Why coffee and not honey – untangling the limits and opportunities for certifying the 'moral quality' of products

Inauguraldissertation

zur

Erlangung des Doktorgrades

der

Wirtschafts- und Sozialwissenschaftlichen Fakultät

der

Universität zu Köln

2017

vorgelegt

von

Diplom Sozialwissenschaftler Jan-Christoph Janssen

aus

Geesthacht

Referentin: Prof. Dr. Sigrid Quack

Korreferentin: Prof. Dr. Christine Trampusch

Tag der Promotion: 29.05.2017

Acknowledgements

I would like to thank my beloved Agnes for always supporting me - especially during turbulent times of my life and while writing this thesis. I want to express my sincere gratitude to Prof. Dr. Sigrid Quack for her constant support, advice, empathy, and patience during the past five years. Besides I would like to thank my 2nd advisor, Prof Dr. Christine Trampusch for stepping in and her patience. For information, support, guidance and fruitful discussions I would like to thank the MPIfG Research Group "Institution Building Across Borders", in particular Markus Lang, Dr. Solomon Zori, Dr. Phil Mader, Jiska Gojowczyk, and Ana Carolina Alfinito Vieira. In addition, fruitful discussions especially with Prof. Dr. Ingo Rohlfing, Prof. Dr. Sebastian Koos, Prof. Dr. Sabrina Zajak, Dr. Olga Malets, Dr. Philipp Balsinger, Prof. Dr. Carsten Schneider, Dr. Tobias Kunstein, Alexander Jerneck, and the audience at my presentations of earlier drafts at the ESA 2013 in Turin, the workshop "Transnational Governance: Exploring New Research Avenues" 2013 in Paris, the EurSafe 2013 in Uppsala, and the SASE conference 2014 in Chicago. Those helped me to gain a new perspective on my own topic and thinking. I would like to thank all of my peer CGS fellows of the year 2011, in particular Dr. Istemi Berk and Anne Schielke. I am thankful to Prof. Dr. Clemens Kroneberg, Prof. Dr. Michael Wagner, Dr. Joel Binckli, and Dr. Dagmar Weiler for their support during my time of writing. Special thanks to the participants of the CGS workshop for PhD students about QCA in 2015 for challenging my knowledge and discussing many topics surrounding set relational methods with me. I would like to thank Asa Ritz for helping me with language issues while writing this thesis. Finally, I would like to thank my family for their constant belief in me.

Table of Contents

List of Tables

List of Tables (Appendix)

List of Figures

List of Figures (Appendix)

1 Introduction

1.1 Research Question & Aim of the Dissertation

In recent decades, the "retreat of the state" (Strang, 1996) has changed the landscape of power relations in the world economy in favor of private and non-governmental actors. They increasingly fulfil regulative functions with regard to markets, their externalities for the environment, and the terms of production (Bartley, 2007b, 2010; Bartley & Smith, 2010). This process has been accompanied or coincided with the segmentation of consumer markets by issues perceived as being moral. Several consumer products allow for distinctions and segmentation on moral dimensions. Consumers decide whether they prefer "grass fed" meat and dairy products (K. Weber et al., 2008), organic (Allen & Kovach, 2000; Goodman & DuPuis, 2002), Fairtrade certified (Archer & Fritsch, 2010; Raynolds, 2000), locally produced (Pietrykowski, 2004), eco-friendly (Pastakia, 1998), or conventionally produced goods. In particular, organic and Fair Trade denote visible and relevant segments in mainstream markets (European Commission, 2014 [10/03/2014]; Potts et al., 2014a, 2014b, 2014c). Certificates and labels are a visible cue to demarcate those segments and are employed for supply chains within and across national borders.

"Transnational private certification" aims at re-embedding capitalism (in the sense of Polanyi, 2001 [1944]) through standard setting by private means (Bartley, 2007b, p. 297f). Similar to earlier attempts of "moral economies" (Bolton & Laaser, 2013; Thompson, 1971)[1], private certification issues moral dimensions of market exchange. Even though moral struggles are inclined to shape markets (Beckert, 2011; Bolton & Laaser, 2013), morality is hardly homogeneous or consensual and is constantly constructed and reconstructed by various groups in societies (Beckert, 2011, p. 4ff; Bolton & Laaser, 2013, p. 515). Morality accompanies markets and, especially, consumption by shaping individual preferences, which allows for a strong degree of diversity within society (Beckert, 2011, p. 4f). A closer look at consumption patterns reveals the increasing importance of certificates and third party monitoring for ethical or political consumers and different predictors on the micro-level (Andorfer, 2013; Andorfer & Liebe, 2012; Koos, 2012; D. V. Shaw & Shiu, 2002). Even if various moral standards are codified in different standards, labels, and certificates, the

[1] Despite Polanyi's (2001 [1944]) focus on the state as the sole pivotal agent, Thompson (1971) shows that the "crowd" plays a strong role in moralizing the economy or establishing a "moral economy (of the crowd)" in 18th centuries England (Bolton & Laaser, 2013, p. 513). Thompson (1971) shows that the "crowd" fought for "legitimate" means and goals in the sense that those "were supported by the wider consensus in the community" (Thompson, 1971, p. 78). Action was "grounded upon a consistent traditional view of social norms and obligations, of the proper economic functions of several parties within the community, which, take together, can be said to constitute the moral economy of the poor. An outrage to these moral assumptions, quite as much as actual deprivation, was the usual occasion for direct action" (Thompson, 1971, p. 79).

capabilities of consumers to process and evaluate this information accordingly is rather limited (Valor, 2008). How do consumers decide which kind of moral issue is relevant for which kind of product? Why are small scale producers and the Fairtrade certification mark relatively important for coffee, while organic labels are important for eggs, for instance.

Many scholars change the angle to the evolution and governance structure of certification initiatives or the opportunities of certification initiatives and social movements to shape the incentives of commercial enterprises – either to source certified or "morally favorable" goods and practices or to shy away from uncertified or "morally unfavorable" goods and practices (Bartley, 2007a, 2007b, 2010, 2014; Bartley & Child, 2011, 2014; Schurman, 2004; Schurman & Munro, 2009). Insights into the variation of "success" between certification marks[2] can neither rely on consumer attitudes nor on economic incentives for commercial enterprises, alone (Bartley, 2007b). Many scholars compare the governance structure (Bartley & Smith, 2010; Bethge, 2014), impact on the practices of production and sourcing (Bethge, 2014; P. L. Taylor, 2004), and amount of certified volume (Potts et al., 2014a, 2014b, 2014c) of different certificates. but do not address why this particular moral issues gains relevance for this particular product. Thus, what makes the difference between certification marks which take momentum in mainstream markets and those that don't make it?

Possible answers to this question include the appeal and convincingness of criteria issued or the radicalness of the initiative (Bartley, 2007a, p. 229; K. Weber et al., 2008, p. 560), as well as the criteria and their fit to the moral understanding of the increasing audience of "ethical" or "political consumers" (Gourevitch, 2011; Koos, 2012; D. V. Shaw et al., 2006; D. V. Shaw & Shiu, 2002)[3]. Functional explanations or the "market based approach" (Bartley, 2007b) would regard "market failure" and cooperation between firms as the driving force behind certification marks that inform consumers and address those failures in certain industries (Nicholls & Opal, 2005, p. 33ff). The characteristics of the initiatives – e.g. their relationship and reliance on foundations (Bartley, 2007a) and the state (Bartley, 2010, p. 4) that establish "fields of governance" (Bartley, 2010, p. 4) – might be pivotal, as well. Given that the ascendance of transnational certification is an "evolving transnational institution building project" (Bartley & Smith, 2010, p. 348), the impact or degree of institutionalization across national settings and "across issue domains" (Bartley &

[2] Certification marks in this thesis comprise voluntary programs that are market based and provide information as the main measure of regulation – those are regarded as a form of "soft law" (Bartley, 2010, p. 4ff).

[3] Another stream of literature explains the increasing significance of certification marks with the self-interest of the consumers, who maximize their utility – certification marks can be related to the quality (e.g. health) (Botonaki et al., 2006; Magnusson et al., 2003). Political consumption can also be related to "private concerns" (health, nutrition) of consumers, especially women (Micheletti, 2003, p. 44). Thus, the chosen certification mark issues only the terms of production – with regard to quality, only the moral quality distinguishes certified from uncertified products.

Smith, 2010, p. 366ff) should be considered. This thesis rules out those potential answers by focusing on one single certification mark from a comparative angle across product categories or "issue domains" (Bartley & Smith, 2010, p. 366ff). The impact is compared across seven products and four national contexts. Therefore, the initial question has to be reformulated to:

> "What makes the difference between the "success" of this certification mark in this particular product market within this national setting and the "failure" of the same certification mark in that particular context within that national setting?"

The case - Fair Trade[4] - can be regarded as promising in this regard. While the certification mark hit mainstream markets rather effectively and with increasing scale (e.g. FLO, 2010b, 2011c; Warrier, 2011b), a high variance across national contexts and product categories hampers the interpretation of Fair Trade as a general success without reservations. Even among the rather successful national initiatives considered in this thesis, a strong variation can be detected. In 2007, Germans paid 1.72 € per capita (on average) for Fair Trade products, while British people paid 11.89 € for Fair Trade products per capita (on average) in the same year (Schaber & van Dok, 2008, p. 37) – separating these two rather successful, similarly mature, and relevant national settings by a factor of seven in 2007. By looking at the two most extreme examples in the study of Schaber and van Dok (2008, p. 37) for 2007 – Japan (0.05 € per capita, on average) and Switzerland (20.88 € per capita, on average) – the factor 417.6 lies in between the sales of Fair Trade products. This variance is mirrored for product categories. On global scale, the labeled volume of the rather mature product honey doubled (also due to new national labeling initiatives) from 2002 (FLO, 2004, p. 3) to 2,070 MT in 2011 (FLO, 2004, p. 3; 2012a, p. 13). In the same time period, the certified volume of coffee rose from 15,779 MT to 98,073 MT (by about 522%), cocoa rose from 1,656 MT to 40,198 MT (by about 2,327%), and bananas rose from 36,641 MT to 320,923 MT (by about 776%) (comparison of FLO, 2004, p. 3 and ; 2012a, p. 13, own estimation). Even if the raw numbers do not allow for a straightforward comparison, the differences of the growth rates are striking and cannot be explained with reference to the certification mark, alone.

[4] In this thesis, the term "Fair Trade" refers to the general notion of "Fair Trade" which encompasses the certification approach by FLO and other similar attempts by social movements (e.g. Alternative Trade Organizations (ATOs), Fair Trade Organizations (FTOs), and Worldshops) as long as they are connected to the organization FINE. The term "Fairtrade" refers exclusively to products carrying the Fairtrade certification mark.

In contrast, my explanation of these differences relies on the interplay of ideational as well as structural conditions (see: McAdam et al., 2001, p. 310 for a similar approach)[5]. Framing (Benford & Snow, 2000; Gamson, 1990 [1975], 2004) and disruptive tactics by movements and entrepreneurs (Bartley & Child, 2014; Dubuisson-Quellier, 2013b; King & Pearce, 2010; King & Soule, 2007; Schurman, 2004; Schurman & Munro, 2009) as well as structural characteristics of the social movements and the degree of incumbency (Fligstein & McAdam, 2011, 2012) as characteristics of the supply or value chain (Gereffi et al., 2005; Gereffi & Korzeniewicz, 1994; Gereffi & Lee, 2016) are analyzed in concert for a comparative understanding of the success of certification. I analyze seven product categories (coffee, cocoa, bananas, sugar, rice, wine, and honey) carrying the certification mark or label in four national contexts (Austria, Germany, the United Kingdom, and the USA) to detect paths to high and low degrees of market penetration with regard to sufficiency – as Bartley (2007b, p. 314) proposes.

This thesis contributes to the literature by:

- Providing a comparative framework for social movements, institutional entrepreneurship, and certification that is currently regarded as a blind spot or new direction by Battilana et al. (2009, p. 95), Amenta (2014, p. 17), Rao et al. (2000, p. 278), Schurman and Munro (2009, p. 196), Bartley (2007b, p. 314), Koenig-Archibugi and Macdonald (2013, p. 518f), and McLeod et al. (2016, p. 439).
- Improving the understanding of the interplay between incumbency (Fligstein & McAdam, 2011, 2012) as a pivotal and often analyzed characteristic of the supply chain (Gereffi et al., 2005; Gereffi & Korzeniewicz, 1994; Gereffi & Lee, 2016) in the explanation of the effects of certification (e.g. Fisher, 2009; Gandenberger et al., 2011; Jaffee, 2010; Raynolds, 2012, p. 277; Reed, 2009; S. Smith, 2010b; Tallontire, 2009) with ideational factors
- Offering an opportunity to theorize and compare processes through the constitutive (Wendt, 1998) and necessary parts (Goertz, 2005) of certain (assumed) mechanisms

[5] McAdam et al. (2001, p. 310) argue for a combination of mechanisms and processes in their explanation of social movements' outcomes. However, they explicitly argue against sufficiency/necessity and set relational approaches, which (according to their argument) should be abandoned. From their perspective, a mechanism centered approach is compelling for an explanation and comparison of different mechanisms (and the presence of "markers") and common processes across cases (McAdam et al., 2001, p. 312).

1.2 State of the Art & Research Gap

The importance of moral considerations in guiding decisions of market participants is acknowledged by scholars across disciplines. For instance, behavioral economics provides experimental evidence that institutions sanctioning uncooperative behavior are favored over non-sanctioning ones (Gürerk et al., 2006) and demonstrates how economic incentives may undermine moral ones (Bowles, 2008). Sociological claims that consider the moral foundations of diverse sets of outcomes on the individual (M. Weber, 1978 [1921]), as well as the collective level (Durkheim, 1992 [1893]) can be traced back to the founding fathers of the discipline (for a review: Beckert, 2011; Fourcade & Healy, 2007). Within national settings, the state does have an important role in incorporating moral codes into the legal system and in resolving conflicts about moral issues (Sassen, 2003). Moral issues of inter- or transnational scope lack these kind of identifiable central authorities (Börzel & Risse, 2010; Mueckenberger & Jastram, 2010). In contrast to other entities, states aggregate the interests and opinions of various groups (E. T. Walker et al., 2008, p. 40f), which link them to moral discourses within societies, and they are able to enforce their decisions effectively (Börzel & Risse, 2010, p. 127). Private transnational certification that aims at the enforcement of standards, which are perceived as inherently moral, might be able to fill this supposed regulatory void under certain circumstances (Börzel & Risse, 2010).

Like other forms of collective identity (Anteby, 2010; Lounsbury et al., 2003; Wry et al., 2011), moral standards (due to certification, for instance) consist of general ideas of abstract nature to express this identity or ideology as a distinguishing feature (Bartley & Smith, 2010; Bergeron et al., 2014), and specific regulations which can be evaluated and monitored by third parties (Bartley, 2010; Malets, 2011). These specific regulations are derived from the general claims and have to be adjusted to be applicable to specific contexts (Bartley, 2010; Malets, 2011). In this process, products and practices are getting interlinked or commensurated through the moral code. *Commensuration* is understood as the process of transforming "different qualities into a common metric" (Espeland & Stevens, 1998, p. 314). "[It] is fundamentally relative [and] it creates relations between attributes where value is revealed in comparison" (Espeland & Stevens, 1998, p. 317). Particularly if it involves moral judgments, *commensuration* is a social process as contested as *morality* itself (Fourcade, 2011). The process of *commensuration* involves coalition building, promotion efforts, and compromises (Huault & Rainelli-Weiss, 2011).

While cases in which markets had to transcend moral boundaries are well known (Anteby, 2010; Satz, 2010; Zelizer, 1978, 1981), moral claims themselves have to transcend potential market boundaries (Bergeron et al., 2014). In many instances, the certification of ethical codes has its

origins in bottom up social movements or communities outside the market (Bartley, 2007b; Bartley & Smith, 2010; Fourcade & Healy, 2007, p. 304). This finding clearly contradicts any attempt to understand those forms of *market accompanying morality* (Beckert, 2011) in considering merely the behavior of market participants – consumers as well as firms (Holt, 2012). Bartley convincingly shows that "interested actors within the market" as well as "entrepreneurial actors within the organizational field" can be regarded as potentially relevant conditions for the creation of successful certification schemes (Bartley, 2007b, p. 339). Thus, an understanding of *morality accompanying markets* through certification has to regard the involvement of both kinds of actors as potentially *necessary conditions*. In the following section, the role of market and non-market actors is fleshed out in more detail.

Following the argument of Zelizer, criteria to evaluate morality like certification standards are formulated either as a response to internal crisis, as a result of modeling on prestigious exemplars, or they are enforced by external authorities (Zelizer, 2007, p. 14ff). While Zelizer differentiates sharply between those three circumstances for the formation of ethical codes, one may consider the possibility that those forces act in concert. Internal crisis lays a fruitful ground for external pressure to affect vulnerable organizations, while emulation may lead to the diffusion of ethical codes between organizations. Both, the argument for *morality* in the analysis of markets by Beckert (2011), as well as the *political cultural approach* proposed by Fligstein and Mc Adam (2011) and applied by Bartley (2007a, 2007b) to transnational private certification, converge around the contested nature of markets as *fields*[6]. The contentious nature of markets (King & Pearce, 2010) shifts the focus away from frameworks which explain homogeneity in supposing isomorphic forces or rationalized myths (DiMaggio & Powell, 1983; Meyer & Rowan, 1977). At least two overlapping lines of research can be identified, which take markets as arenas of contestation into account.

Firstly, many scholars presume and analyze the behavior of (institutional) "entrepreneurs". Those "entrepreneurs" exploit the opportunities given by and act strategically within a given institutional structure (Beckert, 1999; Greenwood & Suddaby, 2006; Hung & Whittington, 2011). Besides the paradox of "embedded agency" (Beckert, 1999), those "entrepreneurs" can hardly be detected *ex ante* and appear as "heroes" (Lounsbury & Crumley, 2007, p. 993). For instance, their

[6] Even though there is hardly only one theory of "fields" (Levi Martin, 2003), Beckert and Fligstein both draw on the work of Bourdieu (2005 [2000]). They conceptualize fields as arenas of power relations and contestation. Fields are "the historical result of struggles in which they [firms or other affected parties - author's note] attempt to defend or improve their position in the field by both defending existing structures and changing these structures to realize new opportunities" (Beckert, 2010, p. 620). Beckert (2010) emphasis the need to analyze the complex interrelations of networks, institutions, and cognitive frames to analyze field level change. In contrast, Fligstein and McAdam (2011) focus more narrowly on the opportunity structure of challengers to oppose the dominant institutional logic which fosters the reproduction of incumbents' position.

positions either as fringe (Castel & Friedberg, 2010) or dominant players (Greenwood & Suddaby, 2006; Hung & Whittington, 2011) vary tremendously between studies.

Secondly and as an alternative framework, the inclusion of social movements in the analysis of markets aids in overcoming the fallacies by highlighting conflicts with an emphasis on collective action and its specific preconditions and outcomes (Campbell, 2005; King & Pearce, 2010; Lounsbury et al., 2003). Social movements are able to align and aggregate various interests to induce long lasting change in markets and surpass national boundaries (King & Pearce, 2010).

In a nutshell, *morality* accompanies markets through the action of social movements raising moral issues and enlarging potential audiences (King & Pearce, 2010; Lounsbury et al., 2003) as well as through the strategic or incidental behavior of firms applying the moral codes to improve or sustain their relative position in front of others (Beckert, 2011; van Wijk et al., 2013). Indeed, the struggle over relative positions includes coalition building and linguistic efforts to establish and communicate a visible and convincing collective identity to audiences (Fligstein, 2001b; Fligstein & McAdam, 2011; Hung & Whittington, 2011; K. Weber et al., 2008). K. Weber et al. (2008) show, how moral categories can be utilized by social movements and firms to establish a visible niche to overcome the predominant understanding of quality in the market for dairy and meat products. They suggest that the characteristics of cultural codes are pivotal for an understanding of success and failure. Codes have to be appealing to the movement and in line to the goals and means of certain firms in the market (K. Weber et al., 2008). From their viewpoint, moral codes have to be flexible, inclusive, and articulated by reformist actors to successfully affect markets (K. Weber et al., 2008, p. 560). Codes which are inflexible, exclusive, and put forward by radical challengers are more likely to "trigger elite resistance and possibly prevent participants from taking the route of market creation" (ibid.). Similarly, Bartley (2007a, p. 229) argues for foundations to effectively "cool out" movements in order to affect markets.

Fourcade and Healy (2007, p. 303f) rightfully observe, that the general idea of Fair Trade as an example of moral categories (ethical/conventional) has affected the public perception of coffee value chains in recent years. In contrast, the same framework taking momentum in the coffee market has problems in the *commensuration* of similar standards to honey, for instance. Fair Trade is often regarded as an example of successful private regulation of moral standards without considering the failed or less successful projects (Huault & Rainelli-Weiss, 2011). Even though "political" and/or "ethical consumerism" is taking momentum (Micheletti, 2003; D. V. Shaw et al., 2007; Stolle et al., 2005; Stolle & Micheletti, 2013), the ethical consumers restrict their attention to some products and ignores others.

Analyzing *morality* in markets requires not only the detection of *morality* to challenge classical economic models or to identify moral boundaries for markets (Beckert, 2011); the conditions for *morality* in markets have to be assessed with reference to success and failure. As mentioned at the beginning of this section, the construction of moral obligations between consumers and producers is a social construction with varying success. When political or ethical consumerism is on the rise (Koos, 2012, 2014; Micheletti, 2003; D. V. Shaw et al., 2007; Stolle et al., 2005), why is the ethical consumer interested in coffee and not in honey? Some categories are considered as morally relevant to an audience, while the same audience turns a blind eye on others.

When actors perceive certification as a possibility to encounter incumbents (Bartley, 2007b; Bartley & Child, 2014; King & Soule, 2007; K. Weber et al., 2008) and social movements establish visible moral categories (Bergeron et al., 2014; Lounsbury et al., 2003; Schneiberg et al., 2008; K. Weber et al., 2008), they do so with reference to the conditions within specific product markets. This strategy contributes to an understanding of *commensuration* as a *political-cultural* process of contestation between social movements and firms. Therefore, I tie the approaches of Fligstein and McAdam (2011, 2012), H. C. White (1981, 2002b), and Tilly (1978) together in order to argue for a general process underlying the effects of social movements (King & Pearce, 2010) and institutional entrepreneurs (Battilana et al., 2009; Welter & Smallbone, 2015) on markets with regard to certification (Bartley, 2007b; Bergeron et al., 2014). This endeavor relies on the deduction of concrete hypotheses and the construction of comparable concepts applicable and assessable across national contexts and product markets via constitutive (Wendt, 1998) and necessary (Goertz, 2005) parts of concepts to shed light into the 28 cases.

Two distinct, but not necessarily exclusively disjunct, paths to the outcome (market penetration through certification) are discussed – one driven by social movements, the other driven by institutional entrepreneurs. The theoretical and empirical arguments distill four conditions which are constitutive to those paths: ATOs, incumbents, framing, and the visibility of single firms. The theoretical arguments allow for a theorization of the non-outcome, as well. Consequently, the conditions are pivotal for bringing about the non-outcome as well as the outcome. The set theoretical arguments are empirically evaluated with fsQCA to analyze sufficiency as Bartley (2007b, p. 314) supposes. The set theoretical argument fits best to the application of formal logic and Boolean algebra and the theorization via "ideal types" (M. Weber, 1978 [1921], p. 20).

1.3 Structure of the Thesis

Chapter 2 discusses theoretical explanations for change in markets through certification (chapter 2.1 to chapter 2.3). In addition, the proposed drivers of change – institutional entrepreneurs (chapter 2.6) and social movements (chapter 2.7) – are introduced. The incentive structure is sketched in chapters 2.4 and 2.5. The theoretical section is summarized and final hypotheses are provided in chapter 2.8.

Next, chapter 3 introduces the case of Fair Trade and offers a glimpse into the history of Fair Trade as categorized into three eras from an alternative initiative (chapter 3.2) to a market segment (chapter 3.4). It follows a brief summary of the creation of international bodies (chapter 3.5) and revolving tensions (chapter 3.6) in this process.

Chapter 4 offers insights into the selection of the method, the selection of cases, (chapter 4.1), and the selection and calibration of the outcome (chapter 4.2) as well as the conditions (chapter 4.3): the organizational capabilities of Alternative Trade Organizations (chapter 4.3.1), incumbents (chapter 4.3.2), the amount of "collective action frames" (chapter 4.3.3), and the visibility of single firms (chapter 4.3.4).

The analysis in chapter 5 resembles the theoretical section (chapter 2) in the sense that it reduces the degree of complexity (or increases the degree of parsimony) until the evidence of two paths to the outcome (chapter 5.4) and one path to the non-outcome (chapter 5.5) are revealed. Before the theoretical arguments are evaluated, the cases are introduced with regard to their Boolean distances to each other in chapter 5.1 and the relevance of dependencies among the conditions is addressed and presented for the cases in chapter 5.2. The analysis is prefixed by an evaluation of single necessary conditions for the outcome in chapter 5.3. Chapter 5.6 delves deeper into single cases.

The thesis finalizes with a discussion of the contributions and shortcomings of the chosen approach. First, the interpretation in chapter 5.7 leaves the beaten track of a mere set theoretical approach and re-evaluates the findings with regard to the temporal dimension. Chapter 6.1 lists the contributions to the research on institutional entrepreneurship and social movements (chapter 6.1.1), Fair Trade (chapter 6.1.2), and the method QCA (chapter 6.1.3). Finally, the shortcomings of the present thesis are regarded as a starting point for further research in chapter 6.2.

2 Theoretical Framework

The central purpose of this theoretical chapter is to derive hypotheses which allow for an empirical evaluation through the chosen method: Qualitative Comparative Analysis (QCA). I deduce two paths or combinations of INUS conditions[7] – one driven by "institutional entrepreneurs", the other driven by "social movements" – which lead to the outcome: the transformation of markets through certification.

The segmentation of markets is regarded as the outcome of a process of differentiation by moral product quality (Bergeron et al., 2014; Dubuisson-Quellier, 2013a, 2013b). This moral quality can be issued and certified by third parties (Bartley & Smith, 2010). When certification offers opportunities for small firms to enhance their relative position (Bartley, 2007b; K. Weber et al., 2008), and social movements are able to change the *rules of the game* (Lounsbury et al., 2003; Schneiberg et al., 2008; K. Weber et al., 2008), their strategic and emergent moves refer to the conditions within specific product markets. This strategy contributes to an understanding of *commensuration* as a *political-cultural* process of contestation between social movements and firms (Bartley, 2007b; Holt, 2012). It has been shown, how moral boundaries can be overcome (Zelizer, 1978) or how successful attempts to *commensurate* objects under a moral metric gained in importance (Espeland & Stevens, 1998; Huault & Rainelli-Weiss, 2011, p. 1396). This theoretical framework deduces and reveals the conditions under which *commensuration* of moral standards is successful, while shedding light on conditions for failure, as well (Huault & Rainelli-Weiss, 2011, p. 1396). It offers concrete concepts and theoretical predictions to meet the need for a comparative framework as put forward by Battilana et al. (2009, p. 95), Amenta (2014, p. 17), Rao et al. (2000, p. 278), Schurman and Munro (2009, p. 196), Bartley (2007b, p. 314), Koenig-Archibugi and Macdonald (2013, p. 518f), and McLeod et al. (2016, p. 439).

Chapters 2.6 to 2.8 will finally provide and theorize single INUS conditions as necessary parts of combinations of conditions which lead to the outcome. Therefore, the expected "effect"[8] of those single conditions is contingent upon the absence/presence of other INUS conditions. Only in concert do the INUS conditions allow for a causal interpretation and potential hints for deeper

[7] INUS conditions employ one of the central advantages of a case–based understanding of causality and QCA– the conception of cases as inseparable configurations of potential causes and of causality as being a complex culmination of those relevant conditions (Della Porta, 2008). Thus, INUS conditions instead of "singular causal statements" are theorized (Mackie, 1965, p. 245). An INUS condition is an "insufficient, but necessary part of a combination of conditions which is itself unnecessary but sufficient for the result" (Mackie, 1965, p. 245). The INUS-approach to causation steps ahead singular statements about necessity and sufficiency, which are regarded as untenable for an explanation (McAdam et al., 2001, p. 312).

[8] In this context, the term "effect" is employed to talk about causes as "Boolean-" (Baumgartner, 2015, p. 844) or "counterfactual difference maker" (Grynaviski, 2013, p. 824) and not about "net effects" (Mahoney & Goertz, 2006, p. 234f).

insights into causal mechanisms – an interpretation of single INUS conditions is futile (Mahoney & Goertz, 2006, p. 234ff). Each of these two chapters will conclude with one combination of INUS conditions or path which is sufficient for the outcome – one driven by single firms or institutional entrepreneurs (chapter 2.6) and the other driven by social movements (chapter 2.7). The whole argument is summarized and the final hypotheses are provided in chapter 2.8.

Before the (single) theoretical predictions are formalized into logical statements, the overreaching theoretical framework for the transformation of markets is discussed in chapters 2.1 to 2.5. These chapters provide a common reference point for the later chapters. Firstly, the reader is introduced to the approach of Fligstein (2001a, 2001b) and Fligstein and McAdam (2011, 2012) in chapter 2.1. They are used as the main point of reference and "umbrella" to tie the following argument together and substantiate the *political cultural approach*. Fligstein and McAdam (2011, 2012) put a strong emphasis on conflictual relations and tensions between powerful incumbents and powerless challengers to argue for markets as *(strategic action) fields*. Interventions by the state and rules are regarded as means for powerful incumbents to further their goals and solidify their position. In order to link this general notion of rules to certification and finally commensuration (Espeland & Stevens, 1998), chapter 2.2 sheds some light on the contentiousness of "transnational certification" (Bartley & Smith, 2010). It shows how certification is linked to the conception of "quality" (of products, for instance) in markets. Conceptions of quality are of central importance in chapter 2.3. H.C. White's (1981, 2002b) notion of product markets as "reproducing role structures" is employed. The "market plane" is assessed to gain a fine grained understanding of the effect of changes of the "rules of the game" (Fligstein & McAdam, 2012, p. 4) in my particular case. Those rules reproduce and cement existing power asymmetries and might be set and sanctioned by state actors in the framework of Fligstein and McAdam (2011, 2012). H.C. White's (1981, 2002b) "market plane" reaches further and demonstrates that these rules might be imprinted in product markets through conceptions of quality and do not necessarily require formal hierarchies (e.g. legal sanctioning) to exert their effect. Certification, especially when issuing general moral understandings, is able to tackle the dominant understanding of quality and establish an alternative structure of market relations given by this novel perception of quality. This relocation of markets within the "market plane" will be discussed in chapter 2.3 with a strong reference to the case "Fair Trade".

Fligstein and McAdam (2012, p. 12) suppose that markets as "fields" are characterized primarily by a constant "jockeying" for positions. The relationship between this jockeying and the mobilization of firms – by institutional entrepreneurs and/or social movements - is the main topic

of chapters 2.4 and 2.5. Firstly, the incentive structure of firms is put into concrete terms in chapter 2.4 in order to provide a theory of action and argue for the importance of incumbents in chapter 2.8. According to their incentive structure, firms are classified as "opportunists" in the typology of Tilly (1978). The argument on mobilization in chapter 2.4 applies to both paths (chapters 2.6 to 2.8), but lacks a concrete mechanism of mobilization. The central discursive mechanism unifying both paths – "framing" – fills this void as discussed in chapter 2.5. Framing, and its resonance in the mass media, is pivotal for firms to anticipate and build expectations about future states as well as determining their "location" relative to competitors (Beckert, 2013, p. 227). The resonance of framing in the mass media is one central source of information to enable strategical decisions, as will be shown in chapter 2.5. Chapter 2.4 and chapter 2.5 stress the communalities of the two paths – incumbents and framing. Afterwards, the two paths are delineated and distinguished (chapter 2.6 to 2.7). Finally, the hypotheses for the two paths are derived and briefly discussed in chapter 2.8.

2.1 Markets as (Strategic Action) Fields

The abstract notion of "market" can be regarded as an umbrella for various concepts to grasp the defining and relevant mechanisms and attributes. Economic definitions stress the match of supply and demand or buyers and sellers as the central mode of coordination, mechanisms to distribute information and goods, mechanism to set prices or enable valuation, and ways to decrease potential transaction cost. A market is:

> "[a]n actual or nominal place where forces of demand and supply operate, and where buyers and sellers interact (directly or through intermediaries) to trade goods, services, or contracts or instruments, for money or barter. Markets include mechanisms or means for (1) determining price of the traded item, (2) communicating the price information, (3) facilitating deals and transactions, and (4) effecting distribution. The market for a particular item is made up of existing and potential customers who need it and have the ability and willingness to pay for it." (BusinessDictionary.com, 2016)

This abstract notion of markets is put into concrete terms in cases in which "power" within markets needs to be assessed by central authorities (e.g. nation states, the European Union) – the central aim is to delineate the boundaries of markets, especially with regard to substitutability

between products and/or services – a topic that will be further elaborated in chapter 2.4. "Relevant markets" are demarcated by the degree of substitutability – relevant markets presupposes actual[9] competition between similar products in front of common consumer segments in defined geographical areas:

> "The definition of the relevant market comprises defining a relevant product and a relevant geographic dimension/market. The relevant product market is understood as a market comprising 'all those products and/or services which are regarded as interchangeable or substitutable by the consumer, by reason of the products' characteristics, their prices and their intended use' (European Commission, 1997 [12/09/1997], p. 5f). The relevant geographic market is defined as comprising 'the area in which the undertakings concerned are involved in the supply and demand of products or services, in which the conditions of competition are sufficiently homogeneous and which can be distinguished from neighboring areas because the conditions of competition are appreciably different in those areas' (European Commission, 1997 [12/09/1997], p. 6).
>
> The main purpose of market definition is to identify in a systematic way the competitive constraints that the undertakings involved face (European Commission, 1997 [12/09/1997], p. 5). Firms are subject to three main sources of competitive constraints: demand side substitutability, supply side substitutability and potential competition. From an economic point of view, for the definition of the relevant market, demand side substitution constitutes the most immediate and effective disciplinary force on the suppliers of a given product, in particular in relation to their pricing decisions (European Commission, 1997 [12/09/1997], p. 6). However, analysis of both demand and supply side substitution is required in order to establish relevant market[s] (European Commission, 1997 [12/09/1997])." (European Union (Delegation), 2012 (05/31/2012), p. 3, citations adapted from the original document)

The main dissent between economic sociologists and many economic approaches to markets evolves around the specific mechanisms by which markets create and sustain social order. Neoclassical economics presupposes a market mechanism by which demand and supply match

[9] "Potential competition" is not addressed since this topic requires a separate analysis and is only feasible and required in very few cases - it usually follows an analysis of actual competition (European Union (Delegation), 2012 (05/31/2012), p. 3).

each other at an equilibrium, which sets the price and quantity of good, given that no further external disturbances distort the "invisible hand" (Ahrne et al., 2015, p. 9). These snapshots allow for historicity or culture as long as it is included in the utility function of the individual buyers (the demand) (Klump, 2002; Nau, 2002, p. 16)[10]. The main assumptions underpinning this perspective on markets and thus on human beings and decision making processes have been criticized and in part disapproved by sociologists, psychologists, and economists alike (e.g. Ahrne et al., 2015; Akerlof, 1970; Beckert, 2013; Garcia-Perpet, 2007; Granovetter, 1985; Kahneman & Tversky, 1979; MacKenzie & Millo, 2003).

Fligstein (1996, 2001a, 2001b) and Fligstein and McAdam (2011, 2012) offer a sociological sound alternative conception of markets with a strong emphasis on power and the reproduction of structure and power relations. Fligstein (2001a, p. 18) perceives markets as settings in which "(…) actors produce a social world stable enough that they can sell those goods and services at a price at which their organization will survive". This conceptual framework unifies existing but somewhat loosely related approaches to markets and connect organization theory and social movement analysis. In doing so, this work relates to one of the big scientific projects of economic sociology, namely the integration of sociological approaches as a way to unify various social mechanisms in explaining societal outcomes (for a similar approach, see for instance: Beckert, 2010; Bourdieu, 2005 [2000]; Gerald F. Davis et al., 2005; Hannan et al., 2007; Scott, 2008 [1995]).

Fligstein (2001a, p. 15) argues that "(…) social action takes place in arenas, what may be called *fields* (…)". In his early definition, Fligstein (2001a, p. 28) already states that "markets are a kind of field, one that depends not just on the power of incumbents, but on more general rules in society in order to stabilize the power of incumbents". They are

> "(…) social arenas that exist for the production and sales of some good or service, and they are characterized by structured exchange. Structured exchange implies that actors expect repeated exchange for their products and that, therefore, they need rules and social structures to guide and organize exchange" (Fligstein, 2001a, p. 30).

Furthermore, it is the sellers and their status relations, which constitute stability since – despite the inherent interdependence between buyers and sellers – "the seller's stake in the arena is one

[10] Two additional effects of "culture" can be integrated into "mainstream economics" – sticky culture as an additional factor of production and the effect of "culture" on networks - and thus, transaction costs (Klump, 2002; Nau, 2002, p. 16).

of survival" (Fligstein, 2001a, p. 31). Thus, social action and markets as fields are conceptualized as arenas of political action and contestation[11] with a strong focus on the supply side of products. Product markets can be conceptualized as special cases or a specific kind of the more general concept of the constructed order *strategic action field* (Fligstein & McAdam, 2012, p. 9). Those strategic action fields are "mesolevel social orders" where actors interact with each other under a set of (in)formal rules and common understandings (Fligstein & McAdam, 2011, p. 3). Members are those actors who "take into account each other" and have "something at stake" (Fligstein & McAdam, 2012, p. 168). Furthermore, these members, or actors, are equipped with different amounts of *social skills*[12] enabling them to induce cooperation among actors for collective action and to establish common understandings and (in)formal rules directly or indirectly through the state. Three groups of actors are identified – incumbents, challengers, and state actors – which interact (compete or cooperate) in these strategic action fields. Incumbents dominate the fields and exploit their resources and especially their social skills to create a stable world and ensure the reproduction of their position. In contrast, challengers are more peripherally located actors typically searching for niches to survive and possibilities to engage the influence of the incumbents. States set most of the formal rules while being influenced by, and acting in favor of, the incumbents. This constellation leads to sets of (in)formal rules and common understandings fostering stability and strengthening the dominance of incumbent actors. Fligstein (2001a, p. 27f) highlights that competition creates its own demand for structures to reduce its destructive impact on firms' survival and to establish a stable world in which uncertainty is reduced.

Change is caused mainly by crises or shocks located external to the strategic action fields (Fligstein & McAdam, 2011, p. 15). Those create new opportunities for challengers to further their own goals in creating a more advantageous structure (in their sense) (Fligstein & McAdam, 2011, p. 17) - the possibility of endogenous change is clearly undertheorized. However, examples of change induced by central actors (incumbents in Fligstein's sense) can be found (e.g. Greenwood & Suddaby, 2006; Rao et al., 2003; van Wijk et al., 2013), while the effect of crises cannot be ruled out completely in some of them[13]. For instance, Rao et al. (2003) analyze the shift away from classic to nouvelle cuisine in France (from interpreter to innovator). While this process is driven

[11] An in depth discussion of the concept of field goes far beyond the scope of this text and can be found in Fligstein and McAdam (2011), Bourdieu (2005 [2000]), Levi Martin (2003), or Wooten and Hoffman (2008).

[12] Social skills are "(…) that complex mix of cognitive, affective, and linguistic facilities that render individuals more or less effective as skilled strategic actors supremely well adapted to the demands of collective action" (Fligstein & McAdam, 2012, p. 46). Those can be regarded as the ability to induce and catalyze collective action, but are not at the heart of this argument. Nevertheless, even though they are not assessed, they may exercise their effect in the background of both paths of INUS conditions in chapter 2.6 to 2.8.

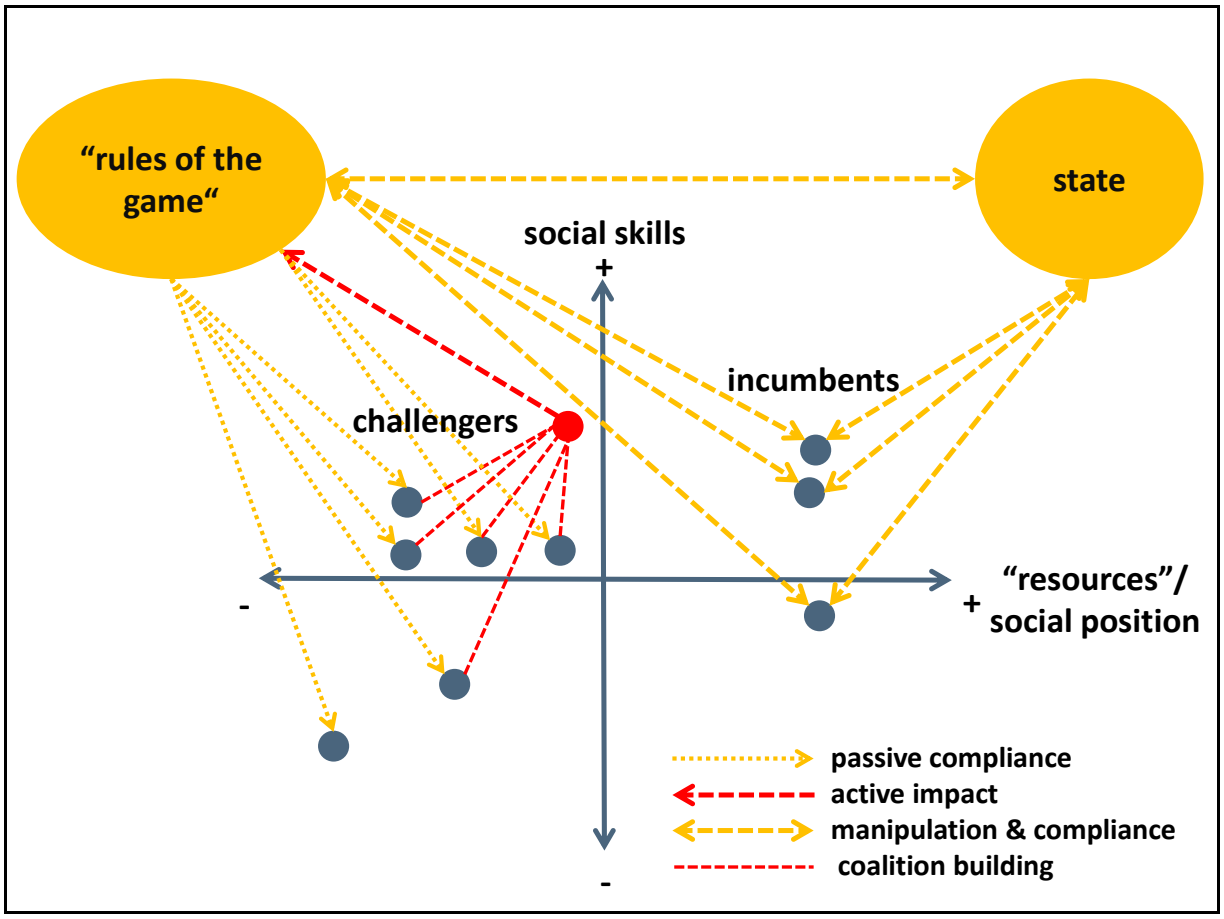
[13] Crisis clearly introduces some vagueness into Fligstein and McAdam's (2011) approach, because it lacks conceptual clarity.

by already established high status actors (not challengers or invading actors), similar changes in other fields of movies and literature took place simultaneously. The question whether this might be regarded as a general crisis spilling over to the field of gastronomy remains. Hence, the fact that already dominant actors took the opportunity for liberation from existing rules clearly contradicts Fligstein and McAdam (2011) main propositions. Why do incumbents alter the very same structure, they benefit from?

To meet these issues, chapter 2.4 substantiates the "jockeying for positions" (Fligstein & McAdam, 2012, p. 12f) by firms within markets. It will be shown, how this jockeying relates to change and power relations.

Studies on institutional entrepreneurship produced mixed results with regard to the structural position of entrepreneurs (as will be seen in chapter 2.6). The conceptual differences between institutional entrepreneurs and socially skilled challengers are rather minor. The notion of institutional entrepreneurship presumes that certain actors are able to change the institutional environment to further their own goals. Those actors act strategically and are likely to mobilize resources and potential allies in the process (Beckert, 1999; DiMaggio, 1988). Individual characteristics, such as social skills, play a very important role in both approaches. The distinguishing feature lies in the assumed social position of entrepreneurs and challengers. Institutional entrepreneurs can be found in advantageous (Greenwood & Suddaby, 2006; Hung & Whittington, 2011; Rao et al., 2003) as well as in less favorable positions (Castel & Friedberg, 2010). By definition, challengers occupy positions of relatively low influence and power. The findings on institutional entrepreneurship do not merely cast doubt on the concept of challengers as triggers of institutional change; it also violates the main auxiliary assumption of Fligstein and McAdam (2011, 2012). If incumbents, as well as challengers, act as institutional entrepreneurs, the interests and goals of actors for change or stability cannot be inferred from their social position as proposed by Fligstein (1996; 2001a, p. 28ff; 2001b) and Fligstein and McAdam (2011, 2012). Incumbents do not necessarily "try to produce a 'local' stable world where the dominant actors produce meanings that allow them to reproduce their advantage" (Fligstein, 2001a, p. 29). The relationship between social position, power, the rules governing a strategic action field, and the state is sketched in Figure 1:

Figure 1: Strategic action field according to Fligstein and McAdam (2011, 2012)



source: adapted from Fligstein and McAdam (2011, 2012)

Fligstein (2001a, p. 17) particularly links his notion of stability and the idea of a reproducing role structure to the network approach to markets by H. C. White (1981, 2002b)[14]. Fligstein (2001a, p. 17) employs H.C. White's (1981) central mechanisms – namely, that producers create and favor a stable and reproducible "role structure" (H. C. White, 1981, p. 518) to cope with uncertainty and avoid direct competition. In addition, Fligstein and McAdam (2012, p. 10ff) emphasis the mutual recognition of field members as a prerequisite for the determination of their relative position and their consequential interpretations of the situation as the primary characteristic to identify strategic action fields. They continue to argue that H.C. White's (1981) approach to production markets can, and should, be regarded as exemplary for their understanding of field level analysis as the major cornerstone of economic sociology (Fligstein & McAdam, 2012, p. 212). In particular,

[14] In short and roughly simplified, H.C. White argues that producers are unable to assess the demand of costumers, though are able (under the assumption that the position of products costs in relation to its competitors behaves consistently to the value attached to its products by costumers) to assess price and quantity by observing its competitors (Leifer & White, 1987, p. 94f; H. C. White & Godart, 2007, p. 199ff). White's argument on stability is drawn from his idea that competition exclusively evolves between structural equivalent organizations. Stability arises only if low quality producers increase production and high quality producers decrease production. In this case, both will be pushed back to their original position and the role structure is reproduced (H. C. White & Godart, 2007, p. 204ff) – firms maintain their niches (Leifer & White, 1987, p. 100).

production markets are characterized by intense mutual recognition for the purpose of orientation between competitors, which constitutes fields on several levels of aggregation (Fligstein & McAdam, 2012, p. 168).

Apparently, the role of uncertainty and the stability of role structures are highlighted by both approaches[15], while Fligstein (1996, 2001a, 2001b) adds the notion of "power" to delineate two different kinds of actors. Moreover, in H.C. White's (1981) argument, the market is assessed without necessary reference to the state as a pivotal actor, while H.C. White and Godard clearly and explicitly leave room for the regulatory activity of the state as an independent or (co-opted) firm-dependent actor (H. C. White & Godart, 2007, p. 212f).

Further links to the work of H. C. White are drawn in chapter 2.3. As already argued, the conceptual framework of Fligstein (1996, 2001a, 2001b) and Fligstein and McAdam (2011, 2012) is used in this thesis as an umbrella to link the relevant concepts of *exogenous* (chapter 2.7) and *endogenous* drivers (chapter 2.6) of change and to link it to the work of H. C. White (1981, 2000, 2002b) (chapter 2.3 and chapter 2.4) and Tilly (1978) (chapter 2.4)[16].

2.2 Certification as Commensuration

Before discussing the "relocation of markets" within the market plane or "the transformation of markets" through "certification" (chapter 2.3), the notion of "certification" requires some clarification. After shedding some light on the general notion, certification will be discussed with special reference to moral issues – as, for instance, the life situation of relevant stakeholders and the opportunity that certification issues social benefits[17]. Hereby, transnational certification is regarded as a special case of *commensuration*, which enables market participants to strategize differentiation. First, the general notion of certification is explained briefly. In the next step, the emergence and increasing importance and of transnational certification is explained briefly with regard to Gereffi and Lee (2016), Bartley (2007b, 2010), and Bartley and Smith (2010). Finally, certification is linked to processes of commensuration, standardization and quality within markets.

[15] See Beckert (2010, p. 612f) for criticism on the focus on stability by Bordieu and H.C. White.
[16] The idea of nested strategic action fields and the "Russian-doll-like"-structure of different strategic action fields (Fligstein & McAdam, 2012, p. 9) is not discussed. Since the state or state agencies are not of importance here, they are left out as well.
[17] Already in 1978, Viscusi (1978) shows how certification is able to reduce problems of information asymmetry and tackles the problem of "lemons" (Akerlof, 1970) in markets – especially with regard to working conditions (companies that mistreat their employees instead of bad cars are "lemons", in this case).

For Fligstein and McAdam (2012), certification is an important driver of the stabilization of emerging strategic action fields. On the continuum between passive and active state intervention, certification is located on the passive pole (Fligstein & McAdam, 2012, p. 94) and serves as a device to discern members' from non-members' groups within a field (Fligstein & McAdam, 2012, p. 95). Certification can originate from the state or from "internal governance units" which are not necessarily agents of the state, but usually safeguard the interests of incumbents (Fligstein & McAdam, 2012, p. 13f). Those *internal* units monitor compliance with the rules and facilitate "the overall smooth functioning and reproduction of the system" (Fligstein & McAdam, 2012, p. 14) – they are a source of stability as the main objective of the incumbents (Fligstein, 1996, 2001a, 2001b). Certification by the state legitimates and establishes links between the emerging strategic action fields and nearby state fields, and acts as a fail-safe against shocks and disturbances (Fligstein & McAdam, 2012, p. 207). Thus, certification by the state is a strong and informative indicator for the degree of "organization" and "social order" in strategic action fields (Fligstein & McAdam, 2012, p. 173f). In contrast, the existence of internal governance units receives justification "by reference to the interests of the field as a whole", while their "'objective' evaluation of a product" is usually biased in favor of the incumbents' interests (Fligstein & McAdam, 2012, p. 95).D. A. Taylor (1958, p. 39) defines a *certification mark* as a mark which satisfies two criteria, which are both regarded as necessary: it "must certify as to the presence or absence of a particular product or service characteristics" (1) and "must be used upon the product or services of one or more persons other than the owner of the mark" (2). Taylor's (1958) definition refers to the Lanham Act of 1946 and continues to add a third defining characteristic (also referring to the Lanham Act) – the "type of control" (D. A. Taylor, 1958, p. 40).

> "If the owner of the mark exercises control over the nature and quality of the goods and services bearing the mark, it is a trade-mark. If the owner of the mark exercises control over the *use* of the mark only, that is, authorize its use on goods or services which meet the standards established by the owner of the mark, it is a certification mark" (D. A. Taylor, 1958, p. 40).

This defining characteristic directly links the concept of a certification mark to the notion of internal governance units by (Fligstein & McAdam, 2012, p. 13f). The owner of a certification mark has no direct supervision over the processes of production and thus, is not a producer, but

is an impartial certifier. The owner passively certifies products or services, which meet certain standards issued by the mark (D. A. Taylor, 1958, p. 40). Fligstein and McAdam (2012, p. 95) and D. A. Taylor (1958) question the owner's alleged impartiality, which officially enables him to exercise control over the certification mark. They agree that the owners or internal governance units usually appear neutral, but Fligstein and McAdam (2012, p. 14) argue that this facade is maintained through apt concealment of real agendas favoring incumbents' preferences. In the late 1950ies, D. A. Taylor (1958) shows that certifiers in fact pursue their own agendas and are anything but impartial. He demonstrates that certification marks are used as devices for incumbents to enhance and stabilize their position and to avoid competition on prices through segmentation in the case of Mahogany furniture (D. A. Taylor, 1958, p. 41). He concludes that the initial aim of aiding the consumer to make informed decisions - as posed by government officials – is secondary at best (D. A. Taylor, 1958, p. 46). Certification can be regarded as one opportunity of regulation. Just how this regulation fills the supposed regulatory void in global production networks and is able to issue moral considerations will be discussed in the next step.

Many scholars claim that certification marks or labels (Bergeron et al., 2014) with transnational scope grew in importance – in particular as means of private regulation (Bartley, 2007b). Those are supposed to fill the void left by the retreating state in matters of regulation (Bartley, 2007b, p. 298; Mueckenberger & Jastram, 2010; Sassen, 2003, p. 5ff). In many of those instances, certification does not simply issue qualities or characteristics of the product itself, which can be evaluated *ex-post* production, but the process of production.

Especially the growing importance of "global commodity chains" (Gereffi et al., 1994, p. 1ff) or "global value chains" (Gereffi et al., 2005; Gereffi & Lee, 2016) – the transnational division of labor - calls for a complementary transnational scope of certification. Since the production of goods is characterized by transnational interdependencies, the labor relations might call for an equivalent to national regulations of this matter (Holzer, 2010, p. 8). For buyer-driven commodity chains[18], Gereffi (1994) observed an increasing tendency towards low value/quality and high volume production in the 1990s. This tendency is prone to increase the hardship of disadvantaged parties in global value chains. Conversely, Gereffi and Lee (2016) identify an increase of "social upgrading" of those global value chains to improve the rights of these

[18] "Buyer-driven commodity chains" are characterized by a high significance of large retailers, brand name merchandizers, and trading companies, which rely on decentralized production networks in a variety of countries, particularly in the third world. They can be found in "labor intense, consumer goods industries" (Gereffi, 1994, p. 97), where "low cost is a major driver (…) [and] safety and quality standards are of utmost concern for supermarkets and their customers" (Gereffi & Lee, 2016, p. 25). In contrast, producer- driven commodity chains are driven by single large corporations and are highly integrated. Those are detected in capital- and technology-intensive industries (Gereffi, 1994, p. 97). The product markets, which will be analyzed in this thesis are usually characterized by "buyer-driven commodity chains".

disadvantaged parties. In general, upgrading "involves the strategies used by countries, regions, firms, and other economic stakeholders to maintain and improve their position in the global economy" (Gereffi & Lee, 2016, p. 27). Consequently, social upgrading means the "(…) process of improvement in the rights and entitlements of workers as social actors and the enhancement of the quality of their employment" (Gereffi & Lee, 2016, p. 29). Employing Bartley and Smith's (2010) perspective on the transnational certification of social matters or moral claims, the "multi stakeholder path" fits best to our notion of transnational certification. It is driven by international NGOs, global buyers and local actors. The social upgrading is ensured by the cooperation and collective action of a variety of actors, which set standards, monitor compliance, sanction infringements, and build capabilities. This trajectory results in third party accreditation and standardization (Gereffi & Lee, 2016, p. 33ff).

Bartley (2007b, p. 298) objects to a full-fledged functional perspective on transnational certification, since the need to regulate does not explain the specific design of regulation. Therefore, a regulatory void cannot account for the design of transnational certification – even though it might be part of an explanation. Bartley (2007b, p. 299ff) detects two explanations in the literature, which can be employed for an exhaustive explanation. According to the "*market based approach*", firms are the source of transnational certification. They employ this kind of industry governance to maintain their position and shield themselves from "naming and shaming campaigns" (Bartley, 2007b, p. 298f). In contrast, a *political view* perceives this kind of governance results from broad conflicts of diverse sets of actors and are "negotiated *settlements* and institution-building *projects* that arise out of conflicts involving states, NGOs (nongovernmental organizations), and other nonmarket actors, as well as firms" (Bartley, 2007b, p. 299). He traces the emergence of certification for forestry and apparel products to distinguish between transnational certification as a *solution* to pressing problems (market based view) and as *settlements* of contestation (political view). He concludes that both are pivotal for an understanding of transnational certification (Bartley, 2007b, p. 338). Finally, he stresses that his

> "(…) findings point to the importance of theorizing combinations of conditions and employing conjunctural conceptions of causation to explain new institutional forms. At the most basic level, the emergence of private regulatory associations appears to require the combination of two things—interested actors within the market (i.e., some segment of firms, though not necessarily a large segment) and entrepreneurial actors in the

> organizational field (typically in government or NGOs) that adopt the project, organize firms, and mobilize broader bases of support" (Bartley, 2007b, p. 339).

His final resumé is thus similar to Gereffi and Lee's (2016, p. 32) remark on their trajectories, which are not mutually exclusive, and point to the importance of diverse combinations of relevant causes. Transnational certification is the outcome of diverse combinations of causes and the struggle between a variety of actors within and outside product markets.

After providing a hunch about the creation of transnational certification, the *effect* of transnational certification on existing markets is discussed. According to Bartley and Smith (2010), transnational certification of moral issues (e.g. sustainability, working conditions)

> "(…) inserts an 'alternative order of worth' (Boltanski and Thévenot 2006) into markets even while it embraces the market as the means to do so – that is, with a label to inform consumer choice. It suggests an alternative to neoliberal globalization, yet it resonates with neoliberal prescriptions (that is, the power of markets to solve problems) and proscriptions (that is, against government intervention)" (Bartley & Smith, 2010, p. 348f).

Therefore, it does not merely certify the presence or absence of certain characteristics of valuation (D. A. Taylor, 1958, p. 39), but establishes new characteristics or categories (McAdam et al., 2001, p. 316). Certification is part of the "constitution of new kinds of actors and collective identities" and a "validation of actors, their performances, and their claims by external parties, especially authorities (…)" (McAdam et al., 2001, p. 316). Consequently, it does not have to stabilize and cement the position of the existing incumbents (Fligstein & McAdam, 2012, p. 95), but might tackle, challenge, and change the very basis of their power – as McAdam et al. (2001, p. 316) propose. It is facilitated by "social appropriation" and "innovative action" and part of the constitution in the trajectory to "transgressive contention" (McAdam et al., 2001, p. 316f)[19] – (de)certification can facilitate stability and change.

Apparently, Bartley and Smith (2010, p. 348f) employ the "économie des conventions" for their argument on transnational certification. The "économie des conventions" relies on *conventions of*

[19] "Transgressive contention" presupposes the active involvement of at least one government as a claimant – an issue which is neglected since this topic is of minor importance (McAdam et al., 2001, p. 6). The different trajectories to "transgressive" and "contained contention" and the rather state centered approach by McAdam et al. (2001) are not employed in this thesis.

quality ("Qualitätskonventionen"), which lead to *principles of equivalence* ("Äquivalenzprinzipien"). Those principles of equivalence are the very basis of any comparison, they are no devices to make different objects equal, but are the prerequisite for the detection of differences (Diaz-Bone, 2015, p. 154). They establish common standards or grids to evaluate the similarity or dissimilarity of objects. According to Diaz-Bone (2015, p. 154ff), they require mechanisms of *justification* ("Rechtfertigung") that can be altered and are contentious. Thus, they are part of the "rules of the game" in the work of Fligstein and McAdam (2012, p. 4). For Boltanski and Thévenot (2007 [1991], p. 114ff), *orders of justification* ("Rechtfertigungsordnung") provide the base of hierarchies and rankings of objects (Boltanski & Thévenot, 2007 [1991], p. 110ff). It coordinates action and is mirrored by a *scale of value* ("Werteskala") for goods and advantages (Boltanski & Thévenot, 2007 [1991], p. 110)[20].

However, *principles of equivalence* can be regarded as the outcome of processes of commensuration. Commensuration is understood as the process of transforming "different qualities into a common metric" (Espeland & Stevens, 1998, p. 314). "[It] is fundamentally relative [and] it creates relations between attributes where value is revealed in comparison" (Espeland & Stevens, 1998, p. 317). Commensuration establishes and legitimates social categories in linking formerly different and unrelated objects under a common metric (Espeland & Stevens, 1998; Fourcade & Healy, 2007, p. 303f). It is able to stabilize and legitimate status relationships (Fourcade & Healy, 2007, p. 303). Thus, commensuration transcends or fails to transcend (moral) boundaries – what will be defined as moral or amoral (Fourcade & Healy, 2007, p. 303f)? Particularly if it involves moral judgments, commensuration is a social process, and is as contested as morality itself (Fourcade, 2011). The process of commensuration involves coalition building, promotion efforts, and compromises (Huault & Rainelli-Weiss, 2011). An example of commensuration or *principles of equivalence* is money, which allows an evaluation and comparison of very different objects under a common metric without making these things necessarily equal (Fourcade, 2011, p. 1725)[21].

[20] Boltanski and Thévenot (2007 [1991], p. 114ff) perceive Smith's (2007 [1776], p. 349) notion of the "invisible hand" as one of the central moral justifications of markets. According to them, rich people successfully employ this supposed "link between markets and common welfare" ("Gemeinwohl des Marktes") to appease and silence their critics (Boltanski & Thévenot, 2007 [1991], p. 115f). Conversely, "transnational certification" might tackle established hierarchies which are preferred and sustained by "rich people" (or incumbents in my case).

[21] For an insight into the categorization of different groups (e.g. patients, students, passengers) as the alleged omnipotent "customer" in order to obscure real differences, see McAuley et al. (2014 [2007], p. 286).

Because of its voluntary nature (Bartley, 2010, 2014)[22], transnational certification might not merely regulate and stabilize economic activity as proposed by Fligstein and McAdam (2012, p. 207). It issues moral criteria of the mode of production (e.g. working conditions, ecological sustainability) to allow for a comparison between products, which meet or fail to meet certain criteria. Nevertheless, morals or morality are not deducible from an externally given logic as proposed by Satz (2010), but a socially constructed phenomenon (Beckert, 2011). If this is the case, the evolution of morality in markets has to be understood as a social process, in which moral standards or codes are formulated, applied, and possibly adjusted to the conditions of the specific market in question. Certifying compliance to moral standards by third parties is one possibility for firms to signal credibility to external audiences for their moral claims (Doh et al., 2010). Moral standards (due to certification) consist of general ideas of abstract nature to express a common identity or ideology (Bartley & Smith, 2010; K. Weber et al., 2008) and specific regulations which can be evaluated and monitored by third parties (Malets, 2011). These specific regulations are derived from the general claims and have to be adjusted to be applicable to specific contexts (Malets, 2011). In this process, products and practices are commensurated under the same general moral code. New social categories emerge in linking different entities through the same metric (Espeland & Stevens, 1998). Thus, it might transcend or fail to transcend (moral) boundaries (ibid). They are

> "(…) non-binding instruments and rely on voluntary adherence from actors or organizations (…): whereas standardization aims at harmonizing and unifying a social field (…), the label [*of which transnational certification marks are a specific exemplar, authors note*] aims at playing an actor's willingness to distinguish themselves from other actors in the same competitive field in order to indirectly modify their behaviors in a definite – but *loose* – direction" (Bergeron et al., 2014, p. 1; italics added by the author to apply the argument to the case).

Therefore, transnational certification can be regarded as a form of the "omnipresent standardization" in modern societies (Timmermans & Epstein, 2010). Standardization results not necessarily in homogeneity, but in stratification and segmentation (Timmermans & Epstein, 2010, p. 84f). Bergeron et al. (2014) rightfully observe that common metrics or standards are a necessary

[22] Bartley (2014) actually observes a re-emergence of the state and legal mandatory compliance for timber. States or governments also play a pivotal role for the emergence of certification in many instances (Bartley, 2007b).

prerequisite for strategic attempts to achieve distinctiveness as actors or groups of actors in competitive markets. Without a common metric, actors or groups of actors might not be able to strategize opportunities to stand out of the crowd. Beckert points out that "institutionalized rules" (Beckert, 1999) or "contingent representations of future states" (Beckert, 2013, p. 224) form the basis of any strategic attempt in inherently uncertain markets.

Transnational certification allows for a segmentation of markets and market niches, which will be discussed in the next chapter 2.3 on the market plane. It is related to the approach of Fligstein (1996, 2001a, 2001b) and Fligstein and McAdam (2011, 2012) (chapter 2.1) because of its contentious nature and apparent link to the "rules of the game" (Fligstein & McAdam, 2012, p. 4) and regulation. Furthermore, it creates specific incentives for incumbents and challengers (as will be seen in chapter 2.4 and 2.5 about the incentives of firms) and creates temporal monopolies (Strausz, 2005) in the process of "creative destruction" (Schumpeter, 2008 [1942], p. 83) through institutional entrepreneurship (Bergeron et al., 2014, p. 11). This will be discussed in chapter 2.6 on institutional entrepreneurship.

2.3 The Outcome: The Transformation of "Markets from Networks"

What is the effect of a changing "rules of the game" (Fligstein & McAdam, 2012, p. 4) within and across markets? If certification is understood as commensuration, the conception of quality (of products) in markets should results in a distraction of the formerly "reproducing role structure" (Leifer & White, 1987; H. C. White, 1981, 2002b; H. C. White & Godart, 2007). This outcome – therefore, the content and meaning of the "transformation of markets" - is discussed in this chapter. The effect of certification is linked to the case of "markets" and "relocation of markets". It will be argued that meaningful change of the rules within markets lead not only to a disturbance of the mechanisms leading to a reproduction of formerly stable role structures (Fligstein & McAdam, 2011, 2012), but to a relocation within the "market plane". This is possible through a re-definition or partial redefinition of the conception of quality within a market through certification (Dubuisson-Quellier, 2013b), as will be illustrated later.

As aforementioned (chapter 2.1) H.C. White's (1981, 2002b) understanding of markets as "reproducing role structures" acts as a complement to the already mentioned approach and mechanisms by Fligstein and McAdam (2012). Therefore, this model puts a strong emphasis on

the supply side[23] (as the approaches focusing on the process in the next chapters do) and is well suited for understanding product markets, in particular (Knorr Cetina, 2004). H.C. White regards product markets as networks in which firms choose the optimal volume and quality (the "market schedule") with regard to the schedules of their potential competitors – therefore, firms pick niches to alleviate direct competition (H. C. White & Godart, 2007, p. 203ff). In doing so, firms establish a stable role structure without explicit knowledge about the demand side, only in observing other firms within the same market. Under the assumptions that the perception of the structure of quality and volume by consumers corresponds to the perception of this very same structure by firms and, in addition, that firms occupy the same rank by quality as well as by volume, stability in markets can be achieved through role structures[24]. Then, the product market as a whole is characterized by the *sensitivity to quality* (*desirability* by consumers with increasing quality in relation to the *expense* of firms to increase quality) and the *sensitivity to volume* (*contribution* of increased volume to consumers' aggregated satisfaction in relation to the *costs* of firms to increase volume).

The additional value of H.C. White's (1981, 2002b) model is not merely to depict the location of markets within these areas, but to track the direction of market transformation, as well. Within this framework, a change of the "rules of the game" (Fligstein & McAdam, 2012, p. 4) (like for instance moralization or market differentiation by transnational certification) should correspond to relocation of the product market within the "market plane". If a moral standard is set and penetrates the market appreciable (like it is the case of Fair Trade in some product categories), one should be able to track this change within the market plane. Two areas are of importance:

(1) Pure Competition: decreasing returns to scale (*contribution* < *costs*) and a volume sensitivity equal to 0 ($\frac{desirability}{expense} = 0$). In this area, we can find no differentiation and hence, pure competition. Thus, marginal costs equal marginal returns and no niches can sustain themselves. In this area, no differentiation via quality exist and the cost to increase the volume is higher than the contribution to the aggregate consumer due to increased volumes.

[23] According to Fligstein and McAdam (2012, p. 168), the members of a (strategic action) field are those actors who "take into account each other" and have "something at stake". Since "the seller's stake in the arena is one of survival" (Fligstein, 2001a, p. 31), the focus on the supply side suggests itself.

[24] This argument gives merely a hunch about the model by H.C. White about the structure of markets enacted and reproduced by firms. The main argument in this paper emphasizes solely the market structure from a holistic viewpoint. For further reading, H. C. White and Godart (2007), Leifer and White (1987), and H. C. White (1981, 2002a, 2002b) are recommended.

(2.3-1) $$(\mathbf{contribution} < \mathbf{costs}) \wedge (\frac{\mathbf{desirability}}{\mathbf{expense}} = \mathbf{0})$$

(2) ORDINARY: decreasing returns to scale (*contribution* < *costs*), a positive relationship between quality and costs (*a negative expense*) and a higher *volume* than the absolute value of *quality* sensitivity ($\frac{desirability}{expense} < \frac{contribution}{cost}$). Again, increasing volumes in this area do not pay off for the buyers (contribution < cost), but the increased quality leads to a higher desirability by the buyers even if the expenses outweigh the increased desirability[25].

(2.3-2) $$(\mathbf{contribution} < \mathbf{costs}) \wedge (\mathbf{corr}\,(\mathbf{quality}, \mathbf{costs}) > \mathbf{0}) \wedge (\left|\frac{\mathbf{desirability}}{\mathbf{expense}}\right| < \frac{\mathbf{contribution}}{\mathbf{cost}})$$

Given this, three questions are of major importance to analyze change within markets:

(1) Where was the market located *ex ante* (before certification as an instance of a reconceptualization of quality or market transformation took momentum)?

(2) What does certification change with regard to desirability, expense, contribution, and costs or in which way does certification affect those four central characteristics and the relationship among them?

(3) Where is the market located *ex post* (after certification took momentum)?

The task to determine the location of the specific product market before certification gained momentum (question 1) requires specific information about the product at hand. For simplification, the attempt is guided by approximations.

(1) In general, Fair Trade was established to support and empower producers and employees, which are perceived as being disadvantaged. This is due to their dependent

[25] Potential problems of unraveling may occur if the ratio of desirability to expense ratio exceeds the contribution to cost ratio. One solution would be to restrict membership in this market and ensure a rather homogeneous spread of the producers with regard to quality (as certification agencies do to a certain extend). Nevertheless, strong firms with high volumes might be able to occupy similar niches as low volume firms which makes this area less viable. For the whole argument, see H. C. White (2002b)

and powerless position in the supply chain (EFTA, 2002a, p. 1). Thus, the mainstream channels of those products are highly competitive and the producers on the end of the supply chain are not able to enter potential niches in Northern markets. This is due to different factors, lack of knowledge or the size of the producer (Nicholls & Opal, 2005, p. 32ff), for instance. Those channels that are predominant in the agro-food sector can be regarded as "buyer driven value-" or "buyer driven commodity chains" (e.g. Farnworth & Goodman, 2008, p. 1; Raynolds, 2002, p. 406; 2009, p. 1084; P. L. Taylor, 2004, p. 130).

Some of the products under study (bananas and sugar) are undifferentiated in the eyes of (potential) consumers. Those products are sold under pure price competition and lack any kind of niches in Northern markets (even though those markets are highly oligopolistic, see chapter 8.1.6 and chapter 8.1.7in the Appendix). Therefore, those products are located in the PURE COMPETITION area. This is characterized by decreasing returns to scale and no niches can sustain themselves. This area has a high probability of "crowding", where producers and even markets are highly substitutable due to a high overlap of buyers and identities (H. C. White, 2000). As will be mentioned in chapter 2.4, firms and potentially groups of firms in this area screen for strategies to obviate "crowding" and to decrease the overlap of buyers, identities, and narratives – therefore, the substitutability of their outputs. They try to establish distinct identities and a reproducible and stable role structure.

Product differentiation and market segmentation in the case of coffee, cocoa, honey, rice, and wine is present in the production as well as in the purchasing patterns of these goods. Besides a segmented market, those goods are sold in mainstream markets with high price competition as well. Here, a mainstream market with high competitiveness is accompanied by a segmented gourmet market. Therefore, we have a rather ORDINARY market structure in which volume and quality show a negative relationship. On the one hand, those goods are sold at the mainstream market with trademarks of major supermarket chains and strong major brands (lower quality), on the other hand they are sold by small actors to gourmets as it is the case in those areas (higher quality) (H. C. White, 2002b, p. 33) and in those markets (chapter 8.1.1 to chapter 8.1.5 in the Appendix).

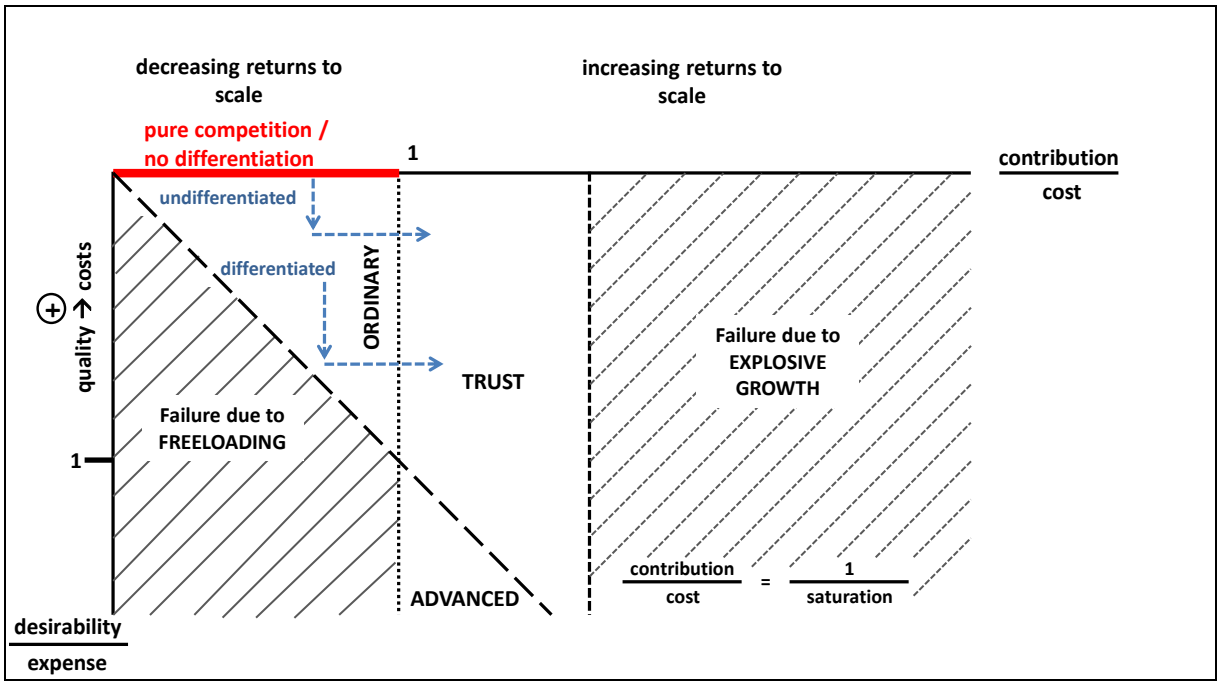
(2) Certification does not necessarily provide information about the *ex-post* location in the market plane, but about the *direction* of change within the market plane. With regard to volume sensitivity, no change is assumed since *contribution* for the aggregate consumer does not rise faster than the *costs* of increasing volume when changing from conventional

products to Fair Trade. For the sensitivity to quality the effect of certification is supposed to be positive as the initial structural changes to implement Fair Trade pay off in the long run and therefore require fewer resources after successful implementation[26]. The "social upgrading" of vertical buyer driven chains "adds value to the final product" (Gereffi & Lee, 2016, p. 30) Thus, the relationship between quality and costs (*quality sensitivity*) is positive, since the costs to increase the quality (the implementation of measures) results in a higher perceived quality (by the consumers). This argument presumes that certification is desired by costumers as a signal for higher quality. As it is outlined in H. C. White (1981), the market share get segmented given by the directional change in the market plane[27]. It employs the ideas of Barrientos et al. (2011, p. 33ff) with regard to "social upgrading" of value chains. If one presumes that the improvement of the standards of production (Barrientos et al., 2011, p. 33ff) translates into a perception of improved quality by the consumer (in the market plane), social upgrading tackles the structure of a market and the perception of quality (as (Dubuisson-Quellier, 2013a, 2013b) and allows for niches and higher distinction between firms (Bergeron et al., 2014). In turn, increasing demand for particular Fair Trade products and economies of scale might lead to a relocation in the TRUST- or the ADVANCED-area – those are areas with viable niches by quality and increasing returns to scale.

[26] In general, (honest) certification by external certifiers leads to increasing returns to scale (Strausz, 2005). While the prices to obtain the certificate might be costly, Strausz (2005) shows that it does not only pay off through economies of scale, but "exhibits features of a natural monopoly and represents a technology with increasing returns to scale" (Strausz, 2005, p. 57) – given that certifiers and consumers can detect fraud. This speaks to the theoretical insights with regard to distinction and niches as well as to the role of (institutional) entrepreneurs in chapter 2.6.

[27] Furthermore, the historical idiosyncratic constant "k" – "(…) the almost accidental by-product of a number of producers jockeying for volume and payment sustainable in the presence of the other producers' offerings" (H. C. White, 1981, p. 331) is disregarded.

Figure 2: Direction of change within the market plane



source: adapted from H. C. White (1981, p. 527; 2002b, p. 52) and H. C. White and Godart (2007, p. 208)

This framework does not assume that the actors (i.e. firms) intend to transform product markets or that markets automatically relocate themselves by some kind of "invisible hand" (A. Smith, 2007 [1776], p. 349). It presumes that firms in competitive markets screen for opportunities for differentiation. One possible way is to occupy niches in order to avoid direct price competition (Fligstein, 1996, p. 659). A visible and understandable cue of morality is one opportunity to do so (Bergeron et al., 2014). Then, market transformation is regarded as an effect resulting from the aggregation of tactical maneuvering or jockeying (Fligstein & McAdam, 2012, p. 12) within markets (see chapter 2.4 for the incentives for maneuvering). Competitive markets without niches are transformed if "interested actors" (Bartley, 2007b, p. 339) within these markets perceive niches as an opportunity to advance their position in relation to others. In ordinary markets, characterized by an inverse relation between quality and volume, a sequential process is assumed. First, certification offers the opportunity for smaller entrepreneurs to attract additional consumer segments due to a simplified cue for quality. In the next step, when certification has already attracted audiences through entrepreneurs within the particular market, big business tries to sustain or even advance its position in implementing already successfully tested measures.

In the light of H.C. White's framework, social movements and/or institutional entrepreneurs affect markets by altering the perception of quality (Anteby, 2010; Dubuisson-Quellier, 2013a,

2013b; Rao et al., 2003; K. Weber et al., 2008, for instance). "A great deal of transnational anti-corporate activism concerns campaigns and public discourse about the *quality* [emphasis added by author] and reputation of products and producer" (Holzer, 2010, p. 42). The definition of quality is both pivotal for the ranking of firms as well as open to different concepts beyond the colloquial use of quality in the work of H.C. White and others (Leifer & White, 1987; H. C. White, 1981, 2002b; H. C. White & Godart, 2007). In this process, predominant conceptions of quality are devalued, conceptions of quality are reevaluated, or new characteristics of quality come into play (Bergeron et al., 2014; Dubuisson-Quellier, 2013a, 2013b; Hung & Whittington, 2011; Rao et al., 2003; K. Weber et al., 2008). Moral considerations or the moral quality of products, firms, and services are of significance insofar as they matter for the consumer (Leifer & White, 1987). Thus, commensuration of moral quality encompasses the application of the same or a similar definition of quality of products (as Fair Trade, ecofriendly, organic, or even local or national production) among different markets (Holt, 2012). Different objects are linked through a common definition of quality. In many instances, this implies the transformation of the market structures in which they are traded (Holt, 2012).

As argued above, market transformation is understood as a potential outcome of firms' maneuvering to advance their position at the expense of other (dominant) firms (Fligstein & McAdam, 2011, 2012). They challenge the dominant structure of markets and thus, the predominance of incumbent firms. Hence, those challengers mobilize allies in the process to question and change those structural characteristics, which favor incumbents' and disadvantage their own positions (Fligstein & McAdam, 2011). On the other hand, incumbent firms are adjuvant targets for disruptive and persuasive tactics of social movements (Bartley & Child, 2014; King, 2011; King & Pearce, 2010). In general, social movements or challengers prefer not to pinpoint the gravest infringements of their moral understanding, but those of the most visible and vulnerable organizations to make an example (Schurman, 2004). Those big players are highly vulnerable to a changing perception of quality in markets (Bartley & Child, 2014; Schurman, 2004). Thus, moral quality (of products) is part of those characteristics in markets, which eases the mobilization of firms and social movements to impair the predominance of incumbents. The understanding of quality structures markets in a way that assigns positions to the actors within markets (H. C. White et al., 2007). Hence, a restructuring of markets includes a contestation of this understanding of quality (Dubuisson-Quellier, 2013b; H. C. White & Godart, 2007) against the predominant "conceptions of control" in mass markets (Dubuisson-Quellier, 2013a). Incumbents advocate the conception of quality already predominant and provide visible targets

for social movements and challengers (Bartley & Child, 2014; Fligstein & McAdam, 2011, 2012; King & Soule, 2007; Schurman, 2004, p. 260f).

Accordingly, oligopolistic market structures offer a helpful playground for social movements and challengers to take action. In the following section, implications for the power asymmetry within markets are derived from the distribution of market shares among corporations. It is demonstrated that under certain conditions (a low differentiation of quality) and the auxiliary assumption that firms (as any organizational entity) tend to reproduce its structure or survive on a period to period basis (Fligstein, 1996; Hannan & Freeman, 1977, 1984), market share is linked to a relational notion of power as defined by Tilly (1978) or Holzer (2010, p. 9ff). Thereafter, a crude incentive structure is proposed to argue for communalities between firms and social movements in the contribution to collective action. Therefore, the jockeying for positions (Fligstein & McAdam, 2012, p. 12) and the restructuring of markets is linked to the relational view on social movements as proposed by Tilly (1978) and the relational view on markets as proposed by H. C. White (1981, 2002b). The goal of this endeavor is to provide an action theory in the explanation of the "success" of certification as a special case of market transformation. Shifting perspectives to the comparison of different product markets – thus, shifting to a holistic view on various markets - the influence of similar criteria for quality across different product markets encompasses processes of commensuration, which result in similar criteria for the evaluation of quality in diverse contexts (Espeland & Stevens, 1998, p. 316f). Hence, successful commensuration is regarded as a special case of the presumed process underlined below.

2.4 Firms as Collective Actors – Talking about Incentives

After discussing the outcome of market transformation, the incentives for challenger firms to reach this goal are discussed in this chapter. After linking "the market plane" (Leifer & White, 1987; H. C. White, 1981, 2002b; H. C. White & Godart, 2007) to the unequal distribution of power (Fligstein & McAdam, 2011, 2012), Tilly's (1978) framework is applied to offer a theory of action. The "polity model" of Tilly (1978) draws on H.C. White's work and perceives challengers as a combination of categories and network ties (Negro et al., 2013, p. 795f). Therefore, it is shown that under certain circumstances, firms can be understood as "social movement opportunists" and might contribute to collective action. Furthermore, the segmentation of markets as a specific case of the transformation of markets is shown to be a common good and incentive for collective action.

If firms are conceived of as potential allies and members of broader social movements, one has to clarify their specific incentive structure compared to genuine social movements[28]. Firms are not only affected and constrained by political processes in a passive manner, but actively shape their political environment. Consequently, the political environment is not regarded as a "set of constraints" but as an "opportunity set" (C. Oliver & Holzinger, 2008, p. 497). Firms and social movements share general organizational communalities, such as the tendency to reproduce their structure that is more or less hierarchical and formal (Fligstein, 1996) – a fact that might undermine the original purpose of the organization itself (Michels, 1911, p. 355f). Firms dispose of limited discretion while they employ their resources in order to reproduce themselves, their formal structure, and their structural position within markets. The conceptualization of firms as social movements implies that firms mobilize resources for the provision of collective goods as a form of common welfare (Lawton et al., 2013; Scherer & Palazzo, 2011; Scherer et al., 2014). Collective goods and economic incentives might be in accordance with each other, particularly in cases when the provision of the collective good is regarded as an emergent and incidental byproduct of market activities (Negro et al., 2013). Yet, the active participation of firms in the provision of collective goods requires further argumentation. This argument substantiates the jockeying of challenger firms (Fligstein & McAdam, 2012, p. 12) or, from another perspective on the same process, on the incentives which stir institutional entrepreneurs to mobilize allies in the process of institutional entrepreneurship (Leca et al., 2008).

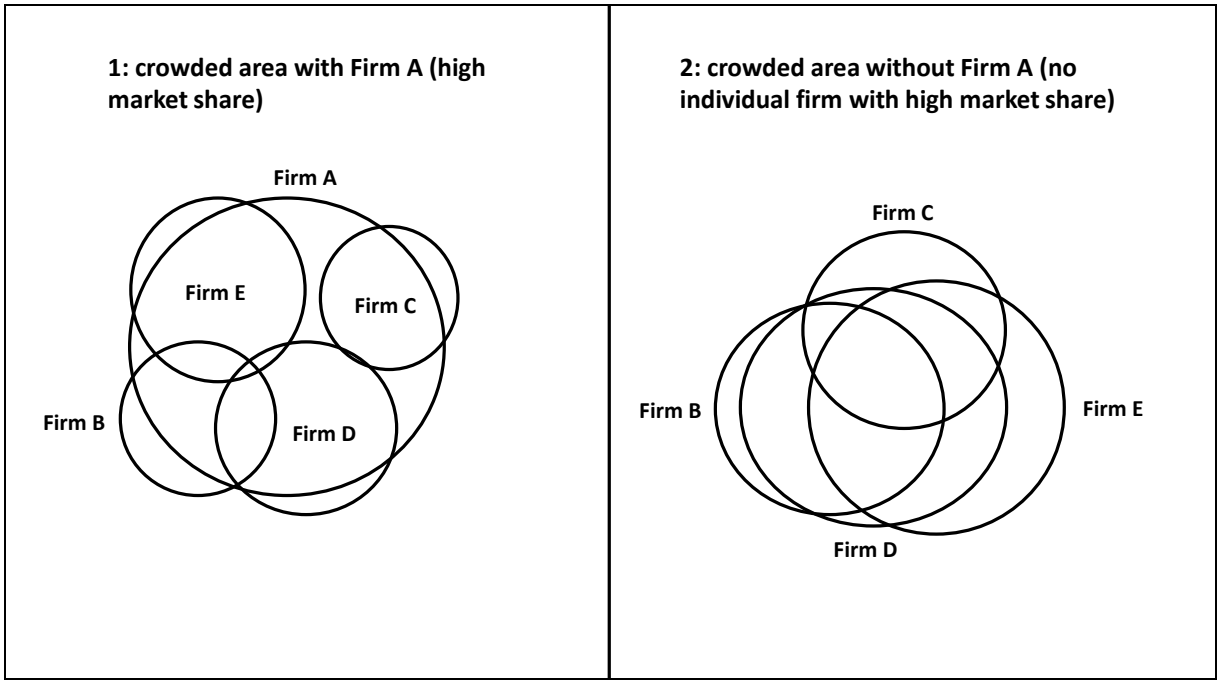
Fligstein (1996, 2001a, 2001b) and Fligstein and McAdam (2011, 2012) argue that the rules that structure the market (or strategic action field) subserve the reproduction of a specific role structure which again favors the predominance of incumbent firms. The role structure within markets in White's (1981, 2002b) market plane is given by the quality and volume of outputs without explicitly considering power relations. Crowded areas occur when the substitutability, and thus the replaceability, within or between markets is high (H. C. White, 2000)[29]. The overlap w between corporations indicates the substitutability and thus the crowdedness of a market in set theoretic terms (H. C. White, 2000). If an area is crowded and the w is high, the corporation(s)

[28] For a detailed description of social movements see chapter 2.7.

[29] Please note that "crowding" in the sense of substitutability is related to, but not equivalent to crowded areas in the "ADVANCED" region of the market plane (H. C. White, 1981; 2002b, p. 139ff) (in Figure 2 on page 36) the area ADVANCED). Those crowded areas have a high degree of sensitivity to quality (desirability > expense) and volume (contribution > costs) below the level of saturation. In Figure 2 on page 36, the size of the market decreases with additional firms entering the market. Therefore, those markets do not "explode" (grow with each additional producers) even though the aggregate buyers value the increased quality and volume as high, while the costs of the increased quality and volume for the producers are relatively low. Only a few firms are able to sustain a viable market profile in this area. The problem of substitutability is discussed in detail in H.C. White (2002: 121ff), where the substitutability refers to the problem of aggregate buyers which evaluate an aggregate supply and aggregate variations in quality.

with high market shares cannot be replaced by individual (smaller) firms, since these cannot individually capture the identity and consumer segments of the incumbent firm(s) in set theoretic terms. If no incumbent firm(s) act(s) within a specific market, the likelihood that individual firms can substitute each other individually is higher, compared to markets in which corporations have high market shares. As can be seen in Figure 3 even though the overlap is high, no individual firm (B-E) is able to replace Firm A, while Firm A might replace several smaller firms. In Figure 3 the individual replaceability among small firms (B-E) given a high overlap is rather high. Note that in both figures the overlap between firms' identities and buyers (w) is similarly high.

Figure 3 : Crowded areas



source: adapted from Carroll (1985, p. 1270)

Therefore, a crowded market structure is likely to favor the corporation(s)[30] (if there is one) with (a) high market share(s), since this/these corporation(s) is/are not easily replaceable. In addition, this/these corporation(s) might have additional benefits due to "economies of scale" (Rasmussen, 2013, p. 111ff)[31]. Clearly, small firms or specialists "cannot persist in crowded areas"

[30] Note that the set relational argument on "crowding" is rather stochastic and not deterministic. The exact parts of identities captured by smaller or bigger firms do matter. Nevertheless, small firms have a higher likelihood of being replaced by bigger firms, especially in areas in which the distribution of quality is low.

[31] Economies of scale and size are interlinked by not equivalent (Rasmussen, 2013).

(Swaminathan, 2001, p. 1326) [32]. This provides the basis of Fligstein and McAdams's (2011, 2012) notion of "incumbents". The link to power is straightforward as will be shown.

Tilly (1977 [01/1977], p. 13; 1978, p. 55) uses a rather minimal and relational definition of power which is "the extent to which the outcome of the population's interaction with other populations favor its interest over those of the others (…)". (Corporate) power is relational and does not necessarily require explicit actions – it subtly influences the actions of others (potentially: competitors) (Holzer, 2010, p. 9ff). If organizations (firms and social movement organizations) share the common goal to reproduce themselves and "survive" (Fligstein, 1996) (as argued), a high replaceability and thus, a high likelihood of dissolution opposes this fundamental goal. As argued, firms with a high market share have a significantly decreased likelihood of dissolution due to replacement (Firm A in Figure 3). Therefore, those firms have the highest share of power since the structure of crowded areas favors their interest (survival) compared to those of smaller organizations. Fligstein and McAdam (2012, p. 13) define incumbents as those actors "(…) who wield disproportionate influence within a field and whose interests and views tend to be heavily reflected in the dominant organization of the strategic action field". Given that firms with a large market share benefit the most from crowded areas, a high substitutability reflects their interests compared to others[33] - their probability of replacement is lower in comparison. Accordingly, markets with incumbent actors are those in which the market share is unevenly distributed and the incumbent actors are those with high market share. Their wealth and relative market share "(…) establish the 'rules of the game' rather than by explicitly enforcing certain actions. Therefore, the real issue of power is the ability to define social situations" (Holzer, 2010, p. 10). Challenger firms can evade crowded areas through the creation of niches (Carroll, 1985)[34] or temporal monopolies through (honest) certification (Strausz, 2005). Challengers

[32] For a detailed discussion of this process the dynamics between "generalist" and "specialist" organizations in markets, the resource partitioning theory provides further insights. Carroll (1985) distinguishes between "competitive" (situation 2 in Figure 3) and "monopolistic" (situation 1 in Figure 3) markets. While monopolistic markets rely on a homogeneous resource space and do not allow for niches, competitive markets allow specialists to position themselves within the resource space and establish "an 'appeal' to one of the [consumer, authors note] groups" (Carroll, 1985, p. 1271).

[33] Fligstein & McAdam's (2010) initial concept of incumbent groups actually included the explicit notion of power. Furthermore, those actors "(…) are defined by their claims on the lion's share of the resources in the field (…)" (Fligstein & McAdam, 2010, p. 12; 2011, p. 5). Intuitively, the lion's share corresponds to the market share a corporation yields with in a specific market.

[34] A niche is defined as "the hypervolume formed by the set of points in an N-dimensional environmental space for which the population's growth rate (fitness) is nonnegative" (fundamental niche) (Hannan et al., 2003, p. 310). This notion is burrowed from biology and assumes that niches are able to sustain the survival of species or population of organizations at a given point in time in contrast to certain death outside the niche (Hutchinson, 1957, p. 416ff). The hypervolume consists of the set of all points, which encompass the states of the environment, which would allow the respective species or organizational population to "exist indefinitely" (Hutchinson, 1957, p. 416). Here, it does not refer to single organization's fundamental niches, but to the fundamental niches of populations of organizations (Hannan et al., 2003, p. 312). Those are usually conceptualized by resources, which sustain the niche. For instance, newspaper organizations rely on the technology of printing and employees skilled in printing as well as the literacy of the population (Carroll & Huo, 1986). The "ingredients" of a fundamental niche are a "market", an "audience with distinctive tastes", a set of "sociodemographic positions", a "set of organizations making offers",

> "(…) occupy less privileged positions within the field and ordinarily wield less influence over its operation. While they recognize the nature of the field and the dominant logic *[in this case: the predominant conception of quality which does not differentiate sharply between firms and thus allows for a high substitutability and crowdedness, author's note]*, they can usually articulate an alternative version of the field and their position within it *[an alternative conception of quality and a different market plane, author's note]*. (…) (M)ost of the time challengers can be expected to conform to the prevailing order *[which results from the predominant conception of quality, which does not differentiate sharply between firms and thus allows for a high substitutability and crowdedness, author's note]*, although they often do so grudgingly, taking what the system gives them and awaiting new opportunities to challenge the structure and logic of the system *[to establish an alternative conception of quality and a different market plane, author's note]*" (Fligstein & McAdam, 2012, p. 13; italics added by the author to transfer the argument to the case)[35].

Through the combination of H.C. White's (1981, 2002b) arguments with those of Fligstein and McAdam (2011, 2012)[36], the relevance of incumbents can be inferred directly from the situation within crowded areas. Visible and vulnerable targets for social movements and firms are of vital importance for the success of the re-conception of quality (Bartley & Child, 2014; King & Pearce, 2010; Schurman, 2004; Schurman & Munro, 2009). Incumbents and their practices offer a source of friction and can be used to make a visible example for the whole industry (Bartley & Child, 2014;

---

and "organizations with identities and applicable organizational-form codes" (Hannan et al., 2003, p. 312). Compared to the fundamental niche, the realized niche takes competition into account – it consists of those positions "for which an organization's offerings are judged by the audience to be 'best in class'" (Hannan et al., 2003, p. 322). It refers to the "resource space within which a population is observed" (Carroll, 1985, p. 1267) – thus, only realized niches are empirically observable, while the fundamental niche is a theoretical (or even counterfactual) construct.

[35] This argument is in accordance with standard economic theories and practices which derive the "market power" of individual corporations or the structure of whole markets ("oligopolistic", "monopolistic", or "competitive") from the market share of individual firms or groups of firms, respectively. It is regarded as a measurement for the "(…) discretion over the prices that it [the individual firm or group of firms, author's note] charges" (L. J. White, 2012 [05/2012], p. 4). Compared to a competitive market, power indicates that individual firms are able to set prices unconstrained by competitive forces (given homogeneous products, many firms, and no distinction) (L. J. White, 2012 [05/2012], p. 4). Thus, the substitutability of products plays a vital role in the empirical detection of those corporations and structures. For instance, the European Court of Justice could condemn United Brands for an infringement of the European Union law due to their monopoly in the banana market. To argue for monopoly held by United Brands, the European Court of Justice had to empirically prove that bananas are not substitutable to other fruits. Therefore, the relevant market shrinks (bananas) or widens (fresh fruits) depending on the substitutability of products (European Commission, 1978 [02/14/1978]).

[36] Fuchs (2014) criticizes the work of Fligstein and McAdam (2012) heavily for its weak link to other general theories, notably the relational sociology of H. C. White. Therefore, this link is proposed to show how positions within specific markets ("crowded areas") according to H. C. White (2000) without any explicit implications for power relations might entail power asymmetries and assign positions of incumbents and challengers in the sense of Fligstein and McAdam (2011, 2012).

Schurman, 2004; Schurman & Munro, 2009)[37]. In addition, it can be seen that in crowded markets with a high overlap between small organizations (situation 2 in Figure 3) without incumbents, collective action or common projects should be very unlikely since the competition between potential challengers (Firms B-E) are very fierce and each firm risks being replaced by the other – "cooperation" (Fligstein & McAdam, 2012, p. 4) is rather unlikely[38]. Potential challengers are trapped in a zero sum game – the loss in market share of one challenger can be regarded as the gain of another. In comparison, crowded markets (situation 1 in Figure 3) with strong (incumbent) firms (Firm A) catalyze collective action (among Firms B-E), since a common target is easily detected (Firm A). The firms are not necessarily in fierce competition vis-à-vis another and cannot be replaced by each other, but rather share the common risk of being replaced by the incumbent firm (Firm A).

In the sense of H. C. White (1981, 2002b), the endeavor of challenging the "rules of the game" (Fligstein & McAdam, 2012, p. 4) entails the establishment of new quality characteristics which allow for a segmentation of the market by a new definition or a partial redefinition of quality (H. C. White & Godart, 2007). The new role structure will reflect the relation between volume and the (novel definition of) quality. The redefinition of quality can be understood as a specific exemplar of the restructuring of a strategic action field (of which product markets are specific exemplars) through new "rules of the game" (Fligstein & McAdam, 2012, p. 4). In the next section the incentive structure for the process of reconceptualization of quality as part or reformulation of those rules is provided by the work of Tilly (1978).

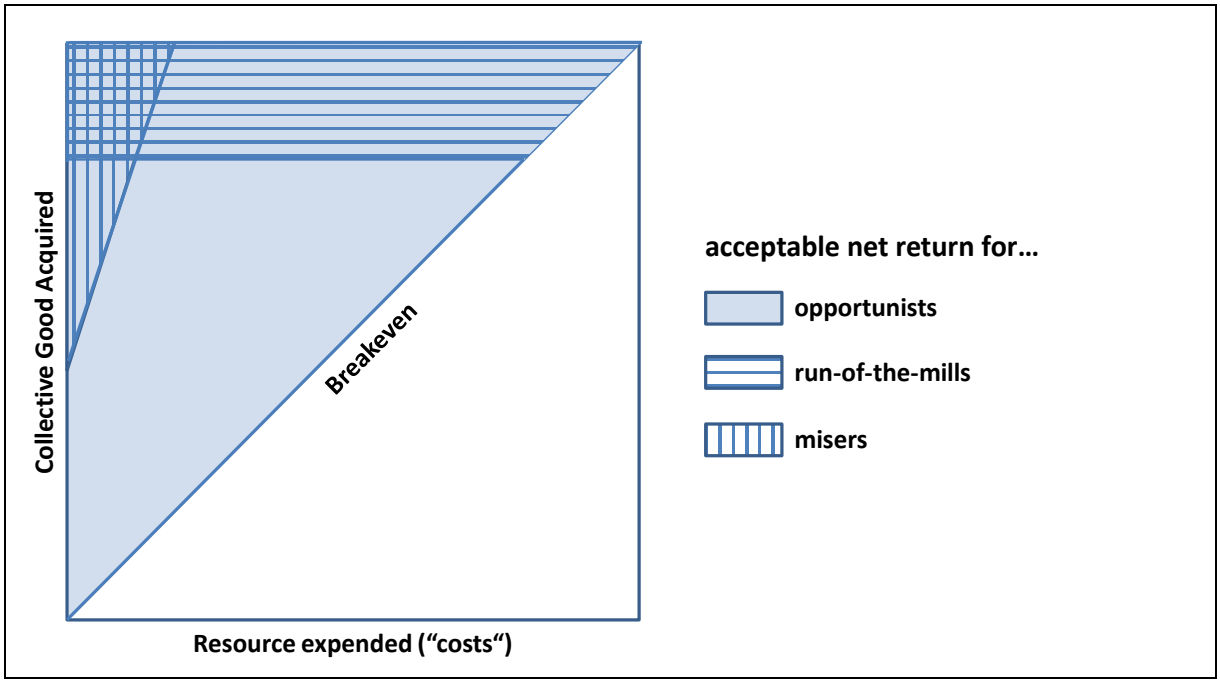
In the following, the transformation of markets or segmentation of markets is regarded as a specific kind of collective good in the eyes of firms in disadvantaged positions. As shown above, certain firms benefit from the resulting segmented market and diminution of competition (Fligstein, 1996, p. 659) regardless of their own commitment. Once achieved, the segmented or transformed market "cannot feasibly be withheld from the others in the group" or market (M. Olsen, 2002 [1965], p. 14). With regard to collective action or the provision of collective goods,

[37] In the case of sustainable tourism, social movements provide threads and market opportunities to convince incumbents. Nevertheless, the low *"movement permeability"* or high fragmentation leads to a cooptation of the initial movement by the incumbents (van Wijk et al., 2013, p. 377f).

[38] C. Oliver and Holzinger (2008, p. 499) argue that "(…) collective action theory suggests that political activity will be less costly in small, concentrated industries, where the potential of free riding is lower". They report mixed evidence or the size of the industry, which questions the supposed mechanism of mutual recognition to hinder free riding (Getz, 1997, p. 36ff; C. Oliver & Holzinger, 2008, p. 499). Nevertheless, their review of Corporate Political Behavior includes several studies supporting the thesis of a higher likelihood of Corporate Political Activity in concentrated industries (e.g. C. Oliver & Holzinger, 2008, p. 500ff; Pittman, 1988). Industry concentration measures the degree to which the market share is unevenly distributed and few firms hold a high market share. These findings support the argument that incumbent groups with a high market share are an important precondition for political activity among challenger groups. For a review of collective action and Corporate Political Activity see Getz (1997, p. 36ff).

Tilly (1978, p. 84ff)[39] emphasizes the balance between "resource expended" or "costs" and "amount of collective good acquired" to distinguish four different kind of social movement member[40]: "zealots", "opportunists", "misers", and "run-of-the-mills". Therefore, members might not mobilize their resources to gain mere positive net returns (as the "opportunist") but are restricted to positive net returns and, additionally, a specific amount of collective good above a threshold ("run-of-the-mill"). "Misers" want to spend only a very limited amount of their resources to acquire a very high amount of collective goods. At last, "zealots" will spend any resource necessary to acquire a high amount of collective goods beyond a threshold, even though their net return is negative. In reference to this simple taxonomy, one can easily distinguish two categories of members – those who require positive net returns ("opportunists", "misers", and "run-of-the-mills") and those who do not ("zealots"). The taxonomy (without "zealots") is presented in Figure 4[41]:

Figure 4: Acceptable net returns for different kind of actors



source: adapted from Tilly (1978, pp. 86, 89)

Logically:

[39] For a summary and comparison of different models of collective action, see P. E. Oliver (1993).
[40] The following argument is drawn from Tilly (1978, p. 84ff) with minor adjustments.
[41] The restrictions due to "opportunity" and "mobilization" are left out (Tilly, 1978, p. 87). The graph represents the area up to the maximum of opportunity and to the maximum of mobilization in Tilly (1978, p. 89). In addition, Tilly (1978, p. 89) conceptualizes the "opportunist" as seeking gains, while the "run-of-the-mill" merely avoid losses. Therefore, the exact points on the "breakeven" line "attract" only "run-of-the-mills" but not "opportunists". Since the graph represents an incentive structure for collective endeavors, the exact gains and losses are not of importance. To argue for an empirical difference between "seeking (even minor) gains" and "avoiding (even minor) losses" would imply that actors are able to calculate gains and losses exactly in advance. The graph represents *ex ante* expectations in which the differences between avoiding any loss and seeking any gain is neglectable. They capture expectations and therefore lack exact calculus (Beckert, 2013).

