market. A market can be constituted by either actors or practices. The tension is to determine the extent to which ways of doing things are privileged over the actor who does it. Content addresses the question of what constitutes this market.

3.3 Purpose: Underlying tension between ostensive and performative

Purpose explores the reasons a market representation is assembled. A market representation can have many intentions; for instance, a representation can be assembled to explain how a market operates or to enable action by pointing out competitors’ weaknesses. The representational objects in the purpose dimension are labeled after linguistic definitions of ostensive (Wittgenstein, 1953/2001) and performative (Austin, 1975). An ostensive definition conveys meanings by exhibiting instances of the term defined (e.g. that is the color sepia). An ostensive definition provides concise, stable and orderly explanations. Explanations are normally detached, and the object of interest is pacified, which means that it is ought not to change. Performative definitions, in contrast, are not indicative, but instead, aim to change the (social) reality described (e.g. This event begins now). The actor and the object of interest are related and influence each other; hence, performative definitions cannot be qualified as true or false. In the case of markets, a market representation highlights aspects of the market in either an indicative manner (i.e. ostensive) or action oriented (i.e. performative).

The tension in the purpose of a market representation is the extent to which a representation can show either stability or destabilizing opportunities. On the one hand, when the market is ostensive it is recognized as is (e.g. this is how the market works, and cannot be changed). On the other hand, when performative, a market representation identifies the potential for change (e.g. this is how the market works now, but these actions can capture resources, eliminate competition and change the rules).

The market researchers interviewed often described ostensibly the identifiable characteristics of markets. Markets were described in terms that may seem disassociated from the capabilities of what their clients can accomplish (e.g. this is how
travel agents are supposed to act in the tourism market). A market researcher would select representational objects that uniquely identify a market, for example, business traditions, maps of relationships and categorizations for offerings. In the following quote, a market researcher explains how, because of his expertise in financial markets, he is able to disentangle the complexity of that market to their clients:

We work in financial markets. We help firms understand the market because [while financial markets] are generally thought of as stock markets, students of finance will recognize that financial markets are tremendously complex, encompassing markets where almost anything [or derivatives of almost anything] can be bought and sold. (Founder, independent RA based in the UK)

The data analysis revealed that market researchers often privilege representational objects that fit clients’ capabilities. A market representation privileges performative objects when the firm is considered a disruptive factor in a market. Consider the following example in which a market researcher refers to the usefulness of the market representation. For the market researcher, the segmentation of customers is informative, but not useful, unless the market representation somehow fits the client’s capabilities. A market representation, in this case, is performative because the market representation is meant for a new business strategy that aims to disrupt that market.

We provide relevant insights so that managers can think strategically. We believe that a factor analysis for segmenting customers can be really illustrative, but it is useless unless we can transform that into something that the client can implement with resources available. (Owner, independent RA based in Mexico)

In summary, purpose refers to the intentions to be accomplished by the market representation. The representational objects in purpose can be defined in an ostensive or performative way depending on the extent to which a representation can show how markets work or the destabilizing opportunities.

### 3.4 Approach: Underlying tension between internal or external

Approach refers to the form in which a firm is thought to relate to its market. Representational objects in the approach dimension can be grounded internally or externally in relation to the firm. In other words, a market representation can be assembled using a logic that could mirror either how the firm itself is organized or draws from outside sources.

Market researchers described market representations that often respond to already existing firm structures and patterns, for instance, distribution areas, sales structures or internal product categorizations. An internal logic could reflect corporate structures such as organizational hierarchies, production lines or the structure of the sales department. If mirroring how a sales department is organized, the market researcher will have to assemble a market representation according to how the company works (e.g. the ‘U.S.’ market would be compared with the ‘Rest of the world’ market). In the following quote, a market representation assembled from internal representational objects responds more to firm structures, rather than by external considerations:

‘Markets can be really anything, but I guess that many times it just copies how companies work: internet vs traditional. KAMs [Key Account Managers] vs marketing, and so on’ (Partner, independent RA based in the UK).

When market researchers assemble market representations based on external representational objects, cues from the environment are used. In the literature,
organizations have been observed copying each other and converging in a few organizational forms (e.g. DiMaggio and Powell, 1983). One instance is benchmarking, in which a firm selects other firms and labels them competitors. However, defining competitors is not always as straightforward as it seems. One can only wonder whether record companies, such as EMI or BMG at the time, would have counted Apple as a competitor, even when Apple’s iTunes software provided a substitute for delivering music contained within a physical object. In the following quote, a market researcher serves as an external analyst to determine the market in which the firm has more chances to compete. A market researcher could ground that external suggestion based on many external indicators, for example, best practices, potential buyers or even legislation:

‘Sometimes the main work is re-defining the market. For example: does a vacuum cleaner manufacturer operate in the vacuum cleaner market or in the home care market?’ (Research Analyst, independent RA based in Canada).

Market researchers provided cues to how firms influence market representations through internal logics. One tool that influences the approach of a market representation is the brief or request for proposal (RFP). An RFP is a set of instructions that communicate preconceived ideas about the market that will be represented. In the following two quotes, market researchers pragmatically avoid a pre-configured idea of what a market is. Instead, market researchers used an RFP to determine what a market is for that particular client:

‘The market is whatever the client writes in the RFP (request for proposal)’ (Research Analyst, multinational RA based in USA).

Voters, consumers, competitors, or their own employees: anything. Our clients sometimes want to sell a product, but sometimes, want to sell an idea unrelated to what they normally sell. The market is whatever our clients write in the ‘brief’. (Partner, independent RA based in the USA)

In summary, the approach in a market representation refers to the external or internal grounding of representational objects. The approach is internal when the market is thought to mirror how the firm works. In contrast, external means that the firm searches for clues of successful behavior from the outside.
4 DISCUSSION

This paper conceptualizes market representations in terms of assemblages of representational objects. Four dimensions are identified: frame, content, purpose and approach. Within each dimension, because certain representational objects are either present or not, the study elucidates implicit tensions in sorting and privileging representational objects. The following section discusses the contribution of the paper in light of the theoretical processes enabled and the implications for market studies, marketing theory and managers.

Kjellberg and Helgesson (2006, 2007) theorized that markets result from translations between three types of practices: normalizing, exchange and representational. Closer inspection of representational practices was called for because of the constructive dimension of re-representations of markets. A constructive dimension means that market representations can establish preferable directions for a firm to act and inform rules. Although Kjellberg and Helgesson (2007: 148–149) called for market representations to be studied in terms other than those of reflections of markets, it was not clear how to do so. This paper articulates in more detail the translations that are part of representational practices. Market representations are interrogated in terms their constructive dimension of what a market is and implicit translations previously overlooked. Overlooked translations elucidate the sorting and ordering of the objects that integrate the representation.

The conceptualization of representational objects is in line with Finch and Geiger (2010). Their work explored boundaries of markets by distinguishing types of objects available in markets. Market objects were differentiated in terms of whether an object is subject to calculation. If an object can be disentangled from its owner and valuated independently, then the object became a market object. Although the importance of valuation is acknowledged, this paper argues that a market representation can challenge the boundaries of markets in terms other than calculation. Boundaries of markets are (de-) stabilized simply by arranging the kind of objects that will be depicted as part of a market that can include non-calculative and non-market objects. As shown here, the arrangement of representational objects is an integral part of the reproduction and transformation of market structures in the multiple understandings of what a market is.

Multiple understandings of markets constitute one of the four major research avenues in market studies (Kjellberg et al., 2012: 220). This paper shows that privileging representational objects results in converted understandings of what a market is. Scholars can approach the multiplicity of market representations through the taxonomy presented here. The categorization is not meant to be exhaustive; neither explains the reasons representational objects are privileged in the way they are. Further research is needed to identify the representational practices that marketers use to privilege market representations into certain assemblages. However, identifying representational objects advances the marketing literature because doing so enables understanding of ways in which firms relate to markets.

The question of how firms relate to markets is a fundamental issue that remains unanswered in marketing theory (Day and Montgomery, 1999). Several attempts to identify how firms interact with markets have been made (c.f. Coviello et al., 2002). However, a limitation is the exclusive focus on the interaction of firms with customers. It has been argued here that the focus on customers is but one of the representational
objects that can be used to represent markets. In the 1990s, scholars argued that the firms interact with markets in many ways (Myers and Tauber, 1977: 2): (a) with other firms; (b) with products; (c) people's perception of firms; (d) people to people; and (e) people to products. Moreover, this paper suggests that the fundamental question of how firms relate to markets remains. Deeper understanding of the interactions between firms and markets can be achieved by new understandings of marketing work.

One last contribution elucidates the use of commissioned research. It is a managerial paradox that commissioned research, as costly as it is, is neglected or misunderstood (Deshpandé & Zaltman, 1982). Explanations regarding why managers do not use commissioned research focused on the capabilities of the manager or methods for gathering information (e.g Ottesen et al., 2002). Explanations imply that since commercial research discovers markets, it is the managers' fault of not understanding commissioned research, or perhaps, the commercial researcher didn't use correct techniques. However, results in this study indicate that the form in which the market representation is assembled matter, because market representations provide ways to simplify reality. Because ideas of markets are expectation-confirming and knowledge-consistent (Alba and Hasher 1983, p.203), representations which do not fit existing views of how markets work are disregarded often.

Both commercial researchers and managers can benefit from the understanding that knowledge about markets is representational, and hence, interpretative. A consequence of acknowledging representational practices is elucidating what market research is. At the core, a market researcher assembling a market representation for a client is privileging a certain way to disentangle reality and ideas of markets. When commissioned research does not fit managerial experience, research does not need to be considered faulty; instead, research can be qualified in terms of integrating potentialities and identifying new ways to relate to markets. On the other hand, a manager cannot simply neglect the process of commissioned research as discovery, because the final arrangement privileges view which may not be expectation-confirming. This work equips managers to identify the aspects of their markets that have been neglected, and therefore, not well understood. For instance, a critical analysis of what a firm knows already permits the identification of areas that may not be well-known because of the way in which market representations were commissioned.

4.1 Conclusions

This study articulated the ideas that are put together to form a coherent view of a market. Four dimensions are presented regarding the representational objects used to assemble market representations, and propose that each dimension results from the negotiation of internal tensions. Tensions arise out of privileging which representational objects are included in terms of frame (exchange or non-exchange), what to include in the content (actors or practices), what purpose will be accomplished (ostensive or performative) and how to approach the market (internal or external perspectives). This conceptualization enables an assessment of market representations for elucidating potentialities of how firms can relate to markets, for instance, on the use of commissioned research. Findings in this paper open the following avenues for further research: researchers can observe the practices of how and why market representations are assembled in the way they do. Also, researchers can study whether the form in which a market representation is assembled has an effect on marketing strategy.
Notes

1 United Kingdom, MRS (Market Research Society). Canada, MRIA (Marketing Research and Intelligence Association). Mexico, AMAI (Asociación Mexicana de Agencias de Investigación de Mercados y Opinión Pública). Europe and the USA, ESOMAR (European Society for Opinion and Marketing Research).