(**2.4-1**) "**misers**" → "**opportunists**"
"**run − of − the − mills**" → "**opportunists**"
(all misers as well as all run-of-the mills are opportunists with regard to acceptable net returns)

Firms are cost sensitive entities which have to balance costs and returns to survive in the market setting (Lawton et al., 2013). Even though, firms are not necessarily efficient (Meyer & Rowan, 1977), a negative net return over time will significantly increase the chance of bankruptcy. Therefore, I assume that firms require a positive net return over time and thus cannot be considered as zealots. According to Getz (1997) in his review of Corporate Political Activity,

> "(…) the probability of firms' political activity is dependent upon the value of likely collective and private benefits from CPA *[Corporate Political Activity, author's note]* and the cost of CPA[42]. Firms that do not anticipate benefits from CPA will refrain from being politically active, as will firms, who anticipate benefits below the expected costs of CPA. (Getz, 1997, p. 37 (referring to Keim and Zeithaml, 1986))[43]

Thus, the definition of opportunists in Tilly (1978, p. 88f) and this argument on the incentive structure for political activity of corporations coincide. As can be seen in Figure 4, firms engaging in Corporate Political Activity are regarded as opportunists in Tilly's (1978, p. 88f) sense. Regarding the other three categories, misers and run-of-the-mills can be subsumed under the category of opportunists in set theoretic terms. Opportunists are all members who require a positive net return, of which misers and run-of-the-mills are specific subsets. Thus, all misers are opportunists and all run-of-the-mills are opportunists, while not all opportunists are misers and not all opportunists are run-of-the-mills. The definition of opportunists is more general than that

[42] With regard to working conditions, firms will only consider certification as an opportunity to substantiate that they are no "lemons" (Akerlof, 1970) or "unravel" their practices if they expect positive net returns (Viscusi, 1978).
[43] Keim and Zeithaml (1986, p. 834) employ an exchange model in which the "probability of individual political action" is given by the sum of the "expected value of collective benefits to the individual" and the "value of private benefits of individual collective action" minus the "value of private costs of individual political actions" (A=E*O+P-C). Their parameters demonstrate that the calculation of private benefits (directly or indirectly through the collective benefit) and cost is pivotal for political activities of corporations. Please note that Corporate Political Activity primarily focusses on the relations between the state or state agencies and firms. Here, large firms with a high amount of resources have a stronger tendency to become politically active (C. Oliver & Holzinger, 2008, p. 505). The strong focus on the state is softened, here.

of misers and run-of-the-mills and subsumes both. In conceptual terms, incentives which attract run of the mills and misers should attract opportunists, likewise, but not the other way around[44].

This conceptual issue is required to accommodate for the vast differences between firms which source Fair Trade products, ingredients, or crops. The more general concept of opportunist captures all firms regardless of how much of the collective good they intend to acquire as long as they generate positive net returns. In addition, the concept of opportunist is less restrictive and requires fewer assumptions compared to misers and run-of-the-mills. No further assumptions (on thresholds for the amount of collective good produced or the resources) are required as long as the expended resources are expected to pay off. Moreover, the rather crude incentive structure by Tilly (1978, p. 88f) depicts ideal typical incentives on average and not for individual members. Therefore, it is convenient to assume that the average firms will at least react to (expected) positive net returns when spending resources - instead of suggesting additional (and, for this purpose, arbitrary) thresholds for the expected amounts of collective good as well as expected amounts of resources.

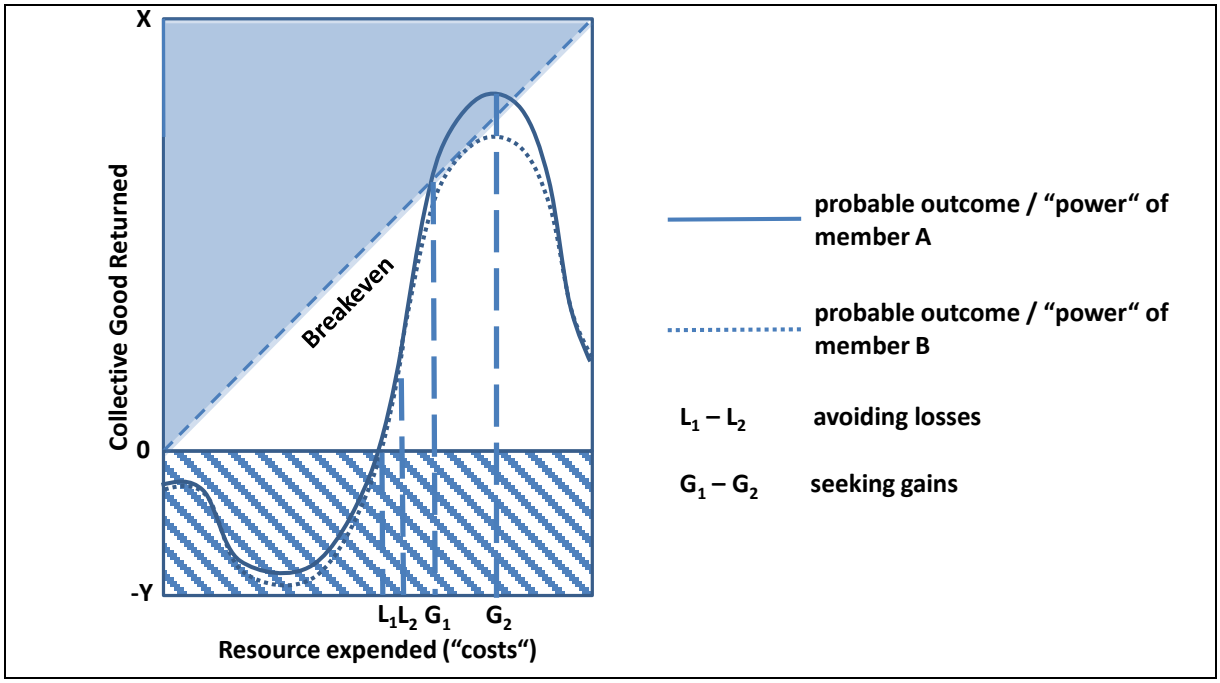
To argue that firms will engage in the risky and uncertain enterprise of providing collective goods requires an extension of this simple model to cover the costs of inactivity, as well. Therefore, the capabilities and probable outcomes for firms have to be considered as well (Lawton et al., 2013, p. 91; C. Oliver & Holzinger, 2008)[45]. Firms, much like social movements, face the deficiencies and shortcomings of the status quo as well as expected future states (Beckert, 2013). Therefore, they are not merely attracted by the given incentive to spend resources which pay off, but by the additional costs of inactivity as well. C. Oliver and Holzinger (2008, p. 497) argue that, even though "free riding" is highly common among firms, "(…) firms that engage in political strategies may be more likely to strengthen their competitive advantage than firms that are passive or politically inactive". Furthermore, the probable returns of collective action need to be considered. Those set the limits of (relative) potential returns and are called "power" by Tilly (1977 [01/1977], p. 13; 1978, p. 55). The higher the expected rate of return for a given amount of resources expended, the higher the power of the member. Therefore, power according to Tilly

[44] Misers are opportunists, which will only accept an amount of collective goods above a specific threshold and are only willing to contribute resources up to a certain threshold. Run-of-the-mills are opportunists which will only accept an amount of collective goods above a certain threshold. Besides their idiosyncratic attributes, run-of-the-mills and misers require positive net returns in Tilly (1978, p. 88f).

[45] Both approaches primarily focus on the regulatory environments provided by the state and the opportunities of corporations to shape the political landscape. Nevertheless, since they stress the importance of the "political environment" in a broader sense, the argument can be extended to the influence on civil society and social movements as part of this broader "political environment". In particular, E. T. Walker (2009, 2010, 2012, 2014) stresses the growing involvement of private corporations in grass root activities through specialized public relations agencies. Therefore, the political activity of corporations is not limited to "conventional political activities" (Scherer et al., 2014).

(1977 [01/1977], p. 13; 1978, p. 55) delineates asymmetries of returns from a collective good by different members or categories of members. In Figure 4[46] opportunists with potential positive return up to the amount X and potential negative returns / collective bads down to the amount of -Y have to deal with different probable returns. Due to the structure of probable outcomes, member B (dashed line) cannot receive a positive net return and might only mobilize his resources to avoid losses / collective bads ($L_1 - L_2$). Member A (solid line) is in a much more favorable power position and can choose between expending a very limited amount of resources in order to avoid losses ($L_1 - L_2$) or expending a large amount of resources to obtain gains ($G_1 - G_2$). In the area between L_2 and G_1, expended resources do not pay off. This area is too costly to avoid losses ($L_1 - L_2$ would suffice), while gains will not be achieved either. Spending more than G_2 would neither pay off for an opportunist.

Figure 5: Probable outcomes and power asymmetries



source: adapted from Tilly (1978, p. 139f)

After outlining the market model by H. C. White (1981, 2000, 2002b) and the incentive structure of social movements and firms by Tilly (1977 [01/1977], 1978), a synthesis is provided within the next pages. The incentive structure provides the micro foundation for the explanation of change within the market plane. The market plane is well suited for the analysis of markets as self-

[46] Argument is drawn and adapted from Tilly (1978, p. 138ff).

reproducing role structures in which roles and niches are set and the actors have strong incentives to locate themselves in similar relative positions to each other over time (H. C. White & Godart, 2007). It is argued that the case of change (1) of the position of actors within the market and (2) the position of the market itself is due to a change of the perception of quality. Firms and social movements play an active role in the process of questioning the persistent definition of quality and establishing a new definition of quality (Bartley, 2007b; Bergeron et al., 2014; Dubuisson-Quellier, 2013b; K. Weber et al., 2008). Therefore, firms need incentives to change their current strategy to accommodate for a new perception of quality or even aid in the process of establishing novel characteristics of quality (Bartley, 2007b; Dubuisson-Quellier, 2013b). A new quality characteristic, which by its inherent properties allows for market segmentation and increasing returns to scale, may be perceived as a collective good. The new quality characteristic should be easily accessible and understood by relevant audiences (i.e. consumers) to undermine incumbent structures, which are perceived as unfavorable and undesired by relevant (challenger) firms within markets (Fligstein & McAdam, 2011, 2012). Thus, to increase the variation on quality and decrease the likelihood of crowding (H. C. White, 2000).

Figure 5 can be applied to different types of actors at very different points in time. While the incentive structure captures strategies to influence the political environment for early adopters, the same incentives can be applied to late adopters as they comply with the external demands of their environment (Tolbert & Zucker, 1983). Therefore, Tilly's (1977 [01/1977], 1978) conceptual framework captures the two main political strategies of firms according to C. Oliver and Holzinger (2008) if one disregards the motivational aspects of "value creation" and "value maintenance" (C. Oliver & Holzinger, 2008, p. 506).

For late movers, it depicts the fact that the non-compliance to legitimacy enhancing demands brings about costs and urges firms to acquiesce to those demands without being necessarily convinced (Kennedy & Fiss, 2009; C. Oliver, 1991, p. 168ff). Mimetic isomorphism occurs (DiMaggio & Powell, 1983; C. Oliver, 1991, p. 168). Meyer and Rowan (1977) call this "decoupling" – the process of implementing certain legitimizing standards to silence criticism and to express conformity, while at the same time "decoupling" it from the activities of the firm as a whole. C. Oliver (1991) outlines a whole typology of potential tactical maneuvering of firms being exposed to demands of their direct environment to accommodate for firms' strategy, whereas the lack of legitimacy usually leads to passive acquiescence. The costs of inactivity are exceptionally high for late adopters of practices, which have already diffused to a large part of the relevant population of firms (Kennedy & Fiss, 2009).

For early movers, it points at two different processes. On the one hand, crowding (H. C. White, 2000) within or between product markets is costly and dicey for firms and markets since it bears the risk of being substituted and replaced by other firms or markets. Therefore, firms or groups of firms screen for opportunities to distinguish themselves from each other in order to establish distinct identities and decrease the overlap of buyers and identities to other markets and firms (e.g. Carroll & Swaminathan, 2000; Dobrev et al., 2006; Hannan, 2005; Navis & Glynn, 2010; Sikavica & Pozner, 2013; Swaminathan, 2001). The costs of establishing this visible identity are captured by the area up to L_1. Here, net returns capture the degree of distinctiveness of the identity (a decreasing w in the sense of H. C. White (2000, p. 126ff)). Sikavica and Pozner (2013) detected similar mechanisms in their application of the resource partitioning theory to organic farming, micro brewing, and micro-radio broadcasting. Here, the creation of sharp boundaries to distinguish the niche from the mainstream market played a pivotal role for the distinctiveness of the identities. Alternatively, if the legitimacy of certain processes and practices is called into question by social movements, first movers will be exposed to costs, as well, since they are directly targeted to make a visible and salient example (Bartley & Child, 2014; Schurman, 2004). Furthermore, social movements screen for vulnerable firms or organizations in terms of potential costs to further their claims (D. P. Baron, 2001, p. 27ff; Schurman, 2004)[47]. Depending on the perceived level of threat, targeted firms and nearby firms of the same industry might be pushed to contribute to a collective good (van Wijk et al., 2013; T. L. Waldron et al., 2013). Social movements do not only disturb certain practices to merely vilify established practices, technologies, or even dominant firms like it has been the case with biotechnology (King & Pearce, 2010; Schurman, 2004; Schurman & Munro, 2009), but may initiate projects for alternatives (Carroll & Swaminathan, 2000; Navis & Glynn, 2010; Sikavica & Pozner, 2013; Swaminathan, 2001; K. Weber et al., 2008). Both mechanisms for pioneers (avoidance of crowding or disruptive tactics) are not mutually exclusive, since social movements are known to signal opportunities for alternative identities and help in the creation and dissimilation of new identities (e.g. Carlos et al., 2014; Schneiberg et al., 2008; van Wijk et al., 2013; K. Weber et al., 2008). Thus, the shortcomings of struggling within crowded areas pushes challenger firms to take action in order to establish distinguishing new features of quality and "setting new standards" to evade "the conception of control" (Fligstein, 2001a) by major companies (Dubuisson-Quellier, 2013a, p. 260f).

[47] Vulnerability is also a key antecedent with regard to organizational change as a response to governmental regulation (J. N. Baron et al., 1991).

Nevertheless, those assumptions cannot predict the concrete choice for a specific feature given alternative choices. Social movements and institutional entrepreneurs provide salient opportunities and frames (Dubuisson-Quellier, 2013a) (see chapters 2.6 and 2.7) to point out specific existing opportunities and preclude alternatives for an appealing conception of quality. Therefore, discursive strategies and especially framing need to be included in the explanation of the reconceptualization of quality in markets (Dubuisson-Quellier, 2013a). Framing will be discussed in the next chapter (2.5).

2.5 Mobilizing Industries – Framing Issues and Identities

The concept of *framing* holds a prominent position as a necessary part of both the transformation of markets from within (through the process of institutional entrepreneurship in chapter 2.6) and from outside (through social movements in chapter 2.7). Both processes take place in markets in which frames played a vital role and framing is necessary – an INUS condition, as will be argued - for both processes to occur. In this chapter, the concept of framing and its role for social movements and market evolution are explained and linked to the framework of H. C. White (1981, 2000, 2002a)[48]. To account for the concrete choice of a certain characteristic of quality for the transformation of markets, framing is employed as a discursive mechanism.

Discourse establishes meaning and identity for firms in the constitution of roles, niches, and market segments (Mützel, 2015). "Signals" are transmitted to reduce uncertainty and aid firms to establish market profiles and thus, locate themselves within markets (Mützel, 2015, p. 272). In particular, framing is pivotal for the successful establishment and diffusion of new standards for the regulation of markets (as copyrights, for instance) (Dobusch & Quack, 2013). Framing and other linguistic efforts are conceived as a vital part of identity building – for social movements as well as for market niches or segments (Babb, 1996; Campbell, 2005, p. 98ff; Mützel, 2015, p. 265; Navis & Glynn, 2010; Wry et al., 2011; Zilber, 2007, 2008). Thus, it is directly connected to crowding because of high overlaps in existing identities (Figure 3 on page 34).

> "Legitimating new categories involves framing processes that imbue new categories with cultural resonance and the construction of new practices associated with the categories.

[48] For an example of the application of H.C. White's (1981, 2002b) model for "conversations" ("Unterhaltungen" in German) in markets and especially in the market of newspapers see Mützel (2015).

> Social movements' framing of new categories helps break down cognitive barriers" (King & Pearce, 2010, p. 259).

The notion of framing originates from the work of Goffman (1986 [1974]), who stressed the construction of meaning for the members or potential allies of social movements or - in the case of markets - common projects to tackle the predominant structure of markets or other social entities (Fligstein & McAdam, 2012; Hung & Whittington, 2011; K. Weber et al., 2008, p. 35ff)[49]. Thereby, "(…) frames functions to organize experience and guides actions by enabling individuals 'to locate, perceive, identify, and label' occurrences and events within their life spaces" (Snow, 2004, p. 385 with reference to Goffmann's Frame Analysis [1974]). In line with this interpretive function, *collective action frames* are defined as "(…) action oriented sets of beliefs and meanings that inspire and legitimate the activities and campaigns of a social movement organization (SMO)" (Benford & Snow, 2000, p. 614). Besides interpretations, collective action frames encompass an inherent mobilizing function and a strategic component. They intend to "(…) activate adherents, transform bystanders into supporters, exact concessions from targets, and demobilize antagonists" (Snow, 2004, p. 385). The distinct "tasks" of collective action frames are conceptualized differently by Benford and Snow (1988, 2000) and Gamson (1992). Both approaches delineate three (strikingly similar) tasks[50] which have to be performed in order to mobilize[51]. Benford and Snow (2000) distinguish between different parts of frames by their specific mobilizing function:

[49] The collective construction of meaning and identity (through membership) is the anthropological foundation of markets as strategic action fields (Fligstein & McAdam, 2012, p. 36ff). Fligstein and McAdam (2012, p. 42) go beyond a purely constructivist perspective and argue for the social construction of meaning as the "existential function of the social".

[50] Gamson (1992) uses the term "component" to distinguish the three conceptual elements of collective action frames, while Benford and Snow (2000) employ the term "task". The term "components" emphasizes the importance of joint occurrence of the elements to cause an effect and to the individual necessity and joint sufficiency of the single elements for the concept collective action frames. In Gamson's (1992) work all three components have to be present to mobilize (Swidler, 1993, p. 811). The term "task" demonstrates that all three elements fulfil certain distinguishable tasks and might occur separately (for a review, see Sow, 2004: 388f). Here, both terms are employed: "tasks" refer to the theoretical deduced expected effects on audiences, while (as will be argued in this chapter) two of the single elements of Benford and Snow's (2000) collective action frames have to occur together to cause an effect. Therefore, the term "component" underlies the necessary interconnection of some elements in the case of market transformation.

[51] Gamson (1992) argues that persisting "injustice" has to be brought to the minds of audiences and encompasses moral and emotional components. "Agency" "denies the immutability of social order and supports the efficacy of social action" (Vicari, 2010, p. 506) – it shows the potentials of taking action to potential allies. Finally, "identity" refers to the construction of in- and outgroups and ensures a certain degree of internal cohesion.

(1) "diagnostic" framing demonstrates injustice and victimizes those who suffer from this injustice. In doing so, frames have to identify the sources of injustice and attribute to it. They define the problem (Benford & Snow, 1988, p. 200).

(2) "prognostic" framing involve the articulation of a solution for a defined problem and possible courses of action (Benford & Snow, 2000, p. 616).

(3) finally, "motivational" framing offers motives or incentives for individuals to act and to engage in the social movement (for a detailed review: Benford & Snow, 2000, p. 615ff).

Gamson (1992) stresses the identity building function (showing injustice – providing agency – building a common identity), while Benford and Snow (2000) have a slightly stronger focus on problem solving (diagnosing a problem – proposing a solution – motivating to take action) or an explicit orientation on action and strategy. As Vicari (2010, p. 507f) points out, the "diagnostic" and "injustice" elements are quite interchangeable, especially since "diagnostic" elements usually fulfill the task of "adversial framing" – thus, vilifying opponents. The "prognostic" element refers in part to "agency" since the "proposed solution" ("prognosis") might refer to "potentials for action" (Vicari, 2010, p. 507). The "identity" component contributes to both – to the "prognostic" as well as to the "motivational" tasks. In the social movement literature, frames might address *bystanders*[52]. In the case of market creation, the mobilization of consumers as a particular kind of bystander, and their transformation to *supporters* (Gamson, 2004, p. 250) is a vital task (K. Weber et al., 2008). In the case of market creation, it consists of

> "(…) bridging the social distance between producers, creating an infrastructure of distribution channels and cultural understandings of market participants, and agreeing on quality dimensions that allow for the valuation of products. To get regular exchange going, consumers need to be aware of and demand new products. (…) For existing markets, this distance is bridged by a mediating infrastructure of distributors, critics, and marketing channels. Yet, producers in new markets that reject existing structure, (…), face a challenge in reaching consumers who would potentially demand their product" – this challenge is especially severe in the case of a high geographical and/or social distance (K. Weber et al., 2008, p. 552f).

[52] Bystanders "carry around different collective identities" of "imagined communities" and "can only speak through some form of organization or advocacy network that attempts to generate, aggregate, transform, and articulate their concerns" (Gamson, 2004, p. 243f).

Bystanders can "become potential allies if they adopt preferred movement frames" (Gamson, 2004, p. 249). An important channel to consumers and a strategy to turn them into supporters includes framing strategies in the mass media. The goals are to increase the readiness to act collectively, to increase the mobilization potential among bystanders, and to discredit the framing efforts of adversaries (Gamson, 2004, p. 250). A high *standing* or voice in the media signals ones' (political) power to change the status quo (Gamson, 2004, p. 251). Power might not only affect standing, but might result from the *resonance* in the media (Schneiberg et al., 2008, p. 656). It stems from the possibility to persuade relevant constituents – hence, consumers in the case of consumption markets. A high resonance "increases the prominence of one's preferred frame" and "increases the appeal of a frame by making it appear natural and familiar" – especially when the frame fits to preexisting cultural understandings (Gamson, 2004, p. 254). The mass media might be able to reach those who are indifferent (Rucht, 2004, p. 199) on the movement's goals and activities - as opposed to relatively clearly identifiable opponents and allies. The media plays a gatekeeper role and is crucial in providing information and influencing people – especially, bystanders (Rucht, 2004, p. 200f). Positive mass media coverage of their own frames – even if information is selected and potentially biased[53] – offers the necessary "bridge" (K. Weber et al., 2008, p. 552) to the consumers (see D. P. Baron, 2005; Rucht, 2004, p. 211).

The media is suspected to have a consistent bias in favor of regulation and socially and ecologically sustainable behavior of firms (D. P. Baron, 2005). In this model, social movements and firms compete for media coverage, while the media acts as a mediator to the general public and consumer groups, in particular (D. P. Baron, 2005). Bystanders might be of little importance as long as they remain in this passive position, but can be of vital importance through "occasional acts of support" even if not necessarily devoted to the project as a whole (Rucht, 2004, p. 211). Collective action frames or a sense of injustice have to reach a critical mass (Benford, 1997, p. 415) and the mass media can act as a mediator or *filter* in this process (Lipsky, 1968, p. 1146). In accordance with the framework of H. C. White (1981, 2002b), it is assumed that collective action frames in the mass media address potential consumers directly as well as potential suppliers indirectly. Both face the problem of uncertainty in the creation of meaning and comparability in assessing the worth of firms as well as products (Mützel, 2015, p. 265f). The frames aim at potential consumers, who should perceive their routine activity of shopping as a "difference

[53] For potential "elite biases" due to the analysis of collective action frames through the media, see Benford (1997, p. 421).

maker"[54] (De Pelsmacker et al., 2005, p. 364; Lawford-Smith, 2015) and become aware of their responsibility in front of producer groups. They might get attracted to products which correspond to their conception of (ethical) quality or boycott suppliers or products with a bad reputation (given by *naming and shaming campaigns*, for instance) (Schurman & Munro, 2009).

Thus, the collective action frames address consumers, primarily. The media discourse helps audiences to "abductively grasp new market concepts" (Kennedy, 2008, p. 273). Accordingly, naming and shaming campaigns point to the shortcomings of existing concepts and accordingly change existing attitudes towards old concepts (King & Pearce, 2010, p. 257). In the case of private regulation, it might support the creation of "a consumer audience that desire[s] socially and environmentally responsible goods, thus providing direct incentives to corporations to adhere to the standards and avoid defection" (King & Pearce, 2010, p. 257). If successful, the altered conception of (ethical) quality in the eyes of consumer groups might have real consequences in pricing and quantities of certain supplier groups which are perceived as meeting or failing to meet the standards of ethical quality (D. P. Baron, 2005; Dubuisson-Quellier, 2013b; Schurman & Munro, 2009). Therefore, the collective action frames have an indirect effect or, at least, an anticipated indirect effect on the aggregate outputs of markets as perceived by single firms. Those anticipated effects might enable and affect strategic decisions (Dubuisson-Quellier, 2013b; Piotti, 2007). According to H. C. White and Godard (2007, p. 10) in Vicari (2010, p. 509),

> "(…) stories and rhetorics can be mobilized to achieve some goals [White, Godart and Corona 2007][55]. Sets of stories highlight the universality of stories and enable the deployment of strategy. Narratives are used in the process of mobilization, as a tool to convince allies and thwart adverse control attempts" (H. C. White & Godard, 2007, p. 10).

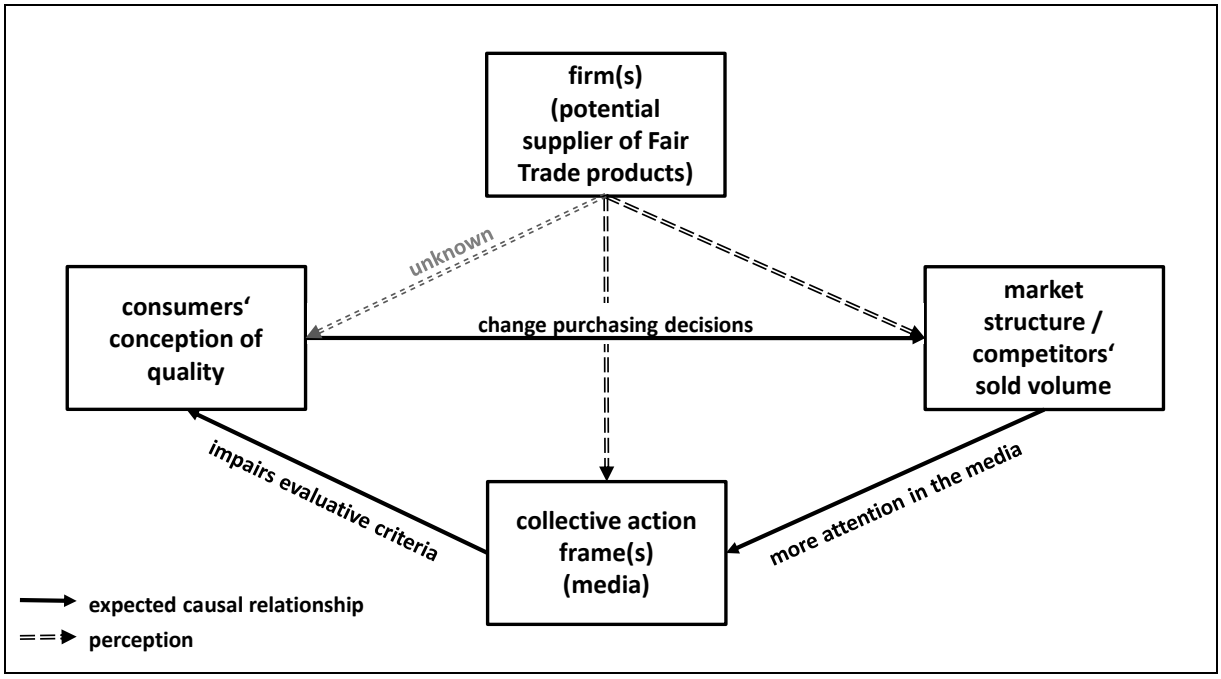
The media discourse "embeds firms in shared cognitive structures for making sense of new markets" (Kennedy, 2008, p. 271). H. C. White (1981, 2002b) assumes that firms screen their environment for helpful cues about their respective market as well as the unknown demand for their products and their customers' conception of quality. If true, the national media offers easily

[54] For a brief critical assessment of the discourse about and the construction of the alleged omnipotent customer in modern markets, see McAuley et al. (2014 [2007], p. 268), for instance. The terms "should perceive" and "becomes aware of their responsibility" refers to the aim of framing efforts and does not mirror the opinion of the author. As an example for this goal, TransFair USA (2007, p. 8) promotes Fair Trade as "an easy way to help fight global poverty simply by selecting the right products. Feeling good about making a difference in the lives of farming families while indulging in some of the world's best-tasting foods."

[55] This reference can be found as H. C. White et al. (2007) in the Bibliography.

acquirable information (or cues) about trends, quality, competitors, and consumers (Kennedy, 2008; Piotti, 2007). The media discourse shapes the context of firms and aids in the analysis of competitors (Kennedy, 2008, p. 289). In a more abstract sense, the national media enables the actors to *reflexively monitor* the *setting of interaction* and allows to go beyond the perception of separate and seemingly unconnected actions (Giddens, 1979, p. 57). This setting of interaction is given by the market in which they are embedded. In contrast to the information about other competitors' brands and their respective volumes, it might even enable forecasting about structural changes in markets (Piotti, 2007) as can be seen in Figure 6.

Figure 6: Collective action frames , the media, and outcomes in markets



source: adapted from the graphs of D. P. Baron (2005, p. 346); Lipsky (1968, p. 1147); Rucht (2004, p. 201)

This schematic model can be regarded as a rough simplification of similar models by D. P. Baron (2005, p. 346), Rucht (2004, p. 201), and Lipsky (1968, p. 1147). In this model, the resonance of collective action frames in the national media influences consumers' decisions, who act accordingly and align their purchasing behavior with certain moral claims. Lipsky (1968, p. 1147) calls the effect of this behavior by audiences "material" and "symbolic rewards", which are directly and indirectly communicated to the movements' constituents and target groups. In the case of consumption, the amount and market share of certified goods is regarded as an indicator of success and a reward. They are especially prone to do so if they share strong "beliefs about the seriousness of the externality and the extent to which they internalize the externality associated with their purchase" and anticipate a low bias against the industry in the media (D. P. Baron,

2005, p. 346)[56]. Even if the effect on consumers is weak or inexistent, firms might expect an effect of the resonance in the media on consumers' decisions and the actual effect on the consumer might not be required. The strategic decisions by firms are affected even though consumers' decisions remain unchanged. Then, the firms would either learn (over time) that the "signal" is weak (Mützel, 2015) or their strategic decisions would result in a "self-fulfilling prophecy" (Merton, 1948; Piotti, 2007). The consumers' choices are affected by the decisions of firms (the increased availability of certain products and increased marketing for Fair Trade products by firms) instead of the framing in the media. The (at the beginning) "(…) *false* definition of the situation evok[es] a new behavior which makes the originally false conception come *true* [emphasis by Merton]" (Merton, 1948, p. 195) and the feedback loop is initially "performative" (MacKenzie & Millo, 2003)[57]. An initially inexistent trend becomes an "almost natural option" and "inevitable" (Piotti, 2007, p. 19).

Either due to the expectations by firms or to the aggregated purchasing decisions by consumers, the higher relevance of certain moral criteria for product markets enhances the attention and resonance in the media. In general, the media is more likely to be biased in favor of activist groups and against the industry, which is due to the higher likelihood of concealment by activists (D. P. Baron, 2005, p. 347). Therefore, if the resonance of moral claims affects consumers, and aggregate purchasing decisions precipitate increased media attention or the firms' belief results in a self-fulfilling prophecy (Merton, 1948), feedback loops can be observed. A "Matthew effect" (Merton, 1995) for the media attention and sales of certain products occurs. If, on the other hand, increased media attention does not affect aggregate consumption decisions and the firms learn that the "signal" is weak (Mützel, 2015), the feedback loop is disrupted and the attention by the media vanishes. Therefore, some products might receive a high attention at the time of their launch, which abates as the formerly novel product matures without gaining momentum. The resonance in the media can be regarded as easily accessible information and if firms screen their environment or context for information, this information provides one opportunity to forecast and build expectations about future outcomes (Kennedy, 2008, p. 289). Therefore, the media does not only directly affect consumers, but might indirectly influence strategies and tactical maneuvering by firms as well. If firms expect the media to have an impact on consumers'

[56] D. P. Baron (2005) distinguishes between the consumer, who might change his purchasing behavior and the citizen (the same actor) who might favor and vote for regulation. This differentiation is not necessary, here. The focus lies exclusively on the consumer and not on the citizen.

[57] In any case, the consumers' purchasing decisions need to change at some point in time for the loop to keep running. The rather strong assumption that the national media affects aggregated consumers' choice is only relaxed – either the collective action frames in the media or the decisions (and marketing efforts) by firms affect consumers' purchasing decisions. If the consumers are affected by neither, the loop will be distorted.

decisions, the media might offer opportunities to forecast and anticipate. As it has been argued in the introduction of chapter 2, the presumed process in Figure 6 does not imply that collective action frames are sufficient or necessary. Rather, it is still regarded as an INUS condition, which relies on other INUS conditions to cause any effect. The other INUS conditions are merely left out of the graph for the sake of simplicity. They will be discussed within the next chapters 2.6 to 2.8.

2.6 From Within – Institutional Entrepreneurship as an Endogenous Driver of change

In this chapter, the transformation of markets is attributed to institutional entrepreneurs (DiMaggio, 1988), who change markets through "creative destruction" (Beckert, 1999, p. 786). It is a "process of industrial mutation" that

> "(…) increasingly revolutionizes the economic structure *from within* [emphasis by Schumpeter], incessantly destroying the old one, incessantly creating a new one. This process of Creative Destruction is the essential fact about capitalism" (Schumpeter, 2008 [1942], p. 83).

Institutional entrepreneurs are single actors or small groups of actors who willingly and strategically shape and redesign their own institutional environment (Beckert, 1999, p. 781). Here, the conceptions of quality in product markets are regarded as being part of these institutional environments. It will be demonstrated that the concept evolved as a possible driving force to account for change to attenuate the oversimplified focus on stability and the reproduction of institutions (DiMaggio & Powell, 1983; Scott, 2014 [1995]). Nevertheless, the concept bears the risk of watering down the previous strong and parsimonious assumptions about the alleged "omnipotence" of institutions (Beckert, 1999, p. 780) and lacks clear statements about the exact mechanisms that convey a disruption of old or even obsolete institutions and bring about evolving alternatives. The chapter finishes with a parsimonious logical statement about the role of institutional entrepreneurs as an INUS condition of the transformation of markets, which is regarded as a special case of institutional change.

Within a few years, research on single organizations or individual actors as drivers of change has grown exponentially with 30 articles between 1990 and 1999, 366 articles from 2000 to 2009 and

306 articles between 2010 and 2012. At rough estimate, this means that between 1990 and 1999 three articles were published per year on average, between 2000 and 2009 37 articles per year on average, and between 2010 and 2012 102 articles were published per year on average on institutional entrepreneurship as a driver of institutional change (see Welter & Smallbone, 2015 for details). Therefore, this chapter offers a selective overview over this stream of literature.

Most of these papers struggle with the paradox of "embedded agency"[58]. This paradox emanates from the initial focus of sociological institutionalism or neo-institutionalism on cognitive embeddedness (Zukin & DiMaggio, 1990) and isomorphic forces within *organizational fields* (DiMaggio & Powell, 1983)[59]. Within this stream of literature, actors enact institutionalized rules rather passively and without further considerations – strategic action is less emphasized (Barley & Tolbert, 1997; C. Oliver, 1988; Senge, 2006, p. 50ff). Complying with institutional requirements provides legitimacy, which is regarded as the main objective of firms and other organizations[60]. A closer look at some of the empirical evidence of organizational isomorphism and the omnipotence of institutions reveals that it is closely related to the "reproduction of role structures" within markets and industries (H. C. White, 1981, 2002b). Institutions can constitute and cement the "roles" of firms and especially status hierarchies between firms within markets. Organizational fields are an inherently relational concept (Levi Martin, 2003, p. 14; Powell et al., 2005; Wooten & Hoffman, 2008, p. 138).

[58] See Weik (2011, p. 469f) for profound critique of this alleged "paradox".

[59] Organizational fields comprise "those organizations that in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services and or products" (DiMaggio & Powell, 1983, p. 148). According to Levi Martin (2003, p. 27) those fields are constituted by interaction, mutual recognition, power relations, and coalition building among groups of organizations. Therefore, "organizational fields" are conceptually close to strategic action fields (Fligstein & McAdam, 2012). The difference lies in the strong focus on active agency by Fligstein and McAdam (2012, p. 219). DiMaggio and Powell's (1983, p. 148) apply their concept to organizations, while their listing of potentially relevant organizations shows a strong connection to commercial organizations or firms. Fligstein and McAdam's (2012) notion of strategic action field is more general and also applies to fields constituted by other actors, especially states.

[60] Legitimacy is broadly defined as "(…) a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995, p. 574). The compliance to institutions is enforced through cultural-cognitive, normative, and/or regulative measures (DiMaggio & Powell, 1983; Scott, 2014 [1995], p. 55ff). "Institutions comprise regulative, normative, and cultural cognitive elements that, together with associated activities and resources, provide stability and meaning to social life" (Scott, 2014 [1995], p. 56). Scott (2014 [1995]) defines institutions with special regard to the mechanisms leading to compliance and thus, provides a less general definition compared to Esser (2000), who defines institutions as socially defined rules which contain general claims of validity in the expectation of actors ("Eine Institution sei eine sozial definierte Regel, die in den Erwartungen der Akteure als Geltungsanspruch verankert ist"(Esser, 2000, p. 2). Nevertheless, both definitions do not necessarily contradict each other; Scott's (2014 [1995], p. 56) approach can be subsumed under the minimal definition of Esser (2000, p. 2), who does not explicitly stress resources and mechanisms in his definition. The notion of expectations which is prominent in Esser's (2000, p. 2) definition is rather implicit in Scott's (2014 [1995], p. 56) approach. Esser (2000, p. 102ff) links his definition to four mechanisms by which legitimacy is provided and the institution is sanctioned. Scott's (2014 [1995], p. 56) definition is especially related to organizational analysis and is applied here for this reason. He links the enforcement of institutions or isomorphic forces to emulation because of uncertainty ("mimesis/cultural-cognitive"), professions ("normative"), or hierarchies, the state, and power ("coercive/regulative"). Those mechanisms ensure the compliance to already established institutions, but are also the driving force in the diffusion of new practices.

Dobbin (1994) shows that the institutional design of the railway system is contingent upon national specific cognitions about the "right" allocation of competences between the market and the state. Fligstein (1985) analyses the changing corporate structure of the 100 largest industrial firms in the USA away from the unitarian and to the multidivisional form as a case of institutional change. In a similar vein, Thornton (2002) tracks and delineates the change of higher education publishing as an example of a changing "logic of the market" (Thornton, 2002, p. 84). Following the "old editorial logic", the success of publishers was determined by reputation and professionalism, while the "market logic" gained momentum over time and superseded the obsolete "editorial logic" (Thornton, 2002, p. 84). Clearly, the determinants of success (and, accordingly status within the market) changed as the institutional structure of this market did. The "logic of the market" assigned positions to the publishers and was prone to change (Thornton, 2002, p. 84). Even though, the evidence of Kraatz and Zajac (1996) does not support neo institutional theory, they analyze the market for private liberal arts colleges with regard to institutions and homogeneity. They distinguish institutional and technical requirements, while the latter appears to be of greater importance in their explanation of diversity within this market.

Initially, change within this "iron cage" (DiMaggio & Powell, 1983) and especially intentional change due to strategies of autonomous actors within these structures seemed implausible. Nevertheless, the early work on processes of diffusion by Tolbert and Zucker (1983) already pointed at the need to differentiate between early and late adopters of structural characteristics[61]. Accordingly, firms differ in the depth of adoption contingent upon the time of adoption in the process of diffusion (G. F. Davis, 2005, p. 491). These differences could be detected in various markets and for different characteristics, ranging (for instance) from CEOs' long term incentive plans (Westphal & Zajac, 1994), environmentally voluntary agreements (Delmas & Montes-Sancho, 2010) to the implementation of the ISO 9000 (Naveh et al., 2004).

The concept of institutional entrepreneurship steps ahead in presuming an active role of those entrepreneurs in the process of institutional change. While early adopters merely recognize

[61] While late adopters of civil service reform are driven by their need to acquire legitimacy and therefore act passively, early adopters or pioneers adopt structures after considering the pros and cons of implementation (Tolbert & Zucker, 1983). This initial argument about motivations has been transferred to various settings of diffusion and has been extended to the difference between substantial and symbolic adoption of new practices and structures. This difference is typically conceptualized as the change of performance due to and required by certain standards of early and late adopters (Delmas & Montes-Sancho, 2010; Naveh et al., 2004; Westphal et al., 1997; Westphal & Zajac, 1994). Relative to pioneers, late adopters show inferior performances (Delmas & Montes-Sancho, 2010; Naveh et al., 2004; Westphal et al., 1997; Westphal & Zajac, 1994). Late adopters might pursue a pacifying strategy in which they "placate and accommodate institutional elements" (C. Oliver, 1991, p. 152). They are motivated by threats instead of opportunities and try to avoid social losses and economic losses at the same time (Kennedy & Fiss, 2009, p. 901). In contrast, early adopters are able to reconcile social and economic gains – even though the gains of institutional change might be uncertain at the early stage (Aldrich & Fiol, 1994). However, this argument conceives actors as being exposed in a similar manner to their institutional context. Early adopters are more prone to seek the gains of institutional change and late adopters avoid potential losses after a practice already gained momentum (Kennedy & Fiss, 2009, p. 901).

opportunities, they do not manipulate or change the structure of their environment. In C. Oliver's (1991) framework[62], early adopters might be considered as those firms or organizations, in which the economic and social gains of institutional claims coincide (e.g. Kennedy & Fiss, 2009). Therefore, they are prone to "acquiescence" (C. Oliver, 1991, p. 152f) without being passive enactors of routines and scripts, but since certain novel claims appear meaningful and expedient to them. On the other hand, the concept of institutional entrepreneurship is apparently located on the other end of C. Oliver's (1991, p. 160) continuum[63]. Even though, the literature on institutional entrepreneurship is inconclusive regarding various antecedents and conditions for institutional change driven by entrepreneurs (Battilana et al., 2009; Welter & Smallbone, 2015), the common denominator is their definition. They are defined as "actors who leverage resources to create new or transform existing institutions" (Battilana et al., 2009, p. 68). This definition clearly encompasses exclusively those actions which "manipulate" the institutional environment in C. Oliver's (1991, p. 152) typology of potential strategic responses. Therefore, the strategic repertoire of institutional entrepreneurs comprises the active cooptation of constituents (Selznick, 1949, p. 259), the manipulation of criteria of evaluation, or the control of constituents and processes (C. Oliver, 1991, p. 157f).

At the heart of institutional entrepreneurship lies the idea of at least two different kinds of actors. While managers obey the "rules of the game" (Fligstein & McAdam, 2012, p. 4) in a rather passive manner, entrepreneurs actively exploit and even break those rules to further their own goals (Beckert, 1999). Entrepreneurial action can result either in the questioning or in the destruction and rebuilding of the (institutional) structure. The work on the process of "creative destruction" by economist Joseph Schumpeter remarks an early reference point of this literature (Autio et al., 2014, p. 1097; Beckert, 1999, p. 785f; Weik, 2011, p. 470f). According to Schumpeter and others, the innovative power of capitalism is attributed to its capability to select outstanding actors and ideas from the whole society (Deutschmann, 2009). The main advantage of capitalism is ascribed to the process of "creative destruction":

[62] For an overview over alternative classifications of strategies and reactions to the institutional environment, see Welter and Smallbone (2015, p. 9ff).

[63] Welter and Smallbone (2015) argue that these passive strategies might also lead to institutional change. I agree that institutional entrepreneurship does include incidental and unintended consequences of purposeful action and that minor adjustments on the organizational level can lead to gradual changes in the institutional environment. Nevertheless, from my point of view, the concept of institutional entrepreneurship is already rather vague (see also Weik, 2011) and extending (or "stretching" (Mair, 2008, p. 178)) this concept further does not seem expedient. Thus, gradual change due to aggregated adaption processes are not precluded as a driver of institutional change, but are not included in the concept of institutional entrepreneurship. Institutional change is a multifaceted process. As Quack (2007) shows, the interplay of strategic and emergent attempts by two different kind of legal professions shaped "transnational rule-setting". Therefore, two processes – one driven by strategy, the other driven by incidental practices – intermingled in this case of "distributed agency" (Quack, 2007, p. 652). For gradual change due to practice driven routines, see also Smets et al. (2012).

> "The fundamental impulse that sets and keeps the capitalist engine in motion comes from the new consumers' goods, the new method of production or transportation, the new markets, the new forms of industrial organization that capitalist enterprise creates" (Schumpeter, 2008 [1942], p. 83)

The concept of entrepreneurship entails the "enforcement of new combinations (even if capitalism is not a necessary requirement)" and a "leading role" of the entrepreneur - the notion of entrepreneurship is inherently linked to the creation of new things:

> "Unsere Behauptung ist also, dass ein Unternehmer derjenige ist, der neue Kombinationen durchsetzt […]. Der Unternehmer ist unser Mann der Tat auf wirtschaftlichem Gebiete. Er ist der wirtschaftliche Führer, ein wirklicher, nicht bloß scheinbarer Leiter wie der statische Wirt." (Schumpeter, 1911, p. 172 [new German spelling rules applied by author]).

> „Nur dann erfüllt er die wesentliche Funktion eines solchen, wenn er neue Kombinationen realisiert, also vor allem, wenn er die Unternehmung gründet, aber auch, wenn er ihren Produktionsprozess ändert, ihr neue Märkte erschließt (…)" (Schumpeter, 1911, p. 174 [new German spelling rules applied by author]).

> "Der Charakter des Unternehmers ist an die Schaffung von Neuem geknüpft." (Schumpeter, 1911, p. 174 [new German spelling rules applied by author]).

Entrepreneurs are able to establish temporal monopolies through innovations which are in turn imitated by managers. Schumpeter neglects the idea of price competition as the main driver of capitalism since it regards the entrepreneur as an "entrepreneur faisant ni bénéfice ni perte" [an actor that does not gain or lose anything] (Schumpeter, 1911, p. 90) – which would be the result of enacted routines or "static economic activity" ["statische Wirtschaft"] (Schumpeter, 1911, p. 176). In turn, the initial monopoly lays the ground for a later competitive and eventually saturated

market until the next innovation occurs (Schumpeter, 2008 [1942], p. 99ff). Again, this novel innovation facilitates the creation of a new temporal monopoly and dispels the former saturated market. This dynamic induces innovative capacity to the capitalist system while the disruptive force of capitalism might undermine the societal foundation of capitalism itself (Schumpeter, 2008 [1942], p. 139ff). As argued above, institutional analysis tends to stress the concept of embeddedness and isomorphic forces – thus, the relative importance of structure over agency. Therefore, individual actors, who are able to initiate institutional change seems voluntary and tends to neglect "taken for grantedness" (DiMaggio & Powell, 1983) as well as incidental effects of individual action. Put simply, given that institutions guide individual behavior and/or restrict the opportunities to choose from, how are entrepreneurs able to act rationally and change the very same structure in which they are embedded?

In order to solve this puzzle, many studies screen for different characteristics of the institutional entrepreneur and/or the institutional context to identify the distinguishing feature(s) between passive embeddedness and active strategic action[64]. Thus, both kinds of arguments are retained. Their scope is merely restricted through the inclusion of focal scope conditions for institutional entrepreneurship.

As the initial concept of entrepreneurship suggest, a relation to business activity and capitalism seems vital for institutional entrepreneurship (Welter & Smallbone, 2015, p. 6). Especially market incentives seem vital for many scholars of institutional entrepreneurship. According to the typology of Kshetri (2009, p. 239f), institutional entrepreneurship has to be conceived as free-market entrepreneurship and is thus bound to the market forces of competition, demand, and supply. Pacheco et al. (2010) compare the evidence for (institutional) entrepreneurs across the disciplines (institutional theory and institutional economics). They conclude that the former has a larger scope in analyzing organizational fields, while the latter clearly uses institutional entrepreneurship to explain and understand commercial activity[65]. Similarly, Welter and Smallbone (2015, p. 6) show that institutional entrepreneurship has been applied mainly to different forms of commercial activity. Therefore, markets are nested in "(organizational) fields" or can even constitute organizational fields. Thus, field level change should threaten the "rules of the game" in markets or spill over to the nested markets (Fligstein & McAdam, 2012, p. 23).

[64] For a more detailed review see Battilana et al. (2009), Bruton et al. (2010), Welter and Smallbone (2015), or Pacheco et al. (2010).

[65] In their argument, the effect of institutional entrepreneurship and especially how their effect interacts with industry structure and concentration is an upcoming opportunity for further research (Pacheco et al., 2010, p. 995). They argue that future research should synthesize both research traditions in the analysis of organizational fields and especially markets.

One of the most striking features of institutional entrepreneurs is their social position within a specified organizational field (or market). Thereby, two different arguments can be detected in the literature. The first one stresses the mobilization of resources and the fact that actors who question the legitimacy of existing institutions need strong legitimacy and leverage to do so successfully (DiMaggio, 1988, p. 14; Greenwood & Suddaby, 2006; Hung & Whittington, 2011). Therefore, a high status facilitates the opportunities to destroy the current institutional order and replace it with an alternative one. The second approach emphasizes the enhanced opportunities of organizations at the periphery of fields (Battilana, 2011, p. 76; Battilana et al., 2009; Maguire et al., 2004), or of organizations at the intersection of two (or more fields) (Castel & Friedberg, 2010; Leblebici et al., 1991). This position offers a distinct perspective on the field itself and on nearby fields. Thus, ideas of nearby fields are more easily detected by organizations located at the fringe and those ideas provide strategic input to those organizations (e.g. Leblebici et al., 1991). Furthermore, the grand overview on more than one institutional structure enhances the reflexive ability and triggers a strategic stance towards institutions. In addition, many theories do not conceive the institutional structure as a neutral mode of coordinating activities. From this angle, institutions do not only provide meaning and orientation, but reproduce a specific role structure and offer guidance in the distribution of outcomes. Therefore, the "rules of the game" (Fligstein & McAdam, 2012, p. 4) are more advantageous for central actors compared to peripheral ones. Consequently, central actors favor current institutions, while peripheral actors regard current institutions not merely as inferior but as the main cause of their disadvantaged position.

Evaluating the debate on the status of institutional entrepreneurs, central actors often do have the leverage, the legitimacy, the relevant ties to other powerful actors, and the resources to alter institutions. Nevertheless, in most instances institutional change invalidates the legitimate basis of their powerful position. In general, incumbent organizations have the necessary means at their disposal, but lack the motivation to induce change[66]. On the other hand, actors in fringe positions often lack the means to induce change, but are clearly motivated to alter their institutional

[66] Whether incumbent organizations are able to govern their institutional environment on their own is an open question. Weik (2011, p. 473) and Czarniawska (2009, p. 423) regard individual institutional entrepreneurship (organization or single natural person as the institutionalizing force) as an oxymoron. According to their argument, institutional entrepreneurship always entails some kind of collective endeavor. This does not preclude single organizations or people that try to create (novel) institutions (Czarniawska, 2009, p. 424). However, even if both high and low status organization have to mobilize allies, mobilization by high status organizations might not rely that heavily on "the power of networks" and more on the "power of resources" (Haunss & Kohlmorgen, 2010). Therefore, high status entrepreneurs usually mobilize fewer, more powerful allies. The required skills to mobilize many in relations to the coordination of few allies should differ. In conclusion, peripheral institutional entrepreneurship requires an exceptional high degree of social skills compared to central institutional entrepreneurship. Exceptions are grass root activities as parts of public relations strategies as observed analyzed by E. T. Walker (2009, 2014) and driven by specialized organizations on behalf of incumbents.

environment, since the current institutions wrong them[67]. Even though, Battilana et al. (2009, p. 76f) and Maguire et al. (2004, p. 659) attribute the inconclusive findings on the status of institutional entrepreneurs to environmental factors (degree of heterogeneity and/or institutionalization)[68] or the type of change, they recommend further comparative evidence for further investigation. Battilana (2011) analyses the interplay between the status of actors within organizations and the organization in its field.

Following the argument on motivational and enabling factors of institutional entrepreneurship, the second important characteristic of institutional entrepreneurs (Battilana et al., 2009, p. 76) is clearly related to the issue of status. Institutional entrepreneurs are equipped with certain mobilizing abilities to step up the coordination among potential allies for their cause. Those enabling characteristics which are referred to as "social skills" (Fligstein & McAdam, 2011, 2012) might compensate for the lack of status and resources. Therefore, the lack of resources and *ex ante* legitimacy in front of important constituents is compensated by collective action. Peripheral actors are motivated by a disadvantageous institutional environment and lack the resources to change this environment autonomously (Battilana, 2011, p. 817f), but are equipped with necessary talents to assemble a great variety of actors to bring about change. This process is specified in more detail in chapter 2.1 within the theoretical framework of Fligstein and McAdam (2011, 2012).

The environment of institutional entrepreneurship is another puzzle within the literature of institutional entrepreneurship. Environments which are in flux and have not settled yet are especially susceptible to strategic and voluntary actions in order to structure relations. In this process of "structuration" (Giddens, 1979, p. 69ff) at the early stage of institutionalization, individual endeavors have a strong impact on institutions in the process of negotiating meaning (Hardy & Maguire, 2008, p. 205f; T. B. Lawrence & Phillips, 2004). Contrary to this argument, settled environments provide a high certainty in the expectations of actors and their relations to each other. Beckert (1999) regards the reduced uncertainty in highly stable environments as a necessary condition for strategic action, which presumes stable and certain means-ends relationships. Even if long-term strategies are not "decided upon from the scratch" (Castel & Friedberg, 2010, p. 326) and many consequences and decisions are more emergent and incidental than rational choice theorists would assume (T. B. Lawrence & Phillips, 2004), one can hardly think of (institutional) entrepreneurship without any tactical considerations by the actors. "(…)

[67] So, Lockett et al. (2012) show that the highly legitimate cancer care centers lack the motivation, while cancer care centers with low legitimacy lack the means to induce change.

[68] In part, this argument refers to the maturity of fields (Battilana, 2011; Battilana et al., 2009; Maguire et al., 2004).

While the activities of these entrepreneurs are intentionally (…), the change they initiate may be unintended" (Welter & Smallbone, 2015, p. 6). In addition, the need for institutional entrepreneurship increases with the constraints imposed by the institutional environment. An institutional environment which is not perceived as restrictive simply does not provide any points for corrosion (see: Greenwood & Suddaby, 2006; Hung & Whittington, 2011; Rao et al., 2003). An environment which is perceived as an "iron cage" (DiMaggio & Powell, 1983), in which the compliance to rules superimposes any discretion, amplifies active resistance (Beckert, 1999). Institutional entrepreneurship within already settled environments is at the center of these considerations, since this study deals with the change of preexisting institutional orders, namely the establishment of a new definition of quality within preexisting markets and already entrenched definitions of quality. After shedding light on the potentially relevant, but inconsistent predictors of institutional entrepreneurship, the least common denominator of institutional entrepreneurship has to, and will be, included in this analysis and discussed below.

Besides these ambiguous results concerning characteristics of the institutional entrepreneurs and the environment, most findings on the process of entrepreneurship share a strong accentuation on discourse and discursive strategies (Battilana et al., 2009, p. 79ff; Czarniawska, 2009; Leca et al., 2008, p. 12ff; Lockett et al., 2012; Lounsbury & Glynn, 2011; Zilber, 2007). Most scholars claim that discourse or "framing" is the main mechanism underlying institutional entrepreneurship. Therefore, the line separating institutional entrepreneurship from social movement analysis is blurred by assuming the same mechanisms underlying both processes. Institutional entrepreneurs have to perform similar tasks in articulating and propagating convincing "collective action frames" (Battilana et al., 2009, p. 79ff; Hung & Whittington, 2011; Leca et al., 2008, p. 12ff). They have to diagnose the status quo convincingly, prognose an alternative and feasible version of reality, and motivate potential allies to join their cause (Battilana et al., 2009, p. 79f; Hung & Whittington, 2011, p. 528).

Institutional entrepreneurs have to convince potential allies to abandon the current institutional order and replace it with a more favorable one. The current institutional order is diagnosed by pinpointing its shortcomings and flaws and more favorable institutions have to be put forward to establish a "vision" of an alternate future state for prognostic purposes (for instance: Hung & Whittington, 2011; Leca et al., 2008, p. 12ff; Rao et al., 2003). Some, but not all accounts of institutional entrepreneurship include a motivational component in the analysis to account for

Olson's (2002 [1965]) collective action dilemma in the mobilization process[69]. A detailed description of the concept of collective action frames is provided in chapter 2.5. Framing is at the heart of both paths. The transformation of markets as a case of institutional change can be driven by social movements as well as by institutional entrepreneurs within markets, while both processes need to be separated sharply analytically even though they are intertwined empirically (Battilana et al., 2009, p. 94). Social Movements contribute to a structural macro-perspective, while institutional entrepreneurship refers to a micro view on organizational fields (Battilana et al., 2009, p. 94). Therefore, institutional entrepreneurship (excluding social movements) is not a necessary condition for institutional change, but part of a combination of INUS conditions which is sufficient for the outcome "institutional change" – or the "transformation of markets" as a specific exemplar thereof. This combination is supposed to be unknown at this point which means, we merely know (in formal terms):

(2.6-1) **institutional entrepreneurship** ← [? **INUS**? (**1**)] → "**transformation of markets**"
(assumption)

("[?INUS?]" stands for an unknown combination of INUS conditions which is sufficient for the outcome, "(1)" demonstrates that there might be more than one potential combination of INUS conditions leading to the same outcome (equifinality))

(2.6-1) (spelled out):

There exists an unknown combination of INUS conditions of which institutional entrepreneurship is a necessary part, thus institutional entrepreneurship is an INUS condition for institutional change in markets, which is equivalent to the "transformation of markets" (chapter 2.3).

As Fligstein and McAdam (2011, p. 19f) point out, the successful "institutional change" as a restructuring of a strategic action field leads to a repositioning of the actors according to the new order. This process resonates with the "relocation of a product market in the market plane" or

[69] For instance, Leca et al. (2008, p. 12ff) restrict their attention to "specification" and "justification" as the major elements of framing and discursive strategies, while the same authors (Battilana et al., 2009, p. 79ff) explicitly include the third motivational component of collective action frames in their model one year later.

"transformation of markets". This corresponds to the two proposed outcomes, which both lead to a segmentation of markets in their framework – either through the segmentation into many strategic action fields or through the creation of a single new strategic action field within existing markets (Fligstein & McAdam, 2011, p. 19). The other outcomes – the "reimposition of the old order" and the breaking "down into unorganized social space" are not regarded as "institutional change" (Fligstein & McAdam, 2011, p. 19).

Therefore, institutional entrepreneurship is a necessary part of an unknown combination of INUS conditions leading to institutional change (in markets)" or the "transformation of markets". In other words, institutional entrepreneurship is supposed to be an INUS condition for "institutional change (in markets)" or the "transformation of markets", while the other INUS conditions are unknown. But institutional entrepreneurship is not supposed to be the only INUS condition of this particular combination and is thus not regarded as sufficient.

This minimal definition is employed since institutional entrepreneurship is understood as a mainly discursive - the common denominator of various different understandings of the concept (for an overview: Battilana et al., 2009, p. 76ff; Leca et al., 2008, p. 12ff; Welter & Smallbone, 2015, p. 7f). Battilana et al. (2009, p. 95) urge scholars of institutional entrepreneurship on the pressing need for comparing different cases of change induced by institutional entrepreneurship. This endeavor requires concrete concepts and theoretical predictions, which will be outlined in this thesis. Due to the comparative nature of this argument, parsimonious conceptualizations are required. Therefore, institutional entrepreneurship comprises discursive strategies as well as the visibility of individual organizations within this discourse. Discursive strategies have been identified as the main communality among diverse settings (Hardy & Maguire, 2008) and received the strongest attention so far (Battilana et al., 2009, p. 81). Accommodating for this fact, the centrality and status of entrepreneurs (high status / low status / peripheral / fringe, see page 57) has to be reconciled. If discourse is central for mobilization in institutional entrepreneurship and the position of actors is supposed to be relevant – even though the empirical results are inconclusive to this moment (Battilana, 2011; Battilana et al., 2009) – it is not the actors' position given by resources or power (Battilana et al., 2009; Greenwood & Suddaby, 2006), but the position within the discourse, which makes a difference (Hardy & Maguire, 2008, p. 207ff; Zilber, 2007). Peripheral actors, central actors, or fringe actors compete for standing (Gamson & Wolfsfeld, 1993; Gerhards & Schäfer, 2007) in this discourse. While the stochastic probability to gain standing might differ among these groups contingent on their position, any kind of actor has

a non-zero probability to gain standing[70]. Therefore, centrality within the discourse or "visibility" (and not centrality given by resources or power) is supposed to be necessary for institutional entrepreneurship. Thus, the centrality or status cannot be derived from the structural position within fields; it has to be related to the discourse (Hung & Whittington, 2011)[71]. The visibility in the discourse can be, but does not have to be related to standing – it simply means that the institutional entrepreneurship leads to a high attention directed towards the entrepreneur. "Creative destruction" is an apparently noisy process. Formally, visibility of individual organizations as entrepreneurs within specific institutional settings and the framing of the novel definition of quality within this setting are used as individually necessary components of the concept of institutional entrepreneurship. Therefore, all institutional entrepreneurs have to be visible[72] within settings and frame their project within these settings to be regarded as institutional entrepreneurs. This conceptualization with two necessary conditions contributes to the literature on institutional entrepreneurship through a clear cut concept to meet the need for comparisons (Battilana et al., 2009, p. 95)[73]. This rather strict concept should allow for a distinction between "early adopters" (Tolbert & Zucker, 1983), (economic) entrepreneurs (Pacheco et al., 2010), a mere adaption or refinement of institutional rules by single firms (C. Oliver, 1991), and institutional entrepreneurs. Institutional entrepreneurs have to be "change agents" (Welter & Smallbone, 2015) and actively shape their own environments (Beckert, 1999). Furthermore, it separates institutional entrepreneurship from the outcome of institutional change – the inference from institutional change to institutional entrepreneurship and vice versa leads to tautologies and hampers empirical falsification. But, institutional entrepreneurship encompasses more or less successful attempts to challenge existing institutions. While failed institutional entrepreneurship is considered to be the more common phenomenon, it is much less analyzed

[70] For a theoretical insight into the process of standing see Gerhards and Schäfer (2007). The antecedents of and processes to gain "visibility" and "standing" are outside the scope of this thesis.

[71] Actually, for some authors who put a strong emphasis on discourse as the main process driving fields, there might be no actual difference. The position in a field might be given by the position or visibility in the discourse. From Hoffmann's perspective: "Organizational fields become 'arenas of power relations' [Brint & Karabel, 1991: 355): , where multiple field constituents compete over the definition of issues and the form of institution that will guide organizational behavior. Institutional beliefs and perceptions are influenced by this field-level competition but are situated within individual organizations or populations of organizations" (Hoffman, 1999, p. 352).

[72] Visibility in my sense is related to the visibility in the project of change and not as a visible target in the media, which will be assessed in chapter 4.3.4.3. Therefore, it does not capture the concept "visibility as a target for social movements or institutional pressures in the work of King and Soule (2007, p. 422) ("past media attention"), Bartley and Child (2014, p. 10), Greenwood et al. (2011). Neither does it refer to visibility of the company with regard to: number of analysts, stocks held by institutions, or shares held by institutions (Baker et al., 1999).

[73] The literature on institutional entrepreneurship regards discursive processes as one of the main drivers of institutional change (Battilana et al., 2009, p. 81ff; Hardy & Maguire, 2008, p. 205f). Therefore, the discourse and the centrality within this discourse are assessed as necessary attributes of institutional entrepreneurship. Nevertheless, whether these two attributes function as "counterfactual difference makers" (Grynaviski, 2013, p. 824) remains unclear and is not necessarily implied by their role as necessary attributes for the concept (Kelle, 2003, p. 234ff).

and understood (Battilana et al., 2009, p. 70f; McGaughey, 2013). Nevertheless, it is not supposed that those two conditions are jointly sufficient for the concept of institutional entrepreneurship.

Therefore:

(**2.6-2**) **(visibility ∧ framing) ← institutional entrepreneurship**

(assumption)

(2.6-2) (spelled out):

The visibility of individual entrepreneurial actors and the framing of change are necessary conditions for institutional entrepreneurship.

If institutional entrepreneurship is a necessary part of an unknown INUS condition for the transformation of markets and visibility and framing are necessary conditions for institutional entrepreneurship, it follows that visibility and framing are necessary parts of the unknown INUS condition itself. A necessary condition (visibility and framing) of a necessary condition (institutional entrepreneurship) of an outcome (unknown combination of INUS conditions) is itself necessary for the outcome. Formally, this corresponds to the following sentence **(**2.6-3**)**:

(**2.6-3**)

if
A → B is true
and
B → C is true,
than
A → C has to be true as well.

Again, visibility and framing" are not supposed to be sufficient – neither for the unknown combination of INUS conditions [?INUS?(1)] nor for the concept institutional entrepreneurship. Institutional entrepreneurship as well as the unknown combination of INUS conditions might be influenced by additional necessary conditions or even a possible pool of (potential idiosyncratic) INUS conditions (see Goertz, 2005 for further arguments on necessary attributes of concepts).

Nevertheless, any possible combination of jointly sufficient conditions involves the two mentioned necessary conditions – visibility and framing, given that the assumptions ((2.6-1) and (2.6-2)) are true. In addition, institutional change (in markets) is replaced by the equivalent notion of the transformation of markets. If institutional entrepreneurship comprises "creative destruction" (Beckert, 1999, p. 786), the discursive process ("the destruction") and individual firms within this discourse ("the destructor") should be detectable. This process of innovation comprises crises, turbulences, and the destruction of current order (e.g. monopolies) (Aghion & Howitt, 1992, p. 324; Carlin et al., 2001, p. 68). Visibility and framing are "constitutive" and not "causal" features of institutional entrepreneurship – they do not causally explain institutional entrepreneurship, they are simply necessary and constitutive parts (Wendt, 1998).

It follows from assumptions (2.6-1) and (2.6-2):

(2.6-4) (**visibility** ∧ **framing**) ← **institutional entrepreneurship** ← [? **INUS**? (**1**)] → **transformation of markets**

(follows from assumptions (2.6-1) and (2.6-2))

(2.6-4) can be reformulated to (2.6-5):

(2.6-5) (**visibility** ∧ **framing**) ← [? **INUS**? (**1**)] → **transformation of markets**

((2.6-4) reformulated)

Therefore, if visibility and framing are individually necessary for institutional entrepreneurship (2.6-4) and institutional entrepreneurship is an INUS condition (among others) for the transformation of markets (2.6-1), visibility and framing have to be INUS conditions for the transformation of markets (2.6-5). Please note that if an intersection of conditions is necessary for an outcome, so are the individual parts of that intersection and vice versa[74].

[74] This is formally true. But, the intersection of two necessary attributes might be equally or higher relevant than their individual parts (given by the coverage (which is given by Ragin's (2008c) formula). Empirically, the intersection of two imperfect necessary conditions does not have to be necessary.

2.7 From Outside - Social Movements triggering Exogenous Change

Besides institutional entrepreneurship, a second trigger which threatens the "rules of the game" or an old institution are social movements. Regarding the processes, social movements are rather indistinguishable from challengers (Fligstein & McAdam, 2011, 2012) or institutional entrepreneurs (DiMaggio, 1988). Apart from the identification of potential mechanisms, the focus of this chapter is to apply a clear cut concept which stresses the differences between social movements and the other relevant concepts. The degree of organization and clearly identifiable opponents allow for some degree of differentiation to institutional entrepreneurs and the search for differences and communalities. As aforementioned, social movements or institutional entrepreneurs are both potential initiators of the transformation of markets. However, the structural macro process of social movements and the micro process of institutional entrepreneurship require separation, even though they are intermingled (Battilana et al., 2009, p. 94). Therefore, a second combination of INUS conditions driven by social movements is presumed. This path is not necessarily exclusively disjunct from the first path in all empirical instances. In a nutshell, social movements and institutional entrepreneurship can occur together in the transformation of markets, but both processes can separately cause a transformation of markets. Before it is shown how social movements affect regulation through the state and consumption patterns, the general notion of social movements is discussed. Finally, social movements are linked to the segmentation of product markets and moral accounts surrounding product markets.

In recent years, the analytical tools, theoretical considerations, and mechanisms originating in the field of social movement analysis have been successfully transferred to the analysis of markets and organizational fields (Campbell, 2005; Fligstein & McAdam, 2012). Besides the intersections of markets as "arenas of power struggles and contestation" (Fligstein & McAdam, 2012, p. 4; K. Weber & King, 2014) and social movements as triggers of contestation among different actors, this interdisciplinary approach causes further vagueness to certain concepts[75]. Therefore, this thesis stresses the conceptual differences between these approaches, before the approach of Fligstein and McAdam (2011, 2012) is applied to tie those approaches together. For this purpose, the effects of social movements and institutional entrepreneurship on institutional change within markets are separated.

[75] For a review of the communalities of organizational analysis and the analysis of social movements from a perspective on "mechanisms", see Campbell (2005).

According to Della Porta and Diani (2006, p. 20ff) social movements are distinct in three aspects from other social phenomena. First, social movements are involved in contentious relations with clearly identifiable opponents. Social movements are engaged in conflicts about the unequal distribution of gains and losses. Collective action for the provision of collective goods does not qualify as a social movement as long as it is not related to opponents who are targeted, vilified, and have something at stake (Della Porta & Diani, 2006, p. 21). Second, social movements are characterized by dense informal networks to distinguish social movements from more spontaneous and incidental forms of collective action. Social movements rely on those networks to ensure sustained coordination in the achievement of common goals (Della Porta & Diani, 2006, p. 21). Third, social movements are more than the sum of their activities (Della Porta & Diani, 2006, p. 21), they share a common identity to ensure cohesion among its members and to tie diverse members together "over time and space" into a common "narrative" (Della Porta & Diani, 2006, p. 22). This broad definition by three individually necessary and jointly sufficient attributes encompasses many definitions of social movements which stress the relevance of change, the unequal distribution of resources or power, and struggle among identifiable opponents. King and Pearce (2010, p. 251) define social movements as "change oriented struggles by groups who have unequal access to power or who oppose the status quo". Tilly (1978, p. 39) refers to Wilkinson in his definition of a social movement as

> "(…) a deliberate collective endeavor to promote change in any direction and by any means (…). A social movement must evince a minimal degree of organization (…). Social movements' commitment to change and the raison d'étre of its organization are founded upon the conscious violations, normative commitment to the movement's aim or beliefs, and active participation on the part of followers or members" (P. Wilkinson (1971, p. 27) in Tilly (1978, p. 39)).

Therefore, it is assumed that the conceptual relations referring to social movements can be subsumed as follows:

Each part of the concept is individually necessary as can be seen in:

(2.7-1) **opponents ← social movements**

(2.7-2) **some degree of organization ← social movements**

(2.7-3) **common identity ← social movements**

(conceptual definitions)

Since an intersection of necessary conditions has to be necessary by itself, the intersection of all parts is necessary as well:

(2.7-4) (**opponents ∧ some degree of organization ∧ common identity**) ← **social movements**

(conceptual definition: joint necessity of the three attributes)

And by the definition of Della Porta and Diani (2006, p. 20ff), those parts are jointly sufficient:

(2.7-5) (**opponents ∧ some degree of organization ∧ common identity**) → **social movements**

(conceptual definition: joint sufficiency of the three attributes)

or (combining the conceptual definitions (2.7-4) and (2.7-5)):

(2.7-6) (**opponents ∧ some degree of organization ∧ common identity**)
↔ **social movements**

(conceptual definition: joint sufficiency and necessity of the three attributes)

(2.7-6) (spelled out):

"Clearly identifiable opponents", "some degree of organization, and a "common identity" are individually necessary and jointly sufficient for "social movements".

Therefore, from a conceptual viewpoint (see Goertz, 2005, p. 28ff) clearly identifiable opponents, some degree of organization (through networks or formal organization), and a common identity

are individually necessary and jointly (necessary and) sufficient for the concept "social movements".

In general, social movements play a rather prominent role in the analysis of societal change, especially when this change entails policies by governments or governments' agencies or transitions of the form of governance within states (e.g. Andrews, 2001; Della Porta & Diani, 2006, p. 229ff; Gamson, 1990 [1975]; King & Pearce, 2010, p. 251f; Rosenthal et al., 1985; E. T. Walker et al., 2008). In fact, governments in democratic states share a tendency for opportunistic decision making due to their dependency on the public opinion and their reliance on "political business cycles" (Graham & Kane, 1998; Nordhaus, 1975). Therefore, many social movements voice their concerns in front of the state on various matters. E. T. Walker et al. (2008, p. 37f) argue that the elective process and the resulting power of numbers explains the states' "relative openness to challenging groups". Therefore, even though governments do not have to be of central concern, many social movements advocate their claims in front of state actors and call for regulation (King & Pearce, 2010). Thus, governments or states can be conceived as special instances of intermediaries or so called "proxy targets" (E. T. Walker et al., 2008, p. 44ff), which act also as "watchdogs" and are held accountable for regulation (Koenig-Archibugi & Macdonald, 2013). Contemporary approaches argue for a shift to new targets. For instance, Sassen (2003) stresses the declining role of states as the primary target of collective action due its low influence on multinational companies within the globalized economy and the rise of the "laissez faire" or neoliberalist paradigm (E. T. Walker et al., 2008, p. 38).

Many scholars share the perception of a new orientation of social movements towards individual firms or market segments (Bartley & Child, 2011, 2014; King & Soule, 2007; Schurman, 2004; Schurman & Munro, 2009; E. T. Walker et al., 2008). In contrast, Micheletti (2003) and Micheletti et al. (2004) offer a comprehensive overlook on many similar attempts throughout history (see also: Dubuisson-Quellier, 2013b, p. 689), which shows that the mobilization of consumers is far from a novel strategy[76]. E. T. Walker et al. (2008) identify distinct repertoires of collective action contingent upon the specific vulnerabilities and capabilities of the institutional targets. Therefore, states are rather open to various constituents, while corporations are highly vulnerable to legitimacy claims and radical attempts which disrupt their business activities (T. L. Waldron et al., 2013; E. T. Walker et al., 2008). Private Corporations might even employ conventional social

[76] Consumer boycotts had been especially important in the US history with regard to the equal treatment of the Afro-American population and other concerns of civil rights. "Don't buy where you can't work" campaigns (Stolle & Micheletti, 2013, p. 268) or the very prominent example of the civil rights movement led by Martin Luther King to boycott the public transportation company of Montgomery are among the most prominent examples of social movements campaigns. Those disrupted business activities directly (E. T. Walker et al., 2008, p. 45).

movement tactics as grass root activity. E. T. Walker (2009, 2010, 2012, 2014) analyzes how companies orchestrate grass root activities to reach their objectives in the process of contention in front of the state and other social movements. This strategy emulates the tactics of their civil society offenders and accommodates the fact that business power does not necessarily convert into political power without frictions (E. T. Walker, 2010, p. 47). Corporations do not restrict their repertoire to lobbying, but try to meet their opponents on equal footing.

By applying mutually reinforcing extrainstitutional tactics, like "persuasion" and "disruption", social movements create incentives (for targets as well as consumers) to align their behavior with the movement's purpose[77]. Therefore, they "communicate a movement's message to a broad audience, make claims that politicize and vilify a practice, and convince third parties for immediate change" ("persuasion") (King & Pearce, 2010, p. 255). On the other hand, movements target organizations and consumers to disrupt established order directly and mediated through the media to sanction non-compliance with its goals ("disruption") (King, 2011). Since the increased media attention might mobilize external audiences or other third parties, disruption and persuasion might mutually reinforce each other (King & Pearce, 2010, p. 255). Disruption and persuasion cannot be regarded as neutral practices. By definition, naming and shaming campaigns do carry a message of moral value (Djelic & Quack, 2010, p. 405) – social movements name organizations which should be ashamed of their *amoral* behavior (Bartley & Child, 2011, 2014). The identification of amoral behavior and practices is vital for establishing an identity (Anteby, 2010, p. 633; Gamson, 1992; Vicari, 2010). Hence, they have to apply reasonable moral standards to shame certain practices; they cannot act on a neutral base or in moral void. Furthermore, those standards and the consecutive frames have to be in line with the experiences and knowledge of the targeted audience(s) (Babb, 1996; Snow et al., 1986; K. Weber et al., 2008). When social movements penetrate markets, they "threaten the rules of the game" and create potential paths for later entrepreneurs (Carlos et al., 2014; King & Pearce, 2010, p. 260; McInerny, 2014). Thus, social movements might accidentally precede new market categories (Lounsbury et al., 2003) or aim at establishing new categories as their explicit purpose (Schneiberg et al., 2008; K. Weber et al., 2008). The significance of media coverage (Kennedy, 2008) and linguistic processes, like identity granting "stories" (Lounsbury & Glynn, 2011) and particularly "framing" (Benford & Snow, 2000; Campbell, 2005; Hargrave & Van De Ven, 2006; Navis & Glynn, 2010) is acknowledged in organizational as well as social movement research.

[77] In some cases, social movements employ the reputation of the firm as a moral grid and push the firm to comply to its own public image and claimed virtuosity (Bartley & Child, 2014, p. 10).

Stepping ahead, the effect of social movements on markets is not restricted to the distraction of business to force firms into concessions away from detrimental business practices. In many cases, social movements establish or incidentally support alternatives to predominant organizational forms (Rao et al., 2000; Schneiberg et al., 2008), new practices (Anteby, 2010; Lounsbury et al., 2003; McInerny, 2014; Rao et al., 2003), niches or sectors within or in contrast to existing markets (Hiatt et al., 2009; Sine & Lee, 2009; van Bommel & Spicer, 2011, 2015; K. Weber et al., 2008), and institutional change through collective action (Hargrave & Van De Ven, 2006).

Therefore, it is assumed that social movements are part of a second unknown INUS function for the "transformation of markets" as a special case of institutional change or equivalent to the "institutional change in markets" (see (2.6-1) on page 60 for "[?INUS?(1)]" *about* institutional entrepreneurship):

(2.7-7) **social movement** ← [? **INUS**? (**2**)] → **transformation of markets**

(assumption)

("[?INUS?]" stands for an unknown combination of INUS conditions which is sufficient for the outcome, "(2)" demonstrates that there might be more than one potential combination of INUS conditions leading to the same outcome (equifinality))

(2.7-7) (spelled out):

There exists an unknown combination of INUS conditions for the "transformation of markets" of which "social movements" are a necessary part, thus an INUS condition for the "transformation of markets".

As we have seen on page 67, "opponents", "some degree of organization", and a "common identity" are individually necessary and jointly sufficient for the concept of social movements. Now, **(**2.7-6**)** and **(**2.7-7**)** are combined.

Combining (2.7-6) and (2.7-7) yields (2.7-8):

(2.7-8) (**opponents** ∧ **some degree of organization** ∧ **common identity**)
↔ **social movement** ← [? **INUS**? (**2**)] → **transformation of markets**
(combining (2.7-6) and (2.7-7))

Similar to (2.6-5) on page 64, (2.7-8) is reformulated to:

(2.7-9) (**opponents** ∧ **some degree of organization** ∧ **common identity**) ← [? **INUS**? (**2**)]
→ **transformation of markets**
((2.7-8) reformulated)

As aforementioned, social movements and institutional entrepreneurship may act in concert, even though they do not necessarily have to (see page 65). In some empirical instances, social movements initiate change, which is later driven by institutional entrepreneurship. The grass roots activity and identity building efforts of social movements vis-à-vis potential members or helpful bystanders (Gamson, 2004) spawns fertile soil for later entrepreneurs, who take up the initial ideals (Carlos et al., 2014; Lounsbury et al., 2003; McInerny, 2014; Sine & Lee, 2009; Wry et al., 2011). Lounsbury et al. (2003) shows how the initial ideals of the recycling movement provided necessary "field frames" for a later industry, which superseded the grass roots activities. McInerny (2014) traces the process of the Circuit Rider movement which transformed from an initial grass roots approach into "social entrepreneurship". Therefore, the initial ideology is retained and reconciled within for profit entrepreneurship. In the case of windmills, Carlos et al. (2014) track the evolution of a new market to demonstrate how the initial "ideology push" gives way to a "market pull" (Carlos et al., 2014, p. 12; Hiatt et al., 2009, p. 646). In the case of windmills, social movements are pivotal at the beginning of market creation since new ventures lack cultural-cognitive legitimacy (Scott, 2014 [1995], p. 55ff), resources, and profits (Carlos et al., 2014, p. 4ff). Hiatt et al. (2009) show how the temperance movement and its fight against alcohol consumption facilitated soft drink manufacturing. Social movements step also in through strategic framing to legitimate the new venture, the mobilization of resources, and through the creation and exploitation of existing political opportunities (Carlos et al., 2014, p. 6ff).

In a nutshell, social movements modify the economic incentive structure, which becomes more favorable for entrepreneurs (or firms in general) to get involved in the new market. After the economic incentives are in place, the market matures and eventually saturates. At this stage, the social movements become obsolete due to an altered economic incentive structure and stronger

involvement of state agencies – the market is now highly legitimate in the eyes of relevant audiences. But due to the perceived regress away from the ideological origins, the mature market provides points of corrosion for novel counter movements, which may orientate themselves around the initial claims to establish the market at the beginning (Carlos et al., 2014). A certain connection can be seen between this approach to the creation of new markets and the ideas of Schumpeter (1911, 2008 [1942]). Both stress the importance of innovative actors, social movements or entrepreneurs, who establish temporal niches, which later saturate due to attracted managers or latecomers. In turn, this process creates the demand for new innovations.

But, how are social movements involved in processes of commensuration – especially, when moral issues are at stake? In the following section, the effect of social movements on certification and moral issues within markets is discussed. Thereby, the importance of market niches and segmentation is emphasized as one potential outcome of social movements' activity. K. Weber et al. (2008, p. 54) and Schurman and Munro (2009, p. 181) show that social movements' claims have to resonate well to elite firms in order to provide incentives to influence strategies. In a similar vein, van Wijk et al. (2013, p. 377) argue for a 'carrot and stick' - approach. In their case of sustainable tourism, the simultaneous construction of (legitimacy) threads and market opportunities convinces corporations (incumbents in this case) to join the common cause (van Wijk et al., 2013). So, how should moral claims be arranged to convince firms, and which firms or market segments are prone to be attracted?

Vogel (2005, p. 49ff) argues that markets infused with general moral ideals, as (for instance) sustainability, working conditions, fairness, and ecologically harmless production, are a rare exception. Instead, moral claims effect specific market segments and niches, and not whole markets or industries (including all firms, which supply certain goods or services) (see also Bartley & Child, 2011). The new approach to moral considerations within markets steps away from the old fashioned philanthropy ("doing good to do good") and emphasizes the economic advantage of "doing good" ("doing good to do well") (Vogel, 2005, p. 17ff). Therefore, the scientific discourse on "Corporate Social Responsibility" (CSR) focuses on the incentive structure of "doing good", whereby the findings on the economic advantages of CSR are inconclusive (Vogel, 2005, p. 166ff). Vogel (2005, p. 49ff) convincingly shows that "doing good" can aid (small) firms in specific niches and segmented markets (for instance: gourmet) to distinguish themselves from their competitors or even whole market segments and in turn prosper, or "do well". Therefore, the economic incentives to "do good" should loom larger and guide decisions in this segments and for those kind of actors since it relates to "do well".

In line with this argument, Bartley and Child (2011) point out that specialized and recognizable firms are exceptionally vulnerable to disruptive tactics by anti-sweatshop movements, while an effect on the whole apparel, textile, and footwear industry could not be detected. Besides, a good reputation, a large size and the consequent high recognition as well as prior links to Corporate Social Responsibility (CSR) is nearly a guarantee for being targeted by social movements (Bartley & Child, 2014, p. 21)[78]. Sikavica and Pozner (2013) argue that sharp specialized identities including limitations to organizational growth and a strong opposition to mainstream business practices fostered the de-partitioning of the organic movement after the initial movement failed to exclude mainstream or generalist companies. In addition, Vogel's (2005) results are in accordance with Weber et al.'s (2008) analysis of the dairy and grass fed meat industry. They show how a social movement employed binary and evaluative linguistic coding (natural – artificial, sustainable – exploitative, authentic – manipulative) to distinguish themselves from the mass market and establish a niche for non-industrial produced meat and dairy products. In this process, the movement tackled the predominant conception of quality, and relocated the niche from the initial low quality and value to the high price gourmet segment.

While Vogel (2005, p. 50) argues that actors in gourmet niches try to distinguish themselves further within niches or market segments, K. Weber et al. (2008) step further and show that actors use evaluative (and by virtue moral) codes to establish and relocate a novel gourmet segment within an existing market. Therefore, gourmet niches might be endogenous in the process and not a necessary precondition for market segmentation as Vogel (2005) argues. Hence, social movements might challenge existing conceptions of quality to change the structure of an existing fragmented market or establish visible niches within existing hierarchical markets (Rao et al., 2000). This process can be found in markets, which are saturated and show rather mainstream industrial structures with highly standardized procedures, such as beer brewing (Carroll & Swaminathan, 2000; Rao et al., 2000), the industrial meat and dairy production (Press & Arnould, 2011; K. Weber et al., 2008), the agricultural production process (Cherry et al., 2010; Press et al., 2014; Sikavica & Pozner, 2013)[79], and national cuisines (Byrkjeflot et al., 2013; DeSoucey, 2010).

[78] The predictors of being targeted do not necessarily coincide with firms' susceptibility to social movements influence. King (2008, p. 415) notes that while a good reputation leads to being targeted, a recent decrease in the reputation makes firms more susceptible to social movements' claims.

[79] In the case of organic and chemical agricultural production, both are shaped by ideology. Press et al. (2014) reveal that the ideology of chemical agricultural production restricts the strategic opportunities of farmers in the USA. The reliance on chemical ideology prevents the farmers to act rationally and change their procedures to the more profitable organic production – they became deadlocked by their ideology. In the case of agricultural production in the US High Plains, the procedures of the conventional as well as the procedures of the niche market are ideologically charged, which impairs the responsiveness to economic incentives.

The formal underpinning of this process can be found in H. C. White (2000) (see chapter 2.3). He argues, that "crowding" within and across production markets presupposes a high substitutability of outputs and thus, is related to structural equivalence of markets or producers. The higher the overlap between markets or producers in term of consumer segments, the higher the overlap in stories, discourse, and narratives, and the less distinct are markets or producers. Therefore, distinct markets and producers have a low overlap in stories, identity, (and buyers). Distinct identities prevent crowding within and between markets and allow for stable and reproducible role structures[80]. The opportunity of segmentation is able to attract commercial ventures and firms.

H. C. White (2000) emphasizes the relevance of identities for market niches and segmentation. The importance of the discourse and particularly identities for the market segmentation are discussed above with strong reference to chapters 2.4 and chapters 2.5. This section offers a statement on framing (chapter 2.5) as a necessary part of identity formation through social movements' activity. Dubuisson-Quellier (2013b, p. 686ff) differentiates between market niches by identities, private regulation, or (contested) definitions of quality and worth as distinct outcomes of social movements' activities. Evaluating those outcomes with a higher degree of abstraction, they are clearly interrelated as specific instances of valuation processes and endeavors to establish worth (Beckert & Aspers, 2011)[81]. Dubuisson-Quellier (2013b, p. 688) defines valuation as "(…) a process through which goods acquire value (Beckert & Aspers, 2010 [sic]; Fourcade, 2011; Vatin, 2009) and rely on different devices used by market actors to perform calculations and judgments" with a strong link to "commensuration" (Espeland & Stevens, 1998). Hereby, niches differentiated by certain identity granting practices and evaluative codes (Carroll & Swaminathan, 2000; Sikavica & Pozner, 2013; K. Weber et al., 2008) and private regulation by labels and certification (Bartley, 2007b; Bergeron et al., 2014) are specific instances of evaluative devices or dimensions of valuation. Therefore, they can be subsumed under the general concept of creating value or changing the predominant idea of value within markets to coordinate market exchange in establishing worth (Beckert & Aspers, 2011; Dubuisson-Quellier, 2013a, 2013b)[82].

[80] In accordance with this argument, resource partitioning theory predicts a high relevance of sharp identities of niches in mainstream markets and provides empirical evidence for organic farming, micro brewing, and micro-radio broadcasting (Sikavica & Pozner, 2013).

[81] Certification and segmentation do not have to coincide. While identity niches provide new dimension of valuation (Carroll & Swaminathan, 2000; Press et al., 2014; Sikavica & Pozner, 2013; K. Weber et al., 2008), private regulation by labels and standards might create tensions since they offer rules of membership and therefore potential entry points for unwelcome new ventures and increased heterogeneity of identities among members (Sikavica & Pozner, 2013; K. Weber et al., 2008, p. 548).

[82] Both might not exhaustively capture all processes by which value is created, challenged, or changed within markets, but they are located on a lower conceptual level compared to "valuation" (Mair, 2008; Sartori, 1970).

Hence, social movements challenge an existing valuation or the worth of goods even in the case of the devaluation of goods with "disruptive" tactics (King, 2008; King & Pearce, 2010).

In the case of market segmentation through (transnational) certification, they offer economic incentives to join a cause and provide incentives to increase the value of goods and services in the eyes of audiences for corporations (Carlos et al., 2014; Dubuisson-Quellier, 2013b). Therefore, the identity of social movements, which penetrate and disrupt markets through mechanisms of valuation, is granted by evaluative discourse to vilify common practices, provides solutions or visions for an alternative way of doing business (as proposed by Fligstein & McAdam, 2011, 2012) and incentives to join the common project (Dubuisson-Quellier, 2013b). The most influential determinant of the "success" of a social movement and the concept inherently linked to identity is the concept of framing (Benford & Snow, 2000; Gamson, 1990 [1975]; Snow et al., 2014; Vicari, 2010) (see chapter 2.5). In accordance with the current state of social movement research and one of its most consistent finding (Benford & Snow, 2000; Snow et al., 2014), framing is supposed to be a necessary condition for identity formation. The formal underpinning is provided by Snow et al. (2014). In their review of framing "political and economic outcomes" are the most widely analyzed effect of framing ("framing" → "political and economic outcomes") with 52%, while the most often analyzed causes of framing are "cultural themes in broader context" (45%), "political opportunities", and "movements' collective identity" (36%) (Snow et al., 2014, p. 34). While the framing of "cultural topics" and "opportunities" for firms is at the heart of chapter 2.5, the identity granting function is theorized here. The most widely analyzed causal structure according to Snow et al. (2014, p. 34) are the following: "cultural themes in broader context"/"political opportunities"/"movements' collective identity" are analyzed as causes of "framing", which causes "political and economic outcomes". Hereby, this causal structure translates to "political opportunities" and "identity" as necessary parts of "framing", which is a necessary part of causes leading to "economic outcomes" (identity → framing → "political and economic outcomes"). In the following formula, the relationship between identity and framing is reversed ("framing ← identity" instead of "identity → framing") and framing is not employed as a single cause, but as an INUS-cause. Therefore, framing is conceived as a constitutive and not causal (Wendt, 1998), whereby the timely order between identity and framing can be neglected – both perpetuate and sustain each other as argued in chapter 2.5. This process is well known as the last stage of the "dependent-independent variable matrix for framing research" which presupposes "feedback loops" of framing (Scheufele & Scheufele, 2010, p. 112ff):

(2.7-10) **framing ← common identity**

(assumption)

(2.7-10) (spelled out):

The successful "framing" of a common project/ a common identity is necessary for the establishment of a common identity of a social movement.

Put into (2.7-9) (since a common identity is a necessary condition, the other necessary conditions (clearly identifiable opponents and some degree of organization) are disregarded for the moment). Those conditions are left out for the moment, only:

(2.7-11) **framing ← common identity ← [? INUS? (2)] → transformation of markets**

(combining (2.7-9) and (2.7-10))

or (reformulating (2.7-11) as it has been done with (2.6-5) on page 64 and (2.7-9) on page 71):

(2.7-12) **framing ← [? INUS? (2)] → transformation of markets**

((2.7-11) reformulated)

If the intersection of a common identity, some degree of organization, and clearly identifiable opponents is necessary, so is the intersection of framing (as the superset of a common identity), some degree of organization, and clearly identifiable opponents. Note, that this intersection is still necessary but not jointly sufficient for the concept social movements any more[83].

Combining (2.7-9) and (2.7-12) and replacing common identity with framing yields (2.7-13):

[83] The necessary (pre-)condition of a necessary condition is itself necessary for the outcome. This is given by **(**2.6-3**)** on page 76. Nevertheless, the necessary condition of a sufficient condition does not have to be necessary or sufficient for the outcome. From the statements "A←B" (true) and "B→C" (true), neither "A→C" (true) nor "A←C" (true) can be derived. For clarification (in Boolean Algebra), since "A" is a superset of "B" and "B" is a subset of "C", "A" is either a subset of (sufficient: "A→C"), a superset of (necessary: "A←C"), or coincides perfectly with "C" (necessary and sufficient: "A←→C"). However, the exact set relation cannot be derived from the statements.

(**2.7-13**) (**opponents ∧ some degree of organization ∧ framing**) ← [? **INUS**? (**2**)] → **transformation of markets**

(combining (2.7-9) and (2.7-12) and replacing common identity with framing)

Obviously, social movements can initiate change through tackling the opportunity structure of firms (chapter 2.4). In turn, this new opportunity structure can create incentives for business firms (managers in the sense of Beckert, 1999) and the market transforms until it saturates. This path would be driven by social movements alone. In contrast, the improved opportunity structure might attract institutional entrepreneurs (chapter 2.6) to further adjust the opportunity structure to fit it to their "alternative vision of the field and their position in it" (Fligstein & McAdam, 2011, p. 6) of the status quo and replace the social movements as "agents of change" (Welter & Smallbone, 2015). In that instance, both paths intersect. As the strong evidence on institutional entrepreneurship suggest (Battilana et al., 2009; Welter & Smallbone, 2015), institutional entrepreneurs can act as "change agents" (Welter & Smallbone, 2015) on their own. They might adjust the opportunity structure without the aid of social movements. To conclude, three paths are possible, one for social movements, one for institutional entrepreneurship (chapter 2.6), and one intersection of the two paths (see argument on page 65). The latter path is not regarded as distinct and is not theorized further. For my purpose, it is regarded as a mere intersection of two causal paths and is related to the problem of "overdetermination" (Sider, 2003) in empirical analysis. In brief, the intersection of the theorized paths refers to the empirical occurrence of two causes at the same time, which does not deny the role of the single causes, but impedes the disentanglement in empirical analysis.

2.8 Gaining Parsimony: Final Hypotheses for the Transformation and Non-Transformation of Markets

In this section, the general argument is summarized and the main hypotheses of this thesis are illustrated. In this vein, the argument on incumbents (chapter 2.4) is related to the other arguments in chapters 2.6 and 2.7. Alongside, potential advantages of a formalization of this argument are discussed. As argued in chapters 2.6 and 2.7, two major combinations of INUS conditions should lead to the outcome. One path stresses the distinct attributes of institutional entrepreneurs within markets, the other stresses attributes of social movements. A possible third

path, which combines the two major paths is regarded as a simple empirical intersection of both paths. This path needs no further theoretical attention and can be regarded as an empirical issue of "overdetermination" (Sider, 2003).

On page 64, we already derived **(**2.6-5**)** for institutional entrepreneurship (unknown combination of INUS conditions 1 or [?INUS?(1)]. **(**2.6-5**)** is now combined with the insights in chapter 2.4. It provides insight into the role of (powerful) incumbents and power asymmetries as a catalyzer of change. The status quo has to be regarded as disadvantageous to initiate and fuel change projects. Therefore, those incumbents are regarded as a necessary condition for both combinations of INUS conditions, it follows that:

(2.8-1) **incumbents** ← [? **INUS**? (**1**)] → **transformation of markets**

(assumption)

(2.8-1) (spelled out):

Incumbents are an INUS condition for institutional change and have a similar causal role in conjunction with institutional entrepreneurship and social movements.

Given that any intersections of necessary conditions are necessary as well, we can combine (2.6-5) and (2.8-1) which yields (2.8-2)[84]:

(2.8-2) (**incumbents** ∧ **visibility** ∧ **framing**) ← [? **INUS**? (**1**)] → **transformation of markets**

(combining (2.6-5) and (2.8-1))

For social movements (unknown combination of INUS conditions 2 or [?INUS?(2)], it is quite similar. Since incumbents are regarded as a necessary condition for both combinations of INUS conditions, it follows that:

[84] See footnote 74 on page 80 for the difference between theoretically derived and empirically detected necessary conditions.

(2.8-3) **incumbents** ← [? **INUS**? (**2**)] → **transformation of markets**

(assumption)

Given that any intersections of necessary conditions are necessary as well, we can combine (2.8-3) and (2.7-13) on page 77 to yield (2.8-4):

(2.8-4) (**incumbents** ∧ **opponents** ∧ **some degree of organization** ∧ **framing**) ← [? **INUS**? (**2**)] → **transformation of markets**

(combining (2.8-3) and (2.7-13))

Given that the conceptual differences between incumbents and opponents in the case of market transformation is rather small if not inexistent, both are interchangeable (especially in the work of (Fligstein & McAdam, 2011, 2012)). Power asymmetries usually favor the preferences of the incumbent actors. Therefore (given that "incumbents ∧ incumbents ←→ incumbents"):

(2.8-5) (**incumbents** ∧ **some degree of organization** ∧ **framing**) ← [? **INUS**? (**2**)] → **transformation of markets**

((2.8-4) reformulated)

After deriving necessary conditions for two unknown combinations of INUS conditions, the next step is to finally arrive at "sufficiency". Necessary conditions have to be part of the sufficient combinations of INUS causes for an outcome (in this case a combination of INUS conditions) or the sets [?INUS?(1)] and [?INUS?(2)]. To accommodate for the fact that not all potential necessary conditions for those sets have been captured for the jointly sufficient combinations, the sets X_1 [?INUS?(1)] and X_2 [?INUS?(2)] capture all necessary conditions for both combinations of INUS conditions disregarded in the hypotheses. Those sets will gain further meaning in chapter 4.1, where scope conditions are discussed, which are the intersect of X_1 [?INUS?(1)] and X_2 [?INUS?(2)]. Together with the unknown INUS conditions X_1 and X_2, we have two combinations of INUS conditions for the outcome:

institutional entrepreneurship:

(**2.8-6**) (**incumbents** ∧ **visibility** ∧ **framing** ∧ **X1**) ↔ [?**INUS**?(**1**)] → **transformation of markets**

(combining (2.8-3) and the assumptions about additional INUS conditions in set X_1)

or, excluding [?INUS?(1)]:

(**2.8-7**) (**incumbents** ∧ **visibility** ∧ **framing** ∧ **X1**) → **transformation of markets**

(preliminary hypothesis on institutional entrepreneurship)

social movements:

(**2.8-8**) (**incumbents** ∧ **some degree of organization** ∧ **framing** ∧ **X2**) ↔ [?**INUS**?(**2**)] → **transformation of markets**

(combining (2.8-3) and the assumptions about additional INUS conditions in set X_2)

or, excluding [?INUS?(2)]:

(**2.8-9**) (**incumbents** ∧ **some degree of organization** ∧ **framing** ∧ **X2**) → **transformation of markets**

(preliminary hypothesis on social movements)

Combining both preliminary hypotheses (2.8-7) and (2.8-9) to yield the final hypothesis 1 in (2.8-10), which is the combination of both paths:

(**2.8-10**) ((**incumbents** ∧ **visibility** ∧ **framing** ∧ **X1**) ∨ (**incumbents** ∧ **some degree of organization** ∧ **framing** ∧ **X2**)) → **transformation of markets**

(combination of (2.8-9) and (2.8-10))

or

$$(\textbf{incumbents} \wedge \textbf{framing} \wedge \begin{pmatrix} (\textbf{visibility} \wedge \textbf{X1}) \vee \\ (\textbf{some degree of organization} \wedge \textbf{X2}) \end{pmatrix}) \rightarrow \textbf{transformation of markets} \quad \textbf{(2.8-11)}$$

(preliminary hypotheses 1)

Changing the connotation from "∨" to "+" (logical inclusive "or") and from "∧" to "*" (logical "and"), we derive:

$$\textbf{incumbents} * \textbf{framing} * \begin{pmatrix} (\textbf{visibility} * \textbf{X1}) + \\ (\textbf{some degree of organization} * \textbf{X2}) \end{pmatrix} \rightarrow \textbf{transformation of markets} \quad \textbf{(2.8-12)}$$

(preliminary hypothesis 1)

For the analysis, the unknown sets X_1 and X_2 are completely disregarded, which yields:

$$\textbf{incumbents} * \textbf{framing} * \begin{pmatrix} \textbf{visibility} + \\ \textbf{some degree of organization} \end{pmatrix} \rightarrow \textbf{transformation of markets} \quad \textbf{(2.8-13)}$$

(final hypothesis 1)

Therefore, we derive two equifinal (but not necessarily exclusively disjunct[85]) paths to the outcome of market transformation. Either individually visible firms frame a common project to transform markets in front of incumbent actors (institutional entrepreneurship) or social movements with some degree of organization frame the transformation of markets in front of incumbent and easily identifiable targets (social movements). Those two paths is the main hypothesis[86] of this thesis, while some additional INUS conditions might be added to provide to extend the scope of the argument to other markets. In order to circumscribe the particular case, some scope conditions will be taken into account (chapter 4.1). This is possible through the inclusion of the unknown sets X_1 and X_2. Those sets allow for some flexibility in the argument since they contain different kinds of possible conditions. X_1 and X_2 are not simply included in order to provide a convenient loophole for the theoretical argument, their relevance and content is discussed below:

[85] It has been argued that institutional entrepreneurship and social movements can act in concert in specific instances or can hardly be conceptually distinguished in some cases (see page 79ff). In other cases, either social movements or entrepreneurs were detected as individually relevant causes. Nevertheless, since the "∨" or "+" or "OR" is not exclusive ("NOR"), the opportunity for an overlap is neither precluded nor explicitly required for the general process to occur.

[86] Please note that the whole sentence is treated as one single hypothesis to be able to negate this one hypothesis for the non-outcome and to highlight that no hypotheses on single conditions are meaningful for my analysis.

(1) X_1 and X_2 solve the inherent shortcoming of the theoretical argument. Through chapter 2.6 and chapter 2.7, I replaced the theoretical derived INUS conditions with their necessary parts. As long as those necessary parts are not jointly sufficient, those necessary parts are not equivalent to the respective INUS conditions. Given that necessary parts of INUS conditions have to be necessary for the whole combination of INUS conditions, they are INUS conditions themselves. But their causal role has to rely on the absence or presence of additional INUS- or necessary conditions, and they should be less relevant than the initial INUS conditions. Those potential missing additional conditions are included in the terms X_1 and X_2. Thus, X_1 and X_2 include disregarded necessary conditions or INUS conditions[87] (which are jointly sufficient in concert with the mentioned necessary conditions) of the central concepts. For instance, a certain amount of resources might be necessary for institutional entrepreneurs (Battilana et al., 2009, p. 83; DiMaggio, 1988, p. 14ff) as well as for social movements (Della Porta & Diani, 2006; McCarthy & Zald, 1977, p. 15) to be effective. Or some degree of overlap between individual experiences and used frames might be necessary for identity formation or successful framing to convince audiences (Babb, 1996; Benford & Snow, 1988). The fact that those are not included in the statement does not undermine their causal role. On the other hand, neither does their causal role undermine the above statements about necessity (and – potentially together with X_1 and X_2 - joint sufficiency).

(2) Possible scope conditions (H. A. Walker & Cohen, 1985) (see chapter 4.1) are included in X_1 and X_2 as well. The main argument focuses on market transformation, while other cases of institutional change are disregarded. Furthermore, this rather parsimonious argument does not claim to explain all possible kinds of market transformation exhaustively. Other cases of market transformations might require additional INUS conditions to account for the supply side of the market.

(3) X_1 and X_2 might indicate an incompleteness of the general theoretical argument(s) and offer a basis for further reasoning in the identification of general processes. In comparative studies (and single case studies), the universe of analyzable causes is limited, and a certain degree of homogeneity of cases - depending on the case selection and the

[87] This would presume a highly complex structure within the theory and/or the concepts, which is not discussed in this thesis. For applications of interplays of necessary and sufficient structured concepts and a "family resemblance" structured concepts at different hierarchical levels (see Goertz, 2005, p. 27ff).

research question - is required (Gerring, 2007, p. 50ff). To pick easy examples, an MSDO (Most Similar Different Outcome) design requires a high degree of homogeneity between cases in the causal conditions, while a MDSO (Most Different Similar Outcome) calls for a high heterogeneity (Berg-Schlosser & De Meur, 2009). Even a careful selection of most different cases for a common outcome (MDSO) cannot guarantee the possibility of neglected homogeneous factors, which might play a crucial causal role. Therefore, this thesis might not be able to account for all factors and thus can be understood as a possible starting point. Here, X_1 and X_2 are explicit place holders for the theoretical gaps to be filled. For instance, since Fair Trade is analyzed and the content of framing is similar between national contexts and product categories (see chapter 4.3.3), the relevance of the appeal of framing to audiences, which is supposed to play a causal role in general (Babb, 1996; Benford & Snow, 2000), is neglected. Many - if not all – comparative studies have to focus on a limited amount of causes for different reasons[88], neglecting others. X_1 and X_2 accommodate for this fact of inherent incompleteness in the analysis of causal processes.

(4) Finally, X_1 and X_2 offer the opportunity to allow for idiosyncratic conditions which are special to certain markets or fields. From an ontological viewpoint, they allow for a combination of general theoretical considerations (like the concepts mentioned) and idiosyncratic, case specific arguments. Hence, they provide some degree of discretion (and indeterminacy) without necessarily obstructing the identification of general causal processes and mechanisms, or even violating claims for the occurrence and detection of those processes in the analysis (Mayntz, 2004, p. 252ff). As Broscheid and Gschwend (2003, p. 12ff) argue, any explanatory approach has to be less complex than the respective phenomenon to be distinguished from a description. Thus, even stochastic processes cannot account for all (potentially) relevant characteristics.

Besides guiding the analysis for the outcome, this hypothesis allows for the application of DeMorgan's law to provide hypotheses for the Non-Outcome as well. The empirical results cannot provide this opportunity since DeMorgan's law presupposes a fully specified truth table (which will not be the case in this analysis (see chapter 5), neither in most if any qualitative research) and no contradictions at all (Schneider & Wagemann, 2012, p. 112ff). Since the failure of market transformation is regarded a theoretical and empirical blind spot in the literature (Huault

[88] The empirical clustering or distribution of conditions or causes due to the historicity of social processes (Ragin, 2000, p. 82ff; Schneider & Wagemann, 2012, p. 154f) is another reason for the limits of comparison.

& Rainelli-Weiss, 2011, p. 1396) due to selection bias, it is convenient to derive these hypotheses in a logically sound manner after transforming the theoretically well understood arguments for the outcome into parsimonious logical statements. Thus, the above statement allows for theoretical arguments for the outcome and the non-outcome without further (narrative) theoretical argumentation[89]. To come up with theoretical arguments for the non-outcome without contradictions requires a formalization which has been offered above – given that the case of failed institutional change or failed market transformation lacks theoretical arguments and empirical analyses (for an exception, e.g. Huault and Rainelli-Weiss (2011)). It follows that given limited diversity (implicit in case studies or explicit in QCA), hypotheses for the non-transformation of markets or non-institutional change have to be derived from a theoretical argument ("~" stands for "non-"). The INUS conditions which were derived for the explanation of the outcome provide the basis for SUIN-conditions[90] for the non-outcome:

$$\sim\begin{pmatrix}(\mathbf{incumbents} * \mathbf{visibility} * \mathbf{framing} * \mathbf{X1}) + \\ (\mathbf{incumbents} * \mathbf{some\ degree\ of\ organization} * \mathbf{framing} * \mathbf{X2})\end{pmatrix} \leftarrow \sim \mathbf{transformation\ of\ markets} \tag{2.8-14}$$

(negation of hypothesis 1)

which yields:

$$\begin{pmatrix}(\sim\mathbf{incumbents} + \sim\mathbf{visibility} + \sim\mathbf{framing} + \sim\mathbf{X1}) * \\ (\sim\mathbf{incumbents} + \sim\mathbf{some\ degree\ of\ organization} + \sim\mathbf{framing} + \sim\mathbf{X2})\end{pmatrix} \leftarrow \sim \mathbf{transformation\ of\ markets} \tag{2.8-15}$$

(negation of hypothesis 1)

$$(\sim\mathbf{incumbents} + \sim\mathbf{visibility} * \sim\mathbf{some\ degree\ of\ organization} + \sim\mathbf{framing} + \sim\mathbf{visibility} * \sim\mathbf{X2} + \sim\mathbf{some\ dgree\ of\ organization} * \sim\mathbf{X1}) \leftarrow \sim\mathbf{transformation\ of\ markets} \tag{2.8-16}$$

(preliminary hypothesis for the non-outcome and necessity (SUIN), negation of hypothesis 1, if two sets are in a perfect subset superset relation, the superset has been used (for instance: ~incumbents+~incumbents*~some degree of organization is replaced by incumbents), for

[89] The way the hypotheses are derived should be most convenient in cases of causal asymmetry (arguments in which "if A than B" does not imply "if A than Non-B") and where either the processes leading to the outcome or to the non-outcome are well understood. The logical statements (unlike the empirical analysis) allows for the application of DeMorgan's law. In a nutshell, the well understood and formalized causal arguments for one phenomenon offer the opportunity to derive the causes for the less well understood phenomenon through DeMorgan's law (Schneider & Wagemann, 2012, p. 81ff).

[90] A SUIN cause is a "sufficient but unnecessary part of a factor that is insufficient but necessary for an outcome" (Mahoney et al., 2009, p. 126).

simplification "(sm)" is added for unique concepts for "social movements" and "(ie)" is added for unique concepts for "institutional entrepreneurship.

Therefore, the lack of incumbents OR the lack of visible individual institutional entrepreneurs AND the lack of some degree of social movement organization OR the lack of framing OR the lack of visible individual institutional entrepreneurs AND X_2 OR the lack of some degree of social movement organization AND X_1 are necessary for the non-occurrence of market transformation.

Since any part of an intersection of necessary conditions is necessary by itself (a superset of the intersection, which is a superset of the non-outcome), the formula can be simplified, further. Any intersection is replaced with its supersets even if they are less concrete. Even if "~visibility*~some degree of organization" is less concrete than "visibility+~some degree of organization", the replacement of any intersection with X_1 and X_2 with its supersets requires for "visibility+~some degree of organization" as SUIN conditions and replaces "~visibility*~some degree of organization" Therefore, this simplification replaces all intersections with the unknown parts (X_1 and X_2) with its known supersets und yields hypothesis 2 (2.8-17) for necessity (SUIN):

(**2.8-17**) (~**incumbents** + ~**visibility** (**ie**) + ~**some degree of organization** (**sm**) + ~**framing**) ← ~**transformation of markets**

(final hypothesis 2 for the non-outcome and necessity (SUIN), negation of hypothesis 1, if two sets are in a perfect subset superset relation, the superset has been used (for instance: ~incumbents+~incumbents*~some degree of organization is replaced by incumbents), for simplification "(sm)" is added for unique concepts for "social movements" and "(ie)" is added for unique concepts for "institutional entrepreneurship)

Therefore, either ~incumbents, ~framing, ~visibility, or ~some degree of organization are sufficient for the set "~incumbents + ~visibility + ~framing + ~some degree of organization", which is necessary for the non-outcome (~transformation of markets).

Schneider and Wagemann (2012, p. 297ff) and Ragin (1987, p. 118ff) argue that the sets can be negated and that the negated hypothesis should also be employed for evaluating sufficiency.). Since sufficiency employs the conditions as subsets instead of supersets (necessity), any intersection with X_1 and X_2 is excluded instead of being replaced by its supersets (as done in (2.8-17)). If one disregards X_1 and X_2 from the start and excludes all intersections with X_1 and X_2 in (2.8-16) and replaces necessity with sufficiency, one yields hypothesis 3 **(**2.8-18**)** for sufficiency (INUS):

(2.8-18) (~**incumbents** + ~**visibility** (**ie**) ∗ ~**some degree of organization** (**sm**) + ~**framing**) → ~**transformation of markets**

(final hypothesis 3 for the non-outcome and sufficiency (INUS), negation of hypothesis 1 if one disregards X_1 and X_2, for simplification "(sm)" is added for unique concepts for "social movements" and "(ie)" is added for unique concepts for "institutional entrepreneurship)

Accordingly, cases in which either ~incumbents, ~framing, ~visibility together with ~some degree of organization occur should be instances of the non-outcome (sufficient). This part of the argument will be applied in the selection of "crucial cases" (Schneider & Wagemann, 2012, p. 300ff) in chapter 5.6.

Before the theoretical concepts are put into empirical sets in chapter 4 and analyzed in chapter 5, a very brief introduction to the evolution of Fair Trade is provided in chapter 3.

3 An Introduction to Fair Trade

Before examining specific product categories in more detail in chapter 4, a brief introduction to Fair Trade as an example for transnational movements is offered. Thereby, specific emphasis is granted to the way the community initially evolved "bottom up" before "top down" processes gained significance[91]. Nevertheless, those "top down" processes have not led to convergence and national settings do play a crucial role in the understanding of the community as a whole.

3.1 From "Alternative" to "Mainstream"

The historical emergence of the Fairtrade mark is understood as an evolution in phases[92] from a social movement to a visible market niche represented by a label (Davies, 2007; Dolan, 2011; Moore, 2004). The idea of distinct phases in the development of Fair Trade is widely accepted in the literature and consistent with other examples for market niches evolving out of social movements (Lounsbury et al., 2003). After the movement succeeded in creating an audience for their concern, companies detected the demand by the relevant audience and established a visible market niche connected to the initial concern. In the later processes, companies are able to further their own goals and affect the further progress of the market niche.

Likewise, the processes of certification and mainstreaming are recognized as a regression of the initial radical ideals, as well as the key to its success in terms of market share (Davies, 2007; Moore, 2004). The phases capture general trends of Fair Trade from a holistic point of view, while their significance varies between product categories and national settings. Therefore, not all product categories underwent all phases. Especially, the more recent attempts to infuse commodities with morality lack a history of engagement by social movement actors. Furthermore, while business interests gained influence across countries, the orientation towards business by national licensers is stronger pronounced in the USA and the United Kingdom compared to Continental Europe (Hutchens, 2009, p. 108ff). Thus, the phases discussed in the next sections are recognized and analyzed in greater detail by many scholars of Fair Trade (Davies, 2007; Gendron et al., 2009; Huybrechts, 2010, p. 263ff; Nicholls & Opal, 2005), while dissent evolves mainly in the interpretation of the Avant-garde.

[91] For the difference between "top down" and "bottom up" community building see Quack and Djelic (2010, p. 91f)

[92] This section offers only a brief and simplified overview over the historical emergence of the Fair Trade movement. For a detailed summary over the history of the Fair Trade movement and different attempts to distinguish historical phases see Davies (2007).

3.2 The Closed Community until 1990

The origins of the today popular Fairtrade certification mark can be traced back to efforts of *Alternative Trade Organizations* (ATOs) (today: Fair Trade Organizations (FTOs)), non-profit-, and non-governmental organizations to empower producer groups through "trade not aid" (Davies, 2007; Gendron et al., 2009; Nicholls & Opal, 2005, p. 20; Raynolds, 2000, p. 301; Tallontire, 2000). Those sourced craft products and coffee through alternative supply chains which put a stronger emphasis on supporting producer groups through education, direct trade, and fair prices for the commodities and crafts. Those organizations supplied Fair Trade products and relied on the trust "based on their name" (Davies, 2007, p. 462). This trust has been established vis-à-vis their customers and their suppliers through direct and rather unregulated interactions (Davies, 2007, p. 462f; Nicholls & Opal, 2005, p. 164ff; Tallontire, 2000, p. 168). The movement shared a common concern for small scale producers, who appeared to be disadvantaged by conventional supply chains, and the common goal to challenge and change the globally predominant economic order (Redfern & Snedker, 2002; Tallontire, 2000). Those alternative trade channels have been established in many developed countries in the global north and were loosely connected through their common goal. Compared to the certification based approach, they have been and still are characterized by relatively radical claims to change the *modus operandi* of global trade (Jaffee, 2011; Raynolds & Long, 2007b).

The first phase is characterized by a strong focus on the demands of producer groups in the global south and a very limited audience of the most ethical affluent consumer groups (Davies, 2007; Nicholls & Opal, 2005). The focus on the producers instead of consumer demand led to oversupply as well as problems with producing low quality products. Furthermore, this phase is characterized by a strong emphasis on campaigns and on education in a grass roots manner to raise issues and establish frames for the community. The purpose was to "disrupt" (King, 2011) conventional business practices and to raise the awareness of the life situations of disadvantaged producers in the global south. The movement identified practices to blame and had a peer based audience which eases attempts to establish moral categories, in general (Anteby, 2010, p. 632f). *Commensuration* of ethics to different product categories was not yet of importance, since the organizational reputation of the ATOs and the political message – thus, not the product itself - were at the forefront (Davies, 2007; Nicholls & Opal, 2005, p. 164ff). Fair Trade was a closed and homogeneous community lacking a reformist ideology. According to Weber et al. (2008), those conditions should result in a rather low potential for market penetration.

3.3 1990-2002: the Niche Market Era

Based on an analyses of Fair Trade in the United Kingdom, the phase between 1990 and 2002 has been regarded as the "niche market era" by Davies (2007). During the end of 1980s and the early 1990s, these Alternative Trade Organizations (ATOs) established certification marks and nation-specific regulative frameworks for specific commodities supplied by disadvantaged producers. The ATOs and some Fair Trade retailers recognized the benefits of pooling their resources to educate and campaign in order to create a visible label (Nicholls & Opal, 2005, p. 127ff). Third party certification has been regarded as a convenient opportunity to grow beyond the former limits of the most ethical affluent consumer segments[93] (Nicholls & Opal, 2005, p. 164ff). A rule based, third party-certification framework with a joint body controlled by the movement actors accommodates the distrust of the movement in the goodwill of for-profit organizations to comply voluntarily without monitoring or sanctioning mechanisms (Nicholls & Opal, 2005, p. 164ff). Furthermore, certification in the social and environmental sectors has put consumption-based pressure on the founding of Fair Trade Organizations/national licensers (Murray & Raynolds, 2007, p. 7f). The crops due to certification have been characterized by rather "simple" supply chains, which should ease the attempt to certify direct relations between small scale producers and retailers (Nicholls & Opal, 2005, p. 24f; Schaber & van Dok, 2008, p. 58ff). In contrast to the former approach by the ATOs[94], the certification mark is granted for individual products and not for the organization as a whole. The certificate issues (as "basic principles"):

- direct purchasing from the producer (no middleman)
- transparent and long term relationships
- a fair minimum price (small producers) or minimum wage (employees) which guarantees the producers that the costs of production, of complying to the standards, and living are covered
- a social premium which is granted to the co-operative (small producers) or worker organization for developmental purposes (Nicholls & Opal, 2005, p. 33ff)

[93] The limited audience of the ATOs caused severe problems. The stronger emphasis on quality by northern costumers caused severe obstacles since the suppliers were over-dependent on the ATOs, whose market was shrinking or at least static (Redfern & Snedker, 2002, p. 37). In line with their ideology, the ATOs had favored producers' demands over the demand and taste of consumers (Nicholls & Opal, 2005, p. 99ff) – which led to problems of oversupply (Low & Davenport, 2005, p. 146f).

[94] In recent years, some of the Fair Trade Organizations (FTOs, former known as ATOs) changed their attempt to Fair Trade and developed innovative strategies to penetrate "conventional markets" without losing sight to their initial mission. New business models (like co-ownership) aim to align profits and competition with the needs of producers (Hutchens, 2010; Nicholls & Opal, 2005, p. 96ff).

Thus, "conventional" retailers of Fair Trade products do not necessarily have to change their overall strategy and structure as long as they comply with the regulative framework for the individual product at hand. The decision for product certification explicitly allowed for-profit organizations to enter the niche of Fair Trade and for the growth of Fair Trade beyond the limits of the former movement (Gendron et al., 2009, p. 66f; Luetchford, 2011b; Redfern & Snedker, 2002). This approach has proven to be convenient for small retailers searching for opportunities to distinguish themselves from the mass market (Davies, 2007). Thus, the ideals have been picked up by "interested actors" within specific niche markets to pursue "challenger" strategies in the face of predominant "incumbents" or big players with high price competitiveness and economies of scale (Fligstein & McAdam, 2011). The ideals of the initial community supported such attempts, for instance the criticism of conventional business practice by the initial community and national media targeting mostly big and visible companies and the special emphasis on the beauty of smallness (Fair Trade Canada, 2012). This new approach allowed the activists within the community to go beyond "disrupting" (King, 2011) business practices and to convince firms to participate and sell Fair Trade commodities through third parties (the consumers). Thus, "persuasion" (King & Pearce, 2010, p. 255) has been added to the repertoire. Similar to the case of grass-fed and dairy meat products analyzed by K. Weber et al. (2008), business actors were able to alter public perception away from "low-quality solidarity" products and established a visible niche of higher quality products (Davies, 2007). The initial certification of a limited amount of products focused on product categories, which have already been traded by ATOs or small initiatives, before explicit standards have been established (Fair Trade e.V., 2001). Thus, those categories had already been infused with morality by social movement organizations in a bottom up manner, while the small retailers and national labeling initiatives spread the moral message which has already been formulated to larger audiences. Thus, the *commensuration* of morality relied on the efforts of social movements to formulate frames and firms to distribute the message to larger audiences beyond the ethically most affluent consumers. This is mirrored by the predominance of "Advocacy-Driven Growth" in which producer organizations or NGOs drive the initial launch of the product and thus, the certification succeeds the launch (Nicholls & Opal, 2005, p. 144ff).

3.4 Since 2002: the Mass Market Era

According to Davies the era since 2002 can be regarded as the mass market era (Davies, 2007). In the year 2002 the certification of Starbucks coffee remarked a major shift in the orientation of the community (Renard, 2003; P. L. Taylor et al., 2005). The inclusion of big and particularly multinational companies opened the community to its primary opponents from before. Besides the tremendous growth (in absolute terms and in terms of market penetration, see Figure 9 on page 111), the mainstreaming of Fair Trade received criticism around the issue of *window dressing* of companies supplying only a small amount of their product lines through certified channels, while other channels and product lines remain unaffected (Hutchens, 2009, p. 124; Knowles, 2011, p. 28ff.). In addition, it has been contested, whether the approach to Fair Trade as one of many certification marks is an accurate measure to further the goals of the former movement (Golding, 2009; Moore, 2004; Raynolds & Long, 2007b; P. L. Taylor, 2004). Scholars and critiques argue that the Fairtrade mark became an attempt to "brand morality", thus a "monetized symbol" to intermingle social meaning and economic interactions (Dolan, 2011, p. 38f). Furthermore, the old movement actors claimed to put a stronger emphasis on personal interactions with the producers and on the education of consumers as well as producers to link producers, and consumers in a more direct way (Barrientos et al., 2007, p. 52ff). While the certification mark has proven to be a valuable measure to tackle the challenges at hand at this time, it caused tensions which resulted in two separated markets for Fair Trade products (Davies, 2007; Gendron et al., 2009; Huybrechts, 2010, p. 11f; Nicholls, 2010, p. 93; Renard, 2003; P. L. Taylor, 2004; J. Wilkinson, 2007). These tensions are also exemplified in the rising importance of "Market-Driven Growth" (Nicholls & Opal, 2005, p. 146ff). In contrast to "Advocacy-Driven Growth" in which new certification is driven by producers' demand for certification, "Market-Driven Growth" strategies put a stronger emphasis on the preferences of northern consumers and companies aiming at satisfying their customers' demands. While this strategy ensures a better marketability of the products, the focus shifts away from the needs of southern producers (Nicholls & Opal, 2005, p. 146ff). The initial attempt to sell a product comes from the producer/NGO and the marketability and standard setting is the last step in the case of "Advocacy-Driven Growth". In the case of "Market-Driven Growth", the northern companies ask FLO to set standards for a product they want to sell carrying the Fairtrade mark and then try to help their suppliers to comply (Nicholls & Opal, 2005,

p. 144ff). Therefore, *Commensuration* of new products under the common metric is strongly driven by the demands of consumers and companies[95] in the case of "Market-Driven Growth".

3.5 Establishing International Bodies

National licensers for the certification mark established themselves first in Europe (starting 1988 in the Netherlands), before the certification model diffused to the USA (Barrientos et al., 2007). While the functions fulfilled and standards monitored were similar, the national licensers were set up by different individuals at different points in time. Due to different approaches to marketing, diverse governance structures, and (more general) ideological differences, some actors consider those NGOs as "a can of worms" (Hutchens, 2009: 103f). In 1997 the umbrella organization FLO has been founded by the national licensers to harmonize and coordinate the efforts and diverse regulative frameworks to create a globally recognized label for Fair Trade (Auld, 2011: 70f). The governance structure of the FLO reflected this attempt by granting votes exclusively to the national licensers, while producer groups were excluded until 2007 (Auld, 2011: 71). Since 2004, the independent organization FLO-Cert is responsible for the monitoring of compliance and certification (see chapter 4.3.1 for details).

While tensions threatened the cohesion of the initiative, strategies to cope with the conflicting approaches to Fair Trade without losing sight of the communalities evolved. In the year 2001 the common definition to Fair Trade (EFTA, 2002a, p. 1) and common goals were published to demonstrate cooperation and establish umbrella concepts for the diverse approaches. The common network FINE (consisting of **F**LO, **I**FAT (since 2008: WFTO), **N**EWS! (included in WFTO in 2009) and **E**FTA) has been established to create forums and common publications to ensure ideological consistency within the community. FLO and IFAT work together on common definitions and charters of Fair Trade (WFTO, 2012). On the organizational level, IFAT build up a forum in 2002 in which organizations dealing exclusively with Fair Trade or support Fair Trade as their primary objective meet and discuss (Fair Trade e.V., 2012). Similarly, FLO sets up annual assemblies (consisting of 50% producer organizations and 50% representatives of the labeling initiatives) as well as the national labeling initiatives (FLO, 2012c). Thus, the transnational community tries to ensure longevity in combining recurring dialogue with organizational diversification.

[95] In fact, both strategic attempts have to be balanced, even though they can conflict (Nicholls & Opal, 2005, p. 144ff). Thus, "Market-Driven Growth" and "Advocacy-Driven" Growth are both of importance in the third phase, while the weight of "Market-Driven" Growth has increased.

3.6 Balancing Market and Ideals – Tensions of the initiative with regard to markets

As can be seen, Fair Trade evolved at the beginning as a "bottom up" social movement in which the actors build up transnational networks based on solidarity and trust with disadvantaged producers in the global south. Those networks are regarded as a necessary precondition for the overwhelming success of the later product certification approach. The initial success of the movement can partly be attributed to the already established bottom up marketing channels and ties to diverse actors through the networks of the initial movement (Berlan, 2011; Hutchens, 2009, p. 78). When the niche began to saturate and obstacles occurred, the initial actors expanded the scope of their movement and allowed for a stronger emphasis on business and quality with the certification of specific commodities and the founding of national licensing organizations (Renard, 2005). The founding of international agencies to monitor compliance and guard over the regulative framework (FLO (founded 1997) and FLO-Cert (founded 2004)) marks a turning point for the movement. On the one hand, the movement gained international scope and was able to harmonize their regulative frameworks; on the other hand, individual national licensing organizations lost part of their sovereignty in favor of international agents (Nicholls, 2004).

Compared to the founding projects, the mainstreaming of Fair Trade came along not only with new (business) actors, product categories, and tensions, but also with a stronger impact of "top down"-processes from the international to the national sphere. The centralization of standard setting and certification in the hands of international agents entails strong interdependence between the national initiatives granting licenses and reviewing marketability of (new) products and the FLO controlling the Fairtrade mark (Auld, 2011, p. 72ff). Both the national as well as the international bodies[96] do perform diverse functions to assure the rising success of Fair Trade as a whole. Although FLO and FLO-Cert coordinate the efforts of the national licensers, the already mentioned tension between more to less radical ideals or between rather weak to strong business emphasis can also be found between national licensers. The tension characterizing the relation between WFTO / IFAT (umbrella organizations for the FTOs) and FLO (Hutchens, 2009, p. 102ff), between retailers of Fair Trade products (Huybrechts & Defourny, 2010), can also be applied to national licensers (Hutchens, 2009, p. 108ff).

[96] The focus on national licensers in the global north and international organizations like FLO and FLO-Cert does not neglect the importance and impact of producer organization on the strategies and opportunities of Fair Trade (e.g. Cáceres et al., 2007; David & Kim, 2010; Kruger & du Toit, 2007; Renard & Pérez-Grovas, 2007; Shorette, 2012; J. Wilkinson & Mascarenhas, 2007a, 2007b).

In the USA, the conflict between the national licenser and the old movement's actors is known to be more intense than in Europe; so the strict business approach impedes the possibilities for consensus (Barrientos et al., 2007, p. 55ff; Jaffee, 2010). In the United Kingdom, the market for Fair Trade products is centered on the supply chains of the main supermarkets. Those play a major role in the distribution and marketing of Fairtrade products and their strategies are regarded as a main reason for the overwhelming success of Fair Trade in the United Kingdom (Knowles, 2011; Nicholls, 2002; S. Smith, 2010b). Innovative business models, particularly co-ownership, were able to pacify the tension by combining business interests with producer empowerment (Hutchens, 2010; Nicholls & Opal, 2005, p. 95ff).

The decision for and against the certification of new products is to a large extant driven by producers' demand given by their disadvantaged position in global trade (Nicholls & Opal, 2005, p. 156f), while the marketability of products in a specific national market gains in importance (Nicholls, 2004). Here, the interdependence between international bodies (screening producers' demand and setting applicable standards) and national bodies (screening the marketability of products) is particularly visible (Auld, 2011, p. 72ff). The setting of standards is a process in which national bodies, stakeholders, external experts and FLO (and its organizational sub sections) are actively involved to ensure reasonable and applicable standards and to avoid severe "side-effects" (FLO, 2012e). Again, the entanglement of diverse actors from the national to the transnational sphere exemplifies the need for transnational cooperation and the increasing professionalization of FLO. The mere focus on producers' demand in this process can lead to obstacles like oversupply, which still characterizes many products (FLO, 2011c; Schaber & van Dok, 2008, p. 62). Most of the certified products had already been traded through the niche of alternative trade channels which eases the screening of the market (Nicholls, 2004). In addition, *ex ante* existing quality or specialty niches can play an important role for various reasons. Even if the rising importance of quality characteristics might shift the focus away from the most disadvantaged to (relatively) better situated producers in the global south (Auld, 2011, p. 76f; Luetchford, 2011b, p. 60f; Shorette, 2012), the success in the global north can in some cases be attributed to quality niches (Nicholls, 2002). Those niches do not merely function as entry points to markets for small scale producers (certified or not), but are partly characterized by features close to the standards issued by the Fairtrade mark.

In the case of the coffee specialty market, higher prices paid to producers as well as long term relations had been established to ensure a steady supply of high quality coffee before certification took momentum (Grodnik & Conroy, 2007, p. 84f). For other products like cocoa (Barrientos &

Smith, 2007) and rice (CBI, 2010b, p. 22), quality niches and market differentiation are regarded as preconditions for Fair Trade products to enter northern markets and fit the taste of consumers. However, niches might restrain growth into the mainstream, making it difficult to grow beyond the limits of the niche (Ruigrok, 2011). In the case of Fair Trade coffee, new entrants find it increasingly difficult to deal with the fierce competition in the saturating market (Farnworth & Goodman, 2008, p. 13). In other instances, one might assume that Fair Trade products face problems to establish themselves because existing quality niches are closed to products from disadvantaged producers from the global south. Wine has been granted certification after the criteria of suitability of FLO were met and partly because the wine market showed the potential for further growth in the United Kingdom (Nicholls, 2004). Nevertheless, the wine market is highly segmented with distinct quality niches (partly depending on wine growing areas) (Garcia-Parpet, 2011; Rössel & Beckert, 2012). The rising success of "conventional" wines from the "new world" (including South Africa and South America) is attributed to its price competitiveness (Mora, 2007). Competition on price would clearly contradict with the attempts of Fair Trade and might not fit into potential strategies to enter a quality niche. The minimum price and the social premium are at the heart of the regulations (Nicholls & Opal, 2005, p. 33ff). In contrast, some product categories lack niches (besides organic[97]) and quality standards do only issue cosmetic features as in the case of bananas[98] (Raynolds, 2007; Shreck, 2002, 2005).

Another highly controversial point is the importance of large suppliers of Fairtrade products – especially plantations (Murray et al., 2006). Those entered the scene with the certification of bananas and are one of the main controversial issues of Fair Trade (Murray et al., 2006; Raynolds, 2007; Raynolds & Long, 2007b, p. 28). Plantations are regarded as exceptionally well suited for the demands of multinational companies and supermarkets, since they are able to supply large amounts of products "in time" and with economies of scale (Schaber & van Dok, 2008, p. 48ff). In fact, supermarkets do play a major role for the success of this product, especially in the United Kingdom (S. Smith, 2010b, p. 110ff). The regulations of wages (instead of small scale producers) are more influenced by the specific domestic setting of the plantation (local minimum wages or domestic average) (FLO, 2009b). For products in which both frameworks (small scale producers and for workers) apply, many producers fear a crowding out effect in favor of plantations

[97] The relevance of organic certification should not be disregarded, some authors observe the rising importance of organic certification for Fair Trade producers (Schaber & van Dok, 2008, p. 74ff). Though, this seems not to be the case for all products since the share of organic certified wine to all Fair Trade wines decreased steadily over recent years in Germany (Transfair Deutschland Jahresberichte 2005-2010)

[98] The differences in success between Europe and the USA are partly explained in focusing on the competition with other certification regimes (like Rainforest Alliance) (Murray & Raynolds, 2000). Nevertheless, the differences inside Europe (as can be seen in Graph 5-9 in the Appendix) need further clarification.

(Raynolds & Murray, 2007, p. 227f; Schaber & van Dok, 2008, p. 48ff). Economies of scale and low wage settings are perceived as a competitive advantage for plantations[99] (Schaber & van Dok, 2008, p. 48ff). The tensions surrounding plantations and the limits of growth in small niches led to the resignation of membership of Fairtrade USA as (formerly) one of the main national licensers (Raynolds, 2012).

[99] The proposition to expand the regulative framework of Fair Trade to coffee plantations (and not small scale producers exclusively) has been met with explicit refusal by the producers. They were able to veto against this attempt (Murray et al., 2006).

4 Introducing the Method & the Cases – Qualitative Comparative Analysis & Dimensions of the Property Space

The explanation of the "success" of Fair Trade Products or "market penetration" follows a X_n/Y-centered approach (Gerring, 2007, p. 71)[100]. The employed set theoretic reasoning is regarded as the main goal and distinguishing feature of case based research compared to regression based methods (Mahoney, 2010, p. 132). The success and failure of launching specific product categories is treated as the *explanandum* at which the search for crucial initial conditions begins to explain its occurrence (Mayntz, 2004, p. 244). The expectations or hypotheses in the theoretical section accommodate Hug's (2013) argument about the necessity to deduce hypotheses before applying the method Qualitative Comparative Analysis – especially when analyzing only parts of whole populations of cases. The initial hypotheses in the theoretical section clearly call for deterministic and complex causal relationships. Even though no choice for or against a certain methodology can be substantiated through the results the method is able to yield (Rohlfing, 2014 [11/30/2014]), a high overlap in the underlying assumptions between ontology and epistemology is required to make an informed choice (Hall, 2003). The (auxiliary) assumptions, which form the base of the theory under evaluation and the underlying assumptions of the method to evaluate this theory, should not contradict each other (Hall, 2003). The most important assumptions are the following:

(1) Determinism – the assumption that the causal link between cause and effect is not part of a stochastic process but that it is invariant – is the base of most case based approaches (Gerring, 2007, p. 54). Single or few cases cannot provide insights into processes, which occur with a given probability – single cases can confirm or falsify theoretical explanations only under the assumption, that the cause is deterministically linked to the effect (Gerring, 2007, p. 54). Gerring (2007, p. 53ff) states that deterministic and probabilistic causal relationships are both located on a continuum of causal "strength" given by the "consistency" and "magnitude" of an effect. "It involves both the shape of evidence at hand and whether priors might be relevant to an interpretation of that evidence" (Gerring, 2007, p. 54). He argues that case based research has a strong affinity to "strong" causal relationships, while large N-cross-case analysis is usually applied to "weak" relationships. In this thesis, it is not assumed that deterministic causation is a special case of probabilistic causation or vice versa (Grynaviski, 2013, p. 826), but causes

[100] Since the hypotheses in chapter 2.8 presume complex combinations of causes instead of single causes, I replaced the notion of X_1/Y centered in Gerring (2007, p. 71) with X_n/Y.

can only be regarded as "counterfactual difference-makers" (Grynaviski, 2013, p. 824) or "Boolean difference makers" (Baumgartner, 2015, p. 844)[101] if determinism is presumed. The employment of propositional logic to derive theoretical expectations relies on the same determinism as does the analyses and can be evaluated through truth tables. Though, single case studies are

"(…) used primarily to identify invariant relationships. They are used to pinpoint patterns of constant association [Ragin refers to "Mill's Method of Agreement" and "Mill's Indirect Method of Difference", author's note], not to explain variation. Because of causal complexity, however, it is difficult to identify invariant relationships that are neither circular nor trivial" (Ragin, 1987, p. 42).

Therefore, the adopted deterministic approach is connected to the second auxiliary assumption "causal complexity" given by the theory (see chapter 2.8), which should not contradict the ontological base of the method of choice (Hall, 2003). Here, determinism does not imply invariant causal relationships, as, for instance, single necessary or sufficient causes or even causal symmetry, but is related to complex causal patterns.

(2) In contrast to determinism, the notion of "causal complexity" is used less consistently in the literature and refers to an assortment of different causal patterns or relationships, which altogether "do[es] not fit snugly with standard assumptions of linearity, additivity, and independence" (Gerring, 2007, p. 61). Among the various types of "causal complexity", the notions of "necessity", "sufficiency" ("causal asymmetry"), "nonadditive causal interrelationships", and "equifinality" (Gerring, 2007, p. 61) are significant for this argument. Those aspects of causal complexity are interlinked, while "causal asymmetry" can be regarded as the most general one. The sufficiency of a cause ("if A then B") does not imply its necessity ("if B then A" or "if Non-A then Non-B"). Both refer to an "asymmetric" interpretation of results. Especially, sufficiency enables an evaluation of equifinality – different causes leading to the same outcome. If a cause is sufficient, but not necessary for an outcome, different causes may lead to the same

[101] Baumgartner (2015, p. 844ff) rightfully argues that being a "Boolean difference-maker" is necessary but not sufficient for being a cause. Therefore, the sentence "causes are 'Boolean difference-makers'" is formally right but potentially misleading. According to Baumgartner (2015), all causes are "Boolean difference-makers", but not all "Boolean difference-makers" are causes.

outcome. The syllogism "if A then B" (A → B) is in accordance with "if C then B" (C → B), while "if C then B" (C → B) would be at least redundant given the symmetric statement "A is necessary and sufficient for B" (A ←→ B). Sufficient but unnecessary causes allow for equally or similarly important equifinal paths to the same outcome, without creating redundancies. In the section on determinism, the aspect of "nonadditivity" has already been discussed, while it has been argued that single necessary or sufficient causes are not of interest (as outlined in chapter 2.8). The "additivity" of causes, the assumption that causes have independent effects on the outcome, form the backbone of most regression based research and enable the so called *ceteris paribus* interpretation of the results obtained. Confounding factors are "held constant" and a "net effect" can be obtained referring to the "experimental method" (Della Porta, 2008, p. 201; Ragin, 1987, p. 58ff). In contrast, the assumption of nonadditivity refers to the case based approach in highlighting the case as an "interpretable whole (Ragin, 2000, p. 22), seeking to understand a complex unity rather than establishing relationships between variables" (Della Porta, 2008, p. 204). "[T]he case study researcher's goal is to show how different aspects mutually constitute the whole case and then to compare and contrast the different wholes" (Ragin, 2000, p. 23). Cases are assigned to locations on the Lazarsfeld's multidimensional "property space" (Barton, 1955; Ragin, 2000, p. 76ff), which corners delineate "ideal types" (Schneider & Wagemann, 2012, p. 98). Therefore, single cases are constituted by the attributes or dimensions of a "property space" and can be compared to "ideal typical" configurations (Ragin, 2000, p. 77). The emphasis lies on the explanation of phenomena through "abstract models with an internal logic against which real, complex cases can be measured" ("ideal types") (Della Porta, 2008, p. 206).

"Damit mit diesen Worten etwas Eindeutiges gemeint sei, muss die Soziologie ihrerseits „reine" („Ideal"-)Typen von Gebilden jener Art entwerfen, welche je in sich die konsequente Einheit möglichst vollständiger Sinnadäquenz zeigen, eben deshalb in dieser absolut idealen „reinen" Form vielleicht ebenso wenig je in der Realität auftrete, wie eine physikalische Reaktion, die unter der Voraussetzung eines absolut leeren Raums errechnet ist. Nur vom reinen („Ideal"-)Typus her ist soziologische Kasuistik möglich" (M. Weber, 1922, p. 10 [new German spelling rules applied by author])[102].

[102] Translation: "In order to give a precise meaning to these terms, it is necessary for the sociologist to formulate pure ideal types of the corresponding forms of action which in each case involve the highest possible degree of logical integration by virtue of

He continues to say that those ideal types allow for unambiguous reasoning and should be as artificial and sharply defined as possible:

"Je schärfer und eindeutiger konstruiert die Idealtypen sind: je weltfremder sie also, in diesem Sinne, sind, desto besser leisten sie ihren Dienst, terminologisch und klassifikatorisch sowohl wie heuristisch." (M. Weber, 1922, p. 10)

The final hypotheses in the theoretical section (chapter 2.8) make the assumption that the intersection of conditions or aspects of cases, hence, the corners of "property spaces" or "ideal types" play a causal role in the explanation of the transformation of markets. In contrast to the empirical analyses in fsQCA, only the corners of the property space allow for theorization (see chapter 2), while the fuzzy sets and the empirical location in the "property space" (Schneider & Wagemann, 2012, p. 98) enable an empirical assessment – as Weber (1922, p. 10) argues. It is a specific example of an explanatory typology which consists of dichotomies. It refers to a "multidimensional conceptual classification[s] based on explicit stated theory" (Elman, 2005, p. 296). It is used to classify and describe cases and types of cases in a deductive manner (Elman, 2005, p. 296ff; Fiss, 2011, p. 395). Thus, it is not assumed that single conditions are pivotal, but that the conditions allow for a causal interpretation only if they appear in concert. While this assumption is the basis of QCA, and is brought forward by scholars to argue for the strength of this method, it is "infrequently incorporated at the theoretical level" (Mello, 2013, p. 8). Therefore, even if determinism is assumed, the assumption of "causal uniformity" (Ragin, 2000, p. 103) is relaxed. The causes are deterministic, but have to appear together as configurations to cause the expected effect. Therefore, scope conditions or even historicity can be included through intersections.

Two of the most prominent approaches for cross case comparisons are the Most Similar Different Outcome (MSDO) and Most Different Similar Outcome - Designs (MDSO)

---

their complete adequacy on the level of meaning. But precisely because this is true, it is probably seldom if ever that a real phenomenon can be found which corresponds exactly to one of these ideally constructed pure types. The case is similar to a physical reaction which has been calculated on the assumption of an absolute vacuum. Theoretical differentiation (Kasuistik) is possible in sociology only in terms of ideal or pure types." (M. Weber, 1978 [1921], p. 20).

(Berg-Schlosser & De Meur, 2009; De Meur & Berg-Schlosser, 1994). They employ Boolean algebra and determinism, while they rely on symmetric causation and do not account for the complex causal relationships presented above (Ragin, 1987, p. 42). The intuition - looking for similar cases when analyzing different outcomes (MSDO) and looking for different cases when analyzing similar outcomes (MDSO) in order to exclude irrelevant constant (MSDO) or varying (MDSO) causal factors – is sound. Nevertheless, these approaches fail to capture "conjunctive plurality of causes" (Marini & Singer, 1988, p. 354ff), which is assumed in the theoretical section (chapter 2.6 to chapter 2.8).

While the ability to analyze this kind of causation is a general advantage of many other case based methods, Qualitative Comparative Analysis is especially suitable for the comparison "of *configurations of causes* - that is the contemporaneous presence/absence of combinations of factors, not of the presence/absence of each of them. Although, still following a deterministic logic, it allows for multiple causation through the analysis of several different combinations of causes" (Della Porta, 2008, p. 214). QCA offers a middle ground between intension – the in depth analysis of very few cases – and extension – the analysis of many cases with the goal of generalizations (Ragin et al., 2003, p. 323f).

As argued, the underlying assumptions of Qualitative Comparative Analysis (QCA) show a high overlap with the theoretical expectations or hypotheses in chapter 2.8. They refer to Weber's (1922, p. 10) idea to theorize "ideal types" as the basis for an assessment of (fuzzy) empirical instances. My attempt is to evaluate a theoretically deduced explanatory typology (Elman, 2005; George & Bennett, 2005b) with empirical information. As Fiss (2011) demonstrates, fsQCA is well suited for an empirical evaluation of deduced typologies.

4.1 Case Selection & Scope Conditions

Before the selection of conditions and the analyses, the selection of cases needs to be addressed. Therefore, some scope conditions and limitations are discussed, first. Scope conditions form the base of an evaluation in theory.

Besides "(…) making general principles testable, scope statements provide clear guidelines for choosing the appropriate empirical situation in which to evaluate a theory.

> Theorists who make the scope of theoretical statements explicit are making a commitment to a class of situations in which the general principles will not be falsified" (H. A. Walker & Cohen, 1985, p. 294).

Thus, they make theories "conditional" (H. A. Walker & Cohen, 1985, p. 294). According to Ragin (2000, p. 61ff), they enable the choice of comparable cases and constitute the relevant population of interest for QCA, set relational methods, and case based research (see also: Gerring, 2007, p. 50ff). In his (hypothetical) example, the scope conditions ("peasant societies") is constant and (in fact) a necessary precondition of the outcome ("peasant revolts") (Ragin, 1987, p. 107ff). Scope conditions constitute cases in which an outcome might occur and therefore solve the "Hempel's paradox" (Clarke, 2002) in guiding the selection of relevant negative cases in which the occurrence of the outcome is possible or may have occurred (Mahoney & Goertz, 2004). Rohlfing (2012b, p. 144) steps further and argues for the inclusion of (potential) causes as scope conditions as an opportunity to take a boundary condition "as a given in the analysis, and there is no obligation to consider whether its absence would have an impact on the causal relationship of interest"[103]. Scope conditions establish an "area of homogeneity" to meet the standard of "unit homogeneity" as a necessary requirement for any comparison (Berg-Schlosser & De Meur, 2009, p. 20ff; Mahoney & Goertz, 2004, p. 660f). Any qualitative comparison and especially QCA has to be based on an argument about "background conditions" [Hintergrundbedingungen] (Kelle, 2003). The theoretical relevance of my scope conditions has already been discussed as necessary parts of both combinations of INUS conditions (X_1 and X_2, page 81).

In this thesis, the selection of cases can be regarded as a sequential approach in which each nested "unit of analysis" requires its own argument. The following questions need to be addressed:

- What does Fair Trade stand for – Why Fair Trade? (level 1)
- Why the respective national settings? (level 2)
- What do the respective product categories and their certification offer – why these product categories within those national settings? (level 3)
- What are relevant scope conditions of the underlying processes? (level 1 and level 2)

[103] The additional features of scope conditions for the "Method of Agreement" and "Method of Difference" with regard to sufficient and necessary scope conditions by Rohlfing (2012b, p. 144ff) are not discussed – neither method is applied in this thesis.

To start with the "case" of Fair Trade, one needs to address the distinct properties of this certificate.

To compare the "success" and "failure" of certification in different national settings, one has to ensure the "representativeness" or "typicality" as well as the "variation" or "causal leverage" of the variables under study (Gerring & Seawright, 2007, p. 149). Furthermore, one has to avoid possible selection biases by selecting on the dependent variable (Geddes, 1990). Gerring and Seawright (2007, p. 97ff) identify the selection of *diverse cases* as a possibility to ensure the representativeness of the findings and to deal with great variation in the dependent as well as the independent variable(s). The idea behind choosing *diverse cases* is to cover the full range of theoretically possible or empirically observable values on the dependent, independent or on both the dependent and the independent variable(s) between the cases under study. The selection of *diverse cases* is fruitful for QCA (Seawright, 2002), which does not imply a random selection of cases (Braumoeller & Goertz, 2002) – the population of interest has to be delineated carefully. Gerring and Seawright (2007, p. 99) argue that *diverse cases* can be selected for random or stratified samples and stochastic processes, or QCA and determinism – the approach chosen in this thesis. It allows for the analysis of a great variation (also of the key variables of interests), while ensuring a high representativeness (a high scope), while the delineated groups of cases should be internally homogeneous (Gerring & Seawright, 2007, p. 100f).

Fair Trade (level 1) offers this opportunity because a great variation can be assessed on various dimensions (as will be seen in Table 18 on page 207 and Table 20 on page 212 with regard to the variables of interest) – the degree of market penetration of Fair Trade (the outcome) varies to a large extent – by national context (e.g. FLO, 2007, p. 11; 2009a, p. 22f; 2011a; 2012a, p. 12f), and by product category within national contexts (e.g. Fairtrade Foundation, 2012c)[104].

Besides the varying factors, constant factors (on level 1), and a certain degree, or "area of homogeneity", is vital for any comparison (Berg-Schlosser & De Meur, 2009, p. 20ff) – those can be regarded as scope conditions. Firstly, Fair Trade offers a common "master frame" – a general, non-context specific frame, in which "articulations and attributions are sufficiently elastic, flexible, and inclusive enough so that any number of other social movements can successfully

[104] In addition, the credibility (measured as the percentage of the population who trust in Fair Trade) ranges from 90% of the respondents in the United Kingdom to 21% in Italy (Fairtrade Foundation, 2011d). Even though, Fair Trade is a generally recognizable label – possibly, the most widely recognized ethical label, worldwide (Fairtrade Foundation, 2011d; FLO, 2012a, p. 3), this recognition (measured as familiarity with the label) differs across national settings from 84% of the population (in Austria) to 15% (in Slovakia) (Globescan & Fairtrade International, 2015, p. 2).

adopt and deploy it in their campaigns" (Benford, 2013, p. 1). The common definition of FINE serves this purpose and is recognized by all initiatives for Fair Trade (EFTA, 2002a, p. 1). Therefore, the general goal and "mission" is constant across product categories and national settings. If the resonance of framing and its appeal as antecedents of success (Babb, 1996; Benford & Snow, 1988, 2000; K. Weber et al., 2008) differ, this different impact cannot be attributed to the content, alone.

Secondly, while Fair Trade's inception might have been more radical, it took a rather "reformist" route after 2000 (Raynolds & Long, 2007b), which is a general prerequisite to convince rather than oppose initial opponents in markets. "They seek to alter the structure of a larger sector by adding or eliminating market segments. (…) [T]he movement's immediate goal is to add a market segment within a sector that is already subject to market processes" (K. Weber et al., 2008, p. 532). Whether the "cooling out" and "channeling" of the initial social movements is caused by its strong roots in charity and church based organizations (Bartley, 2007a, p. 229) does not require further attention for the central points of this thesis. Anyhow, it does aid in promoting the embedding of social movements into new and emerging fields (Bartley, 2007a).

Finally, the effect of certification is not obscured by different perceptions of product quality[105]. In contrast to organic products, morality is not related to possible quality characteristics (e.g. health, safety) in the case of Fair Trade – the certification considers primarily the well-being and life situations of producers. Fair Trade is an exemplar ("a case of") of non-state regulated certification, which is relatively open to business enterprises, does not issue differences in product-related quality, and has a rather flexible "master frame".

- scope condition 1 (level 1): common or similar "master frame" (Benford, 2013) across all settings.
- scope condition 2 (level 1): reformist route to change (K. Weber et al., 2008, p. 532)
- scope condition 3 (level 1): non-state regulated and non-product-quality-related certification

[105] The colloquial use of "quality" is meant, here.

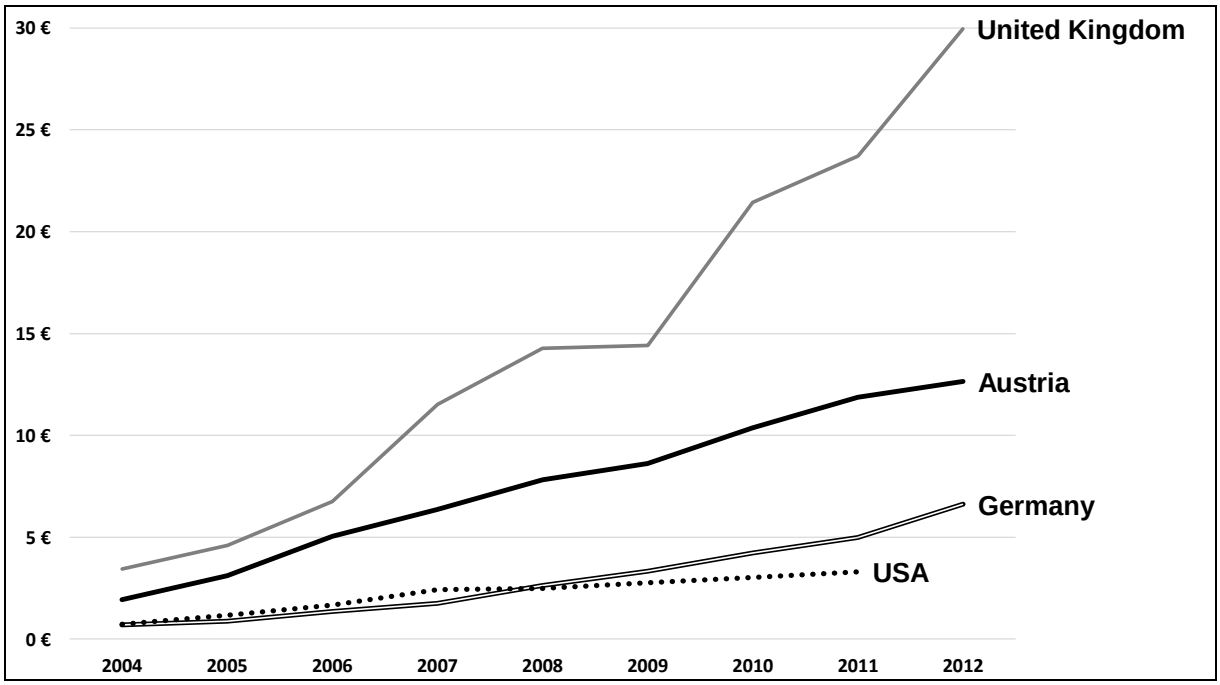
The selection of national settings (level 2) follows a similar attempt – ensuring a feasible and analyzable amount of variation and diversity, while an identifiable "area of homogeneity" (Berg-Schlosser & De Meur, 2009, p. 20ff) is required.

The idea of two different approaches to Fair Trade located at the extremes of a unidimensional continuum guides a selection of cases in the first place. It has been argued that national licensers (and thus national settings) can be assigned to certain "subcultures" and located either at the extreme of an "advocacy"- or "business model"-approach to Fair Trade (Hutchens, 2009: 108ff). While the "advocacy approach" is predominant in continental Europe and especially Germany, the licensers in the United Kingdom and the USA are characterized by their focus on the "business model" (Hutchens, 2009: 109). To capture differences within those approaches to Fair Trade, two national settings are chosen at each end of the continuum – Germany and Austria on the one side compared to the United Kingdom and USA on the other. Those four countries show considerable differences in the size of the overall sales, which can be seen in the Figure 7.

Transfair (in Germany and Austria among others) employ Fair Trade as an opportunity to advocate change, affect the rules of international trade, and are suspicious with regard to business allies – they regard Fair Trade as a means for their general project of change ("advocacy approach"). In contrast, Transfair USA (now Fair Trade USA) and the Fairtrade Foundation (in the United Kingdom) "embrace and work within business norms" (Hutchens, 2009, p. 108) and work pragmatically and close with their business allies to improve the sales of certified products – the terms of international trade are beyond their scope and they "(…) are quite happy with the 'way of the neoliberal economic approach' and operate the Fairtrade system as a paternalistic 'charity organization' instead of as an empowering trading system for producers"("business model") (Hutchens, 2009, p. 108 [referring to the fieldwork notes of VanderHoffBoersma, January 7, 2006]).

It is straightforward to assume that the sales of Fairtrade certified products should reflect this distinction; however, this is not the case. It seems that the different approaches might affect the willingness to cooperate closely with business allies, while the sales do not deterministically reflect this close cooperation. In accordance with Schaber and van Dok (2008, p. 37), I estimate the per capita (per year) consumption of Fairtrade certified products over time in all four national contexts (in Euro):

Figure 7: Consumption of Fairtrade certified products per capita/year



source: own estimation, the sales of Fairtrade products (by FLO, 2006, p. 14; 2007, p. 11; 2008, p. 12f; 2010a, p. 12; 2011a, p. 2; 2012a, p. 12; 2013, p. 13) have been divided by the population (by the United Nations, 2016)

As can be seen, while the United Kingdom is by far the strongest seller (with regard to per capita expenditures for Fairtrade certified products, neglecting the most successful licenser in Switzerland (Schaber & van Dok, 2008, p. 37)), the USA is the weakest. On the other hand, the expenditures by Austrian customers are about 100% higher than in Germany and the USA[106] – even though they are dwarfed by the United Kingdom. While Germany and the USA belong to different types (Hutchens, 2009, p. 108) and evolved at different points in time (Germany as the second national licensers, the USA as one of the latest), their "success" with regard to expenditures per capita are strikingly similar. Therefore, the distinction between "advocacy approach" and "business model" entails different strategies, but not necessarily different degrees of market penetration.

Even though a high diversity is achieved with regard to the strategy of the national licensers and the general appeal in the respective population and sales of Fair Trade, the scope is restricted, again.

Firstly, the scope is restricted to the pivotal characteristics of Fair Trade. Fair Trade and the certificate aim at changing capitalism ("the market") from "within" and on a voluntary basis (Schmelzer, 2007). Firms decide for and against a limitation of their discretion voluntarily. These

[106] Since the USA left the FLO in 2011, the data for after 2011 are not reported, here (FLO, 2013, p. 13).

limitations issue business practices which might be harmful, but are not illegal - legally prohibited practices are not issued by the Fairtrade certification mark. Consequently, capitalism and a free and liberal market in which the companies enjoy some discretion in their sourcing and selling practices are a necessary prerequisite or scope condition for this analysis. According to the "Index of Economic Freedom"[107], all four national settings (Austria, Germany, the United Kingdom, and the USA) belong to the second best group since 2006 – Austria and Germany were just below the threshold of 70 before 2006 (The Heritage Foundation & Wall Street Journal, 2016b).

Furthermore, Fair Trade issues and aims to shape transnational supply chains – the relationship between northern consumers/firms and southern producer groups is the focus. It follows that any national setting needs to be rather open and has to rely, at least to a certain extent, on imports (from the Global South in this case). By virtue, Fair Trade cannot alter, change, or transform supply chains within national settings[108] or prosper in closed economies. According to the World Bank (2016a), the four national contexts Austria, Germany, the United Kingdom, and the USA rely on imports. In 2011, the "Open Markets Index"[109] indicates that the four national settings are either regarded as "above average open" (Austria and Germany) or "average open" (the USA and the United Kingdom) with a range of 3.6 (the USA) to 4.2 (Austria) (Finger, 2011, p. 24f).

In addition, Fairtrade certified products are usually sold at a price premium and not at discount. Studies from survey data indicate, that income and education (or status) are among the most important predictors of (individual or household) Fair Trade consumption or ethical consumption in general (e.g. Andorfer, 2013; Koos, 2012; Stolle et al., 2005, p. 259)[110]. Therefore, a high level of income (purchaser power parity) and education might be required for Fair Trade to hit the market. Again, data by the World Bank show a rather similar GDP/capita and purchaser

[107] The "Index of Economic Freedom" is a combined indicator of four policy areas (rule of law, limited government, regulatory efficiency, and open markets) and ten specific categories (The Heritage Foundation & Wall Street Journal, 2016a, p. 2). The countries are ranked from "free" to "repressed" (The Heritage Foundation & Wall Street Journal, 2016b). While it is a very simplified measure, it is sufficiently accurate to argue for similarity among the national contexts.

[108] Few exceptions exist in which supply chains within national contexts are also issued (e.g. Gepa (Beaumont, 2014 [10/03/2014])).

[109] Since 2011, the "Open Markets Index'" claim is to "to generate a balanced and reliable measurement of a country's openness to trade. It uniquely combines indicators of actual, de facto, openness of markets with those reflecting government measures considered barriers to market entry" (Finger, 2011, p. 4). It combines four indicators (observed openness to trade, trade policy, international capital inflow, and infrastructure for trade) to rank the countries from "most open economies" to "very weak" (no cases in 2011) or "below average openness" (Finger, 2011).

[110] Some studies provide mixed evidence on the socio-demographics of Fair Trade consumption (De Pelsmacker et al., 2005, p. 365f) or argue that the focus on the income reveals "(…) a rather narrow theoretical focus (…). [It neglects] important behavioral determinants such as values and norms which can be considered relevant in the context of FT [Fair Trade, author's note] consumption" (Andorfer & Liebe, 2012, p. 426). Anyhow, a high purchaser power parity is not used as an explanation but as a constant scope condition. The lack of depth is not regarded as an issue in the delineation of scope.

power parity (The World Bank, 2016c), and education (The World Bank, 2016b) in Austria, Germany, the United Kingdom, and the USA.

Also, all contexts in these analyses will be characterized by some "social movements' origins" of Fair Trade. The movements themselves, their impact on certification, and their "relative weight" compared to certification might vary over time and between contexts (see chapter 4.3.1), but each context in this analysis has spawned Fair Trade or Alternative Trade Organizations (FTOs and ATOs) at some point in time. Whether this might be a necessary scope condition for market penetration is open to debate, while it certainly belongs to the "homogeneous factors" in this analysis.

Three factors (not theoretically important scope conditions, but necessary requirements for my comparison) are interlinked and discussed in concert - the time frame and a constant content of regulations. All contexts and all national licensers need some degree of maturity – to evaluate the degree of market penetration (a process) requires that some time has passed since the inception of Fair Trade and the product at hand. Similar regulatory measures are also required - across product categories and especially across national contexts. If certificates issue different criteria, a straightforward comparison is hardly feasible. This limits the time frame to the year 2010/11 since one of the major licensers (USA) left the common regulatory framework and designed novel and different criteria. Since the USA also entered most recent at the end of the 1990s, this limits the analyses to about 2000 to 2010/11. In addition, the comparison does not include cases (national settings) in which all or none of the products are successful – all contexts have a non-zero probability and a non-one probability of successful product launches. Otherwise a closer look at certain product markets would be redundant, the context would be explanatory on its own. Again, this restriction does not issue theoretically important antecedents, but are a methodological requirement.

In sum, the scope conditions (for the national contexts) are the following (the last four conditions are a prerequisite for the comparison, but they are not regarded as scope conditions from a theoretical point of view (and not mentioned as scope conditions, below)):

- scope condition 4 (level 2): liberal and capitalist system
- scope condition 5 (level 2): relatively open economy which relies also on imports

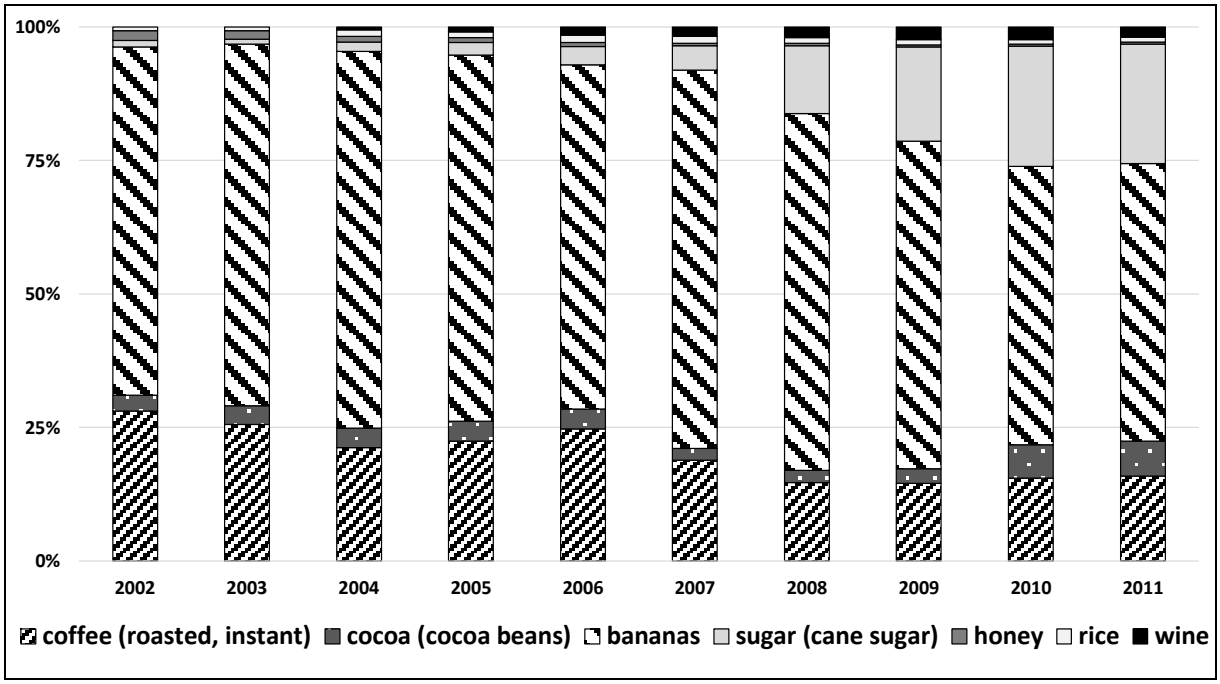
- scope condition 6 (level 2): relatively high purchaser power parity, GDP/capita, and level of education
- scope condition 7 (level 2): social movements' origins of certification

The selection of product categories (level 3) has a different goal – analyzable product categories within national contexts are chosen and cases are only dropped if they are regarded as unsuitable for this particular comparison. From the spectrum of products available with Fair Trade-certificate, feasible products are chosen to ensure variation on their success and data accessibility. The goal is to ensure a high degree of variation with regard to relevant conditions, while selecting "cheap cases" (Gerring, 2007, p. 52). Product categories are excluded if they are

- not mature enough to evaluate success - recently certified products (products certified after 2008, three years before 2011) like gold, the aforementioned maturity applies to national contexts and products
- composite products with too complicated and hardly traceable supply chains and different certificates for different links within the supply chain (like textiles or sportballs) (de Brito et al., 2008) – here, rather "expensive" cases are dropped " (Gerring, 2007, p. 52)
- (only) seasonally available products like some special fruits
- products which are only available in certain contexts – all included products are available in all contexts
- products which are (conventionally) mostly sold through auctions, because the analysis relies on certain buyer/seller relationships and the benefit of additional cases is outnumbered by the increased heterogeneity – those cases are too "expensive" (Gerring, 2007, p. 50ff), again. Tea (Groosman, 2011 [10/2011]) (70% sold at auctions (Fairtrade Foundation, 2016a)) and flowers (also because of its reliance on the Dutch auction system which is central to all European cut flowers markets in Europe (Riisgaard & Hammer, 2011, p. 176)) are excluded, here. Usually, auctions provide additional barriers for direct relationships between buyers and sellers (Riisgaard & Hammer, 2011).

This leaves the analyses with coffee, cocoa, bananas, sugar, rice, wine, and honey. Therefore, seven products are analyzed in four national contexts, which results in 28 cases, overall. The variation of the outcome and the conditions across all national contexts and product categories (as a necessary prerequisite for deviant cases according to Gerring and Seawright (2007, p. 97ff)) is demonstrated in chapter 4.2 to chapter 4.3 and summarized in chapter 5.1, especially in Table 18 on page 207 and Table 20 on page 212. As Gerring and Seawright (2007, p. 98) argue, the variation of categorical variables (in my case sets) requires for intersections, matrices, and typologies – the Boolean distance and the truth table will be provided after the conditions (or variables) and the outcome are explained and discussed in chapter 5.1. "Explanatory typologies" as a basis for theorization (Elman, 2005) are a necessary simplification since not all potential intersections occur empirically (Gerring & Seawright, 2007, p. 98). A glimpse into the variation of sales volumes of the seven product categories without referring to national contexts is already provided in Figure 8 and Figure 9.

Figure 8: Sales volume by product from 2002 to 2011, relative amount in %



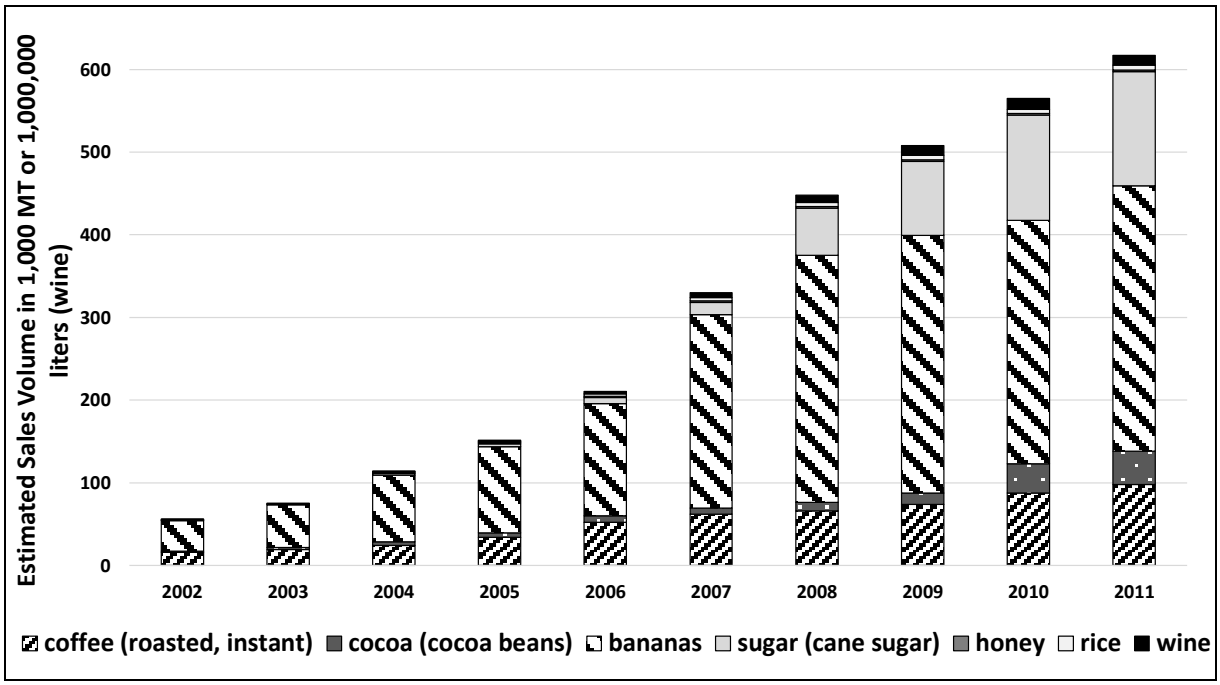
source: FLO Annual Reports 2003 to 2011 (FLO, 2004, 2006, 2007, 2008, 2009a, 2010a, 2011a)), if two information on the sales volume contradicted each other, the most recent information has been coded; until 2002 bananas were reported as "fresh fruits".

Figure 8 allows for an assessment of the relative importance among the seven product categories over the time period 2002 to 2011[111]. While coffee and bananas were the most important products

[111] 100% refers to 100% of the sales volume of the seven product categories chosen at a given time point (2002 to 2011) – additional products are spared. 100% is not related to the sales volume of all Fair Trade products, but only of those considered in this thesis.

in 2002, their relative importance decreased in favor of cocoa and sugar until 2011. Rice and honey remained rather unimportant and stable over time, while some relative increases can be detected for wine.

Figure 9: Sales volume by product from 2002 to 2011, absolute amount in 1,000 MT or 1,000,000 liters



source: FLO- Annual Reports 2003 to 2011 (FLO, 2004, 2006, 2007, 2008, 2009a, 2010a, 2011a)), if two information on the sales volume contradicted each other, the most recent information has been coded; until 2002 bananas were reported as "fresh fruits".

Figure 9 shows the absolute sales volumes of the seven product categories over time. First, it clearly shows that the sales volume increased by a factor of 10 from 2002 to 2011. The most relevant product categories (coffee and bananas) in 2002 took momentum, while cocoa and sugar became much more important, recently. While wine could also increase its sales volume, the sales of rice and honey remained rather low over time and did not benefit (at least not to a high degree) from the overall increase by 1,000% (of the sales volume of 2002) across all considered products.

4.2 The Outcome – Success of Certification as the Degree of Market Penetration

In a nutshell, the operationalization of the "transformation of markets" through certification employs a straightforward procedure – the market share of certified products within the single product markets is assessed as the outcome. In the following section, the intuition behind this rather simple assessment will be provided.

So far, the outcome of this thesis has been broadly presented as a "relocation of product markets in the market plane" or "transformation of product markets" (according to White (1981, 2002b), chapter 2.3), which is due to a change in the "rules of the game" (Fligstein & McAdam, 2012, p. 4, see chapter 2.1) in the process of "commensuration" (Bergeron et al., 2014; Espeland & Stevens, 1998, see chapter 2.2). It leads to transformed opportunity structures of firms within markets (see chapter 2.4) and is regarded as a case of institutional change within markets (due to institutional entrepreneurship in chapter 2.6) or segmentation of existing markets (due to social movements in chapter 2.7).

Cress and Snow (2000, p. 1065) rely on Gamson's (1990 [1975]) comparative analysis of challengers' success to discern two different kinds of social movements' outcomes – direct and indirect outcomes[112]. "Direct outcomes" refer to the movements' ideology and aims, while "indirect outcomes" encompass the public perception of the movement and reflect the movements' influence (Cress & Snow, 2000, p. 1065). Those direct outcomes can be further distinguished into "new advances", or direct benefits for the movements' constituent and "acceptance", or the enhanced legitimacy of the movement as a representative of certain concerns (in this case producers' concerns) (Cress & Snow, 2000, p. 1065).

A brief review on the effect of social movements on markets and industries reveals a high variation of different outcomes, which can be categorized as "direct outcomes", more precisely as "new advances" for firms as the movements' constituents (Cress & Snow, 2000, p. 1065). The successful disruption of business activities is discerned through sales (Bartley & Child, 2011; Schurman, 2004; Schurman & Munro, 2009), regulatory chains of business activities (Schurman, 2004; Schurman & Munro, 2009), or a decreased value of stock shares of targeted firms (King, 2011). Hereby, new advances are created for firms, which commercial activity does not violate the claims of the movement and might benefit from the deterioration of their competitors[113]. With regard to industry emergence and development, the absolute number or density of firms or organizations as an indicator of "cultural cognitive legitimacy"[114] has been applied excessively[115].

[112] Actually, Gamson ((1990 [1975], p. 28ff) distinguishes between "acceptance" of the challengers' as the representation of the sets of interests or "new advantages" for the beneficiaries of the challengers.

[113] This does not imply that the targets of social movements can be regarded as those corporations which "committed" the gravest infringements of moral standards (Bartley & Child, 2014, p. 3; Schurman, 2004, p. 256f).

[114] For some insights into the heated debate over the conceptualization of legitimacy through numbers and density, see Baum and Powell (1995) and Hannan and Carroll (1995). In addition to density, most studies assess the founding and mortality rates of firms to delineate the interplay of legitimacy and competition within markets or populations of organizations (Hannan & Freeman, 1977, 1984) over time (e.g. Carlos et al., 2014; Carroll & Swaminathan, 2000).

[115] Sikavica and Pozner (2013) demonstrate that a high number of firms operating in a market can have severe negative impact on the segmentation of markets. They show how an initially partitioned resource space de-partitioned through the invasion of generalists. The following re-partitioning or segmentation of the resource space relied on sharp boundaries and limits to

The evolution of new organizational forms (Dobrev et al., 2006; Negro et al., 2013; Rao et al., 2000; Schneiberg et al., 2008), industries (Carlos et al., 2014), or market segments (Carroll & Swaminathan, 2000; Kennedy, 2008; Swaminathan, 2001) has been analyzed with this measurement. In addition, the amount of novel products or other offerings might serve as an indicator of success (Rao et al., 2003; van Wijk et al., 2013).

The literature on institutional entrepreneurship provides a large pool of different outcomes with reference to the altered institutions in the organizational field. With regard to markets, the change of business activity and the predominant structure, organizational form, or blueprint of the corporations is one relevant outcome (Greenwood & Suddaby, 2006; Hung & Whittington, 2011). In their review, Battilana et al. (2009, p. 71ff) mainly refer to institutionalized practices as the ultimate outcome of institutional entrepreneurship.

The penetration of markets is assessed as the outcome of market transformation. Therefore, the size of certain niches[116] or market segments serve as an indicator of success. This assessment is in line with the explicit stated aims in the definition of Fair Trade (EFTA, 2002a, p. 1) and implied by the expressed "dream" of Oxfam at the inception of certification (Coote, 1994, p. 202f). Furthermore, it is an important indicator in the steady evaluation of the "success" on the international (e.g. FLO, 2006, p. 14; 2007, p. 11; 2008, p. 12f; 2010a, p. 12; FLO, 2010b; 2011a, p. 2; 2011c; 2012a, p. 12; 2013, p. 13) and national level (e.g. Fairtrade Foundation, 2012c; FairTrade USA, 2013; TransFair e.V., 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010b, 2011, 2012; TransFair USA, 2009) by the initiative[117].

To argue for a compelling threshold between "low" and "high" penetration, the example of beer brewing is employed. Among the most prominent scientific examples for niches is the beer brewing industry, and especially the niche of brewpubs and micro-breweries in the USA (Carroll & Swaminathan, 2000; Hsu & Hannan, 2005, p. 482; Swaminathan & Carroll, 1995). The transformation of the brewing industry back to the traditional and local mode of production, which was predominant in the 19th century "reflect deep changes in the social and cultural standing of the population" (Hsu & Hannan, 2005, p. 482). Until the 1980s, the industry underwent an era of mass production, increasing concentration, and consolidation before the first brewpubs and microbrewers (re-) emerged in the 1980s (Hsu & Hannan, 2005, p. 482). The

growth. In this vein, Weber et al. (2008) argue that the segment of grass-fed dairy and meat production was reluctant to establish concrete criteria for a label, since it may lead to an invasion of large scale business enterprises.

[116] For a more detailed discussion of the concept of "niches", see footnote 34 on page 42 or Hannan et al. (2003) and Carroll (1985).

[117] In most cases, raw volumes or the value of the sales are reported. Nevertheless, this information forms the base of the evaluation of market shares.

forecast of this time was an increase in the market share to potential 20 to 25% market share (Carroll & Swaminathan, 2000, p. 753). Craft brewing reached 6.5% market share to all beer (volume) in 2012, 7.8% market share to all beer (volume) in 2013, and 11% market share to all beers (volume) in 2014 (CraftBeer.com, 2016). Around the year 2000 (when Carroll and Swaminathan (2000) published their paper), the craft beer industry output was comparatively lower with about 2.7% market share and in 1995 just passed the 1 to 2% market share threshold (when Swaminathan and Carroll (1995) published their book chapter about beer brewing in the USA) (Elzinga et al., 2015, p. 245). In a similar vein, Weber et al. (2008, p. 533) argue that even with a very low market share of 0.2%, grass fed and dairy meat are a relevant and recognizable category in the market. Therefore, the degree of market penetration (market share) is analyzed to grasp the theoretical concept – the transformation of markets.

In order to compare the degree of market penetration in the case of Fair Trade, the market share of about 1% deals as a crossover point or threshold to distinguish successful from unsuccessful market penetration across product categories. The volumes reported by the national licensers are divided by the total "food supply quantity" in the respective year from FAOSTAT (2016). Therefore, the market share of certified products to the whole supply is considered – either the "Food Supply - Crops Primary Equivalent" (for "coffee and products", "cocoa beans and products", "bananas", "wine", "rice (milled equivalent)", "sugar (refined equivalent)") or the "Food Supply - Livestock and Fish Primary Equivalent" (for "honey"). This should result in a rather conservative measurement of market share, since the categories by FAOSTAT are very general and no small segments within product markets are considered. The final market share of 2010/2011 for each product is calibrated, which is due to three reasons:

(1) The latest episode possible is assessed to evaluate the final degree of market penetration

(2) 2011 is the year in which Transfair USA (today: Fairtrade USA) left the FLO and decided to use different standards for certification (FLO, 2012b, 2012d) – the resulting tensions and different standards hamper a cross national comparison after 2011.

(3) The data for the total supply of all products are available up until 2011 by FAOSTAT (2016), only.

In general, all available data after 2001 is presented, while only the final market share in 2010/11 is calibrated[118]. Therefore, it is assured that the market share in these two years is no outlier. Since the data is not available for each product in each year in all national contexts, the two contexts (Germany and the USA) for which all necessary data is available are discussed, first. Those contexts allow for a straightforward assessment. In a second step, Austria and the United Kingdom are discussed with a stronger emphasis on argumentation instead of mere numbers.

[118] For beverages such as wine, usually liters are reported by the national licensers, while FAOSTAT (2016) reports metric tonnes. Even though, liter is a unit of volume while tonnes measure the weight, a liter has also been defined as the "weight of 1 liter of water" (1901 to 1964). At its highest density, 1 kg water is equal to 1.000028 liter or $1dm^3$ (volume) (Grimm, 2016). Due to the small difference and the impossibility to evaluate the weight-to-liters-ratio without knowing the exact density of the wine and its temperature, I estimated the weight of the wine in dividing the liters by 1,000 (1 tonne of wine = 1,000 liters of wine)

The product-certification has been launched as follows:

Table 1: Products launches by year

	Austria	Germany	United Kingdom	USA
1992		coffee (according to Transfair e.V. (Germany) (2011, p. 14)		
1993	coffee (according to Fairtrade Österreich (2013, p. 4)	coffee (according to Transfair e.V. (Germany) (2002, p. 5)		
1994	coffee (according to Transfair e.V. (Germany) (2002, p. 5)		coffee chocolate / cocoa	
1995				
1996	chocolate / cocoa	chocolate / cocoa honey		
1997		sugar- confectionaries		
1998		bananas		coffee (according to Fairtrade USA (2013, p. 12)
1999				
2000			bananas honey (first mentioned)	coffee (according to Transfair e.V. (Germany) (2002, p. 5)
2001	honey bananas (according to Transfair e.V. (Germany) (2002, p. 5)		sugar (first mentioned)	
2002	bananas (according to Fairtrade Österreich (2013, p. 4)			cocoa
2003	sugar			
2004	rice		wine	bananas (produce)
2005	wine	wine		sugar rice
2006		sugar rice		
2007				
2008	(other) fresh fruits			wine honey
2009				
2010	sugar confectionaries			

source: Transfair e.V. (Germany) (2002, p. 5; 2011, p. 14), Fairtrade Österreich (2013, p. 4), Fairtrade Foundation (2001, p. 6; 2014c), Fairtrade USA (2013, p. 12), some sources report different years for some products, "first mentioned" means that data on the product was first mentioned in the respective year by the national licenser

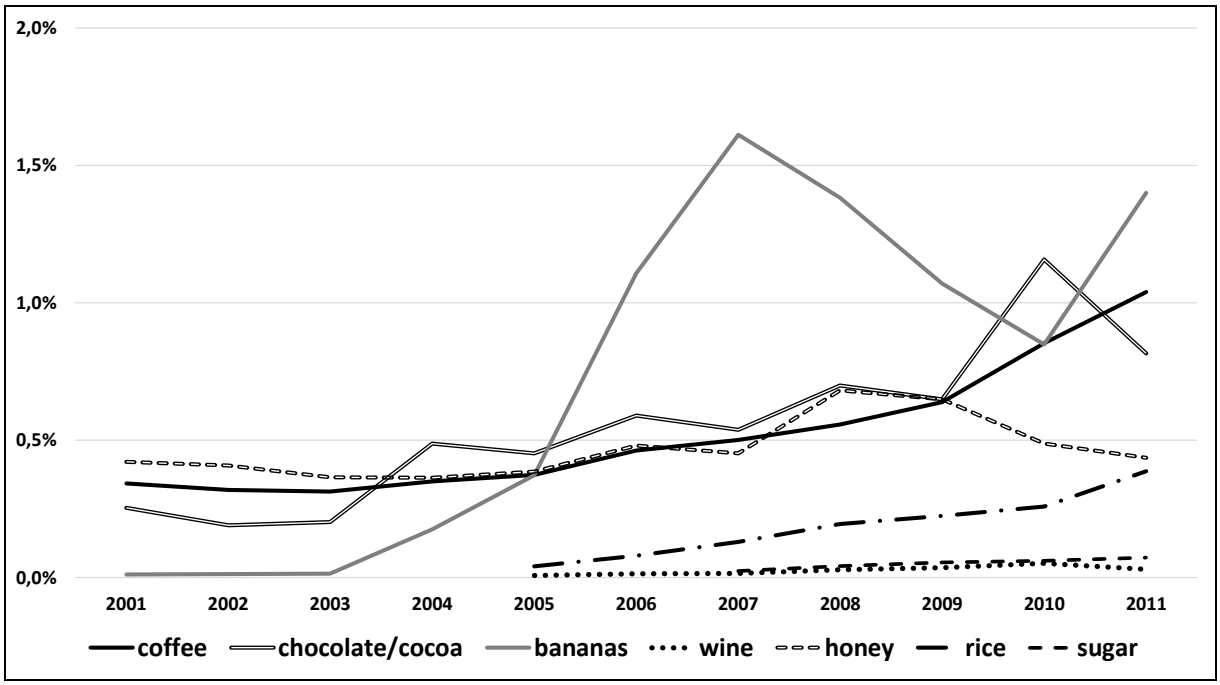
Germany provides a rather clear picture with regard to market share of certified products. The market penetration of wine (0.05% in 2010 and 0.03% in 2011) and sugar (0.06% in 2010 and 0.07%

in 2011) is very low, while honey (0.49% in 2010 and 0.44% in 2011) and rice (0.26% in 2010 and 0.39% in 2011) is higher, but still comparatively low. Only coffee (0.85% in 2010 and 1.04% in 2011), chocolate and cocoa products (1.16% in 2010 and 0.82% in 2011), and bananas (0.85% in 2010 and 1.4% in 2011) gained a market share higher than 1% in at least one of the years considered.

Between 2001 and 2011, the market share of coffee grew slowly but steadily to 1.04% and the value cannot be regarded as an outlier – it is consistent with the trend over time. Bananas finally reached the relevant threshold in 2006, while the only value below 1% is the year 2010 – therefore, the value of 0.85% for 2010 is regarded to be an outlier and bananas are considered a success. The case of cocoa is little more complicated, since the market share is volatile and only passed the threshold once in 2010. Nevertheless, one should calibrate carefully to distinguish between two qualitative states and try not to differentiate between similar objects (Ragin, 2009, p. 93f) and avoid "artificial cuts" (Rihoux & De Meur, 2009, p. 42). In comparison (also between national contexts), the market share of 1.16% in 2010 and of 0.82 in 2011 can be regarded as sufficient to speak of a comparatively high market penetration and a stronger resemblance to coffee and bananas than to wine, sugar, rice, and honey[119]. Therefore, only coffee, cocoa products, and bananas are regarded as successes with regard to market penetration in Germany.

[119] Transfair e.V. estimates very similar market shares in 2013 and states in an interview that the most successful Fair Trade products in Germany are bananas with about 3.5% (estimated data for 2011: 1.4%) and coffee with about 2% market share (estimated data for 2011: 1.04%) (Lebensmittelwirtschaft.org, 2013 [10/07/2013]). According to the estimation, bananas and coffee are the most successful products in Germany in 2011, as well. In another interview with Transfair e.V., coffee, cocoa, and bananas are regarded as the most successful products in Germany (Deutschlandradio Kultur, 2016 [06/11/2016]). In 2001, Krier (2001 [01/2001], p. 31) estimates a market share of exactly 1% of coffee certified by Transfair and below 1% for bananas. Nevertheless, this information is not consistent with more recent information (Lebensmittelwirtschaft.org, 2013 [10/07/2013]) and the growth rates over time (TransFair e.V., 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010b, 2011, 2012) – given the growth rate and the more recent information, the market share of 2001 had to be smaller.

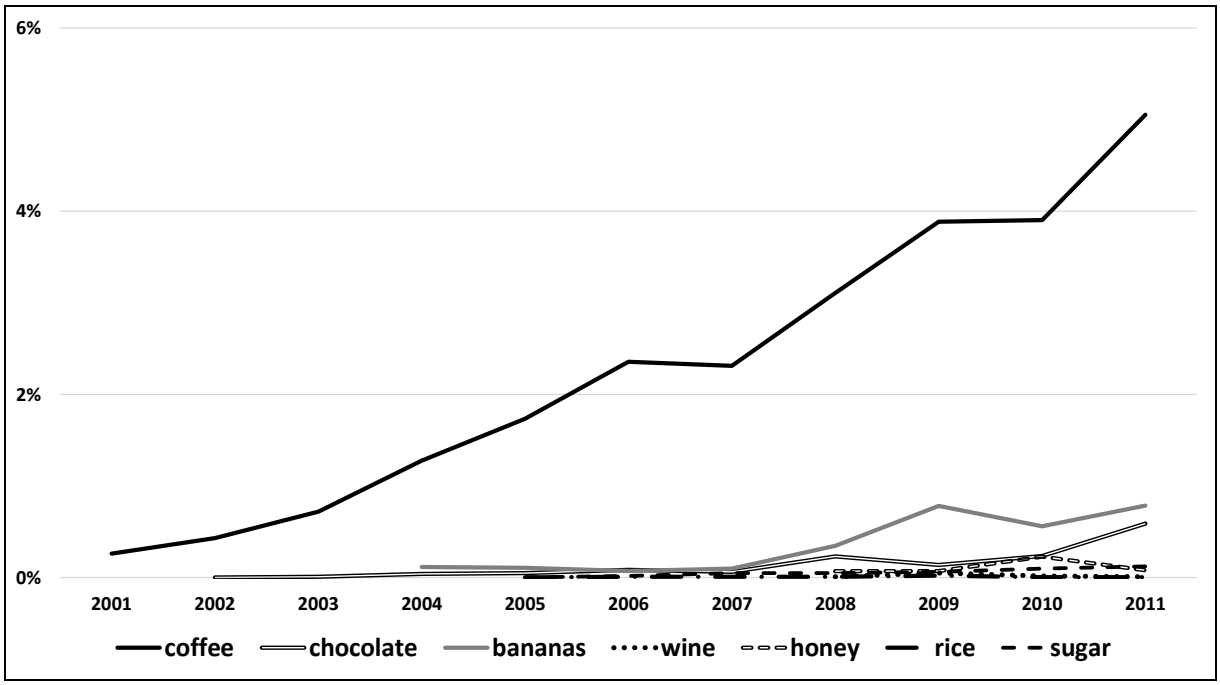
Figure 10: Estimated market share (in %) of Fairtrade certified products in Germany



source: own estimation, imported certified volume (TransFair e.V., 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010b, 2011, 2012) divided by whole supply (by FAOSTAT, 2016)

In the USA, coffee is the most striking example of successful market penetration with a 5.05% market share in 2011. Wine (0.02% in 2010 and 0.01% in 2011), rice (below 0.01% in 2010 and 2011), honey (0.23% in 2010 and 0.08% in 2011), and sugar (0.1% in 2010 and 0.12% in 2011) have a constantly low market share. The market penetration of certified bananas (0.56% in 2010 and 0.79% in 2011) and cocoa/chocolate (0.24% in 2010 and 0.59% in 2011) may be regarded as comparatively higher, but are still well below 1% in the whole period from 2001 and 2011 – they do also not belong to the set of successes with regard to market penetration. Therefore, certified coffee is the only product, which is regarded a success with regard to market penetration in the USA.

Figure 11: Estimated market share (in %) of Fairtrade certified products in the USA



source: own estimation, imported certified volume (by FairTrade USA, 2013) divided by whole supply (by FAOSTAT, 2016), own estimation

After discussing the two national contexts for which all required data is available, Austria and the United Kingdom are presented, next.

The data for Austria is presented in Table 2. Since not all values are provided for all time periods. A graphical presentation would rely on the imputation of missing values, which is not done. The argument on the set memberships will be based on the market shares of 2009 and 2011 – since data for 2010 is missing. In addition, for information which is not even available for this time period, reported categories are used to show that it is impossible or unfeasible to assume that certain certified products penetrated the market.

Table 2: Estimated market share (in %) of Fairtrade certified products in Austria

	coffee	cocoa products / chocolate	bananas	wine	honey	rice	sugar
2001	0.59%	0.32%					
2002	0.77%	0.51%	2.44%				
2003	0.90%	0.43%	2.48%				
2004	0.84%	0.75%	2.47%		0.04%	0.20%	0.03%
2005	1.33%	2.62%	3.52%	0.002%	0.03%	0.35%	0.07%
2006	1.76%	2.45%	5.57%	0.002%	0.15%	0.50%	0.09%
2007	1.15%	5.21%	8.53%	0.002%	0.47%	0.37%	0.07%
2008	1.43%	7.31%	11.08%				
2009	2.12%	3.84%	12.60%				
2010							
2011	2.14%	14.84%	12.72%		*<0.57%* (convenience products)		<0.18%

source: own estimation, certified volume (by Fairtrade Österreich, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012b; Trans Fair Austria, 2002) divided by whole supply (by FAOSTAT, 2016)

Without any doubt, cocoa-products, bananas, and coffee are successful market categories with regard to Fair Trade in Austria. Coffee passed the threshold of 1% around the year 2005 and has a final market share of 2.14%[120]. Cocoa products and chocolate passed the threshold in 2005, as well. In 2011, cocoa products have an exceptionally high market share of 14.84%[121]. The market share of bananas has been high from the beginning (in 2002) and even increased to 12.72% of the market in 2011[122].

The sales of Fair Trade wine have been rather low (well below 0.1%) for the period which could be directly observed (2005 to 2007). The information for 2011 does not issue wine, but the general category "beverages" / "fruit juices" of which wine is a sub-category (Fairtrade Österreich, 2013, p. 7) – wine is not even discussed together with fruit juices, but only categorized at the end of the report. Fruit juices are the fifth most successful product category in Austria over time (Fairtrade Österreich, 2013, p. 5). For the observed period (2005 to 2007), the category of fruit juices sold a volume of roughly 680,000 liters in 2005, 1,200,000 liters in 2006, and 3,500,000 liters in 2007,

[120] The data was validated by information of EFTA – they estimate a market share of about 0.7% for coffee in 2001 (Frese, 2008, p. 93), which lies in between the estimated market share of 0.59% (2001) and 0.77% (2002) in Table 2. For 2001, Krier (2001 [01/2001], p. 19) estimates a market share of below 0.7% for coffee. In contrast to this data, Trans Fair Austria (2002, p. 10) estimates a market share of 1.6% for September 2002 of certified coffee.

[121] Again, the information for 2003 coincides with the information of Frese (2008, p. 78), who estimates a market share of 0.5% of Fair Trade chocolate (according to the estimation in Table 2: between 0.43% (2003) and 0.75% (2004)).

[122] Fairtrade Austria (2012a) estimates on the basis of the same information (Banana imports of 2009/2010 of 99.500 tonnes and 12.600 tonnes Fairtrade certified bananas in 2011) a market share of about 20%. Even though, the difference in estimated market shares is striking, both values 12.72% and about 20% would be calibrated to the same set membership of market penetration (1.0). Thus, this difference will not affect the final results, at all.

which dwarfs the sales of Fair Trade wine with roughly 4,500 liters in 2005, 5,500 liters in 2006, and 4,200 liters in 2007 (Fairtrade Österreich, 2008, p. 18). If we assumed that the whole category of beverages consists of wine, we would have an estimated market share of 2.47% in 2011 – but this is rather improbable. Wine is not even discussed in 2012 as a single category, while fruit juices are the fifth most important product in Austria (Fairtrade Österreich, 2013, p. 5). It is compelling to assume that the relative size of the sales of wine to fruit juices is similar if not equal between the time period of 2005 to 2007 and in 2010/2011. In the general category "wine and juice", wine had a share of about 0.66% in 2005, about 0.46% in 2006, and 0.12% in 2007. If we disregard this negative trend over time and assume that wine had the rather "high" share of 2005 (0.66% to "wine and juice"), Fair Trade wine would have a market share of about 0.012% of all wine in Austria. Therefore, even if wine would be rather successful and fruit juices were not (which is not the case), wine would not be regarded a success with regard to market penetration. The sales in volume required to be successful are distanced by a factor of 100.

The information on certified honey points to a similar direction. In the observed period from 2004 to 2007, honey had an initially low market share of 0.04%[123], but increased to finally 0.47% by the end of 2007. For 2011, the general category "convenience products" (fruit spreads and honey) (Fairtrade Österreich, 2013, p. 7) is reported to have sold 55 tonnes (Fairtrade Österreich, 2013, p. 5). If we assume that all "convenience products" would consist of honey and thus, 55 tonnes of honey were sold in 2011, Fair Trade honey would have a market share of only 0.57% to honey in Austria. The market share cannot exceed 0.57% in any case. Therefore, certified honey is not regarded to be successful in Austria.

In a similar vein, rice (from Thailand and India), quinoa (from Ecuador), sugar (from Paraguay and Mali), and plant oils belong to the category "basic foods", of which 565.42 tonnes were sold in 2011 (605 tonnes in 2012, an increase of 7%) (Fairtrade Österreich, 2013, p. 5). If these 565.42 tonnes would consist of sugar or rice only, the estimated market share would be 1.82% for Fair Trade rice and 0.177% for Fair Trade sugar. Therefore, sugar cannot have passed the threshold of 1% in 2011 in any case, while rice may have passed the threshold. Even if "basic foods" would only consist of sugar, Fair Trade sugar would have a rather low market share of 0.17% - probably, the market share would be much lower. If we again estimate the relative amount of the sold volumes of sugar and rice (disregarding oils and quinoa) for the known time period of 2004 to 2007, rice has a share of about 37% to the category "rice and sugar" in 2004, of about 27% in 2005,

[123] Frese (2008, p. 79) estimates a market share of about 0.1% for around the year 2003 – which is rather consistent with the estimates of 0.04% for 2004 (Table 2).

of about 33% in 2006, and finally 36% in 2007. Again, we take the highest value of 37% (in 2004) and assume that the relative share of rice to "basic foods" does not exceed 37%, the market share of Fair Trade rice would be 0.68%. Therefore, Fair Trade rice is not considered to have penetrated the market. If one applies the same procedure to sugar and takes the highest relative share of sugar to "sugar and rice" (83% in 2005), the market share of sugar would be about 0.13% to all sugar in Austria.

Therefore, only coffee, cocoa products, and bananas are regarded to be successful with regard to market share. Wine, honey, sugar, and rice are regarded as less successful product launches with a market share below 1%.

For the United Kingdom, only very little information with regard to the sales volume can be gathered. Therefore, the data is presented in a table instead of a graphical presentation.

Table 3: Estimated market share (in %) of Fairtrade certified products in the United Kingdom

	coffee	cocoa products	bananas	wine	honey	rice	sugar
2002			1.45%				
2003			2.22%				
2004							
2005							
2006							0.04%
2007	5.22%	0.65%	8.00%				0.09%
2008	5.40%	0.84%					0.55%
2009	6.69%	4.20%			1.09%		0.83%
2010	7.74%	23.24%	~30%	0.52%	0.56%		1.14%
2011				0.52%	0.48%		1.14%

source: own estimation, certified absolute volume of coffee, sugar, and cocoa (2007 to 2009) accessed through Fairtrade Foundation (2010, p. 24), absolute volume of sugar in 2006 accessed through Fairtrade Foundation (2008, p. 15), absolute volume of coffee, cocoa, and sugar in 2010 accessed through Fairtrade Foundation (2011b, p. 26f), absolute volume of sugar in 2011 and wine in 2010 and 2011 accessed through Fairtrade Foundation (2012a, p. 24), absolute volume of certified bananas (2002 and 2003) accessed through FLO (2004, p. 19), relative market share of certified bananas given by FLO (2007, p. 16), relative market share of bananas ("almost 1 of 3 bananas eaten in the UK Fairtrade certified") in 2010 by Fairtrade Foundation (2011a, p. 6), absolute volume of certified honey accessed through CBI (2015 [11/2015], p. 6), all absolute volumes have divided by whole supply of the respective product (by FAOSTAT, 2016)

In addition to the sparse information on the sales volume, the sales in local currency (GBP) are assessable for all relevant time points even though this data does not allow for an estimation of the market share (especially since Fairtrade certified products are usually sold for above average

prices (Nicholls & Opal, 2005, p. 198f)[124]. Nevertheless, together both tables allow for an assessment of success with regard to market penetration over time.

Table 4: Sales of Fairtrade certified products in million GPB (£)

	coffee	cocoa products	bananas	wine	honey	others (including rice)	sugar
2001	18.6	3.3	14.6		3.2		4.5
2002	23.1	3.9	17.3		4.9		5.7
2003	34.3	7.3	24.3		6.1		8.7
2004	49.3	9.6	30.6	1.5	3.4	6.7	14.3
2005	65.8	13.2	47.7	3.3	3.5	6.4	19.5
2006	93.0	16.4	65.6	5.3	3.4	10.1	23.7
2007	117.0	25.6	150.0	8.2	2.7	8.3	50.6
2008	137.3	25.6	184.6	10	5.2	21.8	107.7
2009	160.0	44.5	215.5	18.1	3.6	26.2	164.6
2010	179.8	162.0	206.6	18.5	6.8	23.5	280.0
2011	194.3	217.1	208.0	20.7	4.1	12.1	300.0

source: Fairtrade Foundation (2012c)

According to the information on the sales volume from 2010, coffee (7.74%)[125], cocoa products (23.24%), and bananas (~30%) can be regarded as success stories. The information on the sales in GBP supports this decision – the sales of all three products rose (coffee and cocoa products) or are stable (bananas) between 2010 and 2011[126] - the market share of 2011 should be similar or higher than the estimated value of 2010. In addition, the sales in GBP increased considerably between 2001 and 2011 by a factor of 10 (coffee), 14 (bananas), or 65 (cocoa products). According to EFTA, Fair Trade coffee passed the threshold of 1% around the year 2001 with a market share of 1.5% (Frese, 2008, p. 93; Krier, 2001 [01/2001], p. 59), while bananas had a market share of below 1% in 2001 (Krier, 2001 [01/2001], p. 59). Sugar met the threshold of 1% market share in 2010 and can be regarded a success – the increased sales by a factor of 66 in GBP between 2001 and 2011 support this view. The Fairtrade Foundation estimates the market share in the segment "retail sugar" to be about 42% due to the "first major sugar brand [Tate & Lyle, author's note] to convert" (F. Lawrence, 2012 [02/27/2012]) - sugar is among the most successful products in this national setting (Fairtrade Foundation, 2013, p. 24). The estimation of the market share with FAOSTAT

[124] While Fair Trade products share a similar price across national contexts, the price differences do vary because of local differences (Nicholls & Opal, 2005, p. 198f).

[125] Already in 2002 and 2003, the Fairtrade Foundation reports a market share of 14% (Fairtrade Foundation, 2003, p. 3) and 18% (Fairtrade Foundation, 2004, p. 4) of all roast and ground coffee, respectively.

[126] In 2012/23, the Fairtrade Foundation estimated much higher market shares for coffee and bananas and states that approximately 30% of the coffee and 28% of the bananas are certified (Fairtrade Foundation, 2013, p. 24). While this estimate is consistent for bananas (estimated market share for 2010: ~30%), the market share of certified coffee is much higher that the estimated value for 2010 (7.74%). Nevertheless, the information by the Fairtrade Foundation and the estimated market shares will finally be calibrated to the same degree of set membership (1.0).

(2016) does not allow for an assessment within market segments. Thus, the estimated market share to the total sugar supply and the retail sugar do not coincide – but both support the perception that certified sugar hit the market.

Certified wine can be assessed for 2010 and 2011 and cannot be regarded a success with regard to market share (0.52%), but honey passed the threshold of 1% in 2009 (Table 3). However, the information for after 2009 show that the year 2009 is an outlier and that the sale volume of honey is well below 1% in 2010 and 2011. The sales in GBP support the same picture with a volatile amount of sales, which increased from 3.4 Million GBP in 2001 to finally 4.1 Million GBP in 2011, only. Rice is not even mentioned in any of the assessed documents, while the low sales in GBP for "other categories" (including rice) and the fact that it is not even reported in the "Facts and Figures" – document (Fairtrade Foundation, 2012c) can be regarded as a strong indicator that rice is not a relevant product category in the United Kingdom with regard to Fair Trade. It is therefore supposed to be unsuccessful.