2 Of note is that the performative/ostensive representational objects, as presented here, should not be confused with the broader performativity literature of economic sociology (Callon, 1998). Performativity in economic sociology, and performative utterances from linguistics, are closely related since they have the same roots in Austin (1975). In economic sociology, cases of performativity have been introduced in the financial sector explaining how financial theory has a constructive dimension in a sort of self-fulfilling prophecy (MacKenzie et al., 2007). Performativity has been also studied in marketing by Kjellberg and Helgesson (2006).
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ESSAY 3: MARKET REPRESENTATIONS IN INDUSTRIAL MARKETING: COULD REPRESENTATIONS INFLUENCE STRATEGY?

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III.

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Abstract: A central question in industrial marketing is whether the form in which the external environment of a firm is represented influences the marketing strategy. This influence has been studied generally through case study research, and quantitative evidence is limited. In response to this limitation, this paper reports on a quasi-experiment investigating whether market representations have a constructive aspect in business. Empirically, this study compares two types of ostensive and performative market representations—service focus and product differentiation—in order to test for influence exacted by industrial marketing on strategies. Results indicate that service focus is selected when market representations rely on agency in firms (i.e., performative), and product strategies are selected when structures are emphasized (i.e., ostensive). This paper contributes to methodology development by expanding the link between a case study approach and quasi-experiments explaining how quasi-experiments can replicate findings in industrial marketing.

Keywords: Market representations, quasi-experiment, business case, marketing strategy, decision-making, methodology development
1 MARKET REPRESENTATIONS IN INDUSTRIAL MARKETING: COULD REPRESENTATIONS INFLUENCE STRATEGY?

1.1 Introduction

Marketing is a representational practice (Levy, 1959; Stern, 2004). Marketers operate by representing one thing with something else—for example, using a brand to represent the values of the company, or crafting ads to represent the benefits of a product. The importance of representation has been at the forefront of marketing thought since as early as the 1950s (Gardner and Levy, 1955), yet general consensus is that only marketers utilize representations to their advantage. As such, scholars observe how marketers craft brands to mean something, and how advertisers use ads to persuade. Marketing literature often overlooks the fact that marketers are, in a sense, themselves the subject of representations (Stern, 2004). Representations affect the form in which managers understand their business market—that is, how it is represented in their minds—constraining their repertoire of managerial actions (Hagel, Brown and Davison, 2008).

Market representations are coherent yet simplified views of what a market is and how it works. Managers need representations because markets are generally too complex, involving multiple people conducting multiple trades, at separate times, at multiple locations, and for various reasons (Deshpande and Zaltman, 1982). The concept of the market is complicated by the legacy of a physical place where buyers and sellers physically convened to trade (i.e., a marketplace), but this meaning is no longer accurate (Callon, 1998). Rather, contemporary markets involve heterogeneous associations among humans, materials, and signs (Kjellberg and Helgesson, 2006). Managers use representations to impose order on these complex environments by isolating points of competitive advantage (Day and Nedungadi, 1994) and thus, the manner in which market complexity is simplified results in a market representation. However, it remains unclear whether market representations have any effect on management.

Literature in managerial representations argues that the manner in which managers simplify the complexity of their external environment affects how firms conduct business (Grazzini, 2013). In other words, representations of a firm’s external environment impact firm strategy (Storbacka and Nenonen, 2011; Harrison and Kjellberg, 2010). Drawing on their expertise as business consultants, Storbacka and Nenonen (2011) argued that how firms understand their markets is critical not only for achieving more efficient operations, but also for effectively shaping their business environments. Harrison and Kjellberg (2010) found that how industrial firms understand their markets influences crucial business decisions. For example, consider one firm that conceives its markets based on relationships within a network (long-term or short-term), and one that understands its markets based on profitability (high or low). These differing conceptions may contribute to very different business decisions between these firms; for example, the firm that views its market through the lens of relationships is more likely to give preference to a long-term relationship over short-term profitability.

Scholars suggesting that representations influence marketing strategies rely on case studies (e.g., Rinallo and Golpetto, 2006; Harrison and Kjellberg, 2010), because quantitative evidence is largely unavailable. However, quantitative evidence can be
useful for isolating context (Chandler and Vargo, 2011) and cognition (Grazzini, 2013). An unanswered question in industrial marketing is whether market representations constrain managerial options—and thus, whether market representations influence business marketing strategy. In consequence, the purpose of this paper is to isolate market representations and test whether the manner in which the external environment of firms is represented influences marketing strategies.

The contributions of this paper are both conceptual and methodological. The conceptual contribution demonstrates that market representations are constructive. The methodological contribution introduces quasi-experiments to support findings of case studies. A quasi-experiment involves the manipulation of quasi-independent treatments tests for effects in a controlled environment (Campbell and Stanley, 1963). To detail, this study tests whether certain types of market representations lead more to service focus strategies, or to product differentiation strategies. We conducted a quasi-experiment on 143 graduate marketing students as proxies for marketing managers, using an industrial business case. The case was manipulated to include two types of market representations: ostensive, which separates the market from the firm, and performative, which integrates the capabilities of an organization. Results indicate that a service focus strategy is more likely when market representations are performative, and that a product differentiation strategy is more likely when market representations are ostensive.

The paper is organized as follows. Following this introduction, Section 2 introduces the conceptual anchor of the study in the form of market representations. Section 3 frames the conceptual aspect of the study by identifying marketing strategies as the variable, and market representations as treatment. Section 4 introduces the method of study and crafts hypotheses derived from the conceptual anchor. Section 5 discusses conceptual, methodological, and managerial implications, and limitations and future research, leading into the conclusion in Section 6.
2 MARKET REPRESENTATIONS

In order to understand a firm’s market context, managers must make assumptions and predictions about significant external structures. Furthermore, managers must simplify and isolate relevant issues involving complicated interactions between social, economic, political, and technological structures (Deshpande and Zaltman, 1982); in order to make simplifications about markets, they have to assemble representations. A representation is a human-made construct that stands for, and yet is independent from, reality. Representations are frequently used in applied social disciplines like cartography, in which distortions occur as a result of representing the Earth, a three-dimensional object, on a two-dimensional surface. What cartographers discuss is not whether distortions should occur at all, but rather which distortions are acceptable for achieving certain purposes. A map used to establish geopolitical boundaries is different from a map charting navigation on the sea. In marketing, however, Stern (2004) argued that more debate is centered on the object of representations—that is, the phenomenon of interest in markets—than on the manner in which market phenomena are represented.

A market representation is defined here as coherent yet incomplete view of what a market is and how it works, either at the time present or in an alternative future. Managers sort out and select from direct observation, personal experiences, and secondary data the elements that constitute a self-reinforcing view (Day and Nedungadi, 1994). Because of the constructive aspect of market representations (Harrison and Kjellberg, 2010), managers can extrapolate divisions in their own organization into market representations: A firm could divide its market in two regions (e.g., the US and the rest of the world) for the only reason that the sales department in the organization is divided in such manner. Market representations include “the representational objects (what) and the practices in which objects are put together (how), in order to privilege a view of a market (what for)” (Diaz Ruiz, 2013), and thus, multiple versions of markets can exist in a representation. Some examples include representing a market following geographic boundaries (e.g., China is a market); framing a market corresponding to a product category (e.g., the market of smartphones); and imagining practices at the center of markets (e.g., online gambling as a market).

The forefront of conceptualizing multiple versions of markets can be found in industrial marketing research (e.g. Hagberg and Kjellberg, 2010; Finch and Geiger, 2011; Azimont and Araujo, 2007; 2010). Overall, industrial markets seem harder to categorize into the well-known structures of competition, supply and demand (Ford and Håkansson, 2006; Håkansson and Ford, 2002). Market conceptualizations developed by IMP scholars (e.g., markets as networks; McLoughlin and Horan, 2002) have convincingly demonstrated that multiple versions of markets can be found. By conceptualizing industrial markets more fully, firms have access to a wider repertoire of resources than previously acknowledged. For instance, research has explained how fashion firms used trade shows to steer market trends (Rinallo and Golletto, 2006), how manufacturers used meetings for category management with retailers to influence boundaries among product categories (Azimont and Araujo, 2007), and how independent firms solve problems jointly (Aarikka-Stenroos and Jaakkola, 2012; Biggemann et al., 2013).

However, the idea that managers simplify the complexity of markets in multiple ways is generally not acknowledged in literature. The question of how individual managers understand their environments is of little relevance when self-seeking economic
rationality is emphasized, because as the story goes, managers should converge on optimal decisions, given that managers act as rational self-interest maximizers (cf. Ghoshal, 2005). Economic rationality assumes that managers know their environment and act under similar maximizing principles, and therefore considers understanding how managers represent markets seems inconsequential. Despite increasing attention on deviations from rationality in human behavior, marketing literature has a strong legacy of economic rationality (Varey, 2010), and therefore, important contributions—including how markets are constituted via networks (McLoughlin and Horan, 2002), or how intuition influences management (Vanharanta and Easton, 2010) —are yet to be fully incorporated into mainstream marketing research.

Business scholars have presented convincing arguments that managers use a form of bounded rationality and selected issues from their markets in order to make business decisions. Business cases report that the selection of these important issues influences the type of strategy that firms follow (Harrison, 2012). Nevertheless, we do not know which kind of representation leads to which kind of strategy, in part because neither representations nor strategies have been properly codified, and because marketing research lacks a method for integrating representations identified in case studies for quantitative validation. The following section discusses how a customized method integrating quasi-experiments and narratives derived from case studies, as well as other findings originating from industrial marketing, could be useful for the study of market representations.
3 CONSTRUCTING THE STUDY: COULD MARKET REPRESENTATIONS INFLUENCE BUSINESS MARKETING STRATEGY?

This section anchors the conceptual part of the study that identifies whether a theoretical cause-effect relationship could exist between market representations (i.e., treatment) and business-marketing strategy (i.e., variable of interest).

3.1 Market representations: Performative vs. ostensive market representations

This section argues that two types of market representations are distinct enough to constitute independent representations. The typology of market representations in Table 13 corresponds to the duality of structure and action: ostensive and performative (Diaz Ruiz, 2013; Harrison, 2012).

Table 13 Types of market representations; treatment

<table>
<thead>
<tr>
<th></th>
<th>Ostensive</th>
<th>Performative</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type</strong></td>
<td>Concise and descriptive: coherent snippets</td>
<td>Dynamic and instrumental: actionable information</td>
</tr>
<tr>
<td></td>
<td>encapsulating defining aspects of the market</td>
<td>linked to the capabilities of the actor</td>
</tr>
<tr>
<td><strong>Object</strong></td>
<td>Structures: recurrent patterns constraining options</td>
<td>Agencies: autonomous agents capable of shaping their environment</td>
</tr>
<tr>
<td><strong>Purpose</strong></td>
<td>Learning: information processing and accumulation of knowledge</td>
<td>Doing: actionable missions punctuated in time and space</td>
</tr>
</tbody>
</table>

Market representations are ostensive when concise and descriptive snippets encapsulate defining aspects of the market. Ostensive representations focus particularly on structures and patterns constraining options, and thus focus on how firms react to external constraints. An ostensive definition conveys meanings by exhibiting instances of the term; for example, “that is the color red” (Wittgenstein, 2001). Explanations are normally detached, and thus representations can be qualified and contested; for example, “that is not the color red.” An ostensive representation treats the market as independent from the firm, and thus is crafted as a structure constraining options. This view is influenced by determinism of institutional analysis of organizations (Ghoshal, 2005), and it relates to Porter’s (1985) traditional view of markets—such as the Five Forces Model, wherein companies compete in predefined markets.

Market representations are performative when dynamic and instrumental accounts focus on the capabilities of firms. An emphasis on agency treats the environment as moldable, and thus focuses on potentially disruptive actions. When managers request actionable information (Bernhardt, 1994), they are asking for performative
representations. Performative representations envision a potentially different state of affairs and focus on the means for the firm to enact that version into reality, for instance, by seizing resources or exploiting weaknesses. Performative definitions aim to change what is described (Austin, 1975), and thus cannot be qualified as true or false. This view falls more in line with resource-based and competence-based views, whereby firms take action based on what competences, resources, and skills they can utilize (e.g., Peteraf, 1993). One well-known example is Prahalad and Hamel’s (1990) example of Honda’s entry (and market-shaping effects) on the U.S. car market through world-class engines.

3.2 Business marketing strategies: Product differentiation vs. service focus strategies

The overall question of this study is whether market representations influence strategy. In order to test that question, the dependent variable in the study is the selection of a marketing strategy. The selection draws from the important discussion concerning service focus in manufacturing firms (Fang, Palmatier, and Steenkamp, 2008; Kindström and Kowalkowski, 2014). Although service focus implies increased relative importance of service, the marketing strategies behind service focus may differ (Gebauer, 2008; Raddats and Easingwood, 2010). This study distinguishes two types of marketing strategies: product differentiation, whereby the product portfolio is used to protect or enhance the traditional product business; and service focus, whereby a distinct services business is developed independently from the traditional product business (Auguste et al. (2006) refer to the strategic options as ‘defend’ and ‘grow’).

When the product differentiation strategy is privileged, services are regarded as supplementary to the products. The strategic aim is to provide a better product offering than that of competitors, by means of differentiation (Treacy and Wiersema, 1993). For instance, customer support and after-sales services can be offered to provide a better reason to buy the product and to ensure future product sales. In this sense, services are developed and included as long as the objective is to support the sales of products – that is, ‘a necessary evil’ (cf. Kowalkowski et al., 2012). Despite a potentially heightened importance attributed to services, product differentiation is therefore an inherently goods-centric marketing strategy.

On the other hand, service focus is a different strategic path. Service focus aims to develop a distinct service business that can potentially be independent from the traditional product business (Raddats and Easingwood, 2010). For that reason, manufacturing firms, which operate under a service focus strategy, can offer services around an originating product (e.g. a maintenance contract that can be sold separately but is still anchored to the product), and product-independent services (e.g. process optimization and training services can be formulated based on the capabilities of the firm and sold independently from the product business). Typically, service focus strategies require more extensive interaction and collaboration between customer and supplier (Gebauer, Fleisch, and Friedli, 2005), and more emphasis on mutual construction of value-in-use (cf. Aarikka-Stenroos and Jaakkola, 2011). Such strategy changes the fundamental way in which manufacturing firms take action. As such, it can be seen as a strategic choice wherein service focus corresponds to what is valuable for the customer rather than what is necessary in order to differentiate the product portfolio (Kowalkowski et al., 2012). In fact, the service focus strategy is counter-intuitive for a business built on selling products. For example, when document management firm Xerox pursued such a service strategy, some big industrial customers
went from having 50,000 to less than 25,000 Xerox-made machines (Shotter, 2012). Hence, a service focus strategy might be in partial conflict with the traditional product business (Gebauer and Friedli, 2007; Mathieu, 2001); therefore, the firm must be willing and able to cannibalize even its currently effective (product-related) capabilities (Kindström and Kowalkowski, 2014).

Table 14 illustrates the two distinct strategies, product differentiation or service focus. However, it remains unclear whether the form in which the market is understood has an effect on the selection of strategy. It is possible that one strategy fits the context better than the other strategy, depending on the form in which the market is understood. The next logical step is identifying sufficiently different types of representations that can be framed as a treatment for the quasi-experiment.

Table 14  Dimension of interest

<table>
<thead>
<tr>
<th>product-oriented vs. service-oriented strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aim</td>
</tr>
<tr>
<td>Protecting the product business by avoiding commoditization</td>
</tr>
<tr>
<td>Justification</td>
</tr>
<tr>
<td>A better offering than that of competitors by means of differentiation</td>
</tr>
<tr>
<td>Interaction between services and products</td>
</tr>
<tr>
<td>Both product-related (e.g. maintenance), and product-independent services (e.g. process optimization)</td>
</tr>
<tr>
<td>products</td>
</tr>
<tr>
<td>the sales of a product</td>
</tr>
</tbody>
</table>
4 METHOD: QUASI-EXPERIMENTS ENHANCING CASE STUDIES

Because the most common research method in industrial marketing is case study research (Easton, 2010), case studies are the most common source of evidence demonstrating the significance of how firms conceive their markets (Azimont and Araujo, 2007; Biggemann et al., 2013; Rinallo and Golhetto, 2006; Harrison and Kjellberg, 2010). Therefore, findings in industrial marketing may benefit from replication when case studies and hypothesis-testing research are mutually complementary (LaPlaca, 2014). Analogies between case studies and experiments abound (Eisenhardt, 1989; Lee, 1989; Flyvbjerg, 2006). For instance, Lee (1989) describes how case studies could be framed as experiments following the same inductive thinking for testing a hypothesis grounded in previous theory. Flyvbjerg (2006) explains how both case studies and experiments benefit from ‘hindsight’, and Eisenhardt (1989) argues that problem definition and construct validation follow the same inductive logic.

Experiments can strengthen findings from case study research by a process of replication. In marketing, an experiment is a quantitative technique in which a treatment is tested for effects on a dependent variable, in search of cause-effect relationship (Sawyer, Worthing, and Sendak, 1979). A treatment is a stimulus that is manipulated to be independent from other variables. The treatment is applied to a group of people that is as homogeneous as possible, assuming that an effect could be reasonably attributed to the treatment. An experiment requires clearly identifiable treatments and controlled conditions. For example, an experiment that tests which packaging color sells more products should customize packages to be identical except for color, and other conditions—such as respondent demographic, product illumination levels, display location, and so on—should be controlled. The strength of experiments lies in isolating extraneous variables that are normally difficult to separate in natural settings (Mook, 1983).

Experiments are subject to concerns regarding internal validity (Croson, 2002), which reflects the extent to which causality can be inferred from a study, which depends upon minimizing systematic error. When an experiment cannot warrant full independence between variables, then it is called a quasi-experiment (Campbell and Stanley, 1963). A quasi-experiment is a type of research that has some features of experiments but not others – for example, a quasi-experiment may include a manipulated independent variable but no exhaustive controls, or it may include controls but lack fully independent variables. Bonoma (1985, p. 202) argued about tradeoffs of research in marketing, and explained that quasi-experiments can be used when “the opportunity for quantification is possible [...] provided that there is a body of prior theory upon which investigations can be structured for good deduction.”

Because representations rely on interpretations, independence between variables cannot be guaranteed. Thus, any experimental design testing representations from case studies should be identified as a quasi-experiment. Market representations resulting from insights drawn from case studies originate empirically, using the same type of experimental thinking that is used in experimental design (Eisenhardt, 1989; Lee, 1989; Flyvbjerg, 2006). External validity of case studies can be strengthened by the internal validity of quasi-experiments, which have been criticized as being highly idealized (Croson, 2002).
4.1 Hypothesis development

In review, in order to test whether market representations influence strategy in industrial settings, two separate types of market representations were presented as a treatment: ostensive and performative market representations. The dependent variable is the selection of either service focus or product differentiation strategies. What follows frames the hypotheses about causal relationships between market representations and marketing strategies. The quasi-experiment is constructed as follows: (1) the stimulus is a business case introducing the respondent as the managing director of a medium-sized industrial firm; (2) two versions of the business case are similar in everything except in the market representations introduced by fictitious advisors; (3) the market representations differ based on either features of market structures (ostensive) or capabilities of the firm (performative); and (4) the selection of a marketing strategy – either product differentiation or service focus strategy – serves as the dependent variable.

The process of hypothesis development reflected the following line of thought. Assuming that ostensive market representations focus on the environment independently from the capabilities of the firm, the business case can be deconstructed as a rather conventional marketing situation where conventional marketing training is implemented as a prescription. Furthermore, given that (1) product-oriented strategies such as product differentiation are normative marketing strategies disseminated in marketing education at universities and business schools (cf. Jobber and Fahy, 2012; Kotler, 1967), and (2) theories influence managers’ practices and worldviews (Ghoshal, 2005), marketing managers could consider normative marketing techniques in a conventional marketing situation. Therefore, we expect ostensive representations to support a product differentiation strategy rather than a service focus strategy.

H1. An ostensive market representation relates positively to a product differentiation strategy.

H2. An ostensive market representation relates negatively to a service focus strategy.

On the other hand, assuming that performative market representations focus on the capabilities of the firm to affect the environment, the business case could be deconstructed as a situation in which the firm should use any and all advantages available – that is, a situation in which a non-normative solution could better fit the firm. Studies of service business development in industrial firms report that many firms pursue service focus strategies and have learned to leverage their resource base and build distinctive service capabilities (Kindström and Kowalkowski, 2014; Ulaga and Reinartz, 2011). Therefore, we expect that a performative representation focusing on the capabilities of the firm would support a service focus strategy rather than a product differentiation strategy.

H3. A performative market representation relates negatively to a product differentiation strategy.

H4. A performative market representation relates positively to a service focus strategy.
4.2 Stimulus development, homogeneity in the group, and manipulations

4.2.1 Stimulus development

The stimulus took the form of a business case (Appendix 1) and was designed to follow the structure of a business case in a business-to-business setting, a format often used in MBA programs. A business case was selected for the following reasons: (1) marketing practitioners are familiar with the format because it is used often in business schools; (2) the case allows for more control to craft independent treatments; (3) third, the format allows for the selection of multiple routes of action; and (4) the case format allows the manipulation of the treatment as part of a narrative.

The business case was attached to a questionnaire and introduced a fictitious medium-sized manufacturer of industrial components that were used by the manufacturer's industrial customers to manufacture final products. The firm supposedly suffered from diminishing financial returns due to product commoditization. In response to diminishing returns, the firm developed an imaginary innovation with an application that was not self-evident given the firm's limited resources and capabilities. The selection of the strategy was designed as the dependent variable. The respondent had to decide which course of action the company should take given that the innovation could be either used to further differentiate the original product (i.e., a product-differentiation strategy), or commercialized in the form of a service (i.e., a service-focus strategy). Respondents were asked through an open-ended question to justify and explain their selection of either strategy.