Finally, the degree of market penetration is calibrated as set memberships in the following manner:

Table 5: Calibration procedure fort the degree of market penetration by market share

Market share	0 to 0.3%	0.3 to 1%	1 to 5%	5% and higher
corresponding fuzzy set score (incumbents)	0	0.33	0.67	1
"linguistic qualifier"	no market penetration	low market penetration	moderate market penetration	high market penetration

This procedure leads to the following results:

Table 6: Calibrated degree of set membership for the outcome Market penetration by product market and national context

Case	market share	corresponding fuzzy set score	"linguistic qualifier"
coffee (Austria)	2.14%	0.67	"moderate penetration"
coffee (Germany)	1.04%	0.67	"moderate penetration"
coffee (United Kingdom)	7.74%	1.00	"high penetration"
coffee (USA)	5.05%	1.00	"high penetration"
cocoa / chocolate (Austria)	14.84%	1.00	"high penetration"
cocoa / chocolate (Germany)	1.16%	0.67	"high penetration"
cocoa / chocolate (United Kingdom)	23.24%	1.00	"high penetration"
cocoa / chocolate (USA)	0.59%	0.33	"low penetration"
wine (Austria)	0.02%	0.00	"no penetration"
wine (Germany)	0.03%	0.00	"no penetration"
wine (United Kingdom)	0.52%	0.33	"low penetration"
wine (USA)	0.01%	0.00	"no penetration"
honey (Austria)	<0.57%	0.33	"low penetration"
honey (Germany)	0.44%	0.33	"low penetration"
honey (United Kingdom)	0.48%	0.33	"low penetration"
honey (USA)	0.08%	0.00	"no penetration"
rice (Austria)	0.68%	0.33	"low penetration"
rice (Germany)	0.39%	0.33	"low penetration"
rice (United Kingdom)	very low	0.00	"no penetration"
rice (USA)	0.002%	0.00	"no penetration"
sugar (Austria)	<0.18%	0.00	"no penetration"
sugar (Germany)	0.07%	0.00	"no penetration"
sugar (United Kingdom)	1.14%	0.67	"moderate penetration"
sugar (USA)	0.12%	0.00	"no penetration"
bananas (Austria)	12.72%	1.00	"high penetration"
bananas (Germany)	1.40%	0.67	"moderate penetration"
bananas (United Kingdom)	~30%	1.00	"high penetration"
bananas (USA)	0.79%	0.33	"low penetration"

source: own estimation, based on the data in Figure 10, Figure 11, Table 2, Table 3, and Table 4

4.3 The Relevant Dimensions of the Property Space – The Conditions of Interest

Next, the relevant sets for the empirical evaluation of the argument in chapter 2.8 are presented. The respective hypothesis or part of the respective hypothesis is presented before the set is explained in greater detail.

4.3.1 Social Movement Organizations – Alternative Trade Organizations (ATOs) or Fair Trade Organizations (FTOs) and their relationship to national licensers

"A certain degree of organization" has been identified as a pivotal part of INUS condition of the first path driven by social movements (incumbents*some degree of organization*framing) (see (2.8-13) on page 81) . The organizational base of the social movements of Fair Trade is related to the strength of ATO/FTOs. They initiated the licensing and certification-project and their engagement and pivotal position was able to affect the initiative to date (Jaffee, 2012; Laine & Laine, 2009; Raynolds & Long, 2007b). ATOs define and perceive themselves as a social movement for an alternative ("Alternativbewegung"), which enhance the consciousness for developmental issues (Fairtrade e.V., 2001, p. 16). Their relative strength to the national licensers is assessed across national contexts – after their relationship to the national licensers is discussed from a comparative perspective throughout the Fair Trade movement history.

It is argued that the national licensers can be regarded as a "can of worms", which is due to their parallel evolution in different national settings (Hutchens, 2009, p. 104). In this section this evolution and differences between the national licensers especially with regard to Fair Trade and the founding organizations (FTOs or ATOs) are discussed. The focus lies mostly on Fair Trade in Austria, Germany, the United Kingdom, and the USA – other national contexts are spared. In addition, if products are considered the focus lies on these products analyzed in this thesis. The section ends with the calibration of set memberships of the set ATO as a strong indicator of one of the most important organizational characteristics of social movements with regard to Fair Trade.

With regard to the national settings, the evolution of Fair Trade started with early import organizations for goods from the so called "third world"[127]: the Alternative Trade Organizations or ATOs (Davies, 2007; Huybrechts, 2010, p. 9ff; Laine & Laine, 2009; Moore, 2004; Renard, 2003). In 1964 the first of these import organizations (Oxfam Fair Trade) was founded in the United Kingdom, followed by Gepa Fair Handelshaus in Germany and EZA Fairer Handel in Austria (both 1975), and finally Equal Exchange USA in 1986 (Schaber & van Dok, 2008, p. 33). While Oxfam was founded in the so called first phase in which religious and political groups had strong influence, the founding of Gepa, EZA, Traidcraft (United Kingdom), and Equal Exchange belong to the second phase in which world shops actively began to build distribution networks and

[127] Early faith based and church organizations are neglected, here (Schaber & van Dok, 2008, p. 29).

cooperated actively across borders (Schaber & van Dok, 2008, p. 29ff). Those organizations sold certified commodities, which now carry a certification mark, as well as handicrafts. An example is "Bridge", which was founded in 1965 and was the most important program of Oxfam in the early 1990s[128]. 93% of "Bridge" sales were handicrafts and only 7% were edible grocery items (coffee, tea, nuts, honey, cocoa, and spices) (Coote, 1994, p. 191ff). In Germany, Gepa Fair Handelshaus sold mainly coffee (60%), other edible grocery items (tea, honey, cocoa / chocolate, sugar, and dry foods) (25%), and handicrafts (15%) (Fairtrade e.V., 2001, p. 29). In Austria, the EZA Dritte Welt GmbH was the biggest importer of Fair Trade products of which many were also certified up until 2003. Similar to the other organizations, it offered a broad range of edible and non-edible products until 2003 (Schnedlitz et al., 2003, p. 18). In 2001/2002, 24.8% of its sales were handicrafts, while the other 75.2% consisted of edible goods (36% coffee, 15.1% chocolate, 2.4% honey, 21.7% rest). The main distribution channel of EZA's commodities (in 2001/2002) were world shops (49.2%), while conventional grocery retail channel had a share of 9.6% and on-trade (e.g. bars, restaurants) distributed 13.5% (Frese, 2008, p. 43). The single greatest importer of Fair Trade goods into Europe in 2001 was Gepa Fair Handelshaus (Germany) with 29.8 Million Euros (Traidcraft with 12.4 Million and Oxfam with 10.7 Million Euros (both in the United Kingdom) are on place three and four in European comparison) (Frese, 2008, p. 62).

In the early 1990s, the certification project began to take momentum, when the ATOs recognized the opportunity to build a recognizable and credible label (across product categories) (Nicholls & Opal, 2005, p. 128f). This process was driven by many factors, such as the opportunity to increase consumers' trust, to gain visibility across product markets, grow beyond the local market to achieve scalability (Nicholls & Opal, 2005, p. 128f), the near bankruptcy of some ATOs (Tallontire, 2000, p. 168), the severe consequences of the coffee crisis of 1989 for producers (Gendron et al., 2009, p. 66; Low & Davenport, 2005, p. 147ff), and the increasing fear of private initiatives to build a recognizable certification mark[129] (Gendron et al., 2009, p. 66). An alternative to certification was to enter mainstream distribution channels through the creation of Fair Trade brands. Those Fair Trade brands had been introduced before certification was initiated and Fair Trade brands were distributed through conventional channels – particularly in the United Kingdom and Germany. The sales were purely based on the credibility and recognition of the

[128] Besides the developmental projects, Oxfam sold its commodities as a trader through the "Bridge"-program (Coote, 1994, p. 230)

[129] Even in 2001, Fair Trade e.V. (2001, p. 22) educates customers about credible labels and organizations using the term "Fair Trade" and untrustworthy labels which are privately held, employ the term as well and should "join the accepted labels and stop to confuse consumers".

respective NGO (e.g. Gepa Fair Handelshaus, Oxfam, Traidcraft, Equal Exchange), but suffered from stiff competition without a sufficient marketing budget (E. A. Bennett, 2013, p. 46)[130].

The study by Coote (1994) offers a distinct perspective at the initial aims of certification marks – it is published by Oxfam in the middle of the process of launching the first certified products in the beginning 1990s (published in the United Kingdom in 1992, in Germany and Austria in 1994). It has been published one year after the first certified product (coffee) has been launched in Germany and within the process of certifying coffee in the United Kingdom and Austria (launched in 1994) (TransFair e.V., 2002, p. 5).

According to Oxfam in 1992, certification and especially high market penetration was regarded as the "dream" or "vision" and the final goal of the project:

> "Oxfam und andere Entwicklungshilfeorganisationen träumen gemeinsam von einem Supermarkt der Zukunft: In den Kaffeeregalen wird man ein vertrautes Warenangebot vorfinden, aus dem man wählen kann: Filterkaffee, Espresso, Kaffee für Kaffeemaschinen, (…) und so weiter. (…) Zwei Drittel davon tragen ein kleines, aber besonderes Logo als Gütesiegel. Es teilt dem Käufer mit, dass jener Kaffee unter fairen Bedingungen hergestellt wurde. (…) Dies ist der zukünftige Supermarkt, falls der Traum realisiert werden kann. Für jedes Produkt, das aus der Dritten Welt kommt, gibt es eine Marke, oder mehrere, die das Logo tragen. Für Konsumenten, die faire Handelsbedingungen mit der Dritten Welt unterstützen, kann der Einkaufskorb eine aussagekräftige Erklärung ihrer Verbundenheit mit den Armen sein – eine Verbundenheit, die echte Auswirkungen zeigt. (…) So scheint die Geschichte der Produktauszeichnungen eine zwangsläufige Entwicklung zu nehmen"[131] (Coote, 1994, p. 202f).

The certification approach started with coffee and Max Havelaar in the Netherlands. The process has been initiated by Mexican coffee producers. At November 15th 1988, consumer organizations, developmental aid organizations, religious organizations, and trade organizations met to decide on the necessary criteria for Fair Trade. For coffee, the final criteria included:

- produced by small producers in cooperatives, which are recommended by Max Havelaar

[130] This attempt might be regarded as the predecessor of the later FTO mark – a mark granted to organizations which are devoted to Fair Trade (Warrier, 2011a, p. 191f)

[131] Coote shows the phases of certification with regard to consumer safety, environmental protection, and, finally, Fair Trade (Coote, 1994, p. 203).

- prices above the market price and including a premium
- long term contracts
- 60% advance payment (Coote, 1994, p. 203f).

The criteria have not changed considerably until recently (Bethge, 2014, p. 44ff). Dutch coffee roasters agreed and the sales of Fair Trade coffee increased by a factor of 11 from about 0.2% (world shops) to 2.3% market share within the first two years in the Netherlands (Coote, 1994, p. 205).

These numbers exceeded the expectations and only four years after the Netherlands launched certified coffee, Transfair e.V. (Germany) and the Fairtrade Foundation (United Kingdom) were founded in 1992 (Transfair Austria was founded in 1993 and Transfair USA in 1997) (Schaber & van Dok, 2008, p. 33).

Certified coffee launched first in Germany (1993), followed by the United Kingdom and Austria in 1994, and by the USA in 2000 (TransFair e.V., 2002, p. 5). After coffee, certified cocoa (1994 in the United Kingdom and 1996 in Germany), honey (1996 in Germany), and bananas (1998 in Germany, 2000 in the United Kingdom, and 2001 in Austria) followed soon up until 2001 (TransFair e.V., 2002, p. 5) (for an overview, see Table 1 on page 116).

The coffee launch in Germany was heavily supported by Germany's strongest ATO: Gepa Fair Handelshaus, which was the first organization carrying the certification mark and distributed the coffee through world shops and already through supermarkets (Coote, 1994, p. 205). Max Havelaar's approach clashed with the unifying approach of the European Fair Trade Association (EFTA). Initially, Max Havelaar was reluctant to extend its certification approach beyond the Netherlands and beyond coffee – each country should "develop its own culturally resonant approach" (E. A. Bennett, 2013, p. 50). Therefore, EFTA founded Transfair International in response (E. A. Bennett, 2013, p. 50). The first member was Transfair e.V. in Germany. It distanced itself from the "Max Havelaar-approach" and created its own distinct label and a distinct structure in contrast to the initially democratic structure of Max Havelaar (Hutchens, 2009, p. 103). In turn, ATOs had the option to pursue the approach by Max Havelaar, Transfair (as for instance: Germany, Austria, and the USA), or establish a unique initiative (as for instance: the Fairtrade Foundation in the United Kingdom) (E. A. Bennett, 2013, p. 50). In the United Kingdom, Oxfam, Traidcraft and others "copied Max Havelaar with their own UK Fairtrade

Foundation" (Auld, 2011, p. 71). While Max Havelaar started the work on cocoa (1992), honey (1994), and bananas (1996), Transfair worked on tea (1994) (Auld, 2011, p. 70). Compared to the uniform Transfair-approach, the "Max Havelaar"-countries exercised a lot of discretion and developed their own national labels and national specific policies (E. A. Bennett, 2013, p. 51). The dominant strategy of the Fairtrade Foundation already differed tremendously from the, at this time, predominant Max Havelaar model. The Fairtrade Foundation included potential commercial allies to advance the certification approach beyond the limits of Alternative Trade and screened for possible further product categories before those strategies belonged to the repertoire of other national licensers (E. A. Bennett, 2013, p. 52). Transfair USA emerged comparatively late and sold its first coffee in 1998 (according to Transfair e.V. (2002) the first certified coffee was distributed in 2000) – the model developed quite differently compared to Europe. The launch of Transfair USA was a long process and many efforts failed (starting in the early 1990s), before it finally emerged (E. A. Bennett, 2013, p. 52). Transfair USA directly adopted the "mainstreaming" strategy of FLO of this time "to increase the volume of fair trade sales through conventional retail venues and under existing commercial brands, as opposed to the alternative trade groups that dominated fair trade thus far [in Europe, author's note]" (Jaffee, 2012, p. 103).

Finally, FLO was founded in 1997 to unify and coordinate the already existing approaches to Fairtrade certification. Broader membership was not considered and only the national licensing initiatives had a right to vote, producer groups could voice their concerns through regional producer assemblies and the biennial fair trade forum (Auld, 2011, p. 71). While the membership was not extended to producer groups until 2007, the composition and selection of board members has granted producers a greater influence over time (restructuring in 2002 and 2007) (Auld, 2011, p. 71). In 2004, the formerly in-house certification was separated as an independent organization: FLO-Cert. It holds the responsibility for compliance monitoring and certification. Even though the FLO board appoints the members, they have no control over FLO-Cert's decisions (Auld, 2011, p. 73).

In contrast to the "conventional market mission" of FLO, which encompasses the mainstreaming of Fair Trade, IFAT (International Federation of Alternative Trade from 1989 to 2008) / WFTO (World Fair Trade Organization since 2008) represents the old Alternative Trade Organizations (ATO) – or today Fair Trade Organization (FTO) approach to "transform the existing marketplace" (Hutchens, 2009, p. 106f). Other associations of Alternative Trade are EFTA (European Fair Trade Organization) and News (for an overview: Nicholls & Opal, 2005, p. 8f;

Raynolds & Long, 2007b). The common umbrella, FINE, provides the common definition of Fair Trade across all organizations and approaches:

> "Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and secure the rights of, marginalized producers and workers - especially in the South. Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade" (EFTA, 2002a, p. 1)

This distinction between the FLO- and the FTO-approach is also regarded as the difference between an "expansionist" (FTO/ATO-approach) and a "reductionist" (FLO / National Licensing Initiatives) vision of Fair Trade (Hutchens, 2009, p. 72f). This general distinction and the accusation of "lost ideals" or even cooptation (Selznick, 1949, p. 259) is one of the most controversial issues of Fair Trade within all national settings (Davies, 2007; Doherty et al., 2013; Fisher, 2009; Huybrechts, 2010, p. 11ff; Low & Davenport, 2005; Moore, 2004; Reed, 2009). A closer look at the national licensers allows for a finer grained distinction on a very similar dimension between organizations with a reductionist approach to Fair Trade. It refers to distinct "subcultures" within FLO with regard to Fair Trade - either as "a means to an end" (Advocacy approach) or an "end to itself" (Business Model) (Hutchens, 2009, p. 108ff). This distinction has been used in the selection of cases (national contexts) in chapter 4.1.

Besides the general picture of Fair Trade consumption and national licensers' milieus, the ideological impetus by FTOs (formerly ATOs) is an important part of the history – as well as the current markets - of Fair Trade. Next, their relevance in relation to the national licensers across national markets is assessed over time.

Within Europe, the national licensers (FLO-certified products) generated an estimated turnover of €209 million, while the import organizations (ATOs) generated an estimated turnover of €119 million, and the world shops of €92 million around the year 2001. Because of overlaps and issues in the estimation of the sales by world shops, the data cannot be simply added. About 50% of the world shop sales are estimated to be handicrafts (non-food) (Frese, 2008, p. 68).

Raynolds and Long (2007b, p. 20) and Warrier (2011b, p. 250) provide information to assess the strength of the ATOs or FTOs compared to FLO. It allows for a comparison of the social movement entities (ATO/FTO) and the certification agency (FLO/national licenser).

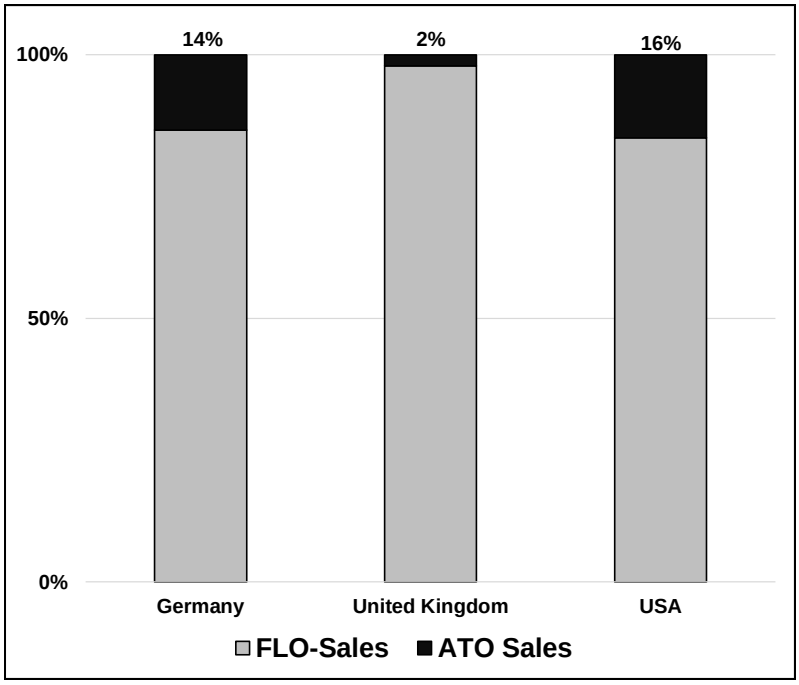
It should be kept in mind, that the information by Raynolds and Long (2007b, p. 20) and Warrier (2011b, p. 250) are not directly comparable for different reasons:

- Warrier (2011b, p. 250) provides information in Euro and Raynolds and Long (2007b, p. 20) in US$
- Raynolds and Long (2007b, p. 20) do not provide any information about Austria and Warrier (2011b, p. 250) provides no information about the USA
- Raynolds and Long (2007b, p. 20) do allow for a detailed calculation of market shares since they enable an assessment of the "overlap" between ATO and FLO (ATOs also sell certified products – those are attributed to the ATOs and not to FLO[132] for my estimation), which is not possible with the data by Warrier (2011b, p. 250)
- Both are drawn from different time periods (2004/5 in the case of Raynolds and Long (2007b, p. 20) compared to about 2008 in the case of Warrier (2011b, p. 250)
- Finally, the data by Warrier (2011b, p. 250) estimate the retail value of world shops and Raynolds and Long (2007b, p. 20) estimate the market share for ATO

According to the information by Raynolds and Long (2007b, p. 20), we can distinguish between national contexts in which ATOs can be regarded as relevant with regard to sales (USA and Germany), and those in which the sales by ATOs are dwarfed compared to the sales by FLO (United Kingdom) (in Figure 12):

[132] The results are the same if one attributes the FLO sales to FLO (only) and compares FLO-sales (certified) to ATO-sales (only the non-certified sales).

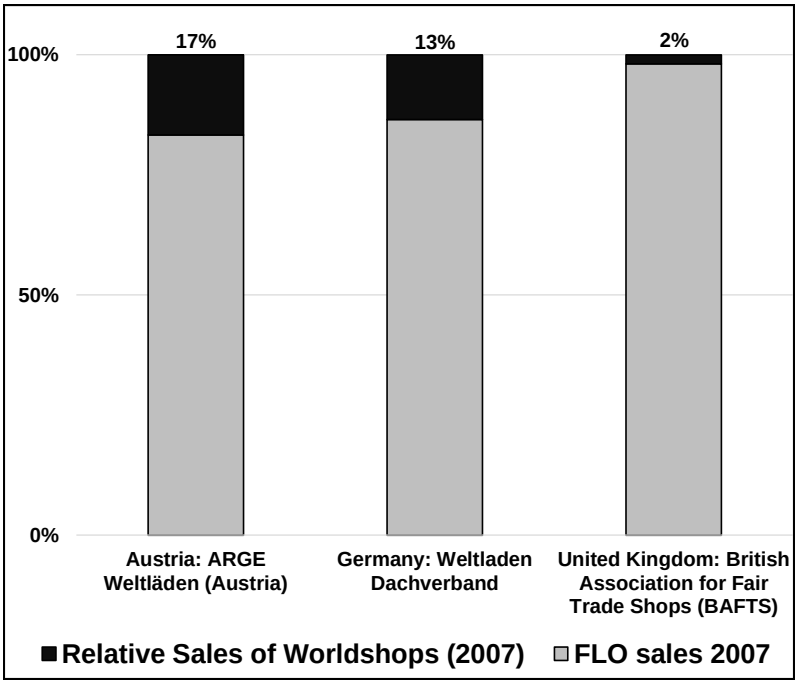
Figure 12: ATO sales to FLO sales in %



source: Raynolds and Long (2007b, p. 20)

As aforementioned, the information by Warrier (2011b, p. 250) in Figure 13 does not allow for such a straightforward assessment – since some overlap exists between world shop sales and FLO-sales, which cannot be estimated. Therefore, the information cannot be straightforwardly interpreted as the market share of world shops to FLO. Nevertheless, they allow for a small insight about the relative sales of world shops to FLO from a comparative perspective and show a very similar picture compared to the information by Raynolds and Long (2007b, p. 20). The sales by world shops and FLO have been summed up to the overall sales and the percentages indicate the relative strength of world shops to FLO in the context of Austria, Germany, and the United Kingdom. The sales by world shops are given for one year and have been estimated to the FLO sales in 2007:

Figure 13: Worldshop sales to FLO sales in %



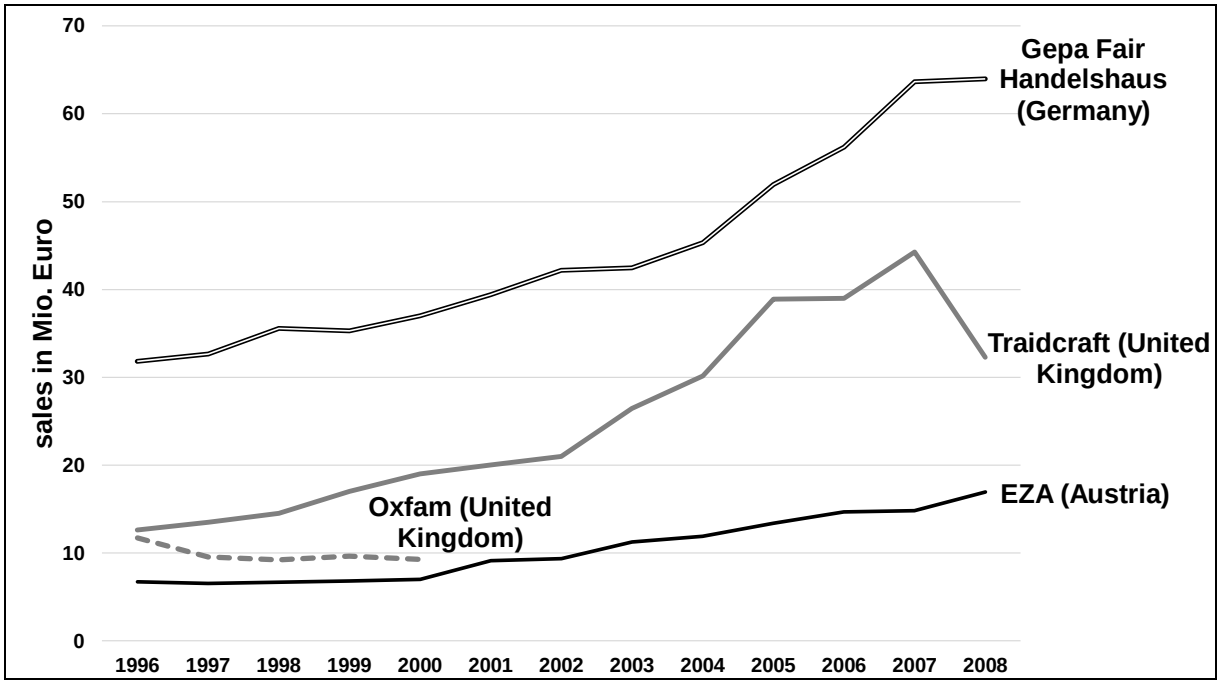
source: Warrier (2011b, p. 250)

Even if the data should be interpreted with great caution and not as the relative share of ATOs, the information is rather consistent with the data of Raynolds and Long (2007b, p. 20). For the two national contexts, which both are available in Raynolds and Long (2007b, p. 20) and Warrier (2011b, p. 250), the information is strikingly similar – in Germany, the alternative trade channels have a much stronger impact (13 to 14%) than in the United Kingdom (2%) according to Warrier (2011b, p. 250) as well as Raynolds and Long (2007b, p. 20). The other two national contexts (Austria and the USA) show a much stronger resemblance to Germany than to the United Kingdom.

Some data for the sales of the strongest FTOs in Europe are available through EFTA (2002b, 2004, 2005a, 2005b, 2008, 2009) over time, which will be assessed, next.

The absolute sales of the major FTOs in Europe show that the strongest FTO is Gepa Fair Handelshaus (Germany), followed by Traidcraft (United Kingdom), and finally followed by EZA (Austria) (in Figure 14):

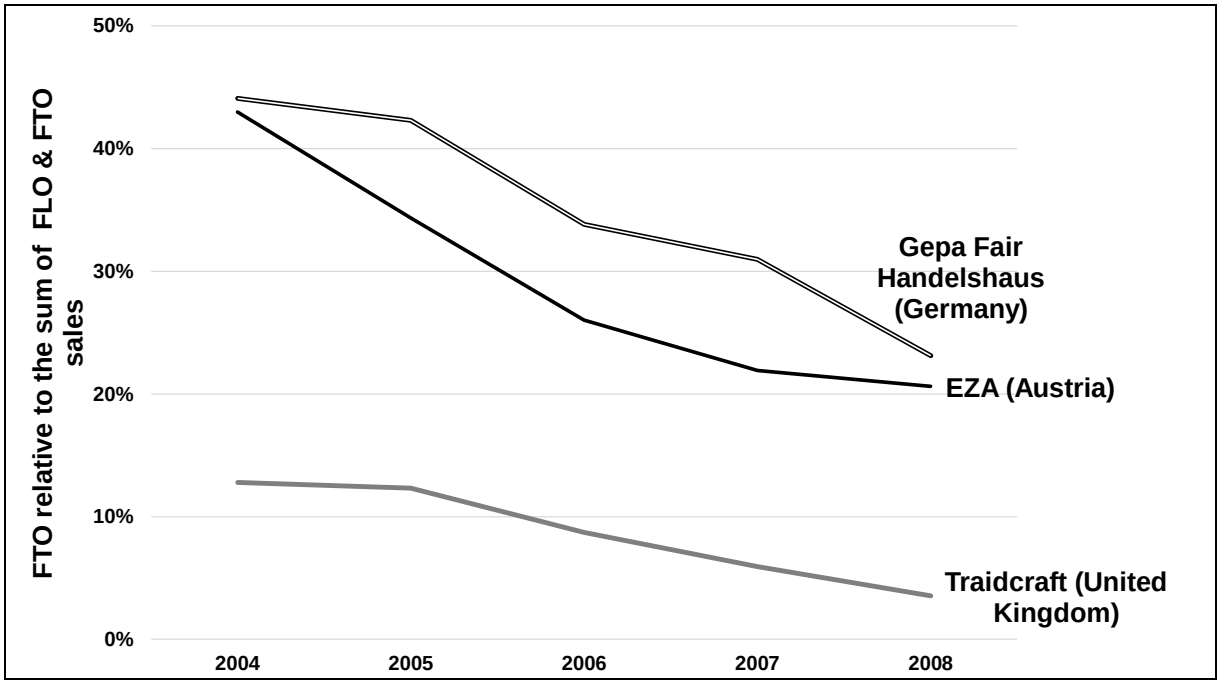
Figure 14: Sales of major European Fair Trade Organizations (FTOs) in million Euros



source: EFTA (2002b, 2005b, 2008, 2009)

Now we estimate the relative share of these most dominant FTOs in the respective national contexts to the FLO sales of 2004 to 2008 in order to compare the FTOs sales to the FLO sales for the most relevant companies. Again, an overlap between FLO and FTO sales exist and cannot be estimated. The absolute values refer to the sum of FLO and FTO sales – the data should be interpreted with caution, but the primary goal is to evaluate whether different data sources and estimations lead to similar results. The percentages show the sales by the major FTOs to the sum of FTO and FLO sales, which also explains the different results by this estimation as well as the estimates by Warrier (2011b, p. 250) and Raynolds and Long (2007b, p. 20). The overall picture, which is supported by all data sources will be calibrated into set memberships. The data for the FLO sales are drawn from the annual reports of FLO.

Figure 15: Sales of major European Fair Trade Organizations (FTOs) in relation to the sum of FTO and FLO sales combined (in %)



source: own estimation, sales of FTOs (by EFTA, 2005b, 2008, 2009) to the sum of the sales by FTOs (by EFTA, 2005b, 2008, 2009) and FLO (by FLO, 2006, p. 14; 2007, p. 11; 2008, p. 12f; 2010a, p. 12)

Figure 15 reveals a similar pattern compared to the data by Raynolds and Long (2007b, p. 20) as well as Warrier (2011b, p. 250). Besides the fact that the FTOs could not keep pace with the FLO sales in all national contexts, one can again distinguish between Germany (Gepa Fair Handelshaus) and Austria (EZA) which were able to preserve a dominant position and a relatively high amount of relative sales, while the United Kingdom (Traidcraft) shows comparatively lower sales of FTOs. Even if this difference might also be driven by the exceptionally high success of the Fairtrade Foundation, Transfair Austria was similarly successful in the time period from 2004 to 2008 as can be seen in Figure 7 on page 106. Even though certified products were similarly successful in both contexts (Austria and the United Kingdom), EZA was more successful than Traidcraft to preserve high relative sales.

It is well known that the intensity of conflicts between FTOs and FLO varies by national contexts. The United Kingdom is especially known for a rather harmonic relationship through appeasement, where prior advocates "were incorporated instead of alienated" (Raynolds, 2012, p. 282). Traidcraft, Oxfam, Equal Exchange, and Twin Trading belonged to the consortium that founded the First Fair Trade brand – Cafédirect (Davies et al., 2010; Farnworth & Goodman, 2008, p. 9; Raynolds, 2012, p. 282). From the beginning, Cafédirect was a success story and a "champion brand of Fair Trade" (Davies et al., 2010, p. 142). Divine chocolate is a similar example – both

have a unique governance structure and are partly owned by the producers' groups, who take part in decision making and are board members (co-ownership) (Davies et al., 2010, p. 130). Both faced severe challenges due to the mainstreaming in the United Kingdom (Cremona & Durán, 2013a; Davies et al., 2010, p. 145). Therefore, the FTOs supported new business models (as co-ownership) and the process of mainstreaming (Huybrechts & Defourny, 2010). While the launch of Transfair (Germany) has been heavily supported by Gepa Fair Handelshaus (Coote, 1994, p. 205), the biggest German FTO shies away from the certification approach and reduces the amount of products with a certification mark (Gepa, 2012 [03/2012]). Especially with regard to tensions, Fair Trade in the USA is characterized by severe conflicts between the business models of the national licenser and the economic justice wing (or between "market"- and "movement-orientation" (Jaffee, 2010, p. 273)) by small FTOs (W. L. Bennett et al., 2011; Jaffee, 2010). Nevertheless, the FTOs are an important part in this context and fill "structural holes" – they strengthen the regimes even if they do not provide a coherent narrative (W. L. Bennett et al., 2011, p. 240). Since the United Kingdom provides such a "coherent narrative", the FTOs do not fill "structural holes" (W. L. Bennett et al., 2011). Their effect can easily be substituted by other organizations – potentially: business enterprises. With regard to campaigning, the Fairtrade Foundation does not rely and does not include other Fair Trade players, which is exceptional within Europe (for instance: Fair Trade towns (Cremona & Durán, 2013a, p. 145f)). The Fair Trade Towns campaign might be regarded as an organizational base for grass root social movement activities in the United Kingdom. However, it will be shown that the Fair Trade Towns campaign cannot be compared across national contexts for the given time period and that the Fairtrade Towns campaign cannot be regarded as a grass root campaign without reservations.

On the European level the process of implementing standards for the public procurement of Fair Trade are rather slow (Fisher, 2009, p. 993), while the regional level provides the strongest support for Fair Trade (Fisher, 2009, p. 993). The Fair Trade Towns campaign can be regarded as a strong driver of regional public procurement and campaigns in front of businesses and local government agencies – especially up until 2011 in the United Kingdom (Wheeler, 2012, p. 42ff). At the regional level, the Fair Trade Towns campaigns might have compensated for the loss of ATOs' influence in the United Kingdom since 2001. Fair Trade Towns make a plea for public procurement and the stocking of additional Fair Trade items in local stores. From the beginning of 2000 with the community of Garstang (United Kingdom), a community qualifies as a Fair Trade town if it abides to the following goals (Fair Trade Towns International, 2016b):

(1) "Local council passes a Resolution supporting Fair Trade and agreeing to use Fair Trade products."

(2) "Fair Trade products are readily available in the area's shops & served in local cafes/catering establishments."

(3) "Fair Trade products are used by a number of local work places & community organisations (faith groups, schools, universities, etc.)."

(4) "Attract media coverage & popular support for the campaign."

(5) "A local Fair Trade steering group is convened to ensure continued commitment to its Fair Trade Town status." (Fair Trade Towns International, 2016b):

Those campaigns are driven mainly by local authorities in concert with business enterprises, but their occurrence in the observed period (until 2011) concentrates mainly on the United Kingdom. Thus, it cannot be included in a comparison across national contexts. In the United Kingdom the first community (Garstang) declared itself "Fair Trade Town" in 2000 and in 2010 500 Fair Trade Towns registered (Rawles, 2010 [07/13/2010]), while in Germany the first Fair Trade Town (Saarbrücken) did not evolve before April 2009. Up until the end of the observation period (December 2011), 68 communities were Fair Trade towns in Germany (Kampagne Fair Trade Towns, 2016).

If one extended the observation period, one would see that Germany may not have drawn level, but rapidly caught up to the United Kingdom - in July 2016, 424 communities declared themselves to be Fair Trade Towns in Germany (according to Kampagne Fair Trade Towns, 2016: 424) (compared to about 619 in the United Kingdom) (Fair Trade Towns International, 2016a). In Austria and the USA, the first community declared itself a Fair Trade Town in 2007 (Wieden in Austria, today 155 Fair Trade Towns) and 2006 (Media, Pennsylvania in the USA, today 44 Fair Trade Towns), respectively. Therefore, a comparison is feasible but has to go beyond the year 2011 (and thus cannot include the USA since its national licensers left FLO in 2011). All around Europe, state agencies in the United Kingdom are the strongest "institutional consumer" (J. Wilkinson, 2007, p. 223) according to Cremona and Durán (2013a, p. 147) as a result of the Fair Trade Towns campaign. Nevertheless, according to Cremona and Durán (2013a, p. 148f) the Fair Trade Towns campaign is considerably tied to the certification approach and prone to

commercial ventures. The restructuring of the old ATOs/FTOs[133] marks a strong decline in the involvement of social movement actors. The Fair Trade Towns campaign in the United Kingdom, in contrast to all other European contexts, is purely governed by the national labeling initiatives (Fairtrade Foundation) "without any apparent involvement of other national Fair Trade players" (Cremona & Durán, 2013a, p. 145f), even if it has been initiated by a local group (Nicholls & Opal, 2005, p. 174). Therefore, the Fair Trade Towns campaign cannot be regarded as a successor of the FTOs/ATOs with regard to social movement organizations.

In sum, the lack of comparability of Fair Trade Towns campaigns across national contexts due to a late start to the campaign in Germany (2009) and a different involvement of players across national contexts, particularly in the United Kingdom, impedes an inclusion into the analyses. Furthermore, the rather low importance of Fair Trade players beyond the national labeling initiative in the United Kingdom, as the only context in which the campaign took momentum until 2011, obstructs the perception of this campaign as being part of a social movement (Cremona & Durán, 2013a, p. 144ff). It supports the perception of this campaign as a form of marketing or "place branding" (Nicholls & Opal, 2005, p. 175). The Fair Trade Towns campaign in the United Kingdom is closer to and governed by the national labeling initiative – without connecting to the formerly predominant social movement.

Networking, the education of consumers, campaigning, and grass root activity are important functions which are fulfilled by the "movement players" - FTOs/ATOs (e.g. Jaffee, 2010; Jaffee, 2012, p. 102f; Nicholls & Opal, 2005, p. 233ff; Raynolds & Long, 2007b, p. 17ff; Warrier, 2011a, p. 139f). While WFTO and FLO are distinct regulatory approaches, FLO and FTO act as "complements" (Cremona & Durán, 2013b, p. 117). Therefore, I assess the relative importance of the ATOs/FTOs as the organizations' base of social movements with regard to Fair Trade. In sum, the evidence indicates that we can distinguish contexts in which the ATOs and FTOs remained important compared to the national licenser (Austria, Germany, and the USA) and those in which the ATOs/FTOs lost their importance and became comparatively obsolete (the United Kingdom).

[133] The Fair Trade pioneer Oxfam stopped to import Fair Trade goods in 2001 and leaves EFTA which means that 700 Oxfam shops stopped to sell Fair Trade goods. This step by Oxfam resulted in a decline in world shops to finally 117 in the end of 2007 (Cremona & Durán, 2013a, p. 144).

Table 7: Calibrated degree of set membership of the set ATO (the importance of Alternative Trade channels compared to the national licensing initiatives)

ATO/FTO Relevance compared to FLO/national licenser	"low"	"high"
corresponding fuzzy set score (FTO/ATO)	0	1
cases	United Kingdom	Austria, Germany, and the USA

source: own estimation

Therefore, three (Austria, Germany, and the USA) of the four national contexts are regarded to be strongly affected by the organizational capabilities of the former predominant social movement entities – ATOs and today's FTOs.

4.3.2 Screening for Incumbents

My argument is based upon the existence and "reign" of incumbents in certain product markets as the central motivator of (smaller) firms to exercise the opportunities provided by social movements or institutional entrepreneurs (chapter 2.4). Incumbents are part of both combinations of INUS conditions (incumbents*framing*(visibility + some degree of organization) in chapter 2.8 (see (2.8-13) on page 81). The contention and conflict between those incumbent players and small firms is regarded as the "engine" which drives and constitutes markets, ensures their stability, and may facilitate change (Fligstein & McAdam, 2012). This notion of incumbents is fleshed out empirically within this chapter.

As it has been argued in chapter 2.2, the considered product markets can be regarded as so called "buyer driven commodity chains"(Raynolds, 2002, p. 46), in which (incumbent) private actors down the supply chain exercise high power compared to the production side. Those chains are characterized by low segmentation (high standardization) of the products by quality, and high competition on prices (price sensitivity) (Gereffi, 1994; Gereffi et al., 2005; Gereffi & Lee, 2016). Gereffi & Lee (2016) already pinpoint the high relevance of the structure of the retail sector to understand the "social upgrading" of this chains. In general, the understanding of the effect of certification (and Fair Trade, in particular) highly relies on (global) value and supply chains (e.g. Hutchens, 2009; Luetchford, 2011b; Moxham & Kauppi, 2014; Tallontire, 2009; P. L. Taylor, 2004). Furthermore, incumbents offer sources of friction to movements and institutional entrepreneurs and are visible targets to encounter (Bartley & Child, 2014; King & Pearce, 2010; Schurman, 2004; Schurman & Munro, 2009). Consequently, the national licensers and the international umbrella

organization of Fair Trade explicitly frame certification with regard to the harmful concentration of the industry, predominant incumbent companies, and the business practices of incumbent super- and hypermarkets – e.g. for coffee (Fairtrade Foundation, 2012b, p. 2; TransFair e.V., 1999; 2002, p. 12), sugar (Fairtrade Foundation, 2013 [01/2013], p. 8f), bananas (Fairtrade Foundation, 2014b; Fairtrade International, 2016; TransFair e.V., 2006, p. 13), and cocoa (Fairtrade Foundation, 2011c, p. 5; Fairtrade Österreich, 2012c), and super- and hypermarkets in general (Fairtrade Foundation, 2014b; TransFair e.V., 2001, p. 4; 2006, p. 13)[134].

In line with the arguments by Gereffi and others on global commodity chains, I disentangle the influence of incumbents in the retail sector with regard to big companies in particular product markets (incumbent firms) and at the primary point of sale of nearly all of the products considered (super- and hypermarkets) (Gereffi, 1994; Gereffi et al., 2005; Schurman & Munro, 2009). In fact, super- and hypermarkets are a relevant part of the understanding of success of certification and Fair Trade (Barrientos & Smith, 2007; Hutchens, 2010, p. 77ff; Koos, 2014; S. Smith, 2010a, 2010b). Therefore, I include at least the two last stages of the value chain, while I provide some insights about the global and European markets in some cases, as well. It will be shown that:

- the distribution of nearly all products relies heavily on super- and hypermarkets
- one can distinguish between highly concentrated grocery retail sectors with strong super- and hypermarkets in the European contexts and a low concentrated grocery retail sector in the USA (chapter 4.3.2.1)
- there is a strong variation with regard to incumbent corporations between different product markets within and across national settings (chapter 4.3.2.2).

First the concentration of the grocery retail sector is discussed in chapter 4.3.2.1, than the national product markets are briefly presented in chapter 4.3.2.2. Each product market is discussed in detail in the Appendix (chapter 8.1). Finally, the whole argument is summarized and both indicators are calibrated in chapter 4.3.2.3.

[134] Nevertheless, super- and hypermarkets chains which source Fair Trade might also gain positive attention (Fairtrade Foundation, 2014b; TransFair e.V., 2001, p. 18; 2005, p. 11). In general, while the success story of Fair Trade has to include super- and hypermarkets as one of the main point of sales, severe frictions between the business practices of these super- and hypermarket chains and the principles of Fair Trade exist, create obstacles and impair the benefits of Fair Trade to producers (S. Smith, 2010b). With regard to point of sales, about 2/3 of all Fair Trade point of sales are estimated to be supermarkets (Hutchens, 2010, p. 78).

4.3.2.1 The concentration of super- and hypermarkets from a comparative perspective

In this section, the power of super- and hypermarkets are exemplified by two indicators: the combined market share of the major super- and hypermarket chains (the concentration) and the relevance of private labels in the national retail sectors. Finally, some insights about competition and certain business practices in the retail sector are provided with regard to the different national contexts. Those encompass (for instance) buyer power, supplier power, the likelihood of new entrants, and the degree of rivalry, which are combined indicators (Market Line (E-Mail), 2016)[135].

Even though, there is considerable variation in the raw numbers by source, all information yield to a rather similar overall picture:

- The European contexts have a highly concentrated grocery retail sector, while the grocery retail in the USA is not concentrated.
- The hierarchy with regard to concentration is as follows: Austria > Germany > United Kingdom > USA

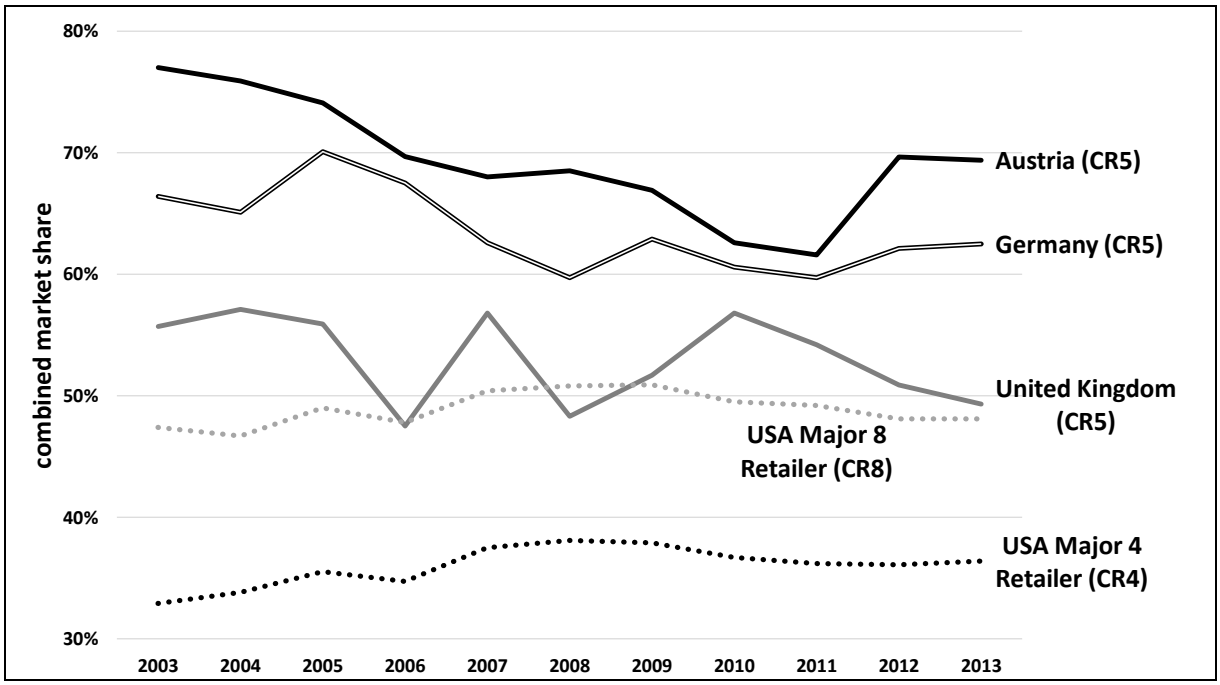
[135] High buyer power indicates the size of the buyers (big), oligopsonies, low switching costs (for buyers with regard to suppliers), undifferentiated products, high price sensitivity (fierce competition on price), strong financial muscles on the side of buyers, a high independence of buyers (low forward integration of suppliers), a high substitutability of the products, a high backwards integration of buyers, and a low dispensability (product is of low importance for buyers) (Market Line (E-Mail), 2016). Buyers can be consumers as well as retailers or super- and hypermarkets contingent upon the market assessed. In the case of super- and hypermarkets, it is usually the consumer; in the case of product markets it is usually the respective distribution channel (e.g. independent retailers, super- and hypermarkets).
The buyer power is mirrored by the supplier power. Supplier power is high if the supplier size is high, the suppliers form oligopolies, the buyer have high switching costs (with regard to their supply), the backward integration of buyers is low (independence of suppliers), the dispensability of the industry for the supplier is high, there is no substitute for the traded goods, product quality matters (for the buyer), the product differentiation is high, and the suppliers have a high probability of forward integration (Market Line (E-Mail), 2016). Suppliers can be producers as well as multinational corporations in product markets or super- and hypermarkets contingent upon the market assessed. In the case of super- and hypermarkets, it is usually the company which sells a good to the respective distribution channel; in the case of product markets it is usually the producer, importer, or multinational company. In some cases of high vertical integration, single companies control a large part of the supply chain, like with bananas (Nicholls & Opal, 2005, p. 87) and coffee (Nicholls & Opal, 2005, p. 81f).
The likelihood of new entrants (into markets) is regarded as high if buyers can easily switch between existing market players (low switching costs), the product is undifferentiated, there are no economies of scale, the fixed costs are low, the distribution channels are easily accessible, the relevance of "intellectual property" (e.g. patents) is low, the existing brands are weak, and the market prospers and grows (Market Line (E-Mail), 2016).
Rivalry in markets increases with the size of the competitors and the number of competitors. Furthermore, high rivalry occurs if buyers can easily switch between suppliers, which leads to price competition (low cost switching), the product is undifferentiated, the fixed costs are low, ramping up the production and thus expansion is easy, the players are forced to stay in a market ("Hard to exit"), there is a lack of diversity, high storage costs, and the market stagnates or declines ("Zero-sum game") (Market Line (E-Mail), 2016).

For most national contexts, the concentration ratio is provided as the CR_5[136] (Austria, Germany, and the United Kingdom (Metro Group, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012b, 2014, 2015), while the data over time was only available for the CR_4 and CR_8 for the US grocery sector (USDA, 2015). The concentration ratio provides the amount of market share of the major five (CR_5), major 4 (CR_4), and major 8 (CR_8) retailers to all grocery sales. Among the different potential indicators for the degree of concentration in markets (e.g. concentration ratio, Herfindahl Hirschman Index), it is a compelling indicator to measure the degree of concentration with regard to the major players. The Herfindahl Hirschman Index (HHI) takes all companies within a market or industry into account and assigns higher weights to higher market share through polynomials. In contrast, the concentration ratio (CR) employs only the information on the biggest players and their market share[137]. Although the overall concentration might be better assessed with HHI, the concentration ratio (CR) is better suited for the detection of incumbent companies within industries and markets. While the fact that the "marginal CR-value" is not influenced by processes outside the most incumbent companies is regarded as a general weakness (Curry & George, 1983, p. 207), it is an advantage in my case – the screening for incumbents is not distorted by the competition between smaller firms. Even though the US context can only be assessed with regard to the CR_4 and CR_8, the rather low values for the CR_4 indicate a major difference and low value compared to the other national contexts over time (Metro Group, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2012a, 2012b, 2014, 2015):

[136] The concentration ratio (CR) is also employed by resource partitioning theory to estimate the strength of generalists in markets (Swaminathan, 2001).

[137] For a detailed comparison of the CR and the HHI (and other indicators), please refer to Miller (1982) and Curry & George (1983). For a comparison to the Gini index, see footnote 161 on page 211.

Figure 16: Combined market share of major super- and hypermarket chains by national contexts over time (2003 to 2013), concentration ratios (CR) of the major five (CR_5), major four (CR_4), or major eight (CR_8) super- and hypermarket chains



source: Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) and USDA (2015)

Among the national contexts considered in this thesis, Austria has the highest concentration of super- and hypermarkets, while the USA has a comparatively low concentration (see Figure 16). Germany and the United Kingdom lay in between with regard to the concentration of the major super- and hypermarket chains to grocery retail. While the concentration ratios cannot be directly compared, further evidence indicates that the combined market share of the major three retailers in Germany and the United Kingdom (CR_3) outnumber the provided CR_4 – values for the USA. According to Planetretail (2016, p. 11ff), the major three retailers of the United Kingdom hold a combined market share (CR_3) of 55%[138] and of 61.2% for Germany[139]. Therefore, even the CR_3 – values of the two closest national contexts (with regard to the concentration ratio) outnumber the

[138] This degree of concentration is surprisingly higher than the CR4-value in Figure 16, but both values indicate a rather high degree of concentration.

[139] The values in Figure 16 can be regarded as rather conservative measurements (Vander Stichele & Young, 2009). The Austrian concentration of the major five players for 2006 is 74.2% (compared to 69.7% in Figure 16), the concentration in the United Kingdom in 2005 (major five companies) is about 63% (compared to 56% in Figure 16), and the German concentration is about 70% in 2006 (compared to 67.5% in Figure 16) and 90% in 2009 (compared to 63% in Figure 16) (Vander Stichele & Young, 2009). Therefore, the values drawn from the Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) are slightly smaller in comparison. In a similar vein, Consumer International (2012, p. 2) estimates different concentration of the retail sector contingent upon the number of dominant players. They argue that Austrian retail is dominated by three incumbents with 82% (CR_3) combined market share in 2009, Germany with four incumbents and 85% combined market share in 2011, the United Kingdom with four incumbents and a combined market share of 76% in 2011. The USA is the bottom of the league and of all national contexts considered with 4 players and only 35% combined market share in 2006 (Consumer International, 2012, p. 2).

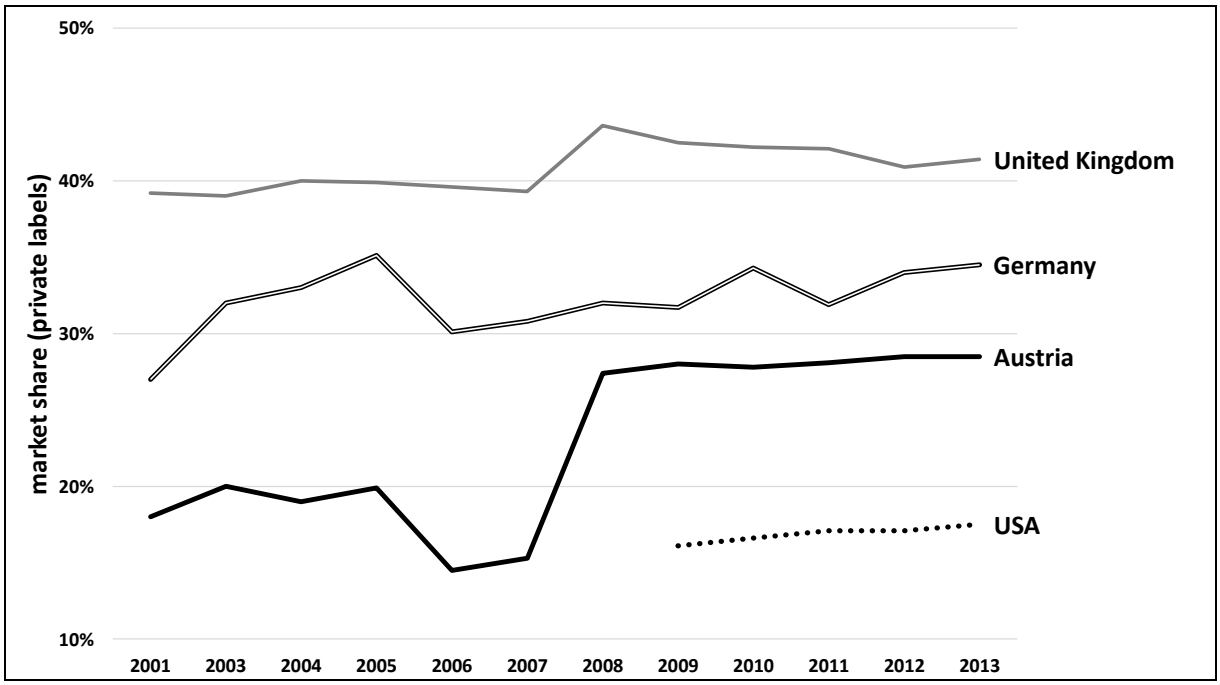
degree of concentration by the four most important players in the US-grocery retail. Furthermore, data by the Canadian International Market Bureau (Agriculture and Agri-Food Canada, 2013, p. 8) for the grocery retails within the USA from 2009 to 2011 indicate a similar degree of concentration along all values for the major three (CR_3), major four (CR_4), and major five companies (CR_5). According to them, the CR_5 was about 41%, the CR_4 was about 38% to 39% (compared to 36% to 37% in Figure 16), and the CR_3 was about 35% (between 2009 and 2011). Therefore, the values are rather conservative measures for the degree of concentration. The data by Consumer International (2012, p. 2) point to the same direction: The combined market share of the US-retailers are lower than half of the combined market shares in all European contexts in this thesis. They are, by far, on the lower end of all national contexts in the report[140].

Another important indicator of the relative "power" of the major super- and hypermarket chains is the amount of private labels (Consumer International, 2012, p. 5ff). How strong are the own brands by supermarkets compared to the brands by major companies? According to Nielsen (2014, p. 14), private labels are of major importance and have a strong impact on the grocery retail sector in Europe, while their share in North America is marginal and shows a rather flat growth (Nielsen, 2014, p. 17f). This is mirrored by the market share (by value of sales) over time. The European data has been accessed through Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) and the data for the USA is accessed via Nielsen (2014, p. 19)[141]. The following graph provides some information on the market share of private labels to all grocery retails (by value of sales):

[140] To reach a similar combined market share in the food sector compared to the European settings, the top 20 (CR_{20}) food retailers of the USA need to be considered. They account for roughly about 2/3 or 66% of the food market (Market Line, 2015h, p. 15).

[141] Since the Nielsen (2014, p. 15) report also provides some data for the market share of private labels in Germany, Austria, and the United Kingdom (in US-$-value of sales) for 2009 and 2013, the data of the Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) have been cross checked to validate the comparability of both sources. The information by Nielsen (2014, p. 15) and Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) are nearly identical for Austria, the United Kingdom, and Germany for the years 2009 and 2013.

Figure 17: Market share of private labels to all grocery retail (value) by national context and over time (2001 to 2013)



source: Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) and Nielsen (2014, p. 19)

As can be seen in Figure 17, we can distinguish between national contexts in which private labels (and thus the potential for buyer power and influence of super- and hypermarkets compared to major brands) play a major role – even compared worldwide (Nielsen, 2014, p. 14) such as the United Kingdom and Germany and those contexts in which they play a very minor role (USA). Austria lies in between, but has one of the highest concentrations in the retail sector all around Europe (Metro Group, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2012a, 2012b, 2014, 2015). In addition, the market share of Austria (private labels) lays between around 20% to 30% if one disregards the years 2006 and 2007 (15%). Overall, this data backs the assumption that the impact of private labels on grocery retail is more similar within the European contexts (Austria, Germany, and the United Kingdom) than any of this context is to the USA. Therefore, both indicators for the overall power of super- and hypermarkets (degree of concentration of major super- and hypermarkets and impact of private labels on retail) point to the same direction: Super- and hypermarkets have a much stronger impact on retail grocery in the European contexts compared to the USA.

4.3.2.1.1 The concentration of super- and hypermarkets in Austria

For Austria, the evidence suggests a strong degree of buyer power in the whole retail sector, which is largely due to the high concentration of this sector - the suppliers are highly dependent on the major super- and hypermarket chains (Vander Stichele & Young, 2009, p. 1). According to Bord Bia (2008), the three major retailers (Spar International, the REWE Group, and Aldi Einkauf GmbH) held a combined market share of about 80% to all retail in 2006[142]. The suppliers face a lack of overall transparency and accountability of the super- and hypermarket chains and struggle with retroactive (post sale) renegotiations of prices (Vander Stichele & Young, 2009).

In Austria, super- and hypermarkets (72.8%) as well as independent and specialist retailers (20.5%) are the main distributors of food (by value) in 2014. Convenience stores distribute far less food in comparison (4.6%) (Market Line, 2015e, p. 10). Market Line (2015e, p. 13) assesses the buyer power in the Food Retail sector to be only moderate due to recent shifts in lifestyle consumer segments. The supplier power has also been regarded as moderate because the potential for differentiation is high, while the strong private labels constrain suppliers in their choices (Market Line, 2015e, p. 14). The high degree of concentration and saturation of Austrian food retail allows only for a moderate likelihood of new entrants (Market Line, 2015e, p. 15) and fuels rivalry (strong rivalry)– especially the competition on price (Market Line, 2015e, p. 16). The major players are the Hofer KG (substitute of ALDI Einkauf GmbH & Co KG, Germany), MARKANT Österreich GmbH (Austrian company), the REWE Group (also German), and Spar International (Dutch) (Market Line, 2015e, p. 18ff). Essentially, only one of the four major players is an Austrian company.

4.3.2.1.2 The concentration of super- and hypermarkets in Germany

Vander Stichele and Young (2009, p. 12) estimate an even more severe concentration of the German retail sector than in Figure 16 with 70% market share of the major retailers in 2006 (minor difference to the data by the Metro Group (2007, p. 51)) to 90% in 2009 (difference of nearly 30%-points to the information by the Metro Group (2010, p. 60)). According to Morazán (2012, p. 16f), the top five major retailers (ALDI Einkauf GmbH, Lidl Dienstleistungs GmbH, Edeka Zentrale AG & Co. KG, the Metro Group, and REWE Einkauf) held about 62% in 2000, about 70% in 2006,

[142] Again, the numbers by the Metro Group (2007, p. 51) are much lower and can be regarded as rather conservative measurements of concentration.

74% in 2009, and 73% (CR_5) combined market share in 2010[143]. This increasing concentration is largely due to the exceptionally high and increasing importance of the discounters. Their combined market share rose from about 30% to 44% within a decade (Morazán, 2012, p. 17). The power of the major discounters is also exemplified by the informal label for the (low) reference price of bananas in Germany and Europe until 2012 – the so called "Aldi-price" (Morazán, 2012, p. 18; S. Smith, 2010a, p. 131). The unfair business practices of after sales debate, delisting, and compelling payments of extra costs are known to the German authorities in this sector (Vander Stichele & Young, 2009, p. 12). According to them, the buyer power is especially severe because of the high concentration and the strong private labels. In addition, this sector lacks innovative capacity (Vander Stichele & Young, 2009, p. 13).

In Germany, the distribution of food is dominated by super- and hypermarkets, which account for 79.9% of the market value in 2014. While independent and specialist retailers (13.2%) are important as well, convenience stores (5.2%) play a minor role (Market Line, 2015f, p. 10). According to Market Line (2015f, p. 12), the competition (especially on the price) is fierce in the German food sector, which is highly price sensitive. Since small niches for product differentiation exist and switching costs are low, buyer and supplier power are regarded as moderate (Market Line, 2015f, p. 13f). Even though concentration and saturation are the main characteristics of German food retail, the aforementioned differentiation leads to a moderate likelihood of new entrants (Market Line, 2015f, p. 13f). The opportunity for differentiation cannot detract the strong rivalry in this industry.

4.3.2.1.3 The concentration of super- and hypermarkets in the United Kingdom

In 2008, the Competition Commission (CC) evaluated the CR_5 ratio to be high – 69% (compared to the estimated value of below 50% in Figure 16). Usually, grocery retail in the United Kingdom is driven by the "Big Four" supermarkets (Tesco, Asda (Walmart), Sainsbury and Morrison') who (according to the CC) share about 65% (CR_4) of the market (CR_3: 56%)[144] in 2008 (Vander Stichele

[143] Again, these numbers are about 10%-points higher and show a different trend according to the Metro Group (2007, p. 51; 2010, p. 60).

[144] As aforementioned, the values provided by the Metro Group (2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012a, 2012b, 2014, 2015) are lower than the estimates by Vander Stichele and Young (2009, p. 31). According to the Agriculture and Agri-Food of Canada (2016), the top five retailers account for 55% combined market share (Tesco: 20.1%, Sainsbury: 11.4%, Asda (Walmart): 10.5%, Morrisons: 7.18%, and the Co-operative Group: 4.2% (data of 2014)). These numbers are dwarfed by the estimates of the United States Department of Agriculture (2013), which estimates a CR_5 of 79% for the year 2013. According to them and their calculations (based on 12 weeks of observation), Tesco held 29.8%, Asda (Walmart) 17.2%, Sainsbury's 16.8%, Morrisons 11.5%, and the Cooperative 6.3% market share (USDA Foreign Agricultural Service, 2013). Each of these chains has specialized on a particular market segment to reduce competition. Even though the discounters have a comparatively low market share (6.3%), they gain strength over time (USDA Foreign Agricultural Service, 2013).

& Young, 2009, p. 31). The fifth big player, Somerfield has been bought by Co-op. In 2008, Co-op has a market share of about 8% (Vander Stichele & Young, 2009, p. 31). The overall concentration rose also according to the Herfindahl Hirschman Index. While mid-size supermarket chains have a static market share of about 20%, the big players increased their market share largely at the expense of small specialist retailers and convenience stores (Vander Stichele & Young, 2009, p. 31). The loss of a large amount of these specialist shops constrains consumers' choices and hampers product differentiation in the grocery retail of the United Kingdom (Vander Stichele & Young, 2009, p. 32). The CC detected any anti-competitive and unfair business practices of the major supermarkets. Such practices include debiting suppliers for promotion effort, enforcing post sales discounts, changing quantities and specifications of the products previously agreed upon within less than three days, delaying payments, and breaching the standard terms of business (Vander Stichele & Young, 2009, p. 32). Evidence suggests that these practices do not only affect direct relationships, but spill over to indirect suppliers in the supply chain (Vander Stichele & Young, 2009, p. 32f). With regard to the relationship between structural equivalents, some evidence suggests that below-cost selling is a measure, which is applied within this market (S. Smith, 2010a, p. 23; Vander Stichele & Young, 2009, p. 33). Bananas are a well-known example of this measure to lower the prices below the costs (on the local level) to deteriorate the business of competitors (S. Smith, 2010a, p. 23). The grocery sector in the United Kingdom is especially well known for taking these "banana price wars" to the extreme (S. Smith, 2010a, p. 23).

68.8% of the food is distributed through super- and hypermarkets, while convenience stores have a major share of 21.4% and independent retailers sell 5.9% of the food by value in 2014 (Market Line, 2015g, p. 10). According to Market Line (2015g, p. 12), a limited potential for product differentiation and high volatility lead to fierce competition in the food sector of the United Kingdom. The main forces driving the customers are price and convenience, while health issues also gained in importance (Market Line, 2015g, p. 13). Buyer and supplier power is moderate, while long term vertical relationships are the exception and price fluctuations lead to switching between suppliers – most retailers have a large amount of potential suppliers to ensure flexibility, especially when prices are volatile (Market Line, 2015g, p. 13f). This can diminish supplier power, especially for homogeneous products as fresh fruits, for instance (Market Line, 2015g, p. 13). Aggressive pricing and economies of scale shields the large supermarket chains from new entrants and specialist retailers (Market Line, 2015g, p. 14). Regardless, low entry and exit costs together with the potential for differentiation (especially with regard to health issues) lead to a moderate likelihood of new entrants into this oligopolistic market (Market Line, 2015g, p. 15).

Another opportunity for discounter chains stems from the high overall prices of grocery items in the United Kingdom (Agriculture and Agri-Food Canada, 2016, p. 6; Market Line, 2015g, p. 15; Vander Stichele & Young, 2009, p. 32f) in concert with the high price sensitivity (Market Line, 2015g, p. 13). Altogether, especially the high price sensitivity leads to aggressive competition (Market Line, 2015g, p. 17).

4.3.2.1.4 The concentration of super- and hypermarkets in the USA

Grocery retail in the USA is dominated by the two main retailers: Walmart with 24.5% and Krogers Co. with 12.9% market share based on fees in 2014 (Statista, 2016a). The other major retailers have a considerable lower market shares (Costco: 7.6%, Safeway: 6.2%, Publix: 4.3%) (Statista, 2016a) and cannot be determined to be incumbent. According to Market Realist (2015), the combined market share of the top four retailers (CR_4) rose from initially about 18% in 1992 to finally about 36% in 2013, while the growth rate or slope peaked in the years 1997/1998 (growth from about 19% in 1997 to about 28% combined market share in 1998). The market share stagnated and even decreased after the year 2008/9 (Market Realist Inc., 2015).

Walmart is known to be the major hypermarket and the target of many heated debates about corporate social responsibility, especially regarding labor relations and sourcing practices (Jones, 2013; Making Change at Walmart, 2016; Spiegel Online, 2006). Even accidentally, Walmart is accused to have severe effects on the local community (Wolfe & Pyrooz, 2014) and the local concentration of the retail sector (Franklin, 2001)[145] through its mere presence (the so called "Walmart Effect"). Walmart is the biggest grocery retailer, and at the same time the only discounter in the US context, which could be regarded as incumbent (according to the market share). The second biggest discounter has only a market share of about 2.2% (the Target Corporation) (Statista, 2016a). Growth is expected in the discount sector (Agriculture and Agri-Food Canada, 2013, p. 5). The second biggest retailer, the Kroger Co. generates the major share of its revenue through supermarkets (about 93% in 2015) and gained its position mainly through "inorganic growth" (mergers and acquisitions) (Market Realist Inc., 2015). According to Market Realist Inc. (2015), the Kroger Co. could increase its market share recently from 12.9% in 2011 to 14.6% in 2015 (in revenues) and increasingly focus on the development of private labels.

[145] According to Franklin (2001), the effect of Walmart on the local concentration of supermarkets is contingent upon the respective area. Walmart's market share is highest in mid-size metropolitan areas with low average income.

The US-grocery retail sector is characterized by fierce competition on price and the large buyer power of the big players (like Walmart and Kroger), which results from the recent consolidation of the whole supermarket segment. Small players cannot afford to compete on prices, while the organic segment gained in importance as well (Market Realist Inc., 2015).

In the USA, food is mainly sold through super- and hypermarkets (83.7%), followed by independent and specialist retailers (6%) and convenience stores (5.5% of the market share by value in 2014) (Market Line, 2015h, p. 10). Food retail in the USA experienced a decreased significance of convenience. New niches for fresh, traditional, ethical, and domestic food changed the landscape and increased variety. Nevertheless, price competitiveness of the large retailers (Walmart, in particular) restrains the growth of these niches and leads to a moderate buyer power (Market Line, 2015h, p. 13). In a similar vein, low switching costs in general together with high switching costs in specific niches lead to a moderate supplier power (Market Line, 2015h, p. 14). Relatively low entry and exit costs in concert with these niches allow for a moderate likelihood of new entrants, while those might not be able to compete on price, especially not against Walmart (Market Line, 2015h, p. 15). Stiff competition on prices and low switching costs (among consumers) lead to a high pressure to assure the loyalty of customers and results in aggressive and strong overall rivalry (Market Line, 2015h, p. 17).

4.3.2.2 Concentration of the single product markets by national context

After describing the concentration of the grocery retail sector in chapter 4.3.2.1, the concentration of the single product markets and their reliance on super- and hypermarkets as the primary distribution channel are summarized below. The information is presented in detail in the Appendix (chapter 8.1). There, some information on the situation within these markets with regard to supplier power, buyer power, the likelihood of new entrants, and competition is provided (if accessible). The information on the meaning of the indicators are provided in footnote 135.

Most of the information has been accessed via Market Line (2016d, 2016e) as the main data source. Two of the seven considered product categories were evaluated on the basis of different data sources, since the information could not be gathered through a single source (bananas and sugar). Overall, the information provided cannot be regarded as exact and does not allow for a detailed comparison of the "raw numbers" – the fact that the market share has been assessed by value (Market Line, 2016d) and by volume (Market Line, 2016e) for different product markets

alone, hampers such an interpretation. In addition, the original information on the concentration is provided "directly" in some cases (direct mention of the CR-value) and "indirectly" (mention of the market share by company) in other cases. Adding up the rounded values of these percentages necessarily leads to (small) inaccuracies. Since the CR-values for the super- and hypermarkets were assessed directly, the CR5-values are used. In contrast, the CR3-values are employed to assess the concentration of product markets – most of them were assessed indirectly. Firstly, concentration has a different meaning and importance for both stages of the supply chain - the major five players are more important for the retail sector than for the companies in product markets of which the CR3 really captures the power of incumbents. Austria is regarded as one of the highest concentrated retail sectors (global comparison) (Consumer International, 2012) with a moderately highly concentrated market – compared to product markets. Secondly, adding three rounded values simply cause a smaller bias than adding five rounded values. Thirdly, the major three companies can be reported for all product markets (besides bananas and sugar) which is not the case for the CR5-value.

Nevertheless, the "raw data" is sufficiently reliable to make an informed decision about set memberships. Firstly, the data allows for a decision about "in" and "out" of sets or concepts ("difference in kind" (Mair, 2008)) - e.g. whether there are incumbents in a market or not by the concentration ratio. Secondly, it allows for a distinction between very strong incumbents from strong incumbents and highly fragmented markets from moderately fragmented markets ("difference in degree" (Mair, 2008)). Without a doubt, more exact data would allow for a more detailed assessment, as well as provide the potential for triangulation by different methods (mixed methods design) (Jick, 1979; Johnson & Onwuegbuzie, 2004), or for the "(in)direct method of calibration" (Ragin, 2008a) – therefore, the accessible toolkit would expand. Anyhow, the assessed data allows for the employment of qualitative anchors (Ragin, 2000, p. 155ff; Schneider & Wagemann, 2012, p. 32ff) and provides all information required to perform a fsQCA.

In addition and more important, exact or "objective" information does not capture the concept of interest. Incumbents are important only if they are perceived as such – the proposed theory of action (in chapter 2.4) relies on intersubjective perceptions and not on objective information. I use business intelligence information (as Market Line, for instance), which forms the base of perceptions within markets – for researchers as well as for firms and potential consulting agencies. In a nutshell, it is assumed that firms perceive and observe their competitors in order to locate themselves within markets and strategize their opportunities (H. C. White, 1981, 2000, 2002a). From this viewpoint, the assessed data captures the concept of interest more accurately

than any exact information could do – if one assumes that firms use similar information, the mobilized firms would share any bias in my data. Furthermore, "objective incumbents" should have no causal role at all if they are not perceived as being incumbent. Objective and exact information would lead to a much more severe bias, if this information does not form the base of firms' decisions and therefore cannot have any causal role. The so called "Thomas Theorem" applies, here: "If men define situation as real, they are real in their consequences" (Merton, 1995, p. 396).

Moreover, the importance of subjective perception instead of objective information speaks to the chosen method and the relevance of sets instead of variables. Evidence in psychology suggests that many decisions (especially in markets) are not based on exact values but on (mental) thresholds (Gupta & Cooper, 1992; Kashyap, 1994, p. 19f). Therefore, certain "differences in degree" (Mair, 2008) might not have any effect, while passing certain thresholds does. In this regard, metric information or variables are less advantageous compared to sets.

In sum, I regard the general picture provided by the information on incumbents in product markets and on incumbent super- and hypermarket chains as accurate, while the provided percentages might not be exact. The color is "right", while the color shades might not necessarily be. In addition, since my argument is based upon perceptions, the assessed data perfectly captures the concept of interest, regardless of the "objective information". Next, the information is summarized by product category within the four national contexts very briefly in Table 8 and Table 9 . Table 8 summarizes the information on coffee (chapter 8.1.1 for details), chocolate confectionaries or cocoa (chapter 8.1.2 for details), (still) wine (chapter 8.1.3 for details), honey (chapter 8.1.4 for details), and rice (chapter 8.1.5 for details). Table 9 summarizes the information on sugar (chapter 8.1.6 for details) and bananas (chapter 8.1.7 for details). A detailed analysis and much a more comprehensive picture can be found in chapter 8.1 in the Appendix. The data is than calibrated and combined with the concentration of the national retail sector (see chapter 4.3.2.1) in chapter 4.3.2.3.

Table 8: Combined market share of the major companies by product category and national context over time (2002 to 2014), concentration ratios (CR) for the major five (CR_5), major four (CR_4), and major three (CR_3) companies

	Market Share Major 5 Companies (CR_5)	Market Share Major 4 Companies (CR_4)	Market Share Major 3 Companies (CR_3)
coffee in Austria by value (local currency)	75% to 80% (2002 to 2014)	69% to 70% (2002 to 2014)	57% to 61% (2002 to 2014)
coffee in Germany by value (local currency)	68% to 70% (2002 to 2014)	64% to 66% (2002 to 2014)	57% to 60% (2002 to 2014)
coffee in the United Kingdom by value (local currency)	60% to 65% (2002 to 2014)	58% to 62% (2002 to 2014)	56% to 59% (2002 to 2014)
coffee in the USA by value (local currency)	72% to 79% (2002 to 2014)	69% to 76% (2002 to 2014)	65% to 71% (2002 to 2014)
chocolate confectionaries in Austria by value (local currency)	69% (2002) to 72% (2014)	64% (2002) to 68% (2014)	64% (2002) to 68% (2014)
chocolate confectionaries in Germany by value (local currency)	66% (2002) to 69% (2014)	61% (2002) to 66% (2014)	55% to 56% (2002-2014)
chocolate confectionaries in the United Kingdom by value (local currency)	-	92% (2002) to 81% (2014)	89% (2002) to 77% (2014)
chocolate confectionaries in the USA by value (local currency)	89% to 90% (2002-2014)	85% to 87% (2002-2014)	80% to 81% (2002-2014)
still wine in Austria by volume (liter)	26% (2002) to 36% (2014)	22% (2002) to 29% (2014)	17% (2002) to 22% (2014)
still wine in Germany by volume (liter)	6% to 7% (2002- 2014)	5% to 6% (2002- 2014)	4% to 5% (2002- 2014)
still wine in the United Kingdom by volume (liter)	21% (2002) to 34% (2014)	18% (2002) to 29% (2014)	14% (2002) to 24% (2014)
still wine in the USA by volume (liter)	42% (2002) to 54% (2014)	39% (2002) to 49% (2014)	34% (2002) to 44% (2014)
honey (spread) in Austria by value (local currency)	-	88% (2002) to 91% (2014)	75% (2002) to 77% (2014)
honey (spread) in Germany by value (local currency)	-	45% (2002) to 47% (2014)	42% (2002) to 43% (2014)

source: own estimation, information by Market Line (2016b, 2016d, 2016g), details in chapter 8.1.1 to chapter 8.1.5, either range in time period (e.g. from 5% to 10% (2002 - 2014) or trend over time (e.g. from 5% (2002) to 10% (2014)

Table 8 ***(continued)***

	Market Share Major	Market Share Major	Market Share Major

	5 Companies (CR_5)	4 Companies (CR_4)	3 Companies (CR_3)
honey (spread) in the United Kingdom by value (local currency)	-	-	43% (2002) to 38% (2014)
honey (spread) in the USA by value (local currency)	-	43% (2002) to 46% (2014)	39% (2002) to 41% (2014)
rice in Austria by value (local currency)	-	-	48% (2002) to 52% (2014)
rice in Germany by value (local currency)	63% (2002) to 62% (2014)	62% (2002) to 61% (2014)	59% (2002) to 57% (2014)
rice in the United Kingdom by value (local currency)	-	44% to 54% (2002-2014)	42% to 51% (2002-2014)
rice in the United Kingdom by value (local currency)	85% (2002) to 98% (2014)	72% (2002) to 84% (2014)	58% (2002) to 68% (2014)

source: own estimation, information by Market Line (2016b, 2016d, 2016g), details in chapter 8.1.1 to chapter 8.1.5, either range in time period (e.g. from 5% to 10% (2002 - 2014) or trend over time (e.g. from 5% (2002) to 10% (2014)

Table 9: Combined market share of major companies by national context for sugar and bananas, qualitative assessment

	Market Share Major 5 Companies (CR_5)	Market Share Major 4 Companies (CR_4)	Market Share Major 3 Companies (CR_3)
sugar in Austria by value	-	-	"more than 90%" (CR_1 in 2001)
sugar in Germany	-	-	"about 80%" (in 2001)
sugar in the United Kingdom	"very high"	"very high"	"very high"
sugar in the USA	"high"	"high"	"high"
bananas in Austria	"high"	"high"	"high"
bananas in Germany	"high"	"high"	"high"
bananas in the United Kingdom	"high"	"high"	"high"
bananas in the USA	"high"	"high"	"high"

source: own estimation, various sources (see chapter 8.1.6 and chapter 8.1.7 in the Appendix for details)

4.3.2.3 Summary – Which markets are characterized by strong incumbents and which are not?

In this chapter, the indicators are summarized to decide whether the national grocery retail sector is to be regarded regarded as governed by incumbent retailers and whether some companies within the national product markets gained enough market share to be regarded as incumbent.

For this purpose, the year 2002/3 is selected since it is regarded as the central turning point of the Fair Trade movement, as both the movement and the national licensers changed their initial strategy and began to go for mainstream markets instead of niches (Davies, 2007; Renard, 2003; P. L. Taylor et al., 2005). Since even the (globally compared) highest concentrated retail sectors (Consumer International, 2012) show a lower concentration compared to those product markets which are regarded as highly oligopolistic (as coffee or bananas, for instance (Nicholls & Opal, 2005, p. 79ff)), different concentration ratios are employed. Therefore, I employ the CR_3-value of 2003 for product markets (major three companies) and the CR_5-value of 2003 for super- and hypermarket chains (major five companies) with the same thresholds[146]. Accordingly, a lower degree of concentration of the grocery retail sector is assigned the same set membership as a higher degree of concentration up the supply chain by company. The thresholds are provided by economic reasoning and are usually applied to CR_5-values. Since my primary interest is the detection of predominant incumbents (Fligstein & McAdam, 2011, 2012), this measurement is a rather conservative approach, which ensures that the incumbents stand out of the crowd and capture a large amount of the respective market. Furthermore, both indicators are combined to build the concept incumbents out of individually necessary and jointly sufficient attributes (Goertz, 2005, p. 27ff) – the respective value is given by the minimum of the set memberships of "incumbents in the grocery retail sector" and "incumbents in the product market". Only if those two last stages down the supply chain are highly concentrated, the respective market is regarded as governed by incumbents.

In a nutshell, a market is governed by incumbents if the grocery retail sector (level: national settings, n=4) and the companies in the respective product markets are highly concentrated (level: national product market, n=28).

Comanor and Wilson (1967, p. 428) distinguish between concentrated and not concentrated markets with the CR_8-value. If more than 70% of the industry is concentrated in the hands of eight sellers, the industry is regarded as concentrated, if the CR_8-value does not pass the threshold or "critical point" of 70%, it is not (Comanor & Wilson, 1967, p. 428). Sutton (1974, p. 62) uses a finer grained procedure and employs the CR_5-value, which suits my purpose better. Sutton (1974, p. 62) employs three values to distinguish between "low concentration" (CR_5 lower than 48%), "medium concentration" (CR_5 from 48 to 80%), and "high concentration" (CR_5 higher than 80%). In a similar vein, Karier (1985, p. 37) uses the CR_4-value to distinguish between "low

[146] To ensure that both indicators provide comparable information, one could either apply different thresholds or different CR-values. Since the thresholds are given by economic standards, different CR-values are employed.

concentration" (CR_4 lower than 45%), "medium concentration" (CR_4 between 45 and 60%), and "high concentration" (CR_4 higher than 60%). More recently, the concentration for the major four and major eight firms is assessed as "no concentration" (CR about 0%), "low" (CR in between 0 and 50%), "medium/oligopoly" (CR between 50 and 80%), "high/between oligopoly and monopoly" (CR between 80 and 100%), and "total" (CR of about 100%) (MBAEconFall2011, 2011). In a similar vein, concentration ratios (regardless of the number of considered firms - CR_4 or CR_8) between 0 and 50% are regarded as "low", 50 to 80% are regarded as "medium or oligopolies", and 80 to 100% as "high" and worthy of government regulation (AmosWEB Encyclonomic WEB*pedia, 2000-2016). As can be seen, the values show only very minor differences with regard to "linguistic qualifiers" (Schneider & Wagemann, 2012, p. 27) and their corresponding values. According to this literature, I classify the concentration as follows:

Table 10: Calibration procedure for the sets Companies_CR and Supermarkets_CR: market share of major companies or super- and hypermarket chains, by concentration ratio (CR-value)

CR-value	0 to 20%	20 to 50%	50 to 80%	80 to 100%
corresponding fuzzy set score (incumbents)	0	0.33	0.67	1
"linguistic qualifier"	no incumbents	no/weak incumbents	incumbents	strong incumbents

Table 10 categorizes different ranges of CR-values into set memberships. For grocery retail, this procedure leads to the results in Table 11:

Table 11: Calibrated degree of set membership for Supermarkets_CR (the concentration of the retail sector) by national context based on the concentration ratio (CR_5, CR_4, or CR_8), i.e. the combined market share of the major five, four, or eight super- and hypermarket chains

	Grocery Retail in Austria (CR_5 in 2003)	Grocery Retail in Germany (CR_5 in 2003)	Grocery Retail in the United Kingdom (CR_5 in 2003)	Grocery Retail in the USA (CR in 2003)
CR-value	77%	66.4%	55.7%	CR_4: 33% CR_8: 47%
corresponding fuzzy set score (incumbents)	0.67	0.67	0.67	0.33
"linguistic qualifier"	"incumbents"	"incumbents"	"incumbents"	"no/weak incumbents"

As can be seen in Table 11, the procedure only leads to 2 different values: *incumbent* super- and hypermarkets can be detected in the European contexts (Austria, Germany, and the United Kingdom), while the grocery retail in the USA is not regarded as belonging to the set *incumbent*

with *weak/no incumbents*. For the individual product markets, the same procedure leads to the results (CR_3-values) in Table 12:

Table 12: Calibrated degree of set membership for the set Companies_CR (the concentration of industries) by national context and product category based on the concentration ration (CR_3), i.e. the combined market share of the major three companies

Case	CR_3-value (market share of major three companies) in 2003	Corresponding fuzzy set score	"linguistic qualifier"
coffee (Austria)	60%	0.67	"incumbents"
coffee (Germany)	57%	0.67	"incumbents"
coffee (United Kingdom)	56%	0.67	"incumbents"
coffee (USA)	65%	0.67	"incumbents"
chocolate confectionaries (Austria)	60%	0.67	"incumbents"
chocolate confectionaries (Germany)	55%	0.67	"incumbents"
chocolate confectionaries (United Kingdom)	88%	1.00	"strong incumbents"
chocolate confectionaries (USA)	81%	1.00	"strong incumbents"
still wine (Austria)	17%	0.00	"no incumbents"
still wine (Germany)	4%	0.00	"no incumbents"
still wine (United Kingdom)	15%	0.00	"no incumbents"
still wine (USA)	35%	0.33	"weak/no incumbents"
honey (Austria)	75%	0.67	"incumbents"
honey (Germany)	43%	0.33	"weak/no incumbents"
honey (United Kingdom)	42%	0.33	"weak/no incumbents"
honey (USA)	39%	0.33	"weak/no incumbents"
rice (Austria)	48%	0.33	"weak/no incumbents"
rice (Germany)	58%	0.67	"Incumbents"
rice (United Kingdom)	42%	0.33	"weak/no incumbents"
rice (USA)	58%	0.67	"incumbents"

source: own estimation, various sources, see chapter 8.1

Table 12 ***(continued)***

Case	CR_3-value (market share of major three companies) in 2003	Corresponding fuzzy set score	"linguistic qualifier"
sugar (Austria)[147]	"more than 90%" (CR_1 in 2001)	1.00	"strong incumbents"
sugar (Germany)[148]	"about 80%" (in 2001)	1.00	"strong incumbents"
sugar (United Kingdom)[149]	"very high"	1.00	"strong incumbents"
sugar (USA)[150]	"high"	0.67	"incumbents"
bananas (Austria)[151]	"high"	0.67	"incumbents"
bananas (Germany) [152]	"high"	0.67	"incumbents"
bananas (United Kingdom) [153]	"high"	0.67	"incumbents"
bananas (USA) [154]	"high"	0.67	"incumbents"

source: own estimation, various sources, see chapter 8.1

With regard to incumbent companies, we can distinguish between markets with *strong incumbents* (**chocolate confectionaries** in the United Kingdom and the USA and **sugar** in Austria, Germany, and the United Kingdom) and markets with *incumbents* (**coffee** in all national settings, **chocolate confectionaries** in Austria and Germany, **honey** in Austria, **rice** in Germany and the USA, **sugar** in the USA, and **bananas** in all national settings). Outside the set of incumbents are markets with *weak/no incumbents* (**still wine** in the USA, **honey** in Germany, the United Kingdom, and the USA, and finally **rice** in Austria and the United Kingdom) and absolutely *no incumbents* (**still wine** in Austria, Germany, and the United Kingdom).

Next, the markets are distinguished by their degree of incumbency with regard to super- and hypermarkets AND major companies in Table 13. If the two indicators are subsumed under the concept of incumbents, we can distinguish between markets with "incumbents" (**coffee** in Austria, Germany, and the United Kingdom, **chocolate confectionaries** in Austria, Germany, and the United Kingdom, **honey** in Austria, **rice** in Germany, **sugar** in Austria, Germany, and the United Kingdom, and **bananas** in Austria, Germany, and the United Kingdom) and without incumbents. The set memberships in markets without incumbents vary between "weak/no

[147] According to chapter 8.1.6.1 in the Appendix and the European Commission (2001 [12/20/2001]).
[148] According to chapter 8.1.6.1 in the Appendix and the European Commission (2001 [12/20/2001]).
[149] According to chapter 8.1.6.1 in the Appendix and Foodmanufacture (2014 [02/21/2014]).
[150] According to chapter 8.1.6.2 in the Appendix.
[151] See chapter 8.1.7.1 in the Appendix.
[152] See chapter 8.1.7.1 in the Appendix.
[153] See chapter 8.1.7.1 in the Appendix.
[154] See chapter 8.1.7.1 in the Appendix.

incumbents" (**coffee** in the USA, **chocolate confectionaries** in the USA, **still wine** in the USA, **honey** in Germany, the United Kingdom, and the USA, **rice** in Austria, the United Kingdom, and the USA, and (finally) **sugar** as well as **bananas** in the USA) and absolutely "no incumbents" (**wine** in Austria, Germany, and the USA).

Table 13: Calibrated degree of set membership for the set Incumbents as the minimum set membership of the concentration of the retail sector (Supermarkets_CR) by national context and the industries (Companies_CR) by national context and product category

Case	Fuzzy Set Score Incumbents (Companies_CR)	Fuzzy Set Score Incumbents (Supermarkets_CR)	Fuzzy Set Score Incumbents (Min)	"linguistic qualifier"
coffee (Austria)	0.67	0.67	0.67	"incumbents"
coffee (Germany)	0.67	0.67	0.67	"incumbents"
coffee (United Kingdom)	0.67	0.67	0.67	"incumbents"
coffee (USA)	0.67	0.33	0.33	"weak/no incumbents"
chocolate confectionaries (Austria)	0.67	0.67	0.67	"incumbents"
chocolate confectionaries (Germany)	0.67	0.67	0.67	"incumbents"
chocolate confectionaries (United Kingdom)	1.00	0.67	0.67	"incumbents"
chocolate confectionaries (USA)	1.00	0.33	0.33	"weak/no incumbents"

source: own estimation, various sources, calibrated values and calibration procedure in Table 10, Table 11, and Table 12, raw values in chapter 4.3.2.1 and chapter 8.1

Table 13 ***(continued)***

Case	Fuzzy Set Score Incumbents (Companies_ CR)	Fuzzy Set Score Incumbents (Supermarkets _CR)	Fuzzy Set Score Incumbents (Min)	"linguistic qualifier"
still wine (Austria)	0.00	0.67	0.00	"no incumbents"
still wine (Germany)	0.00	0.67	0.00	"no incumbents"
still wine (United Kingdom)	0.00	0.67	0.00	"no incumbents"
still wine (USA)	0.33	0.33	0.33	"weak/no incumbents"
honey (Austria)	0.67	0.67	0.67	"incumbents"
honey (Germany)	0.33	0.67	0.33	"weak/no incumbents"
honey (United Kingdom)	0.33	0.67	0.33	"weak/no incumbents"
honey (USA)	0.33	0.33	0.33	"weak/no incumbents"
rice (Austria)	0.33	0.67	0.33	"weak/no incumbents"
rice (Germany)	0.67	0.67	0.67	"incumbents"
rice (United Kingdom)	0.33	0.67	0.33	"weak/no incumbents"
rice (USA)	0.67	0.33	0.33	"weak/no incumbents"
sugar (Austria)	1.00	0.67	0.67	"incumbents"
sugar (Germany)	1.00	0.67	0.67	"incumbents"
sugar (United Kingdom)	1.00	0.67	0.67	"incumbents"
sugar (USA)	0.67	0.33	0.33	"weak/no incumbents"
bananas (Austria)	0.67	0.67	0.67	"incumbents"
bananas (Germany)	0.67	0.67	0.67	"incumbents"
bananas (United Kingdom)	0.67	0.67	0.67	"incumbents"
bananas (USA)	0.67	0.33	0.33	"weak/no incumbents"

source: own estimation, various sources, calibrated values and calibration procedure in Table 10, Table 11, and Table 12, raw values in chapter 4.3.2.1and chapter 8.1

As can be seen, due to the "necessary and sufficient concept structure" (Goertz, 2005, p. 27ff), all cases in the USA are no longer characterized by incumbents. Since my attempt is not meant to find a convenient way to capture the differences between European contexts and the USA in order to smooth my analyses with a single condition, I will offer two QCA-analyses (as will be seen in chapter 5.4). The opportunity to build a concept out of two indicators is not exploited as a loophole to gain better or more consistent results, but only as an opportunity to gain parsimony.

My procedure will involve two steps and a "dialogue between ideas and evidence" (Ragin, 1987, p. 168ff). It will be shown that my results and their interpretation are not affected by the decision to subsume both indicators under a more general concept.

4.3.3 Analysis of Collective Action Frames: Framing Fair Trade

"Framing" (chapter 2.5 to chapter 2.8) and "Visibility" (chapter 2.6 and chapter 2.8) have been argued as two pivotal INUS conditions in the theoretical section. The mass media discourse on Fair Trade and the product categories coffee, cocoa/chocolate, bananas, sugar, rice, wine and/or chocolate in the national contexts Austria, Germany, United Kingdom, and the USA have been assessed for two distinct purposes:

(1) The assessment of "collective action frames" as the mobilizing element for consumers (directly) and firms/suppliers (indirectly) (see chapter 2.5).

(2) The "visibility" of individual firms within the national discourse on national product markets in the mass media as a necessary condition for the INUS condition institutional entrepreneurship (see chapter 2.6).

In this chapter, framing (chapter 2.5) is discussed as an INUS conditions of both paths to the outcome (incumbents*framing*(visibility + some degree of organization) (see chapter 2.6 to chapter 2.8, and (2.8-13) on page 81). Since the consumption of Fair Trade products is recognized as a form of political consumption by many scholars (Micheletti, 2003; Micheletti et al., 2004; Micheletti & Stolle, 2007, 2008), the conception of campaigns for specific products as a form of mobilization seems reasonable. In addition, the Fair Trade movement has explicitly included the task of raising awareness and campaigning in its definition of Fair Trade (EFTA, 2002a, p. 1) and the movement actors put a strong emphasis on campaigning (Davies, 2007; Gendron et al., 2009; Holt-Giménez et al., 2007). Huybrechts (2010, p. 18ff) regards the educative impact on consumers as a pivotal part of the political mission and self-understanding of the whole movement. According to Gamson and Wolfsfeld (1993, p. 121) three elements are of vital importance in the analysis of media coverage (of framing). Firstly, "standing" refers to the raw media coverage and the extent of which the group is taken seriously – regardless of the valence and content. Secondly, the "prominence of the group's frame in the media discourse" and finally, the extent to which the

content of the coverage presents the group in a way that is likely to gain sympathy from relevant publics" (Gamson & Wolfsfeld, 1993, p. 121) should be analyzed. Most graphical representations of the effect of "collective action frames" through the mass media (D. P. Baron, 2005, p. 347; Lipsky, 1968, p. 1146f; Rucht, 2004, p. 201) perceive the mass media as a potentially biased mediator between the contest between opponents and the general public or consumer groups. The media can be regarded as a distorted lens on the conflict or the conflict parties.

The crucial difference between marketing and "collective action frames" is identified in its principal goal to manipulate passive objects through persuasion (marketing), which contradicts the idea of mobilizing for action through convincing participants (Gamson, 2004, p. 257). Nevertheless, a closer look at the campaigning efforts of the Fair Trade movement is required to argue for "collective action frames".

Bryant and Goodman (2004, p. 355) show that Fair Trade seeks to infuse the product with ethical value, focusing on the individual life situation of the producer and the relational nature of production. In addition, the movement tries to "emplace" the production in its context and highlights the importance of the local communities. The consumers are mobilized by putting emphasis on justice, support, and "making a difference" (FLO, 2009a, p. 20). Notions of linking the producer to the consumer underpins the relational nature and the political concern with strong emphasis on the production of knowledge (Bryant & Goodman, 2004, p. 357f). "Culturally constructed stories" are part of the "aesthetic and discursive strategies to translate ethical obligations into consumption practices" (Dolan, 2011, p. 43). Nevertheless, the education of the consumers is still a major part of the marketing mix and is regarded as crucial for the success of Fair Trade (Nicholls, 2002, p. 12ff; Nicholls & Opal, 2005, p. 166).

Nicholls and Opal (2005, p. 164ff) distinguish three phases of Fair Trade marketing in the United Kingdom over time, while they stress the relevance of education and campaigns in each of those. In the first early phase, a "process focus" dominated the attempts to target the ethically most affluent segment of Northern consumers. The product should reach the potential consumer "embedded with information" and this approach has likewise been fostered and supported by the FLO. Due to the distinct symbolic features of Fair Trade, the "thin line" between marketing, campaigning, and education has been blurred (Nicholls & Opal, 2005, p. 166). Indeed, this strategy only attracted a small consumer segment, whose consumption patterns had been driven by a strong process focus, *ex ante*. The following phase distinguishes itself from the first one by its strong "product focus". The new emphasis lies on quality and differentiating features of the products to penetrate certain market segments. Those target conscious consumers who combine

ethical value, product quality, and lifestyle (Nicholls & Opal, 2005, p. 169ff). The emotional appeal gained significance and the meaning of Fair Trade in the eyes of potential consumers has been infused with ethical values as well as a premium quality. Finally, the "place focus" shifts the emphasis away from niches and aims at mobilizing consumers to "connect their local community with their ethical concerns" (Nicholls & Opal, 2005, p. 172ff). The community focus (for instance: "Fair Trade Towns" and "Fair Trade Schools") targets communities and has been initialized as a "bottom up"-approach to build up "social capital" between northern and southern communities (Nicholls & Opal, 2005, p. 174f).

The educational impact on consumers helps to argue for "collective action frames" instead of marketing. Fair Trade campaigns have to identify the causes of poverty and disadvantage (diagnosis), offer a solution to empower the producers (prognosis), and motivate individual or collective consumers to engage, even if they engage merely through purchasing. Admittedly, the last function can be and is in part fulfilled by applying the classical marketing toolkits (as celebrities, emotional value, and lifestyle for instance) (Dolan, 2011). However, the diagnosis and prognosis highlights the education of consumers about the terms of conventional global trade and the mission of Fair Trade to empower the disadvantaged producers. Thus, the movement seeks to mobilize consumers by educating them and does not treat the potential participants as manipulated objects (Gamson, 2004, p. 257). It fulfills the need to "situate the group within an established field or market and theorize its value and distinctiveness relative to other collective identities in this context" (Wry et al., 2011, p. 453). It constitutes identities (for a review: Dobusch & Quack, 2010, p. 10ff), which further blurs the distinction between convincing and persuading.

4.3.3.1 Framing Fair Trade: Data Sources, Method & Operationalization

Before describing the raw data and the final indicator, some light is shed on the way the articles have been coded and the data source of the articles analyzed. In addition, the central concept "collective action frames"[155] is operationalized and applied to the phenomenon "Fair Trade".

The Factiva Inc. (2014a) database has been assessed to get a comparative overview over the national media of the four contexts Austria, Germany, the United Kingdom, and the USA[156]. The

[155] In the following, collective action frames refer tot he theoretical concept, while "Collective Action Frame(s)" refer tot he empirical assessment.

[156] The analysis includes news media for Austria (Der Standard, Die Presse, Wirtschaftsblatt), for Germany (Berliner Zeitung, Der Tagesspiegel, Die Welt, Stuttgarter Zeitung, Süddeutsche Zeitung, taz - die tageszeitung), the United Kingdom (Daily Mail, Evening Times, Financial Times, Guardian Unlimited, Independent On Sunday, Press Association National Newswire, Sunday Herald, The Daily Express, The Daily Telegraph, The Express, The Express on Sunday, The Guardian, The Herald, The

mass media is regarded as the central channel for the transmission of collective action frames to "the public sphere" (King & Pearce, 2010, p. 255). Besides the "pure" assessment of the discourse in the mass media, Factiva Inc. (2014a) has the distinct advantage of being used as a tool to screen for information about markets by consulting agencies and the industry alike (Grudzewski & Jurczak, 2007, p. 38). "By use of Factiva and KWeb employees can search both, company intellectual resources and external intellectual sources or just subscribe news to be up to date" (Grudzewski & Jurczak, 2007, p. 38). In addition, Factiva Inc. (2014a) is assessed for detecting technological innovations and especially individual innovative firms before innovations take momentum (Soh, 2010) – which is pivotal for the proposed mechanism. Factiva itself presents itself as "world's leading source of premium news, data and insight, helping today's professionals make better business decisions faster (…), Factiva cuts through the noise to surface business-critical information. Whether researching, creating a daily company newsletter or browsing a summary of top industry news, Factiva gives a clear information advantage." (DowJones, 2016). The focus on business and especially the explicit aim to guide "business decisions" appears to be exceptionally suitable for my purpose. The proposed mechanisms presupposes that the relevance of the content of the mass media for the proposed mechanisms (see Figure 6 on page 49) is based on the perception of market participants, especially firms. The assessment of collective action frames and visibility by scholars who tend to understand these perceptions should use similar, and at best, the same tools as those firms and the agencies consulting them use. All print and online media for all four national contexts is assessed as long as it appears in Factiva Inc. (2014a).