Because the very idea of the method is to expand findings from case studies, no validated scales existed. All measures consisted of multi-item semantic differentiation-type scales ranging from 1 to 10. For reliability concerns, two sets of items were used. The first items indicated the likelihood of choosing each strategy. The response format ranged from 1 (most unlikely) to 10 (most likely) for each of the options offered. The second set of items required the respondent to rank the options in the order that they would most likely choose: 1 for the main choice and 2 for the least preferred choice. An open-ended question was presented after the ranking, requiring the respondent to provide the reasons for selecting a strategy, to provide explanatory cues (Miles and Huberman, 1994).

4.2.2 Group homogeneity

An instrument was given to 143 students on their last year at a master's level program in marketing. The use of students as surrogate managers is justifiable in this exercise in order to maintain the homogeneity of the group, and because external validity comes from grounding the representations derived from case studies. Furthermore, business students solve business cases in a similar way to managers (Remus 1986; Henkens et al., 2009). The use of students is a trade-off because it is possible to manipulate a market representation while simultaneously adding group homogeneity. In contrast, while managers are more experienced, it is more difficult to claim group homogeneity because they differ in terms of work experience, company culture and history, industry, academic background, and demographics. Thus, the tradeoff is between external and internal validity.
4.2.3 Experimental procedure

Respondents were randomly allocated to the conditions. Each participant was presented with a business case containing the background of the industrial firm and the fictional situation. Respondents were instructed to read the scenario carefully and imagine themselves as the managing director of that firm. After reading the case, respondents answered questions assessing the likelihood that they would make a recommendation toward a marketing strategy, as well as questions about the case. Questions regarding manipulation check were included, as well as an open-ended question supporting the selection of the strategy. Double-checking the open-ended questions enabled identifying and coding mistakes where strategy selection conflicted with text supporting the opposing strategy.

4.2.4 Manipulations

Papers were shuffled and delivered when students entered the classroom. To assess that manipulations were successful, a question was included concerning the extent to which the information contained in the business case was actionable. The students who received a performative market representation were more likely to consider the information provided in business case actionable (M = 6.24) than the students who received an ostensive market representation (M = 4.36). A significant effect was apparent in the perception of the extent to which the information provided in the business case was actionable, at the p<0.05 level for the three conditions [F(1, 141) = 47, p = <0.01]. As such, it can be contended that the manipulation was successful.

4.3 Hypothesis testing

The results support H1 and H4. The first test is a categorical selection of product differentiation and service focus strategies in mutually exclusive terms. A Pearson chi-square test was used, and a causal relationship for H2 and H3 was found [χ² (1, N = 143) = 11.9, p <.01]. The test suggests that product differentiation was more likely with ostensive representations (58%), and that a service focus was more likely with performative representations (70%).

The second test measured items that potentially co-exist on a 10-point scale. The two strategies could be considered equally feasible. The purpose was to eliminate the possibility of forced selection between items that were not sufficiently different. A t-test was used because items were intervals. A significant difference emerged again and supported H1 and H4 [t(141) = 2.7, p < .01]. The group exposed to a performative representation was more likely to follow a service focus (M = 7.2), than those exposed to ostensive representation (M = 6.1). Further, product differentiation has significant differences as well [t(141) = 3.1, p < .01]. The group exposed to an ostensive representation was more likely to follow a product strategy (M = 7) than the group exposed to a performative market representation (M = 5.8).

Scales were tested for independence (α< 0.5) and correlated negatively [r(141) = −0.65, p < .01], and then a MANOVA was used to test the inter-subject factor in order to assess the impact of representations and marketing strategy. An overall significant difference of the treatments was found (Wilk’s λ = 0.93, p < .01) on both service focus (F = 9.6, p < .01) and product strategy (F = 7, p < .01). However, magnitude was not tested, because it was possible to rate both strategies equally. Magnitude was computed for
those respondents who did not feel strongly about selecting one strategy over another. Approximately one third of the respondents (34%) placed within 2 points of the options on the scale, indicating that both strategies fit the business case. Differences were significant \[\chi^2 (1, N = 143) = 9.7, p < .01\] only when comparing respondents who leaned strongly in favor of either product differentiation or service focus, but not when comparing respondents who felt that product differentiation and service focus strategies fit equally.

### 4.4 Open-ended questions used for interpretative cues

In order to add redundancy and cues for interpretation, the study included an open-ended question asking respondents to justify and explain their selection of either strategy, and a researcher coded the responses using human judgment (Perreault and Leigh, 1989). As suggested by Perreault and Leigh (1989), in order to increase reliability, a second researcher coded the answers independently, and the two researchers discussed their decisions in order to condense categories.

The resulting categorization included 17 reasons for respondents selecting either type of strategy. Only certain codes included enough responses to qualify for a test, but for those codes with enough repetitions, values were significantly different (\(p < .05\)) according to the two-sided test of equality for column proportions. In other words, separate reasons were given to support privileging an industrial marketing strategy (see Table 15).

**Table 15 Reasons for selected strategies**

<table>
<thead>
<tr>
<th>Product differentiation</th>
<th>Service focus</th>
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<tbody>
<tr>
<td>Secure the main stream of income by offering a stronger core product offering</td>
<td>Sell the service to competitors through licensing</td>
</tr>
<tr>
<td>Create a more convincing offering for the sales team</td>
<td>Diversify revenue streams to reduce dependency on a single (product) offering</td>
</tr>
<tr>
<td>Differentiate and achieve better market positioning</td>
<td>Achieve a more sustainable business position over time</td>
</tr>
<tr>
<td>Secure the main revenue stream of the firm</td>
<td>Build closer relationships with existing customers</td>
</tr>
</tbody>
</table>

For those who chose a product differentiation strategy, the reasons offered were related to the construction of a stronger core product offering (24%), which is important for supporting the efforts of the sales team. Salespeople could integrate a more convincing offering, which would serve as competitive advantage against competitors (12%). Some respondents found that a better market positioning (17%) was consistent with such a strategy because it potentially differentiates the current product offering and command a higher price. In addition, respondents argued that a product differentiation strategy was necessary for securing the main revenue stream for the company (9%). Therefore, the strategy was rationalized in terms of strengthening the existing offering, which is vitally important given the limited number of products and customers in medium-sized firms (Storey and Harlow, 2010).

Some respondents answered that the new service may even be sold to competitors through licensing, increasing sales and expanding the number of customers (23%). A
service focus strategy was appropriate to diversify revenue streams, which could strengthen the firm by reducing dependency on a single product (17%). Further, respondents argued against augmenting the existing product because doing so could yield only temporary benefit and be easy for competitors to imitate; a service focus strategy could provide a more sustainable advantage over time (17%). Respondents also justified choosing the strategy by pointing to stronger business relationships with existing customers (13%). Therefore, the strategy was rationalized in terms of diversifying the current offering, which is vitally important for reducing the risk associated with relying on a single offering. One reason for selecting a service focus was the perception that a service is more difficult to copy than a strengthened product.
5 DISCUSSION AND IMPLICATIONS

5.1 Conceptual implications

Industrial marketing scholars have theorized about a constructive dimension between market representations and the type of strategies that firms apply (Harrison and Kjellberg, 2010). This paper demonstrates that – at least in an ideal setting and under controlled conditions – the form in which market representations are formulated influences marketing strategy. Results indicate that multiple views of markets can exist, and that the study of these various views is relevant, because the form in which managers represent their markets constrains how firms invest their time and money.

The case used in the exercise was drawn from service management literature. Findings suggest that a service focus strategy is more likely when market representations are performative, and a product differentiation strategy is more likely when market representations are ostensive. Hence, the strategy selected can be attributed to the form in which marketing knowledge has been codified and taught. With an ostensive market representation, the business case appears to be a ‘conventional market’ where normative, mainstream marketing thought applies. In addition, when the market is perceived as static and not malleable, there is less room for innovative strategies. The ostensive representation highlighted market structures that appeared to be more difficult to change, so respondents opted for a stronger market position by strengthening their product offering (cf. Porter’s [1985] outside-in view). On the other hand, findings suggest that when the resources and capabilities of the organization are considered, using performative market representations, a service focus is more likely to be selected. Rather than focusing on positional advantage over competitors, emphasis is placed on long-term advantages and stronger customer relationships. Such an approach resonates with a resource-based view of the firm, in which the firm can translate unique resources and distinct capabilities into innovative services, thereby expanding to novel market spaces (Kindström and Kowalkowski, 2014; Ulaga and Reinartz, 2011). Although it has been argued that service focus strategies are appropriate for manufacturing firms (e.g., Grönroos and Ravald, 2011), different firms choose very different service focus strategies, some of which resemble a product differentiation strategy, and some of which resemble a service focus strategy (Gebauer, 2008; Raddats and Easingwood, 2010). Our results indicate that market representations are a potential factor influencing the firm’s espoused service strategy.

5.2 Methodological implications

The present study makes two important methodological contributions to marketing research. First, it proposes that market representations can be used as treatments in quasi-experiments, since the method has provisions for semi-independence between variables. Market representations can become treatments as long as an existing corpus of theory shows enough differences. Second, we expand the parallel between case study research and experiments, thereby extending the method toolbox for marketing research, and responding to the call by LaPlaca (2014) to complement the descriptive research found in qualitative case studies.

This paper argues that quasi-experiments—empirical studies resembling experiments in many aspects but not with regards to either exhaustive controls or complete independence between treatments—can be used to replicate findings from case studies.
The relevance for industrial marketing is that increasing the level of abstraction and proposing testable constructs could enhance findings from qualitative case study research, which often results in narratives. One of the main benefits of complementing case study research with quasi-experiments is that the combination offsets some of the intrinsic limitations of each method. The strength of quasi-experiments is high internal validity, but the trade-off is that quasi-experiments tend to be highly idealized, lacking a strong anchor in everyday marketing practice. On the other hand, the strength of case study research lies in the strong correspondence between the case and the manner in which firms really operate, but among the limitations are weak explanatory and predictive powers. Even if case study research is an established scientific method (Yin, 2009; Tsang, 2013) and the most common method in industrial marketing (Easton, 2010), it is mainly descriptive in nature. It is precisely by expanding the link between case studies and experiments that findings from industrial marketing may be strengthened with prediction and control.

5.3 Managerial implications

Managers benefit from understanding how representations affect the way they understand their markets, and how these market representations influence their decisions. By becoming aware of the power of representations, managers can be more critical and deliberate about how they form and deconstruct representations. Market representations are relevant for business decisions, and as such, managers apply a critical eye to whether a market representation fully considers the capabilities of the organization, or whether the structures represented are important in a particular market.