Diagnostic, prognostic, and motivational framing are not mutually exclusive with regard to articles and usually appear in concert. According to Benford and Snow (2000, p. 615ff) collective action frames fulfill the "tasks" of defining and expounding an issue or problem (diagnosis), offering a potential solution or ways to tackle the pestering problem (prognosis), and motivating

---

Independent, The Mail on Sunday, The Observer, The Scotsman, The Sunday Telegraph, The Sunday Times, The Times), and the USA (Barron's (Online and Print), Christian Science Monitor, Dow Jones Business News, Dow Jones News Service, Forbes, Market Watch, New York Daily News, Newsweek, NYT Blog, NYT Blogs, Pittsburgh Post-Gazette, St. Louis Post-Dispatch, St. Petersburg Times, The Atlanta Journal – Constitution, The Boston Globe, The Christian Science Monitor, The Denver Post, The New York Post, The New York Times, The New Yorker, The Philadelphia Daily News, The Philadelphia Inquirer, The Times-Picayune, The Wall Street Journal (Online and Print), The Washington Post, USA Today). The terms "Freitext,(Fair Trade OR Fairtrade OR Transfair OR fairer Handel) AND (Kaffee* OR Banane* OR Kakao* OR Schokolade* OR Reis* OR Honig* OR Wein* OR Zucker*) were searched for in Austria and Germany, while the terms Freitext,(Fair Trade OR Fairtrade OR Transfair) AND (coffee OR banana OR bananas OR wine OR honey OR cocoa OR chocolate OR rice OR sugar OR sugar*) were searched in USA and the United Kingdom.In addition, all articles had to refer to producing countries in the Southern Hemisphere (Region: Zentralamerika OR Südamerika OR Lateinamerika OR Karibische Länder OR Asien OR Asiatischer Pazifik OR Afrika), time frame is set to 01/01/1990 to 31/12/2011, all other filters were left blank ("Alle Autoren", "Alle Unternehmen", "Alle Themen", "Alle Branchen" [translation: "all authors", "all companies", "all topics", "all industries"], language was set to the respective language [German or English] within the national setting).

potential allies to take action (motivation). Those "tasks" are semantically linked and should appear together to cause mobilizing affects. So, they might occur together in articles but do not necessarily have to. Especially, the motivational component shares a fuzzy boundary to marketing in the case of "political" (Micheletti, 2003) or "ethical consumption" (Andorfer, 2013). As mentioned on page 163ff, since the case Fair Trade stresses purchasing activities as the main form of mobilization, the motivational component might offer ethical reasons to buy Fair Trade, but could also issue favorable qualities beyond the practices of sourcing (taste, for instance)[157]. Therefore, this component might stand well on its own without further arguments about the life situation of producers in developing countries. On the other hand, some articles expound the life situations in developing countries or vilify certain business practices without posing the solution of fair consumption, even though Fair Trade is mentioned in the article. Therefore, the conceptualization of collective action frames follows a rather loose "family resemblance" structure (Goertz, 2005, p. 29ff) without any necessary component – neither diagnostic, prognostic, nor motivational components are necessary for the concept "Collective Action Frame(s)" as demonstrated in (4.3-1). It is presumed that prognostic components alone are sufficient for "Collective Action Frame(s)" due to their inherent function of linking individual action and the common cause to the solution of pressing issues. Neither the diagnostic component, nor the motivational component alone can perform this task in the case of Fair Trade. Offering a cause for purchasing a certain good without necessarily referring to disadvantaged producers can hardly be considered a mobilizing effort – the resemblance to marketing is too strong. On the other hand, a diagnosis of the perceived hardship of producers without referring to purchasing as a potential solution to the problems lacks a clear cut message to mobilize. Only in concert, the diagnosis of perceived disadvantage of producers through global trade together with the motivation to alter shopping routines can be regarded as an attempt to mobilize. In addition, the respective article has to be in favor of Fair Trade.

Formally:

(4.3-1) **(prognosis** ∨ (**diagnosis** ∧ **motivational**)) ↔ "**Collective Action Frame**(**s**)"

(definition: collective action frames)

[157] In the case of dairy and grass fed meat, K. Weber et al. (2008, p. 535) demonstrate the importance of health issues for consumers. Selective incentives or "private concerns" might matter for the mobilization of consumers "(Micheletti, 2003, p. 44).

Therefore, the concept of "Collective Action Frame(s)" is inherently heterogeneous with regard to the content of the articles. Before we step forward to analyze the "Collective Action Frame(s)" as one concept, some light is shed on this concept and its relationship to the single components.

To ensure a high objectivity, the assessment of "Collective Action Frame(s)" follows a binary logic and evaluates whether one or more issue ("complex topics") have been raised by an article (yes/no) (Mayring, 2010, p. 601) – it is classificatory (Früh, 2011, p. 35). Scales have not been used and each component of "Collective Action Frame(s)" can be mentioned only once by each article. Nevertheless, any article might mention one, two, or all three components of "Collective Action Frame(s)". The qualitative information has been regarded as nominal to allow for a quantitative description of the mass media discourse (Früh, 2011, p. 35f), which disregards a more semantic approach to collective action frames (Vicari, 2010). This approach can be regarded as a "prognostic approach" (Früh, 2011, p. 44).

The impact of framing within the national media of Austria, Germany, the United Kingdom, and the USA has been assessed to approximate this vital component of mobilization for Fair Trade. The findings from the mass print media of the selected national contexts are presented below. The Factiva Inc. (2014a) database has been employed to assess the resonance of "Collective Action Frame(s)" in the national media. An initial search with a simple algorithm (see footnote 156 on page 164) yielded 860 articles mentioning "fair trade", developing countries and the product categories bananas, coffee, cocoa / chocolate, wine, rice, sugar, and / or honey for the years 1990 to 2011 without duplicates. Among these initial 860 articles, 235 articles were considered completely irrelevant for my purpose. For instance, the term "fair trade" has been employed as a synonym for "free trade" (without any mention of Fairtrade certification) or the product category "rice" referred to the former US-foreign minister "Condoleezza Rice". Those articles have been excluded from the analysis leaving 625 articles. Another 4 articles have been dropped since those articles did not mention any of the relevant product categories together with Fair Trade, but only irrelevant product categories (e.g. textiles) together with Fair Trade. These final 621 articles have been screened for the three "components" (Gamson, 1992, p. 29) or "tasks" (Benford & Snow, 2000, p. 615) of "Collective Action Frame(s)" resulting in 475 (76.5%) articles, which mention at least one framing component (diagnostic, prognostic, or motivational). Figure 18 on page 171 presents the absolute number of articles without any framing component, the absolute number of articles with any component of "Collective Action Frame(s)" but not the prognostic component and not the diagnostic together with the motivational component, and the "Collective Action Frame(s)" as either the prognostic or the motivational together with the

diagnostic component across countries over time. In addition, the percentage of articles with "Collective Action Frame(s)" to all articles is provided. The formulas are given by:

(4.3-2) $$(\sim\textbf{prognosis} \wedge \sim\textbf{diagnosis} \wedge \sim\textbf{motivational}) \leftrightarrow \text{“}\textbf{Articles without Framing Component}\text{”}$$

(definition: articles without framing component)

(4.3-3) $$((\textbf{diagnosis} \vee \textbf{motivational}) \wedge \sim(\textbf{prognosis} \vee (\textbf{diagnosis} \wedge \textbf{motivational}))) \leftrightarrow \text{“}\textbf{Framing Component but not “Collective Action Frame(s)}\text{”}$$

(definition: articles with framing component, but not collective action frames)

(4.3-4) $$(((\textbf{diagnosis} \wedge \sim\textbf{prognosis} \wedge \sim\textbf{motivational}) \vee (\textbf{motivational} \wedge \sim\textbf{prognosis} \wedge \sim\textbf{diagnosis})) \leftrightarrow \text{“}\textbf{Framing Component but not “Collective Action Frame(s)}\text{”}$$

(reformulated definition: articles with framing component, but not collective action frames)

In the following section, examples for diagnostic, prognostic, and motivational components are provided.

An article has been coded as being diagnostic, when it provides an extensive view on the hardships of producers and the living conditions in the respective countries of production. The "solution" of certification is not part of this diagnosis:

> "In what he calls "basically a *civil war situation*," he says, "there might be a lot of other *human rights abuses* than just the ones that have been picked up." (…). This is a country where an *estimated 215,000 children live on the streets*, where teachers give children *good grades in return for sexual favors* and where there is *no law against human trafficking*, according to U.S. State Department reports. (…). The Western protest groups have videotaped conditions on some of the *slave farms*, with wrenching narratives from children who were as *young as 12 when they were enticed by traffickers* (…). One plaintiff, a young boy from neighboring Mali who says *he was lured to a cocoa* farm in Ivory Coast, describes his plight on tape: "*I tried to run away but I was caught as punishment they cut my feet and I had to work for weeks while my wounds healed*. (…)." (Forbes, 2006(24th April 2006) accessed through Factiva Inc. (2014a), emphasis by author).

Prognostic elements can be found if Fair Trade is presented as a potential solution to the problematic living conditions in the countries of production. The prognostic component refers to the future, to "alternative visions of reality including what is to be done to change extant reality" (Benford, 1993, p. 693). It is linked to the diagnosis and proposes strategies, solutions, and alternative versions of reality (Benford & Snow, 2000, p. 616), which point to a potential future and not the status quo. Fair Trade has a strong focus on linking producers and consumers (Bryant & Goodman, 2004, p. 357f) through "culturally constructed stories" (Dolan, 2011, p. 43). Therefore, an article has been coded as including the prognostic component if Fair Trade has been presented as an already working solution for many producers. The already working "proposed solutions to the problem" (Benford & Snow, 2000, p. 616) for the producers introduced by the articles are regarded as exemplary cases for further producers who might benefit from Fair Trade in the future. Therefore, the status quo of beneficiaries is regarded as an example of potential future outcomes for not-yet beneficiaries. The following article has been coded as including only the prognostic component since there are only a few hints to the life situation of the producer without the label Fair Trade (diagnosis) and no mentioned access points for consumers to the specific Fair Trade product (motivational).

> "Being able buy the children an ice-cream may seem the simplest of treats, but for cocoa producers in the Dominican Republic *it is one of many things made possible by getting a fair price for their crop.* Farmer Pilar Vilorio, 38, said the *changes brought about by selling her cocoa crop, which is used to produce chocolate and cocoa butter, through the Fairtrade system were "enormous"*. Instead of having to sell their product to the first trader who came along - and take whatever price the middleman offered - farmers *were able to get a guaranteed price, she said. As a result they can profit more from a good harvest, survive a bad one more easily and improve their quality of life.* "It used to be that we were overworked, but now we can do things like *pick up our children from school and have other parts of our life, not just work all the time*," she said. The mother-of-two said Fairtrade meant *her children have more security than she had*. (…). "Now we have the guaranteed price, *we can say we will take them on trips to the beach and get an ice-cream,"* she said. (…) (The Press Association, 2009 (24th June 2009) accessed through Factiva Inc. (2014a), emphasis by author).

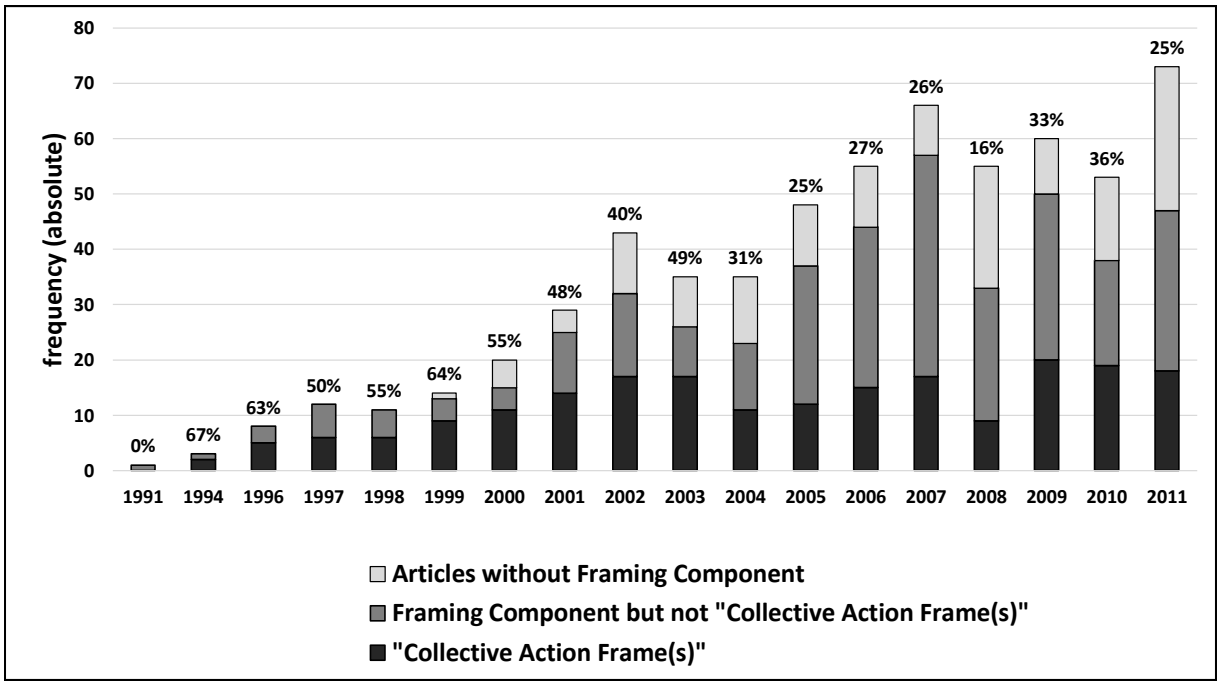
Finally, the motivational component is – as it has been argued on page 163ff – rather close to marketing, since the mobilization of consumer consists of the modification of purchasing decisions. Usually, the motivational components might stress "agency" (Benford & Snow, 2000, p. 617; Vicari, 2010, p. 507) and, potentially, "private concerns" in the case of consumption (Micheletti, 2003, p. 44). It may stress benefits beyond Fair Trade. The incentives to act – in this case, to buy – might stress qualities, which are not bound to the ideals of the whole movement:

> "Now it is the *fifth most-popular source of wine* in the UK and the fastest-growing sector of the market. This is *mainly because of the appeal of some good value* wines with a contemporary style akin to the rest of the New World. *Once dominated by vineyards owned by the white minority, there is now a concerted drive to bring other ethnicities into the business*. But is only later this year that one label, Thandi, is expected to become the *first to be wholly owned by a black farmers' collective*. What to drink: Look for spicy reds made from the Pinotage grape (a cross between Pinot Noir and Cinsault), complex whites made from old vine Chenin Blanc grapes and budget *wines with a Fairtrade logo – which guarantees prices for small, usually black, growers."* (The Independent, 2009 (15th October 2009) accessed through Factiva Inc. (2014a), emphasis by author).

4.3.3.2 Framing Fair Trade: Description of Collective Action Frames and Its Components

In this section, the amount of "Collective Action Frame(s)" and its components are described in detail, before they are subsumed under an indicator which will be used in the final analysis. Since this indicator is a rough simplification of the following patterns, this detailed description provides the opportunity to detect and avoid potential biases. The final indicator will consist of a fuzzy set score ranging between 0 and 1 for all seven product categories within all four national settings. It cannot capture the whole complexity within the data. The following section should aid in answering questions about the amount of collective action frames by product category and national setting, and the amount of articles by product category and national setting.

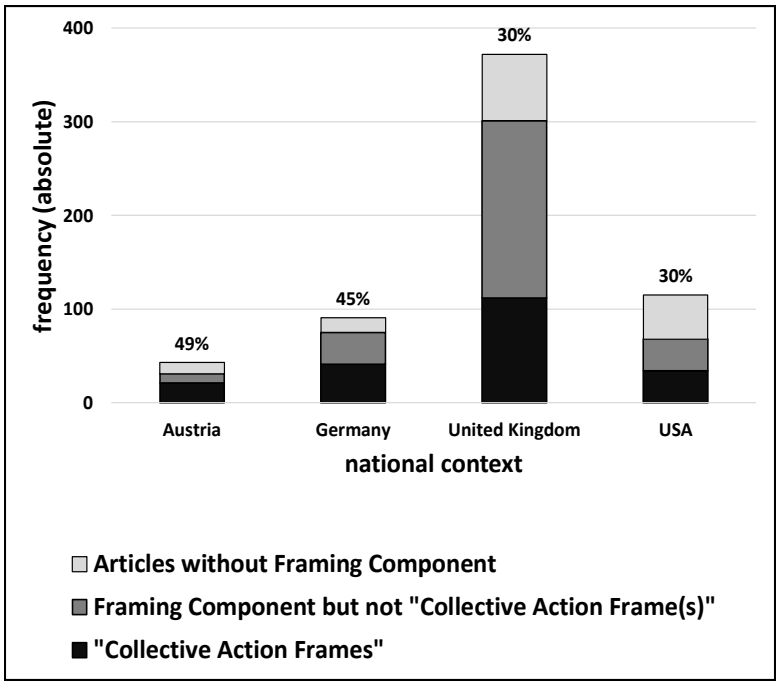
Figure 18: All articles with and without Framing Components and "Collective Action Frames" from 1991 to 2011, absolute number



source: Factiva Inc. (2014a), own estimation, N= 621, percentages indicate the relative amount of articles with "Collective Action Frame(s)" to all articles

Surprisingly, the absolute number of articles with "Collective Action Frame(s)" is rather stable over time. While the number of collected articles with and without framing components increases over time (Figure 18), the absolute number of articles with "Collective Action Frame(s)" lies between about 10 to 20 articles each year from 2000 to 2011 across national settings and product categories. It seems as if Fair Trade gained increasing media attention, while the resonance of "Collective Action Frame(s)" in the print media has been stagnating. The raw media coverage shows that the "noise" of single motivational or diagnostic mentions (Framing Component but not "Collective Action Frame(s)") or no mentions at all (Articles without Framing Component) has increased considerably over time - notwithstanding whether one focuses on the relative amount of those articles to all articles or the absolute number of this noise over time.

Figure 19: All articles with and without Framing Components and "Collective Action Frames" by national context, absolute frequencies and amount of articles with "Collective Action Frames" in % to all articles within the respective national context



source: Factiva Inc. (2014a), own estimation, N=621, percentages indicate the relative amount of articles with "Collective Action Frame(s)" to all articles

Figure 19 presents the absolute number of articles without any framing component (Articles without Framing Component), the absolute number of articles with any component of "Collective Action Frame(s)" which do not qualify as "Collective Action Frame(s)" (Framing Component but not "Collective Action Frame(s)"), and the number of articles with "Collective Action Frame(s)" by national setting. The percentages of articles with "Collective Action Frame(s)" to all articles is provided, as well. The raw number of articles collected varies by country with only 43 articles collected in Austria, 91 articles collected in Germany, 115 articles in the USA, and 372 articles collected in the United Kingdom. Diagnostic, prognostic, or motivational framing components appeared in 31 Austrian, 75 German, 301 British, and 68 US articles. Therefore, framing components could be identified in 72% of all articles collected in Austria, 82% of all articles collected in Germany, 81% of all articles collected in the United Kingdom, and 59% of all articles collected in the USA. Thus, a pronounced variation can be detected if one considers the percentages of framing components in the mass media between countries.

This variation is mirrored for "Collective Action Frame(s)". The percentages of articles with "Collective Action Frame(s)" to any framing component show a strong variation with 68% in

Austria, 55% in Germany, 37% in the United Kingdom, and 50% in the USA. Compared to all articles, the amount of articles with "Collective Action Frame(s)" varies between 49% in Austria and 30% in the USA and the United Kingdom. In the argument for the case selection in chapter 4.1, I employed Hutchen's (2009, p. 108) distinction between a market driven or business approach (e.g. the USA and the United Kingdom) to Fair Trade and Fair Trade as "an end to itself" (e.g. Germany and Austria) (page 105). Any inference from the absolute numbers of assessed articles, articles with framing components, and "Collective Action Frame(s)" to this distinction should be avoided[158]. The amount of analyzed and accessible data sources varies by national setting[159]. Nevertheless, the relative amount of "Collective Action Frame(s)" shows that - given that an article mentions Fair Trade – "Collective Action Frame(s)" are more likely when the national licenser pursues Fair Trade as an "end to itself" (Germany and Austria with 45% to 49%, respectively) than simply "a-mean-to-achieve-business-goals"-approach (USA and the United Kingdom with 30% each) (Hutchens, 2009, p. 108ff).

A closer look at the absolute numbers by national settings (Figure 19) reveals a far more similar picture compared to the absolute numbers of mass media attention. The print media in the United Kingdom shows still the highest absolute number of articles with "Collective Action Frame(s)" (112 articles), while the distance to Germany (41 articles), the USA (34 articles), and Austria (21 articles) has decreased compared to the absolute number of collected articles and the absolute number of collected articles with any framing component. The different framing components are presented and discussed in chapter 8.2 in the Appendix.

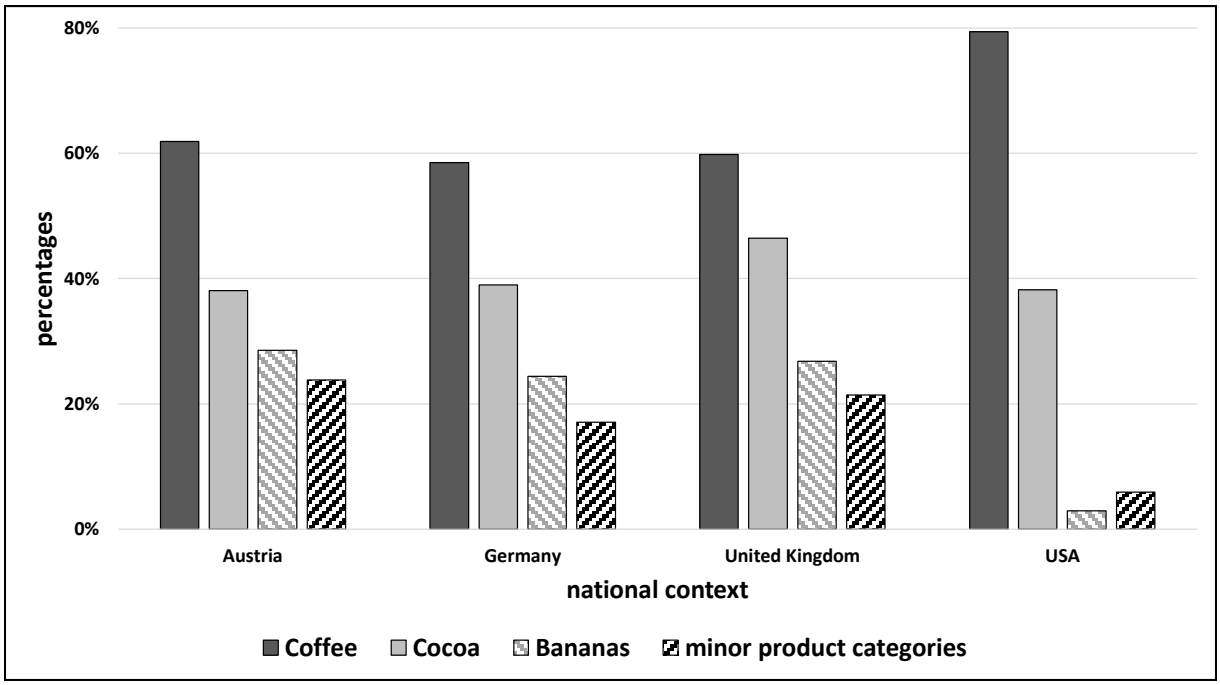
4.3.3.3 Framing Fair Trade: Final Indicator & Ensuring Temporal Order

Next, the final assessment of the set membership in the set "collective action frames" is provided. In addition, a test of plausibility regarding the causal direction of "collective action frames" is employed to ensure the correct timely order of cause and effect in preparation of the final analysis.

[158] According to the absolute amount of articles collected, the US-context seems to be more similar to Austria and Germany, which might be due to the fact that the national licenser "Transfair USA" was founded rather late (see chapter 4.3.1) and is thus relatively late compared to the other contexts. The amount of articles might become more similar to the United Kingdom as the market for certified products matures.

[159] In addition, the size of the populations and the amount of newspapers vary by national setting. Thus, the raw numbers offer a purely descriptive picture.

Figure 20: "Collective Action Frames" by product category and national context in % to all articles with "Collective Action Frames" within the respective national context



source: Factiva Inc. (2014a), own estimation, N=208

As can be seen, the percentages of articles with "Collective Action Frame(s)" by product to all articles with "Collective Action Frame(s)" are strikingly similar across national contexts. The hierarchy between coffee, cocoa, and bananas is the same in all four national contexts. Austria, Germany, and the United Kingdom have very similar percentages. Coffee has been mentioned in about 60% (62% in Austria, 59% in Germany, and 60% in the United Kingdom), cocoa has been mentioned in about 40% (38% in Austria, 39% in Germany, and 46% in the United Kingdom), and bananas have been mentioned in about 25% of all articles with "Collective Action Frame(s)" (29% in Austria, 24% in Germany, and 27% in the United Kingdom). The US context deviates from this clear pattern and a significant relative amount of "Collective Action Frame(s)" could only be detected for coffee (79%) and cocoa (38%), while bananas have not been framed considerably (3%). Even the minor product categories are similar with regard to framing across the three European contexts (24% in Austria, 17% in Germany, and 21% in the United Kingdom), while the number of articles with "Collective Action Frame(s)" detected in the USA are again very low (6%). In the US context, framing in the mass media focuses primarily on the two main products (coffee and cocoa), which might be due to maturity of the national licenser. Transfair USA is the youngest national licenser in this analysis (chapter 4.3.1) and, as can be seen in Figure 8 on page 110 and Figure 9 on page 111, cocoa and especially coffee are the Fair Trade "flagships" and usually gain the highest mass media attention (Figure 20 on page 174).

The calibration of the set membership "Framing" employs the information of this graph and the more detailed information on rice, wine, sugar, and honey which are subsumed under the category "minor product category" and can be found in Table 15 on page 181. Since the absolute amount of articles varies by national context, the relative amount of the detected "collective action frames" for one product category to the "collective action frames" for all products in the same national context is employed:

$$\textbf{(4.3-5)} \qquad \textbf{Framing (raw)} = \frac{\Sigma\ \textbf{collective action frames (for product x) in national context i}}{\Sigma\ \textbf{collective action frames in national context i}}$$

(Framing raw data)

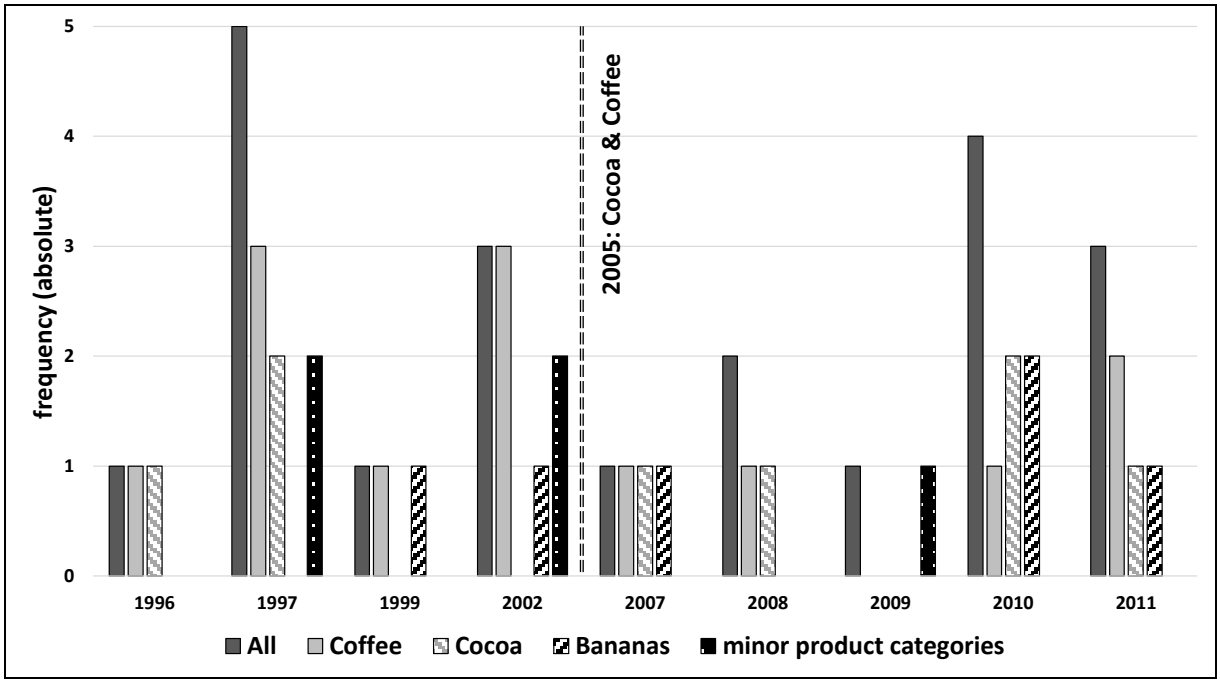
The ratio "Framing (raw)" is the percentage of "collective action frames" for one product in one national context to all "Collective Action Frame(s)" within this particular context. Therefore, the varying amount of "Collective Action Frame(s)" assessed by national context does not bias the final assessment of framing by product category and national context.

"Framing (raw)" provides the basis for the calibration of fuzzy set membership score for the final analysis. Even though the values of "Framing raw" already vary between 0 (0%) and 1 (100%) and have the same range as the final fuzzy set scores, those raw values are not regarded as meaningful set membership scores (Schneider & Wagemann, 2012, p. 29ff). For instance, a product which has a share of "Collective Action Frame(s)" of about 80% (for instance, coffee in the USA) can be regarded as considerably framed in the national mass media and should be assigned the degree of set membership of "1" and not merely "0.8". As can be seen in Figure 20 on page 174, it is possible to distinguish three main categories of products which gained exceptionally high media attention (coffee, cocoa, and bananas) - if one disregards the low amount of collective action frames for bananas in the USA.

In the following section, the articles with "Collective Action Frame(s)" are presented by national setting and product over time. Given the assumed relationship between collective action frames and the success of product categories (for the outcome, see Table 6 in chapter 4.2), a *synchronic* perspective bears the inherent risk of "reversed causality" and endogeneity, which will be addressed in this section. Figure 6 in chapter 2.5 assumes so called "feedback loops" between collective action frames and the changing supply and demand of the products framed – both, the quantities of the goods and the collective action frames, are endogenous in this process. Therefore, a *diachronic* perspective is required to back the assumption of the assumed causal

direction. Collective action frames are not assumed to have a ceteris paribus effect on the success of Fair Trade and Figure 21, Figure 22, Figure 23, and Figure 24 do not imply a causal relationship or allow for a causal interpretation of this single INUS condition. Nevertheless, the timely order of cause and effect is vital for any causal interpretation. To allow for the causal interpretation of this INUS condition in chapter 5, one has to ensure the assumed causal direction as a necessary prerequisite. Therefore, Figure 21, Figure 22, Figure 23, and Figure 24 include cut points at which certain products pass the mark of 1% market share of the Fair Trade– sourced goods to the whole supply of this good within a national setting (for this information, refer to chapter 4.2).

Figure 21: Articles with "Collective Action Frame(s)" in Austria by product category over time (1996 to 2011) and year of passing the threshold of 1% market share, absolute frequencies

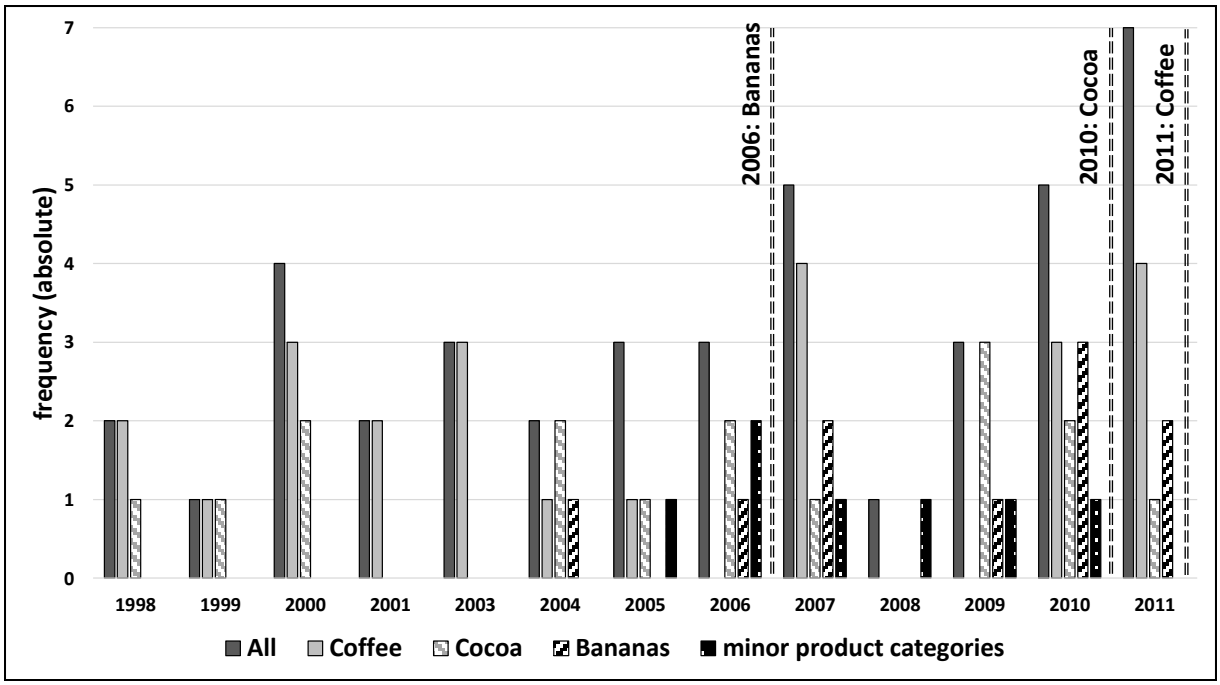


source: Factiva Inc. (2014a), own estimation, N=21, for the year of passing the threshold see Table 2 in chapter 4.2

The information about Austria (Figure 21) should be interpreted tentatively due to the low absolute number of articles. Three product categories gained a market share above 1% (coffee, cocoa, and bananas), while it could not be assessed when exactly bananas met the threshold of 1% market share. Before coffee and cocoa passed the threshold of 1% market share in 2005, 10 articles with "Collective Action Frame(s)" had been published in the relevant media (48% of all article during the period of investigation). 8 of these articles (80%) mentioned coffee and 3 of these articles (30%) mentioned cocoa. Therefore, both categories had been framed considerably – if one disregards the low absolute amount of articles - before the market share passed 1% and the percentages are similar to the percentages across all time points of the whole period of

investigation. The relative amount of "Collective Action Frame(s)" before certification took momentum for these product categories resembles the relative amount during the whole period (62% for coffee and 38% for cocoa).

Figure 22: Articles with "Collective Action Frame(s)" in Germany by product category over time (1998 to 2011) and year of passing the threshold of 1% market share, absolute frequencies

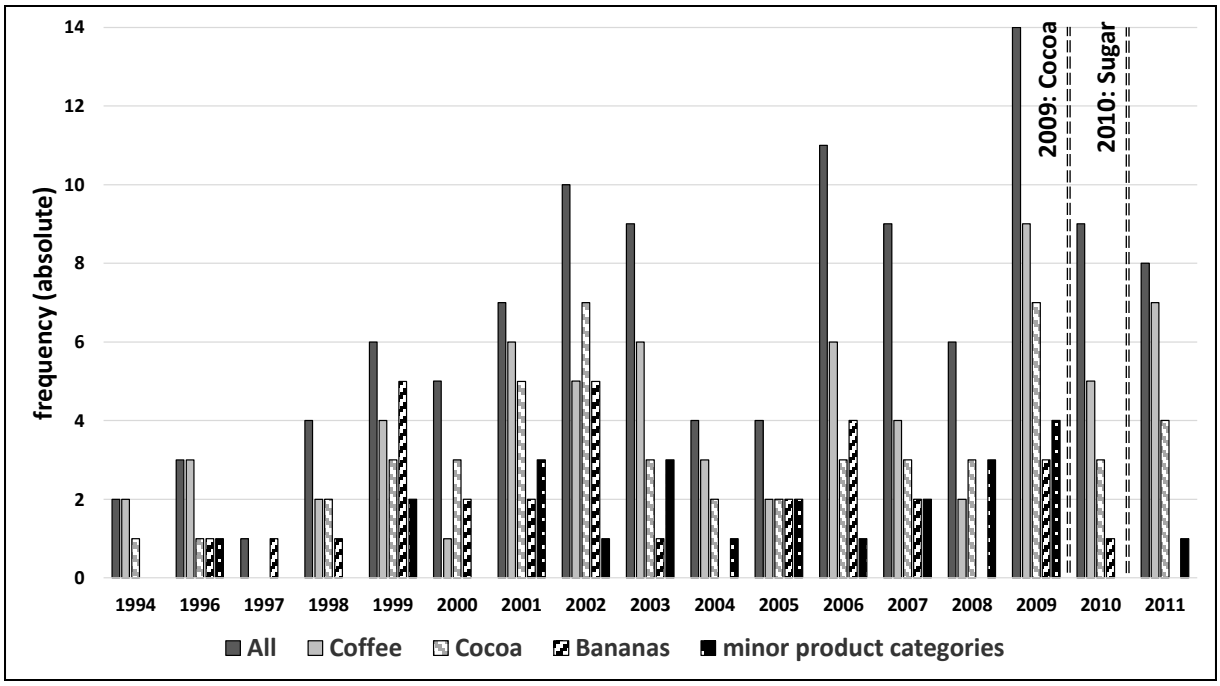


source: Factiva Inc. (2014a), own estimation, N=41, for the year of passing the threshold see Figure 10 in chapter 4.2

In Germany (Figure 22), three products surpassed the threshold of 1% market share – coffee, cocoa, and bananas. Coffee passed the threshold in 2011 and 59% of the articles with "Collective Action Frame(s)" framed coffee – as mentioned above (all assessed "Collective Action Frame(s)" appeared in articles published until 2011). Cocoa passed the threshold in 2010 – 15 of 34 articles framed cocoa (about 44%) before 2010. Therefore, until cocoa became "successful" in 2010, (relatively) more articles framed cocoa than the assessed 39% of all articles. Only the collective action frames for bananas clearly cast potential doubt on the causal direction – bananas were only framed in 2 of 20 articles up until 2006 – which is 10% of all articles until 2006, which clearly deviates from the percentage in the whole time period (10 of 41 articles or 24%). Across national contexts, bananas are by far the product category with the highest market share (well above 20% in Austria and the United Kingdom), while the market share in Germany and the USA does not exceed 2%. One might argue that another threshold for the market share and success might apply – particularly for bananas. Nevertheless, to make an exception for one product category would create further obstacles for the comparability of the findings across all product categories.

Therefore, the same threshold for the market share is applied across all product categories, while the difference between 1% market share and about 20% market share is captured by the fuzzy set scores (in this case: 0.67 compared to 1).

Figure 23: Articles with "Collective Action Frames" in the United Kingdom by product category over time (1994 to 2011) and year of passing the threshold of 1% market share, absolute frequencies

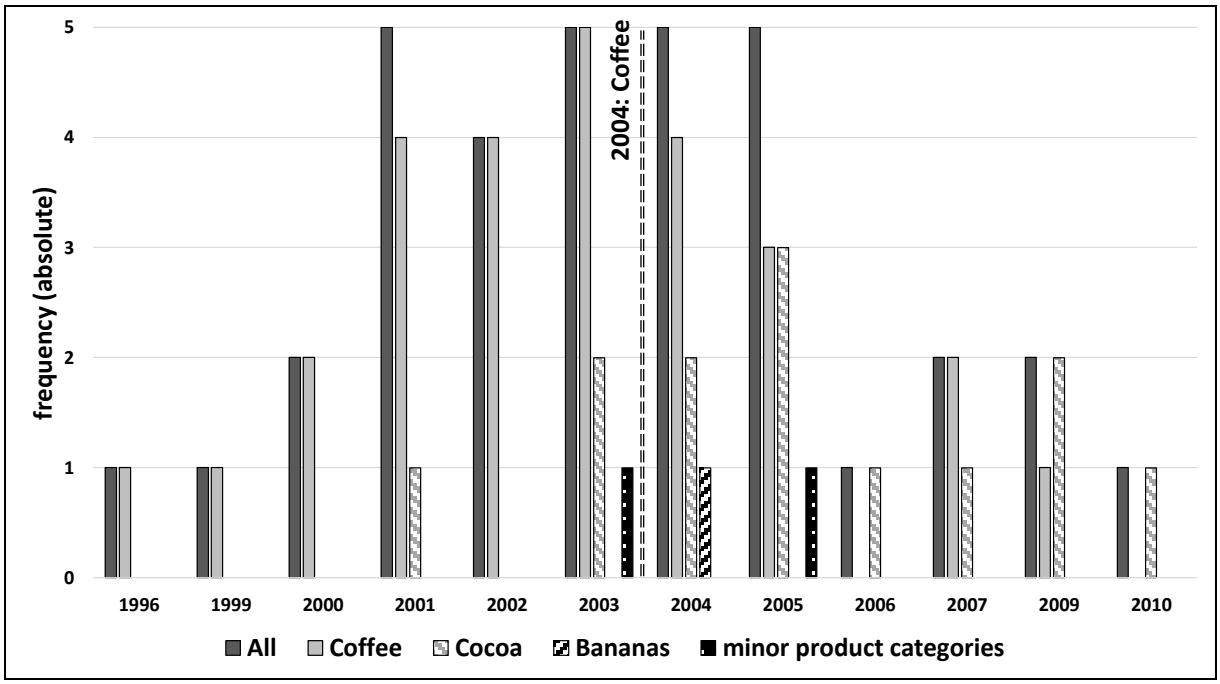


source: Factiva Inc. (2014a), own estimation, N=112, for the year of passing the threshold see Table 3, and Table 4 in chapter 4.2

Four of the seven product categories passed the threshold of 1% market share in the United Kingdom (coffee, cocoa, bananas, and sugar) which is in line with the finding that the United Kingdom is regarded as an exemplary or typical case of the overwhelming success of Fair Trade in the literature (see Figure 7 on page 106). In addition, the analysis of "Collective Action Frame(s)" reveals an exceptionally large absolute amount of articles which are concerned with Fair Trade. Alas, while the market share of the United Kingdom can be assessed, an assessment over time is not possible for most product categories due to missing values and therefore it is not known when exactly the market share surpassed the threshold of 1% (see chapter 4.2). Only cocoa and sugar can be assessed in Figure 23. Since sugar does not belong to the set "Collective Action Frame(s)" with 7 of 112 articles with "Collective Action Frame(s)" (6%), sugar is not relevant here. It received 7 mentions in 104 articles (about 7%) until 2010. But, a closer look at the timely order can only offer a meaningful interpretation if both – a market share above 1% and a considerable high relative amount of "Collective Action Frame(s)" – are present. Since sugar has not been framed considerably and thus "Collective Action Frame(s)" are not regarded to play a

causal role, a test of the timely ordering cannot offer any further insights. Cocoa has been framed in 45 of 95 articles (47%) until 2009, which is rather similar to the mentioned "Collective Action Frame(s)" in the whole period until 2011 (about 46%). Coffee and bananas have been framed considerably and therefore a test of the timely ordering might support a causal interpretation. But because of missing information in chapter 4.2, this is not possible.

Figure 24: Articles with "Collective Action Frame(s)" in the USA by product category over time (1996 to 2010) and year of passing the threshold of 1% market share, absolute frequencies



source: Factiva Inc. (2014a), own estimation, N=34, , for the year of passing the threshold see Figure 11 in chapter 4.2

Coffee met the threshold of 1% market share in the USA (see Figure 24). Coffee gained a market share of more than 1% in 2004 after 21 of 23 (91%) articles framed Fair Trade coffee – therefore, the relative amount of framing before Fair Trade coffee gained momentum is even more extreme than after 2004. The proposed timely order of cause and effect is ensured for Fair Trade coffee in the USA.

4.3.3.4 Assigning Set Membership to the Set Framing

So far, "Collective Action Frame(s)" have only been assessed for coffee, cocoa, bananas, and minor product categories. Next, the relative amount of "Collective Action Frame(s)" by product category (including sugar, wine, rice, and honey) to all "Collective Action Frame(s)" in each national setting is calculated. The set membership is assigned as follows:

Table 14: Calibration procedure for the set Framing: % of articles with "Collective Action Frame(s)" by product category and national setting to all articles with "Collective Action Frames" within the respective national setting

"Collective Action Frame(s)"	lower than 5%	5 to 10%	10 to 20%	20 to 35%	35 to 50%	50% and higher
corresponding fuzzy set score (incumbents)	0	0.33	0.4	0.6	0.8	1
"linguistic qualifier"	"product not framed (at all)"	"product framed to a very low degree"	"product framed to low degree"	"framed product"	"highly framed product"	"exception -ally framed product"

The procedure yields the following assignment of set memberships:

Table 15: Calibrated degree of set membership for the set Framing: % of articles with "Collective Action Frame(s)" by product category and national setting to all articles with "Collective Action Frame(s)" within the respective national setting

Case	percentage "Collective Action Frame(s)" by product to all "Collective Action Frame(s)" in national setting	corresponding fuzzy set score	"linguistic qualifier"
coffee (Austria)	61.1%	1.0	"exceptionally framed product"
coffee (Germany)	58.1%	1.0	"exceptionally framed product"
coffee (United Kingdom)	59.8%	1.0	"exceptionally framed product"
coffee (USA)	79.4%	1.0	"exceptionally framed product"
cocoa / chocolate (Austria)	38.1%	0.8	"highly framed product"
cocoa / chocolate (Germany)	39.0%	0.8	"highly framed product"
cocoa / chocolate (United Kingdom)	46.4%	0.8	"highly framed product"
cocoa / chocolate (USA)	38.2%	0.8	"highly framed product"
wine (Austria)	0.0%	0.0	"product not framed"
wine (Germany)	7.3%	0.2	"product framed to a very low degree"
wine (United Kingdom)	10.7%	0.4	"product framed to low degree"
wine (USA)	4.8%	0.0	"product not framed"

source: Factiva Inc. (2014a), own estimation

Table 15 ***(continued)***

Case	percentage "Collective Action Frame(s)" by product to all "Collective Action Frame(s)" in national setting	corresponding fuzzy set score	"linguistic qualifier"
honey (Austria)	9.5%	0.2	"product framed to a very low degree"
honey (Germany)	4.9%	0.0	"product not framed"
honey (United Kingdom)	5.4%	0.2	"product framed to a very low degree"
honey (USA)	0.0%	0.0	"product not framed"
rice (Austria)	4.8%	0.0	"product not framed"
rice (Germany)	2.4%	0.0	"product not framed"
rice (United Kingdom)	1.8%	0.0	"product not framed"
rice (USA)	0.0%	0.0	"product not framed"
sugar (Austria)	9.5%	0.2	"product framed to a very low degree"
sugar (Germany)	2.4%	0.0	"product not framed"
sugar (United Kingdom)	6.3%	0.2	"product framed to a very low degree"
sugar (USA)	5.9%	0.2	"product framed to a very low degree"
bananas (Austria)	28.6%	0.6	"framed product"
bananas (Germany)	24.4%	0.6	"framed product"
bananas (United Kingdom)	26.8%	0.6	"framed product"
bananas (USA)	2.9%	0.0	"product not framed"

source: Factiva Inc. (2014a), own estimation

The information is based on very few articles, especially for Austria. Nevertheless, a Globescan study (together with Fairtrade International) might be able to validate the hierarchical order.

Austrian customers who have seen the Fairtrade mark "often" or "occasionally" (92% of all Austrian respondents in this study) were asked, which Fair Trade products they "would (…) like to see in their 'out of home market'" (Globescan & Fairtrade International, 2015, p. 8). 79% of the respondents would like to find coffee (1st place), 60% would like to see chocolate/cocoa (3rd place), and 45% (6th place) would like to see fresh fruits (Globescan & Fairtrade International, 2015, p. 8) – which corresponds to the hierarchical order in the framing analysis. The other most mentioned product categories (2nd place: tea, 4th place: rice / cereals / spices, 5th place: juices (Globescan & Fairtrade International, 2015, p. 8)) are either not included in the analysis (tea and juices) or are too general to be interpreted straightforwardly (rice / cereals / spices). Accordingly, the findings by Globescan back the framing analysis for Austria. Again, caution is required since the data is for 2015 (after the observation period). In addition, fresh fruits include bananas but are not equivalent to bananas, even though the bananas dominate this category – bananas are responsible for about 27.1% of the Fairtrade Österreich's sales value in 2010 (Fairtrade Österreich, 2011, p. 4), while the whole category of fresh fruits has a share of 31% to all licensing fees of Fairtrade Austria in the same year (Fairtrade Österreich, 2011, p. 6). The other fresh fruits are comparably less significant.

4.3.4 Visibility or media attention of single organizations

After the collective action frames have been assessed, a brief description and explanation is provided about the visibility of individual firms. It has been argued in chapter 2.6 that the process of institutional entrepreneurship presupposes the discursive elements collective action frames as part of the content of the discourse and the visibility of individual firms within the discourse (see **(**2.6-2**)** on page 63), which are necessary for institutional entrepreneurship. As argued earlier, the visibility of individual organizations or corporations is part of the second path to the outcome that is driven by institutional entrepreneurship (incumbents*visibility*framing) (chapter 2.8 and (2.8-13) on page 81).

Visibility is operationalized as an uneven or skewed distribution of mentions in the mass media with regard to firms. Therefore, it is rather close to standing (Gamson, 2004; Gamson & Wolfsfeld, 1993) in the literature on collective action frames. In contrast to the analysis of collective action frames in chapter 4.3.3, the visibility is assessed for the product markets without considering any element of collective action frames. Therefore, it is not assessed whether any collective action frame appears in the analyzed articles and there does not have to be a connection

in the article to developing countries. This analysis includes all articles with and without collective action frames, regardless whether developing countries are mentioned – visibility captures the raw attention in the mass media on single or few firms. Factiva Inc. (2014b) allows for an automatic analysis of articles with regard to firms [160].

4.3.4.1 Gini index and Visibility

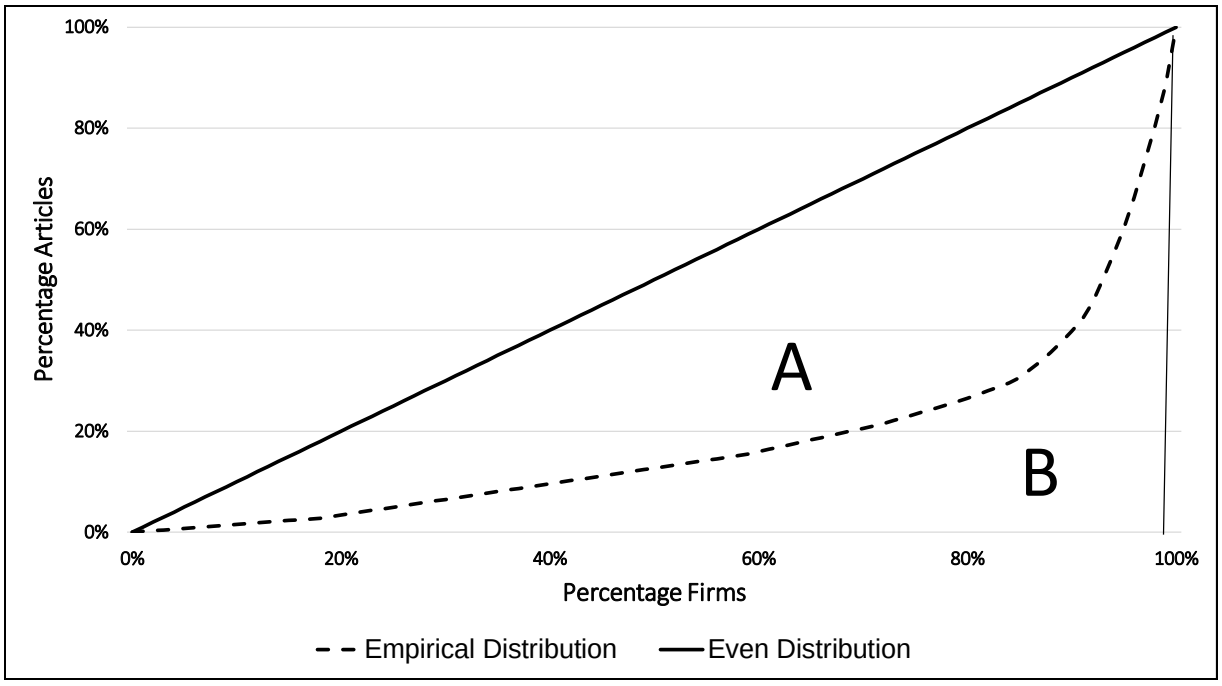
The Gini index is employed to measure the degree of "focus" on some outstanding firms within a certain product market by the media[161]. The Gini index uses the Lorenz curve as a grid to compare an equal distribution of units to subjects with an empirical distribution. It is a common measurement for the assessment of wealth inequality within societies. It measures the distribution of money to people within a society and compares it to an equal distribution (Bellù & Liberati, 2006). Hence, the amount of accumulated wealth by the richest people within a society is compared to a distribution in which each person owns the same amount of money. Here, I look for the uneven distribution of mass media attention or visibility with regard to firms. I look whether some firms can attract an exceptionally high share of the articles. The mentioning pattern of firms in articles is assessed to extract, whether some firms gain especially high attention. If each firm gets the same amount of mentions, the coefficient would be 0, while an

[160] The analysis includes news media for Austria (Der Standard, Die Presse, Wirtschaftsblatt), for Germany (Berliner Zeitung, Der Tagesspiegel, Die Welt, Stuttgarter Zeitung, Süddeutsche Zeitung, taz - die tageszeitung), the United Kingdom (Daily Mail, Evening Times, Financial Times, Guardian Unlimited, Independent On Sunday, Press Association National Newswire, Sunday Herald, The Daily Express, The Daily Telegraph, The Express, The Express on Sunday, The Guardian, The Herald, The Independent, The Mail on Sunday, The Observer, The Scotsman, The Sunday Telegraph, The Sunday Times, The Times), and the USA (Barron's (Online and Print), Christian Science Monitor, Dow Jones Business News, Dow Jones News Service, Forbes, Market Watch, New York Daily News, Newsweek, NYT Blog, NYT Blogs, Pittsburgh Post-Gazette, St. Louis Post-Dispatch, St. Petersburg Times, The Atlanta Journal – Constitution, The Boston Globe, The Christian Science Monitor, The Denver Post, The New York Post, The New York Times, The New Yorker, The Philadelphia Daily News, The Philadelphia Inquirer, The Times-Picayune, The Wall Street Journal (Online and Print), The Washington Post, USA Today). The terms "Freitext,(Fair Trade OR Fairtrade OR Transfair OR fairer Handel) AND (Kaffee* OR Banane* OR Kakao* OR Schokolade* OR Reis* OR Honig* OR Wein* OR Zucker*) were searched for in Austria and Germany, while the terms Freitext,(Fair Trade OR Fairtrade OR Transfair) AND (coffee OR banana OR bananas OR wine OR honey OR cocoa OR chocolate OR rice OR sugar OR sugar*) were searched in USA and the United Kingdom. In contrast to "Collective Action Frames" in chapter 4.3.3, the Region is not included in the filter (Regionen: Alle Regionen). Analysis of the most mentioned enterprises ("Meist erwähnte Unternehmen"), , time frame is set to 01/01/1990 to 31/12/2011, all other filters were left blank ("Alle Autoren", "Alle Unternehmen", "Alle Themen", "Alle Branchen" [translation: "all authors", "all companies", "all topics", "all industries"], language was set to the respective language [German or English] within the national setting).

[161] Among the various indicators for concentration, both, the Gini index and the concentration ratio are employed in this thesis. The Gini index takes all actors into account and measures the visibility within discourses, while the concentration ratio (CR) is assessed to detect incumbents (supermarkets or major companies). The shift to the Gini index is required to accommodate for low degrees of media attention. For instance, if we suppose that there are three mentions of a product (with companies mentioned) and three companies within a market get one mention, each, we would assume a low degree of visibility of each of these companies. The Gini index would support this intuition and take the value of zero – no companies get exceptionally high attention. In contrast, the concentration ratio (CR_3) would take the value of 100%, since three companies got 100% (3 mentions) of the attention. In addition, the analysis of incumbents cannot capture whole markets, but relies only on those firms with the highest market share . a Gini index cannot be estimated. The analysis of the media includes all firms and all mentions. Therefore, compared to the Gini index, the concentration ratio is well suited for the analysis of incumbents, but fails to capture the relevant concept of visibility.

uneven mentioning pattern increases the Gini index between 0 and 1. The Lorenz curve is exemplified with the example of mentions of firms in the coffee market in the United Kingdom ("simple Gini index": .644, in Figure 25). The index is given by the relationship of area A to the area A+B ($simple\ Gini\ index = \frac{A}{A+B}$) (Bellù & Liberati, 2006). The slope is of importance. It can be seen that a large share of the articles, which mention firms (about 65%) focus on a very small amount of firms (about 15-20% of all firms mentioned). The slope is very flat until 80% of the firms have been reached, while the slope increases considerably afterwards until it reaches 100%.

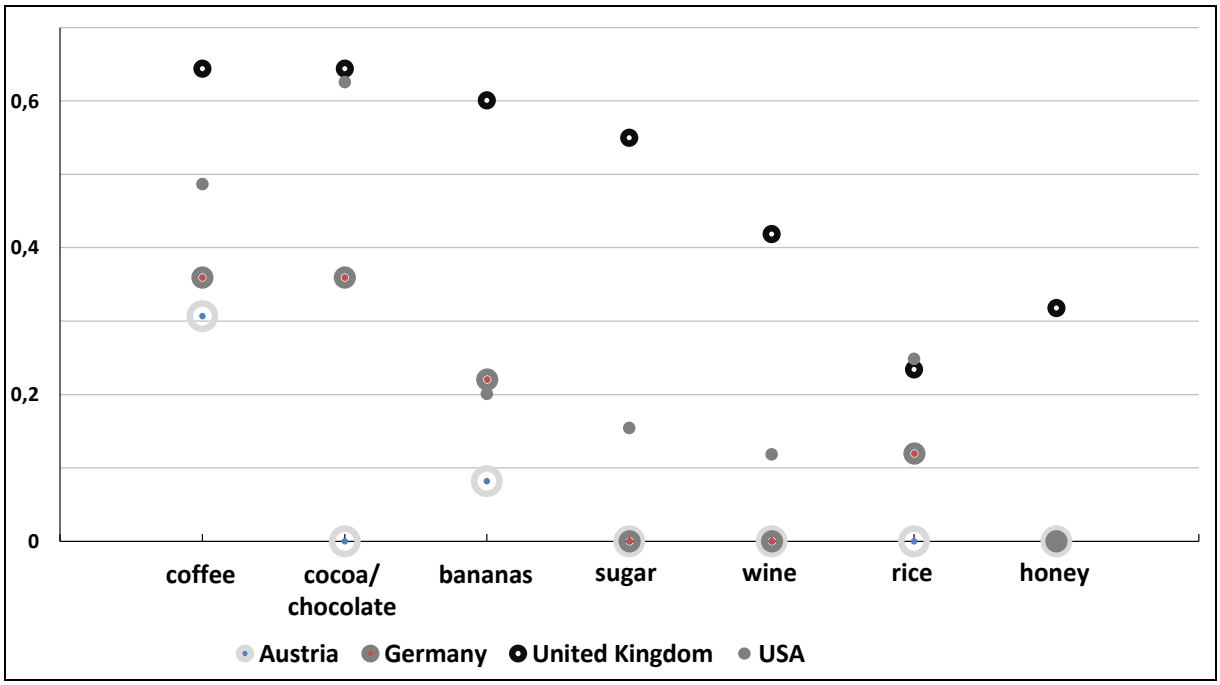
Figure 25: Uneven distribution of articles with regard to firms, "simple Gini index" (example coffeee in the United Kingdom)



source: Factiva Inc. (2014b), own estimation according to Jenkins (2015/01/22/)

If one employs the Gini index for the media attention with regard to companies across product markets, it leads to the following results (Figure 26):

Figure 26: Uneven distribution of articles with regard to firms, "simple Gini index" for all product categories by national context



source: Factiva Inc. (2014b), own estimation with user written "ineqdeco"-command (Jenkins, 2015/01/22/) in Stata13 (StataCorp, 2013)

This global assessment of unevenness of the distribution of articles to companies assesses whether the empirical distribution differs from a theoretical even distribution of articles to companies – which would imply that each company gets the same share of articles. Three things are worth mentioning with regard to this global assessment.

(1) The total amount of articles varies by national context and there is a relationship with the Gini indexes. National contexts with a high amount of collected articles show exceptionally high Gini-scores (especially the United Kingdom) – the measurement is sensitive to the number of articles collected since the variance in total number of articles is high across national settings.

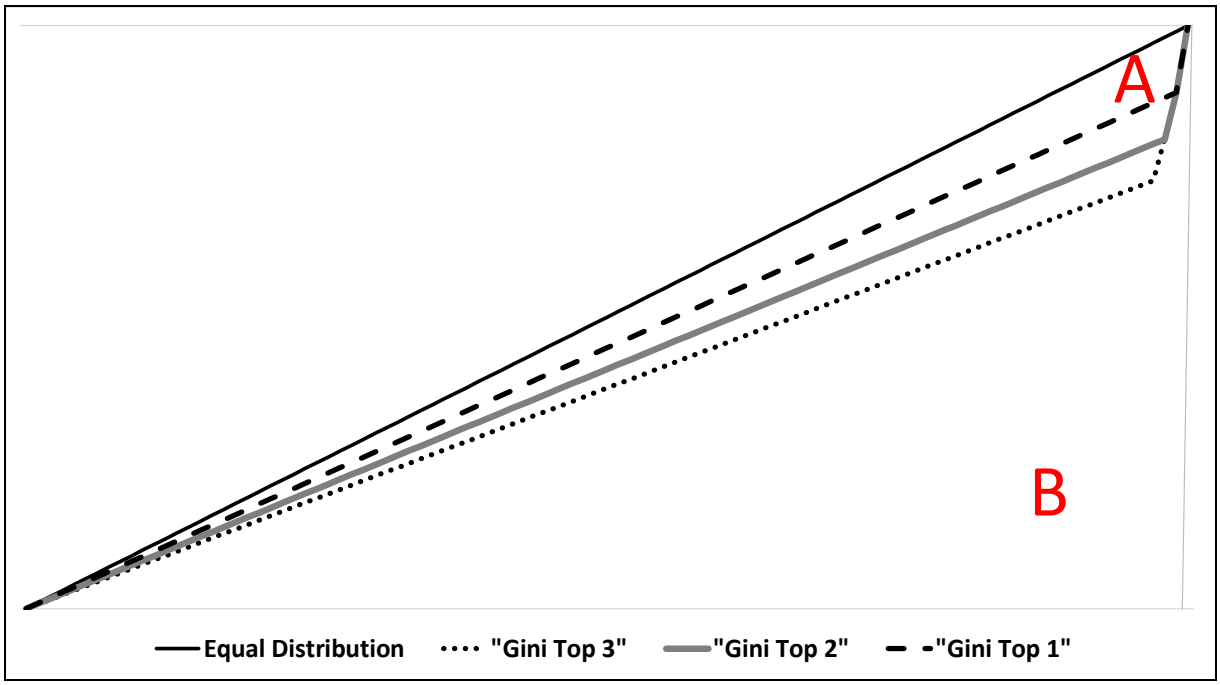
(2) A closer look at the raw data reveals a large amount of "noise" of the information subsumed under the coefficient – since some articles mention more than one product, some coffee selling companies are mentioned for bananas (Starbucks, usually), for instance. In addition, sometimes Fair Trade and some individual firms are mentioned together without any connection. Since the distribution of articles to all companies is assessed, the coefficient uses all information in the dataset – including this "noise".

(3) This global assessment demonstrates the (un)evenness of the distribution of articles to firms, it does not sufficiently measure the degree to which single outstanding firms gain considerable media attention or visibility.

Therefore, a slightly different coefficient is employed. In Figure 27, the same data is presented (as in Figure 25), but the "Gini Top 3", "Gini Top2", and "Gini Top 1" measure whether the three, two, or one firm(s), which could attract the highest amount of mentions, gain a relative strong attention compared to all other firms mentioned. This approach is similar to the analysis of quartiles or quintiles (Budd, 1970)[162], while the mentions of all firms except the three, two, or one outstanding firm(s) is compared to the mentions of the three, two, or one outstanding firm(s). In a nutshell, those compare the empirical amount of attention directed towards the most mentioned firms with the amount of attention those firms would have if all firms were given the same attention in the media. In Figure 27, percentages and numbers are left out, since they do not allow for an interpretation – the graph demonstrates the two areas A and B, only. Figure 27 shows the distribution for the same data as in Figure 25

[162] For the exact formulas to derive the Gini index, see Bellù and Liberati (2006) and Bellù and Liberati (2005).

Figure 27: Uneven distribution of articles with regard to firms / uneven media attention on single firms, "Gini Top 3", "Gini Top 2", "Gini Top 1" (example coffee in the United Kingdom)



source: Factiva Inc. (2014b), own estimation

These modified Gini index uses the same formula ($modified\ Gini\ index = \frac{A}{A+B}$) for the ratio of areas, while those areas are now conceptualized differently. It is given by (4.3-6), (4.3-7), and (4.3-8):

"Gini Top 3":

$$
\begin{aligned}
&\mathbf{1-2}\\
&*\ [((\mathbf{Percentage\ Mentions\ All\ Firms\ without\ Top\ 3} - .\mathbf{5}\\
&*\ \mathbf{Percentage\ of\ all\ Firms\ without\ Top\ 3})\\
&*\ (\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ All\ Firms\ without\ Top\ 3})\\
&+\ ((\mathbf{Percentage\ Mentions\ All\ Firms\ without\ Top\ 2} - .\mathbf{5} * \mathbf{Percentage\ 3rd\ Firm\ of\ Top\ 3})\\
&*\ (\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ 3rd\ Firm\ of\ Top\ 3})\\
&+\ ((\mathbf{Percentage\ Mentions\ All\ Firms\ without\ Top\ 1} - .\mathbf{5} * \mathbf{Percentage\ 2nd\ Firm\ of\ Top\ 3})\\
&*\ (\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ 2nd\ Firm\ of\ Top\ 3})\\
&+\ ((\mathbf{Percentage\ Mentions\ All\ Firms} - .\mathbf{5} * \mathbf{Percentage\ 1st\ Firm\ of\ Top\ 3}) *\\
&(\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ 1st\ Firms\ of\ Top\ 3})]
\end{aligned}
\qquad \textbf{(4.3-6)}
$$

(calculation of "Gini Top 3")

In order to compare this modified Gini index and assess its sensitivity to the amount of "outstanding" firms, the "Gini Top 2" and "Gini Top 1" are assessed as well:

"Gini Top 2":

$$
\begin{aligned}
&\mathbf{1-2}\\
&*\,[((\mathbf{Percentage\ Mentions\ All\ Firms\ without\ Top\ 2}-.\,\mathbf{5}\\
&*\,\mathbf{Percentage\ of\ all\ Firms\ without\ Top\ 2})\\
&*\,(\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ All\ Firms\ without\ Top\ 2})\\
&+\,((\mathbf{Percentage\ Mentions\ All\ Firms\ without\ Top\ 1}-.\,\mathbf{5}*\mathbf{Percentage\ 2nd\ Firm\ of\ Top\ 2})\\
&*\,(\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ 2nd\ Firm\ of\ Top\ 2})\\
&+\,((\mathbf{Percentage\ Mentions\ All\ Firms}-.\,\mathbf{5}*\mathbf{Percentage\ 1st\ Firm\ of\ Top\ 2})*\\
&(\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ 1st\ Firms\ of\ Top\ 2})\mathbf{]}
\end{aligned}
\qquad (4.3\text{-}7)
$$

(calculation of "Gini Top 2")

"Gini Top 1":

$$
\begin{aligned}
&\mathbf{1-2}\\
&*\,[((\mathbf{Percentage\ Mentions\ All\ Firms\ without\ Top\ 1}-.\,\mathbf{5}\\
&*\,\mathbf{Percentage\ of\ all\ Firms\ without\ Top\ 1})\\
&*\,(\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ All\ Firms\ without\ Top\ 1})\\
&+\,((\mathbf{Percentage\ Mentions\ All\ Firms}-.\,\mathbf{5}*\mathbf{Percentage\ of\ Top\ 1\ firm})*\\
&(\mathbf{theoretical})\ \mathbf{Percentage\ of\ an\ Equal\ Distribution\ for\ 1st\ Firms\ of\ Top\ 1})\mathbf{]}
\end{aligned}
\qquad (4.3\text{-}8)
$$

(calculation of "Gini Top 1")

"1st, 2nd, and 3rd Firm(s) of Top K [3, 2, or 1]" simply refer to the firms which gained the highest attention in the mass media. "Percentage" always refers to the percentage of articles which mention a particular firm. An equal distribution can be observed, when the percentage of articles mentioning a particular firm to all articles ($\frac{\mathrm{N(articles\ mentioning\ a\ particular\ firm)}}{\mathrm{N(all\ artciles)}}$) equals the percentage of the firm to all firms mentioned ($\frac{1}{\mathrm{N(all\ firms)}}$) ("(theoretical) Percentage of an Equal Distribution"). These formulas can be regarded as a modification of the Gini index for quartiles or quintiles (Budd, 1970), while this modified Gini indexes highlight outliers and grant them a strong impact on the coefficient. Since the visibility of outstanding firms in the mass media is relevant for institutional entrepreneurship (chapter 2.6), outliers are exactly what this index is looking for and approaches the concept of interest - visibility of few or single individual firm(s).

All presented Gini indexes compare the concentration of mass media attention (across the whole distribution ("simple Gini index") or the three, two, or one most mentioned firm(s) compared to

all other firms (modified Gini index)). The empirical distribution is then compared to a distribution in which all firms gain the same amount of media attention. Note that an even distribution or the same attention to all firms does result in a Gini index of 0, as it is the case with the "simple Gini index". The modified Gini indexes ("Gini Top 3", "Gini Top 2", and "Gini Top 1") takes into account that uneven attention ("simple Gini index") is conceptually less relevant for institutional entrepreneurship than the relative visibility of few or a single firm(s). Only the few most visible firms might act as institutional entrepreneurs. Those should be low in number and gain exceptionally high attention. Therefore, the distribution of mentions of all firms (except the "Top 3", "Top 2", or "Top 1") is considered irrelevant for this purpose. Again, we use the formula to derive the "Gini Top 3" (4.3-9), "Gini Top 2" (4.3-10), and "Gini Top 1" (4.3-11) for the coffee market in the United Kingdom. There are 100 firms mentioned in the mass media and 646 absolute mentions. The 1st firm of the "Top 3" has been mentioned 74 times, the 2nd firm of the "Top 3" has been mentioned 52 times, and the 3rd firm of the "Top 3" has been mentioned 46 times. Therefore, the formula yields:

"Gini Top 3" (example):

$$\begin{aligned}&\mathbf{1-2}\\&*\left[\left(\left(\frac{\mathbf{646-(74+52+46)}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{646-(74+52+46)}}{\mathbf{646}}\right)*.\mathbf{97}\right)\right.\\&+\left(\left(\frac{\mathbf{646-(74+52)}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{46}}{\mathbf{646}}\right)*.\mathbf{01}\right)\\&+\left(\left(\frac{\mathbf{646-74}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{52}}{\mathbf{646}}\right)*.\mathbf{01}\right)\\&\left.+\left(\left(\frac{\mathbf{646}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{74}}{\mathbf{646}}\right)*.\mathbf{01}\right)\right]\\&=\mathbf{0.237121}\end{aligned}\qquad\textbf{(4.3-9)}$$

(exemplary calculation of "Gini Top 3" for coffee in the United Kingdom)

"Gini Top 2" (example):

$$\begin{aligned}&\mathbf{1-2}\\&*\left[\left(\left(\frac{\mathbf{646-(74+52)}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{646-(74+52)}}{\mathbf{646}}\right)*.\mathbf{98}\right)\right.\\&+\left(\left(\frac{\mathbf{646-74}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{52}}{\mathbf{646}}\right)*.\mathbf{01}\right)\\&\left.+\left(\left(\frac{\mathbf{646}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{74}}{\mathbf{646}}\right)*.\mathbf{01}\right)\right]\\&=\mathbf{0.175387}\end{aligned}\qquad\textbf{(4.3-10)}$$

(exemplary calculation of "Gini Top 2" for coffee in the United Kingdom)

"Gini Top 1" (example):

$$\textbf{(4.3-11)}\quad \begin{aligned} &\mathbf{1-2}\\ &*\left[\left(\left(\frac{\mathbf{646-74}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{646-74}}{\mathbf{646}}\right)*.\mathbf{99}\right.\right.\\ &\left.\left.+\left(\left(\frac{\mathbf{646}}{\mathbf{646}}-.\mathbf{5}*\frac{\mathbf{74}}{\mathbf{646}}\right)*.\mathbf{01}\right)\right]\\ &=\mathbf{0.10455108}\end{aligned}$$

(exemplary calculation of "Gini Top 1" for coffee in the United Kingdom)

As any Gini index, the absolute values of this index do not allow for a straightforward interpretation and have to be interpreted in comparison. In the following section, the values for the "Gini Top 3", "Gini Top 2", and "Gini Top 1" are presented and briefly interpreted.

4.3.4.2 Interpretation of the indicators for visibility

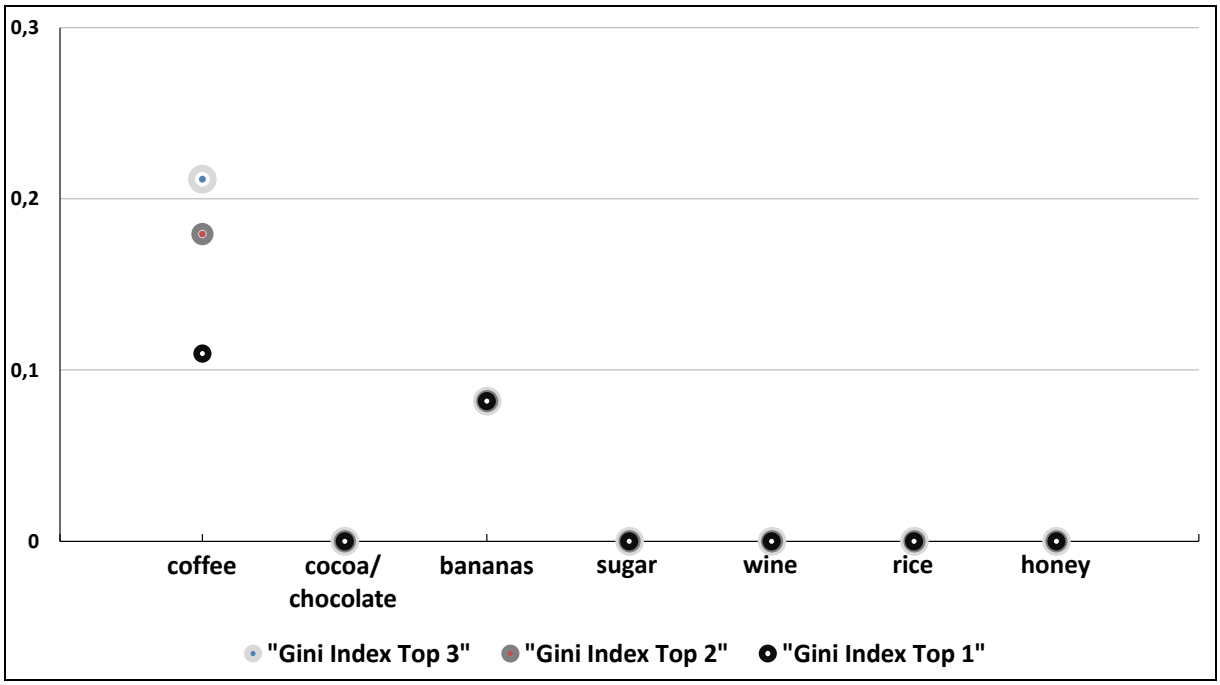
Even though this analysis might be "noisy" with regard to random mentions of some firms, those should not bias the results of the "Top 3", "Top 2", and "Top 1" mentions – at least not compared to the usual Gini index. Next, the three different Gini-indexes are presented for all product categories. Three things will be shown.

(1) All three modified Gini indexes yield similar results with regard to mentioning patterns across product categories and national contexts.

(2) Even though the amount of product markets with visible firms is highest in the United Kingdom, the Gini indexes are closer to each other compared to the unmodified Gini index (Figure 26 on page 186).

(3) The size of the area $\frac{\mathrm{A}}{A+B}$ or the size of the modified Gini index usually increases with the amount of firms considered as visible. In all cases, "Gini Top 3" is higher (or equal) than "Gini Top 2", which is higher (or equal) than "Gini Top1" ("Gini Top 3" ≥ "Gini Top 2" ≥ "Gini Top 1").

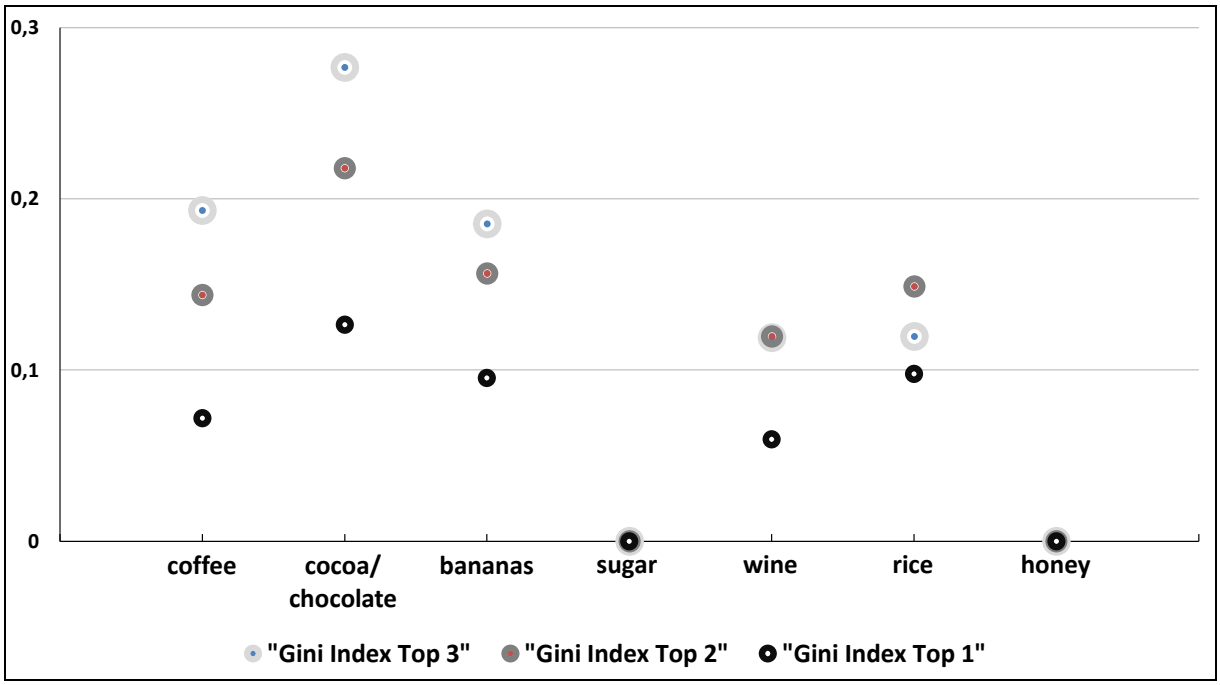
Figure 28: Uneven distribution of articles with regard to firms / uneven media attention on single firms in Austria, "Gini Top 3", "Gini Top 2", "Gini Top 1"



source: Factiva Inc. (2014b), own estimation

Again, the analysis of Austria (Figure 28) relies on very few articles and should be interpreted with caution. The coffee market shows a high visibility of some firms, while the other markets show a rather balanced mentioning pattern of firms across markers. The mentions for cocoa / chocolate are evenly balanced with 12 firms mentioned to the same degree (one time mentioned each). In the banana market, only *Chiquita* gained more than 1 mentions, but is not really visible compared to the other firms mentioned.

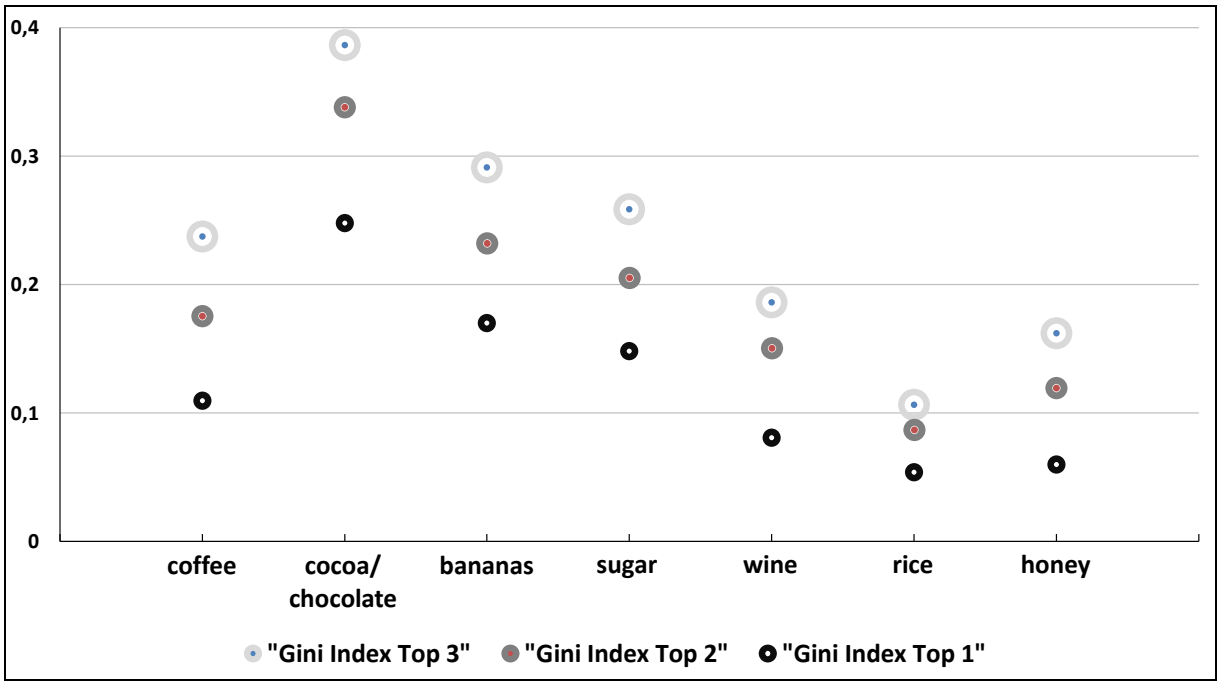
Figure 29: Uneven distribution of articles with regard to firms / uneven media attention on single firms in Germany, "Gini Top 3", "Gini Top 2", "Gini Top 1"



source: Factiva Inc. (2014b), own estimation

In Germany (Figure 29), the coffee and banana markets are rather similar with regard to the visibility of individual firms. Individual firms gain some attention, while this attention is not that high compared to other firms. In contrast, single firms in the market for cocoa / chocolate are rather visible. Wine and rice (in which *Gepa* is mentioned) show an uneven mentioning pattern of firms, as well, but are not regarded as visible.

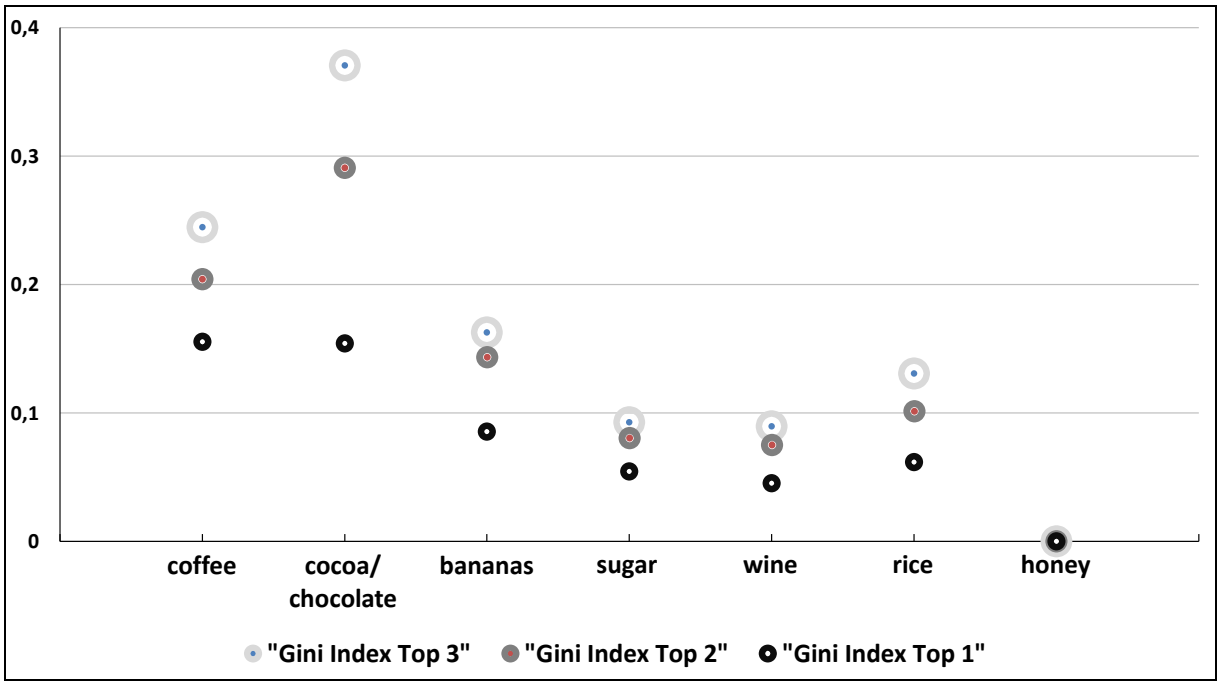
Figure 30: Uneven distribution of articles with regard to firms / uneven media attention on single firms in the United Kingdom, "Gini Top 3", "Gini Top 2", "Gini Top 1"



source: Factiva Inc. (2014b), own estimation

As demonstrated in chapter 8.2 in the Appendix, the motivational component of collective action frames is strongly pronounced in the United Kingdom. Since this element is close to marketing (page 163ff) and might emphasize characteristics related to the quality (beyond the ethical or moral appeal) and access points to the relevant products, it is not surprising that firms gain exceptionally high media attention in the mass media of the United Kingdom. Figure 30 demonstrates that this attention is highly skewed with regard to firms. The mentions for Fair Trade coffee, cocoa, bananas, and sugar are highly skewed in favor of some exceptionally visible and outstanding firms. Nevertheless, the other markets (wine, rice, and honey) show a similarly skewed mentioning pattern, but to a considerably lower degree.

Figure 31: Uneven distribution of articles with regard to firms / uneven media attention on single firms in the USA, "Gini Top 3", "Gini Top 2", "Gini Top 1"



source: Factiva Inc. (2014b), own estimation

In the USA (Figure 31), one can easily distinguish between product markets with highly visible firms (coffee and cocoa / chocolate) and product markets without highly visible individual firms (bananas, sugar, wine, rice, and honey).

In order to make an informed decision between the three modified Gini indexes, a theoretical argument and a closer look into the raw data are required. Two considerations should guide the decision – a theoretical / conceptual one and an empirical one.

(1) How many institutional entrepreneurs are required at minimum for institutional entrepreneurship?

(2) How are the different coefficients affected by "noise" in the data because of firms, which might gain visibility without qualifying as institutional entrepreneurs?

Regarding the first question, it is known that institutional entrepreneurship by single firms, actors, or groups is an "oxymoron" (Czarniawska, 2009, p. 424; Weik, 2011, p. 473). Single actors "can institute, but not institutionalize" (Czarniawska, 2009, p. 424). In contrast to Schumpeter's notion of entrepreneurs, which are usually if not always single actors, institutional

entrepreneurship entails mobilization (Weik, 2011, p. 475). Nevertheless, even if institutional entrepreneurs mobilize, there does not need to be more than one entrepreneur. Weik (2011, p. 471) rightfully demonstrates that the notion of institutional entrepreneurship entails Schumpeter's concept of "a strategic individual actor". In a similar vein, Czarniawska (2009, p. 424) also argues for single "(…) people or groups that try to create institutions". Therefore, even if the number of institutional entrepreneurs can exceed one, the minimum number of institutional entrepreneurs is one. This minimum does not preclude the opportunity for more than one institutional entrepreneur.

4.3.4.3 Introducing the potential entrepreneurs

To answer the second question, a closer look into the data is required. Only those product markets, in which potential visible firms exist are considered – therefore, all firms in product markets in which the "Gini Top 1" does not exceed 0.1 are dismissed. Those markets are coffee in **Austria**, cocoa / chocolate in **Germany**, coffee, cocoa chocolate, bananas, and sugar in the **United Kingdom**, and coffee and cocoa / chocolate in the **USA**. Next, the coffee markets are discussed to argue for the "Gini Top 1" as a suitable indicator – a claim which is consistent with the theoretical argument about the minimum number of institutional entrepreneurs above. In this vein, one can also check whether the visibility is not caused by campaigns that blame certain firms (Bartley & Child, 2014; King & Pearce, 2010, p. 255; King & Soule, 2007), but actually assesses "change agents" (Welter & Smallbone, 2015). As aforementioned, an interpretation of Gini indexes (high/low) guided by theory is not feasible – it is a relative index of concentration (Kamps & Krämer, 2016; Pyatt, 1976). This procedure contributes to the alternative approach to calibration that is not guided by theory, but requires a closer look into the single cases and case knowledge (Ragin, 2008a, p. 82; Schneider & Wagemann, 2012, p. 32)

With regard to the coffee markets in Austria, the United Kingdom, and the USA, the picture is surprisingly clear: the most mentioned company is **Starbucks** with 7 mentions in Austria, 74 mentions in the United Kingdom, and 37 mentions in the USA in all contexts[163]. Starbucks in not listed as one of the main incumbents (according to the data by Market Line, 2016d) for Austria and the United Kingdom. In the USA Starbucks is the fourth strongest retailer with a rather low market share of about 6% (see chapter 8.1.1.4 in the Appendix). It is not among the three major

[163] The coffee market in Germany clearly deviates from this finding, the most mentioned companies (with eight mentions each) are Gepa Handelsgesellschaft and the Schwarz Unternehmensgruppe. Since it does not exceed a "Gini Top 1" index of 0.1, it is not considered.

companies in the USA, therefore not necessarily an incumbent – according to the classification in chapter 4.3.2.2.

In 2002, the certification of **Starbucks** marked a major shift in the orientation of the Fair Trade community (Raynolds, 2009, p. 1087; Renard, 2003; P. L. Taylor et al., 2005). It was the "first large, non-ATO organization to be awarded the [author's note: Fairtrade certification-] mark" (Davies, 2007, p. 464). Schmelzer (2007, p. 34) estimates that Starbucks is accountable for 10% of Fairtrade certified coffee sales in 2006 (worldwide) and 21% in the USA. Wilkinson (2007, p. 227) estimates that Starbucks is accountable for 15% of the total Fair Trade coffee sales in 2007. Starbucks buys 1% of the global coffee supply (Levi & Linton, 2003, p. 424). Even though Starbucks is accused of "fairwashing" (Reed, 2009, p. 7) and to exercise pressure up the supply chain (Davies, 2007, p. 467; Raynolds, 2009, p. 1090; Renard, 2005, p. 420), the shift from niche to mainstream changed the face of Fair Trade[164] as well as the strategic repertoire of firms in this market without a doubt (P. L. Taylor et al., 2005, p. 206). Starbucks already operated in a high quality niche (Levi & Linton, 2003, p. 413) and accordingly payed high and "fair prices" for their coffee supply before being granted the certification mark (Renard, 2005, p. 429). It is accountable for the rapid market expansion of Fair Trade (Holt-Giménez et al., 2007, p. 4). The launch of Starbucks' Fair Trade product lines was a long process, which started in the 1990ies. Starbucks gave in to the protest activities of the civil society and "found itself obliged to participate in fair trade as a consequence of NGO pressure" (Renard, 2005, p. 429) in the early 2000s (Levi & Linton, 2003, p. 424). Soon after Starbucks was "in", other companies followed to "remain competitive" (Levi & Linton, 2003, p. 425). Therefore, it can be argued that Starbucks acted as a "change agent" (Welter & Smallbone, 2015) with regard to Fair Trade and with regard to the national coffee markets.

Other companies which sell Fair Trade coffee have been mentioned as well among the "Top 2" and "Top 3" mentions. But usually they refer to the main incumbents in the respective markets. In Austria, **Maxingvest** received five mentions and is the major coffee seller in Austria (see chapter 8.1.1.1 in the Appendix). **Arcandor** received three mentions and is a major holding company. In the United Kingdom, the super- and hypermarket chain **Marks and Spencer** (52 mentions), which is rather a late adopter with regard to Fair Trade in the United Kingdom (S. Smith, 2010a, p. 7f), and **Cadbury** and **Nestlé** (with 46 mentions, each), which are the second biggest and the biggest coffee retailers in the United Kingdom, respectively (see chapter 8.1.1.3 in

[164] The strategy to grant the certification mark to big companies (Starbucks, in particular) is among the, if not the most controversial issue of Fair Trade (Davies, 2007; Doherty et al., 2013; Fisher, 2009; Low & Davenport, 2005; Moore, 2004; Reed, 2009). It led to a division between an ideological and a pragmatic approach to Fair Trade (Huybrechts, 2010, p. 11ff). Hutchens (2010, p. 82) locates this distinction on a continuum between an "expansionist" (by small devoted enterprises) and "reductionist" (by strong transnational companies) approach to Fair Trade.

the Appendix). Even though they also sell Fairtrade certified coffee, they also adopted rather late compared to **Starbucks** (Davies, 2007; Davies et al., 2010). In the USA, **Green Mountain** is the second most mentioned company, which actually is rather active in the Fair Trade market and is regarded as a "trendsetter" with regard to corporate social responsibility (Grodnik & Conroy, 2007, p. 91). The opportunities to make organic and Fair Trade part of their identity are actively strategized and shows a strong commitment (Grodnik & Conroy, 2007, p. 91ff). Green Mountain could be regarded as a "change agent" (Welter & Smallbone, 2015). The super- and hypermarket chains **Wal Mart** and **Whole Foods**, as well as **Procter and Gamble** (the main coffee retailer in the US-context) have all 11 mentions. Again, even though they might sell Fair Trade products, they do not exercise any effect as "change agents" (Welter & Smallbone, 2015) in the USA with regard to coffee and Fair Trade.

Overall, the detailed assessment of the visibility of the main company ("Gini Top 1") seems promising – the assessment of the most visible company (Starbucks) yields defendable results with regard to "change agents" (Welter & Smallbone, 2015). The results of the assessment of the major two ("Gini Top 2") or major three ("Gini Top 3") companies are rather mixed and it does not seem as if the major two or major three companies offer reliable additional information about institutional entrepreneurs in all cases. Furthermore, in two out of three cases (coffee in the United Kingdom and the USA), more than one company received the same amount of mentions (third firm with regard to mentions), which hampers a straightforward assessment. The direct inference from the "Gini Top 3" index to institutional entrepreneurship is not possible, since one can choose among a pool of companies which received the same amount of mentions. Potential results are arbitrary, at best. Thus, according to the theoretical argument and the empirical assessment, the "Gini Top 1" is employed, only.

Besides **Starbucks**, the most mentioned companies in product market in which the "Gini Top1" is regarded as high enough ("Gini Top 1" > 1) are **Gepa Handelsgesellschaft** (for cocoa / chocolate in Germany), **Sainsbury** (for bananas in the United Kingdom), **Cadbury plc.** (cocoa / chocolate in the United Kingdom and the USA, and sugar[165] in the United Kingdom[166]).

[165] Thus, Cadbury is visible in two product markets, which might question the distinction between sugar and cocoa product markets. Nevertheless, collective action frames, which are the second necessary part of the concept of institutional entrepreneurship (chapter 2.6) might resolve this apparent puzzle. Sugar in the United Kingdom is the only product market in which single organizations are visible in a product market (Cadbury), but the product has not been framed. Therefore, the necessary part "Collective Action Frame(s)" is missing – and Cadbury's can only be assessed as an institutional entrepreneur for cocoa/chocolate, but not for sugar.

[166] Tate and Lyle is by far strongest seller of Fairtrade certified refined sugar and is responsible for the boost in the sugar market of the United Kingdom. Consequently, it is the second most mentioned company in the data (according to Factiva Inc., 2014a, own estimation). According to the Fairtrade Foundation the switch of Tate and Lyle to Fair Trade is "the biggest ever Fairtrade

Cadbury has not been assigned the status of a "change agent" (Welter & Smallbone, 2015) for coffee in the United Kingdom (see above), which questions an inference from the media impact or visibility (in the United Kingdom and the USA) to institutional entrepreneurship on first sight. It has been argued that Cadbury came too late to be regarded as an institutional entrepreneur for coffee. Nevertheless, with regard to chocolate confectionaries (of which sugar and cocoa are the main ingredients) in the United Kingdom and the USA, the picture looks different. Even though Cadbury or Cadbury plc. (now belonging to Kraft Foods) is the strongest incumbent in the chocolate confectionary market of the United Kingdom (chapter 8.1.2.3 in the Appendix), it is a rather minor player in the USA with 2 to 3% (chapter 8.1.2.4 in the Appendix) market share and not incumbent at all. Nevertheless, with regard to media attention or visibility, Cadbury plays a similar role in both markets. This puzzle might be solved if one delves deeper into the role of Cadbury for Fair Trade chocolate. The first mainstream chocolate brand certified as Fair Trade has been launched by Cadbury – "Cadbury Dairy Milk" (Fairtrade Foundation, 2016b). Therefore, while the impact is smaller compared to the certification of Starbucks' coffee, which marked a major shift in the direction of the entire movement across product categories, the certification of "Cadbury Dairy Milk" changed the direction of Fair Trade with regard to chocolate and marked one of the major shifts towards the mainstream. The certification of "Cadbury Dairy Milk" is among the few "key events" of Fair Trade's history (Jaffee, 2012, p. 104). Compared to other major companies which sell Fair Trade, Cadbury substantially increased its Fair Trade purchases over time (Jaffee, 2012, p. 109), even though it did not believe in the approach in the beginning 2000s (Davies, 2007, p. 459).

As it is the case with Starbucks, Cadbury's step changed the landscape and other major companies (e.g. Mars, Nestlé) followed (Barrientos, 2016, p. 223). As well as Starbucks, Cadbury already located itself in the high quality cocoa sector and sourced 2/3 of its cocoa from Ghana (high quality, see chapter 8.1.2 in the Appendix). The (economic) unsustainability of the cocoa sector, which creates future obstacles, was a major driver of this decision (Barrientos, 2016, p. 221). (Potential) farmers abandon, or do not even consider, cocoa farming, therefore restraining the supply even further (Berlan, 2011, p. 125). Cadbury was as dependent on the farmers and vice versa and sought potential solutions in conjunction with local NGOs. They decided to ensure their supply in creating a sustainable supply chain with Fair Trade (and other certification marks) (Barrientos, 2016, p. 222). In contrast to Starbucks, pressure from up the supply chain (the

switch by a UK company" (BBC, 2008). Tate and Lyle worked for two years in close cooperation with the Fairtrade Foundation to switch (Heller, 2008)

producers) is regarded as the driving force behind Cadbury's decision (Barrientos, 2016, p. 225). Due to its impact as a driver of change for chocolate markets and Fairtrade certified chocolate, Cadbury can be argued to be a "change agent" (Welter & Smallbone, 2015) – even though it is also an incumbent in the United Kingdom.

Sainsbury's was one of the first retailers of Fair Trade products in the mid 1990s and is today the world's largest retailer of Fair Trade products (Fairtrade Foundation, 2016d). While it sells many different products, it was the first company that converted all of their bananas to 100% Fair Trade. It is "the UK's first and the world's biggest retailer of Fairtrade" (Fairtrade Foundation, 2016d). With regard to incumbency, Sainsbury's is the third biggest food retailer in the United Kingdom – therefore, it is regarded as an incumbent (Make Fruit Fair, 2015 [10/2015]-c, p. 3). After Coop, Sainsbury (together with Waitrose) are second with regard to sourcing Fair Trade bananas in the early 2000s. Asda, Tesco, Safeway, Somerfield, Morrisons, Booths, Markes & Spencer, Spar, and Budgen followed later (S. Smith, 2010a, p. 7). Even if Sainsbury's was not the first to sell Fair Trade bananas in the United Kingdom, its step to convert all of its bananas to Fair Trade is rightfully regarded as the "biggest breakthrough" in terms of Fair Trade bananas in the United Kingdom (S. Smith, 2010a, p. 8). Only one day after Sainsbury's announced this step, Waitrose (the sixth biggest food retailer in the United Kingdom (Make Fruit Fair, 2015 [10/2015]-c, p. 3) followed suit (S. Smith, 2010a, p. 8). Therefore, Sainsbury's can be attributed as a leading role, which was followed. This step changed the perception of bananas as a discount product, decreased the impact of the banana price wars[167] in the United Kingdom and led to an immense growth of Fair Trade bananas in the United Kingdom and an exceptionally high market share (S. Smith, 2010a). Overall, Sainsbury's is arguably an "change agent" (Welter & Smallbone, 2015) with regard to Fair Trade bananas in the United Kingdom.

The **Gepa Handelsgesellschaft** in Germany (cocoa / chocolate) can be regarded as the only ATO which gained notable visibility across all product categories. It has actively promoted Fair Trade since the 1970s and is backed by the civil society and Christian organizations, in particular (Gepa, 2016b). Gepa stands for the classical, partnership approach of Fair Trade (Schaber & van Dok, 2008, p. 33) as well as an expansionist version of Fair Trade (Hutchens, 2010, p. 82). Among the ATOs in Germany, Gepa dwarfs any other organization with roughly nine times the sales of the second biggest ATO in Germany (Forum Fairer Handel, 2009 [08/11/2009]). It is also active member of EFTA and one of the most successful members (Boonman et al., 2011 [04/2011], p. 49).

[167] However, Sainsbury's switch to 100% Fair Trade bananas did not hinder its participation in the banana price wars in 2007 because of low confidence in consumers (S. Smith, 2010b, p. 263).

In concert with other organizations, Gepa founded the World Fair Trade Organization and the "Forum Fairer Handel" (Gepa, 2016a). Even though it decided to depart from the certification approach, Gepa was among the first companies to gain the certification mark in Germany (in 1992), is the main promoter of Fair Trade over the years, and is rightfully perceived as a pioneer of Fair Trade in Germany (Gepa, 2012 [03/2012], p. 1). Compared to the other companies, Gepa might not necessarily stand for the mainstreaming of the certification approach, but can rightfully be regarded as a game changer for Fair Trade in Germany.

As can be seen, all companies that passed the threshold of visibility are drivers of change with regard to the respective product market and Fair Trade. Some were the first and primary drivers of the transition from niche to mainstream (Starbucks and Cadbury), some are the first companies who sourced 100% Fair Trade (Sainsbury), and others are the main driver of Fair Trade (and the certification approach) over long periods of time (Gepa). In all cases, the visible firms generated followers with regard to their strategic decisions. The assessment of visibility through the "Gini Top 1" coefficient led to results, which are defendable on the basis of qualitative details[168].

4.3.4.4 Assigning Set Membership for "Visibility"

Finally, the absolute value of the "Gini Top 1" is again categorized into fuzzy set scores. Those scores distinguish between markets with individual visible firms in the mass media ("Gini Top 1"-index > .1) and markets without individual visible firms in the mass media ("Gini Top 1"-index < .1). This rough simplification should be able to tackle further biases due to noise. The values have already been provided in Figure 28, Figure 29, Figure 30, and Figure 31. They are now classified as belonging to the set Visibility or its negation ("differences in kind"), while "differences in degree" are assessed as well (Mair, 2008). Since the Gini indexes do not allow for a straightforward interpretation, a conceptual discussion is misleading. The values are assigned as follows to capture differences in degree:

[168] Since visibility is a necessary part of institutional entrepreneurship (chapter 2.6), visible firms that are not "change agents" (Welter & Smallbone, 2015) would not contradict the statement of necessity. To reveal contradictions, one would have to screen for institutional entrepreneurs, first, and then assess their visibility in the product markets. Since visibility is employed as a possibility to detect and measure institutional entrepreneurs comparatively, this approach is not compelling – it would entail a decision about institutional entrepreneurship for the 28 product markets from a comparative perspective. This is exactly the gap in the literature (e.g. Battilana et al., 2009, p. 95) that visibility and collective action frames fill.

Table 16: Calibration procedure for the set Visibility: uneven distribution of articles with regard to firms / uneven media attention on single firms, "Gini Top 1"

"Gini Top 1" - value	0 to 0.05	0.05 to 0.1	0.1 to 0.2	0.2 and higher
corresponding fuzzy set score (incumbents)	0	0.33	0.67	1
"linguistic qualifier"	"no visible company"	"low visible company"	"visible company"	"highly visible company"

This procedure leads to the following results for the set memberships:

Table 17: Calibrated degree of set membership for the set set Visibility: uneven distribution of articles with regard to firms / uneven media attention on single firms, "Gini Top 1"

Case	"Gini Top 1" - value	Corresponding fuzzy set score	"linguistic qualifier"
coffee (Austria)	0.11	0.67	"visible company"
coffee (Germany)	0.072	0.33	"low visible company"
coffee (United Kingdom)	0.11	0.67	"visible company"
coffee (USA)	0.16	0.67	"visible company"
cocoa / chocolate (Austria)	0.00	0.00	"no visible company"
cocoa / chocolate (Germany)	0.13	0.67	"visible company"
cocoa / chocolate (United Kingdom)	0.24	1.00	"highly visible company"
cocoa / chocolate (USA)	0.15	0.67	"visible company"
wine (Austria)	0.00	0.00	"no visible company"
wine (Germany)	0.06	0.33	"low visible company"
wine (United Kingdom)	0.08	0.33	"low visible company"
wine (USA)	0.045	0.00	"no visible company"
honey (Austria)	0.00	0.00	"no visible company"
honey (Germany)	0.00	0.00	"no visible company"
honey (United Kingdom)	0.06	0.33	"low visible company"
honey (USA)	0.00	0.00	"no visible company"
rice (Austria)	0.00	0.00	"no visible company"
rice (Germany)	0.08	0.33	"low visible company"
rice (United Kingdom)	0.05	0.33	"low visible company"
rice (USA)	0.06	0.33	"low visible company"

source: Factiva Inc. (2014b), own estimation

Table 17 ***(continued)***

Case	"Gini Top 1" - value	Corresponding fuzzy set score	"linguistic qualifier"
sugar (Austria)	0.00	0.00	"no visible company"
sugar (Germany)	0.00	0.00	"no visible company"
sugar (United Kingdom)	0.15	0.67	"visible company"
sugar (USA)	0.05	0.33	"low visible company"
bananas (Austria)	0.082	0.33	"low visible company"
bananas (Germany)	0.095	0.33	"low visible company"
bananas (United Kingdom)	0.17	0.67	"visible company"
bananas (USA)	0.09	0.33	"low visible company"

source: Factiva Inc. (2014b), own estimation

5 The Analysis and Evaluation of Theoretical Arguments

The empirical analysis is presented in this chapter. It has been argued in chapter 4.1 that *diverse cases* have been selected. Therefore, to back this case selection technique, the cases and their distances to each other are first described in chapter 5.1. Next, the issue of temporal order and the dependencies between the dimensions of the "property space" are discussed to argue against certain configurational methods and certain "simplifying assumptions" (in chapter 5.2). In chapter 5.4 and chapter 5.5, the outcome (chapter 5.4) and the non-outcome (chapter 5.5) are analyzed, separately. Single cases are selected for a deeper look in chapter 5.6. In the final section, the results are interpreted with regard to timely sequences (chapter 5.7). In this vein, some single and pivotal cases are discussed for an interpretation beyond the *synchronic* design of the fuzzy set Qualitative Comparative Analysis.

5.1 The Location of Cases in the Property Space and an Assessment of (Dis-) Similarity

In the first part of the analysis, the cases are described with regard to the relevant five conditions presented in chapter 4.3, which refer to the four concepts (from chapter 2.8), and the (non-) outcome. After presenting the final data table with the fuzzy set scores, the data is calibrated into crisp set scores ("0" and "1") to allow for a comparison of the distances of the cases to each other. Since this thesis and the final analysis relies on Boolean- instead of Linear Algebra, the Boolean distances (Berg-Schlosser & De Meur, 2009; De Meur & Berg-Schlosser, 1994) of the cases to each other are reported.

The selection of conditions follows the best practice propositions by Berg-Schlosser and DeMeur (2009, p. 25ff), Amenta and Poulson (1994, p. 44ff), and Schneider and Wagemann (2012, p. 276f). Recent evidence suggests, that besides the apparent issues of limited diversity (Schneider & Wagemann, 2010, p. 6; 2012, p. 276f) and difficult interpretations of "misleading or unwieldy results" (Amenta & Poulson, 1994, p. 51), too many conditions lead to arbitrary statements about sufficiency "by chance"– the so called "aggregation bias" (Braumoeller, 2016). Finally, the analysis of sub-populations (instead of whole populations) has to rely on deduction in QCA (Hug, 2013) – hypotheses and the relevant conditions have to be selected *ex ante* and with regard to theoretical considerations. The examination "of theories that are conjunctural or combinatorial in construction (…) has the advantage of taking seriously QCA" (Amenta & Poulson, 1994, p. 29).

Therefore, five conditions are selected, which are theoretically meaningful and of which intersections are expected to lead to the outcome. Those five conditions lead to a maximum number of 2^5 or 32 truth table rows for 28 cases. Finally, the conceptual framework of Goertz (2005) is employed to demonstrate that (with certain reservations) those five conditions can finally be subsumed into four (16 truth table rows) to explain the degree of market penetration and its negation. The degree of social movement influence and the impact of their organizations is operationalized by the impact of ATOs/FTOs within national settings (ATO) (chapter 4.3.1). Incumbency in the supply chain is assessed with the concentration of the grocery retail sector within national settings (Supermarket_CR) (chapter 4.3.2.1 and chapter 4.3.2.3) and the concentration of major companies within national product markets (Company_CR) (chapter 4.3.2.2, chapter 8.1 (Appendix), and chapter 4.3.2.3). The discourse surrounding Fair Trade products within national settings by product category and the centrality of firms within this discourse are assessed in chapter 4.3.3 (Framing) and chapter 4.3.4 (Visibility). Incumbency, ATO, and Framing refer to social movements and their (first) path, while Visibility and Framing refer to institutional entrepreneurship, and in concert with Incumbents are jointly sufficient for the second path.

Table 18: Degree of set membership in the outcome and in the five conditions (fuzzy set scores)

	Market_Penetration (outcome)	ATO	Supermarkets_CR	Companies_CR	Visibility	Framing
coffee_Austria	0.67	1.00	0.67	0.67	0.67	1.00
coffee_Germany	0.67	1.00	0.67	0.67	0.33	1.00
coffee_UK	1.00	0.00	0.67	0.67	0.67	1.00
coffee_USA	1.00	1.00	0.33	0.67	0.67	1.00
cocoa_Austria	1.00	1.00	0.67	0.67	0.00	0.80
cocoa_Germany	0.67	1.00	0.67	0.67	0.67	0.80
cocoa_UK	1.00	0.00	0.67	1.00	1.00	0.80
cocoa_USA	0.33	1.00	0.33	1.00	0.67	0.80
wine_Austria	0.00	1.00	0.67	0.00	0.00	0.00
wine_Germany	0.00	1.00	0.67	0.00	0.33	0.20
wine_UK	0.33	0.00	0.67	0.00	0.33	0.40
wine_USA	0.00	1.00	0.33	0.33	0.00	0.00
honey_Austria	0.33	1.00	0.67	0.67	0.00	0.20
honey_Germany	0.33	1.00	0.67	0.33	0.00	0.00
honey_UK	0.33	0.00	0.67	0.33	0.33	0.20
honey_USA	0.00	1.00	0.33	0.33	0.00	0.00
rice_Austria	0.33	1.00	0.67	0.33	0.00	0.00
rice_Germany	0.33	1.00	0.67	0.67	0.33	0.00
rice_UK	0.00	0.00	0.67	0.33	0.33	0.00
rice_USA	0.00	1.00	0.33	0.67	0.33	0.00
sugar_Austria	0.00	1.00	0.67	1.00	0.00	0.20
sugar_Germany	0.00	1.00	0.67	1.00	0.00	0.00
sugar_UK	0.67	0.00	0.67	1.00	0.67	0.20
sugar_USA	0.00	1.00	0.33	0.67	0.33	0.20
bananas_Austria	1.00	1.00	0.67	0.67	0.33	0.60
bananas_Germany	0.67	1.00	0.67	0.67	0.33	0.60
bananas_UK	1.00	0.00	0.67	0.67	0.67	0.60
bananas_USA	0.33	1.00	0.33	0.67	0.33	0.00

source: own estimation, raw data and calibration procedure can be found in chapter 4.2 and chapter 4.3

These degrees of set memberships (Table 18) enable to locate all 28 cases in Lazarsfeld's "property space" (Barton, 1955; Ragin, 2000, p. 76ff; Schneider & Wagemann, 2012, p. 97ff)[169] or "vector space" (Ragin, 2008b, p. 128ff). Each case can be assigned to an ideal type or truth table row since there is no case with an ambiguous set membership of 0.5, which would locate this case directly in between two ideal types or two truth table rows (Ragin, 2008b, p. 131; Schneider &

[169] Barton (1955) does not use sets but typologies to exemplify the notion of a property space – dichotomies are not necessarily required, but the " (…) simplest types of properties by which an object can be characterized" – the form to which more complex forms can be reduced to (Barton, 1955, p. 41).

Wagemann, 2012, p. 100). In addition, the cases are not equivalent to ideal types, which is taken into account by degrees of membership between "0" and "1" instead of crisp membership of "0" and "1". The outcome market penetration occurs in 11 of 28 cases.

In a first step, this complexity is reduced and each case is treated as the ideal type it is assigned to – the data is recalibrated into crisp set scores in order to describe the cases. The cases are assigned to the corners of the property space (Barton, 1955; Ragin, 2000, p. 76ff; Schneider & Wagemann, 2012, p. 97ff) or vector space (Ragin, 2008b, p. 128ff). Therefore, the presumed fuzzy boundaries of the concepts are treated as if they were precise (Schneider & Wagemann, 2012, p. 27f) and as if no "grey zones", "borderline cases" or "transitions" existed (Goertz, 2005, p. 34). The "how-much-question" (*differentiam*) is neglected in favor of the "what-is-question" (*genus*) (Mair, 2008)[170]. This rough simplification is necessary to compare the distance of the cases to each other and to estimate the Boolean distance, which forms the backbone of the Most Similar Different Outcome - (MSDO-) and Most Different Similar Outcome - Designs (MDSO-Design) (Berg-Schlosser & De Meur, 2009; De Meur & Berg-Schlosser, 1994)[171]. MDSO and MSDO designs rely on symmetric causality and presume singular causal statements (Ebbinghaus, 2005, p. 141; Ragin, 1987, p. 42f). Thus, they are regarded as unsuitable for the final analysis – given the theoretical framework in chapter 2. Schneider and Wagemann (2012, p. 191f) and Ragin (2008b, p. 138ff) argue against an assignment of crisp set scores to fuzzy set data in the analysis. Nonetheless, this step is undertaken to describe the cases with regard to their Boolean distance, not to analyze them or perform a csQCA.

Hence, a closer look at the Boolean distances is required to demonstrate the variation of the cases with regard to the relevant conditions. Here, the explanatory typology is employed and assigns cases to types to better describe and compare them (Elman, 2005, p. 295ff). The nested data structure is an issue, which needs to be addressed before the final analyses. All information can be regarded as being nested or even cross-nested in two ways[172]. Firstly, all product markets are

[170] In fsQCa, decisions about *genus* and *differentiam* (Mair, 2008) are separated, as well. The point of maximum ambiguity (0.5) allow to distinguish cases "in kind" (*genus*), while differences in the "degree of membership" among the cases with a set membership lower or higher 0.5 capture "differences in degree" (*differentiam*) (Schneider & Wagemann, 2012, p. 27f).

[171] The amount of potential comparisons of pairs is given by n*(n-1)/2, which leads to 28*27/2 or 378 different opportunities to compare (two) single cases. Among the 11 cases which lead to the outcome, 55 comparisons are possible (11*10/2), 136 comparisons are possible between pairs of the 17 cases which lead to the non-outcome (17*16/2) (both typically MDSO-comparisons), and 187 comparisons are possible between cases which lead to the outcome and the non-outcome (17*11) (typically for MSDO-comparison).

172 Przeworski (2009) and Baumgartner (2009) argue for the importance of unit independence for the comparative analysis and for QCA-analysis, respectively. This assumption of unit independence is severely violated in my design due to two different levels (national and sub-national). Comparative multi-level analysis (CMA) as put forward by Denk (2010) and Denk and Lehtinen (2014) would be able to account for this multi-level structure. Following the CMA procedure (Denk, 2010; Denk & Lehtinen, 2014), one would first analyze the nested conditions (intra-system), before looking for differences in the solution term to detect differences (inter-system). These differences indicate the potential relevance of contextual factors. Rohlfing (2012a)

nested in national contexts – for instance, coffee (United Kingdom) and bananas (United Kingdom) are nested in the national setting "United Kingdom". Secondly, all product markets are nested within the global product market, or share idiosyncratic features and attributes of the product category – for instance, the coffee markets in Austria, Germany, the United Kingdom, and the USA are nested in the global coffee market. A nested data structure does not require an application of multilevel QCA (CMA) (Rohlfing, 2012a; Thiem, 2016) as proposed by Denk (2010) and Denk and Lehtinen (2014)[173]. In addition, two step QCA is not required since it does not tackle the problem of nested data, but is regarded as an opportunity to deal with a large amount of "proximate" and "remote" conditions (Schneider & Wagemann, 2006)[174]. But, the nested data structure calls for an empirical examination of the detected variation to show that the final analysis does not produce artifacts due to the nested data structure. It will be shown that the given data structure does not imply that product markets are not sharing similarities across contexts and product categories and that product markets of the same national context or product category differ. The data is calibrated into crisp set values as follows (Table 19) and the cases are compared in Table 20.

argues that this procedure is flawed since it ignores the real advantage of the existing variants of QCA – their ability to tackle causal heterogeneity and diversity. He concludes that the csQCA and fsQCA are superior to CMA even in the analysis of multilevel data. Thiem (2016) shows that even in the analysis of multi-nominal contextual data, multi-value QCA (mvQCA) provides better results compared to CMA. Therefore, it is viable to apply standard fsQCA to the multi-level data.

[173] Even if applied, CMA could not solve the apparent issue of cross-nested data. It relies on two hierarchical levels (Denk, 2010; Denk & Lehtinen, 2014)

[174] Schneider and Wagemann (2006, p. 760) emphasize that "the remote-proximate dichotomy is not a synonym for the micro-macro divide". At its heart, Two-step QCA is an opportunity to increase parsimony and reduce complexity not to analyze multi–level data.

Table 19: Crisp set membership in the outcome and in the 5 conditions (crisp set scores)

	Market_Penetration (outcome)	ATO	Supermarkets_CR	Companies_CR	Visibility	Framing
coffee_Austria	1	1	1	1	1	1
coffee_Germany	1	1	1	1	0	1
coffee_UK	1	0	1	1	1	1
coffee_USA	1	1	0	1	1	1
cocoa_Austria	1	1	1	1	0	1
cocoa_Germany	1	1	1	1	1	1
cocoa_UK	1	0	1	1	1	1
cocoa_USA	0	1	0	1	1	1
wine_Austria	0	1	1	0	0	0
wine_Germany	0	1	1	0	0	0
wine_UK	0	0	1	0	0	0
wine_USA	0	1	0	0	0	0
honey_Austria	0	1	1	1	0	0
honey_Germany	0	1	1	0	0	0
honey_UK	0	0	1	0	0	0
honey_USA	0	1	0	0	0	0
rice_Austria	0	1	1	0	0	0
rice_Germany	0	1	1	1	0	0
rice_UK	0	0	1	0	0	0
rice_USA	0	1	0	1	0	0
sugar_Austria	0	1	1	1	0	0
sugar_Germany	0	1	1	1	0	0
sugar_UK	1	0	1	1	1	0
sugar_USA	0	1	0	1	0	0
bananas_Austria	1	1	1	1	0	1
bananas_Germany	1	1	1	1	0	1
bananas_UK	1	0	1	1	1	1
bananas_USA	0	1	0	1	0	0

Source: own estimation, recalibration of the fuzzy set memberships drawn from Table 18 (fuzzy set score of >0.5 in Table 18 corresponds to crisp set membership of 1 (full membership) in Table 19, fuzzy set score of <0.5 in Table 18 correspond to crisp set membership of 0 (full non-membership) in Table 19, no case has a membership of exactly 0.5 in any set in Table 18 (no case with maximum ambiguity)

According to Table 19 and Table 20, the mean Boolean distance of the cases in which the outcome occurs is 1 (median) or 1.38 (arithmetic mean), which is lower than the mean distance between cases that lead to the non-outcome (median of 1 and arithmetic mean of 1.55). Finally, the mean distance between cases which lead to different outcomes is 3 (median) or 2.8 (arithmetic mean). It is not surprising that cases which lead to similar outcomes are more similar than cases which lead to different outcomes. The interesting cases are those which are rather dissimilar, while still leading to the same outcome (MDSO), and those cases which lead to different outcomes even

though they are rather similar (MSDO). The most heterogeneous cases with similar outcomes and the most homogeneous cases with different outcomes are of interest (Ebbinghaus, 2005, p. 141)[175]. As can be seen, high distances occur between single national product markets within one category (for instance, bananas in the United Kingdom and bananas in the USA) and maximum distances can be achieved between products within the same national setting (for instance, cocoa in the USA and wine in the USA). Even if the nested data structure might lead to higher similarities, the conditions vary. The detailed comparison can be assessed in Table 20. While this comparison cannot capture small "differences in degree" within the property space (Schneider & Wagemann, 2012, p. 27ff; 96ff), it offers an overview of all 378 potential two case comparisons "in kind" of the 28 cases - under the assumption that each case is a perfect instance of the ideal type it is assigned to. The detected variation allows for an analysis of the nested data structure (as for instance in the analysis of parties, their structure, and their decisions in which units are nested in parties, national contexts, and points in time (e.g. Lilliefeldt, 2010; Vis, 2009)) and backs the attempt to analyze *diverse cases* (Gerring & Seawright, 2007, p. 97ff) (see chapter 4.1).

[175] It should be noted that the maximum Boolean distance is "5" across all cases. Since two conditions (ATO and Supermarket_CR) are assessed on the national level, the maximum Boolean distance within one national setting is "3".

Table 20 . Boolean Distances to compare the 28 cases (maximum: 5, minimum: 0)

		AU	GE	UK	US	AU	GE	UK	AU	GE	UK	UK	us	us	au	ge	uk	us		ge	uk	us	au	ge	uk	us	au	ge
		CO	CO	CO	CO	CH	CH	CH	BA	BA	BA	SU	ch	ba	wi	wi	wi	wi	ho	ho	ho	ho	ri	ri	ri	ri	su	su
AU	CO	0																										
GE	CO	1																										
UK	CO	1	2																									
US	CO	1	2	2																								
AU	CH	1	0	2	2																							
GE	CH	0	1	1	1	1																						
UK	CH	1	2	0	2	2	1																					
AU	BA	1	0	2	2	0	1	2																				
GE	BA	1	0	2	2	0	1	2	0																			
UK	BA	1	2	0	2	2	1	0	2	2																		
UK	SU	2	3	1	3	3	2	1	3	3	1																	
us	ch	1	2	2	0	2	1	2	2	2	2	3																
us	ba	3	2	4	2	2	3	4	2	2	4	3	2															
au	wi	3	2	4	4	2	3	4	2	2	4	3	4	2														
ge	wi	3	2	4	4	2	3	4	2	2	4	3	4	2	0													
uk	wi	4	3	3	5	3	4	3	3	3	3	2	5	3	1	1												
au	wi	4	3	5	3	3	4	5	3	3	5	4	3	1	1	1	2											
au	ho	2	1	3	3	1	2	3	1	1	3	2	3	1	1	1	2	2										
ge	ho	3	2	4	4	2	3	4	2	2	4	3	4	1	0	0	1	1	1									
uk	ho	4	3	3	5	3	4	3	3	3	3	2	5	3	1	1	0	2	2	1								
us	ho	4	3	5	3	3	4	5	3	3	5	4	3	1	1	1	2	0	2	1	2							
au	ri	3	2	4	4	2	3	4	2	2	4	3	4	2	0	0	1	1	1	0	1	1						
ge	ri	2	1	3	3	1	2	3	1	1	3	2	3	1	1	1	2	2	0	1	2	2	1					
uk	ri	4	3	3	5	3	4	3	3	3	3	2	5	3	1	1	0	2	2	1	0	2	1	2				
us	ri	3	2	4	2	2	3	4	2	2	4	3	2	0	2	2	3	1	1	2	3	1	2	1	3			
au	su	2	1	3	3	1	2	3	1	1	3	2	3	1	1	1	2	2	0	1	2	2	1	0	2	1		
ge	su	2	1	3	3	1	2	3	1	1	3	2	3	1	1	1	2	2	0	1	2	2	1	0	2	1	0	
us	su	3	2	4	2	2	3	4	2	2	4	3	2	0	2	2	3	1	1	2	3	1	2	1	3	0	1	1

source: own estimation, AU = Austria, GE = Germany, UK = United Kingdom, US = USA, co = coffee, ch = cocoa / chocolate, ba = bananas, su = sugar, wi = wine, ho = honey, ri = rice; CAPITAL LETTERS indicate the occurrence of the outcome market penetration, lower letters indicate the non-occurrence of the outcome

5.2 The Choice for QCA and a Suitable Solution Term – Assessing Dependencies among Dimensions of the Property Space

In this section, the recent debate about the use of simplifying assumptions in QCA and related set theoretical methods is briefly summarized. It will be shown that a separate analysis of dependencies has to preface the analysis of the truth table. This proposition is not included in the "Standards of Good Practice" by Schneider and Wagemann (2010; 2012, p. 275ff) and Mello (2013). My reasoning offers a potential guideline for the selection of "solution terms" of QCA, which offer a basis for causal interpretations. It will be argued that the underlying cause for limited diversity should guide the selection of simplifying assumptions and thus, the selection amongst the "most parsimonious", "intermediate", and "complex / conservative solution" term of QCA. This procedure supports the choice for QCA compared to other set relational methods, which claim to be better equipped for the analysis of processes, such as temporal QCA (TQCA) (Caren & Panofsky, 2005), sequence elaboration (Mahoney et al., 2009), and Coincidence Analysis (CNA) (Baumgartner, 2009, 2013, 2015)[176].

Besides the choice for an interpretable solution term, the analysis of dependencies has another distinct advantage which is discussed, in advance. The aim of this paper is to analyze a process (*diachronic*) as set configurations (*synchronic*), which requires some clarification since it is possible to account for the temporal order of events with set relational methods (Schneider & Wagemann, 2012, p. 693ff). One opportunity to include time in QCA is temporal QCA (TQCA) (Caren & Panofsky, 2005; Ragin & Strand, 2008), which either relies on the *ex ante* determination of (parts of the) temporal order of events, or increases the amount of limited diversity by a factor of the faculty of the number of conditions ($n!*2^n$ instead of 2^n) (Caren & Panofsky, 2005, p. 158) – leading to $5!*2^5$ or 3,840 truth table rows instead of 32 in this particular analysis[177].

The second opportunity is the sequence elaboration of Mahoney et al. (2009), which analyzes deterministic relationships among the conditions and the temporal order. For instance, the relationship "A → B → C" is interpreted as "A is sufficient for B, which is sufficient for C" - given

[176] Process Tracing and related case based methods (Hall, 2003, p. 391ff; Langley, 1999), which allow for temporal order but are usually applied to single or few cases (Gerring, 2004; 2007, p. 37ff) are disregarded, here. The amount of cases in the analysis (n=28) alone precludes an analysis of single cases or comparative case studies. Regardless, QCA and process tracing or case studies can be usefully combined and QCA might guide a selection of cases (Beach & Rohlfing, 2015; Schneider & Rohlfing, 2013; Schneider & Wagemann, 2012, p. 305ff).

[177] For the analysis of market penetration, the amount of limited diversity would further increase since the relevant conditions would have to be included for different points in time – a step which is not taken, especially since many conditions (e.g. the degree of incumbency) do not vary over time. To include each condition at two points in time would increase the amount of truth table rows from 32 (2^5) to $10!*2^{10}$ - about 3 Billion truth table rows for 28 cases (3,715,891,200). Fixing the ordering of events would be one opportunity to tackle this issue (Caren & Panofsky, 2005, p. 160), but the amount of limited diversity would still increase considerably – which hampers the interpretation of the results (Amenta & Poulson, 1994; Braumoeller, 2016; Schneider & Wagemann, 2012, p. 276f).

that A preceded B (temporally) and B precedes C (temporally)[178]. The choice for QCA and its inherent *synchronic* design, and against temporal sequences, needs an empirical assessment of dependencies. If no dependencies exist between the conditions, sequences elaboration cannot be applied or would rely on the analysis of INUS- and SUIN- causes, which again increases the complexity to an unmanageable degree (Schneider & Wagemann, 2012, p. 268). For single necessary and sufficient conditions and two conditions, Mahoney et al. (2009, p. 128ff) delineate 12 different kinds of relationships, which require different causal interpretations. Those relationships can only be analyzed with sequence elaboration if the conditions are interlinked through deterministic sufficient or necessary relationships (Mahoney et al., 2009). Therefore, an empirical assessment of determinism among conditions without any positive finding backs the choice for QCA, since sequence elaboration cannot be applied to analyze the temporal ordering of events[179].

The relevance for dependencies for the choice among solution terms is presented next. The application of Qualitative Comparative Analysis and the Quine-McClusky Algorithm represents one opportunity among different set relational methods, which requires further argumentation – in particular, since the results obtained rely heavily on the specific set relational method applied. Baumgartner's (2009, 2013, 2015) Coincidence Analysis (CNA) with a strong emphasis on parsimony might offer an especially sound alternative. Baumgartner (2009, 2013, 2015) criticizes the application of the standard minimization algorithm of QCA for its incapacity to avoid redundancies – from his viewpoint, the "conservative" and "intermediate" solution terms cannot provide any basis for causal inferences (Baumgartner, 2015). Especially, if the data generating process includes causal chains – similar to the approach by Mahoney et al. (2009) – redundancies are granted a false causal role (Baumgartner, 2013). In order to grasp this discussion about redundancies and causes, one has to delve deeper into the solution terms presented in QCA.

In accordance with the widely applied standards of good practice (Mello, 2013; Schneider & Wagemann, 2010; 2012, p. 275ff), all three possible solution terms are reported in this thesis. The complex / conservative solution is based only on the cells of the truth table for which empirical information exists. Therefore, all logical remainders are treated as if the non-outcome occurred.

[178] If "B" preceded "A" (temporally), the solution would look different. "B" would be necessary for "A" and sufficient for "C", while "A" would be less relevant in the explanation of "C" compared to "B" since "B" is a more relevant sufficient condition for "C" and has a higher temporal distance to "C" – "B" "diminishes" the causal role of "A" (Mahoney et al., 2009, p. 135).

[179] Even detected determinism among the conditions would not necessarily require a sequence elaboration. If no determinism among the conditions is detected, sequence elaboration cannot be the method of choice. Hence, even if deterministic relationship are detected, those would need to be assessed and theoretically backed to argue for sequence elaboration.

Usually, this solution is the least parsimonious and most complex (Ragin, 2008d, p. 51f)[180]. Therefore, a causal interpretation of the conservative or complex solution is doubtful (Rohlfing, 2015 [05/04/2015]). On the other end of the "continuum of parsimony" lies the most parsimonious solution (Ragin, 2008d, p. 51f). In this solution all possible and at the same time "simplifying" assumptions are employed to provide the maximum degree of parsimony. Any assumption which leads to a higher degree of parsimony is made, regardless of whether the assumption is sound, in accordance with theory, formal logic, or even tenable (Schneider & Wagemann, 2012, p. 167ff). The intermediate solution provides a compromise between tenability and parsimony. Here, the researcher decides which assumption should be made and is advised to report and discuss her or his assumption(s) about single conditions ("directional expectations") (Ragin, 2009, p. 111; Schneider & Wagemann, 2012, p. 169ff; Yamasaki & Rihoux, 2009, p. 135f)[181]. In general, Ragin regards the intermediate solution to be superior to all other solutions and the best solution for an interpretation (Ragin, 2009, p. 111).

The following discussion presupposes that *explanans* and *explanandum* are decided upon before analyzing the data – the decision about "which entities are explained" and "which entities are used for an explanation" is not and should not be derived purely inductively from the data (Hedström & Ylikoski, 2010; Mayntz, 2004)[182].

QCA and CNA differ mainly in their starting point: CNA starts with the highest degree of parsimony (usually single sufficient conditions) and increases the degree of complexity until no contradiction remains unresolved - "minimal theories" are derived (Baumgartner, 2009, p. 93ff).

[180] Schneider and Wagemann (2012, p. 166) argue that the dimensions of complexity and sub- or superset relations "do not necessarily run in parallel" – therefore, the conservative solution term does not imply that it is the most complex solution. Their argument is correct if one makes counterfactual assumptions that are not simplifying. If one employs only simplifying (counterfactual) assumptions, they indeed "run in parallel" – the complex solution lies "at the endpoint of the complexity/parsimony continuum" (Ragin, 2008d, p. 51f).

[181] The argument refers to the "Standard Analysis" for the "Theory Guided Enhanced Standard Analysis" (TESA), and the "Enhanced Standard Analysis" (ESA) refers to Schneider & Wagemann (2012, p. 200ff). In fact, neither of the solutions by the "Standard Analysis" guarantees tenability (with regard to common sense or formal logic) (Schneider & Wagemann, 2012, p. 198ff). ESA and TESA can be regarded as sound alternatives to the three main possibilities to derive solutions. The intermediate solution of the "Standard Analysis" simply restricts the pool of simplifying assumptions to those which do not contradict theoretically sound counterfactual arguments about single conditions.

[182] Thus, it is presupposed that causes and effects (more precisely: the conditions and the outcome) are specified before analyzing the data. CNA yields different results if the causal structure is unknown and the analysis is applied purely inductive without former knowledge about (necessary and sufficient) conditions and the outcome (Baumgartner, 2009). This means that the analysis decides and detects the causal structure through patterns of minimal sufficiency and necessity. CNA decides about *explanans* as well as *explanandum* based on the empirical evidence and inductively. One of the advantages of CNA is that it "(…) is applicable even without any prior causal knowledge concerning the underlying structure. CNA is capable of analyzing causal structures from scratch and in their whole complexity" (Baumgartner, 2009, p. 97). To compare QCA and CNA, a minimum degree of deduction – the *ex ante* specification of cause(s) (condition(s)) and effect (outcome) – is presupposed, here. This takes into account that the selection of relevant conditions relies on theories about *ex ante* specified outcomes (Amenta & Poulson, 1994, p. 44ff; Berg-Schlosser & De Meur, 2009, p. 25ff; Schneider & Wagemann, 2012, p. 276f). In a similar vein, the case selection or population of interest is related to the outcome, scope conditions for the outcome (Ragin, 2000, p. 43ff), or the distribution of cases with regard to the outcome (Gerring & Seawright, 2007). The detection of the outcome by induction is regarded as not feasible.

QCA (or the Quine-McClusky Algorithm) usually begins with the highest degree of complexity (primitive expressions / single truth table rows) and increases the degree of parsimony (Ragin, 2009). To increase the degree of parsimony with the Quine-McClusky Algorithm, different (simplifying) assumptions[183] about empty truth table rows can be employed (Schneider & Wagemann, 2012, p. 167ff). CNA does not rely on these assumptions, while the empirically unobserved outcome of empty truth table rows are implied by and can be directly derived from the final solution[184].

Different results of QCA and CNA appear only when the truth table is not fully specified and limited diversity provides the opportunity to make counterfactual assumptions about combinations of conditions which do not exist empirically. Formal logic and many of its operations (e.g. DeMorgan' law) rely heavily on fully specified truth tables (Schneider & Wagemann, 2012, p. 112ff) and thus the logical sound analysis as provided by CNA might rely on implicit assumptions, which are explicit when employing the Quine-McClusky-Algorithm. In Table 21, the difference is demonstrated[185]:

Table 21: Example for simplifying assumptions with 2 conditions and one empty truth table row

condition A	condition B	outcome C	empirical cases
1	0	?	0
1	1	1	15
0	1	0	21
0	0	0	17

There are no cases for row 1 and thus, we do not know whether "C" would have occurred when "A" and "~B" are present. The conservative or complex solution would assume that "A*~B" would occur with "~C", therefore we obtain the least parsimonious result of "A*B → C" ("A" and "~B" are INUS conditions for the outcome "C"). The row 1 cannot be used for minimization for

[183] Simplifying assumptions are assumptions which increase the degree of parsimony or decrease the degree of complexity. They are "(…) assumptions on logical remainders that yield a solution term that is less complex than the conservative solution" (Schneider & Wagemann, 2012, p. 332). In an abstract sense, they employ a "pragmatic compression" (Elman, 2005, p. 307f) due to empty cells since an "empirical compression" (Elman, 2005, p. 306f) would result in redundancies.

[184] For instance, the statement "A is sufficient for C" implies that "A*B" and "A*~B" are sufficient for "C". Both are subsets of "A" and imply "A". If "A" is sufficient for "C", each of "A's" subset has to be sufficient for "C" as well.

[185] Only two conditions (A and B) are picked for this example to avoid unnecessary confusions due to complexity. Necessity is usually analyzed before the analysis of sufficiency (Schneider & Wagemann, 2010, p. 404f) and simplifying assumptions violating claims of necessity contradict formal logic (Schneider & Wagemann, 2012, p. 201ff). Since "B" is formally necessary for the Outcome "C" ("B ← C") in Table 21, the assumption "A*~B" would occur together with "C" contradicts formal logic and is untenable. For the sake of simplicity, this issue is completely neglected in the examples in Table 21 and Table 22.

this solution. In contrast, the most parsimonious solution employs any possible assumption which is simplifying. Therefore, "A*B" occurs with "C" and it is unknown whether "A*~B" would occur with "C", but a higher degree of parsimony ("A → C") would be achieved if it is assumed that "A*~B" occurred with "C". Therefore, the occurrence of "A*~B" together with "C" is explicitly assumed to obtain the highest degree of parsimony, and thus a simplifying assumption is made.

The intermediate solution asks the researcher to make "directional expectations" about single conditions in advance (Ragin, 2008d, p. 52f; Schneider & Wagemann, 2012, p. 168ff). Here, the researcher would have to decide, whether "B" or "~B" should lead to the outcome based on theoretical reasoning, or on case knowledge. If we assume that "B" leads to the outcome, we would assume that the outcome would not have occurred in cell 1 ("A*~B" and "~C") and therefore stick to the complex / conservative solution. If we would assume that "B" does not lead to the outcome, or that it may or may not lead to the outcome ("Don't care"), we would make the counterfactual and simplifying assumption "A*~B" would occur with "C". Due to the fact that "C" occurs when "A" occurs regardless of the presence ("A*B →C") or absence ("A*~B →C") of "B", we derive "A → C".

In any case, researchers can make all (most parsimonious solution), none (conservative or complex solution), or specific assumptions (intermediate solution), but they make those assumptions explicit and therefore have to evaluate the meaningfulness and credibility of these assumptions.

Analyzing the data in Table 21 with the Coincidence Analysis, we first evaluate whether any row contradicts statements of sufficiency of single conditions. Since no row shows the condition "A" and the non-outcome ("~C"), but row 3 shows 21 cases where the non-outcome occurred despite the presence of "B", only "A" is minimally sufficient for the Outcome C ("A →C"). The falsification of this statement ("A→C") has not been observed (row 1 is unknown and row 2 shows the outcome). The statement "A → C" is more parsimonious, while we did not make any assumption (compared to the intermediate and most parsimonious solution in QCA). But what does the statement "A→C" imply in both Boolean algebra and formal logic? "A → C" implies that "A" is a subset of "C" or sufficient for "C". If "A" is a subset of "C", so is each possible subset of "A", as well. So any intersection of "A" with any other set is sufficient for the Outcome "C" – since any intersection of "A" has to be a subset of "A"[186]. Therefore, we have to make the

[186] Formally, "A*B → C", can be inferred from "A → C" since "A*B → A" has to be true.

counterfactual assumption (explicit in QCA, or implicitly implied by CNA) that "A*~B → C" since it follows directly from the statement "A→C". The inevitable logical conclusion of the statement "A→C" is "A*~B → C" - "A→C" implies "A*~B → C". Baumgartner (2015, p. 845ff) provides an example to demonstrate the superiority of the most parsimonious solution or CNA compared to less parsimonious results (namely the intermediate and the complex / conservative solution of QCA). Therefore, he simulates[187] data without the "noise" of real empirical data[188].

Baumgartner (2015, p. 845ff) convincingly shows how the underlying structure of dependencies between the conditions cause limited diversity even though each possible or tenable combination of conditions exists in the truth table – which is a particularly strong and ideal case for the analysis of causal structures. The results of the complex / conservative and intermediate solution show a lot of redundancies and lack the opportunity for causal interpretation. In this case, Baumgartner (2015) makes the strong and valid point that the hesitation to make untenable assumptions bears the obstacle of redundancies. Next the example by Schneider and Wagemann (2012, p. 155f) (2012) about pregnancy and sex[189] is adapted to exemplify the point: Is pregnancy sufficient for an increase in estrogen exposure or are pregnancy and being a woman both INUS conditions for an increase in estrogen exposure[190]? Given common knowledge, pregnant men do not occur, thus pregnancy implies the sex or, in other words, pregnant people are a perfect subset of the set "women". All pregnant people share the same sex (women). Since no pregnant man exists, the statement does only apply to women, therefore granting sex a causal role is simply redundant.

Schneider and Wagemann (2012, p. 198ff) distinguish three different kinds of untenable counterfactuals or simplifying (counterfactual) assumptions about combinations of conditions which do not occur empirically. Firstly, assumptions can contradict existing necessary dependencies in the data. It is possible to "violate" a statement of necessity through a simplifying assumption which presupposes that the negation of a necessary condition would occur together with the outcome. For instance, if "A" is necessary for "C" ("A← C"), the simplifying assumption "~A" and "B" occur together "C" ("~A*B" occurs with "B") is untenable. Secondly, it is possible,

[187] Simulations offer insight into the fallacies and benefits of methods, especially, since the researcher has complete control over the data generating process. Thus, methods can be evaluated in their ability to yield results which are in accordance to a data generating process which is known and can be explicitly manipulated by the researcher through "inverse search" (Baumgartner, 2015, p. 845f).

[188] For example, of a fruitful discussion about simulations and its applications for Qualitative Comparative Analysis, see the heated debate between Lucas (2014), Lucas and Szatrowski (2014), Bowers (2014), Collier (2014), Fiss et al. (2014), Olsen (2014), Seawright (2014), Vaisey (2014), and Ragin (2014) as well as the comment by Rohlfing (2015 [10/01/2015]).

[189] "Sex" refers to the biological "sex" and the anatomy instead of roles and identities ("gender").

[190] Pregnancy simply refers to the "pregnant man" in the handbook of Schneider and Wagemann (2012, p. 155f). Whether pregnancy is actually sufficient for an increase in estrogen exposure is not relevant for the argument at all.

while not feasible, that the same simplifying assumption is employed for the outcome and the non-outcome if both are analyzed separately. If it is assumed that the truth table row "A~B" occurs with "C", the same truth table row cannot occur with Non-C ("A~B" occur with "~C"). The last kind of simplifying assumptions contradict "common knowledge" and are regarded as implausible counterfactuals – just as any assumption about a "pregnant man", for instance (Schneider & Wagemann, 2012, p. 206ff).

As Baumgartner (2015) shows in his example, those "implausible" simplifying assumptions reflect causal dependencies between the conditions in the data. The example of the "pregnant man" reflects a causal dependency of women and pregnancy – the sex "women" is necessary for the state "pregnant". In the example of Ragin et al. (2003), the location of villages at a water channel is sufficient for irrigation – therefore, villages being located at a channel without any irrigation contradict real sufficient dependencies and not merely common sense. Indeed, those implausible simplifying assumptions do not necessarily reflect "common sense" but real deterministic (empirical) dependencies among the conditions. Therefore, it is not feasible to evaluate those simplifying assumptions only with regard to common sense, but to analyze the dependencies between the conditions (independent of the researcher's understanding or common sense) before making decisions about simplifying assumptions and plausibility.

Indeed, the treatment of untenable assumptions[191] differs. Ragin et al. (2003) employ the untenable assumptions in their explanation of collective action among villages to ensure a high degree of parsimony, while Schneider & Wagemann (2012, p. 209ff) argue against untenable assumptions in the analysis. As argued above, tenability refers to underlying deterministic dependencies between the conditions in the data – some conditions cannot occur in concert or imply each other[192]. One could avoid those assumptions and show and evaluate these deterministic dependencies before applying QCA. In the example of pregnancy, one could simply interpret the set "Pregnancy*Woman" as "Pregnancy". Goertz (2005) treatment of concepts could guide the researcher to combine indicators to concepts ("individually necessary and jointly sufficient" or "family resemblance") and thus, dependencies among indicators would be mirrored by the explicit conceptual decisions and made transparent to audiences.

Nevertheless, Baumgartner's (2009, 2013, 2015) Coincidence Analysis or the "most parsimonious solution" of QCA are superior to any less parsimonious solution - given that each empty cell,

[191] In the following, the term "untenable assumption" or tenability refers to "implausible assumptions" or plausibility as discussed by Schneider and Wagemann (2012, p. 206ff). The other two kinds of untenable assumptions are not discussed in detail here.

hence, any possible counterfactual claim, reflects untenable cases. This is true in his simulation, but not necessarily in applied data analysis. The reasons for limited diversity are multifaceted (Schneider & Wagemann, 2012, p. 198ff) and therefore, the assumption that any empty row reflects deterministic causal structures and the impossibility or mere implausibility of those cases is a strong one. If we observe the following data structure in which a long history of social democracy and strong trade unions are regarded as conditions for a generous welfare state (an example drawn from Ragin (2000, p. 104ff) and Ragin and Sonnett (2005)[193]), can we deny the causal role of social democracy as an INUS condition? We simply know that social democracy is not sufficient (falsified by row 3, 21 cases), while strong trade unions might be sufficient for the outcome (no falsification, while we do not observe generous welfare states without social democracy). Here, it is assumed that historical processes lead to clustered data structures (Schneider & Wagemann, 2012, p. 154f), which implies that limited diversity is not necessarily random, indeed. Hence, it does not imply that empty rows necessarily reflect implausibility or underlying deterministic dependencies. For this reason, if (counterfactual) assumptions influence the results of an analysis, they have to be explicit, transparent, and require theoretical knowledge instead of being implicit and silently implied by the results (McKeown, 1999, p. 170).

Table 22: Example for simplifying assumptions with 2 conditions and one empty truth table row, example: welfare state

Trade Unions	Social Democracy	Welfare States	empirical cases
1	0	?	0
1	1	1	15
0	1	0	21
0	0	0	17

source: example drawn from Baumgartner (2015, p. 845ff)

In order to interpret Baumgartner's (2009, 2013, 2015) point with regard to causality, the language of "type 1" ("false positive") and "type 2" (false negative") errors is employed next. If assumptions only allow for less parsimony compared to CNA (intermediate solution term of QCA), or no assumptions are made at all (the conservative or complex solution term of QCA), QCA may grant specific conditions the false role of a "Boolean difference"-maker (Baumgartner,

[193] Baumgartner (2015, p. 845ff) employs a rather similar example to make his point. He adds the conditions "high share of native population", "high GNP", and "high level of education".

2015: 841). It cannot falsely identify sufficiency or necessity[194], but redundant conditions can appear as INUS conditions (type 1-error), while the causal role of sufficient conditions (through the data generating process) is neglected and their role is underestimated – sufficient conditions are undervalued as INUS –conditions (type 2-error). In our example and applying the complex / conservative solution [195](result: "TRADE UNIONS*SOCIAL DEMOCRACY → WELFARE STATE"), "the long history of social democracy" would be a false INUS condition, while strong trade unions are regarded as less important (INUS) compared to being sufficient. If we make any possible simplifying assumption or apply CNA (result: "TRADE UNIONS → WELFARE STATE"), we might neglect the causal role of an INUS condition (type 2-error), while granting the role of false sufficient conditions to mere INUS conditions (type 1-error). In our example, the causal role of "the long history of social democracy" as an INUS condition is falsely rejected, while the causal role of "strong trade unions" as a sufficient condition is overvalued – since "strong trade unions" is an INUS condition and thus, a weaker causal statement compared to a sufficient condition.

To conclude, this thesis provides access to all explicit assumptions for the intermediate solution since transparency with regard to counterfactual reasoning is regarded as an absolute advantage and not as drawback of QCA (Ragin & Sonnett, 2005). The lack of depth of set-relational arguments and analysis can be, and rightfully is, regarded as a central weakness of QCA (De Meur et al., 2009, p. 159ff; Kelle, 2003). Nevertheless, qualitative research in general or case studies, and process tracing, in particular, share disadvantages with regard to counterfactual reasoning and implicit counterfactual assumptions (McKeown, 1999, p. 178; Ragin & Sonnett, 2005; Sekhon, 2004). The transparency in the treatment of counterfactuals offers the opportunity to evaluate, discuss and argue for convincing assumptions and against unconvincing assumptions. It is among the main advantages of QCA compared to other qualitative and even quantitative methods, and not its central weakness (Janusch et al., 2015 [2017], p. 10; Ragin & Sonnett, 2005).

As argued, the deterministic dependencies behind implausible counterfactuals cannot and should not be detected through common sense alone, but through a separate analysis of dependencies among the conditions. This procedure mimics Baumgartner's CNA (2009, 2013, 2015) to a certain degree, while it is only employed to decide upon the level of "allowed parsimony" and to detect

[194] Since any single necessary or sufficient condition would be detected by CNA and by the (most) parsimonious solution of QCA, as well.

[195] Ragin employs the term "complex" solution (Ragin, 2008d; Ragin et al., 2006), while Schneider and Wagemann (2012, p. 166) argue for the term "conservative" solution. In the following, the term "complex" solution is employed to avoid confusion.

"causal chains" (Baumgartner, 2013) or some minimal theories (Baumgartner, 2009, p. 93ff). In addition, while Baumgartner argues for minimal theories (Baumgartner, 2009, p. 93ff), which can consist of sufficient and INUS conditions, the employed procedure will only screen for single sufficient and necessary relationships. Formally, the potentially detected causal chains are restricted to those chains analyzed and explicitly theorized by Mahoney et al. (2009, p. 129ff).

If deterministic dependencies exist, those should be visible in whole populations of interest and even in small populations drawn from those populations. Since deterministic dependencies are visible through empty cells, perfect dependencies can be detected through an inductive analysis of the data at hand. In a second step, one should make an argument about those findings[196]. Whether those reflect coincidental or causal structures has to be discussed and should be transparent – here, common sense plays a vital role. Furthermore, Baumgartner's (2015) point about the most parsimonious solution is valid. If all empty truth table rows reflect dependencies among the conditions, the (most) parsimonious solution or CNA are the preferred approaches to yield a causal interpretable path to the outcome without causal redundancies. Hence, if empty truth table rows do not reflect those perfect dependencies, all counterfactual assumptions have to be transparent and require theoretical argumentation, therefore the intermediate solution should be chosen[197]. The analysis of dependencies can and should lead the researcher in their choice among the different results for a causal interpretation. In this study, all deterministic dependencies among the employed conditions are evaluated in advance to detect implausible counterfactuals without relying on common sense in their detection alone (Schneider & Wagemann, 2012, p. 206ff)[198].

[196] If the data generating process leads to perfect dependencies, those can be detected - even if only samples are drawn and analyzed. Therefore, an inductive approach cannot overlook an existing deterministic dependency in the data (false negative), given that the cases have sufficient variation with regard to the conditions. Alas, it is possible to detect a perfect dependency in the data which is not due to the data generating process (false positive). Therefore, detected dependencies have to be discussed and cannot be accepted "by default" without further argumentation. Furthermore, one has to be careful with a simple interpretation of consistency values (for necessity and sufficiency), which are contingent on potential sample selection issues and the number of cases. The consistency values should not be interpreted alone. Therefore, one has to search for crisp set or logical contradictions, as well (Schneider & Wagemann, 2012, p. 126ff). In addition, the procedure cannot distinguish between "clustered data" and "implausible remainders" (Schneider & Wagemann, 2012, p. 198ff). Both result in the very same patterns in the data – an argument about implausibility is required and might refer to common sense – common sense is simply not the method of choice in the detection.

[197] A choice for the conservative or most complex solution would also be feasible, while the complexity of this solution might hamper a causal interpretation. The degree of complexity depends on the number of cases, distribution of cases, and number of conditions. In many instances, it is not easy to disentangle complexity given by the data generating process and complexity which is due to a high amount of redundancies.

[198] To screen for deterministic dependencies is an opportunity to argue against Baumgartner's (2009, 2013, 2015) CNA and Mahoney et al.'s (2009) sequence elaboration which both rely on determinism among the conditions. Both – more explicitly CNA than sequence elaboration - allow and argue for INUS (or even SUIN) conditions and are not restricted to single necessary and sufficient conditions (Baumgartner, 2009, 2013, 2015; Mahoney et al., 2009). Due to the high complexity and unfeasibility in most cases of applied QCA, only single necessary and sufficient conditions are analyzed here. One could extend this procedure to INUS conditions with separate analysis of all potential combinations of INUS-paths to all single conditions and their negation, which results in $n*2*2^{(n-1)}$ separate Qualitative Comparative Analysis (n is the number of conditions). In this case (five

Next the empirical dependencies among the conditions are reported. It is tested whether any condition (the so called "dependent condition") is a superset (sufficiency) or subset (necessary) of any of the other conditions (the so called "independent condition"), which would be a subset (sufficient) or superset (necessary). The consistency values are reported as estimated by Schneider and Wagemann (2012, p. 119ff) and Ragin (2008c). Therefore, it is evaluated whether each set among the conditions is necessary or sufficiency for any other set.

Table 23: Evaluating deterministic dependencies / subset- and superset relations among the five conditions

		"dependent condition / outcome"									
		AT	~AT	SC	~SC	CC	~CC	VI	~VI	FR	~FR
AT	suf			0.56	0.44	0.59	0.41	0.25	0.75	0.35	0.65
	nec			0.71	0.80	0.76	0.74	0.57	0.84	0.70	0.78
~AT	suf			0.67	0.33	0.57	0.43	0.57	0.43	0.46	0.54
	nec			0.29	0.20	0.25	0.26	0.43	0.16	0.30	0.22
SC	suf	0.56	0.29			0.79	0.61	0.51	**0.86**	0.49	0.71
	nec	0.71	0.67			0.80	0.86	0.89	0.75	0.76	0.67
~SC	suf	**0.80**	0.20			**0.86**	0.71	0.59	**0.91**	0.50	0.78
	nec	0.44	0.33			0.61	0.71	0.75	0.57	0.55	0.52
CC	suf	0.76	0.25	**0.80**	0.61			0.53	0.75	0.52	0.61
	nec	0.59	0.57	0.79	0.86			**0.93**	0.66	0.79	0.57
~CC	suf	0.74	0.26	**0.86**	0.71			0.45	**0.94**	0.36	0.81
	nec	0.41	0.43	0.61	0.71			0.57	0.59	0.39	0.54
VI	suf	0.57	0.43	**0.89**	0.75	**0.93**	0.57			0.74	0.53
	nec	0.25	0.57	0.51	0.60	0.53	0.45			0.65	0.29
~VI	suf	**0.84**	0.16	0.75	0.57	0.66	0.59			0.33	**0.80**
	nec	0.75	0.43	0.86	**0.91**	0.75	0.94			0.59	0.86
FR	suf	0.70	0.30	0.76	0.55	0.79	0.39	0.65	0.59		
	nec	0.35	0.46	0.49	0.50	0.52	0.36	0.74	0.34		
~FR	suf	0.78	0.22	0.67	0.52	0.57	0.54	0.29	**0.86**		
	nec	0.65	0.54	0.71	0.78	0.61	0.81	0.53	0.80		

"independent conditions"

source: own estimation (AT = ATO, SC = Supermarket_CR, CC = Company_CR, VI = Visibility, FR = Framing, "~" stands for "negation of"), based on the fuzzy set scores in Table 18

conditions), one would carry out $5*2*2^4$ or 160 separate analysis. This procedure would be the toughest test for empirical non-dependencies and accommodate Baumgartner's (2009, 2013, 2015) rightful point, and critique without necessarily applying CNA. The falsification of empirical dependencies is at the forefront to argue against the employment of all simplifying assumptions. If all possible combinations of n-1 INUS conditions are not sufficient for any single condition, their less complex supersets cannot be sufficient due to the minimization procedure in fsQCA (Braumoeller, 2016). Furthermore, both methods (sequence elaboration and CNA) are applied to crisp set data (dichotomous), while fuzzy set data are analyzed, here.

Applying the thresholds by Schneider and Wagemann (2012) and Thygeson et al. (2012), necessary conditions are detected when the consistency value exceeds 0.9 (e.g. Schneider & Wagemann, 2012, p. 143) and sufficient conditions are detected, when the value exceeds 0.8 (e.g. Thygeson et al., 2012, p. 27). Values which have been rounded to the respective thresholds and are thus very close have been assessed, as well. Two necessary relationships and 12 sufficient relationships have been detected among the conditions if one assesses the consistency values, alone. They have been highlighted **(in bold)** in Table 23. According to Schneider and Wagemann (2012, p. 119ff), statements about dependency (sufficiency and necessity) cannot rely on these values "by default" – their distribution has to be assessed, and it has to be evaluated whether "logical contradictions"[199] exist. Those relationships among the conditions presume the empirical impossibility of certain combinations. This deterministic dependency among the conditions presupposes a high consistency value for necessity and/or sufficiency (1) and no logical contradictions of this relationship (2) – only those relationships can indicate perfect dependencies or the implausibility of certain conjunctions.

Among the two necessary relationships with consistency values higher than 0.9, one has not only a high consistency (0.93) but also no logical contradictions – a high concentration of the combined market share of the major three companies (CR_3) is necessary for a high visibility of single companies in the discourse. As can be seen, many of the visible companies also have a high market share, and in one case it is the main incumbent (Cadbury for chocolate in the United Kingdom is most visible in the discourse) (see chapter 4.3.4.3). The necessity of high concentration of the market shares for high concentrated media attention on single firms might be plausible. In order to avoid redundancies, and in contrast to Schneider and Wagemann (2012, p. 197ff), all simplifying assumptions which include a low concentration of companies and a high visibility should be made – concentration of the companies would be redundant in the occurrence of high visibility if this combination cannot occur.

[199] Schneider and Wagemann (2012, p. 119ff) distinguish between "inconsistencies" and "logical contradictions". Inconsistencies can be assessed and detected with the consistency values for necessary and sufficient conditions. Consistency evaluates whether the set membership in the outcome (Y_i) is higher or equal to the set membership in the condition (X_i) (set membership (X_i) ≤ set membership (Y_i)) (sufficiency) or whether the set membership in the outcome (Y_i) is smaller or equal to the set membership in the condition (X_i) (set membership (X_i) ≥ set membership (Y_i)) (necessity) (Schneider & Wagemann, 2012, p. 119ff). Hence, "with *fuzzy sets*, cases can be *inconsistent* without being *logically contradictory*" (Schneider & Wagemann, 2012, p. 327). Logical contradictions occur when "cases that are members of the sufficient condition or conjunction are more out of the outcome than in the outcome" (Schneider & Wagemann, 2012, p. 328) (sufficiency - set membership (X_i) ≥ 0.5 and set membership (Y_i) ≤ 0.5). "In the framework of necessity, [a "logical contradiction" is, author's note] a situation in which cases that are members of the outcome are more out of than in the necessary condition" (Schneider & Wagemann, 2012, p. 329) (necessity - set membership (Y_i) ≥ 0.5 and set membership (X_i) ≤ 0.5). Logical contradictions are contradiction which would occur in crisp set QCA, while simple inconsistencies would disappear in crisp set QCA if one applied the crossover point to distinguish between full membership ("1") and full non-membership ("0") and the simple inconsistencies are not logically contradictory at the same time.

Among the 12 potential sufficient relationships (with a consistency value of 0.8 or higher), three have no logical contradictions. Two of them are no surprise – given the detected necessary relationship between Company_CR and Visibility. Since Company_CR is necessary (a perfect superset of) Visibility, Visibility is sufficient (or a perfect subset) of Company_CR – both refer to the same logical statement: "Company_CR ← Visibility" and "Visibility → Company_CR" are (in formal logic) interchangeable. Company_CR (see chapter 4.3.2.2 and chapter 8.1 in the Appendix) is assessed for 2003 and rather stable over the whole time, while Visibility is assessed for the time period until 2011 and varies over time. The concentration among the companies precedes the Visibility of single organizations. Thus, the temporal order indicates that the given set relation should be interpreted as a necessary relationship – Company_CR is necessary for Visibility.

The second deterministic relationship can be assessed in a similar manner. Even if DeMorgan's law requires fully specified truth tables and no contradictions (Schneider & Wagemann, 2012, p. 112ff), the second sufficient relationship would directly follow from DeMorgan and the detected necessary relationship (in formal logic). The statement "Company_CR ← Visibility" can be negated (given the empirical information) to "~Company_CR → ~Visibility"[200]. Given that "Company_CR ← Visibility" is regarded as a possible deterministic relationship, the same has to apply for "~Company_CR → ~Visibility". The advised simplifying assumptions about the non-occurrence of ~Company_CR and Visibility has already been discussed with regard to the necessity of Company_CR for Visibility.

The third (surprising) relationship states that a low concentration of the grocery retail sector ("~Supermarket_CR") is sufficient for strong ATOs ("ATO") without any "logical redundancy" (consistency-value: 0.8). This relationship is primarily driven by the USA, which is the only context with a low supermarket concentration, while being among the contexts with strong ATOs. From the 21 cases of strong ATOs (all cases in Austria, Germany, and the USA), seven have a low concentration of the grocery retail ("~Supermarket_CR"). Since there is apparently no theoretical argument with regard to implausibility or common sense (Schneider & Wagemann, 2012, p. 206ff) which backs a causal dependency, it is regarded as coincidental and not relevant.

Therefore, a causal dependency between the concentration of the companies in product markets and the visibility of single firms has been detected, and simplifying assumptions about the set "~Company_CR*Visibility" might be required to avoid redundancies. A second option would be

[200] In formal logic, "A ← B" negates to "~A → ~B". This does not imply that DeMorgan's law can be applied to empirical data (Schneider & Wagemann, 2012, p. 112ff), but that empirically detected relationships which are in line with DeMorgan's law are less surprising.

to build higher order concepts (Adcock, 2001, p. 530ff; Goertz, 2005, p. 27ff; Mair, 2008, p. 186ff) to avoid these dependencies – a step which will be taken in the following analysis and which requires guidance by theory[201]. I compress the property space in mimicking Elman's (2005, p. 301ff) procedure of "indexing" to avoid redundancies because of "cells produced by impossible or highly improbable combinations of variables"[202].

It should be noted and emphasized that analyzing the outcome and the non-outcome separately and making all simplifying assumptions to avoid redundancies bears the inherent risk of making the same simplifying assumption for the outcome and the non-outcome ("incoherent counterfactuals" (Schneider & Wagemann, 2012, p. 203ff)). If one assumes that the truth table row "A*B" would have occurred with "C", one cannot assume that "A*B" would have occurred with "~C". One would contradict formal logic and the results are highly doubtful and illogical (Schneider & Wagemann, 2012, p. 203ff). Therefore, it is advised to look for dependencies to pinpoint to the researcher the fallacies and potential redundancies in his data – as done above. But if the goal is to analyze the outcome and non-outcome (which is best practice according to Mello, 2013, p. 13f; Schneider & Wagemann, 2010, p. 408f), the researcher should look whether the simplifying assumptions for outcome and non-outcome overlap (Schneider & Wagemann, 2012, p. 203ff) and if they do, one should try to subsume these indicators to higher order concepts (Adcock, 2001, p. 530ff; Goertz, 2005, p. 27ff; Mair, 2008, p. 186ff) or leave out certain concepts to avoid the empirical dependencies and the resulting redundancies. In a nutshell: In some cases, one could simply make all simplifying assumptions, which are brought forward by an analysis of empirical dependencies (no overlap between the simplifying assumptions); in other cases, one should avoid the detected empirical dependencies and causal redundancies by other means (and always guided by theory).

[201] In the final analysis, the concentration of the companies and the concentration of the grocery retail sector (supermarkets) will be subsumed under the necessary and sufficient structured concept (Goertz, 2005, p. 27ff). The necessary relationships disappear and incumbents are not necessary for visibility with a consistency value of 0.821 and logical contradictions (coffee and chocolate in the USA). Furthermore, the sufficient relationships between "~Company_CR" and "~Visibility" and between "Visibility" and "Company_CR" disappear - due to the same cases, which are logical contradictions. In a similar vein, the dependency between "ATO" and "~Supermarket_CR" vanishes. The detected relationships refer only to the indicator and not the final concept.

[202] Elman (2005, p. 301ff) advises the researcher to employ a "logical compression" to handle those cells. This procedure is not feasible in QCA because QCA relies heavily on truth tables. The building of concepts (Goertz, 2005) will have the same effect.

5.3 Test for Necessity for the Outcome (Market Penetration) and its Negation

In line with the standards of best practice, all potential necessary conditions are assessed inductively[203] before analyzing the truth table (Mello, 2013, p. 11; Schneider & Wagemann, 2010, p. 404f). If the solution covered all cases (which is neither the case, nor presumed), the intersection of SUPERMARKET_CR and COMPANY_CR – and thus each single superset (SUPERMARKET_CR or COMPANY_CR) would be necessary - given the deduced hypotheses[204]

Table 24: Screening for necessary conditions for Market Penetration and its negation, consistency and coverage of the conditions as a superset of Market Penetration and ist negation (outcome and non-outcome)

	MARKET_PENETRATION		~MARKET _PENETRATION	
	Consistency	Coverage	Consistency	Coverage
SUPERMARKET_CR	0.81	0.59	0.69	0.67
~SUPERMARKET_CR	0.55	0.57	0.58	0.80
COMPANY_CR	0.83	0.61	0.60	0.59
~COMPANY_CR	0.44	0.45	0.60	0.83
ATO	0.64	0.37	0.83	0.64
~ATO	0.36	0.62	0.17	0.38
FRAMING	0.72	0.82	0.22	0.34
~FRAMING	0.42	0.29	0.88	0.81
VISIBILITY	0.64	0.82	0.31	0.53
~VISIBILITY	0.64	0.41	0.90	0.77
INCUMBENTS	0.78	0.72	0.48	0.59
~INCUMBENTS	0.55	0.44	0.77	0.82

source: own estimation, based on the fuzzy set memberships of the 28 cases in Table 18, estimation via fs/QCA2.0 (Ragin et al., 2006)

Applying the threshold of 0.9 (Schneider & Wagemann, 2012, p. 143), no single necessary condition for the outcome and the non-outcome is detected – the value of "~VISIBILITY" is lower than 0.90 and only rounded to 0.9 (0.8963).

[203] In contrast to the deduced hypotheses for sufficiency in chapter 2.8.

[204] Empirically detected paths do not allow for this inference (Schneider & Wagemann, 2012, p. 227ff). This inference is only possible since it is purely based on theoretically guided deduction. If it was presupposed that all cases were explained and, accordingly, the two equifinal paths were the only paths to the outcome (which is not the case in the theoretical framework, see chaper 2.6 to chapter 2.8), INCUMBENTS or SUPERMARKET_CR*COMPANY_CR would be necessary. This inference to necessity presumes that these are the only paths, there were no contradictions, and that the truth table was fully specified. If the paths were empirically found, one cannot infer the necessity of one condition from its occurrence in all paths (for a discussion: Schneider & Wagemann, 2012, p. 227ff).

5.4 fsQCA of a High Degree of Market Penetration

Next, three fsQCA (analyses) will be presented for successful market penetration (11 out of 28 cases). The data table (Table 18 on page 207) and the raw data calibration can be assessed in the previous chapters (chapter 4.2 and chapter 4.3). Additional (idiosyncratic) conditions for X_1 and X_2 (see chapter 2.8) will not be added since they are not required to resolve contradictions[205]. This ensures a high degree of parsimony and a strong overlap with the theoretical reasoning (Rihoux & De Meur, 2009, p. 48ff; Schneider & Wagemann, 2012, p. 120ff). In this analysis, no conditions are added. The hypothesis of successful market penetration is the following (see chapter 2.8, (2.8-13) on page 81):

(**5.4-1**) $$\mathbf{INCUMBENTS} * \mathbf{FRAMING} * (\mathbf{ATO} + \mathbf{VISIBILITY}) \rightarrow \mathbf{MARKET\ PENETRATION}$$

(hypothesis 1 with 4 conditions)

Since incumbents are assessed with regard to SUPERMARKET_CR and COMPANY_CR, the hypothesis needs a reformulation to the two presumed paths:

(**5.4-2**) $$\mathbf{SUPERMARKET\_CR} * \mathbf{COMPANY\_CR} * \mathbf{ATO} * \mathbf{FRAMING} + \mathbf{SUPERMARKET\_CR} * \mathbf{COMPANY\_CR} * \mathbf{VISIBILITY} * \mathbf{FRAMING} \rightarrow \mathbf{MARKET\ PENETRATION}$$

(hypothesis 1 with 5 conditions)

5.4.1 Analysis with five Conditions and the Outcome

The resulting truth table has 2^5 or 32 rows, of which ten are populated with the eleven cases in which the outcome occurred and seventeen cases in which the non-outcome occurred. Nine cases in which the outcome occurred can be assigned to the first three truth table rows with a consistency value of higher than 0.91 and no logical contradiction. The fourth row includes two

[205] In the following chapters, two different kinds of contradictions can appear. On the one hand, the analyses will show that one truth table row remains contradictory – it is populated by one instance of the outcome and one case of the non-outcome. This issue will be addressed in chapter 5.6.1 On the other hand, all analyses are free of contradictions since no truth table row with contradictory cases is employed in the minimization procedure – the detected INUS conditions and paths are sufficient for the outcome and non-outcome without any contradiction. Therefore, while all analyses of sufficiency rely on truth tables with one contradictory row, no analysis employs this contradictory row and no case contradicts the mentioned claims of sufficiency

logically contradictory cases (the "successful" coffee and the "unsuccessful" cocoa in the USA) according to Schneider and Wagemann (2012, p. 126ff) and will not be used for the minimization. Since the fourth row is excluded, the fifth row cannot be included in the minimization, too – even if the outcome occurred and no "logical contradiction" appeared (Schneider & Wagemann, 2012, p. 126ff). This fifth row would have been included in crisp set QCA. The empirical drop of consistency values, which backs a decision about the "consistency cutoff" lies between the third and fourth row (Schneider & Wagemann, 2012, p. 128).

Table 25: Truth table for the analysis of the outcome (Market Penetration) with 5 conditions

ATO	SUPERMARKET_CR	COMPANY_CR	VISIBILITY	FRAMING	Cases	raw cons.	PRI cons.
0	1	1	1	1	coffee_UK, cocoa_UK, bananas_UK	1.000	1.000
1	1	1	1	1	cocoa_Germany, coffee_Austria	0.937	0.870
1	1	1	0	1	coffee_Germany, cocoa_Austria, bananas_Austria, bananas_Germany	0.910	0.847
1	0	1	1	1	coffee_USA, cocoa_USA	0.831	0.649
0	1	1	1	0	sugar_UK	0.829	0.740
1	0	0	0	0	wine_USA, honey_USA	0.505	0.166
1	0	1	0	0	rice_USA, sugar_USA, bananas_USA	0.492	0.150
1	1	1	0	0	honey_Austria, rice_Germany, sugar_Austria, sugar_Germany	0.477	0.167
1	1	0	0	0	wine_Austria, wine_Germany, honey_Germany, rice_Austria	0.448	0.137
0	1	0	0	0	wine_UK, honey_UK, rice_UK	0.436	0.205

source: own estimation, based on the fuzzy set memberships of the 28 cases in Table 18, estimation via fs/QCA2.0 (Ragin et al., 2006)

Therefore, the resulting solution cannot cover two instances of the outcome – sugar in the United Kingdom and coffee in the USA. The first is due to small inconsistencies and the second is due to a logical contradiction. The PRI consistency – the "proportional reduction of inconsistencies" (Schneider & Wagemann, 2012, p. 242) - indicates that the row of coffee_USA and cocoa_USA

refer to "simultaneous subset relations" (Schneider & Wagemann, 2012, p. 241ff)[206]. This row should not be included in the minimization procedure – especially, since the raw consistency and PRI consistency drop in the same row (PRODUCT is not reported, but simply combines both values) (Schneider & Wagemann, 2012, p. 241ff)

The intermediate solution and the complex solution coincide, which indicates that no simplifying assumption can be made which is in line with the directional expectations[207]. If one made all possible simplifying assumptions (five simplifying assumptions are possible), one derives the most parsimonious solution that Framing and Supermarket_CR are both INUS conditions for the outcome Market Penetration (FRAMING*SUPERMARKET_CR → MARKET PENETRATION) with a consistency of 0.917 and a coverage of 0.618. Nevertheless, since counterfactual assumptions require soundness (McKeown, 1999, p. 178; Ragin & Sonnett, 2005; Sekhon, 2004) and no (simplifying) assumption is sound in this case, the complex/intermediate solution is interpreted, only.

Table 26: Complex and intermediate solution for the analysis of the outcome (Market Penetration) with 5 conditions

	Coverage		
Path (Complex / Intermediate Solution)	Raw	Unique	Consistency
1. COMPANY_CR*SUPERMARKET_CR*ATO*FRAMING	0.395	0.146	0.922
2. COMPANY_CR*SUPERMARKET_CR*VISIBILITY*FRAMING	0.445	0.195	0.964
Solution Coverage:	0.591		
Solution Consistency:			0.947

source: own estimation, CAPITAL LETTERS indicate the presence of a condition, consistency cutoff: 0.910314, no simplifying assumptions or decisions with regard to prime implicants required, estimation is based on the fuzzy set memberships of the 28 cases in Table 18, estimation via fs/QCA2.0 (Ragin et al., 2006)

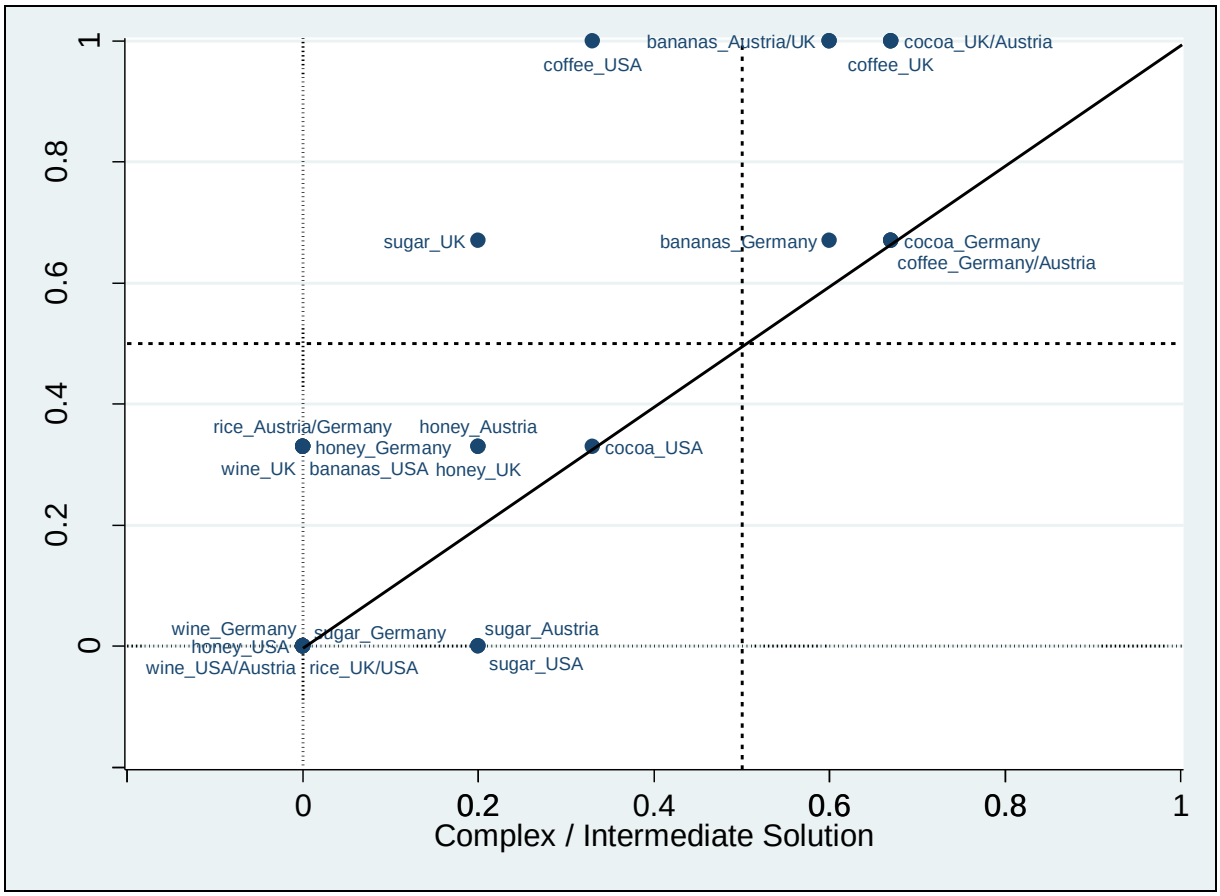
According to this solution, we can distinguish two paths. One is driven by ATOs and Framing and the other driven by the Visibility of single companies and Framing – both paths require incumbents (SUPERMARKET_CR and COMPANY_CR). The first path includes exclusively coffee in Germany, cocoa in Austria, and bananas in Austria and Germany, while the second includes exclusively coffee in the United Kingdom, cocoa in the United Kingdom, and bananas in

[206] This simultaneity is in line with the fact, that one case is an instance of the outcome (coffee_USA), while the other is an instance of the non-outcome (cocoa_USA).

[207] The directional expectations are that Framing, Visibility, and ATO contribute to the outcome with their presence. Supermarket_CR and Company_CR contribute to the outcome in their presence or absence – since both are not equivalent to the theoretical meaningful concept Incumbents, no directional expectations are made at this point.

the United Kingdom. The two paths overlap as the difference between raw and unique coverage indicate. Therefore, coffee in Austria and cocoa in Germany are covered by both paths.

Figure 32: XY plot of the 28 cases in the complex / intermediate solution term and the outcome (Market Penetration) (analysis with 5 conditions)



source: own estimation based on the fuzzy set memberships of the 28 cases in Table 18, complex / intermediate solution can be found in Table 26, figure has been created with scatter command of STATA 13 (StataCorp, 2013)

Figure 32 shows that two instances of the outcome remain unexplained (coffee in the USA and sugar in the United Kingdom) in the top-left corner. Nine instances of the outcome are explained at the top right corner, without even small inconsistencies (cases below the axis and in the top right quadrant). Small inconsistencies occur only in two instances of the non-outcome (sugar in Austria and the USA) at the bottom left quadrant. No logical contradiction (Schneider & Wagemann, 2012, p. 126ff) is used for the minimization – the bottom right quadrant is empty.

The importance of graphical representation stems in part from the fact that certain distributions of cases allow for contradictory statements about asymmetric dependencies – specific kinds of skewness back various paradoxical statements (Cooper & Glaesser, 2011; Schneider & Wagemann, 2012, p. 244ff). The choice among those statements would be arbitrary and illogical

(paradoxes). In some cases, statements of "quasi sufficiency" are possible without any instances of the outcome (Cooper & Glaesser, 2011, p. 6). Thus, the empirical skewness needs an assessment and it is shown that the cases are not only distributed in the "paradox-generating region" (Cooper & Glaesser, 2011, p. 11) or only in one of the regions which allow for arbitrary and paradoxical statements (for an overview: Schneider & Wagemann, 2012, p. 244ff)[208].

5.4.2 Analysis with four Conditions and the Outcome

This solution serves as a starting point for the so called "dialogue between ideas and evidence" (Ragin, 1987, p. 168ff). According to Ragin (1987, p. 168ff), this dialogue encompasses the reformulation and examination of theories with regard to cases and an interpretive focus on the cases with regard to theory. Hence, in this analysis the dialogue is first extended to the concepts.

A closer look at the analysis with regard to the theoretical frame in chapter 2.8 or the hypothesis preceding the analysis (**(**2.8-13**)** on page 81) reveals that neither Supermarket_CR nor Company_CR play any (independent) causal role – given the theory. They are not theorized at all and are only indicators of the concept Incumbents - they should be subsumed under the concept Incumbents (Adcock, 2001). Therefore, Incumbents should occur if the companies and their brands and the final point of sale at the super- and hypermarkets is organized rather oligopolistically or monopolistically. Both indicators are individually necessary and jointly sufficient (Goertz, 2005, p. 38) for Incumbents – given the theoretical framework and without considering the empirical evidence at this point.

The evaluation of the empirical evidence reveals that Supermarket_CR and Company_CR occur together in all explained instances of the outcome (and also in the case of sugar in the United Kingdom). The evidence supports the conceptual argument. Both occur together in all explained instances of the outcome and thus – given the theory and given the evidence – they can be subsumed under one concept.

Finally, chapter 5.2 (Table 23 on page 223) reveals that an empirical dependency between Company_CR and Visibility exist, which hampers the interpretation of QCA and limits the opportunities for sound counterfactual assumptions (see the argument in chapter 5.2). Avoiding this dependency by building higher order concepts (Adcock, 2001, p. 530ff; Goertz, 2005, p. 27ff;

[208] By coincidence, the presented solution is the complex solution term. The "privileged solution term" as argued by Cooper and Glaesser (2011, p. 11) to be on the safer side. Indeed, they continue to argue that sound counterfactual assumptions should be made (Cooper & Glaesser, 2011, p. 11). In this analysis, no simplifying assumption would be sound (in line with the directional expectations) and therefore the intermediate and complex solution coincide, which is not intended by the author.

Mair, 2008, p. 186ff) is regarded as one opportunity to solve this issue – employing Company_CR as a necessary attribute of Incumbents might serve this purpose.

In sum, three arguments can be found to subsume Supermarket_CR and Company_CR under the concept Incumbents. The first and most important is the theoretical role of the two indicators compared to the concept. The second backs this reasoning with empirical evidence and the third demonstrates the additional value (besides the higher degree of parsimony) with regard to the pressing issues of the first analysis.

A second analysis follows in which the number of truth tables is reduced to 2^4 or 16 and Incumbents are used instead of Supermarket_CR and Company_CR. The set membership in the set Incumbents is the minimum of the two sets Supermarket_CR and Company_CR (see Table 13 on page 160). The degree of set membership for the 28 cases is provided in Table 27, which employs the set membership of Table 13 (for the set Incumbents) and Table 18 (for the sets Market_Penetration, ATO, Visibility, and Framing).

Table 27: Degree of set membership in the outcome and in the 4 conditions (fuzzy set scores)

	Market_Penetration (outcome)	ATO	Incumbents	Visibility	Framing
coffee_Austria	0.67	1.00	0.67	0.67	1.00
coffee_Germany	0.67	1.00	0.67	0.33	1.00
coffee_UK	1.00	0.00	0.67	0.67	1.00
coffee_USA	1.00	1.00	0.33	0.67	1.00
cocoa_Austria	1.00	1.00	0.67	0.00	0.80
cocoa_Germany	0.67	1.00	0.67	0.67	0.80
cocoa_UK	1.00	0.00	0.67	1.00	0.80
cocoa_USA	0.33	1.00	0.33	0.67	0.80
wine_Austria	0.00	1.00	0.00	0.00	0.00
wine_Germany	0.00	1.00	0.00	0.33	0.20
wine_UK	0.33	0.00	0.00	0.33	0.40
wine_USA	0.00	1.00	0.33	0.00	0.00
honey_Austria	0.33	1.00	0.67	0.00	0.20
honey_Germany	0.33	1.00	0.33	0.00	0.00
honey_UK	0.33	0.00	0.33	0.33	0.20
honey_USA	0.00	1.00	0.33	0.00	0.00
rice_Austria	0.33	1.00	0.33	0.00	0.00
rice_Germany	0.33	1.00	0.67	0.33	0.00
rice_UK	0.00	0.00	0.33	0.33	0.00
rice_USA	0.00	1.00	0.33	0.33	0.00
sugar_Austria	0.00	1.00	0.67	0.00	0.20
sugar_Germany	0.00	1.00	0.67	0.00	0.00
sugar_UK	0.67	0.00	0.67	0.67	0.20
sugar_USA	0.00	1.00	0.33	0.33	0.20
bananas_Austria	1.00	1.00	0.67	0.33	0.60
bananas_Germany	0.67	1.00	0.67	0.33	0.60
bananas_UK	1.00	0.00	0.67	0.67	0.60
bananas_USA	0.33	1.00	0.33	0.33	0.00

source: own estimation, raw data and calibration procedure can be found in chapter 4.2 and chapter 4.3, degree of set membership is summarized in Table 13 (for the set Incumbents) and Table 18 (for the sets Market_Penetration, ATO, Visibility, and Framing)

Firstly, one has to check, whether the existing dependency to Visibility vanished (chapter 5.2) and if no new dependency occurred due to the new concept. Since dependencies might go in different directions among the concepts, a necessity of Incumbents for concept A could indicate a sufficiency of concept A for Incumbents – any consistency value higher than 0.8 needs to be evaluated. The dependencies between the other sets have already been evaluated and remain unchanged (see Table 23 on page 223).

Table 28: Evaluating deterministic dependencies / subset- and superset relations among the set Incumbents and the remaining 3 conditions

	INCUMBENTS		~INCUMBENTS	
	necessary	sufficient	necessary	sufficient
ATO	0.46	0.74	0.54	0.76
~ATO	0.48	0.26	0.52	0.24
FRAMING	0.71	0.58	0.56	0.39
~FRAMING	0.48	0.64	0.68	0.79
VISIBILITY	**0.82**	0.59	0.75	0.46
~VISIBILITY	0.57	**0.82**	0.71	**0.89**

source: own estimation, only consistency values reported, estimation based on the fuzzy set memberships of the 28 cases in Table 18 and , estimation via fs/QCA2.0 (Ragin et al., 2006)

At first sight, the dependencies between Incumbents / Company_CR and Visibility persisted – the consistency values of higher than 0.8 indicate that Incumbents are necessary for Visibility (0.82), Incumbents are sufficient for ~Visibility (0.82), and ~Incumbents are sufficient for ~Visibility (0.89) (INCUMBENTS ← VISIBILITY, INCUMBENTS → ~VISIBILITY, ~INCUMENTS → ~VISIBILITY) (Table 28). In contrast to the analysis with Company_CR in Table 23, logical contradictions (Schneider & Wagemann, 2012, p. 126ff) now occur in these relationships – coffee and cocoa in the USA contradict these statements. The perfect dependency vanished and the issue of chapter 5.2 is resolved. In contrast to Company_CR, the concept Incumbents is not necessary for the concept Visibility.

The analysis of the truth table will now follow after the analysis of dependencies and necessary conditions.

Table 29: Truth table for the analysis of the outcome (Market Penetration) with 4 conditions

ATO	INCUMBENTS	VISIBILITY	FRAMING	Cases	raw cons.	PRI cons.
0	1	1	1	coffee_UK, cocoa_UK, bananas_UK	1.000	1.000
1	1	1	1	cocoa_Germany, coffee_Austria	0.937	0.870
1	1	0	1	coffee_Germany, cocoa_Austria, bananas_Austria, bananas_Germany	0.910	0.847
0	1	1	0	sugar_UK	0.829	0.740
1	0	1	1	coffee_USA, cocoa_USA	0.782	0.575
0	0	0	0	wine_UK, honey_UK, rice_UK	0.508	0.205
1	1	0	0	honey_Austria, rice_Germany, sugar_Austria, sugar_Germany	0.477	0.167
1	0	0	0	wine_Austria, wine_Germany, wine_USA, honey_Germany, honey_USA, rice_Austria, rice_USA, sugar_USA, bananas_USA	0.326	0.081

source: own estimation, based on the fuzzy set memberships of the 28 cases in Table 27, estimation via fs/QCA2.0 (Ragin et al., 2006)

From the 2^4 or 16 potential truth table rows, eight are populated with empirical cases. Four rows include 10 instances of the outcome, three rows include 16 cases in which the non-outcome occurred, and one row includes contradictions – one instance of the outcome and one of the non-outcome.

With regard to the first three truth table rows, virtually no changes can be detected – the same cases are covered and the consistency and coverage values remained the same. The empirical gap lies again between the third and the fourth row. But, compared to the first analysis in chapter 5.4.1, the fourth truth table row is not a logical contradiction but only a row with inconsistencies (Schneider & Wagemann, 2012, p. 126ff) – it is populated by one consistent case (sugar_UK), which is an instance of the outcome. Therefore, this row is regarded as consistent enough (consistency of higher than 0.75 (Schneider & Wagemann, 2012, p. 129) without being logically contradictory) and used for the minimization[209]. All four rows do not have "simultaneous subset relations" – as the PRI consistency indicates (Schneider & Wagemann, 2012, p. 241ff). The fifth

[209] Please note that this decision affects the results. If only the first three rows were employed, the first and the second analysis would yield the same result. Due to this decision, Framing loses its status as an INUS condition in the second path. While the first path remains the same, the second path changes.

row shows logical contradictions and "simultaneous subset relations" (a low PRI consistency) – it is not employed for minimization. This row is populated by the two contradictions.

The minimization leads to the following intermediate solution term (Table 30)[210]:

Table 30: Intermediate solution for the analysis of the outcome (Market Penetration) with 4 conditions

	Coverage		
Path (Intermediate Solution)	Raw	Unique	Consistency
1. INCUMBENTS*ATO*FRAMING	0.395	0.146	0.922
2. INCUMBENTS*VISIBILITY	0.556	0.306	0.871
Solution Coverage:	0.701		
Solution Consistency:			0.876

source: own estimation, CAPITAL LETTERS indicate the presence of a condition, Consistency Cutoff: 0.829016, one simplifying assumptions is employed (ATO*INCUMBENTS*VISIBILITY*~FRAMING), no decisions with regard to prime implicants required, directional expectations: ATO, INCUMBENTS, VISIBILITY and FRAMING contribute to the outcome in their presence, estimation is based on the fuzzy set memberships of the 28 cases in Table 27 on page 234, estimation via fs/QCA2.0 (Ragin et al., 2006)

The first path includes exclusively coffee in Germany, cocoa in Austria, and bananas in Austria and Germany, while the second includes exclusively coffee, cocoa, bananas, and sugar in the United Kingdom. Coffee in Austria and cocoa in Germany are covered by both paths. Besides sugar in the United Kingdom, the same cases are covered by the two paths. The differences to the (most) parsimonious (Table 32) and complex solution (Table 31) are rather minor and refer to the causal role of ATOs – the complex solution grants the absence of ATO the causal role of an INUS condition in the second path (Table 31), while the parsimonious solution excludes the presence of ATOs in the first path (Table 32) – two simplifying assumptions are possible (ATO*INCUMBENTS*VISIBILITY*~FRAMING and ~ATO*~VISIBILITY*INCUMBENTS* FRAMING) of which only the first is employed for the intermediate solution, while the parsimonious solution employs both. The complex solution leads to two exclusively disjunct paths (raw coverage=unique coverage) (Table 31), while the parsimonious solution increases the overlap between the two paths (Table 32). The hesitation to make the crucial simplifying assumption for the intermediate solution would artificially separate the two paths to the outcome

[210] If one dichotomized the data into crisp sets and analyzed the data with the same simplifying assumptions (consistency cutoff: 1, data in Table 19 on page 236), the results for all three solutions of this csQCA are identical to the results presented, despite, the exact values for consistency and coverage. Therefore, the results are not affected by the choice for fsQCA instead of csQCA. According to Schneider and Wagemann, fsQCA produces more conservative results (Schneider & Wagemann, 2012, p. 277) than csQCA and a direct comparison is misleading and redundant (Ragin, 2008b, p. 138ff; Schneider & Wagemann, 2012, p. 191f). Consequently, the csQCA analysis is not presented and discussed in detail. Nonetheless, the fact that more (fsQCA) and less conservative analyses (csQCA) yield identical results (besides consistency and coverage values) backs the findings.

and provide a better fit to the theory. Nevertheless, granting the absence of ATOs a causal role is regarded as not compelling, while tempting. If the evidence suggests an overlap between the two paths, so be it.

Table 31: Complex solution for the analysis of the outcome (Market Penetration) with 4 conditions

	Coverage		
Path (Complex Solution)	Raw	Unique	Consistency
1. INCUMBENTS*ATO*FRAMING	0.395	0.395	0.922
2. INCUMBENTS*~ATO*VISIBILITY	0.251	0.251	0.901
Solution Coverage:	0.646		
Solution Consistency:			0.914

source: own estimation, CAPITAL LETTERS indicate the presence of a condition, "~" indicates the absence of a condition, consistency cutoff: 0.829016, no decisions with regard to prime implicants required, no simplifying assumption is employed, estimation is based on the fuzzy set memberships of the 28 cases in Table 27 on page 234, estimation via fs/QCA2.0 (Ragin et al., 2006)

Table 32: Parsimonious solution for the analysis of the outcome (Market Penetration) with 4 conditions

	Coverage		
Path (Parsimonious Solution)	Raw	Unique	Consistency
1. INCUMBENTS*FRAMING	0.591	0.146	0.947
2. INCUMBENTS*VISIBILITY	0.556	0.111	0.871
Solution Coverage:	0.701		
Solution Consistency:			0.876

source: own estimation, CAPITAL LETTERS indicate the presence of a condition, consistency cutoff: 0.829016, two simplifying assumptions are employed (ATO*INCUMBENTS*VISIBILITY*~FRAMING and ~ATO*~VISIBILITY*INCUMBENTS*FRAMING), no decisions with regard to prime implicants required, estimation is based on the fuzzy set memberships of the 28 cases in Table 27 on page 234, estimation via fs/QCA2.0 (Ragin et al., 2006)

Any solution yields two equifinal paths. According to Ragin (2009, p. 111), the intermediate solution (Table 30) should be at the heart of interpretations. It allows for the following interpretation:

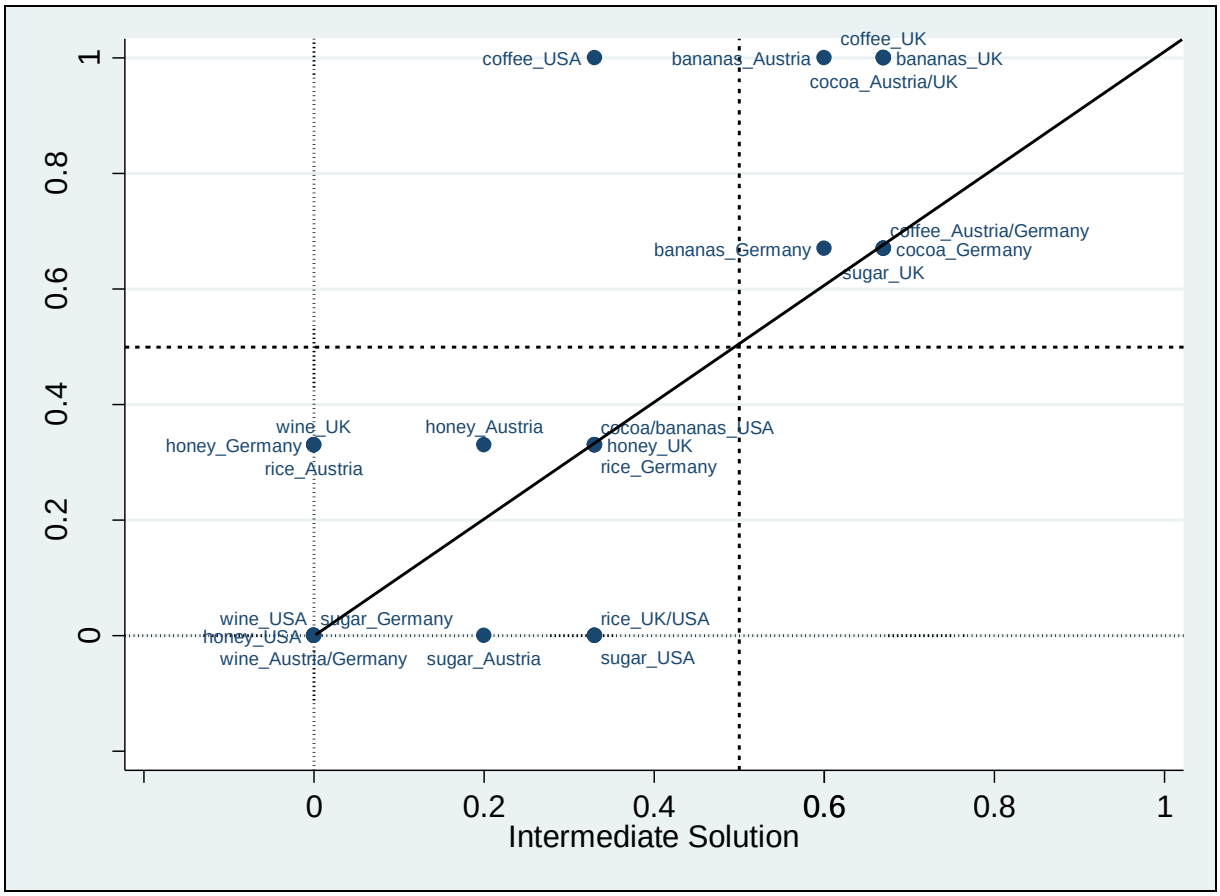
If a product category in a respective national setting is framed in the national media (Framing), the product market has strong incumbents at the two last stages of the supply chain (brands by strong companies and super- and hypermarkets) (Incumbents), and ATOs offer a strong organizational base for grass roots activity since they have a high weight compared to

commercial business activity with regard to Fair Trade retailing (ATO), Fair Trade reaches a high degree of market penetration – a perceptible market segment evolves (Market Penetration). The intersection of strong incumbents, ATOs, and Framing is sufficient for the transformation of markets in the case of Fair Trade (Path 1). This is evident in the cases of coffee, cocoa, and bananas in Germany and Austria.

If a product market has strong incumbents at the two last stages of the supply chain (brands by strong companies and super- and hypermarkets) (Incumbents), and single commercial firms gain a high share of the attention in the discourse surrounding Fair Trade retailing of the respective product (Visibility), Fair Trade reaches a high degree of market penetration – a perceptible market segment evolves (Market Penetration). The intersection of incumbents and visibility is sufficient for the transformation of markets in the case of Fair Trade (Path 2). This is evident in the cases of coffee, cocoa, bananas, and sugar in the United Kingdom, as well as coffee in Austria and cocoa in Germany. Coffee in Austria and cocoa in Germany are overdetermined (for a general discussion: Sider, 2003)– they are covered by both paths.

According to Figure 33, issues referring to paradoxes did not appear (Cooper & Glaesser, 2011; Schneider & Wagemann, 2012, p. 244ff) and that one case remains unexplained – logical contradictions (Schneider & Wagemann, 2012, p. 126ff) do not occur (are not included in the minimization procedure), while small inconsistencies can be detected for sugar (in Austria and the USA) and rice (in the USA and in the United Kingdom). Ten instances of the outcome are explained in the top right corner, without even small inconsistencies (cases below the axis and in the top right quadrant).

Figure 33: XY plot of the 28 cases in the intermediate solution term and the outcome (Market Penetration) (analysis with 4 conditions)



source: own estimation based on the fuzzy set memberships of the 28 cases in Table 27 on page 234, intermediate solution can be found in Table 30, figure has been created with scatter command of STATA 13 (StataCorp, 2013)

The analysis would provide the best fit to the theory if the rather inconsistent row (sugar in the United Kingdom) (Table 29 on page 236) would be excluded and if the simplifying assumption for the intermediate solution (Table 30 on page 237) would not have been made – theory and evidence would perfectly coincide, while two instances of the outcome would remain uncovered. Here, it is regarded as crucial to provide the solutions indicated by the evidence for the evaluation of the theoretical argument. The noisiness of the evidence (overdetermination because of the overlapping paths and causal redundancies of framing in the case of sugar in the United Kingdom) are retained.

5.4.3 The Evaluation of the theoretical arguments for the Outcome

In chapter 2.8, two paths were hypothesized to be sufficient for market penetration and those can be directly assessed after QCA is applied in the usual manner. This approach is similar to the

assessment of sufficiency for single conditions and single conjuncts in the article of Young and Park (2013, p. 571f). Therefore, both hypothesized paths are calibrated into one set, each. Then, their sufficiency as single sets are evaluated in the usual manner. The set Social_Movements consist of the minimum of fuzzy set memberships of the sets Incumbents, ATO, and Framing (INUMBENTS*ATO*FRAMING) and the set Institutional_Entrepreneurs consists of the minimum set memberships of Visibility, Framing, and Incumbents (INCUMBENTS*VISIBILITY*FRAMING)[211]. The set membership is assigned as follows:

[211] Even if Framing is not regarded as an INUS condition for the second path in chapter 5.4.2, it is still part of the first hypothesis formulated in chapter 2.8 and assessed accordingly.

Table 33: Degree of set membership in the outcome, in the 4 conditions, and in the two hypothesized paths to the outcome: (Incumbents ∧ Faming ∧ ATO) ∨ (Incumbents ∧ Framing ∧ Visibility) (fuzzy set scores)

	Market Penetration (outcome)	ATO	Incumbents	Visibility	Framing	Path 1: Social Movements	Path 2: Institutional Entrepreneurs
coffee_Austria	0.67	1.00	0.67	0.67	1.00	0.67	0.67
coffee_Germany	0.67	1.00	0.67	0.33	1.00	0.67	0.33
coffee_UK	1.00	0.00	0.67	0.67	1.00	0.00	0.67
coffee_USA	1.00	1.00	0.33	0.67	1.00	0.33	0.33
cocoa_Austria	1.00	1.00	0.67	0.00	0.80	0.67	0.00
cocoa_Germany	0.67	1.00	0.67	0.67	0.80	0.67	0.67
cocoa_UK	1.00	0.00	0.67	1.00	0.80	0.00	0.67
cocoa_USA	0.33	1.00	0.33	0.67	0.80	0.33	0.33
wine_Austria	0.00	1.00	0.00	0.00	0.00	0.00	0.00
wine_Germany	0.00	1.00	0.00	0.33	0.20	0.00	0.00
wine_UK	0.33	0.00	0.00	0.33	0.40	0.00	0.00
wine_USA	0.00	1.00	0.33	0.00	0.00	0.00	0.00
honey_Austria	0.33	1.00	0.67	0.00	0.20	0.20	0.00
honey_Germany	0.33	1.00	0.33	0.00	0.00	0.00	0.00
honey_UK	0.33	0.00	0.33	0.33	0.20	0.00	0.20
honey_USA	0.00	1.00	0.33	0.00	0.00	0.00	0.00
rice_Austria	0.33	1.00	0.33	0.00	0.00	0.00	0.00
rice_Germany	0.33	1.00	0.67	0.33	0.00	0.00	0.00
rice_UK	0.00	0.00	0.33	0.33	0.00	0.00	0.00
rice_USA	0.00	1.00	0.33	0.33	0.00	0.00	0.00
sugar_Austria	0.00	1.00	0.67	0.00	0.20	0.20	0.00
sugar_Germany	0.00	1.00	0.67	0.00	0.00	0.00	0.00
sugar_UK	0.67	0.00	0.67	0.67	0.20	0.00	0.20
sugar_USA	0.00	1.00	0.33	0.33	0.20	0.20	0.20
bananas_Austria	1.00	1.00	0.67	0.33	0.60	0.60	0.33
bananas_Germany	0.67	1.00	0.67	0.33	0.60	0.60	0.33
bananas_UK	1.00	0.00	0.67	0.67	0.60	0.00	0.60
bananas_USA	0.33	1.00	0.33	0.33	0.00	0.00	0.00

source: own estimation, raw data and calibration procedure can be found in chapter 4.2 and chapter 4.3, degree of set membership is summarized in Table 13 (for the set Incumbents) and Table 18 (for the sets Market_Penetration, ATO, Visibility, and Framing), the set Social Movements is estimated as the minimum of the degree of set membership in the sets ATO, Framing, and Incumbents, the set Institutional Entrepreneurs is estimated as the minimum of the degree of set memberships in the sets Visibility, Framing, and Incumbents

The analysis of sufficiency for those two conditions – each of them referring to one of the two hypothesized paths yield the following truth table with 2^2 or 4 truth table rows:

Table 34: Truth table for the analysis of the outcome (Market Penetration) with the hypothesized equifinal paths (Social Movements and Institutional Entrepreneurs) as single conditions

Social Movements	Institutional Entrepreneurs	Cases	raw cons.	PRI cons.
0	1	coffee_UK, cocoa_UK, bananas_UK	0.959	0.929
1	1	cocoa_Germany, coffee_Austria	0.937	0.870
1	0	coffee_Germany, cocoa_Austria, bananas_Austria, bananas_Germany	0.910	0.847
0	0	sugar_UK, coffee_USA, cocoa_USA, wine_UK, honey_UK, rice_UK, honey_Austria, rice_Germany, sugar_Austria, sugar_Germany, wine_Austria, wine_Germany, wine_USA, honey_Germany, honey_USA, rice_Austria, rice_USA, sugar_USA, bananas_USA	0.349	0.177

source: own estimation, raw data and calibration procedure can be found in chapter 4.2 and chapter 4.3, degree of set membership is summarized in Table 33, the set Social Movements is estimated as the minimum of the degree of set membership in the sets ATO, Framing, and Incumbents, the set Institutional Entrepreneurs is estimated as the minimum of the degree of set memberships in the sets Visibility, Framing, and Incumbents, no cell in the truth table is empty, therefore no simplifying assumptions possible, estimation via fs/QCA2.0 (Ragin et al., 2006)

All rows are populated, and as can be seen, the hypothesis is supported by the data[212] – market penetration occurs if either the Social Movements or Institutional Entrepreneurs, or both, are present. All cases of the non-outcome are characterized by the absence of both paths – while two cases (coffee in the USA and sugar in the United Kingdom) remain unexplained since they do not show the hypothesized paths, but the outcome.

[212] Schneider and Wagemann argue that set relational methods and QCA in particular are "inductive in spirit" (Schneider & Wagemann, 2012, p. 295). "Given the incompatibility between the principles and practices of set theory based research, on the one hand, and hypotheses testing on the other" (Schneider & Wagemann, 2012, p. 297), they propose to estimate the intersections between theory and evidence in crisp set QCA in line with Ragin (1987, p. 118ff). They distinguish most- and least likely cases, i.e. covered most likely, inconsistent most likely, covered least likely, inconsistent least likely, uncovered most likely, consistent most likely cases, uncovered least likely, and consistent least likely cases (Schneider & Wagemann, 2012, p. 301ff). This incompatibility stems from the fact that the hypotheses are based on case based reasoning and the empirical evidence at hand and that the researcher moves back and forth from ideas and evidence – cases and conditions are dropped, added, or even changed and re-conceptualized (Schneider & Wagemann, 2012, p. 296). This, in fact, would hamper any account for theory evaluation. While chapter 2.8 allowed for the inclusion of idiosyncratic conditions, a rather deductive approach has been employed and the conditions were not altered at or after the analytical moment (besides the concept building of Incumbents). Instead of "initial hunches" (Schneider & Wagemann, 2012, p. 295) to select relevant conditions, the INUS conditions, their causal role, and their interplay have been formulated in advance. While a strict test of the theory is not at the heart of this thesis, an evaluation of the theoretical ideas – firstly, with the solution terms and, finally, with regard to some chosen cases seems appropriate – especially since deduction is required in the application of QCA to sub-populations of whole populations (Hug, 2013).