The second implication is the use of quasi-experiments in management. Experiments and quasi-experiments are associated with academic researchers and not typically used in management practice, but they can be applied in management practice as well, especially simulations. A simulation is a representation that is not anchored in reality (Baudrillard, 1984) and thus only exists virtually. Simulations are used for long-range planning, playing with scenarios in which a few crucial aspects of the market are modified. One example of this type of application is simulating the effect of an anticipated law in the market. Because that law is not yet fully implemented, no one really knows its full effects, but simulations can help researchers anticipate possible scenarios. The quasi-experiment method may be used in expert panels to identify possible consequences and courses of action. In this way, managers can isolate the simulations and identify potentially effective courses of action.

5.4 Limitations and future research

Because this paper introduces the application of a method to a new setting, several limitations can be expected, some of which offer fruitful avenues for research. Quasi-experiments have limitations by design and by implementation. A limitation by design is that representations used as treatments should be carefully selected, due to the controlled nature of quasi-experiments. If representations are not comparable at baseline, then the experiment may be biased. Another limitation is that of magnitude, because even when an effect can be identified, its magnitude cannot be measured. The purpose of a quasi-experiment is to isolate exogenous variables, such as manager experience, or industrial setting. Without other explanatory variables, the magnitude of the effect cannot be estimated directly, so it is advisable to conduct multiple studies.
Future research should use quasi-experiments validation order to validate case studies. Including quasi-experiments in business research can make the research design more robust.

A limitation by implementation is the practical identification of a homogeneous group for testing hypothesis. Consider that testing advertising requires only the identification of the demographic and psychographic segment of the public that is considered the target audience for advertising. In industrial marketing, business scholars refer to managers – a group with specialized training and expertise that is scarce not only in number, but also in their own willingness to devote time to research. Using quasi-experiments in industrial marketing requires a degree of compromise. In this study, we used marketing students in the final year of an advanced master’s-level course as proxies for managers. The use of students was intended to increase construct validity using a homogeneous group in which managerial experience could be controlled (Mook, 1983); it remains unclear whether master’s-level students in a business school are anything like actual business managers, given their lack of experience. Although Ghoshal (2005) argues that the theories thought at business schools has significant influence on the practice of management, future research should validate whether marketing education in business schools actually corresponds with how industrial managers behave. Therefore, validating a correspondence between industrial managers and business students is crucial for further development of quasi-experiments in industrial marketing.

A second limitation by implementation is the development of scales (Durvasula, Sharma, and Carter, 2012). Because representations derived from case studies are unlikely to have validated scales, reliability tests are particularly important for ensuring that a researcher is measuring what needs to be measured (Peterson, 1994). The study described this paper did not use validated scales, which is a limitation. However, future research can develop scales for the most important constructs in industrial marketing, so that others can use them. Overall, given what is known about relationship marketing, service focus, product differentiation, and value creation strategies, researchers still do not have a codified list of strategies for uncovering whether any firm qualifies to actually carry them out.

While these limitations must be kept in mind when considering our conceptual, methodological, and managerial implications, our findings provide new insights and greater familiarity with quasi-experiments in industrial marketing, which we hope stimulate future research in this promising, under researched domain.
6 CONCLUSIONS

A quasi-experiment tested whether market representations influence marketing strategy. A comparison of service focus and product differentiation marketing strategies was conducted according to the treatment of two types of market representations: market representations that focus on firms as autonomous agents capable of shaping their environment (i.e., performative); and market representations that focus on structures and other constraining aspects of markets (i.e., ostensive). These two types were presented as treatments. Results support existing theory in industrial marketing (Harrison and Kjellberg, 2011), indicating that there is a constructive dimension for market representations (Rinallo and Golfetto, 2006). Further, the form in which a firm represents its market affects the selection of a marketing strategy – at least under idealized conditions – and thus, a service focus strategy is more likely when market representations are performative, and a product differentiation strategy is more likely in the context of an ostensive market representation. The quasi-experiment presented evidence that a service focus strategy is more likely to be adopted when market representations are destabilizing and dynamic, as opposed to product differentiation strategy, which is more likely chosen when market representations are indicative and stable.
REFERENCES


ESSAY 4: MARKETPLACE MYTHOLOGIES: THE MAPMAKER’S DILEMMA IN MARKET RESEARCH

Diaz Ruiz, Carlos A.

IV.

Unpublished paper
Abstract. This paper conceptualizes the knowledge produced in market research. Drawing from the ostensive and performative literature and by studying the composition of market research reports, the paper demonstrates that the knowledge produced in market research has the dualistic purpose of discovery and intervention. The interplay of the dualistic aspects of market research is conceptualized as ostensive (the accuracy concern) and performative (the actionable concern). The paper argues that the assemblage of market research knowledge is similar to the mapmaker’s dilemma from the social sciences. Just as maps require simplification to achieve usability, likewise, market researchers must manage the interplay of accurate yet actionable market representations. The double requirements on market research frame a marketplace mythology around the figure of the market researcher among other marketing practitioners as guide and mapmaker. The relevance for marketing theory is that by studying how market representations are produced, used, and circulated, marketing scholars can better understand how representational practices are crucial for organizing markets. The contribution for market researchers and marketing managers is in the interplay of ostensive and performative requirements: too much emphasis on discovery may limit implementation, while too much emphasis on intervention may limit the legitimacy of the representation.
1 MARKETPLACE MYTHOLOGIES: THE MAPMAKER’S DILEMMA IN MARKET RESEARCH

1.1 Introduction

Market researchers are agents commissioned to gather and interpret information about markets on behalf of clients, including: marketing managers, general managers, and public officials (ESOMAR, 2010). However, one long-lasting criticism is that market research knowledge fails to be used in management to its full potential (Moorman, 1995; Moorman, Zaltman, and Deshpandé, 1992; Phillips, 2011). Further, the advent of sources for gathering and analyzing big data has led to growth in techniques that are seen as alternatives to market research. Some of these alternative techniques include: data warehouses, business intelligence software, automated polling, and social media tracking among others. Techniques used for scanning and interpreting markets are seen as threats to market researchers because the techniques predate market research as a domain of practice. Nevertheless, it is precisely the growth of alternatives to market research that reveals an underlying problem, which is the vague domain of market research.

When the domain of market research is unclear, one risk is depending solely on techniques that may become out of fashion. For instance, if market researchers are conceptualized in terms of the amount of surveys and interviews processed, then any technique automating or avoiding the process of conducting interviews predates market research. The risk for market research is becoming obsolete by failing to construct an “identity project” of what market research is and what it does (cf. identity projects through consumption in Arnould and Thompson, 2005).

To address this limitation, this investigation relies on the idea of “market myths” to help anchoring the persona of the market researcher among other marketing practitioners (Cayla and Eckhardt, 2008; Luedicke, Thompson, and Giesler, 2010; Thompson and Tian, 2008). Scholars interested in market myths often focus in consumer research. They investigate the consumption activities, brand dynamics, and sociocultural processes converge in marketplace myths (Arsel and Thompson, 2011; Bjerrisgaard and Kjeldgaard, 2013). However, market myths have influenced whole industries. For example, myths such as resistance were used to legitimize the controversial practice of music downloading (Giesler, 2008). The conceptualization of the American West defines experiences expected from firms (Peñaloza, 2001). Further, the optimistic utopian ethos that fans attribute to Star Trek keeps the franchise viable over decades (Kozinets, 2001). One of the advantages of using market myths in market research is that the persona of the market researcher gains preeminence over specific techniques.

This study problematizes the figure of market researcher from the vantage point of the myth projected through their deliverables; thus, this study follows the recent stream of literature interested in the internal workings and inside views of marketing (Zwick and Cayla, 2011; Skålén and Hackley, 2011). The reason for focusing on the practices of marketers is that what marketers do is crucial for the production and reproduction of contemporary markets (Araujo and Kjellberg, 2009). The performativity literature originating from economic sociology (Callon, 1998; MacKenzie, 2006) and extended in marketing (Callon, 2010; Kjellberg and Helgesson, 2006) argues that marketing practices, including market research, are constructive to markets. “Markets are not universal, self-contained entities, but rather take on distinct discursive forms and

One productive site to investigate market practices has been market research (Bjerrisgaard and Kjeldgaard, 2013; Diaz Ruiz, 2013; Grandclément and Gaglio, 2011; Lezaun, 2007; Pridmore and Lyon, 2011). Scholars investigated how opinions gathered through market research become commodities for sale (Lezaun, 2007), for instance through targeted campaigns in loyalty programs (Pridmore and Lyon, 2011). Others explored how market researchers and their clients objectify what constitutes a real customer worth paying attention to (Grandclément and Gaglio, 2011). Lastly, scholars investigated how market researchers assemble representations on behalf of their clients (Diaz Ruiz, 2013), in order to mobilize ideology and strategy (Bjerrisgaard and Kjeldgaard, 2013).

The purpose of this paper is investigating what constitutes market research knowledge by means of analyzing deliverables and reports presented by market researchers to their clients. Through qualitative in-depth methods, this study observes market research objects through their multiple compositions in order to set the boundaries of the domain of market research. In order to achieve this purpose, the investigation mobilizes a longstanding discussion in the social sciences, namely the mapmaker’s dilemma, to provide a productive vantage point. Further, the mapmaker’s dilemma is complemented with a similar discussion from management literature where an ostensive-performative distinction is made. This paper contributes to marketing theory by studying how market representations are produced, used, and circulated in order to better understand how representational practices are crucial for organizing markets.

After this introduction a brief background of market research as a formal commercial activity embedded in contemporary marketing practice is offered. The following section introduces the mapmaker’s dilemma and the map-territory abstraction following considerations regarding how the dualistic nature of the purpose of maps inspired social scientists. The differences between ostensive – the accuracy concern – and performative – the actionable concern – are used to anchor the dilemma in ongoing discussions in management. Then the method is introduced including the description of the market research reports analyzed. After that follows a presentation of the findings and the discussion.
2 A BRIEF BACKGROUND OF MARKET RESEARCH

Market research is a knowledge-intensive industry that is often classified as part of the marketing practice (Berghoff et al., 2012; Tapp, 2004). Some of the primary constructs where market research participate in marketing constructs is market intelligence and market orientation (Slater and Narver, 2000). However, the evolution of market research as a contemporary practice evolved parallel to the marketing tradition. The heritage of the market research tradition can be traced to environmental scanning (Aguilar, 1967) and motivational research (Nelson, 2008; Tadajewsky, 2006). One revealing book written at the heyday of motivational research is the Hidden Persuaders (Packard, 1957). In the fieldwork for Hidden Persuaders, Packard interviewed Ernest Ditcher known as the “father of motivational research” where he reported that the study of consumers constituted living experiments. Packard explained how motivational research developed in-depth techniques aiming for the discovery of underlying motives that were supposed to be so strong that people were compelled to buy products in response. The success of motivational research in advertising evolved into contemporary market research (Nelson, 2008).

Advertisers in the 1950s hoped for a switch button for activating shopping through scientific methods. Of course, a magic switch was never found, but the tradition of identifying the depth of motivation among consumers became intertwined with marketers and advertisers ever since. This commercial link between motivational research and marketing management became codified with the professionalization of both disciplines (Berghoff et al., 2012; Tapp, 2004), a tradition that survives to this day. The use of research techniques from the social sciences offered the discovery of consumers’ depth of motivation. The methods and ideals of the social sciences resulted in the mobilization of these academic techniques.

Parallel to the professionalization of market research, marketing management also became standardized and codified. Scholars wanted to transform personal expertise into general and transferable knowledge modelled after scientific methods and ideals (Arndt, 1985). Consequently, entry level textbooks for contemporary market research today devote large amounts of space to research methods fashioned after academic methods, but contextualized for commercial consumer research (e.g., McGivern, 2009). To detail, market research was likened to scientific knowledge used to seek information from the market and pursue progressive organizational learning (Aguilar, 1967). Consequently, an important feature of the professionalization of market research is information processing.

The techniques espoused by market research served to institutionalize a successful commercial practice. However, the dissemination of codified techniques into standards tends to constrain how market research is practiced in comparison with other techniques (cf. see co-creation techniques versus market research techniques in Witell, Kristensson, Gustafsson, and Löfgren, 2011). While market research became standardized, some fear that market research also became less agile (Phillips, 2011). Part of the difficulties of market research opened spaces to similar practices (Calof and Wright, 2008). Alternative practices to market research such as competitive intelligence and business intelligence have grown by exploiting that rigidity of market research techniques. Wright, Eid, and Fleisher (2009) found that managers talk interchangeably about intelligence-like practices, meaning a wide variety of techniques that firms use to discern and streamline exploitable information about their markets. Competitive intelligence, despite its name, does not refer strictly to issues of
competitiveness; political, social, and technical mechanisms are included as well. One of the key differences between market research and intelligence practices is not only on the implementation of technological innovations such as data warehouses and data mining, but also in the broadness of the interpretation of the market concept.

The ostensive purpose of market research is to bring “the market” to the managerial board (Lackman, Saban, and Lanasa, 2000). Of course, a representation of the market, not “the market” itself, is what is actually brought to the manager’s attention. This is still an impressive feat given the multiple simplifications, assumptions, and interpretations that are required to effectively scan the environment and then assemble representations that can be used. Part of the difficulties concern the strength of the correspondence between the representations assembled and performed by the market researcher and the market. Diaz Ruiz (2013) investigated how market researchers assemble multiple versions of market representations on behalf of their clients by privileging some representational objects over others. Market researchers engage in representational practices that become crucial to understanding how markets are formed (Geiger, Kjellberg, and Spencer, 2012). The representational aspect of the market research is often neglected when the “accuracy concern” is emphasized since market research should be actionable (Bernhardt, 1994; Dishman and Calof, 2008). This dual concern for accuracy and actionability is problematized in the following section.
3 THEORETICAL ANCHOR

The background of market research reveals an unease fundamental dilemma. While market researchers emphasize the accuracy concern (i.e., whether representations brought to the managerial board correspond strongly with the market), the quest for actionable market research is crucial (Berghoff, Scranton, and Spiekermann, 2012). This duality begs the question of how market research knowledge can be simultaneously used for learning (Day, 2002) and intervention (Tapp, 2004). This section anchors market research duality in the so called mapmaker’s dilemma from the social sciences. Further, the section expands the mapmaker’s dilemma into management literature through the ostensive-performative distinction found in organizational practices (Feldman and Pentland, 2003), accountancy (Boedker, 2010), and intellectual capital (Mouritsen, 2006).

3.1 The mapmaker’s dilemma

Like mapmakers, market researchers face the challenge of integrating accuracy and usability. This dual purpose is similar to the mapmaker’s dilemma in the social sciences (Bateson, 2000[1972]; Baudrillard, 1994; Korzybski 1994[1933]). The mapmaker’s dilemma is how closely reality is represented in a map. At the core of the mapmaker’s dilemma is the map-territory abstraction (Korzybski, 1994[1933]). The abstraction is an epistemic dilemma coined in the phrase “the map is not the territory” illustrating how representations and reality are confused (Korzybski, 1994[1933], p. 58).

A perfect correspondence between the map and the territory requires an exact replica (cf. the example presented by Borges, 1964; p.90). If the mapmaker wanted an exact replica of the territory, every detail would be drawn to scale; thus, the map and the territory would be identical. An exact replica of the territory cannot be used in maps. Rather than reading a map, an exact replica of the territory is as good as walking the territory. Thus, when maps are scaled down, then correspondence is sacrificed. The map is distorted as it is scaled down, and subsequently a map becomes useful as it becomes less accurate. The dilemma is achieving usability by sacrificing accuracy, and yet this dilemma is not always apparent. By virtue of repetition, the map starts feeling real, and the map and the territory are confused.

The mapmaker’s dilemma has been used in management literature (Normann, 2001; Greenspan, 2014). The dilemma is used to show that the form in which the market is represented can have effects on the repertoire of actions that managers mobilize when determining strategy. In line with Baudrillard’s (1994, p. 1) famous quote “the map precedes the territory,” representations can have a performative component. This means that the work of market researchers have an unexplored dimension that cannot be explained simply in terms of information processing. The following section contextualizes the mapmaker’s dilemma in contemporary management literature by anchoring the dual concern of market research as ostensive and performative.

3.2 The ostensive vs. performative distinction in management literature

Although not explicitly linked to the mapmaker’s dilemma, a stream of literature in management addresses its underlying problematics. Researchers call for an analytical turn for their respective fields distinguishing between ostensive and performative
(Boedker, 2010; Harrison, 2012; Mouritsen, 2006; Vosselman, 2013). The following lines expand the distinction between ostensive (the accuracy concern) and performative (the actionable concern).

Boedker (2010) distinguishes between ostensive and performative analyses. Boedker explains that ostensive approaches aim to reduce complexity and the messiness of reality through synthesis and aggregation to offer a “coherent picture” of reality, not unlike the information processing view of environmental scanning. However, Boedker (2010, pp. 596–7) explains that an ostensive approach has limitations including a “reductionist tendency” to assume orderliness and predictability that are often disconnected from social reality. Further, Boedker argues that a performative approach, based on Latour (1986), complements an ostensive approach by focusing on doing and acting in the world.

Both Boedker (2010) and Mouritsen (2006) borrow from Latour’s (1986) distinction between ostensive and performative approaches. Mouritsen (2006) explains that an ostensive approach to social reality assumes a set of fundamental proprieties that exist deep down and that can be unlocked by methodical research, a parallel to the assumptions found in motivational research. The ostensive approach assumes that drivers and motivations are more important than the concrete activities of actors; thus, ostensive approaches often prioritize weeding out the particular in order to discover the general. Mouritsen (2006) argues for a performative approach to investigate how ostensive approaches allow certain practices but not others.

Table 16 introduces ostensive and performative distinctions in regards to market research. The conceptual aspect is conceptualized as ostensive, and an instrumental aspect is conceptualized as performative. Although both aspects can appear empirically at the same time, the two aspects differ analytically. After Table 16 the ostensive and performative approaches are defined.
Table 16  Differences between ostensive and performative representations in market research

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<thead>
<tr>
<th>Example of managerial problem</th>
<th>Fundamental differences</th>
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<tr>
<td></td>
<td>Ostensive</td>
</tr>
<tr>
<td>How are market research reports structured?</td>
<td>Should we be reactive to market forces or proactively influence market conditions?</td>
</tr>
<tr>
<td>What kind of representational objects are prioritized?</td>
<td>Can we rely on the past to forecast the future? Can we control the present to steer the future?</td>
</tr>
<tr>
<td>What are the purposes of market research reports</td>
<td>Are we scanning the environment for opportunities? What are the means to seize those opportunities?</td>
</tr>
<tr>
<td>For how long does market research knowledge remain useful</td>
<td>Do we know enough about our market? What can we do here and now?</td>
</tr>
</tbody>
</table>

Ostensive representations. Almost every discussion of market research emphasizes that firms learn about their customers, competitors, and channels in order to continuously scan and react to present events. Ostensive representations are formed by concise and descriptive views defining what a market is and how it works. Representations are ostensive when concise pieces of knowledge coherently encapsulate a defining aspect of the market (c.f. ostensive descriptions in Latour, 2005). A representation of the market that is declaratory or descriptive continues the tradition of scanning markets. The following are characteristics of ostensive representations: accounts are descriptive; structures are privileged; representations support learning; knowledge is cumulative; and, ostensive representations support market-driven orientation. The identification of structures stable over time is a major concern for ostensive representations assuming stability, orderliness, and predictability (Boedker, 2010; Mouritsen, 2006). Measuring market share, for instance, only makes sense when changes can be tracked over time given certain parameters such as products sold, or revenue, but also that most parameters remain stable.

Performative representations. When managers ask for information to be actionable (Bernhardt, 1994), they are referring to performative representations. Performative representations are instrumental for supporting strategic business decisions and privileging action (Feldman and Pentland, 2003). Performative representations
envision a potentially different state of affairs and the means to bring that vision into reality (Boedker, 2010; Mouritsen, 2006). Performative representations have the following characteristics that are explained below: accounts are dynamic and context-bound; agency and autonomy are privileged; representations enable doing; action is punctuated; and intelligence supports market-driving orientation. Firms display agency when their actions challenge boundaries and destabilize structures (Hagel, Brown, and Davison, 2008). Managerial concepts such as radical innovation, change management, and dynamic capabilities highlight the destabilizing role of firms in markets. The performative aspect is the representation of how actors can influence structures and modify practices (Feldman and Pentland, 2003). Market intelligence is performative when it acknowledges autonomous actions in firms and, therefore, privileged accounts of agency.
4 METHOD AND CONTEXT

Within the repertoire of market studies an important tool is the study of market objects (Finch and Geiger, 2011), and their interaction with people, techniques, and other objects (Callon, Milo and Muniesa, 2007). Markets are said to be performed in the relationships between objects, individuals, and institutions mediating material practice and exchange; thus, market objects are a crucial aspect to understand market formation (cf. See the customization of minibikes investigated in Martin and Schouten, 2014). In this study, the deliverables produced in market research in the form of reports constitute the market objects under investigation.

This study observes how market researchers assemble market representations on behalf of their clients. The object under observation is the framing of reports used in market research. The reason for using reports is that their deconstruction reveals internal logics of what and how is put together (cf. the deconstruction of financial models in MacKenzie, 2006). Attention is placed on actual deliverables produced by market researchers through their professional practice. Market research reports are treated as objects that are independent from the intentions of the author (cf. Finch and Geiger, 2011).

In contrast to discourse approaches often used to study texts linked with their author (Fairclough, 1992), the focus here is on the structure of the objects themselves, sort of an archeology of market devices (Law and Urry, 2004; Muniesa, Milo, and Callon, 2007). The argument for studying objects originating in market research is that their assemblage reflects framings and structures that are common to the industry. For instance, sections dividing the document, placement of charts and text, use of references, and overall design are used to access the mobilization of techniques that are found in the wild as part of market research.