The consistency value of sufficiency supports the theory, as well. Since the truth table is fully populated, no differences between complex, intermediate, and parsimonious solution can appear - no simplifying assumption is possible:

Table 35: Complex / intermediate / parsimonious solution for the analysis of the outcome (Market Penetration) with the hypothesized equifinal paths (Social Movements and Institutional Entrepreneurs) as single conditions

	Coverage		
Path (Complex / Intermediate / Parsimonious Solution)	Raw	Unique	Consistency
1. SOCIAL MOVEMENTS	0.395	0.146	0.922
2. INSTITUTIONAL ENTREPRENEURS	0.445	0.195	0.964
Solution Coverage:	0.591		
Solution Consistency:			0.947

source: own estimation, CAPITAL LETTERS indicate the presence of a condition, consistency cutoff: 0.910314, no simplifying assumptions is employed, no decisions with regard to prime implicants required, degree of set membership is summarized in Table 33 and truth table can be found in Table 34, the set Social Movements is estimated as the minimum of the degree of set membership in the sets ATO, Framing, and Incumbents, the set Institutional Entrepreneurs is estimated as the minimum of the degree of set memberships in the sets Visibility, Framing, and Incumbents, no cell in the truth table is empty, therefore no simplifying assumptions possible, estimation via fs/QCA2.0 (Ragin et al., 2006)

In sum, the hypothesis of chapter 2.8 is supported by the empirical evidence, while two cases (coffee in the USA and sugar in the United Kingdom) lie out of the scope of the theory and require additional explanations. Two (overlapping) paths are sufficient for the outcome – one driven by social movements, the other driven by institutional entrepreneurs.

5.5 fsQCA of a Low Degree of Market Penetration

In accordance with the "Standards of Good Practice" by Schneider and Wagemann (2010, p. 408f; 2012, p. 279f) and Mello (2013, p. 13f), the negation of the outcome is analyzed separately – with regard to sufficiency in a rather inductive manner and with regard to necessity (in this case SUIN-conditions[213]) in a deductive manner[214]. Therefore, at least two analyses are undertaken for the non-outcome. First, an analysis of INUS-causes yields one path to the outcome (for the intermediate and parsimonious solution), while SUIN-causes are analyzed separately. This

[213] With reference to Mackie's (1965) conception of INUS conditions, Mahoney et al (2009, p. 126) define a SUIN cause as "a *sufficient* but *unnecessary* part of a factor that is *insufficient* but *necessary* for an outcome. SUIN causes treat defining constitutive features of a necessary cause as causes themselves."

[214] The analysis of necessity for single conditions and the outcome and the non-outcome can be found in Table 24 on page 260 and is not repeated, here.

analysis of SUIN-causes is exclusively employed for the non-outcome, since theoretical predictions have been derived for the non-outcome (in chapter 2.8), only. In the analysis of SUIN-causes and necessity, a special emphasis is granted to the issue of skewness (Schneider & Wagemann, 2012, p. 233ff) and a particular type of "aggregation bias" (Braumoeller, 2016).

5.5.1 Analysis with four Conditions and the Non-Outcome

The data table for the analysis of the non-outcome corresponds to the values in in Table 27 on page 234 with the minor adjustment that the degree of membership in the non-outcome is given by the negation of the membership in the outcome (degree of membership(Non-Market Penetration) = 1 - degree of membership(Market_Penetration)). The degree of membership is presented in Table 36. The analysis of sufficiency follows in Table 37, Table 38, Table 39, and Figure 34. The conceptual decision with regard to Incumbents is retained – given the argument in chapter 5.4.2, Incumbents are analyzed instead of Supermarket_CR and Company_CR.

Table 36: Degree of set membership in the non-outcome and in the 4 conditions (fuzzy set scores)

	Non-Market_Penetration (non-outcome)	ATO	Incumbents	Visibility	Framing
coffee_Austria	0.33	1.00	0.67	0.67	1.00
coffee_Germany	0.33	1.00	0.67	0.33	1.00
coffee_UK	0.00	0.00	0.67	0.67	1.00
coffee_USA	0.00	1.00	0.33	0.67	1.00
cocoa_Austria	0.00	1.00	0.67	0.00	0.80
cocoa_Germany	0.33	1.00	0.67	0.67	0.80
cocoa_UK	0.00	0.00	0.67	1.00	0.80
cocoa_USA	0.67	1.00	0.33	0.67	0.80
wine_Austria	1.00	1.00	0.00	0.00	0.00
wine_Germany	1.00	1.00	0.00	0.33	0.20
wine_UK	0.67	0.00	0.00	0.33	0.40
wine_USA	1.00	1.00	0.33	0.00	0.00
honey_Austria	0.67	1.00	0.67	0.00	0.20
honey_Germany	0.67	1.00	0.33	0.00	0.00
honey_UK	0.67	0.00	0.33	0.33	0.20
honey_USA	1.00	1.00	0.33	0.00	0.00
rice_Austria	0.67	1.00	0.33	0.00	0.00
rice_Germany	0.67	1.00	0.67	0.33	0.00
rice_UK	1.00	0.00	0.33	0.33	0.00
rice_USA	1.00	1.00	0.33	0.33	0.00
sugar_Austria	1.00	1.00	0.67	0.00	0.20
sugar_Germany	1.00	1.00	0.67	0.00	0.00
sugar_UK	0.33	0.00	0.67	0.67	0.20
sugar_USA	1.00	1.00	0.33	0.33	0.20
bananas_Austria	0.00	1.00	0.67	0.33	0.60
bananas_Germany	0.33	1.00	0.67	0.33	0.60
bananas_UK	0.00	0.00	0.67	0.67	0.60
bananas_USA	0.67	1.00	0.33	0.33	0.00

source: own estimation, raw data and calibration procedure can be found in chapter 4.2 and chapter 4.3, degree of set membership is summarized in Table 13 (for the set Incumbents) and Table 18 (for the sets Market_Penetration, ATO, Visibility, and Framing), Non-Market_Penetration corresponds to the negation of Market Penetration (1-Market_Penetration)

Table 37: Truth table for the analysis of the non-outcome (Non-Market Penetration) with 4 conditions

ATO	INCUMBENTS	VISIBILITY	FRAMING	Cases	raw cons.	PRI cons.
1	0	0	0	wine_Austria, wine_Germany, wine_USA, honey_Germany, honey_USA, rice_Austria, rice_USA, sugar_USA, bananas_USA	0.941	0.9192
1	1	0	0	honey_Austria, rice_Germany, sugar_Austria, sugar_Germany	0.895	0.833
0	0	0	0	wine_UK, honey_UK, rice_UK	0.873	0.795
1	0	1	1	coffee_USA, cocoa_USA	0.705	0.425
1	1	1	1	cocoa_Germany, coffee_Austria	0.580	0.130
0	1	1	0	sugar_UK	0.513	0.260
1	1	0	1	coffee_Germany, cocoa_Austria, bananas_Austria, bananas_Germany	0.505	0.153
0	1	1	1	coffee_UK, cocoa_UK, bananas_UK	0.171	0.000

raw data and calibration procedure can be found in chapter 4.2 and chapter 4.3, degree of set membership is summarized in Table 36, estimation via fs/QCA2.0 (Ragin et al., 2006)

A look at the truth table (Table 37) reveals that the first three rows include all instances of the non-outcome (besides cocoa in the USA) and high raw and PRI consistencies. The fourth row includes the two logical contradictions (coffee and cocoa in the USA), a low raw consistency value of 0.705 (according to Ragin (2008d) and Schneider and Wagemann (2010, p. 406; 2012, p. 278f), the lowest acceptable consistency cutoff is about 0.75). The truth table row has simultaneous subset relations (also due to the logical contradictions) and, accordingly, a very low PRI-consistency of 0.425. The fifth to the eighth row include all cases of the outcome (besides coffee in the USA). Thus, only the first three rows are minimized.

Table 38: Intermediate and parsimonious solution for the analysis of the non-outcome (Non-Market Penetration) with 4 conditions

	Coverage		
Path (Intermediate / Parsimonious Solution)	Raw	Unique	Consistency
~VISIBILITY*~FRAMING	0.822	0.822	0.880
Solution Coverage:	0.822		
Solution Consistency:			0.880

source: own estimation, CAPITAL LETTERS without "~" indicate the presence of a condition, "~" indicates the absence of a condition, consistency cutoff: 0.873077, no decisions with regard to prime implicants required, one simplifying assumptions is employed (~ATO*~VISIBILITY*~FRAMING*INCUMBENTS), directional expectations: ~ATO (absent), ~INCUMBENTS (absent), ~VISIBILITY (absent), and ~FRAMING (absent) contribute to the non-outcome in their absence, degree of set membership is summarized in Table 36, truth table can be found in Table 37, estimation via fs/QCA2.0 (Ragin et al., 2006)

The intermediate solution and the parsimonious solution coincide, which indicates that all possible counterfactual assumptions, which are simplifying, are also in line with the theoretical argument outlined in the directional expectations. Indeed, the pool of potential simplifying assumptions consists of one empty truth table row, which happens to be in line with the directional expectations.

A pressing issue at this point is to evaluate the tenability of this assumption – the simplifying assumptions for the outcome and the non-outcome should not overlap and be exclusively disjunct (Schneider & Wagemann, 2012, p. 203ff; Yamasaki & Rihoux, 2009, p. 136ff)[215]. Intersecting the results for the outcome and the non-outcome is one opportunity to detect this overlap – the solution formulas for the outcome and the non-outcome should be exclusively disjunct and the intersection should be empty (Yamasaki & Rihoux, 2009, p. 136f) if no contradictory row and no simplifying assumptions contribute to both the outcome and the non-outcome. If the parsimonious solution for the outcome and the parsimonious solution for the non-outcome are exclusively disjunct, any of their subsets have to be exclusively disjunct (intermediate and complex solution term) as well. The intersection of the parsimonious solution term for the outcome (INCUMBENTS*(VISIBILIY+FRAMING)) and the non-outcome (~VISIBILITY*~FRAMING) is empty. A closer look at the respective simplifying assumptions (Table 30 on page 237, Table 32 on page 238, and Table 38 on page 248) reveals the same picture:

[215] Please note that simplifying assumptions are counterfactual assumptions about combinations of conditions, which do not occur empirically. Employing the same simplifying assumption – the same counterfactual case – in the analysis of the outcome and the non-outcome creates contradictions. It would mean that a counterfactual leads to the outcome and the non-outcome at the same time. Those are called "contradictory (simplifying) assumptions" (Schneider & Wagemann, 2012, p. 198; Yamasaki & Rihoux, 2009, p. 136ff).

Not only the employed simplifying assumptions (for the intermediate solution) are disjunct, but the whole pools of potential simplifying assumptions for the outcome and the non-outcome are exclusively disjunct and do not overlap.

Table 39: Complex solution for the analysis of the non-outcome (Non-Market Penetration) with 4 conditions

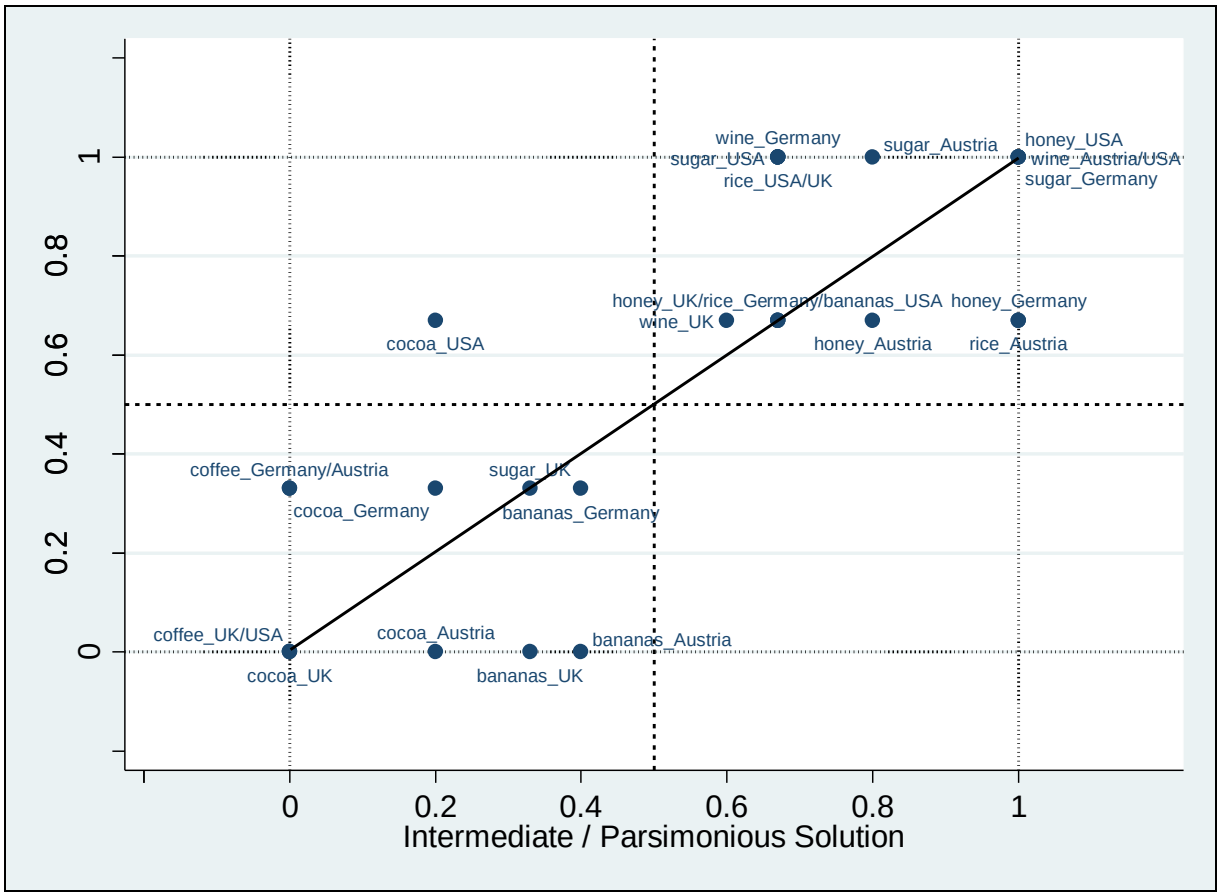
	Coverage		
Path (Complex Solution)	Raw	Unique	Consistency
1. ~INCUMBENTS*~VISIBILITY*~FRAMING	0.667	0.142	0.926
2. ATO*~VISIBILITY*~FRAMING	0.680	0.155	0.882
Solution Coverage:	0.822		
Solution Consistency:			0.880

source: own estimation, CAPITAL LETTERS without "~" indicate the presence of a condition, "~" indicates the absence of a condition, consistency cutoff: 0.873077, no decisions with regard to prime implicants required, no simplifying assumptions employed, degree of set membership is summarized in Table 36, truth table can be found in Table 37, estimation via fs/QCA2.0 (Ragin et al., 2006)

The complex solution detects two paths of which the one path of the intermediate/parsimonious solution is a perfect superset. Due to the employed simplifying assumptions, ATO loses its decisive role as an INUS condition as well as ~INCUMBENTS. The irrelevance of the presence of ATOs is in line with the directional expectations, while the role of the absence of ~INCUMBENTS is not. Nevertheless, besides the fact that the simplifying assumption allows for both, ~INCUMBENTS has to be redundant if we minimized only the second paths of which ~INCUMBENTS*~VISIBILITY*~FRAMING is a perfect subset – ~INCUMBENTS is not a "counterfactual-" (Grynaviski, 2013, p. 824) or "Boolean difference maker" (Baumgartner, 2015, p. 844) for the non-outcome.

The intermediate/parsimonious solution shows a high coverage (0.822) and consistency (0.880) and demonstrates that the absence of Visibility and the absence of Framing are together sufficient for Non-Market Penetration. Both are INUS conditions, and no equifinality has been detected in this analysis of the non-outcome.

Figure 34: XY plot of the 28 cases in the intermediate and parsimonious solution term and the non-outcome (Non-Market Penetration) (analysis with 4 conditions)



source: own estimation based on the fuzzy set memberships of the 28 cases in Table 38, intermediate / parsimonious solution can be found in Table 38, figure has been created with scatter command of STATA 13 (StataCorp, 2013)

Figure 34 shows that paradoxical statements (Cooper & Glaesser, 2011; Schneider & Wagemann, 2012, p. 244ff) are not an apparent issue in the analysis and no "logical contradiction" (Schneider & Wagemann, 2012, p. 126ff) occurs. 16 of 17 instances of the non-outcome are explained by the non-occurrence of Framing and the non-occurrence of Visibility – the contradictory case cocoa in the USA remains unexplained. Nevertheless, many small inconsistencies occur. In four instances of the outcome (Market Penetration), the set membership in the solution for the non-outcome is higher than the set membership in the non-outcome at the bottom left corner, below the axis (bananas in Austria and the United Kingdom and cocoa in Austria). In addition, in six instances of the non-outcome, at the top right corner and below the axis, the set membership in the solution is higher than the set membership in the non-outcome (honey in Austria, Germany, and the United Kingdom, rice in Austria and Germany, and bananas in the USA). With regard to the formulated hypothesis 3 for the non-outcome ((2.8-18) on page 86), the complex / intermediate solution reveals a higher degree of parsimony and, at the same time, no single sufficient

condition. The hypothesis presumed that either ~INCUMBENTS or ~FRAMING are individually sufficient, and that ~ATO and ~VISIBILITY are INUS conditions for the non-outcome.

(5.5-1) $(\sim\mathbf{INCUMBENTS} + \sim\mathbf{FRAMING} + \sim\mathbf{ATO} * \sim\mathbf{VISIBILITY} \rightarrow \sim\mathbf{MARKET\_PENETRATION}$

(reformulated hypothesis 3)

In contrast, one single combination of INUS conditions (~VISIBILITY and ~FRAMING) is sufficient for the non-outcome. Therefore, ~VISIBILITY is empirically supported as an INUS condition and ~FRAMING appears to be an INUS condition instead of being individually sufficient. Given the evidence, ~INCUMBENTS are not important for an explanation of the non-outcome. The complex solution indicates that ~ATO are not only irrelevant, but that the negation of ~ATO (ATO) is a potential INUS condition for the outcome. Non-Visibility in concert with Non-Framing are sufficient for the Non-Outcome. All instances of the non-outcome are characterized by a lack of discourse (Framing) and accordingly lack visible exemplars within this discourse (Visibility).

5.5.2 Evaluating SUIN-conditions for the Non-Outcome

The hypothesis for the SUIN conditions has been formulated in (2.8-17) (in chapter 2.8) and simply state that the inclusive disjunct of all four conditions is necessary. Since this test is not very strict, an inductive assessment of all potential combinations of SUIN-conditions is done as well – this includes the theoretically derived combination of SUIN causes. Only the theoretically relevant negations are tested[216]. Single necessary conditions have already been gauged in Table 24 on page 227 without detecting any single necessary condition for the outcome and the non-outcome. The skewness has to be assessed as well to evaluate the "trivialness" of necessary combinations (Schneider & Wagemann, 2012, p. 233ff) – especially since the analysis of SUIN-causes might be biased due to the "aggregation bias" (Braumoeller, 2016)[217].

[216] The SUIN-causes are tested as necessary conditions – the combinations are treated as conditions. This is valid according to Mahoney et al. (2009, p. 126f), who treat SUIN-causes as special exemplars of necessary causes.

[217] The "aggregation bias" is discussed by Braumoeller (2016) with regard to INUS conditions and the problem that sufficiency can be achieved easily through intersecting too many conditions. Taking the minimum (logical AND) leads to low set memberships in the intersection of INUS-causes and a high probability that the set membership of an intersection (X) is lower or equal than the set membership in the outcome (Y) ($X \leq Y$). In the analysis of SUIN combinations, the reverse issue appears. Taking the maximum of set memberships (logical OR) leads to a high probability that the set membership in the combination (X) is higher than in the outcome (Y) ($X \geq Y$). Braumoeller (2016) discusses both, but focusses on the more common analysis of INUS-causation.

Table 40: Screening for SUIN-causes of the non-noutcome (Non-Market Penetration)

Combination of SUIN-causes	Coverage	Consistency
1. ~INCUMBENTS+~VISIBILITY+~FRAMING+~ATO	0.637	0.988
2. ~INCUMBENTS+~VISIBILITY+~FRAMING	0.704	0.988
3. ~INCUMBENTS+~VISIBILITY+~ATO	0.648	0.959
4. ~INCUMBENTS+~FRAMING+~ATO	0.683	0.975
5. ~FRAMING*~VISIBILITY+~ATO	0.638	0.954
6. ~INCUMBENTS+~ATO	0.691	0.791
7. ~INCUMBENTS+~FRAMING	0.761	0.975
8. ~INCUMBENTS+~VISIBILITY	0.738	0.938
9. ~ATO+~FRAMING	0.687	0.884
10. ~ATO+~VISIBILITY	0.647	0.917
11. ~VISIBILITY+~FRAMING	0.723	0.954

source: own estimation, CAPITAL LETTERS without "~" indicate the presence of a condition, "~" indicates the absence of a condition, Consistency Cutoff: 0.873077, no decisions with regard to prime implicants required, no simplifying assumptions employed, degree of set membership is summarized in Table 36, truth table can be found in Table 37, estimation via fs/QCA2.0 (Ragin et al., 2006)

The combination of SUIN conditions of three or more SUIN-causes are not very informative – the combinations are formally necessary with consistency values of 0.95 and greater and no logical contradiction (combination 1 to 4 in Table 40), which is due to the skewness of the set memberships (Schneider & Wagemann, 2012, p. 233ff)[218]. Even though, the hypothesis on SUIN conditions (hypothesis 2 (see **(**2.8-17**)** on page 85) is supported, this is a result of skewness – an evaluation of hypothesis 2 is not feasible. SUIN-combinations six and nine have rather low consistency values well below the value 0.9 and cannot be regarded as necessary, while SUIN-combination ten and eleven show logical contradictions (coffee and cocoa in the USA). Only SUIN-combinations seven and eight are highly consistent (0.975 and 0.938) and have no logical

[218] This apparent necessity stems from nearly constant conditions – any "causal" interpretation would rely on skewed membership, alone (Schneider & Wagemann, 2012, p. 233ff). 26 of 28 cases are members of the first combination of SUIN causes (~INCUMBENTS + ~VISIBILITY + ~FRAMING + ~ATO), 23 of 28 cases are members of the second combination of SUIN-causes (~INCUMBENTS + ~VISIBILITY + ~FRAMING), 26 of 28 cases are members of the third combination of SUIN-conditions (~INCUMBENTS + ~VISIBILITY + ~ATO), 22 of 28 cases are members of the fourth combination of SUIN-causes (~INCUMBENTS + ~VISIBILITY + ~ATO), and 24 of 28 cases are members of the fifth combination of SUIN-causes (~ATO + ~VISIBILITY + ~FRAMING). Only the fifth combination of SUIN-causes has "logical contradictions". Even though the set membership is not 1 ("full membership") in all cases, the subset relationship is given by the skewness of the inclusive disjunct of SUIN causes of three and more conditions – any causal interpretation is misleading (Schneider & Wagemann, 2012, p. 233ff).

contradictions (Schneider & Wagemann, 2012, p. 233ff). Due to skewness, even those two SUIN-conjuncts cast doubt on any attempt to speak about "causality"[219] - further analysis is required.

While the already employed formulas by Ragin (2008c) allow for an evaluation of consistency and coverage, trivialness is still an issue (Schneider & Wagemann, 2012, p. 233ff). But for the combinations which consistency and/or coverage values are too low (6 and 9 in Table 40) according to Ragin's (2008c) formulas or show logical contradictions (5, 10, and 11 in Table 40), a second look is not required.

The problem of trivial necessity due to constant conditions has been assessed by Goertz (2006) and Schneider and Wagemann (2012, p. 235ff) with three different formulas. Goertz (2006, p. 95) assesses the trivialness (T_{nec}) by the "(…) the average distance between x_i and 1, standardized by the maximum importance that this value can attain based on y_i. The measurement of trivialness, T_{nec} of X is the average distance from x_i to 1.00 standardized by how far y_i is from 1.00".

Trivialness according to Goertz (2006, p. 95):

$$\mathbf{T_{nec}} = \frac{\mathbf{1}}{\mathbf{N}} * \Sigma \frac{(\mathbf{1} - \mathbf{x_i})}{(\mathbf{1} - \mathbf{y_i})} \quad \textbf{(5.5-2)}$$

Goertz (2006, p. 95)

The trivialness decreases, the higher the distance of the value of T_{nec} is to zero. In addition, Goertz (2006, p. 96) formulates the relevance of a necessary condition (R_{nec}), which is defined as the closeness of X "to sufficiency" (which is at the heart of Ragin's consistency score as well). It ranges between 0 and 1, and higher values indicate higher relevance. Both T_{nec} and R_{nec} are identical if all cases are located at the X=Y diagonal (as all consistency values of Ragin (2008c) do as well).

Relevance according to Goertz (2006, p. 96):

$$\mathbf{R_{nec}} = \frac{\mathbf{1}}{\mathbf{N}} * \Sigma \frac{\mathbf{x_i}}{\mathbf{y_i}} \quad \textbf{(5.5-3)}$$

Goertz (2006, p. 96)

[219] 19 of 28 cases belong to SUIN-combination seven (~INCUMBENTS + ~FRAMING) and 22 of 28 cases belong to SUIN-combination eight (~INCUMBENTS + ~VISIBILITY) given the set memberships.

While Schneider and Wagemann (2012, p. 236) recognize the additional value of Goertz's (2006, p. 95f) formula compared to Ragin's (2008c) in the case of close to constant necessary conditions. They argue that it is overly sensitive to small inconsistencies, which lead to a higher value than 1. They propose a solution which combines the advantages of Ragin's and Goertz's formulas without sharing their shortcomings – it cannot provide values higher than one and takes into account whether a condition is nearly constant (2012, p. 236f). The formula returns zero if the condition is nearly constant and ranges to the maximum of one.

Relevance of Necessity (R_{SW}) according to Schneider and Wagemann (2012, p. 236):

$$\mathbf{R_{SW}} = \frac{\Sigma(\mathbf{1} - \mathbf{x_i})}{\Sigma(\mathbf{1} - \mathbf{min}(\mathbf{y_i}, \mathbf{x_i})} \quad \textbf{(5.5-4)}$$

Schneider and Wagemann (2012, p. 236)

All three values are employed to evaluate the necessity of the SUIN-conjuncts, which have a sufficiently high consistency and coverage value according to Ragin (2008c) and no logical contradictions. The relevance and trivialness of SUIN conjunct 1, 2, 3, 4, 7, and 8 (from Table 40) are tested in Table 41:

Table 41: Comparison of different potential SUIN-causes (different indicators of relevance / trivialness)

Combination of SUIN-causes	R_{SW}	R_{nec}	T_{nec}
1. ~INCUMBENTS+~VISIBILITY+~FRAMING+~ATO	0.262	1.048	0.166
2. ~INCUMBENTS+~VISIBILITY+~FRAMING	0.454	1.016	0.268
3. ~INCUMBENTS+~VISIBILITY+~ATO	0.341	0.996	0.237
4. ~INCUMBENTS+~FRAMING+~ATO	0.415	0.964	0.254
7. ~INCUMBENTS+~FRAMING	**0.604**	0.932	**0.355**
8. ~INCUMBENTS+~VISIBILITY	**0.589**	0.894	**0.381**

source: own estimation, CAPITAL LETTERS without "~" indicate the presence of a condition, "~" indicates the absence of a condition, degree of set membership is summarized in Table 36, all SUIN-causes can be found in Table 40

The additional value of the relevance parameter of Goertz (2006, p. 96) (R_{nec}) compared to Ragin's (2008c) parameters for consistency and coverage is not easy to grasp – the values exceed 1, which should not happen according to Goertz (2006, p. 96). The attempt by Goertz (2006, p. 96) to assess the "closeness to sufficiency" is better performed by Ragin's (2008c) parameter for coverage. Even

if it is true that X=Y would lead to a value of 1, values of higher than one or close to 1 would result also from very high values on the condition (X) and very low values on the outcome (Y) – the indicator is biased and especially sensitive to high differences between X and Y, especially if X > Y. This means that cases which are far off the diagonal and instances of the condition – especially instances of the non-outcome (set membership < 0.5) and the condition (set membership > 0.5) lead to a high relevance, which should not be the case (see Schneider and Wagemann (2012, p. 233ff) for a similar and more detailed discussion).

The value for trivialness (T_{nec}) by Goertz (2006, p. 95) is more appealing – it shares the same sensitivity as R_{nec} (only in reverse) – high values (also above 1 or close to 1) result from very high values on the outcome (Y) and very low values in the condition (X) – the indicator is especially sensitive to high differences between X and Y, especially if X < Y. Given that the condition is consistent according to Ragin (2008c), high values in X are emphasized and the researcher is pinpointed to constant conditions. Nevertheless, this task is better performed by the approach of Schneider and Wagemann (2012, p. 236) – their parameter cannot exceed 1. Both parameters demonstrate that the conjuncts of three potential SUIN-causes (1-4) are trivial and artifacts of skewed distributions of set memberships – an "aggregation bias" (Braumoeller, 2016).

While the approach by Goertz (2006, p. 95) is better suited for the relative comparison of relevance and importance (Goertz, 2006, p. 97ff), Schneider and Wagemann's (2012, p. 236) parameter of relevance (R_{SW}) allows for a direct assessment. The empirical values of relevance (R_{SW}) for SUIN-conjunct 7 and 8 are rather low (0.604 and 0.589) and even if Schneider and Wagemann do not offer a threshold, the empirical value of 0.56 is regarded as an indicator of trivialness (Schneider & Wagemann, 2012, p. 237). Therefore, both SUIN-conjuncts might be more relevant than the other potential conjuncts, but are rather trivial, overall. Nevertheless, ~INCUMBENTS in conjunct with either ~VISIBILITY or ~FRAMING might be theoretically meaningful SUIN-conjuncts for ~MARKET_PENETRATION.

According to Mahoney et al. (2009, p. 127), the importance of a SUIN cause increases "as it approaches the threshold of becoming a non-trivial necessary cause". Even if none of the SUIN-causes is necessary by itself, we can evaluate the closeness to necessity with Table 24 on page 227 which is drawn from the analysis of necessity in chapter 5.3. Given the information in Table 42,

two rankings would be possible (one by consistency and one by coverage), while the consistency values are of higher importance according to Mahoney et al. (2009, p. 127)[220].

Table 42: Screening for the necessity among the single most important parts of the SUIN-combinations in Table 40 and Table 41

	~MARKET _PENETRATION	
	Consistency	Coverage
~INCUMBENTS	0.771	0.823
~FRAMING	0.880	0.809
~VISIBILITY	0.896	0.768

source: own estimation, CAPITAL LETTERS without "~" indicate the presence of a condition, "~" indicates the absence of a condition, degree of set membership is summarized in Table 36, all SUIN-causes can be found in Table 40, most relevant SUIN-causes can be found in Table 41, values have been drawn from the evaluation of necessity in Table 24, consistency and coverage have been assessed with the formula of Ragin (2008c), estimation via fs/QCA2.0 (Ragin et al., 2006)

If one evaluates the consistency and asks how close the SUIN-conditions are to become individually necessary (which refers to Mahoney et al. (2009, p. 127)), ~VISIBILITY (consistency: 0.896) is the most important part of the conjuncts, followed by ~FRAMING (consistency: 0.880), and ~INCUMBENTS (consistency: 0.771). Nevertheless, ~INCUMBENTS might be more important than the other SUIN-conditions since it is a (required) part of both equifinal SUIN-conjuncts.

Therefore, the analysis of the non-outcome yields the following results:

All cases in which Fair Trade did not gain momentum are characterized by non-incumbents or non-visibility of single firms. At the same time, all those cases are also characterized by non-incumbents or non-framing of the respective product (necessity). All cases in which the product has not been framed in the media, and in which single organization could not step out of the crowd (in the national media), are instances in which Fair Trade did not gain momentum (sufficiency). Therefore, the intersection of the negations of both necessary and jointly sufficient parts of institutional entrepreneurship (Visibility and Framing) are sufficient for the a low degree of Market Penetration (~FRAMING*~VISIBILITY), which is not equivalent to the negation of this concept (which corresponds to "~FRAMING+~VISIBILITY").

[220] If one evaluates the relative importance (through the coverage value), ~INCUMBENTS is the most important part of both combinations of SUIN causes (coverage: 0.823), followed by ~FRAMING (coverage: 0.809), and ~VISIBILITY (coverage: 0.768). This would assess the closeness of the "necessary" condition to being at the same time sufficient – anyhow, neither of these conditions is actually necessary.

5.6 Single Cases for a Closer Look

Usually, it is advised to interpret the results of a QCA with strong reference to the cases analyzed, or even select single cases for case studies and/or process tracing after the application of QCA (Beach & Rohlfing, 2015, p. 115ff; Schneider & Rohlfing, 2013; Schneider & Wagemann, 2010, p. 14; 2012, p. 280f).

A detailed case analysis (e.g. "process tracing"(Beach & Pedersen, 2013) or "systematic process analysis" (Hall, 2003, p. 391ff)[221] or process analysis (Langley, 1999)) is clearly beyond the purpose of this section. Nevertheless, the central weakness of QCA is the lack of depth (De Meur et al., 2009, p. 159ff; Kelle, 2003) and among its central strengths are its capabilities for formalized case selection. Therefore, some of the cases which are regarded as insightful are discussed in more detail and with regard to prior literature. Before discussing some of the cases, the selection of cases requires clarification. While some opportunities for the selection of cases are similar, the formalized case selection via QCA has particular benefits and shortcomings.

Schneider and Wagemann (2012, p. 300ff) propose the selection of crucial cases (most likely / least likely) via QCA and after intersecting theory and evidence (in csQCA). Since I employed fsQCA instead, I did not intersect theory and evidence, but tested my theoretical predictions for sufficiency (in chapter 5.4.3). The hypothesis for the outcome can be negated to (5.6-1):

(5.6-1) $\sim(\mathbf{INCUMBENTS} * \mathbf{VISIBILITY} * \mathbf{FRAMING} + \mathbf{INCUMBENTS} * \mathbf{ATO} * \mathbf{FRAMING})$

(see (2.8-14) on page 84)

Which leads to (5.6-2):

[221] Hall (2003, p. 391ff) and George and Bennett (2005a, p. 217ff) argue for testing competing theories against each other with "systematic process analysis" or "process tracing", respectively. While this approach to compare the evidence for competing theories is sound and well suited for "systematic process analysis" or "process tracing" (George & Bennett, 2005a, p. 217ff; Hall, 2003, p. 391ff), it is unsuitable for QCA and set relations. George and Bennett (2005a, p. 217ff) already pinpoint to the issue that hypotheses might not be mutually exclusive and act as complements – such findings are rather likely in QCA (Amenta & Poulson, 1994, p. 36). In addition, either the choice for "prime implicants" or "simplifying assumptions" favor one theory over the other and bias the test or, if one hesitates to make assumptions or chooses all prime implicants, the results are hardly interpretable and (usually) show that all theories are relevant (to a certain extent) (Amenta & Poulson, 1994, p. 36). As Amenta and Poulson (1994, p. 37) put it: "Each hypothesis receives some support, but each has some doubt cast on it". QCA is rather unsuitable for the test of competing theories. Therefore, a strict test that is based on the results of QCA appears to be inappropriate. It might be feasible to contrast the results of both methods for some cases. But, the advantage would be minor – both methods are not equipped to produce similar results – a "triangulation" across paradigms allows for very limited comparisons (Greene & McClintock, 1985, p. 541). By design, both methods will (very likely) produce different results.

(**5.6-2**) **~INCUMBENTS + ~FRAMING + ~ATO * ~VISIBILITY**

(see (2.8-18) on page 86)

And refers to the configurations, in which the outcome is not predicted by the theory.

Table 43: intersections of theory (T) and solution term (S) with types of cases

Empirics / Theory	Outcome predicted by solution (S)	Outcome not predicted by solution (~S)
Outcome predicted by theory (T)	**INCUMBENTS*(ATO*FRAMING +VISIBILITY*FRAMING)**	**(empty)**
most likely cases	**MP: covered most likely cases (9)**	**MP: uncovered most likely cases (0)**
	~MP: inconsistent most likely cases (0)	**~MP: consistent most likely cases (0)**
Outcome not predicted by theory (~T)	**INCUMBENTS*VISIBILITY* ~FRAMING**	**~FRAMING*~VISIBILITY**
least likely cases	**MP: covered least likely (1)**	**MP: uncovered least likely (0)**
	~MP: inconsistent least likely (0)	**~MP: consistent least likely (16)**

source: table drawn from Schneider and Wagemann (2012, p. 301); MP = Market Penetration, ~MP = Non-Market Penetration, two cases are excluded since the row is neither employed for the minimization of the outcome, nor the non-outcome (~INCUMBENTS*FRAMING*VISIBILITY*ATO – coffee and cocoa in the USA)

Given the approach by Schneider and Wagemann (2012, p. 300ff)[222], the conventionally employed *crucial cases* (as argued by Gerring and Seawright (2007, p. 115ff))[223] are consistent most likely cases and covered least likely cases. Hence, one case (sugar in the USA) is *crucial* (least likely) and might require further attention.

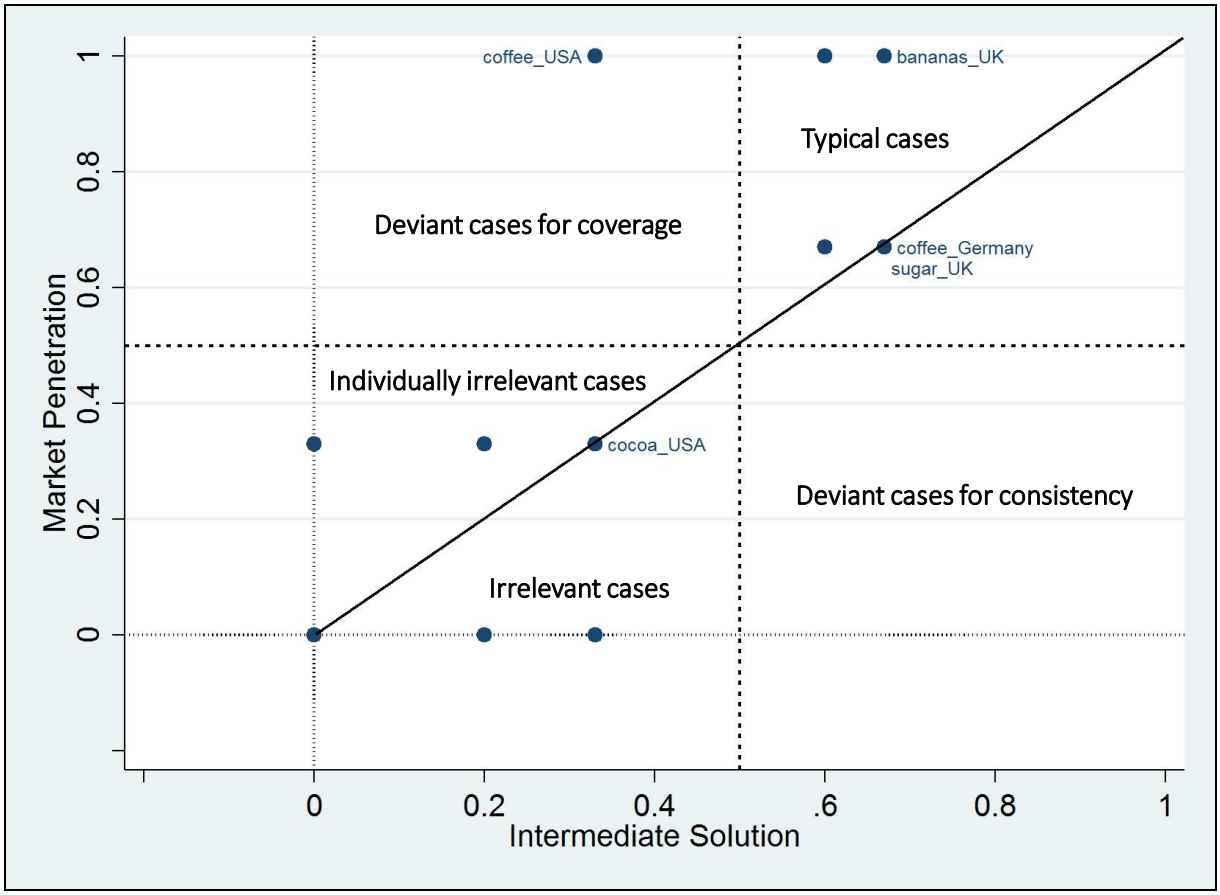
Besides the selection of *crucial cases*, some cases offer further insights depending on their location in Figure 35 – only the relevant cases are labeled. The following case selection techniques are

[222] Note that the intersections are defined a little different compared to Schneider and Wagemann (2012, p. 300ff). Both, the outcome and the non-outcome were analyzed, while Schneider and Wagemann employ the analysis for the outcome to derive the negations of theory and evidence. Two cases (the contradictory row with coffee and cocoa in the USA) do not appear in this table since they are neither employed to derive the path to the outcome, nor the non-outcome.

[223] Please note, that this least likely case is not employed as a *confirmatory crucial (least likely) case* (Gerring & Seawright, 2007, p. 116), while a detected consistent least likely case would be regarded as a *disconfirmatory crucial (most likely) case* (Gerring & Seawright, 2007, p. 120). The detected least likely case is not used for a tough test for a given theory in a setting in which any other theory (or dimension / background characteristic (Gerring & Seawright, 2007, p. 115ff) would predict the non-outcome (the opposite). As aforementioned, QCA is ill suited for a test of competing theories (Amenta & Poulson, 1994, p. 36f; Schneider & Wagemann, 2012, p. 296f). Thus, the detected case is simply a case in which the outcome occurs unexpected - given the theoretical considerations. While the deductive approach is similar and a selection of *disconfirmatory crucial (most likely) case* would be possible (if they existed), the attempt to test competing theories (Gerring & Seawright, 2007, p. 115ff) with *crucial (least likely) cases* is not used, here. The ability to falsify or disconfirm does not require competing theories, but evaluates one theory. Therefore, it would be feasible.

usually employed for process tracing (Beach & Rohlfing, 2015; Schneider & Rohlfing, 2013) as put forward (for instance) by Beach and Pedersen (2013), while they also apply to case studies, in general (Schneider & Wagemann, 2012, p. 300ff). Nevertheless, their causal leverage does not stem from the chosen method, alone, but from their particular configuration.

Figure 35: Enhanced XY plot and types of cases in fsQCA of sufficiency (intermediate solution of the analysis of the outcome)



source: table drawn from Schneider and Rohlfing (2013, p. 585), own estimation based on the fuzzy set memberships of the 28 cases in Table 27 on page 234, intermediate solution can be found in Table 30 on page 237, only relevant cases are named, XY plot with all cases named can be found in Figure 33 on page 240, figure has been created with scatter command of STATA 13 (StataCorp, 2013)

In this vein, the contradictory row is a potential source of "interesting" cases. Coffee in the USA is the only instance of the outcome uncovered by the theory and the evidence. It is in the same truth table as cocoa in the USA (an instance of the non-outcome). Even if the USA has rather strong ATOs or FTOs (as compared to the national licenser), both products are framed in the media, and single organizations gained visibility in both product markets, the outcome (Market Penetration) does occur in one case (coffee), but not the other (cocoa). Incumbents could only be detected for the companies and brands, while the USA is the only national context in which the retail by super- and hypermarkets is not concentrated. While this leads to a low set membership in the set

INCUMBENTS for all product markets in the USA, it does not explain the difference between coffee and cocoa in one context. Both products belong to the same "ideal type" (Schneider & Wagemann, 2012, p. 96ff) with four and five conditions and the contradiction cannot be resolved with the evidence at hand - a closer look is required. Coffee in the USA is the (only) *deviant case for coverage* in the analysis, while cocoa is an *individually irrelevant case* that is only relevant for comparisons (to the particular *deviant case for coverage* of the same row) (Schneider & Wagemann, 2012, p. 309)[224]. Deviant cases pinpoint the researcher to "entire terms that have been omitted from the solution"(Beach & Rohlfing, 2015, p. 15)[225].

Finally, *typical cases* need to be selected for within case analysis. Schneider and Wagemann (2012, p. 311) reason that the best suited *typical cases* for a within case analysis have a high set membership in the outcome and the respective path (the solution). This ensures that they are the best instances of the presumed causal relationship. In an updated version of this case selection, Schneider and Rohlfing (2013, p. 27f) put a stronger emphasis on the Euclidean Distance to the "secondary axis" (the bold line in the XY plot (Figure 35) at which the set membership in the outcome coincides with the set memberships in the solution). The former approach to select cases at the "corner" (at which the set memberships in the outcome and the solution is equal to 1 or closest to 1) is also retained. Accordingly, they regard *typical cases* that received the lowest values yielded by the following formula is best suited for "process tracing" (Schneider & Rohlfing, 2013, p. 27):

$$\mathbf{(5.6\text{-}3)} \qquad \mathbf{S_{Ti}} = \frac{\mathbf{Y_i} - \mathbf{X_i}}{\mathbf{X_i}}$$

In this analysis, *typical cases* should be uniquely covered by a particular path. Cases which are covered by both paths can hardly be interpreted with regard to one of these paths because of "overdetermination" (Sider, 2003). Thus, cocoa in Germany and coffee in Austria cannot be considered as *typical cases* (of one particular path). Therefore, coffee in Germany (directly on the "secondary axis" in Figure 35) with a set membership of 0.67 in the first path

[224] Please note that this interpretation refers to the outcome. In the analysis of the non-outcome, cocoa is the only *deviant case for coverage* and coffee is an *individually irrelevant case* (Schneider & Rohlfing, 2013; Schneider & Wagemann, 2012, p. 306ff). Therefore, both analyses would suggest the same comparison – one can either ask why coffee is successful and not cocoa or why cocoa is unsuccessful and not coffee – the insights should be similarly conclusive. Since only one case is regarded as deviant, the formulas to screen for the most informative deviant case are not employed (Schneider & Rohlfing, 2013). Furthermore, the most important and most puzzling cases (*deviant case for consistency (in kind))* (Schneider & Rohlfing, 2013) and their comparison to other cases are left out – they do not occur in this analysis.

[225] Comparisons of a *deviant case for coverage* with any other case (*deviant cases for consistency*, *typical case*) do not offer any new theoretical insights and are meaningless and futile (for the argument in detail: Schneider & Wagemann, 2012, p. 309f).

(INCUMBENTS*ATO*FRAMING) and the outcome (MARKET PENETRATION) is chosen as a *typical case* for the first path (chapter 5.6.3.1). For the second path, sugar in the United Kingdom would receive the best value of the formula by Schneider and Rohlfing (2013, p. 27), but since this case is the only case in the analysis which does not fit well to the theoretical predictions and is regarded as a *crucial (least likely) case*, bananas in the United Kingdom are chosen instead. Even if this case shows a rather high Euclidean distance to the secondary axis, it is a good instance of the outcome (MARKET PENETRATION) with a set membership of 1, and among the best instances (set membership of 0.67) of the second path (INCUMBENTS*VISIBILITY*FRAMING) as the intersection of theory and evidence. Since one could choose among cases with the same set membership in the outcome and the second path (coffee and cocoa in the United Kingdom and cocoa in Austria are located at the exact same point as bananas in the United Kingdom), the case with the highest estimated market share among those cases is picked (bananas in the United Kingdom, see chapter 5.6.3.2).

Next, the cases are discussed, while different intentions are at the focus – contingent upon the particular kind of cases. The *deviant case for coverage – individually irrelevant case* comparison (coffee and cocoa in the USA) disentangles particular explanations for this apparent contradictory truth table row with special emphasis on coffee in the USA. A closer look at the *crucial (least likely) case* (sugar in the United Kingdom) focusses on the (ir)relevance of the theoretically predicted INUS-cause FRAMING since the non-occurrence of FRAMING is the distinguishing feature between this *crucial case* and all *typical cases* of the second path (coffee, cocoa, and bananas in the United Kingdom as well as the overdetermined cases of cocoa in Germany and coffee in Austria). The *typical cases* (coffee in Germany and bananas in the United Kingdom) offers a deeper understanding of the processes which led to a high degree of market penetration in these particular cases.

5.6.1 Deviant case for coverage compared to individually irrelevant case: coffee and cocoa in the USA

In this section, potential explanations for the *deviant case (for coverage)* coffee in the USA with reference to cocoa in the USA are offered.

First and foremost, the row ~INCUMBENTS*ATO*VISIBILITY*FRAMING (four conditions) as well as the row ~Supermarket_CR*Company_CR*ATO*VISIBILITY*FRAMING (five conditions) is contradictory. Among the advised procedures for these contradictory rows is the opportunity

to redefine the population of interest (Rihoux & De Meur, 2009, p. 49; Schneider & Wagemann, 2012, p. 121) – in this case: to exclude either coffee and/or cocoa as product categories, the USA as a context, or exclude either coffee in the USA or cocoa in the USA.

Indeed, coffee is strikingly "special" for the development of Fair Trade – it is the first product certified and the first product which reached the mainstream through the certification of coffee sold and sourced by Starbucks (Nicholls & Opal, 2005, p. 82ff; Renard, 2005, p. 423ff). It is an open question whether Fair Trade as a certificate would have ever gained momentum if it did not start with this particular product category. Hence, most cases of coffee in the analysis (in Austria, Germany, and the United Kingdom) fit well to the predicted pattern outlined in chapter 2.8 and they do not occupy their own path – which would indicate that coffee (in general and across national context) requires an idiosyncratic explanation. Two cases of coffee (Austria and Germany) belong to the first and two cases of coffee (Austria and the United Kingdom) belong to the second path. Even if coffee might "represent[s] the initiative's most significant commodity" (P. L. Taylor et al., 2005, p. 201), the analysis does not support idiosyncrasy of coffee in all contexts. Coffee does not have to be excluded from the analysis.

Next, one could dispute over the national setting – the USA. Only one product category is estimated to have penetrated the market in this national setting and, alas, this case falls into the only contradictory row in the truth table. Among the four national context, the USA is the least mature (Jaffee, 2012, p. 103) and the only context which is not located in Europe. It is also the only national licenser which resigned its membership with FLO (Fair Trade USA, 2011; FLO, 2012d). This would speak to an idiosyncrasy of the USA (at least compared to the other contexts considered) or a limited scope of the argument in chapter 2. Does the argument outlined apply to Europe, but not to the USA or, even worse, national settings outside Europe? One should keep in mind that five out of seven product categories are covered by the solution for the non-outcome and belong to the same path to the non-outcome (low degree of market penetration) as all their European counterparts – their similarity to the unsuccessful product categories in the European context with regard to the conditions is a testimony for the similarity on relevant dimensions. Even if the USA is special and different from the other national contexts, product categories in the USA can be compared to their European counterparts – given the relevant properties to compare them (Sartori, 1991, p. 246). The USA should be kept in the analysis.

A more fruitful approach is to delve deeper into the particular product category (coffee) in this national setting (the USA) (Rihoux & De Meur, 2009, p. 49; Schneider & Wagemann, 2012, p. 121) instead of screening for opportunities to exclude these cases. Therefore, some peculiarities of

coffee (in comparison to cocoa) in the USA are addressed. Potential explanations (partly outside of the theoretical framework for the fsQCA) are offered and discussed inductively

If one looks closer at the relevant steps of Fair Trade, coffee did not only play a major role across all contexts, but coffee in the USA does play a more decisive role for the whole initiative. The inception of the certification approach might have started with Max Havelaar in the Netherlands, but the mainstreaming of Fair Trade into central conventional trade channels took momentum with Starbucks in the USA (Raynolds & Long, 2007b, p. 24). Two years after Fair Trade was introduced in the USA, the USA has gained the role of a major Fair Trade coffee importer (Raynolds, 2002, p. 413) – due to Starbucks and the companies that adopted Starbucks' strategy (Nicholls & Opal, 2005, p. 84). An aggressive business-driven and business-friendly approach led to an exceptional growth and Fair Trade coffee (prior to 1998 sold by small roasters and ATO-like entities) "leapt from virtually nothing in 1998 to 3,500 tons in 2003" (Barrientos et al., 2007, p. 55f). Even if roasters and retailers used the label for marketing purposes and as a distinguishing feature, the "breakthrough" was the intention by the "largest retailer of specialty coffee" (Starbucks) to sell Fairtrade certified coffee in all its 2,700 stores (Barrientos & Smith, 2007, p. 56). The certificate and certified coffee did not originate in the USA. Nevertheless, one of the most defining shifts of the whole initiative to go for the market as the one of the most controversial issues to date (i.e Hutchens, 2010; Jaffee, 2012; Laine & Laine, 2009; P. L. Taylor et al., 2005) did start in the coffee sector within the USA. The mainstreaming took momentum in the coffee sector in the USA. If one compares the most visible companies for coffee and cocoa in the USA in chapter 4.3.4.3, the most visible companies are Starbucks and Cadbury. Starbucks is a game changer for Fair Trade and particularly Fair Trade in the USA and holds a market share of about 6 to 7% to all coffee (chapter 8.1.1.4 in the Appendix). In addition, it is the largest specialty coffee retailer (Barrientos & Smith, 2007, p. 56) in the USA. On the other hand, Cadbury is a major player in the cocoa market in the United Kingdom (about 43 to 33% market share over the years and the major player in the UK chocolate confectionary market (see chapter 8.1.2.3 in the Appendix)). They sold the first mainstream brand chocolate bar certified in the United Kingdom, but Cadbury is only a very minor player in the USA with only 2 to 3% market share (chapter 8.1.2.4 in the Appendix). Accordingly, even if both (Starbucks and Cadbury) are visible in the media, they might not share the same role in their respective markets.

In addition, while the framing patterns for coffee (chapter 4.3.3.3) in all European contexts are very similar, the USA deviates. Coffee is framed in 59 to 62% of all articles in which collective action frames occurred in Austria, Germany, and the United Kingdom, while coffee is framed in

79% of all articles in the USA (chapter 4.3.3.3). The collective action frames in the US print media have an exceptionally strong focus on coffee. Finally, the strategic shift and resignation of membership of Transfair USA was motivated by issues about the opportunity to certify plantations or *fincas* (therefore: workers instead of small producers) for coffee (FLO, 2012d). Altogether, coffee was important enough for Transfair USA to deviate from the existing regulations and resign its membership in FLO to be able to certify hired labor. "The US Fair Trade market is highly dominated by coffee" (Raynolds, 2012, p. 281). This major step by this licenser demonstrates the importance of coffee for Transfair USA (today: Fairtrade USA).

In sum, coffee is different from cocoa in the USA since it is able to attract lots of attention from the media ("framing"), the national licenser focusses coffee and the opportunities to increase the sales of certified coffee, and two of the main "breaking points" of the global initiative (the start of the mainstreaming era with Starbucks and the resignation of the membership of Fairtrade USA in FLO) refer to coffee in this particular context (USA). Cocoa has neither a comparable role in the USA, nor in any other national context. Those issues cannot be implemented in a method like QCA, but should clearly be analyzed purely qualitatively. All those causes combined might have led to a difference. The underlying causes are in part related to the concepts, but not sufficiently captured by the set memberships (visibility and framing), and in part idiosyncratic (the role of coffee for Fairtrade USA).

5.6.2 Crucial (Least Likely) Case

Sugar[226] in the United Kingdom belongs to the second path and is the only instance of this path in which Framing is not an INUS cause. It is the only case of the row INCUMBENTS* ~ATO*VISIBILITY*~FRAMING. Therefore, it casts doubt on the decisive role of Framing as a necessary part of institutional entrepreneurs and of Framing as a "counterfactual difference-maker" (Grynaviski, 2013, p. 824) or "Boolean difference maker" (Baumgartner, 2015, p. 844). Sugar is the only successful product launch (with regard to market penetration), which has not been framed. Therefore, potential explanations are offered with regard to Framing and reasons for the apparent irrelevance of framing for sugar in the United Kingdom. It will be argued that an exceptional high level of trust and knowledge of the consumers in the United Kingdom might have made framing obsolete in the case of sugar. In addition, the distinct properties of sugar as a

[226] The inclusion of sugar in the final solution decreases the consistency of the whole solution considerably in chapter 5.4.2.

market in-between different markets might have allowed Tate and Lyle to screen for business opportunities without collective action frames in the media for sugar.

Thus, even if framing occurred in all other instances of the second path for institutional entrepreneurs (cocoa in Germany, coffee in Austria, and all other instances of the outcome in the United Kingdom) and even in all other instances of the first path (coffee, cocoa, and bananas in Austria and Germany) – it is not relevant for the only instance of market penetration of sugar (in the United Kingdom). A closer look reveals that sugar in the United Kingdom is a rather late boomer of one of the most successful Fair Trade initiatives to date. Sugar was the latest product to gain momentum (in Table 3 on page 122 and Table 4 on page 123) in a national context in which Fair Trade is considered exceptionally successful, overall (Figure 7 on page 106). According to the numbers by the Fairtrade Foundation (2011d), the United Kingdom dwarfs any other national context (globally) with a high level of trust (by the population, 90% of the British customers trust Fair Trade) and the frequency customers encounter Fair Trade products (96% of the British population "see [Fair Trade products] often or occasionally" in 2011 (the final year of observation). This exceptionally high level of trust and recognition might make additional framing efforts obsolete. In short: perhaps, the media is preaching ("framing") to the already converted consumers. Framing was important for other products in the past (in the United Kingdom), but became redundant over time – since the arguments (the content of collective action frames) are already known, understood, and solidified.

One should keep in mind that framing (in the media) is considered to be vital, since firms assess the media to screen for business opportunities and get a (potentially biased) picture of their consumers (the demand) (see chapter 2.5). The overwhelming and highly visible success of Fair Trade (for different products in the United Kingdom) might have driven one (of the three) major players in the sugar market (Tate and Lyle) to distinguish itself from its two main competitors via certification - even without strong framing efforts for sugar, in particular. Institutional entrepreneurs are known to look beyond the boundaries of their field and borrow or adopt ideas from different fields (e.g. Greenwood & Suddaby, 2006; Hardy & Maguire, 2008, p. 201f). Tate and Lyle is one of the main importers and sellers for a product ("sugar"), which is sourced to different markets or fields and can be regarded as a market in a "fringe position" between markets (e.g. beverages, chocolate confectionaries, confectionaries, household usage (Wirtschaftliche Vereinigung Zucker e.V. (WVZ) / Verein der Zuckerindustrie e.V. (VdZ), 2016)). Tate and Lyle's step ahead is conceived as one of the main breakthroughs of Fair Trade sugar – it is the "first major sugar brand [to] convert" (F. Lawrence, 2012 [02/27/2012]). No other product

market in this sample is characterized by these distinct properties – a high visibility of individual companies[227], strong incumbents (e.g. Tate and Lyle), a low degree of framing and ATOs' or FTOs' influence.

Thus, the distinct properties of sugar (as a market spanning product) together with the overwhelming "success" of Fair Trade in this national context (also with regard to high trust and recognition in the population), and strong incumbents (only three major players in chapter 8.1.6.1 in the Appendix) might have contributed to the increasing irrelevance of Framing for sugar in the United Kingdom and led to high market penetration even though the product was not framed accordingly.

5.6.3 Typical Cases

Two typical cases – one for each path to market penetration - receive a closer look to gain a better understanding of those markets. Coffee in Germany has been chosen as a typical instance of the first, and bananas in the United Kingdom has been employed as a typical instance of the second path. Similar arguments on both cases have already been published by the author in the conference proceedings of the Eursafe 2013 to exemplify an early stage of the theoretical argument of this thesis in 2013 (Janssen, 2013). The argument sheds further light on the plausibility of the assumed relationships.

5.6.3.1 Typical Case for INCUMBENTS*ATO*FRAMING: Coffee in Germany

Coffee in Germany is one of the very first certified products after the inception of Fairtrade certification in the Netherlands by Max Havelaar and marks the beginning of the Transfair era of national licensers (compared to Max Havelaar and Fairtrade UK) (E. A. Bennett, 2013, p. 50; Schaber & van Dok, 2008, p. 33).

Incumbents

The German coffee market is a rather oligopolistic market in which the main three competitors share about 57 to 60% of the market and in which private labels have a combined market share of initially 19% (2003) to finally 30% (2014) of the market (chapter 8.1.1.2 in the Appendix). Those private labels belong to the main grocery retailers of which the major five super- and

[227] While Tate and Lyle is only on the second place in the visibility analysis in chapter 4.3.4. Tate and Lyle started to convert shortly before the period of observations and thus, of the media analysis ended.

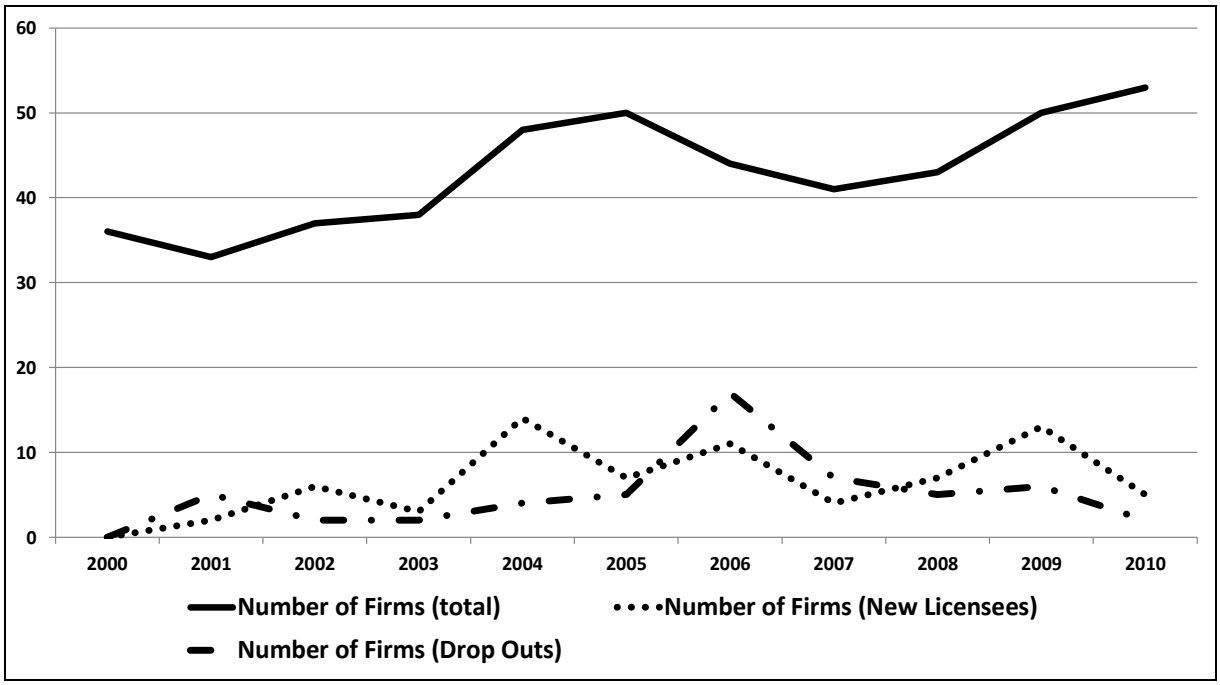
hypermarkets share about 70% of the market (see chapter 4.3.2.1 for a discussion). Besides a high concentration of coffee and coffee retail (due to strong private brands by strong grocery retailers), German grocery retail is exceptionally price competitive with incumbent discounters (Market Line, 2015f, p. 12; Morazán, 2012, p. 16). One of the predominant ATOs in Europe (Gepa Handelshaus) backed the initiative at the beginning and was the first company to sell certified coffee (Chapter 4.3.1) (Coote, 1994, p. 205). Small roasters followed and saw Fair Trade as an opportunity to distinguish themselves from the discounters and incumbents in this market. (Comparatively) Small roasters recognized the opportunity to distinguish themselves from the mass market and strong brands with certification (Willy Hagen GmbH, 2011). When those strong brands and especially discounters gained the certificate due to new strategic impulses by the national licenser, the first companies that entered - small roasters (e.g. Willy Hagen GmbH, 2011) and eventually even the Alternative- and Fair Trade Organizations (Gepa, 2012 [03/2012]) - began to question and even leave or limit the usage of the certificate (for their products and commodities) and launch own labels bound to their brand (Gepa, 2012 [03/2012]; Willy Hagen GmbH, 2011).

ATO

Gepa Handelshaus might be a highly visible organization (most visible for coffee and cocoa, while only regarded as sufficiently visible for cocoa in the German media (chapter 4.3.4.3), the effect of Gepa is captured best with the concept "ATO" – since the effect of this organization is more strongly related to (grass root) social movements than to institutional entrepreneurship. The other institutional entrepreneurs (in Austria, the United Kingdom, and the USA) support this view and are typically conventional business enterprises - Starbucks, Cadbury, and Sainsbury. The big companies that entered after the strategic turn (especially in 2006 (Willy Hagen GmbH, 2011)) could not gain this strong visibility as individual enterprises until 2011 (the final year of this analysis)[228]. As the number of firms that sell and source certified coffee in Germany between 2000 and 2010 indicate (Figure 36), the number of firms is relatively stable while the amount of sold coffee rose from 2000 to 2009 by a much stronger degree – especially after the year 2006, when Transfair Deutschland left the "common philosophy" und licensed big, incumbent companies (discounters) (Willy Hagen GmbH, 2011).

[228] Even until 2011, Lidl/Schwarz Beteiligungs GmbH gained high attention for coffee (as high as Gepa Handelshaus) (chapter 4.3.4.3). In 2016 (5 years after the ending of the analyzed period), Lidl received high attention as a strong partner of Transfair Deutschland for ten years and won the "Fairtrade Award" for "Trade" (Der Handel, 2016 [03/07/2016]; Lidl Dienstleistung GmbH & Co. KG, 2016)– the period of observation might have influenced the results obtained to a certain degree.

Figure 36: Number of licensed companies selling Fairtrade certified coffee in Germany from 2000 to 2010



Source: Janssen (2011, p. 67), Transfair Jahresberichte 2000 (TransFair e.V., 2010c) and Homepage in 2010 (Transfair e.V., 2010a)

Framing

In Germany, coffee passed the threshold of 1% market share in 2011 – coffee has been framed in 59% of all articles with collective action frames (Figure 22 on page 177). With regard to framing components, Germany has a strong tendency for the prognostic component (Table A 23 in the Appendix), in general. In the case of framing for coffee, they represent a rather "balanced picture". Compared to all articles with framing components, diagnostic (27 articles, 54%), prognostic (28 articles, 56%), and motivational components appear (30 articles, 60%) to a similar degree. Over time, coffee has been framed in most years to a similar degree (four articles at maximum).

In sum, coffee in Germany is a good example for the social movement path - the highest visible organization is the major ATO- or FTO (Gepa Handelshaus) in this national context (chapter 4.3.4.3) that is rather influential in this national setting (chapter 4.3.1) with regard to its sales volume compared to the national licenser. Strong incumbents can be detected in the global supply chain (chapter 8.1.1.2 in the Appendix), and, therefore, opponents are easily detected down the supply chain (with regard to companies, super- and hypermarkets and their private labels). Strong framing efforts and the initial success of small firms put incentives in place which

were recognized by larger companies, which act as the successors of the initial players with regard to Fair Trade[229].

5.6.3.2 Typical Case for INCUMBENTS*VISIBILITY: bananas in the United Kingdom

The second typical case is bananas in the United Kingdom. In general, the global banana trade has experienced a high and increasing relevance of certification of a product which quality and segmentation (by quality) formerly relied on cosmetic attributes (e.g. "exportable quality") (Shreck, 2002, p. 20; 2005, p. 24), alone. For bananas, the immense success of Fair Trade established novel access points to northern consumer markets for many producers (Shreck, 2002, 2005). While consumer activism and accusations towards the major multinational companies have a long history, the Fair Trade model began to take a turn in the 1990s – first by the initiative AgroFair and later adopted by FLO (Nicholls & Opal, 2005, p. 92ff). Besides the strong influence of this initiatives, Fairtrade certified bananas (by AgroFair) became profitable rather late (in 1999/2000), and the major success of bananas in penetrating markets relies on conventional trade channels by national super- and hypermarkets. Those retailers were able to exert pressure towards the multinational banana traders (especially in the United Kingdom and Switzerland) (Nicholls & Opal, 2005, p. 94f).

> "In the end, without supermarkets agreeing to sell Fair Trade bananas, the market would have never been able to prosper as it has, and producers would never receive the level of support that they do (Shreck, 2005, p. 26).

Incumbents

In general, bananas are the most popular fruit in this context and the supermarket's bestselling items (after lottery tickets and petrol) – price changes are well noticed by consumers (Doward, 2009 [10/11/2009]). Consequently, conventional banana retail in the United Kingdom has been characterized by stiff competition on prices and the so called "banana price wars" for a decade (Doward, 2009 [10/11/2009]; European Commission, 2014 [10/03/2014], p. 61; Fairtrade Foundation, 2014a; Make Fruit Fair, 2015 [10/2015]-c; S. Smith, 2010a, p. 111ff). Even if the

[229] Part of this final process is not captured due to the limited period of observation.

competition on prices and the resulting low prices (the "ALDI-price" (Morazán, 2012, p. 18)) are hardly an exclusive British issue (Make Fruit Fair, 2015 [10/2015]-b; Morazán, 2012), the "UK banana market is totally different from the other European markets and is deeply marked by the price war initiated in 2002 by the retailers" (Make Fruit Fair, 2015 [10/2015]-c, p. 6).

The banana price wars began in 2002, when Asda (Walmart) cut the prices to lower retail margins by 0.14 GBP (from 1.08 to 0.94 GBP per kilo) and its competitors (Tesco, Safeway, and Sainsbury's) followed and lowered the prices by another 0.09 GBP to 0.85 GBP per kilo. The war intensified again in 2007 when Asda (Walmart) cut the prices from 0.62 GBP to 0.59 GBP per kilo – which costed Asda about 250 million GBP. Tesco responded "within hours" and promised price cuts worth 270 million GBP across product categories (Fairtrade Foundation, 2014a, p. 8). As a result, the average banana retail price plummeted between 2002 and 2013 by 40% - if they "(…) had kept pace with other food prices (…), they would now cost (…) more than double the current price" (Fairtrade Foundation, 2014a, p. 8).

Even if the banana market in the United Kingdom is rather concentrated on the supplier side and the three main importers hold a combined market share of over 70% in 2014 (Fyffes, Tesco, Pacific) (Make Fruit Fair, 2015 [10/2015]-c, p. 6), the retailers (super- and hypermarkets) are pivotal and have an exceptionally strong buyer power (similar to Germany). As a retailer mentioned to the European Commission, the market for bananas in the United Kingdom "is probably the most aggressive in terms of prices in Europe" (European Commission, 2014 [10/03/2014], p. 62). The market is driven by the "pressure exercised by big retailers" (super- and hypermarkets) (European Commission, 2014 [10/03/2014], p. 62). Bananas are not segmented by brands or quality characteristics besides Fair Trade (exception: the cosmetic quality and the recognition of Fyffes, while premium brands do not exist) – the organic segment and most brands in the United Kingdom are virtually irrelevant for bananas (in the eyes of the final consumer) (European Commission, 2014 [10/03/2014], p. 62f). The relevance of super- and hypermarkets as the major incumbents for Fair Trade bananas is unquestionable.

Problems of certifying fresh fruits

Until 2008, three out of seven of the main super- and hypermarkets did not convert any of their product categories (own brands) to Fair Trade and only two (Waitrose and Sainsbury, both in 2007) converted bananas to Fair Trade (S. Smith, 2010b, p. 260). Especially, in the case of fresh fruits (similar to bananas) "just-in-time" sourcing, and the tendency of major super- any hypermarkets to violate agreed seasonal programs (two of five chains honored their own

program) exert additional pressures up the supply chain – price is the main driver in the fresh fruit market of the United Kingdom (Barrientos & Smith, 2007, p. 114f). "The risks and costs are passed down to suppliers, who have to invest in packing and shipping products as Fairtrade (which incurs extra costs) without guarantees of selling on Fairtrade markets" (S. Smith, 2010b, p. 261).

Especially, the fact that bananas (compared to cocoa and coffee) are highly perishable - the underlying case of the just-in-time sourcing issue (S. Smith, 2010b, p. 261) - was regarded as one of the main barriers for bananas to hit the mainstream (Raynolds, 2007, p. 68). Dealing with large amounts of perishable commodities is highly complicated for ATOs (Raynolds, 2007, p. 68). Even if Fair Trade is regarded as a convenient opportunity to segment the market and differentiate the product, the business practices of the main supermarkets led to the perception that the opportunities in 2007 were very limited (compared to cocoa and coffee) (Barrientos & Smith, 2007, p. 116). The sales of Fair Trade bananas in the United Kingdom were mainly driven by the initiative AgroFair, before Fyffes finally sourced certified bananas (Nicholls & Opal, 2005, p. 93ff). Therefore, initial losses by some of the Multinationals (on global scale) established incentives for certification (Nicholls & Opal, 2005, p. 93ff). The costs of super- and hypermarkets to convert were relatively low – they are able to exert the pressure and the risk to their suppliers. In addition, the "fair" prices of fresh fruits (compared to cocoa and coffee) is not set to a fixed price, but varies by country. When the Fair Trade banana market expanded, "a race to the bottom" was very likely and some buyers of large chains recognized the opportunity to rewrite "the [FLO] standards to give more business to plantations" (S. Smith, 2010b, p. 262). Bananas are sourced from small scale producers (about 2/3 in 2009/10) and plantations (1/3 in 2009/10), while the relative amount of plantations increases steadily over time (FLO, 2011c, p. 63), which is a contested issue of the whole initiative (Jaffee, 2011, p. 94; Schaber & van Dok, 2008, p. 53f).

S. Smith (2010b, p. 262) demonstrates that the (comparatively) smaller supermarket chains distinguish themselves with high value products and unique specifications, which requires close ties to the suppliers. Their business strategy is in line with, and easily converted to Fair Trade. The large chains with conventional value chains are less flexible and sell certified bananas without being bound to the regulation – severe obstacles occur. The strategy to distinguish themselves from the big players is regarded as the main impetus to convert products (e.g. bananas) to Fair Trade in chapter 2.4 (S. Smith, 2010b, p. 263). Even if Fair Trade "contributes to business positions", converting entire product categories does not necessarily translate into more sales for the seller (S. Smith, 2010b, p. 263).

Visibility

In December 2006, one of the First Fair Trade retailers and today's biggest retailer of Fair Trade products (Sainsbury's) converted all of its bananas to Fair Trade (Fairtrade Foundation, 2016d) – a step which was regarded as one "of the biggest breakthroughs" of Fair Trade bananas in the United Kingdom (S. Smith, 2010a, p. 8). This step was followed by Waitrose, one day later (S. Smith, 2010a, p. 8). Therefore, the third[230] and sixth biggest super- and hypermarket chains in the United Kingdom (Make Fruit Fair, 2015 [10/2015]-c, p. 3) converted all their bananas to Fair Trade. In June 2007, Marks and Spencer (the eighth biggest supermarket chain in the United Kingdom (Make Fruit Fair, 2015 [10/2015]-c, p. 3)) announced a plan to convert 50% of its bananas to Fair Trade. In March 2007, Fair Trade bananas reached 20% (in value) of the whole banana market in the United Kingdom (8% of the volume in 2007 and about 30% in 2010 according to the estimation in Table 3 on page 122). In chapter 4.3.4.3, Sainsbury is rightfully regarded as a "change agent" (Welter & Smallbone, 2015). Today, all main supermarket chains sell Fair Trade bananas as a major product line (S. Smith, 2010a, p. 13), while organic certification is rather irrelevant (European Commission, 2014 [10/03/2014], p. 63; S. Smith, 2010a, p. 13). Sainsbury and Waitrose account for 63.5% of the banana sales in the United Kingdom and 34% of global Fair Trade banana sales (in the year to June 2009) (S. Smith, 2010a, p. 111). Even if all its banana product lines converted to Fair Trade, Sainsbury remained competitive and matched the prices for bananas sourced conventionally to high costs for the retailer (S. Smith, 2010a, p. 129). It is regarded as unlikely that further firms follow the steps by Sainsbury and Waitrose since both already captured the public relations and Unique Selling Point (USP) - value. In addition, the high costs and the fear of losing customers if the retailer restricted their choices to Fair Trade only is regarded as a barrier (S. Smith, 2010a, p. 112).

Today, certified bananas are the most important and growing segment of this fruit while the main certificates are Fair Trade, organic, and Rainforest Alliance (Potts et al., 2014a). Among those certificates, organic is related to (at least) perceived product quality[231] and virtually irrelevant in the United Kingdom (European Commission, 2014 [10/03/2014], p. 63; S. Smith, 2010a, p. 13), Rainforest Alliance is related to eco-friendly harvesting practices, and Fair Trade to the benefits of small scale producers and workers (Bethge, 2014, p. 37ff). The European Commission focusses exclusively on Fair Trade and organic certification in the case of market

[230] According to Smith (2010a), Sainsbury is the second biggest supermarket chain.
[231] The colloquial use of quality is meant, here.

segmentation of bananas in the United Kingdom (European Commission, 2014 [10/03/2014], p. 61ff)– therefore, certification by Rainforest Alliance is rather irrelevant for the observed time period and bananas in the United Kingdom. In 2016, this picture might have changed as the discounters in the United Kingdom (Asda (Walmart) and Lidl) changed their business practices and converted major parts of their banana product lines to Rainforest Alliance (Asda, 2016; Levitt, 2016 [02/06/2016]). In terms of size and growth (on global scale), the Rainforest Alliance is the major certificate for bananas (in contrast to Rainforest Alliance, the sales and production Fair Trade and organic bananas are stagnating since 2008 (Potts et al., 2014a, p. 103)) and does not necessarily require a price premium (Potts et al., 2014a, p. 114f). Certification and the growing awareness of the production side might be, in part, responsible for the relative decline of the multinational companies outlined in chapter 8.1.7.2 in the Appendix. Fair Trade is, with a market share of well above 20%, the most relevant certificate in the United Kingdom (at least in the period from 2000 to 2011).

5.7 Interpretation of the Results Beyond the Limits of Fuzzy-set Qualitative Comparative Analysis

Two paths to the outcome are theorized in chapter 2 and two paths are empirically supported in chapter 5 – theory and empirical results resemble each other, while they are not equivalent. First of all, sufficiency has been theorized in chapter 2.8 – and the empirical results indicate that those sufficient relations occur in the data in chapter 5.4.3 without any contradiction and with a high consistency (0.947). One path driven by institutional entrepreneurs, one driven by social movements is sufficient for the outcome in theory and in the empirical data. The first path is constituted by strong ATOs within national contexts, strong incumbents within the value chain with regard to products and super- and hypermarkets in national contexts, and a high prevalence of collective action frames with regard to products in the national media. Highly visible firms in national product markets and strong incumbents within the value chain with regard to products and super- and hypermarkets in national contexts constitute the second path – the relevance or redundancy of the prevalence of collective action frames with regard to products in the national contexts is questioned by the result. One potential explanation is linked to the fallacies of the chosen method (fsQCA) is the analysis of processes. This explanation is offered in this section after the unresolved cases are discussed.

The contradictory row with coffee and cocoa in the USA indicate that the cases are not covered by my theoretical argument, which limits the scope of this argument - other explanations exist for the outcome. Either a third path exists, or coffee (or cocoa) in the USA requires an idiosyncratic explanation, as it has been argued in chapter 5.6.1. Coffee as a *deviant case* (Gerring & Seawright, 2007, p. 105ff) requires its own explanation beyond the comparative framework. If this is the case, it might not be suitable to screen for additional general theoretical arguments and one should delve deeper into the particularities of this case. Since this case does not belong to any of the solution terms (neither theorized nor empirically detected), it casts no doubt on the sufficiency of any of the detected or theorized paths.

If one case in one truth table row would be excluded (sugar in the United Kingdom), the results in chapter 5.4.1 to chapter 5.4.3 and a high consistency value of the whole solution indicate that the theoretical arguments would be fully supported by the data. The inclusion of this case yields results that partially support the theoretical expectations. The low consistency value of the truth table row including sugar in the United Kingdom (0.829 compared to the 0.910 in Table 29 on page 236), and the drop of the consistency of the whole solution (from initially 0.947 (in Table 26 on page 230) to finally 0.876 (in Table 30 on page 237) suggests an exclusion of sugar as an instance of the outcome. In addition, sugar in the United Kingdom casts doubt on the role of framing as "counterfactual-" (Grynaviski, 2013, p. 824) or "Boolean difference maker" (Baumgartner, 2015, p. 844). Sugar in the United Kingdom is the most influential and the least consistent (included) case in the whole analysis – the only truth table row with a single case influences the results to a high degree. It is the only single case which exclusion would affect the detected paths. What is the rationale for treating this particular case as an instance of the outcome and what does this case show with regard to (*diachronic*) processes?

Among the central shortcomings of this thesis is the analysis of processes (*diachronic*) with a set relational method that does not account for time and sequences (Beach & Rohlfing, 2015). A large part of chapter 5.2 is devoted to this issue in order to demonstrate that specific kinds of timely ordering and causal relationships (as argued by Beach and Rohlfing (2015) and Mahoney et al. (2009)) cannot account for the empirical pattern in the data. Nevertheless, not all possible relationships among the conditions and not each possible data generating process (as argued (for instance) by Baumgartner (2009, 2013, 2015) and Beach and Rohlfing (2015)) can be ruled out. With regard to previous findings on single cases by other scholars on similar phenomena and the limitations of this thesis, sugar in the United Kingdom is an exceptionally important instance for the interpretation of the results. This case sheds light on the limitations of the analysis in chapter

5 and hints to timely processes that cannot be directly included in the analysis, but require theory guided attention. The discussion below delves deeper into this issue and finalizes with the relevance of sugar in the United Kingdom for the interpretation of the whole analysis.

The analysis includes the time period in which Fair Trade oriented itself increasingly to mainstream markets (see chapter 3.4) and the conditions are assessed for this time period, exclusively. For the other time periods, not only might the conditions be different, but the chosen operationalization is bound in time – the same concept might be operationalized differently. Sets, concepts, their meaning, and their operationalization differ across time and space (e.g. the treatment of the concept "women's status" in societies in Sub-Saharan Africa and in the OECD-countries by Krook (2010)). For instance, a low amount of collective action frames before 2002 in the national print media does not imply that there was no framing before 2002, but that there might have been different channels for framing, potentially grass roots and personal framing. The ATOs are well known for educating the consumer personally about the issues of fairness and conceive themselves as a social movement ("Alternativbewegung"). They explicitly use grass roots channels to raise the awareness of their cause (Fairtrade e.V., 2001, p. 16). The high attention in the print media detected in chapter 4.3.3 for the print media in different national contexts is a characteristic of the era of mainstreaming (chapter 3.4). In addition, as argued in chapter 4.1 with regard to scope conditions, ATOs evolved and affected all national contexts in this thesis with regard to Fair Trade – some held their dominant position in the observed time period, some not (see chapter 4.3.1). If one analyzed those ATOs before the year 2002, one would either find a low amount of variation (with regard to their sales compared to the national licensers) or one needs to operationalize their influence differently while addressing the same theoretical concept - for instance, the number of worldshops or sales volume per capita. In a nutshell, the analysis in chapter 5 and the proposed mechanisms in chapter 2 refer to the time period after 2002 in chapter 3.4. Therefore, certain antecedents are not included in the analysis, but discussed in the following section.

If one takes into account other well understood cases of the interplay between social movements and entrepreneurial action with regard to the establishment of niches, new organizational forms, or new industries; the narrative usually encompasses both kinds of actors (Bartley, 2007b; Carlos et al., 2014; Lounsbury et al., 2003; McInerny, 2014). In most instances, social movements provide common narratives, blueprints, or "field frames" for change projects with moderate commercial success (Lounsbury et al., 2003), or markets might evolve as unintended consequences (McInerny, 2014, p. 178). Those are later selected by entrepreneurs to initiate change in markets.

They are able to prosper commercially, and the actions by initial movements provide the base for, and are crowded out by, the entrepreneurs. This well-known empirical pattern has been detected for circuit riders and the creation of hybrid forms (social entrepreneurs) (McInerny, 2014), recycling (Lounsbury et al., 2003), the organic movement (Sikavica & Pozner, 2013), the wind power industry (Carlos et al., 2014), and sustainable tourism (van Wijk et al., 2013), for instance. In contrast, the employed theoretical considerations regard institutional entrepreneurs or social movements as a pivotal component to create a favorable opportunity structure and pull (institutional entrepreneurs) or push (social movements) firms into the evolving niche (Carlos et al., 2014) (see chapter 2.4).

The phase in which the Fair Trade initiatives in all national contexts were characterized by, and were virtually equivalent to, ATOs is left out. As aforementioned, these phases and potential conditions or characteristics would have been conceptualized differently – this phase roughly refers to the closed community in chapter 3.2 and the niche market era in chapter 3.3. My argument and the data analysis issue the phase in which the mainstream market were penetrated and the influence of social movements withdrew in some cases (Austria, Germany, and the USA) or lost ground in others (the United Kingdom). In this phase, some product markets correspond to the well-known pattern in which institutional entrepreneurship substitutes or supersedes the effect of social movements (Carlos et al., 2014; Lounsbury et al., 2003; Sikavica & Pozner, 2013; van Wijk et al., 2013), while others remain affected by social movements (Sikavica & Pozner, 2013)[232] and are able to spawn entrepreneurial action without institutional entrepreneurs (Greve et al., 2006; K. Weber et al., 2008).

Those paths cannot be subsumed into one path because institutional entrepreneurs would become logically redundant. All initiatives started with social movements (and a potential different conceptualization of success that is not linked to the penetration of mainstream markets), and detectable market niches evolved in cases with and without institutional entrepreneurship – therefore, institutional entrepreneurship is redundant (given the social movements' origins of Fair Trade in all contexts) and cannot be regarded as a Boolean difference maker (Baumgartner, 2015, p. 844). However, the analysis does not neglect the role of social movements at the beginning of the initiatives, but detects variation of the influence of social movements in later stages. From my point of view, the fact that visible firms can be detected in those instances of successful market penetration in which ATOs lost ground and ATOs are

[232] Sikavica and Pozner (2013) detect three stages in which the identity movement and the niche establishes itself, its boundaries erode in mainstream markets, and a new movement establishes itself with sharper boundaries – therefore, it is an example of movements enduring influence as well as of the invasion by commercial entities.

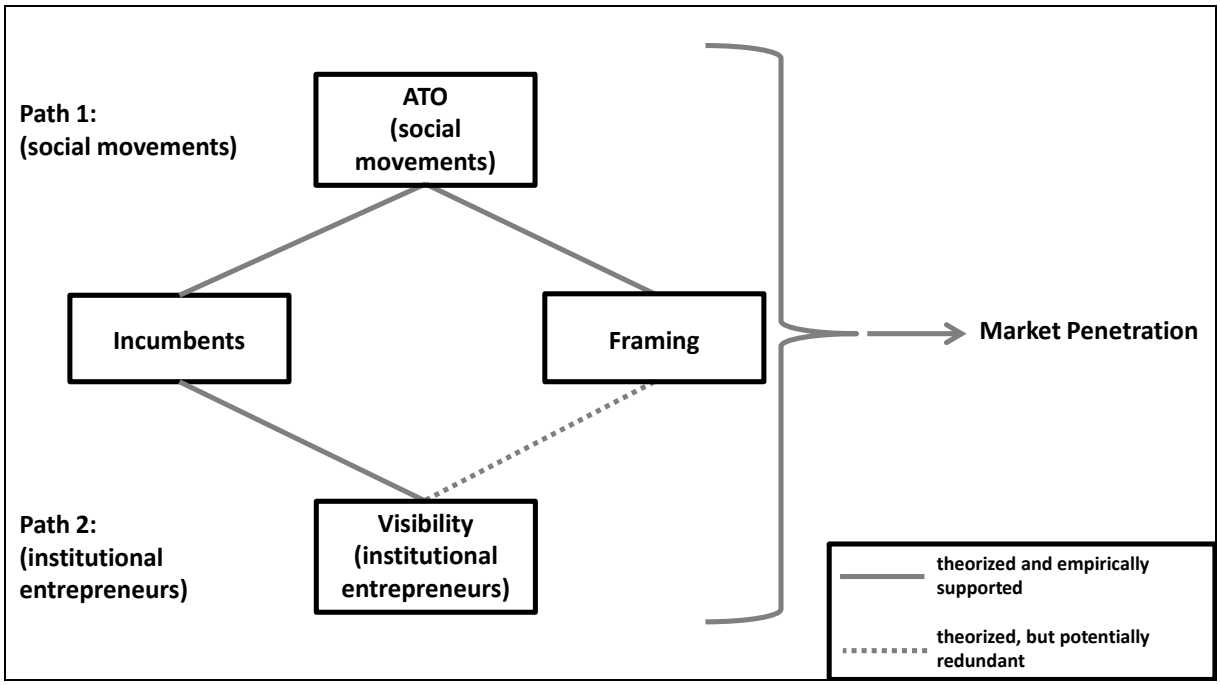
relatively strong in these instances in which no visible firms can be detected[233] is a strong sign that both are able to substitute for each other with regard to their role as INUS conditions for the transformation of markets. If so, two equifinal paths lead to the same outcome.

If this is the case and the analysis captures a certain phase in which the certified products hit mainstream markets and two different paths evolved out of similar social movements' (or ATOs') origins, the puzzling case of sugar might indicate something different. In the United Kingdom, all instances of successful market penetration are captured by the path driven by institutional entrepreneurship and, over time, Fair Trade gained an exceptional trust and understanding as a relevant certification mark across product markets segments (as argued in chapter 5.6.2) among relevant consumer segments in the United Kingdom. The path driven by institutional entrepreneurship might have spawned a third phase and third path in which framing for the cause of fairness became redundant – given that the certification mark is highly trusted and recognized (scope condition). This finding casts no doubt on the causal role of framing for the early successes in this context (coffee, cocoa, and bananas). Hence, the fact that framing became redundant in the solution because of the inclusion of one late success by the Fairtrade Foundation in the analysis indicates a change of the decisive role of framing as a "counterfactual difference maker" (Grynaviski, 2013, p. 824) for the second path over time and under certain scope conditions. It does not indicate the irrelevance of framing as a concept, but its changing role over time – something that cannot be accounted by the fsQCA in chapter 5.

The comparison of Figure 37 and Figure 38 demonstrate the difference in the interpretation. Figure 37 sketches the relationship between the concepts in analysis – incumbents and framing are the common INUS conditions of the two paths of which either visibility or ATOs are individually relevant INUS conditions, the relevance of framing can be questioned due to the fact that it might be redundant in the second path. It shows the difference between the hypothesized relationships in chapter 2.8 and the empirical results in chapter 5.4.

[233] Besides the two exceptions which are covered by both paths (coffee in Austria and cocoa in Germany), see chapter 5.4.

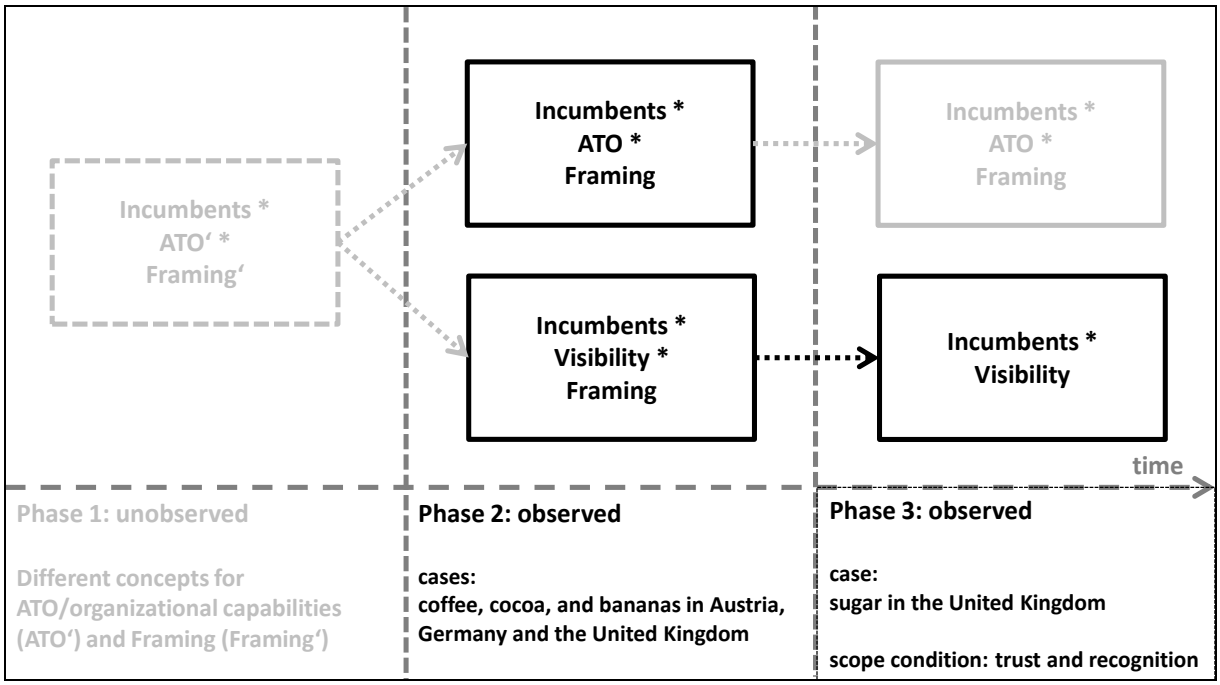
Figure 37: synchronic interpretation of the 2 detected paths



source: own graphical representation

In contrast, Figure 38 shows that one first path (until 2002) has not been observed. The second phase includes the two paths that are theorized and empirically supported for nine of the eleven occurrences of the outcome (coffee, cocoa, and bananas in Austria, Germany, and the United Kingdom). This second phase is followed by a third phase in which path 1 remains presumably unchanged, while framing becomes redundant in path 2 – given that the certification mark gained a high recognition and trust.

Figure 38: diachronic interpretation of the 2 detected paths



source: own graphical representation

6 Conclusion

The research question in chapter 1.1 asked for the causal difference between the "success" of the Fairtrade certification mark in a particular product market within a national setting and the "failure" of the Fairtrade certification mark in another product market within a different national setting. To answer this question, differences in structural conditions within markets (the degree of incumbency), the strength of social movements, and the discourse (the uneven media attention directed to single firms and the framing of certified products) have been analyzed to provide empirical evidence for the two deduced paths to "success" (hypothesis 1). Either strong social movements or institutional entrepreneurs provide incentives for commercial enterprises to employ certification marks in order to distinguish themselves from the mass market and strong incumbents within this markets. In both paths, the certified products are framed in the national print media and the markets are highly concentrated. Strong social movements or a high media attention directed towards exemplary companies are equifinal and, potentially, substitutable conditions to distinguish the two paths. In addition, it has been shown that even though framing is an important part of the explanation, its effect might decrease or even vanish over time.

Nevertheless, the two paths are not exclusively disjunct – in two instances of the outcome, both strong social movements and a high media attention on single firms act in concert. While social movements and institutional entrepreneurship are distinct to each other and can occur separately, they may act together to trigger change in markets (Carlos et al., 2014; Lounsbury et al., 2003; McInerny, 2014). The goal to distinguish the two paths in chapter 2.8 does not imply that they cannot or do not overlap empirically. There is also valid theoretical reasoning behind processes over time in which both act in concert (Carlos et al., 2014; Lounsbury et al., 2003; McInerny, 2014).

Due to skewness, hypothesis 2 on SUIN conditions cannot be interpreted. Even though, the evidence appears to support the argument about SUIN conditions, this finding cannot be interpreted since it might be a methodological artifact. With regard to sufficiency and the non-outcome, all instances of the non-outcome (low degree of market penetration) are characterized by non-visibility (no firm could gain high media attention) and non-framing (products were not framed in the respective context). This rather clear picture does not directly support the hypothesis 3. Nevertheless, it provides sound evidence for the importance of the "discursive" conditions in the analysis. All instances of the outcome (besides the two contradictory cases) lack a critical discourse (Framing) and visible firms within the discourse (Visibility).

The set theoretical argument has guided my attempt to provide a rather parsimonious and comprehensible framework in chapter 2 about ideal typical configurations (M. Weber, 1922) or typologies (Elman, 2005; Fiss, 2011). FsQCA has proven to be a suitable method to describe my cases with regard to those configurations and analyze empirical deviations from the deduced ideal types through fuzzy sets in chapter 5. As a method, it allows for the equifinality of different paths to the outcome, without inhibiting the detection of overlaps. Since my theoretical reasoning and the chosen method employ the same "language", fsQCA provides the perfect match to the theoretical argument (Hall, 2003).

Chapter 6.1 lists the central contributions to the academic field of institutional entrepreneurship and social movement analysis (chapter 6.1.1), the analyzed case Fair Trade (chapter 6.1.2), and to the method QCA (chapter 6.1.3). Chapter 6.2 demonstrates the drawbacks of this thesis as a starting point for future research.

6.1 Theoretical and Empirical Contributions

6.1.1 Contributions to the Literature on Social Movements and Institutional Entrepreneurship

The most important contribution from a theoretical point of view is tied to the chosen method – this study meets the need for a comparison of success and failure and configurational research with regard to institutional entrepreneurship (Battilana et al., 2009, p. 95), social movements (Amenta, 2014, p. 17; Cress & Snow, 2000; Rao et al., 2000, p. 278; Schurman & Munro, 2009), the impact of ethics across industries (Koenig-Archibugi & Macdonald, 2013, p. 518f; McLeod et al., 2016, p. 439), and commensuration (Huault & Rainelli-Weiss, 2011, p. 1396) instead of focusing exclusively on successful projects (sample selection bias) in the comparison of cases. This thesis "examine[s] one activists' campaign against multiple industries on related issues" as T. Waldron et al. (2013, p. 414) propose. Only the comparison of successful cases with unsuccessful cases of social movements affecting markets, institutional entrepreneurs changing markets, and commensuration allow for the detection of causal patterns and single pivotal conditions that make a difference as parts of configurations of causes. All instances of success relied on an interplay of ideational (Framing and Visibility) and structural (Incumbents and ATOs) conditions, while all unsuccessful projects lacked the discourse or ideational component (Framing and Visibility).

A further contribution refers to institutional entrepreneurs as "change agents" (Welter & Smallbone, 2015) in this thesis. Those are accountable for all successful instances in the United Kingdom, and are in most cases major players in the respective product markets (Cadbury), in niches within this markets (Starbucks), or in grocery retail (Sainsbury). Institutional entrepreneurs are often regarded as the most innovative actors within fields (Hargrave & Van De Ven, 2006). While more innovative business models with regard to co-ownership within the product markets were established in this national contexts, those are not regarded as institutional entrepreneurs according to their visibility in the national media – Divine Chocolate and Cafédirect (Davies, 2007; Davies et al., 2010; Huybrechts & Defourny, 2010; Jaffee, 2010, p. 279). Hence, they are not regarded as "change agents" since their step did not create subsequent followers, while the move by the detected "change agents" (Welter & Smallbone, 2015) in chapter 4.3.4.3 did. Change by institutional entrepreneurship entails the mobilization of more than one single firm (Czarniawska, 2009, p. 424; Weik, 2011, p. 473). As it is the case in many instances of institutional change by entrepreneurs (Greenwood & Suddaby, 2006; Hung & Whittington, 2011), major companies changed their strategy and were imitated, soon. The fact that incumbents join the cause of a social movement is analyzed in detail by van Wijk et al. (2013) and does not necessarily contradict the proposed incentives in chapter 2.4, which focus on differentiation as the main strategical impetus.

With regard to certification, I took Bartley's (2007b, p. 339) approach seriously and analyzed the structural conditions of single product markets as well as discursive processes to argue that both kind of actors (firms and social movements) are pivotal for an understanding of change in markets through certification. This approach detects variation beyond the convincingness of collective action frames (one of the pivotal conditions for social movements (Babb, 1996; Benford & Snow, 2000; Snow et al., 2014), as well as institutional entrepreneurship (Battilana et al., 2009)), or the radicalness of an initiative (Bartley, 2007a; K. Weber et al., 2008, p. 560). I refer to discursive (framing and visibility) as well as structural (incumbents and social movement organizations / ATO) conditions in the explanation.

Finally, the conceptualization of social movements as well as institutional entrepreneurship with constitutive features allows for a comparison across contexts (e.g. markets, national settings). One of the central disadvantages of institutional entrepreneurs is the problem to detect them without referring to the outcome of institutional change – cause and effect are usually intermingled, which hampers a causal interpretation of institutional entrepreneurship with regard to change (see McGaughey, 2013, for an exception). The conceptualization of institutional entrepreneurship

as being constituted by the necessary discursive features of a critical discourse and centrality of single firms within this discourse aids the detection of institutional entrepreneurs while separating it from the change itself as the outcome.

6.1.2 Contributions to the field of "Ethical" and "Political Consumerism" and Fair Trade

At first sight it seems odd to list the contributions to a stream of literature that is barely touched in this thesis. Hence, the initial motivation for this thesis stems from research on "ethical" or "political consumerism" (Micheletti, 2003; Micheletti et al., 2004; Micheletti & Stolle, 2007, 2008; Stolle et al., 2005; Stolle & Micheletti, 2013): Either it is on the rise and the ethical label is trusted – then all products in one context should be successful to a similar degree, or it is not on the rise or the label is not regarded as trustworthy – then no product should be successful in one single context. At best, differences at the level of national contexts can be explained by "ethical or political" consumerism. From this angle, the detected differences might be caused by factors outside their scope - the varying degree of availability of labeled products (De Pelsmacker et al., 2005; Hira & Ferrie, 2006; D. Shaw & Clarke, 1999), which requires for a closer look at industries and firms, as Holt (2012) and Bartley (2007b) argue. This is provided by this thesis – without referring necessarily to consumers' attitudes.

One of the central theoretical frameworks in the analysis of Fair Trade emphasizes the focus on supply or value chains (e.g. Fisher, 2009; Gandenberger et al., 2011; Jaffee, 2010; Raynolds, 2012, p. 277; Reed, 2009; S. Smith, 2010b; Tallontire, 2009) as brought forward by Gereffi and others (Gereffi, 1994; Gereffi et al., 2001; Gereffi et al., 2005; Gereffi & Korzeniewicz, 1994; Gereffi & Lee, 2016). Two simplified indicators of this stream of literature are included in the analysis to capture the more general concept incumbents. In contrast to studies that focus exclusively on global value chains, this thesis stresses the interplay of characteristics of the value chain with discursive indicators – framing and visibility. A more general framework is chosen (Fligstein & McAdam, 2011, 2012) that allows for an integration of this powerful concept into the analysis without restricting the whole attention to global value chains. Even though incumbents are an important part of both paths to the outcome, they are neither sufficient nor necessary on their own. Their causal role is as a necessary part of combinations of causes to market penetration. While they belong to the explanation of success of certification, they cannot stand on their own in an explanation.