The data from this study comes from analyzing five market research reports. Table 17 offers details for the composition of the market research reports and the following paragraphs describe each report. Each research report was commissioned to five different market research agencies on behalf of two advertising agencies and one service provider. Each study was conducted *ad hoc*, meaning that each was specially tailored for the needs of the client.

<table>
<thead>
<tr>
<th>Client</th>
<th>Technique</th>
<th>Context</th>
<th>Type of study</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfa</td>
<td>Qualitative (focus groups)</td>
<td>Soft drinks</td>
<td>Advertising pre-test</td>
</tr>
<tr>
<td>Bravo</td>
<td>Meta-analysis of market reports</td>
<td>Financial services</td>
<td>Synthesis of market research reports</td>
</tr>
<tr>
<td>Charlie</td>
<td>Quantitative (audience panel)</td>
<td>Fast moving goods</td>
<td>Advertising impact test</td>
</tr>
<tr>
<td>Delta</td>
<td>Quantitative (personal interviews)</td>
<td>Sport clothes</td>
<td>Usage and Attitude</td>
</tr>
<tr>
<td>Echo</td>
<td>Quantitative (personal interviews)</td>
<td>Tourism</td>
<td>Brand image and satisfaction</td>
</tr>
</tbody>
</table>
One of the difficulties of studying objects produced in market research is confidentiality. The reports are the intellectual propriety of the client commissioning the reports and since market representations often contain sensitive information, they are rarely open for inquiry. In this case, the studies were shared for academic investigation on two conditions: one that the anonymity of the clients is preserved, and two, that proprietary insights either from the client or the agency are safeguarded. Consequently, the figures, insights, and names used in the rest of the paper are heavily modified aiming to preserve the non-disclosure agreement, while aiming to maintain the spirit of the original report. What follows is an overview of each report to provide context of the findings of the investigation.

Alfa. This object reports a qualitative exercise in focus groups where two similar ads were compared. In the context of soft drinks, the purpose was to select the ad that, according to the results, should be produced and aired. The report begins by presenting the objective of the study in terms of the “brief”. The brief is where the marketing manager communicates the aim of the project to the creative agency. This brief included demographic and psychographic profiles of the segment of consumers as well as the objectives of the campaign. The report describes the participants – urban youngsters – and then reports on the life of the participants in terms of marketing objective, in this case, personal identity toward brands. The report describes how youngsters under investigation aspire for certain forms of identity, but that achieving that aspiration is often hard to reach.

The second part of the study reports on whether the creative paths under investigation fit the marketing objectives. Figure 4 is a modified diagram at the core of the report. The figure shows in terms of magnitude how the two competing creative paths perform according to four aspects that the creative agency and marketing manager agreed were crucial. The performance of the two ads is analyzed for the clarity of the message and connection with the brand. The study reports that one creative path is better than the other in some aspects but worse in others. An important aspect is that the two creative paths differ widely. One path has a clear connection with an emotional response, and the other path has a clear understanding of the marketing objective. While the study hints toward one path, the study carefully leaves the responsibility to the marketing manager.
Figure 4  Example of a model summarizing Alfa

Bravo. The client commissioning this report had too many unused market research reports for the previous three years. In total, five reports, featuring 7,500 interviews and 24 focus groups, remained underused and were kept stored. Thus, the market research agency was commissioned to study the reports, analyze the findings again, conduct additional interviews with managers within the organization, and propose new insights aligned with the capabilities of the firm. This sort of meta-analysis is a rare example of a firm engaging in old reports. It is far more common for firms to commission fresh market research instead.

The context of this object is in the financial sector and particularly in payment methods for consumers. Credit, debit, and transfer payments were compared with cash. Further, the agency was commissioned to conduct extra qualitative and quantitative research to round-up the leads and produce innovative insights linked with fresh data. The insights of the study proposed techniques to shift payments from cash to cards. Importantly, the report explains that in order to find the insights that correspond to the capabilities of the firm, the market research agency had to interview 13 managers across the organization in commercial, operational, and technical roles.

Charlie. This market research report tests the impact of advertising in the wild. The research agency forms a panel of 487 respondents for testing the impact of advertising in a naturalistic way. First, the research agency maps all the client’s ads that were aired in every TV show. Then, the agency forms a panel of respondents and asks respondents about their favorite shows seen the day before and probes for recalled ads during the shows. The purpose is to test the performance of the client’s ad when compared with all
the other ads shown. The metrics are compared with every other ad aired and remembered during the show.

At the core of the report is a comparison of how the ads are performing by means of the creation of standards for qualifying the work of advertising agencies. If the ad is performing above average, then the ad is evaluated positively, but if the ad performs below the average, then the ad is evaluated negatively. The metrics are standardized and the agency recommends actions of media programming for extending or limiting media exposure. For instance, the agency proposes reducing exposure for ads performing worse, and increasing air time for the ads performing better. Interestingly, this type of study is standardized and sold to many companies that can test their ads to other companies.

*Delta.* This report features a focal practice—sport activities—in seven countries. The study is a well-established type of market research known as “usage & attitude” featuring face-to-face interviews. Usage and attitude studies analyze consumer perceptions and dispositions for brands, product-categories, or general practices. The questionnaires in these studies tend to be very long, asking questions about the daily life of consumers, and then turning to engagement with a certain product-category. Delta asks 3,596 respondents about their likes and dislikes concerning physical activities including attitudes about sport brands. The structure of the report is very long with more than 95 slides, and most of the results included the descriptive statistics of each question in cross-tabs for each demographic and geographic segment of interest. The study features a summary with the insights of the study written in a detached style reminiscent of academic articles in the social sciences.

*Echo.* The study tracks the evolution for the perception of a brand of a firm in the tourism industry. The context of the study is that the client renovated their corporate image including a redesign of the brand, the renovation of physical facilities, and an update of the website among many other changes. The firm commissioning the project was interested in discovering the perception or attitudes before, during, and after the brand change. Consequently, the study reports on three moments of time: before the image change, during the transition, and after the new image was implemented. Each wave included 300 interviews for a total of 900 interviews. The report is framed in terms of the brand awareness, and recollection and attitude; then the study compares the same constructs with competitors. Interestingly, the structure of the report focuses on the effect of the change in consumer perception against a single brand, which corresponds to the market leader.
MARKET RESEARCHERS MANAGE THE INTERPLAY BETWEEN OSTENSIVE AND PERFORMATIVE REQUIREMENTS

Market representations require interplay of both ostensive and performative approaches to provide a market research report that includes the accuracy concern and the actionable concern. The following lines explore the interplay between the two types of representations. Market researchers and marketing managers interplay through coordination mechanisms (Alfa), the capacity to shape market research according to the capabilities of the firm (Bravo), the creation and dissemination of standards constraining options (Charlie), the boundaries of what constitutes a market (Delta), and the search for causality in the actions and consequences of actors, objects and techniques in markets (Echo). Table 18 presents the interplay in the structure of each market research report.

Table 18 Interplay between ostensive and performative representations in market research

<table>
<thead>
<tr>
<th>Report</th>
<th>What is the interplay?</th>
<th>Where ostensive and performative converge?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfa</td>
<td>The interpretation of marketing objectives into parameters for testing ads</td>
<td>Market researchers frame discoveries through coordination with their clients</td>
</tr>
<tr>
<td>Bravo</td>
<td>The accumulation of knowledge and how it fits with the capabilities of the firm.</td>
<td>Market researchers assemble representations considering the capabilities of their client</td>
</tr>
<tr>
<td>Charlie</td>
<td>Testing performance of ads released in the wild against a standardized set of measurements.</td>
<td>Market researchers help to establish boundaries of markets</td>
</tr>
<tr>
<td>Delta</td>
<td>The simplification of markets into a coherent picture for a firm to exploit.</td>
<td>Maps used to guide marketers through their markets</td>
</tr>
<tr>
<td>Echo</td>
<td>Attributing of dynamism to the actions of specific actors</td>
<td>Establishing causation for changes in markets to the actions of actors</td>
</tr>
</tbody>
</table>

*Market researchers frame discoveries through coordination.* Alfa is a good example of how the coordination between the market researcher and the client affects the outcomes of the research. Market researchers in *Alfa* report whether ads meet the marketing objectives set by their clients. Thus, the coordination mechanism where marketers and market researchers frame their research is crucial. The briefing process is one mechanism in a process relying on cascades of interpretations (Brown, 1995). In the case of *Alfa*, a manager wanting to increase market share tests two ads (each creative path being an interpretation of the benefits for the customer). The manager briefs the marketing objectives (an interpretation of the capabilities of the firm). The firm designs the dynamics of the focus groups (an interpretation of corporate lingo). Raw conversations are used to assemble the report (an interpretation of group discussion). The market researcher explains the results to the manager (an interpretation of the results). Finally, the manager deconstructs information (an interpretation of a means to an end).
In consequence, like mapmakers distinguish between maps used for navigation and maps used for geopolitics, market researchers must establish clearly the purpose of the market representation. A crucial aspect is the coordination mechanism where the market researcher and the client frame the purpose and context of research. Alfa shows that the coordination process between agency and client is performative to the representation that will be crafted and delivered.

*Market researchers translate the capabilities of their client.* The discoveries that market researchers bring to the managerial board can fail to be used. *Bravo* is an example of how market research knowledge can fail to be actionable, or alternatively, clients fail to frame the capabilities of their organization in terms of representations commissioned. The client that commissioned *Bravo* invested a sizeable amount of money commissioning market research projects that were not fully used. The fact that unused market research reports exist at all is evidence that the convergence point between learning and usability can be lacking.

The client commissioning *Bravo* wanted not only a meta-analysis of existing market research knowledge, but also extra interviews with key members of their organization in order to discover how unused market research could be used. The fact that market research knowledge can fail to be actionable shows that the information processing paradigm proposed by Slater and Narver (1995, 2000) cannot fully explain what market research does. In other words, market research knowledge operates at the interplay of both learning over time and doing now.

*Bravo* also demonstrates that the quantity of information does not necessarily means a fit with the capabilities of the organization. Since market researchers operate at the boundary of the organization, they can unearth findings that sheer amount of information can hide. Big data and data warehouses can provide, as their name implies, enormous amount of data that can fail to be used. A crucial aspect of market research is in the translation that market researchers propose according to their client’s capabilities.

*Market research techniques form standards that constrain options.* One important aspect of market research is in the comparison between norms and performance. When reading maps a navigator constantly compares the elements of the map – representations of mountains and rivers – with salient features of the terrain – locating actual mountains and rivers. Likewise, market researchers often rely on norms and standards to provide milestones to measure performance. *Charlie* is a good example of how the standards are structured into norms for measuring ads.

The interplay between ostensive and performative requirements is that the measurements not only describe the performance of the ads but also steer their direction. The ostensive aspect of *Charlie* is describing the performance of the client’s ads, but performative aspect is that the test produces effects, in this case expanding or limiting the media frequency of the ads. The point where ostensive and performative aspects converge is in the setting of standardized metrics to test creativity. Like the pricing methods described by MacKenzie (2006), metrics in advertising affect how the creativity is designed. A standard set of metrics is used to evaluate whether ads perform as expected, thus simplifying a wide set of creative paths into a narrowly defined definition of accepted performance.

*Market researchers help to establish boundaries of markets.* In a celebrated quote, Baudrillard (1994, p. 1) stated that “the map precedes the territory.” The quote from
Baudrillard mean that representations often set the boundaries of what is considered real and what is not. Likewise, market researchers frame reports that become evidence that a certain market exists, thus legitimizing managerial activity in that domain. When justifying managerial decisions, managers often assume that market researchers discovered their markets on their behalf. *Delta* is a good example of the process in which market researchers delimit a market in a form that looks pretty much like a map.

The client commissioned *Delta* to explore sport habits in Latin America. The study is structured around a sample of personal interviews, and sets the boundaries of what constitutes a sport and what is not. For example, classifying walking as a sport instead of a transportation method has implications on the worldview of researchers and their clients. While in the majority of the United States the automobile is the favoured method of transportation, in Europe walking and cycling are still pretty much in vogue for commuting; thus, Europeans have a sport version of walking called “Nordic walking.” Classifying walking and cycling as a sport or commuting influences what constitutes the market of interest for a firm interested in sports, for example by designating a category for bikes designed for commuting or competition, or alternatively by including footwear and sticks for “Nordic walking”. In sum, the market researcher contributes to stabilize what constitutes a market by setting boundaries of actors and practices that either belong or are excluded from the market.

The outline drawn by *Delta* provides a comprehensive overview of what constitutes a market by including practices, behaviours, and attitudes of consumers to a number of regional brands. If the brands appear in the report they become part of the market. For instance, the report makes divisions between sub-classifications of the market such geographic classifications where certain sport is more practiced. While the report claims objectivity, the classifications themselves have effects in the form in which the market is understood since the classifications make the market knowable.

*Market researchers link representations and performance.* The performance of managerial departments within organizations often is tied to indicators produced by market research. The purpose of managerial units is to move specific indicators such as: brand equity, market share, and others. Organizations then track those indicators assuming causality between their actions and the indicators. *Echo* is a good example of this type of research where a specific indicator – brand equity – is tracked across time in order to evaluate whether a managerial action is successful.

In the case of *Echo* three points in time were selected: before, during and after the process of changing corporate image. The measuring of brand equity was conceived as a proxy for managerial performance and an indicator for future financial success. It is telling, however, that the company commissioning *Echo* went out of business not much time after the success revealed in the report was lauded. This paradox does not necessarily mean that market researchers were at fault, but instead shows that indicators measured are proxies and that causality with financial performance is not to be taken for granted. The context of Echo is a good example where the map is not the territory (Korzybski, 1994[1933]).
6 IMPLICATIONS

This paper has used the mapmaker’s dilemma to show that representations have effects on both the form in which firms understand their markets and the form in which firms intervene in markets. When ostensive and performative aspects are integrated into market research, the resulting conceptualization captures descriptive and instrumental aspects of market research knowledge. What follows is a discussion of the implications for marketing theory and managerial practice.

6.1 Implications for theory

The relevance for marketing researchers is that by studying how market representations are produced, used, and circulated, marketing scholars can better understand how representations are part and parcel of acting in markets.

The first implication is in the market mythologies literature (Luedicke et al., 2010; Thompson & Tian, 2008) by presenting how market researchers have a place in marketing practice as mapmakers. In this study, market researchers carefully avoid clear guidelines and propose generic recommendations for their clients. Market researchers assemble the market research report as a map for the clients to navigate, thus leaving the responsibility of the decision to the marketing manager. The metaphor of market researcher as mapmaker places the marketing manager in the pantheon of marketing as an explorer (or conquistador perhaps), and the market researcher as the guide. Arnould and Price (1993) argue for the importance of guides for orchestrating the extraordinary. Further, guides are important when customers have to deal with deviations from what is expected. Likewise, market research reports are assembled to be trustworthy by providing a clear map about the market, and making it actionable according to the characteristics of the firm.

In line with Bjerrisgaard and Kjeldgaard (2013), this study demonstrates that market research knowledge plays a performative role in constituting what is the market in the mind of marketing managers. The investigation shows that the persona of the market researcher has the purpose of integrating performative and ostensive representations into market research knowledge. The myth of market research is that by correctly applying market research techniques, marketers can access the motivation that activates consumers at the core. This heritage from motivational research can be seen in the form how market research reports are structured. The legitimizing use of references and statistics are used to support the discovery of the market on behalf of the client in order to justify standards. However, the creation of market research reports is a joint effort where the marketing manager together with the market researcher crafts the type of market representations that will be assembled.

The second implication extends the performativity literature of market formation in marketing (e.g., Araujo, 2007; Kjellberg et al., 2012). While the performativity literature acknowledges the role of representational practices as part of market practices (Kjellberg and Helgesson, 2006), representations are far from the focus of performativity (see the critique of performativity in Miller, 2002). This study treats market representations as market objects (Finch and Geiger, 2011) and, thus, extends the reach of performativity from materiality and techniques into signs and symbolism. In line with Miller, this study shows that a representational approach complements performativity literature by focusing on the mobilization of myths, ideology and
identity projects into crucial aspects of acting in markets (see again Bjerrisgaard and Kjeldgaard, 2013). The lack of representational and ideological concerns limits the explanatory power of why marketing practitioners do what they do. Consequently, this paper argues along the lines of Miller (2002) and Pickering (2010[1995]) that a representational approach is compatible for the performativity thesis advocated in the market studies literature.

An important area for future research is investigating the construction and deconstruction of market research knowledge by the clients commissioning it. Previous work on managerial cognition shows that managers deconstruct market representations in multiple ways (Day and Nedungadi, 1994) by framing their own mental models. However, two questions remains about whether market representations are constructive to the managerial repertoire, and how market research is deconstructed and internalized.

6.2 Managerial implications

The first implication for managers extends Hagel et al.’s (2008) work. Their contribution is a conceptualization of how firms formulate a vision of a redefined market with benefits for a wide range of participants, organize others to enact that vision, and demonstrate commitment by sharing benefits. Market representations are argued to be constructive since the repertoire of managerial actions depends on the form in which the context of the firm is understood. However, Hagel et al. (2008) fail to explain how the idea of how a future market looks like is constructed. This study shows that market researchers in their role as guides and mapmakers are important for constituting the market representations guiding action.

The mapmaker metaphor proposed in this paper is useful for conceptualizing the role of market researchers among other marketing practitioners. The dilemma that mapmakers face – namely integrating ostensive and performative concerns – is a core challenge in market research. When the market is brought to the managerial board, marketing managers can use the mapmaker’s metaphor to deconstruct market research knowledge according to the capabilities of their firm. This paper deconstructs market research knowledge showing that, like maps, a crucial question when assembling market representations is: What for? A map used for orienteering differs from a map used for learning geopolitical divisions. Likewise, market researchers should integrate the purpose, the capabilities of the organization, and the definition of the market into a coherent market representation that can be used.

The focus of textbooks of market research shows an adaptation of scientific practice into a commercial practice by dealing with data collection methods and analyses (e.g., McGivern, 2009). The problem is that data collection is only one part. The second part is that market research needs be actionable for a specific firm in a given context. This is an important difference with academic knowledge because when the ostensive concern of market research is privileged at the expense of the performative concern, learning and doing are disconnected. In contrast, when the performative concern and the ostensive concern are aligned, market research knowledge can remain both informative and actionable.
7 CONCLUSION

The paper argues that market research knowledge is similar to the mapmaker’s dilemma from the social sciences. Just as maps require simplifications to achieve usability, likewise, market researchers must manage the interplay of accurate yet actionable market representations. Drawing from the ostensive and performative literature and by studying the composition of market research reports, the paper demonstrates that the knowledge produced in market research has the dualistic purpose of discovery and intervention. The interplay of the dualistic aspects of market research is conceptualized as ostensive (the accuracy concern) and performative (the actionable concern). The double requirements on market research frame a marketplace mythology around the figure of the market researcher among other marketing practitioners as guide and mapmaker. The relevance for marketing theory is that by studying how market representations are produced, used, and circulated, marketing scholars can better understand how representational practices are crucial for organizing markets.
REFERENCES


List of essays included in this dissertation


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This paper is an extended version of a conference paper presented in 2011 at the Academy of Marketing in Liverpool, UK. The paper was awarded first place in the doctoral student competition. Republished with permission from Westburn Publishers Ltd.


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273. DHANAY MARÍA CADILLO CHANDLER: The Role of Patents in Latin American Development: 'models of protection' of pharmaceutical patents and access to medicines in Brazil, Chile and Venezuela. Helsinki 2014.
CARLOS A. DIAZ RUIZ

MARKET REPRESENTATIONS IN ACTION: FOUNDATIONS FOR THE PERFORMATIVITY OF REPRESENTATIONS IN MARKETING

From street activists to corporate managers, a rising debate is questioning whether markets can be reimagined to meet environmental, social and corporate goals. However, one problem to advance the debate is that markets are often evoked but not investigated; in other words, pundits rely on representations of what a market is and how it works often lacking correspondence with actual markets. Subsequently, the dynamics in the correspondence between representation and markets constitute an important and topical gap of knowledge whose investigation can be fruitful to restructure how markets and society interact.

At the core of this dissertation is the concept of market representations where complex social reality is simplified into coherent, yet incomplete views of how markets work either now or in the future. Market representations are important because of their capacity to enable and constrain a repertoire of actions for acting in markets. As such, market representations are conceptualized to be “in action” - following the performativity turn in marketing literature – by investigating how the world of ideas has effects in the real world. Therefore, by providing conceptual foundations and empirical evidence, this dissertation demonstrates that representational practices are part and parcel of acting in markets.

The dissertation is composed by four essays spanning a wide range of methods: literature review, a qualitative in-depth analysis, quantitative testing and content analysis. Essay one focuses on the assumptions mobilized about markets in literature originating in marketing and economic sociology. Findings reveal that commonly held beliefs about markets - such as competition, profit maximization, the centrality of exchange and the existence of supply and demand - are assumptions that are not featured in every market.

Essay two mobilizes in-depth methods to investigate how commercial market researchers put together representations for their clients. The study tracks how market researchers select and privilege representational objects to create unique representations for their clients to act. Essay three presents quantitative evidence suggesting that market representations can constrain and enable a repertoire of managerial actions. In the context of business marketing, the study demonstrates that the form how the market is understood can have an effect on the actions that managers find relevant and appropriate. Essay four investigates how market researchers put together market research reports. By analyzing the structure of such reports, the study explains how market researchers move back and forth between a concern to be accurate and a concern to be actionable.

Overall, this dissertation contributes to the subfields of market studies and consumer culture theory in marketing by providing the conceptual foundations and empirical evidence for representations. The debate on the interaction of markets and society is enriched by understanding how assumptions about markets correspond to repertoires of actions.