Finally, this thesis enriches the existing literature with a comparison of products that are regarded as the "flagships" of Fair Trade (coffee, cocoa, and bananas) and, consequently, were able to garner vast attention among scholars of Fair Trade (Barrientos & Smith, 2007; Berlan, 2011; Bethge, 2014; De Pelsmacker et al., 2005; Grodnik & Conroy, 2007; Holt-Giménez et al., 2007; Jaffee, 2012; Levi & Linton, 2003; Luetchford, 2011a; Murray & Raynolds, 2000; Raynolds, 2002, 2007, 2009; Raynolds & Long, 2007a; Renard & Pérez-Grovas, 2007; Shreck, 2002, 2005; S. Smith, 2010a, 2010b; P. L. Taylor, 2004; P. L. Taylor et al., 2005; Weitzman, 2006) and those which are not (rice, sugar, honey, and wine). Even if the comparison has to rely on few dimensions of interest and – as usual with QCA (De Meur et al., 2009, p. 159ff; Kelle, 2003) – lacks depth, it offers a good starting point for the selection of interesting cases for further analysis – single case as well as cross-case analyses (Beach & Rohlfing, 2015; Schneider & Rohlfing, 2013). While this analysis focusses on the success of some products, it also reveals a strong resemblance among the products that did not gain momentum – incumbency and ATOs are rather redundant for non-market penetration, while the lack of visible firms and collective action frames is pivotal. A closer look into those cases over time and changes in the relevant conditions might offer fruitful new insights for further analysis.

6.1.3 Methodological Contributions to fsQCA – Dependencies among the Conditions and Stronger Reliance on Theories

One central concern this thesis addresses is the choice of simplifying assumptions (see chapter 5.2). The central question is: What can be regarded as "counterfactual difference-maker" (Grynaviski, 2013, p. 824) or "Boolean difference maker" (Baumgartner, 2015, p. 844)? Simply put: What could be – but not necessarily is - a cause?

This choice is important since the hesitation to make assumptions will similarly affect the result – potential irrelevant conditions will appear as INUS conditions – as the choice to use (all or some) simplifying assumptions – potential INUS conditions will become irrelevant. It is argued in chapter 5.2 that implausible assumptions can be detected in the data before the analysis and evaluated. This procedure mimics the analysis within a correlation matrix in Large-N analyses (Mansfield & Helms, 1982), and, though it has a different purpose, offers insights into clustered and implausible remainders (Schneider & Wagemann, 2012, p. 154ff). After this analysis, one has to disentangle clustered data structures and plausibility. Implausible assumptions need to be made or avoided with a selection among concepts and/or the creation of new concepts to avoid

redundancies – which is in line with Baumgartner (2015) and in contrast to Schneider and Wagemann (2012, p. 209ff) since they reflect underlying deterministic causal structures. In contrast to Baumgartner (2015), the central strength of QCA is regarded to be the careful selection of counterfactual assumptions (Ragin & Sonnett, 2005) – therefore, and in line with Schneider and Wagemann (2012, p. 315), it is advised "to engage more directly and cautiously with logical remainders". In addition, this procedure is able to rule out certain kinds of sequential processes theorized by some scholars (Beach & Rohlfing, 2015; Mahoney et al., 2009).

The second point refers to configurational research in general. It is rather difficult to theorize single INUS conditions (Mello, 2013, p. 18; Schneider & Wagemann, 2010, p. 411) – since they can hardly be theorized as single causes – it would not be "in line with the epistemological foundations of QCA" (Schneider & Wagemann, 2010, p. 411). Even if Mello detects many instances in which the hypotheses are put forward in set relations and complex causation is theorized, it is rather the exception, than the rule (for an overview: Mello, 2013, p. 20). I employed the conceptual and causal ideas of Goertz (2005) to argue for my particular INUS conditions as constitutive (Wendt, 1998) and necessary parts of combinations or intersections of INUS conditions (or paths), which are sufficient for the outcome. Therefore, my conditions (Incumbents, Framing, ATOs, and Visibility) constitute two hypothesized paths which are sufficient for the outcome "Market Penetration". This allows for the theorization of single INUS conditions and the application of the toolkit of formal logic to these ideal typical configurations (Della Porta, 2008, p. 206; Schneider & Wagemann, 2012, p. 98; M. Weber, 1978 [1921], p. 20). Therefore, I apply Goertz's (2005) conceptions of "ontological" and "causal structures" to argue for single INUS conditions and theorize paths and INUS conditions.

6.2 Drawbacks and Directions for Future Research

The shortcomings of this thesis refer to the fallacies of QCA as a method, the selection of cases and the need to increase the scope beyond Fair Trade, the conceptualization of the outcome, and two disregarded factors of success – public procurement and the increasing relevance of Fair Trade Towns for the success of the Fair Trade initiative.

6.2.1 Future Research on Fair Trade

Firstly, some potential confounding factors have not been analyzed in detail with regard to Fair Trade and its potentials to hit major markets. They are briefly discussed here.

The maturity of the labeling initiative and the certification of products does not seem to confound the analysis since neither do all mature products prosper (e.g. honey in Figure 8 on page 110 and Figure 9 on page 111), nor are mature labeling initiatives always more successful than their less mature counterparts (e.g. Germany and the USA in Figure 7 on page 106).

Public procurement and the flagship of public procurement – Fair Trade Towns (see chapter 4.3.1) – are not explicitly included in the analysis. According to European regulations since 2006 (Cremona & Durán, 2013a, p. 147), the criteria for granting the Fairtrade certification mark can be issued as a "preferred" (not obligatory) sign of the social quality criteria, while the procurement criteria cannot exclude other third parties which abide to the same criteria without the Fairtrade certification mark (van Begin, 2006, p. 7). In a nutshell, since Fair Trade does not issue quality criteria, the "European procurement regulations do not permit it to be part of the subject matter of a contract" (Fisher, 2009, p. 995).

As a result, public procurement relies mainly on support by regional governmental agencies (Fisher, 2009, p. 993). Public procurement initiatives (like "Fair Procura") are regarded as a success driven by social movements and the ATOs (EFTA, 2011, p. 32; J. Wilkinson, 2007, p. 223). The regional level provides the strongest support of Fair Trade with regard to public procurement (Fisher, 2009, p. 993), while the national or European level appears to be rather reluctant in this regard (Cremona & Durán, 2013a) – at least in Europe. As argued in chapter 4.3.1, the Fair Trade Towns campaign is a strong driver of public procurement in the United Kingdom – even until 2011 (Wheeler, 2012, p. 42ff). As argued in chapter 4.3.1, this thesis cannot account for this factor for different reasons. In addition, the argument of this thesis focusses on the supply side while the "institutional consumer" (J. Wilkinson, 2007, p. 223) is clearly located on the demand side (as well as the single consumer). The inclusion of different consumer segments (consisting of households, individuals, or even government agencies) in the QCA is not compelling – especially since the supply side is only theorized. Furthermore, the amount of public procurement can only explain differences between products within one particular national context – differences between products are beyond the scope of an explanation based on public procurement. Even though this campaign cannot substitute for the pioneers of Fair Trade (ATOs/FTOs) nor can it be compared for the time period until 2011 for the chosen contexts (see chapter 4.3.1), a comparison is feasible for the time period after 2011. In Austria and Germany,

the campaign took momentum after 2011 (Germany: 422 Fair Trade Towns, Austria: 155 Fair Trade Towns in 2016 (Fair Trade Towns International, 2016a)) and since regional or local public procurement driven by this campaign might catalyze the sales of certified products, subsequent analysis should consider including the regional level of public procurement and/or the success of this particular campaign.

In a similar vein, global market prices could not be employed in the explanation. Since the setting of a "fair" minimum price is at the heart of the Fairtrade certification mark, the minimum price is a major advantage for producers (Bethge, 2014, p. 58f; Reinecke, 2010). This has been done for various reasons. Firstly, the analysis with fsQCA is ill equipped for the analysis of (minor or even strong) fluctuations over time. Secondly, the global market prices are a far more informative indicator for products that are not segmented by quality (as sugar and bananas, for instance) compared to highly segmented product categories (as cocoa or wine, for instance). Thirdly, the informative global market prices are available for many product categories (as coffee, cocoa, sugar, and rice, for instance), but not for others (wine and honey, for instance) (Nasdaq, 2017).

Another disregarded issue is the competition between certification marks (Bartley, 2010, p. 12ff). While some kinds of certification seem to act complementary to Fair Trade (e.g. organic), other certificates appear less often together with the Fairtrade certification mark (FLO, 2011c, p. 44). For bananas in the United Kingdom, it has been shown that certain firms have an affinity for Fair Trade (Sainsbury), while others employ the Rainforest Alliance certificate (Asda, Lidl) in chapter 5.6.3. Comparing the success globally, the labels Rainforest Alliance and UTZ have increasing and higher certified sales (volumes) compared to Fair Trade cocoa (Potts et al., 2014b, p. 136), 4C and Rainforest Alliance have higher sales volumes compared to Fair Trade coffee (Potts et al., 2014c, p. 162), and Rainforest Alliance has higher and increasing sales volumes compared to stagnating and (comparatively) low sales of Fair Trade bananas (Potts et al., 2014a, p. 103). A comparison with regard to substitutable certification marks and competition between certification marks might be fruitful. The relevant questions would be: Which certification appeals to whom (with regard to firms as well as consumers) and which kinds of certification are complements to each other? Bartley (2010, p. 12ff) proposes different trajectories of competition between certification marks which lead to a "race to the bottom", "ratcheting up" of standards, or a co-existence because of market segmentation. One could, and should, address this issue from a comparative perspective targeting one certification mark in competition with others across product categories.

6.2.2 Fallacies of QCA – Opening the "Black Box"

Secondly, the fallacies of QCA offer a good starting point for further research. De Meur et al. (2009, p. 159) address two of the major critiques or fallacies of QCA – the problem of the "black box" and the issue of temporal order – two interlinked issues. In chapter 2, assumptions about general mechanisms and incentives are provided. Those assumptions are backed with the results of previous research on evolving niches or market segments, but can and should be validated with empirical data for my particular case or other instances of certification. This analysis treats the single conditions as indicators of assumed mechanisms and as constitutive parts of temporal paths. The results in chapter 5 can be employed to choose relevant cases for such an endeavor – either with MDSO or MSDO-designs (Berg-Schlosser & De Meur, 2009; De Meur & Berg-Schlosser, 1994; 2012, p. 300ff), or with a selection of typical or crucial cases (Beach & Rohlfing, 2015; Schneider & Rohlfing, 2013; Schneider & Wagemann, 2012, p. 300ff). Especially with regard to the temporal order of events. Beach and Rohlfing (2015) propose "mechanism" or "condition"-centered designs for a subsequent analysis of processes after employing QCA. Either the temporal order is addressed alone (condition centered), or the mechanisms underlying this temporal order (mechanism-centered) are researched more deeply. While some evidence is provided in chapter 5.6, a more comprehensive understanding of the underlying mechanisms backed by in-depth interviews with different stakeholders of Fair Trade and the relevant product markets is required. Fair Trade is a significant opportunity to segment markets as entry points for smaller producers in the global South, even if unsuccessful (such as honey, for instance (CBI, 2009, p. 2; 2009 (06/2009], p. 7)). In contrast to 1978 (European Commission, 1978 [02/14/1978]), the European Commission (European Commission, 2014 [10/03/2014]) has changed its perception of the banana market and now regards Fair Trade (and organic) to be relevant market segments for bananas worth noting in the analysis of market power. A formerly unsegmented market is now segmented. But, whether the segmentation acted as an incentive for firms as argued in chapter 2.4, needs to be backed by more detailed information.

6.2.3 Expanding the Scope of the Theoretical Argument

Thirdly, the selection of one single certification mark might be regarded as an advantage, since many potentially relevant and confounding factors causing success in mainstream markets can be ruled out. For instance, the maturity of the labeling initiative and the certification of products does not seem to confound the analysis since neither do all mature products prosper (e.g. honey, as can be seen in Figure 8 on page 110 and Figure 9 on page 111), nor are mature labeling

initiatives always more successful than their less mature counterparts (e.g. Germany and the USA, see Figure 7 on page 106). Nevertheless, the choice for a single certification mark might also restrict the analysis to this particular case – Fair Trade. In chapter 2.8, the theoretical reasoning has been equipped with two blank spots – X_1 and X_2 - to be filled by further research. It has been argued that certain conditions constitute necessary parts of sufficient paths, while it remains an open question whether those constitutive parts are jointly sufficient in all potential instances of the outcome. The theoretical argument can be employed as a "building shell" that allows for an extension by idiosyncratic conditions, additional necessary conditions (which are jointly sufficient with the employed conditions), or additional scope conditions. The scope conditions in chapter 4.1 started this way. However, they do not necessarily have to be exhaustive and might require additional research to be validated beyond my case.

Furthermore, a closer look with regard to the negative cases is called for. It has been shown that - regardless of the strength of ATOs and the degree of incumbency – the lack of discourse (framing and visibility) surrounding these products is crucial for all covered instances of the non-outcome. No equifinality has been discovered – all covered instances are strikingly similar. The explanation of this missing attention by national print media needs to be further discovered. The maturity of the product and the labeling initiative within the national context does not seem to explain this pattern since it has been found in all national contexts and for all products – regardless of the maturity.

Fourthly, as Gamson (1990 [1975], p. 28ff) and Cress and Snow (2000) illustrate, different indicators of success exist of which one is picked in this thesis. Many scholars of Fair Trade would argue that the initial movement has been co-opted by commercial enterprises and has lost its initial grid (Davies, 2009; Jaffee, 2012; Jaffee & Howard, 2015; Laine & Laine, 2009; Low & Davenport, 2005; A. M. Smith, 2009; Tallontire, 2009). From this angle, my indicator of success (market share) measures the success of co-optation of the initiative by commercial enterprises. This would be the downfall of a certification mark, rather than its success (Bartley, 2010, p. 18). Other potential indicators referring to the beneficiaries of Fair Trade (e.g. the amount of workers or small producers sourcing certified items, the benefits for the workers and small scale producers), the recognition and trust in the initiative on the national level (for an overview: FLO, 2010b, 2011c), or the amount of companies or the credibility of those companies with regard to their dedication to the objective of Fair Trade (compared to "fairwashing" (Brown, 2013, p. 99; Jaffee & Howard, 2015) could have been employed, as well. Those alternatives should be considered in future research with a potentially similar framework. Hence, the recognition of and

trust in the certification mark cannot shed light on differences between products within national contexts and the beneficiaries of a specific product category cannot take national differences into account (in most instances, except if producers source to one national context only). Consequently, a rather simple, but appropriate measurement which is in line with the initial and later objective of Fair Trade initiatives (Coote, 1994, p. 202f; EFTA, 2002a, p. 1) (see chapter 4.3.1), and is constantly reported as the common indicator of success on the national (by the national labeling initiatives) as well as the international level (by FLO) has been chosen. Furthermore, this indicator is in line with previous research on market segments (see chapter 4.2) and can be regarded as the common objective of many stakeholders of Fair Trade – from commercial businesses to small scale producers.

Still, it is not the only approach to "success", and alternatives might be considered – or a combined indicator consisting of market share and recognition (for instance) could be built (as Cress and Snow (2000) in their analysis of homeless mobilization, for instance). A combined indicator for the outcome (employing recognition of the certification mark in the national context and market share on the national-product level as necessary and jointly sufficient attributes of "success") would actually resolve the contradiction of coffee and cocoa in the USA in this analysis. But, this procedure would be a much too tempting way (a loophole) to silently exclude the USA from the analysis of the outcome and is regarded as controversial at best. Accordingly, one has to be careful with the combination of indicators of success on the national or product level with indicators on the national-product level. In a nutshell, this thesis addresses one of many different potential assessments of success and further research could step ahead and show communalities and differences in the paths leading to market penetration and alternative indicators.

Finally, this thesis focuses and theorizes the supply side of certification. An integrative and interactive framework for the supply and the demand side would certainly provide a compelling endeavor since both sides of the market are required for a full explanation of the success and failure of certification and the penetration of markets. This endeavor provides fruitful new insights. Bartley et al. (2015) already left the beaten track to bridge the supply and demand side in their explanation of "conscientious" consumption.

7 Bibliography

Adcock, R. (2001). Measurement Validity: A Shared Standard for Qualitative and Quantitative Research. *American Political Science Review, 95*(03), 529-546.

Aghion, P., & Howitt, P. (1992). A Model of Growth Through Creative Destruction. *Econometrica, 60*(2), 323-351.

Agrana. (2005). Jahresbericht 2004/05: Zucker. Stärke. Frucht. Retrieved from http://www.agrana.com/downloadcenter/?no_cache=1&id=3739&layout=&d[17302][category]=0&d[17302][year]=2005&d[17302][doctype]=&d[17302][sword]= (Date: 05/27/2016).

Agriculture and Agri-Food Canada. (2013). *Modern Grocery Retailing in the United States (Market Indicator Report)*. Ottawa: Agriculture and Agri-Food Canada.

Agriculture and Agri-Food Canada. (2016). Grocery Retail Trends in the United Kingdom (Market Access Secretariat: Global Analysis Report). Retrieved from http://www.agr.gc.ca/resources/prod/Internet-Internet/MISB-DGSIM/ATS-SEA/PDF/6740-eng.pdf (Date: 05/24/2016).

Agritrade. (2010a). Corporate restructuring in the EU sugar sector: Implications for the ACP. Retrieved from http://agritrade.cta.int/en/Resources/Agritrade-documents/Special-reports/Corporate-restructuring-in-the-EU-sugar-sector-Implications-for-the-ACP (Date: 05/26/2016).

Agritrade. (2010b). Sugar sector is major recipient of EU subsidies. Retrieved from http://agritrade.cta.int/en/Agriculture/Commodities/Sugar/Sugar-sector-is-major-recipient-of-EU-subsidies (Date: 05/26/2016).

Agritrade. (2012 [2011]). *Executive brief: Product Differentiation*. Wageningen, NL: Technical Centre for Agricultural and Rural Cooperation (ACP—EU).

Agritrade. (2013). *Executive brief: Sugar Sector*. Wageningen, NL: Technical Centre for Agricultural and Rural Cooperation (ACP—EU).

Agritrade. (2014). *Corporate profile: Südzucker*. Wageningen, NL: Technical Centre for Agricultural and Rural Cooperation (ACP—EU).

Ahrne, G., Aspers, P., & Brunsson, N. (2015). The Organization of Markets. *Organization Studies, 36*(1), 7-27.

Akerlof, G. A. (1970). The Market for "Lemons": Quality Uncertainty and the Market Mechanism. *The Quarterly Journal of Economics, 84*(3), 488-500.

Aldrich, H. E., & Fiol, C. M. (1994). Fools Rush in? The Institutional Context of Industry Creation. *The Academy of Management Review, 19*(4), 645-670.

Allen, P., & Kovach, M. (2000). The capitalist composition of organic: The potential of markets in fulfilling the promise of organic agriculture. *Agriculture and Human Values, 17*(3), 221-232.

Amenta, E. (2014). How to Analyze the Influence of Movements. *Contemporary Sociology, 43*(1), 16-28.

Amenta, E., & Poulson, J. D. (1994). Where to Begin: A Survey of Five Approaches to Selecting Independent Variables for Qualitative Comparative Analysis. *Sociological Methods & Research, 23*(1), 22-53.

American Crystal Sugar Company. (2016). Cooperative Profile. Retrieved from https://www.crystalsugar.com/cooperative-profile/ (Date: 06/20/2016).

AmosWEB Encyclonomic WEB*pedia. (2000-2016). Four Firm Concentration Ratio. Retrieved from http://www.amosweb.com/cgi-bin/awb_nav.pl?s=wpd&c=dsp&k=four-firm+concentration+ratio (Date: 06/05/2016).

Andorfer, V. A. (2013). Ethical Consumption in Germany. *Zeitschrift für Soziologie, 42*(5), 424-443.

Andorfer, V. A., & Liebe, U. (2012). Research on Fair Trade Consumption—A Review. *Journal of Business Ethics, 106*(4), 415-435.

Andrews, K. T. (2001). Social Movements and Policy Implementation: The Mississippi Civil Rights Movement and the War on Poverty, 1965 to 1971. *American Sociological Review, 66*(1), 71-95.

Anteby, M. (2010). Markets, Morals, and Practice of Trade: Jurisdictional Disputes in the U.S. Commerce in Cadavers. *Administrative Science Quarterly, 55*, 606-638.

Archer, C., & Fritsch, S. (2010). Global fair trade: Humanizing globalization and reintroducing the normative to international political economy. *Review of International Political Economy, 17*(1), 103-128.

Arias, P., Dankers, C., Liu, P., & Pilkauskas, P. (2003). Transnational Companies in the World Banana Economy. In P. Arias, C. Dankers, P. Liu, & P. Pilkauskas (Eds.), *The World Banana Economy 1985-2002* (pp. Chapter 6). Rome: FAO (Food and Agriculture Organization of the United Nations).

Asda. (2016). We're committing to support banana farmers in Central America. Retrieved from http://your.asda.com/news-and-blogs/we-re-committing-to-support-banana-farmers-in-central-america (Date: 07/26/2016).

Auld, G. (2011). Certifications as governance: Current impacts and future prospects. In M. Warrier (Ed.), *The Politics of Fair Trade* (pp. 68-86). New York: Routledge.

Autio, E., Kenney, M., Mustar, P., Siegel, D., & Wright, M. (2014). Entrepreneurial innovation: The importance of context. *Research Policy, 43*(7), 1097-1108.

Babb, S. (1996). "A True American System of Finance": Frame Resonance in the U.S. Labor Movement, 1866 to 1886. *American Sociological Review, 61*(6), 1033-1052.

Baker, H. K., Powell, G. E., & Weaver, D. G. (1999). Does NYSE Listing Affect Firm Visibility? *Financial Management, 28*(2), 46-54.

Banana Link. (2016). From plantation to retailer. Retrieved from http://www.bananalink.org.uk/content/companies (Date: 05/12/2016).

Barley, S. R., & Tolbert, P. S. (1997). Institutionalization and Structuration: Studying the Links between Action and Institution. *Organization Studies, 18*(1), 93-117.

Baron, D. P. (2001). Private Politics, Corporate Social Responsibility, and Integrated Strategy. *Journal of Economics & Management Strategy, 10*(1), 7-45.

Baron, D. P. (2005). Competing for the Public Through the News Media. *Journal of Economics & Management Strategy, 14*(2), 339-376.

Baron, J. N., Mittman, B. S., & Newman, A. E. (1991). Targets of Opportunity: Organizational and Environmental Determinants of Gender Integration within the California Civil Service, 1979-1985. *The American Journal of Sociology, 96*(6), 1362-1401.

Barrientos, S. (2016). Beyond Fair Trade: Why are Mainstream Chocolate Companies Pursuing Social and Econic Sustainability Sourcing? In M. P. Squicciarini & J. Swinnen (Eds.), *The Economics of Chocolate* (1 ed., pp. 213-227). Oxford: Oxford University Press.

Barrientos, S., Conroy, M. E., & Jones, E. (2007). Northern social movements and Fair Trade. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 51-62). London/New York: Routledge.

Barrientos, S., Gereffi, G., & Rossi, A. (2011). Economic and social upgrading in global production networks: A new paradigm for a changing world. *International Labour Review, 150*(3-4), 319-340.

Barrientos, S., & Smith, S. (2007). Mainstreaming Fair Trade in global production networks. Own brand fruit and chocolate in UK supermarkets. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 103-122). London/New York: Routledge.

Bartley, T. (2007a). How Foundations Shape Social Movements: The Construction of an Organizational Field and the Rise of Forest Certification. *Social Problems, 54*(3), 229-255.

Bartley, T. (2007b). Institutional emergence in an era of globalization: The rise of transnational private regulation of labor and environmental conditions. *American Journal of Sociology, 113*(2), 297-351.

Bartley, T. (2010) Certification as a Mode of Social Regulation. *Jerusalem Papers in Regulation & Governance Working Paper No. 8 (May 2010)*. Retrieved from http://regulation.huji.ac.il/papers/jp8.pdf (Date: 01/28/2017).

Bartley, T. (2014). Transnational governance and the re-centered state: Sustainability or legality? *Regulation & Governance, 8*(1), 93-109.

Bartley, T., & Child, C. (2011). Movements, Markets and Fields: The Effects of Anti-Sweatshop Campaigns on U.S. Firms, 1993-2000. *Social Forces, 90*(2), 425-451.

Bartley, T., & Child, C. (2014). Shaming the Corporation: The Social Production of Targets and the Anti-Sweatshop Movement. *American Sociological Review, 79*(4), 653–679.

Bartley, T., Koos, S., Samel, H., Setrini, G., & Summers, N. (2015). *Looking Behind the Label: Global Industries and the Conscientious Consumer (Global Research Studies)*. Bloomington / Indianapolis: Indiana University Press.

Bartley, T., & Smith, S. N. (2010). Communities of practice as cause and consequence of transnational governance: the evolution of social and environmental certification. In M.-L. Djelic & S. Quack (Eds.), *Transnational Communities. Shaping Global Economic Governance* (1 ed., pp. 347-374). Cambridge, New York: Cambridge University Press.

Barton, A. H. (1955). The Concept of Property Space in Social Research. In P. F. Lazarsfeld & M. Rosenberg (Eds.), *The Language of Social Research: A Reader in the Methodology of Social Research* (1 ed., pp. 40-53). Glencoe, Il: The Free Press, Publishers.

Battilana, J. (2011). The Enabling Role of Social Position in Diverging from the Institutional Status Quo: Evidence from the UK National Health Service. *Organization Science, 22*(4), 817-834.

Battilana, J., Leca, B., & Boxenbaum, E. (2009). How Actors Change Institutions: Towards a Theory of Institutional Entrepreneurship. *The Academy of Management Annals, 3*(1), 65-107.

Baum, J. A. C., & Powell, W. W. (1995). Cultivating an Institutional Ecology of Organizations: Comment on Hannan, Carroll, Dundon, and Torres. *American Sociological Review, 60*(4), 529-538.

Baumgartner, M. (2009). Inferring Causal Complexity. *Sociological Methods & Research, 38*(1), 71-101.

Baumgartner, M. (2013). Detecting Causal Chains in Small-n Data. *Field Methods, 25*(1), 3-24.

Baumgartner, M. (2015). Parsimony and Causality. *Quality & Quantity, 49*(2), 839-856.

BBC. (2008). Tate & Lyle sugar to be Fairtrade. Retrieved from http://news.bbc.co.uk/2/hi/uk/7260211.stm (Date: 06/09/2016).

Beach, D., & Pedersen, R. B. (2013). *Process tracing methods : foundations and guidelines*. Ann Arbor: University of Michigan Press.

Beach, D., & Rohlfing, I. (2015). Integrating Cross-case Analyses and Process Tracing in Set-Theoretic Research: Strategies and Parameters of Debate. *Sociological Methods & Research*.

Beaumont, W. (2014 [10/03/2014]). Germany fair trade pioneer GEPA supports small producers. Retrieved from http://organicwellnessnews.com/en/germany-fair-trade-pioneer-gepa-supports-small-producers/ (Date: 07/15/2016).

Beckert, J. (1999). Agency, Entrepreneurs, and Institutional Change. The Role of Strategic Choice and Institutionalized Practices in Organizations. *Organization Studies, 20*(5), 777-779.

Beckert, J. (2010). How Do Fields Change? The Interrelations of Institutions, Networks, and Cognition in the Dynamics of Markets. *Organization Studies, 31*(5), 605-627.

Beckert, J. (2011) Die Sittlichkeit der Wirtschaft. *MPIfG Working Paper 11/8*. Retrieved from http://www.mpifg.de/pu/workpap/wp11-8.pdf (Date: 06/09/2016).

Beckert, J. (2013). Imagined futures: fictional expectations in the economy. *Theory and Society, 42*(3), 219-240.

Beckert, J., & Aspers, P. (2011). *The Worth of Goods: Valuation & Pricing in the Economy*. Oxford / New York: Oxford University Press.

Bellù, L. G., & Liberati, P. (2005). *Charting Income Inequality: The Lorenz Curve [EASYPol On-line resource materials for policy making -Analystical Tools Module 000]*: FAO - Food and Agriculture Organization of the United Nations.

Bellù, L. G., & Liberati, P. (2006). *Inequality Analysis: The Gini Index [EASYPol On-line resource materials for policy making -Analytical Tools Module 040]*: FAO - Food and Agriculture Organization of the United Nations.

Benford, R. D. (1993). Frame Disputes within the Nuclear Disarmament Movement. *Social Forces, 71*(3), 677-701.

Benford, R. D. (1997). An Insider's Critique of the Social Movement Framing Perspective. *Sociological Inquiry, 67*(4), 409-430.

Benford, R. D. (2013). Master Frame.The Wiley-Blackwell Encyclopedia of Social and Political Movements. Chichester / Malden: Blackwell Publishing Ltd. Retrieved from http://dx.doi.org/10.1002/9780470674871.wbespm126.

Benford, R. D., & Snow, D. A. (1988). Ideology, Frame Resonance, and Participant Mobilization. *International Social Movement Research, 1*(197-217).

Benford, R. D., & Snow, D. A. (2000). Framing Processes and Social Movements: An Overview and Assessement. *Annual Review of Sociology, 26*, 611-639.

Bennett, E. A. (2013). A short history of fairtrade certification governence. In B. Granville & J. Dine (Eds.), *The Processes and Practices of Fair Trade - Trust, ethics, and governance* (pp. 43-79). London / New York: Routledge

Bennett, W. L., Foot, K., & Xenos, M. (2011). Narratives and Network Organization: A Comparison of Fair Trade Systems in Two Nations. *Journal of Communication, 61*, 219-245.

Berg-Schlosser, D., & De Meur, G. (2009). Comparative Research Design: Cases and Variable Selection. In B. Rihoux & C. C. Ragin (Eds.), *Configurational Comparative Methods: Qualitative Comparative Analysis (QCA) and Related techniques* (pp. 19-32). London / Thousand Oaks / New Delhi / Singapore: Sage Publications Inc.

Bergeron, H., Castel, P., & Dubuisson-Quellier, S. (2014) Governance by Labels. *MaxPo Discussion Paper 14/2*. Paris: Max Planck Sciences Po Center on Coping with Instability in Market Societies. Retrieved from http://www.maxpo.eu/pub/maxpo_dp/maxpodp14-2.pdf

Berlan, A. (2011). Case Study: Cocoa. In M. Warrier (Ed.), *The Politics of Fair Trade - A Survey* (pp. 123-129). London: Routledge.

Bethge, J. P. (2014). *Sustainable Certification: Comparative analysis of different approaches, their implementation and impacts using the examples of Fairtrade and Rainforest Alliance in the cocoa sector in Ghana (Neue Kölner Genossenschaftswissenschaft Band 8)*. Zürich / Wien / Berlin / Münster: LIT Verlag.

BK Wine Magazine. (2012). Wine imports booming too in 2010; top 14 countries (with some surprises). Retrieved from http://www.bkwine.com/news/wine-imports-2010-top-14-countries/ (Date: 06/02/2016).

Boland, M., & Barton, D. (2002) American Crystal Sugar Company: Diversification in the Corn Sweetener Industry *Agricultural Marketing Resource Center (Kansas State University): Arthur Capper Cooperative Center Case Study Series 02-11*. Retrieved from http://www.agmrc.org/media/cms/ksusugar_835D3EC13449E.pdf (Date: 01/28/2017).

Boltanski, L., & Thévenot, L. (2007 [1991]). *Über die Rechtfertigung - Eine Soziologie der kritischen Urteilskraft* (A. Pfeuffer, Trans. 1 ed.). Hamburg: Hamburger Edition HIS Verlagsges. GmbH.

Bolton, S. C., & Laaser, K. (2013). Work, employment and society through the lens of moral economy. *Work, Employment & Society, 27*(3), 508-525.

Boonman, M., Huisman, W., Sarrucco-Fedorovtsjev, E., & Sarruco, T. (2011 [04/2011]). *Fair Trade Facts and Figures: A Success story for Producers and Consumers*. Colemborg, NL: The Dutch Association of Worldshops.

Bord Bia. (2008). Food & Drink Industry Austria. Retrieved from http://www.bordbia.ie/industry/events/SpeakerPresentations/2008/FoodDrinksIndustryDayCountryOverviews/Austria%20Market%20Overview.pdf (Date: 05/11/2016).

Börzel, T. A., & Risse, T. (2010). Governance without a state: Can it work? *Regulation & Governance, 4*(2), 113-134.

Botonaki, A., Polymeros, K., Tsakiridou, E., & Mattas, K. (2006). The role of food quality certification on consumers' food choices. *British Food Journal, 108*(2), 77-90.

Bourdieu, P. (2005 [2000]). Principles of Economic Anthropology. In N. J. Smelser & R. Swedberg (Eds.), *The Handbook of Economic Sociology* (pp. 75-89). Princeton: Princeton University Press.

Bowers, J. (2014). Comment: Method Games—A Proposal for Assessing and Learning about Methods. *Sociological Methodology, 44*, 112-117

Bowles, S. (2008). Policies Designed for Self-Interested Citizens May Undermine "The Moral Sentiments": Evidence from Economic Experiments. *Science, 320*(1605), 1605-1609.

Braumoeller, B. (2016). Aggregation Bias and the Analysis of Necessary and Sufficient Conditions in fsQCA. *Sociological Methods & Research*, 1-10.

Braumoeller, B., & Goertz, G. (2002). Watching Your Posterior: Comment on Seawright. *Political Analysis, 10*(2), 198-203.

Broscheid, A., & Gschwend, T. (2003) Augäpfel, Murmeltiere und Bayes: Zur Auswertung stochastischer Daten aus Vollerhebungen. *MPIfG Discussion Paper 7/03*. Retrieved from http://www.mpifg.de/pu/workpap/wp03-7/wp03-7.pdf (Date: 01/28/2016).

Brown, K. R. (2013). *Buying into Fair Trade: Culture, Morality, and Consumption*. New York / London: New York University Press.

Bruton, G. D., Ahlstrom, D., & Li, H.-L. (2010). Institutional Theory and Entrepreneurship: Where Are We Now and Where Do We Need to Move in the Future? *Entrepreneurship Theory and Practice, 34*(3), 421-440.

Bryant, R. L., & Goodman, M. (2004). Consuming Narratives: the political ecology of "alternative" consumption. *Transactions of the Institute of British Geographers, 29*(3), 344-366.

Budd, E. C. (1970). Postwar Changes in the Size Distribution of Income in the U.S. *The American Economic Review, 60*(2), 247-260.

Bundeskartellamt. (2014). Bundeskartellamt verhängt Bußgelder gegen Zuckerhersteller. Retrieved from http://www.bundeskartellamt.de/SharedDocs/Meldung/DE/Pressemitteilungen/2014/18_02_2014_Zucker.html (Date: 05/23/2016).

BusinessDictionary.com. (2016). market. Retrieved from http://www.businessdictionary.com/definition/market.html (Date: 08/17/2016).

Buzzanell, P. (1997). The North American Sugar Market: Recent Trends and Prospects Beyond 2000 (Fiji/FAO Asia Pacific Sugar Conference - prepared for for the Sugar and Beverages Group, Commodities and Trade Division, FAO). Retrieved from http://www.fao.org/docrep/005/x0513e/x0513e15.htm (Date: 05/26/2016).

Byrkjeflot, H., Pedersen, J. S., & Svejenova, S. (2013). From Label to Practice: The Process of Creating New Nordic Cuisine. *Journal of Culinary Science & Technology, 11*(1), 36-55.

Cáceres, Z., Carimentrand, A., & Wilkinson, J. (2007). Fair Trade and quinoa from the southern Bolivian Altiplano. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 180-199). London, New York: Routledge.

Campbell, J. L. (2005). Where do we stand? Common Mechanisms in Organizations and Social Movement Research. In G. F. Davis, D. McAdam, W. R. Scott, & M. N. Zald (Eds.), *Social Movements and Organization Theory* (pp. 41-68). Cambridge: Cambridge University Press.

Caren, N., & Panofsky, A. (2005). TQCA: A Technique for Adding Temporality to Qualitative Comparative Analysis. *Sociological Methods & Research, 34*(2), 147-172.

Carlin, W., Haskel, J., & Seabright, P. (2001). Understanding 'The Essential Fact about Capitalism': Markets, Competition and Creative Destruction. *National Institute Economic Review, 175*(1), 67-84.

Carlos, C., Sine, W., Lee, B., & Haveman, H. (2014). Gone with the Wind: Industry Development and the Evolution of Social Movement Influence. Retrieved from http://works.bepress.com/brandon_lee/6/ (Date: 16.05.2016).

Carroll, G. R. (1985). Concentration and Specialization - Dynamics of Niche Width in Populations of Organizations. *American Journal of Sociology, 90*(6), 1262-1283.

Carroll, G. R., & Huo, Y. P. (1986). Organizational Task and Institutional Environments in Ecological Perspective - Findings from the Local Newspaper Industry. *American Journal of Sociology, 91*(4), 838-873.

Carroll, G. R., & Swaminathan, A. (2000). Why the Microbrewery Movement? Organizational Dynamics of Resource Partitioning in the U.S. Brewing Industry. *American Journal of Sociology, 106*(3), 715-762.

Castel, P., & Friedberg, E. (2010). Institutional change as an interactive process: the case of the modernization of French cancer centers. *Organization Science, 21*(2), 311-330.

CBI. (2009). Honey in the United Kingdom. Retrieved from www.cbi.eu (Date: 07/30/.2012).

CBI. (2009 (06/2009]). CBI Market Survey: The Honey and Other Bee Products Market in the EU. Retrieved from www.cbi.eu (Date: 07/30/.2012).

CBI. (2010a). *The Rice and Pulse Market of the Austria*. Retrieved from www.cbi.eu (Date: 07/30/.2012).

CBI. (2010b). The Rice and Pulse Market of the EU. *CBI Market Survey.* Retrieved from http://www.google.de/url?sa=t&rct=j&q=&esrc=s&source=web&cd=3&ved=0CFsQFjAC&url=http%3A%2F%2Fwww.cbi.nl%2F%3Fpag%3D85%26doc%3D3189%26typ%3Dmid_document&ei=KVwYUIHXCsHK0QWexoGICQ&usg=AFQjCNGhTN5CiItAPm-35OgiWqFJC_5l5Q (Date: 07/30/.2012).

CBI. (2010c). *The Rice and Pulse Market of the United Kingdom*. Retrieved from www.cbi.eu (Date: 07/30/.2012).

CBI. (2013 [08/2013]). *Fresh bananas in Germany*. The Hague: CBI Information Database.

CBI. (2015 [08/2015]). *Trends: Honey in Europe*. The Hague: CBI Market Intelligence.

CBI. (2015 [11/2015]). Honey in the United Kingdom. Retrieved from www.cbi.eu/market-information.

CBI (Ministry of Foreign Affairs of the Netherlands). (2014). Trends & Segmentation of Markets: Cocoa Beans / Semi Processed Cocoa Products. *CBI Market Survey.* Retrieved from https://www.cbi.eu/sites/default/files/subweb/trends_segments_cert_crs_access_promo_cacao_derivatives_2014_light.pdf (Date: 06/02/2016).

Charters, S., & Pettigrew, S. (2007). The dimensions of wine quality. *Food Quality and Preference, 18*(7), 997-1007.

Cherry, E., Ellis, C., & DeSoucey, M. (2010). Food for Thought, Thought for Food: Consumption, Identity, and Ethnography. *Journal of Contemporary Ethnography*.

Clarke, K. A. (2002). The Reverend and the Ravens: Comment on Seawright. *Political Analysis, 10*(2), 194-197.

Collier, D. (2014). Comment: QCA Should Set Aside the Algorithms. *Sociological Methodology*.

Comanor, W. S., & Wilson, T. A. (1967). Advertising Market Structure and Performance. *The Review of Economics and Statistics, 49*(4), 423-440.

Consumer International. (2012). The relationship between supermarkets and suppliers: What are the implications for consumers? (Summary of the main report). Retrieved from http://www.consumersinternational.org/media/1035307/summary,%20the%20relationship%20between%20supermarkets%20and%20suppliers.pdf (Date: 05/11/2016).

Cooper, B., & Glaesser, J. (2011). Paradoxes and Pitfalls in Using Fuzzy Set QCA: Illustrations from a Critical Review of a Study of Educational Inequality. *Sociological Research Online, 16*(3), 8.

Coote, B. (1994). *Der unfaire Handel: die "3. Welt" in der Handelsfalle und mögliche Auswege* (Oxfam Ed. 1 [Germany] ed.). Stuttgart: Schmetterling Verlag.

CraftBeer.com. (2016). History of Beer: Timeline. Retrieved from https://www.craftbeer.com/the-beverage/history-of-beer/timeline (Date: 06/17/2016).

Cremona, M., & Durán, G. M. (2013a). Fair trade in the European Union: Regulatory and institutional aspects. In B. Granville & J. Dine (Eds.), *The Processes and Practices of Fair Trade - Trust, ethics, and governance* (pp. 122-196). London / New York: Routledge

Cremona, M., & Durán, G. M. (2013b). The international fair trade movement: Actors and regulatory approaches. In B. Granville & J. Dine (Eds.), *The Processes and Practices of Fair Trade - Trust, ethics, and governance* (pp. 96-121). London / New York: Routledge

Cress, D. M., & Snow, D. A. (2000). The Outcomes of Homeless Mobilization: The Influence of Organization, Disruption, Political Mediation, and Framing. *American Journal of Sociology, 105*(4), 1063-1104.

Curry, B., & George, K. D. (1983). Industrial Concentration: A Survey. *The Journal of Industrial Economics, 31*(3), 203-255.

Czarniawska, B. (2009). Emerging Institutions: Pyramids or Anthills? *Organization Studies, 30*(4), 423-441.

David, C. B., & Kim, H.-S. A. (2010). Fair Trade at the Centre of Development. In K. Macdonald & S. Marshall (Eds.), *Fair Trade, Corporate Accountability and Beyond: Experiments in Globalizing Justice* (pp. 57-74). Farnham: Ashgate Publishing Limited.

Davies, I. A. (2007). The eras and participants of fair trade: an industry structure/stakeholder perspective on the growth of the fair trade industry. *Corporate Governance, 7*(4), 455-470.

Davies, I. A. (2009). Alliances and Networks: Creating Success in the UK Fair Trade Market. *Journal of Business Ethics, 86*, 109-126.

Davies, I. A., Doherty, B., & Knox, S. (2010). The Rise and Stall of a Fair Trade Pioneer: The Cafédirect Story. *Journal of Business Ethics, 92*, 127-147.

Davis, G. F. (2005). Firms and Environments. In N. J. Smelser & R. Swedberg (Eds.), *The Handbook of Economic Sociology* (pp. 478-502). Princeton: Princeton University Press.

Davis, G. F., McAdam, D., Scott, W. R., & Zald, M. N. (2005). *Social Movements and Organization Theory*. Cambridge: Cambridge University Press.

de Brito, M. P., Carbone, V., & Blanquart, C. M. (2008). Towards a sustainable fashion retail supply chain in Europe: Organisation and performance. *International Journal of Production Economics, 114*(2), 534-553.

De Meur, G., & Berg-Schlosser, D. (1994). Comparing political systems: Establishing similarities and dissimilarities. *European Journal of Political Research, 26*(2), 193-219.

De Meur, G., Rihoux, B., & Yamasaki, S. (2009). Addressing the Critiques of QCA. In B. Rihoux & C. C. Ragin (Eds.), *Configurational Comparative Methods: Qualitative Comparative Analysis (QCA) and Related techniques* (Vol. Applied Social Sciences Methods Series Volume 51, pp. 147-165). London / Thousand Oaks / New Delhi / Singapore: Sage Publications Inc.

De Pelsmacker, P., Driesen, L., & Rayp, G. (2005). Do Consumers Care about Ethics? Willingness to Pay for Fair-Trade Coffee. *Journal of Consumer Affairs, 39*(2), 363-385.

Della Porta, D. (2008). Comparative analysis: case-oriented versus variable-oriented research. In D. Della Porta & M. Keating (Eds.), *Approaches and Methodologies in the Social Sciences - A Pluralist Perspective* (pp. 198-222). New York: Cambridge University Press.

Della Porta, D., & Diani, M. (2006). *Social Movements: An Introduction* (2 ed.). Malden (USA) / Oxford (UK) / Victoia (Aus): Blackwell Publishing.

Delmas, M. A., & Montes-Sancho, M. J. (2010). Voluntary Agreements to Improve Environmental Quality: Symbolic and Substantive Cooperation. *Strategic Management Journal, 31*(6), 575-601.

Denk, T. (2010). Comparative multilevel analysis: proposal for a methodology. *International Journal of Social Research Methodology, 13*(1), 29-39.

Denk, T., & Lehtinen, S. (2014). Contextual analyses with QCA-methods. *Quality & Quantity, 48*(6), 3475-3487.

Der Handel. (2016 [03/07/2016]). Lidl erhält den Fairtrade-Preis. Retrieved from https://www.derhandel.de/news/unternehmen/pages/Nachhaltig-Lidl-erhaelt-den-Fairtrade-Preis-11705.html (Date: 07/24/2016).

DeSoucey, M. (2010). Gastronationalism: Food Traditions and Authenticity Politics in the European Union. *American Sociological Review, 75*(3), 432-455.

Deutschlandradio Kultur. (2016 [06/11/2016]). Im Gespräch: Ethischer KonsumWie fair ist fairer Handel wirklich? Dieter Overath und Hans-Heinrich Bass im Gespräch mit Klaus Pokatzky (Beitrag vom 11.06.2016). Retrieved from http://www.deutschlandradiokultur.de/ethischer-konsum-wie-fair-ist-fairer-handel-wirklich.970.de.html?dram:article_id=356830 (Date: 06/18/2016).

Deutschmann, C. (2009) Soziologie kapitalistischer Dynamik. *MPIfG Working Paper 09/5*. Retrieved from http://www.mpifg.de/pu/workpap/wp09-5.pdf

Diaz-Bone, R. (2015). *Die „Economie des conventions": Grundlagen und Entwicklungen der neuen französischen Wirtschaftssoziologie* (1 ed.). Wiesbaden: Springer Fachmedien.

DiMaggio, P. J. (1988). Interest and Agency in Institutional Theory In L. G. Zucker (Ed.), *Institutional Patterns and Organizations - Culture and Environment* (1 ed., pp. 3-21). Cambridge, MA Ballinger Publishing Company.

DiMaggio, P. J., & Powell, W. W. (1983). The Iron Cage Revisited - Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review, 48*(2), 147-160.

Djelic, M.-L., & Quack, S. (2010). Transnational communities and their impact on the governance of business and economic activity In M.-L. Djelic & S. Quack (Eds.), *Transnational Communities - Shaping Global Economic Governance* (1 ed., pp. 377-413). New York: Campridge University Press.

Dobbin, F. (1994). *Forging Industrial Policy: The United States, Britain, and France in the Railway Age* (1 Ed.). Cambridge / New York / Melbourne: Cambridge University Press.

Dobrev, S. D., Ozdemir, S. Z., & Teo, A. C. (2006). The ecological interdependence of emergent and established organizational populations: Legitimacy transfer, violation by comparison, and unstable identities. *Organization Science, 17*(5), 577-597.

Dobusch, L., & Quack, S. (2010). Urheberrecht zwischen Kreativität und Verwertung: Transnationale Mobilisierung und private Regulierung. *MPIfG Discussion Paper, 10/6*.

Dobusch, L., & Quack, S. (2013). Framing standards, mobilizing users: Copyright versus fair use in transnational regulation. *Review of International Political Economy, 20*(1), 52-88.

Doh, J. P., Howton, S. D., Howton, S. W., & Siegel, D. S. (2010). Does the Market Respond to an Endorsement of Social Responsibility? The Role of Institutions, Information, and Legitimacy. *Journal of Management, 36*(6), 1461-1485.

Doherty, B., Davies, I. A., & Tranchell, S. (2013). Where now for fair trade? *Business History, 55*(2), 161-189.

Dolan, C. S. (2011). Branding morality: The case of Fairtrade. In M. Warrier (Ed.), *The Politics of Fair Trade* (pp. 37-52). London, New York: Routledge.

Domino Sugar. (2016). About Us. Retrieved from https://www.dominosugar.com/about-us (Date: 05/27/2016).

Doward, J. (2009 [10/11/2009]). UK supermarkets warned over banana price war (The Guardian). Retrieved from https://www.theguardian.com/environment/2009/oct/11/banana-price-war-supermarkets (Date: 06/18/2016).

DowJones. (2016). Products: Factiva - Premium Business News and Content. Retrieved from http://www.dowjones.com/products/product-factiva/ (Date: 03/24/2016).

Dubuisson-Quellier, S. (2013a). From Qualities to Value: Demand Shaping and Market Control in Mass Consumption Markets. In J. Beckert & C. Musselin (Eds.), *Constructing Quality: The Classification of Goods in Markets* (1 ed., pp. 247-267). Oxford: Oxford University Press.

Dubuisson-Quellier, S. (2013b). A Market Mediation Strategy: How Social Movements Seek to Change Firms' Practices by Promoting New Principles of Product Valuation. *Organization Studies, 34*(5-6), 683-703.

Durkheim, E. (1992 [1893]). *Über Soziale Arbeitsteilung*. Frankfurt am Main: Suhrkamp.

EarthLink e.V. – The People & Nature Network. (2016). Aktiv gegen Kinderarbeit: Elfenbeinküste. Retrieved from http://www.aktiv-gegen-kinderarbeit.de/welt/afrika/elfenbeinkueste/ (Date: 06/02/2016).

Ebbinghaus, B. (2005). When Less is More: Selection Problems in Large- N and Small- N Cross-National Comparisons. *International Sociology, 20*(2), 133-152.

EFTA. (2002a). *Annual Report 2002*. Retrieved from http://www.european-fair-trade-association.org/efta/Doc/report2002.pdf (Date: 01/19/2011).

EFTA. (2002b). Comparable Figures EFTA Members 1996-2001. Retrieved from http://www.european-fair-trade-association.org/efta/statistics.php (Date: 06/11/2016).

EFTA. (2004). Comparable Figures EFTA Members 1997-2002. Retrieved from http://www.european-fair-trade-association.org/efta/statistics.php (Date: 06/11/2016).

EFTA. (2005a). Comparable Figures EFTA Members 1999-2003 Final Version. Retrieved from http://www.european-fair-trade-association.org/efta/statistics.php (Date: 06/11/2016).

EFTA. (2005b). Comparable Figures EFTA Members 2000-2004 For Publication. Retrieved from http://www.european-fair-trade-association.org/efta/statistics.php (Date: 06/11/2016).

EFTA. (2008). Comparable Figures EFTA Members 2005-2007 For Publication. Retrieved from http://www.european-fair-trade-association.org/efta/statistics.php (Date: 06/11/2016).

EFTA. (2009). Comparable Figures EFTA Members 2006-2008. Retrieved from http://www.european-fair-trade-association.org/efta/statistics.php (Date: 06/11/2016).

EFTA. (2011). *Fair Trade facts and Figures: A Success Story for Producers and Consumers*. Culemborg, NL: The Dutch Association of Worldshops.

Elman, C. (2005). Explanatory Typologies in Qualitative Studies of International Politics. *International Organization, 59*, 293-326.

Elzinga, K. G., Tremblay, C. H., & Tremblay, V. J. (2015). Craft Beer in the United States: History, Numbers, and Geography. *Journal of Wine Economics, 10*(3), 242-274.

Espeland, W. N., & Stevens, M. L. (1998). Commensuration as a Social Process. *Annual Review of Sociology, 24*, 313-343.

Esser, H. (2000). *Soziologie Spezielle Grundlagen (Band 5): Institutionen*. Frankfurt / New York: Campus Verlag.

European Commission. (1978 [02/14/1978]). Case 27/76 United Brands Co v Commission of European Community. *E.C.R.(European Court Reports 1978 -00207)*, , 311.

European Commission. (1988 [07/18/1988]). Commission Decision relating to a proceeding under Article 86 of the EEC Treaty (Case No IV/30.178 Napier Brown — British Sugar). *88/.518/EEC*

European Commission. (1997 [12/09/1997]). Commission Notice on the definition of relevant market for the purposes of Community competition law (97/C 372/03). *Official Journal of the European Communities (C 372)*, 372/375-372/313.

European Commission. (2001 [12/20/2001]). Entscheidung der Kommission (Sache Nr. COMP/M.2530 Südzucker/Saint Louis Sucre). *SG(2001)D/293010 (Verordnung (EWG) Nr. 4064/89 über Fusionsverfahren)*.

European Commission. (2014 [10/03/2014]). Commission decision pursuant to Article 6(1)(b) in conjunction with Article 6(2) of Council Regulation No 139/2004 (Case M.7220 - Chiquita Brands International/ Fyffes). *32014M7220*.

Euryza. (2010). Presseinformationen: Reis-Markt legt weiter zu. Retrieved from http://www.euryza.de/content/fachpresse/Euryza/2007_Euryza_Nielsen.php?bstart=0 (Date: 06/04/2013).

Evans, E. A., & Gordon, R. M. (2011). *Analysis of U.S. Market for Organic and Fair-trade Bananas from the Dominican Republic (Final Technical Report: PROJECT No. UNJP/DOM/013/SPA)*. Miami, Florida: Fondo Para El Logro De Los ODM / Consejo Nacional de Compatividad.

Factiva Inc. (2014a). Database. Retrieved from www.factiva.com (Date: 01/12/2014).

Factiva Inc. (2014b). Database (Meist erwähnte Unternehmen/most mentioned firms). Retrieved from www.factiva.com (Date: 01/12/2014).

Fair Trade Canada. (2012). Fair Trade: The Paradox of Global Social Change. Retrieved from http://fairtrade.ca/en/news-views/editorials/fair-trade-paradox-global-social-change (Date: 28.11.2012).

Fair Trade e.V. (2001). *Im Zeichen der Nachhaltigkeit - Verknüpfung von Öko- & Fair Trade-Initiativen*. Wuppertal: Fair Trade e.V.

Fair Trade e.V. (2012). Geschichte des Fairen Handels. Retrieved from http://www.fairtrade.de/index.php/mID/1.2/lan/de#Entstehung_des_Fairen_Handels_weltweit (Date: 28.11.2012).

Fair Trade Towns International. (2016a). About Us. Retrieved from http://www.fairtradetowns.org/about-us (Date: 08/12/2016).

Fair Trade Towns International. (2016b). Goals & Action Guides. Retrieved from http://www.fairtradetowns.org/resources/goals-action-guides (Date: 08/12/2016).

Fair Trade USA. (2011). Fair Trade USA Resigns Fairtrade International (FLO) Membership Retrieved from http://www.fairtradeusa.org/press-room/press_release/fair-trade-usa-resigns-fairtrade-international-flo-membership (Date: 28.04.2012).

Fairtrade e.V. (2001). *Im Zeichen der Nachhaltigkeit: Verknüpfung von Öko- & Fair Trade Initiativen* (2 ed.). Wuppertal: Fair Trade e.V. Verein zur Förderung von Gerechtigkeit im Welthandel.

Fairtrade Foundation. (2001). *Annual Review 2000/2001*. London: Fairtrade Foundation.

Fairtrade Foundation. (2003). *Annual Report and Financial Statements for the year ended 31 December 2002*. London: Fairtrade Foundation.

Fairtrade Foundation. (2004). *Annual Report and Financial Statements for the year ended 31 December 2003*. London: Fairtrade Foundation.

Fairtrade Foundation. (2008). *Annual Review 2007/2008*. London: Fairtrade Foundation.

Fairtrade Foundation. (2010). *Annual Review 2009/2010*. London: Fairtrade Foundation.

Fairtrade Foundation. (2011a). *Annual Report and Financial Statements for the year ended 31 December 2010*. London: Fairtrade Foundation.

Fairtrade Foundation. (2011b). *Annual Review 2010/2011*. London: Fairtrade Foundation.

Fairtrade Foundation. (2011c). *Commodity Briefing: Fairtrade and Cacoa*. London: Fairtrade Foundation.

Fairtrade Foundation. (2011d). Fairtrade is Most Widely Recognized Ethical Label Globally. Retrieved from http://www.fairtrade.net/new/latest-news/single-view/article/fairtrade-is-most-widely-recognized-ethical-label-globally.html (Date: 07/10/2016).

Fairtrade Foundation. (2012a). *Annual Review 2011/2012*. London: Fairtrade Foundation.
Fairtrade Foundation. (2012b). *Commodity Briefing: Coffee (Summary)*. London: Fairtrade Foundation.
Fairtrade Foundation. (2012c). Facts and Figures. Retrieved from http://www.fairtrade.org.uk/what_is_fairtrade/facts_and_figures.aspx (Date: 08/02/2012).
Fairtrade Foundation. (2013). *Annual Review 2012/2013*. London: Fairtrade Foundation.
Fairtrade Foundation. (2013 [01/2013]). *Commodity Briefing: Faitrade and Sugar*. London: Fairtrade Foundation.
Fairtrade Foundation. (2014a). *Britain's Bruising Banana Wars (Media Report)*. London: Fair Trade Foundation.
Fairtrade Foundation. (2014b). Britain's Bruising Banana Wars: Fairtrade Fortnight 2014. Retrieved from http://www.fairtrade.org.uk/en/media-centre/news/february-2014/britains-bruising-banana-wars (Date: 05/28/2016).
Fairtrade Foundation. (2014c). Our journey. Retrieved from http://www.fairtrade.org.uk/~/media/fairtradeuk/get%20involved/documents/current%20campaigns/fairtrade%20at%2020/fairtrade20_a3_timeline_v2.ashx (Date: 06/19/2016).
Fairtrade Foundation. (2016a). About Tea. Retrieved from http://www.fairtrade.org.uk/en/farmers-and-workers/tea/about-tea (Date: 07/01/2016).
Fairtrade Foundation. (2016b). Cadbury. Retrieved from http://www.fairtrade.org.uk/en/buying-fairtrade/chocolate/cadbury (Date: 05/28/2016).
Fairtrade Foundation. (2016c). Fairtrade and Coffee Plantations. Retrieved from http://fairtrade.org.uk/~/media/fairtradeuk/what%20is%20fairtrade/documents/fairtrade_and_coffee_plantations.ashx (Date: 06/02/2016).
Fairtrade Foundation. (2016d). Sainsbury's. Retrieved from http://www.fairtrade.org.uk/en/buying-fairtrade/chocolate/sainsburys (Date: 05/28/2016).
Fairtrade International. (2016). Bananas. Retrieved from http://www.fairtrade.net/products/bananas.html (Date: 05/31/2016).
Fairtrade Österreich. (2004). *Jahresbericht 2003*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2005). *Jahresbericht 2004*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2006). *Jahresbericht 2005*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2007). *Jahresbericht 2006*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2008). *Jahresbericht 2007/8*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2009). *Jahresbericht 2008/9*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2010). *Jahresbericht 2009/10*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2011). *Jahresbericht 2010/11*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2012a). Bananen mit dem FAIRTRADE-Gütesiegel. Retrieved from https://www.fairtrade.at/newsroom/materialien.html (Date: 07/31/2012).
Fairtrade Österreich. (2012b). *Jahresbericht 2011/12*. Wien: Faitrtrade Österreich.
Fairtrade Österreich. (2012c). Kakao mit dem FAIRTRADE-Gütesiegel. Retrieved from https://www.fairtrade.at/newsroom/materialien.html (Date: 07/31/2012).
Fairtrade Österreich. (2013). *Jahresbericht 2012/13*. Wien: Fairtrade Österreich.
FairTrade USA. (2013). *2012 Almanac*. Oakland, CA: FairTrade USA.
FAO. (2014). *The Changing Role of Multinational Companies in the Global Banana Trade (Market and Policy Analyses of Raw Materials)*. Rome: Food and Agricultural Organization of the United Nations (FAO): Intergovernmental Group on Bananas and Tropical Fruits (Horticulture and Tropical (RAMHOT) Products Team).
FAOSTAT. (2016). Food and Agricultural Organization of the United Nation: Statistical Division Retrieved from http://faostat.fao.org/ (Date: 06/13/2016).

Farnworth, C., & Goodman, M. (2008). *Growing Ethical Networks: the Fair Trade Market for Raw and Processed Agricultural Products*: Background Paper for the World Development Report 2008 (Version 1, November 2006).

FAZ. (2012 [10/03/2012]). Aus Kraft wird Mondelez. Retrieved from http://www.faz.net/aktuell/wirtschaft/aufspaltung-von-milka-hersteller-ist-perfekt-aus-kraft-wird-mondelez-11912074.html (Date: 05/05/2016).

Finger, K. M. (2011). *Open Markets Index*. Paris, France: International Chamber of Commerce (ICC).

Fisher, E. (2009). Introduction: the Policy Trajectory of Fair Trade. *Journal of International Development, 21*(7), 985-1003.

Fiss, P. C. (2011). Building Better Causal Theories: A Fuzzy Set Approach to Typologies in Organization Research. *Academy of Management Journal, 54*(2), 393-420.

Fiss, P. C., Marx, A., & Rihoux, B. (2014). Comment: Getting QCA Right. *Sociological Methodology*.

Fligstein, N. (1985). The Spread of the Multidivisional Form among Large Firms, 1919-1979. *American Sociological Review, 50*(3), 377-391.

Fligstein, N. (1996). Markets as politics: A political-cultural approach to market institutions. *American Sociological Review, 61*(4), 656-673.

Fligstein, N. (2001a). *The Architecture of Markets: An Economic Sociology of Twentieth-First-Century Capitalist Societies*. Princeton: Princeton University Press.

Fligstein, N. (2001b). Social skill and the theory of fields. *Sociological Theory, 19*(2), 105-125.

Fligstein, N., & McAdam, D. (2010) Toward a General Theory of Strategic Action Fields. *IRLE Working Paper 207-10* (pp. 1-60). Retrieved from http://irle.berkeley.edu/workingpapers/207-10.pdf

Fligstein, N., & McAdam, D. (2011). Toward a General Theory of Strategic Action Fields. *Sociological Theory, 29*(1), 1-26.

Fligstein, N., & McAdam, D. (2012). *A Theory of Fields*. Oxford: Oxford University Press.

FLO. (2004). *Annual Report 03/04. Shopping for a better world* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V. /FLO-Cert.

FLO. (2006). *Annual Report 2005/06. Building Trust* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V. /FLO-Cert.

FLO. (2007). *Annual Report 2006/07. Shaping Global Partnerships* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V.

FLO. (2008). *Annual Report 2007. An Inspiration for Change* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V.

FLO. (2009a). *Annual Report 2008-09. Fairtrade Leading the Way* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V. .

FLO. (2009b). Generic Fairtrade Standards for Hired Labour. Retrieved from http://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/04-10_EN_Generic_Fairtrade_Standard_HL_Aug_2009_EN_amended_version_04-10.pdf (Date: 01/18/2011).

FLO. (2010a). *Annual Report 2009-10. Growing Stronger Together* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V. .

FLO. (2010b). The Benefits of Fairtrade, 2nd edition M&E report. Retrieved from http://www.fairtrade.net/fileadmin/user_upload/content/2009/resources/Benefits_of_Fairtrade_2008.pdf (Date: 01/22/2011).

FLO. (2011a). *Annual Report 2010-11. Challenge and Opportunity - Supplement to Annual Review 2010-11 (2010 Financials and Global Sales Figures)* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V. .

FLO. (2011b). Fact Sheet: Fairtrade Food Composite Products Standard. Retrieved from http://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2011-06-23_FCP_factsheet.pdf (Date: 05/05/2013).

FLO. (2011c). *Monitoring the Scope and Benefits of Fairtrade (Third Edition)*. Fairtrade Labelling Organizations International e.V. Retrieved from http://www.fairtrade.net/fileadmin/user_upload/content/2009/resources/Monitoring_the_scope_and_benefits_of_Fairtrade_2011.pdf (Date: 05/05/2013).

FLO. (2012a). *Annual Report 2011-12. For Producers, with Producers* (FLO Ed.). Bonn: FLO (Fairtrade Labelling Organizations) International e.V. .

FLO. (2012b). For Licensees and Traders. Retrieved from http://www.fairtrade.net/overview-usa00.html (Date: 28.08.2012).

FLO. (2012c). How we are run. Retrieved from http://www.fairtrade.net/how_we_are_run.html (Date: 04/28/2012).

FLO. (2012d). Q&A on Fairtrade International and Fair Trade USA. Retrieved from http://www.fairtrade.net/897.html (Date: 04/28/2012).

FLO. (2012e). Standard Operating Procedure Development of Fairtrade Standards. Retrieved from http://www.fairtrade.net/fileadmin/user_upload/content/2009/standards/documents/2012-02-07_SOP_Development_Fairtrade_Standards.pdf (Date: 11/28/2012).

FLO. (2013). *Annual Report 2012-13. Unlocking the Power*. Bonn: FLO (Fairtrade Labelling Organizations) International e.V. .

Food and Drink Business Europe. (2011 [02/02/2011]). Constellation Brands Sells Australian and UK Wine Business. Retrieved from http://www.fdbusiness.com/tag/champ-private-equity/ (Date: 05/09/2016).

Foodmanufacture. (2014 [02/21/2014]). Napier Brown fires latest salvo in bitter row with ABF. *Foodmanufacture.* Retrieved from http://www.foodmanufacture.co.uk/Regulation/Sugar-row-reignites-as-Napier-Brown-blasts-ABF (Date: 05/23/2016).

Forum Fairer Handel. (2009 [08/11/2009]). *Fairer Handel: Nachhaltiges Wachstum trotz Krise*. Berlin: Forum Fairer Handel.

Fourcade, M. (2011). Cents and Sensibility: Valuation and the Nature of "Nature". *American Journal of Sociology, 116*(6), 1721-1777.

Fourcade, M., & Healy, K. (2007). Moral Views of Market Society. *Annual Review of Sociology, 33*, 285-311.

Franklin, A. W. (2001). The impact of Wal-Mart supercenters on supermarket concentration in U.S. metropolitan areas. *Agribusiness, 17*(1), 105-114.

Frese, M. (2008). *Fairer Handel: Eine ökonomische und marketingorientierte Analyse des Fairen Handels*. Saarbrücken: VDM Verlag Dr. Müller Aktiengesellschaft & Co. KG.

Früh, W. (2011). *Inhaltsanalyse. Theorie und Praxis* (7 ed.). Konstanz: UVK Verlagsgesellschaft mbH.

Fuchs, S. (2014). How Not To Do (Field) Theory. *Contemporary Sociology: A Journal of Reviews, 43*(3), 312-314.

Gamson, W. A. (1990 [1975]). *The Strategy of Social Protest* (2nd ed.). Belmont, California: Wadsworth Publishing Company.

Gamson, W. A. (1992). *Talking politics* (1 Ed.). Cambridge / New York / Melbourne: Cambridge University Press.

Gamson, W. A. (2004). Bystanders, Public Opinion, and the Media. In D. A. Snow, S. A. Soule, & H. Kriesi (Eds.), *The Blackwell Companion to Social Movements* (1 ed., pp. 242-262). Malden / Oxford / Carlton: Blackwell Publishing Ltd.

Gamson, W. A., & Wolfsfeld, G. (1993). Movements and Media as Interacting Systems. *The Annals of the American Academy of Political and Social Science, 528*, 114-125.

Gandenberger, C., Garrelts, H., & Wehlau, D. (2011). Assessing the Effects of Certification Networks on Sustainable Production and Consumption: The Cases of FLO and FSC. *Journal of Consumer Policy, 34*(1), 107-126.

Garcia-Parpet, M.-F. (2011). Symbolic Value and the Establishment of Prices: Globalization of the Wine Market. In J. Beckert & P. Aspers (Eds.), *The Worth of Goods - Valuation & Pricing in the Economy* (pp. 131-154). Oxford: Oxford University Press.

Garcia-Perpet, M.-F. (2007). The Social Construction of a Perfect Market: the Strawberry Auction at Fontaines-en-Sologne. In D. MacKenzie, F. Muniesa, & L. Siu (Eds.), *Do Economists Make Markets? On the Performativity of Economics* (pp. 20-53). Princeton / Oxford: Princeton University Press.

Geddes, B. (1990). How the Cases You Choose Affect the Answers You Get: Selection Bias in Comparative Politics. *Political Analysis, 2*(1), 131-150.

Gendron, C., Bisaillon, V., & Rance, A. I. O. (2009). The Institutionalization of Fair Trade: More than Just a Degraded Form of Social Action. *Journal of Business Ethics, 86*, 63-79.

George, A. L., & Bennett, W. L. (2005a). *Case Studies and Theory Development in the Social Sciences*. Cambridge / London: MIT Press.

George, A. L., & Bennett, W. L. (2005b). Integrating Comparative and Within-Case Analysis: Typological Theory. In A. L. George & W. L. Bennett (Eds.), *Case Studies and Theory Development in the Social Sciences* (pp. 233-262). Cambridge; London: MIT Press.

Gepa. (2012 [03/2012]). Hintergrundinformation Fairtrade-Siegel. Retrieved from https://www.gepa.de/fileadmin/user_upload/Info/Hintergrundinfo/Info-Fairtrade-Siegel-Maerz-2012.pdf (Date: 06/08/2016).

Gepa. (2016a). Fairness mit Tradition. Retrieved from http://www.gepa.de/gepa/geschichte.html (Date: 06/08/2016).

Gepa. (2016b). GEPA – Facts and Figures: Business Year 2012-13. Retrieved from http://www.gepa.de/fileadmin/user_upload/Info/GEPA/Facts_and_Figures.pdf (Date: 06/08/2016).

Gereffi, G. (1994). The Organization of Buyer-Driven Global Commodity Chains: How U.S. Retailers Shape Overseas Production Networks. In G. Gereffi & M. Korzeniewicz (Eds.), *Commodity Chains and Global Capitalism* (pp. 95-122). Westport: Praeger Publishers.

Gereffi, G., Garcia-Johnson, R., & Sasser, E. (2001). The NGO-Industrial Complex. *Foreign Policy*(125), 56-65.

Gereffi, G., Humphrey, J., & Sturgeon, T. (2005). The governance of global value chains. *Review of International Political Economy, 12*(1), 78-104.

Gereffi, G., & Korzeniewicz, M. (1994). *Commodity Chains and Global Capitalism*. Westport: Praeger Publishers.

Gereffi, G., Korzeniewicz, M., & Korzeniewicz, R. P. (1994). Introduction: Global Commodity Chains. In G. Gereffi & M. Korzeniewicz (Eds.), *Commodity Chains and Global Capitalism* (pp. 1-14). Westport: Praeger Publishers.

Gereffi, G., & Lee, J. (2016). Economic and Social Upgrading in Global Value Chains and Industrial Clusters: Why Governance Matters. *Journal of Business Ethics, 133*(1), 25-38.

Gerhards, J., & Schäfer, M. S. (2007). Demokratische Internet-Öffentlichkeit? Ein Vergleich der öffentlichen Kommunikation im Internet und in den Printmedien am Beispiel der Humangenomforschung. *Publizistik, 52*(2), 210-228.

Gerring, J. (2004). What Is a Case Study and What Is It Good for? *American Political Science Review, 98*(2), 341-354.

Gerring, J. (2007). *Case Study Research - Principles and Practices*. Cambridge: Cambridge University Press.

Gerring, J., & Seawright, J. (2007). Techniques for Choosing Cases. In J. Gerring (Ed.), *Case Study Research - Principles and Practices* (pp. 86-150). Cambridge: Cambridge University Press.

Getz, K. A. (1997). Research in Corporate Political Action: Integration and Assessment. *Business & Society, 36*(1), 32-72.

Giddens, A. (1979). *Central Problems in Social Theory: Action, Structure and Contradiction in Social Analysis* (1 ed.). Berkeley / Los Angeles: University of California Press.

Gilbert, C. L. (2006). Value Chain Analysis and Market Power in Commodity Processing with Applications to the Cocoa and Coffee Secors. *University'Degli Studi Di Trento - Dipartmento Di Economie, 5/2006*(paper based on a presentation for the FAO Worsksop on Governance, Coodination and Distribution along Commodity Chains, Rome, 4-5 April 2006).

Globescan, & Fairtrade International. (2015). Fairtrade International Globescan Consumer Study 2015 - Global Findings. Retrieved from https://www.fairtrade.at/fileadmin/AT/Materialien/2015_Globescan.pdf (Date: 05/08/2016).

Goertz, G. (2005). *Social Sciences Concepts: A User's Guide*. Princeton, NJ: Princeton University Press.

Goertz, G. (2006). Assessing the Trivialness, Relevance, and Relative Importance of Necessary or Sufficient Conditions in Social Science. *Studies in Comparative International Development, 41*(2), 88-109.

Goffman, E. (1986 [1974]). *Frame Analysis: An Essay on the Organization of Experience* (N. Edition] Ed.). Boston: Northeastern University Press

Golding, K. M. (2009). Fair Trade's Dual Aspect The Communications Challenge of Fair Trade Marketing. *Journal of Macromarketing, 29*(2), 160-171.

Goodman, D., & DuPuis, E. M. (2002). Knowing food and growing food: Beyond the production–consumption debate in the sociology of agriculture. *Sociologia Ruralis, 42*(1), 5-22.

Gourevitch, P. (2011). The Value of Ethics: Monitoring Normative Compliance in Ethical Consumption Markets. In J. Beckert & P. Aspers (Eds.), *The Worth of Goods: Valuation and Pricing in the Economy* (pp. 86-105). Oxford: Oxford University Press.

Graham, C., & Kane, C. (1998). Opportunistic Government or Sustaining Reform? Electoral Trends and Public-Expenditure Patterns in Peru, 1990-1995. *Latin American Research Review, 33*(1), 67-104.

Granovetter, M. (1985). Economic-Action and Social-Structure - the Problem of Embeddedness. *American Journal of Sociology, 91*(3), 481-510.

Greene, J., & McClintock, C. (1985). Triangulation in Evaluation: Design and Analysis Issues. *Evaluation Review, 9*(5), 523-545.

Greenwood, R., Raynard, M., Kodeih, F., Micelotta, E. R., & Lounsbury, M. (2011). Institutional Complexity and Organizational Responses. *The Academy of Management Annals, 5*(1), 317-371.

Greenwood, R., & Suddaby, R. (2006). Institutional entrepreneurship in mature fields: The big five accounting firms. *Academy of Management Journal, 49*(1), 27-48.

Greve, H., xa, R, Pozner, J., x, Ellen, & Rao, H. (2006). Vox Populi: Resource Partitioning, Organizational Proliferation, and the Cultural Impact of the Insurgent Microradio Movement. *American Journal of Sociology, 112*(3), 802-837.

Grimm, H. (2016). Wasser und seine Eigenschaften: Dichte, Dichtetabelle, Anleitung für eine einfache Dichtemessung und -berechnung, Mengeneinheiten für Wasser, Dichteanomalie. Retrieved from http://www.wissenschaft-technik-ethik.de/wasser_dichte.html (Date: 05/30/2016).

Grodnik, A., & Conroy, M. E. (2007). Fair Trade coffee in the United States. Why companies join the movement. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 83-102). London, New York: Routledge.

Groosman, M. (2011 [10/2011]). Sector Overview: Tea. *IDH - The Sustainability Initiative*.

Grudzewski, W. M., & Jurczak, J. (2007). Intellectual Capital of Companies in Gaining Competitive Advantage on Global Market. In L. Pacholski, J. Jabloński, & L. L. Szuzuka-Dorna (Eds.), *Foundations of Control and Management Sciences [No. 8/2007]* (Vol. No. 7, pp. 33-45). Poznan, Poland: Publishing House of Poznan University of Technology.

Grynaviski, E. (2013). Contrasts, counterfactuals,and causes. *European Journal of International Relations, 19*(4), 823-846.

Gupta, S., & Cooper, L. G. (1992). The Discounting of Discounts and Promotion Thresholds. *Journal of Consumer Research, 19*(3), 401-411.

Gürerk, Ö., Irlenbusch, B., & Rockenbach, B. (2006). The Competitive Advantage of Sanctioning Institutions. *Science, 312*(5770), 108-111.

Hall, P. A. (2003). Aligning Ontology and Methodology in Comparative Research. In J. Mahoney & D. Rueschemeyer (Eds.), *Comparative Historical Analysis in the Social Sciences* (1 ed., pp. 573-404). Cambridge / New York / Madrid: Cambridge University Press.

Handelsblatt. (2015 [08/25/2015]). Bittere Zeiten für das Zuckerkartell. Retrieved from http://www.handelsblatt.com/unternehmen/handel-konsumgueter/nordzucker-suedzucker-pfeifer-und-langen-bittere-zeiten-fuer-das-zuckerkartell/12230084.html (Date: 05/23/2016).

Hannan, M. T. (2005). Ecologies of organizations: Diversity and identity. *Journal of Economic Perspectives, 19*(1), 51-70.

Hannan, M. T., & Carroll, G. R. (1995). Theory Building and Cheap Talk About Legitimation: Reply to Baum and Powell. *American Sociological Review, 60*(4), 539-544.

Hannan, M. T., Carroll, G. R., & Pólos, L. (2003). The Organizational Niche. *Sociological Theory, 21*(4), 309-340.

Hannan, M. T., & Freeman, J. (1977). Population Ecology of Organizations. *American Journal of Sociology, 82*(5), 929-964.

Hannan, M. T., & Freeman, J. (1984). Structural Inertia and Organizational-Change. *American Sociological Review, 49*(2), 149-164.

Hannan, M. T., Polós, L., & Carroll, G. (2007). *Logics of Organization Theory: Audiences, Codes, and Ecologies*. Princeton/New York: Princeton University Press.

Hardman & Co. (2013). *The Real Good Food Company PLC Global sugar market trends: EU reforms trigger Real Good Food Company to leap ahead (11/05/2013)*. London: Hardman & Co.

Hardy, C., & Maguire, S. (2008). Institutional Entrepreneurship. In R. Greenwood, C. Oliver, K. Sahlin, & R. Suddaby (Eds.), *The Sage handbook of organizational institutionalism* (1. ed., pp. 198-217). Los Angeles [u.a.]: Sage.

Hargrave, T. J., & Van De Ven, A. H. (2006). A Collective Action Model of Institutional Innovation. *The Academy of Management Review, 31*(4), 864-888.

Haunss, S., & Kohlmorgen, L. (2010). Conflicts about intellectual property claims: the role and function of collective action networks. *Journal of European Public Policy, 17*(2), 242-262.

Hedström, P., & Ylikoski, P. (2010). Causal Mechanisms in the Social Sciences. *Annual Review of Sociology, 36*(1), 49-67.

Heller, L. (2008). Tate & Lyle makes massive fairtrade sugar switch - Tate & Lyle is to convert its entire retail sugar range to fairtrade in the largest fair-trade switch ever made by a UK company (Confactionary News). Retrieved from http://www.confectionerynews.com/Commodities/Tate-Lyle-makes-massive-fairtrade-sugar-switch (Date: 06/19/2016).

Hiatt, S. R., Sine, W. D., & Tolbert, P. S. (2009). From Pabst to Pepsi: The Deinstitutionalization of Social Practices and the Creation of Entrepreneurial Opportunities. *Administrative Science Quarterly, 54*(4), 635-667.

Hira, A., & Ferrie, J. (2006). Fair trade: Three key challenges for reaching the mainstream. *Journal of Business Ethics, 63*(2), 107-118.

Hoffman, A. J. (1999). Institutional evolution and change: Environmentalism and the US chemical industry. *Academy of Management Journal, 42*(4), 351-371.

Holt-Giménez, E., Bailey, I., & Sampson, D. (2007). *Fair to the Last Drop. The Corporate Challenges to Fair Trade Coffee*. Development Report No. 17. Food First - Institute for Food and Development Policy.

Holt, D. B. (2012). Constructing Sustainable Consumption: From Ethical Values to the Cultural Transformation of Unsustainable Markets. *The Annals of the American Academy of Political and Social Science, 644*, 236-255.

Holzer, B. (2010). *Moralizing the Corporation: Transnational Activism and Corporate Accountability* (1 Ed.). Cheltenham, UK / Northampton, MA: Edward Elgar.

Hsu, G., & Hannan, M. T. (2005). Identities, Genres, and Organizational Forms. *Organization Science, 16*(5), 474-490.

Huault, I., & Rainelli-Weiss, H. (2011). A Market for Weather Risk? Conflicting Metrics, Attempts at Compromise, and Limits to Commensuration. *Organization Studies, 32*(10), 1395–1419.

Hug, S. (2013). Qualitative Comparative Analysis: How Inductive Use and Measurement Error Lead to Problematic Inference. *Political Analysis, 21*(2), 252-265.

Hung, S.-C., & Whittington, R. (2011). Agency in national innovation systems: Institutional entrpreneurship and the professionalization of Taiwanese IT. *Research Policy, 40*, 526-538.

Hutchens, A. (2009). *Changing Big Business - The Globalization of the Fair Trade Movement*. Cheltenham, UK: Edward Elgar Publishing Limited.

Hutchens, A. (2010). Mainstreaming Fair Trade: Fair Trade Brands and the Problem of Ownership. In K. Macdonald & S. Marshall (Eds.), *Fair Trade, Corporate Accountability and Beyond: Experiments in Globalizing Justice* (pp. 75-92). Farnham: Ashgate Publishing Limited.

Huybrechts, B. (2010). *Explaining Organisational Diversity in Fair Trade Social Enterprises.* (PhD PhD Thesis), HEC Management School, University of Liège, Liege. Retrieved from http://www.ces-ulg.be/fileadmin/ces-files/pdfs/Publications/2009/THESE_23-12-09_version_finale_format_livre.pdf

Huybrechts, B., & Defourny, J. (2010). Exploring the Diversity of Fair Trade Social Enterprises. *Centre for Social Economy HEC Management School University of Liege, Belgium, Working Paper 10/02*.

Jaffee, D. (2010). Fair Trade Standards, Corporate Participation, and Social Movement Responses in the United States. *Journal of Business Ethics, 92*, 267-285.

Jaffee, D. (2011). Fair Trade and development: A changing paradigm. In M. Warrier (Ed.), *The Politics of Fair Trade* (pp. 87-104). London, New York: Routledge.

Jaffee, D. (2012). Weak Coffee: Certification and Co-Optation in the Fair Trade Movement. *Social Problems, 59*(1), 94-116.

Jaffee, D., & Howard, P. H. (2015). Who's the fairest of them all? The fractured landscape of U.S. fair trade certification. *Agriculture and Human Values*, 1-14.

Janssen, J.-C. (2011). *Der Fair Trade-Markt Deutschlands: Variation der „politischen Mission" jenseits sanktionierter Standards (unpublished Diploma Thesis; submitted: 03/11/2011 in Mannheim, Germany; Supervisors: Prof. Henning Hillmann, PhD and Prof. Dr. Michael Woywode)*.

Janssen, J.-C. (2013). Success and failure of transnational certification regimes. In H. Röcklingsberg & P. Sandin (Eds.), *The ethics of consumption: The citizen, the market, and the law (Eursafe 2013, Uppsala, Sweden,September 11-14 2013)* (pp. 504-509). Wageningen, the Netherlands: Wagneningen Acedemic Publishers.

Janusch, H., Behrens, M., & Henning, E. (2015 [2017]). Qualitative Methoden in den Internationalen Beziehungen. In C. Masala & F. Sauer (Eds.), *Handbuch Internationale Beziehungen*. Wiesbaden: VS Verlag für Sozialwissenschaften / Springer Fachmedien Wiesbaden GmbH.

Jenkins, S. (2015/01/22/). INEQDECO: Stata module to calculate inequality indices with decomposition by subgroup. http://EconPapers.repec.org/RePEc:boc:bocode:s366002

Jick, T. D. (1979). Mixing Qualitative and Quantitative Methods: Triangulation in Action. *Administrative Science Quarterly, 24*(4), 602-611.

Johnson, R. B., & Onwuegbuzie, A. J. (2004). Mixed Methods Research: A Research Paradigm Whose Time Has Come. *Educational Researcher, 33*(7), 14-26.

Jones, B. (2013). Wal-Mart. In S. O. Idowu, N. Capaldi, L. Zu, & A. D. Gupta (Eds.), *Encyclopedia of Corporate Social Responsibility* (pp. 2689-2691). Berlin, Heidelberg: Springer Verlag.

Kahneman, D., & Tversky, A. (1979). Prospect Theory: An Analysis of Decision under Risk. *Econometrica, 47*(2), 263-291.

Kaiser, C., & Ernst, M. (2013). Beekeeping and Honey Production. *University of Kentucky College of Agriculture, Food and Environment - Center for Crop Diversification: Crop Profile, 02/2013*.

Kampagne Fair Trade Towns. (2016). Städteverzeichnis. Retrieved from https://www.fairtrade-towns.de/fairtrade-towns/staedteverzeichnis/ (Date: 08/12/2016).

Kamps, U., & Krämer, H. (2016). Gabler Wirtschaftslexikon, keyword: Gini-Koeffizient. *Springer Gabler Verlag*.

Kaplinski, R. (2004). Competition Policy and the Global Coffee and Cocoa Value Chains (Paper prepared for United Nations Conference for Trade and Development (UNCTAD)) Retrieved from https://www.ids.ac.uk/files/RKaplinskycocoacoffee05.pdf (Date: 06/02/2016).

Karier, T. (1985). Unions and Monopoly Profits. *The Review of Economics and Statistics, 67*(1), 34-42.

Kashyap, A. K. (1994) Sticky Prices: New Evidence from Retail Catalogs. *National Bureau of Economic Research Working Paper Series No. 4855*. Retrieved from www.nber.org/papers/w4855 (Date: 01/26/2017).

Keim, G. D., & Zeithaml, C. P. (1986). Corporate Political Strategy and Legislative Decision Making: A Review and Contingency Approach. *The Academy of Management Review, 11*(4), 828-843.

Kelle, U. (2003). Die Entwicklung kausaler Hypothesen in der qualitativen Sozialforschung - Methodische Überlegungen zu einem häufig vernachlässigtem Aspekt qualitativer Theorie- und Typenbildung. *Zentralblatt für Didaktik der Mathematik, 35*(6), 232-246.

Kennedy, M. T. (2008). Getting Counted: Markets, Media, and Reality. *American Sociological Review, 73*(2), 270-295.

Kennedy, M. T., & Fiss, P. C. (2009). Institutionalization, framing, and diffusion: The logic of TQM adoption and implementation decisions among U.S. hospitals. *Academy of Management Journal, 52*(5), 897-918.

King, B. G. (2008). A Political Mediation Model of Corporate Response to Social Movement Activism. *Administrative Science Quarterly, 53*(3), 395-421.

King, B. G. (2011). The Tactical Disruptiveness of Social Movements: Sources of Market and Mediated Disruption in Corporate Boycotts. *Social Problems, 58*(4), 491-517.

King, B. G., & Pearce, N. A. (2010). The Contentiousness of Markets: Politics, Social Movements, and Institutional Change in Markets. *Annual Review of Sociology, 36*, 249-267.

King, B. G., & Soule, S. A. (2007). Social Movements as Extra-Institutional Entrepreneurs: The Effect of Protests on Stock Price Returns. *Administrative Science Quarterly, 52*(3), 413-442.

Klump, R. (2002). The Role of Culture in Economics Theorizing and Empirical Economic Research. In H. H. Nau & B. Schefold (Eds.), *The Historicity of Economics: Continuities and Discontinuities of Historical Thought in 19th and 20th Century Economics* (pp. 207-224). Berlin / Heidelberg / New York: Springer-Verlag.

Knorr Cetina, K. (2004). Capturing Markets? A review essay on Harrison White on production markets. *Socio-Economic Review, 2*, 137-147.

Knowles, S. (2011). The commodification of ethics. In M. Warrier (Ed.), *The Politics of Fair Trade* (pp. 24-36). New York: Routledge.

Koenig-Archibugi, M., & Macdonald, K. (2013). Accountability-by-Proxy in Transnational Non-State Governance. *Governance, 26*(3), 499-522.

Koos, S. (2012). What drives political consumption in Europe? A multi-level analysis on individual characteristics, opportunity structures and globalization. *Acta Sociologica, 55*(1), 37-57.

Koos, S. (2014). *Moralising Markets, Marketizing Morality: a Comparative Study of the Fair Trade Movement, Fair Labeling and the Rise of Ethical Consumerism 1997-2011*. Paper presented at the ESA Cosumption Research Network Midterm Conference, University of Porto, Porto.

Kraatz, M. S., & Zajac, E. J. (1996). Exploring the limits of new institutionalism: the causes and consequences of illegitimate organizational change. *American Sociological Review, 61*(5), 812-836.

Krier, J.-M. (2001 [01/2001]). *Fair Trade in Europe 2001: Facts and Figures on the Fair Trade sector in 18 European countries*. Maastricht, NL: European Fair Trade Association (EFTA).

Krook, M. L. (2010). Women's Representation in Parliament: A Qualitative Comparative Analysis. *Political Studies, 58*(5), 886-908.

Kruger, S., & du Toit, A. (2007). Reconstructing fairness. Fair Trade conventions and worker empowerment in South African horticulture. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 200-219). London, New York: Routledge.

Kshetri, N. (2009). Entrepreneurship in post-socialist economies: A typology and institutional contexts for market entrepreneurship. *Journal of International Entrepreneurship, 7*(3), 236-259.

Laine, E. L., & Laine, M. (2009). Finnish World Shops at a Crossroads in the Commercialized Fair Trade Market. *Sustainable Development, 17*(5), 274-283.

Langley, A. (1999). Strategies for Theorizing from Process Data. *The Academy of Management Review, 24*(4), 691-710.

Lawford-Smith, H. (2015). Unethical Consumption and Obligations to Signal. *Ethics & International Affairs, 29*(3), 315-330.

Lawrence, F. (2012 [02/27/2012]). UK consumers go bananas for Fairtrade (The Guardian). Retrieved from https://www.theguardian.com/environment/2012/feb/27/uk-consumers-go-bananas-fairtrade (Date: 06/18/2016).

Lawrence, T. B., & Phillips, N. (2004). From Moby Dick to Free Willy: Macro-Cultural Discourse and Institutional Entrepreneurship in Emerging Institutional Fields. *Organization, 11*(5), 689-711.

Lawton, T., McGuire, S., & Rajwani, T. (2013). Corporate Political Activity: A Literature Review and Research Agenda. *International Journal of Management Reviews, 15*(1), 86-105.

Lebensmittelwirtschaft.org. (2013 [10/07/2013]). 3,5% Bananen, 2% Kaffee – Interview mit TransFair zu fair gehandelten Lebensmitteln. Retrieved from http://www.lebensmittelwirtschaft.org/bananen-vor-kaffee-fairtrade/ (Date: 06/18/2016).

Leblebici, H., Salancik, G. R., Copay, A., & King, T. (1991). Institutional Change and the Transformation of Interorganizational Fields: An Organizational History of the U.S. Radio Broadcasting Industry. *Administrative Science Quarterly, 36*(3), 333-363.

Leca, B., Battilana, J., & Boxenbaum, E. (2008). Agency and Institutions: A Review of Institutional Entrepreneurship. *Harvard Business School Press, Working Paper 08-096*.

Leifer, E., & White, H. C. (1987). A Structural Approach to Markets. In M. Mizruchi & M. Schwartz (Eds.), *Intercorporate Relations: The Structural Analysis of Business* (pp. 85-108). Cambridge: Cambridge University Press.

Levi, M., & Linton, A. (2003). Fair Trade: A Cup at a Time? *Politics & Society, 31*(3), 407-432.

Levi Martin, J. (2003). What is field theory? *American Journal of Sociology, 109*(1), 1-49.
Levitt, T. (2016 [02/06/2016]). Lidl is the latest to switch to sustainable bananas. Will it make a difference? (The Guardian). Retrieved from https://www.theguardian.com/sustainable-business/2016/feb/06/lidl-sustainable-bananas-commitment-workers-dominican-republic-supermarket-prices (Date: 07/26/2016).
Lidl Dienstleistung GmbH & Co. KG. (2016). Fair Gewinnt: Lidl erhält Fairtrade-Award. Retrieved from http://www.lidl.de/de/fair-gewinnt-lidl-erhaelt-fairtrade-award/s3360 (Date: 07/24/2016).
Lilliefeldt, E. (2010). Party and gender in Western Europe revisited: A fuzzy-set qualitative comparative analysis of gender-balanced parliamentary parties. *Party Politics, 18*(2), 193–214.
Lipsky, M. (1968). Protest as a Political Resource*. *American Political Science Review, 62*(4), 1144-1158.
Lockett, A., Currie, G., Waring, J., Finn, R., & Martin, G. (2012). The role of institutional entrepreneurs in reforming healthcare. *Social Science & Medicine, 74*(3), 356-363.
Losch, B. (2002). Global Restructuring and Liberalization: Côte d 'Ivoire and the End of the International Cocoa Market? *Journal of Agrarian Change, 2*(2), 206-227.
Lounsbury, M., & Crumley, E. T. (2007). New Practice Creation: An Institutional Perspective on Innovation. *Organizational Studies, 28*, 993-1012.
Lounsbury, M., & Glynn, M. A. (2011). Legitimating Nascant Collective Identities: Coordinating Cultural Entrepreneurship. *Organizational Science, 22*(2), 449-463.
Lounsbury, M., Ventresca, M. J., & Hirsch, P. (2003). Social movements, field frames, and industry emergence. *Socio-Economic Review, 1*(1), 71-104.
Low, W., & Davenport, E. (2005). Postcards from the edge: Maintaining the 'alternative' character of fair trade. *Sustainable Development, 13*(3), 143-153.
Lucas, S. R. (2014). Rejoinder: Taking Heat and Giving Light—Reflections on the Early Reception of "Qualitative Comparative Analysis in Critical Perspective". *Sociological Methodology, 44*(1), 127-158.
Lucas, S. R., & Szatrowski, A. (2014). Qualitative Comparative Analysis in Critical Perspective. *Sociological Methodology, 44*(1), 1–79.
Luetchford, P. (2011a). Case Study: Coffee. In M. Warrier (Ed.), *The Politics of Fair Trade - A Survey* (pp. 116-122). London: Routledge.
Luetchford, P. (2011b). Falling foul of fair: The politics of supply chains. In M. Warrier (Ed.), *The Politics of Fair Trade - A Survey* (pp. 53-65). London: Routledge.
MacKenzie, D., & Millo, Y. (2003). Constructing a Market, Performing Theory: The Historical Sociology of a Financial Derivatives Exchange. *American Journal of Sociology, 109*(1), 107-145.
Mackie, J. L. (1965). Causes and Conditions. *American Philosophical Quarterly, 2*(4), 245 - 264.
Magnusson, M. K., Arvola, A., Hursti, U.-K. K., Åberg, L., & Sjödén, P.-O. (2003). Choice of organic foods is related to perceived consequences for human health and to environmentally friendly behaviour. *Appetite, 40*(2), 109-117.
Maguire, S., Hardy, C., & Lawrence, T. B. (2004). Institutional Entrepreneurship in Emerging Fields: HIV/AIDS Treatment Advocacy in Canada. *Academy of Management Journal, 47*(5), 657-679.
Mahoney, J. (2010). Review Articles: After KKV - The New Methodology of Qualitative research. *World Politics, 62*(1), 120-147.
Mahoney, J., & Goertz, G. (2004). The Possibility Principle: Choosing Negative Cases in Comparative Research. *American Political Science Review, 98*(04), 653-669.
Mahoney, J., & Goertz, G. (2006). A Tale of Two Cultures: Contrasting Quantitative and Qualitative Research. *Political Analysis, 14*(3), 227-249.

Mahoney, J., Kimball, E., & Koivu, K. L. (2009). The Logic of Historical Explanation in the Social Sciences. *Comparative Political Studies, 42*(1), 114-146.

Mair, P. (2008). Concepts and Concept Formation. In D. della Porta & M. Keating (Eds.), *Approaches and Methodologies in the Social Sciences - A Pluralist Perspective* (pp. 177-197). Cambridge: Cambridge University Press.

Make Fruit Fair. (2015 [10/2015]-a). *Banana splits:Bananas, supermarkets, and a tale of Unfair Trading Practices (Media Briefing)*. Norwich / Brussels: Make Fruit Fair; Fair Trade Advocacy Office; Banana Link,.

Make Fruit Fair. (2015 [10/2015]-b). *Banana value chains in Europe and the consequences of Unfair Trading Practices*: Make Fruit Fair; Fair Trade Advocacy Office; Banana Link,.

Make Fruit Fair. (2015 [10/2015]-c). *Banana value chains in the United Kingdom and the consequences of Unfair Trading Practices*. Norwich / Brussels: Make Fruit Fair; Fair Trade Advocacy Office; Banana Link,.

Making Change at Walmart. (2016). About. Retrieved from http://makingchangeatwalmart.org/about/ (Date: 05/24/2016).

Malets, O. (2011) From Transnational Voluntary Standards to Local Practices - A Case Study of Forest Certification in Russia. (MPIfG Discussion Paper 11/7 ed.). Retrieved from http://www.mpifg.de/pu/mpifg_dp/dp11-7.pdf

Mansfield, E. R., & Helms, B. P. (1982). Detecting Multicollinearity. *The American Statistician, 36*(3a), 158-160.

Marini, M. M., & Singer, B. (1988). Causality in the Social Sciences. *Sociological Methodology, 18*, 347-409.

Market Line. (2012). *Market Line Industry Profile: Hot Drinks in Austria*. Retrieved from www.marketline.com (02/2012: (05/04/2016)

Market Line. (2015a). *Market Line Industry Profile: Chocolate Confectionery in Germany*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015b). *Market Line Industry Profile: Chocolate Confectionery in the United Kingdom*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015c). *Market Line Industry Profile: Chocolate Confectionery in the United States*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015d). *Market Line Industry Profile: Confectionary in the United Kingdom*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015e). *Market Line Industry Profile: Food Retail in Austria*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015f). *Market Line Industry Profile: Food Retail in Germany*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015g). *Market Line Industry Profile: Food Retail in the United Kingdom*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015h). *Market Line Industry Profile: Food Retail in the United States*. Retrieved from www.marketline.com (08/2015: (05/04/2016)

Market Line. (2015i). *Market Line Industry Profile: Hot Drinks in Germany*. Retrieved from www.marketline.com (07/2015: (05/04/2016)

Market Line. (2015j). *Market Line Industry Profile: Hot Drinks in the United Kingdom*. Retrieved from www.marketline.com (07/2015: (05/04/2016)

Market Line. (2015k). *Market Line Industry Profile: Hot Drinks in the United States*. Retrieved from www.marketline.com (07/2015: (05/04/2016)

Market Line. (2015l). *Market Line Industry Profile: Wine In Germany*. Retrieved from www.marketline.com (04/2015: (05/04/2016)

Market Line. (2015m). *Market Line Industry Profile: Wine in the United Kingdom*. Retrieved from www.marketline.com (04/2015: (05/04/2016)

Market Line. (2015n). *Market Line Industry Profile: Wine in the United States*. Retrieved from www.marketline.com (04/2015: (05/04/2016)

Market Line. (2016a). Channel Comparison for 2000-2014 in Kilograms, % of Total. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line. (2016b). Channel Comparison for 2000-2014 in Liters, % of Total. Retrieved from http://marketline.com/ (Date: 04/06/2016).

Market Line. (2016c). Channel Comparison for 2000-2014 in Local Currency, % of Total. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line. (2016d). Market Value by Company for 2002-2014 in Local Currency, % of Total. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line. (2016e). Market Volume by Company for 2000-2013 in Millions of Kilograms. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line. (2016f). Market Volume by Company for 2002-2014 in Liters, % of Total. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line. (2016g). Market Volume by Company for 2002-2014 in Millions of Kilograms. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line. (2016h). Market Volume by Country for 2000-2019 in Millions of Kilograms. Retrieved from http://marketline.com/ (Date: 05/04/2016).

Market Line (E-Mail) (2016, 04/29/2016). [Five Forces Analysis - Further Information].

Market Realist Inc. (2015). The Kroger Co.: From Corner Store to Supermarket Giant. Retrieved from http://marketrealist.com/2015/10/an-analysis-of-the-us-grocery-market/ (Date: 05/06/2016).

Mayntz, R. (2004). Mechanisms in the Analysis of Social Macro-Phenomena. *Philosophy of the Social Sciences, 34*, 237-259.

Mayring, P. (2010). Qualitative Inhaltsanalyse. In G. Mey & K. Mruck (Eds.), *Handbuch Qualitative Forschung in der Psychologie* (pp. 601-613). Wiesbaden: VS Verlag für Sozialwissenschaften.

MBAEconFall2011. (2011). Concentration indexes - Four firm concentration ratios, Herfindahl Hershman indexes (HHI), Rothschild index, Lerner Index, Mergers. Retrieved from https://mbaeconfall2011.wikispaces.com/Concentration+indexes+-+Four+firm+concentration+ratios,+Herfindahl+Hershman+indexes+%28HHI%29,+Rothschild+index,+Lerner+Index,+Mergers+----+%28See+also+Concentration's+Ratio+Index+on+Blackboard+under+Assignment+tab (Date: 05/05/2016).

McAdam, D., Tarrow, S., & Tilly, C. (2001). *Dynamics of Contention*. Cambridge / New York / Oakleigh / Madid / Cape Town: Cambridge University Press.

McAuley, J., Duberley, J., & Johnson, P. (2014 [2007]). *Organization Theory: Challeges and Perspectives* (2 ed.). Harlow, UK: Pearson Education Limited.

McCarthy, J. D., & Zald, M. N. (1977). Resource Mobilization and Social Movements: A Partial Theory. *American Journal of Sociology, 82*(6), 1212-1241.

McGaughey, S. L. (2013). Institutional entrepreneurship in North American lightning protection standards: Rhetorical history and unintended consequences of failure. *Business History, 55*(1), 73-97.

McInerny, P.-B. (2014). *From Social Movement to Moral Market: How the Circuit Riders Sparked an IT Revolution and Created a Technology Market*. Stanford, CA: Stanford University Press.

McKeown, T. J. (1999). Case Studies and the Statistical Worldview: Review of King, Keohane, and Verba's Designing Social Inquiry: Scientific Inference in Qualitative Research. [Designing Social Inquiry: Scientific Inference in Qualitative Research, Gary King, Robert O. Keohane, Sydney Verba]. *International Organization, 53*(1), 161-190.

McLeod, M. S., Payne, G. T., & Evert, R. E. (2016). Organizational Ethics Research: A Systematic Review of Methods and Analytical Techniques. *Journal of Business Ethics, 134*(3), 429-443.

Meixner, O., & Ettenauer, R. (2007). *Marktanalyse ausgewählter Märkte der europäischen Agrar- und Ernährungswissenschaft (Reader zur Übung Agrarmarketing, Wintersemester 2006/2007)*. Wien: Universität für Bodenkultur Wien.

Mello, P. (2013). *From Prospect to Practice: A Critical Review of Applications in Fuzzy-Set Qualitative Comparative Analysis*. Paper presented at the 8th Pan-European Conference on International Relations 18-21 September 2013, Warsaw. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2349513

Merton, R. K. (1948). The Self-Fulfilling Prophecy. *The Antioch Review, 8*(2), 193-210.

Merton, R. K. (1995). The Thomas Theorem and the Matthew Effect. *Social Forces, 74*(2), 379-422.

Metro Group. (2003). *Metro Handelslexikon: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG.

Metro Group. (2004). *Metro Handelslexikon 2004/2005: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG.

Metro Group. (2005). *Metro Handelslexikon 2005/2006: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG.

Metro Group. (2006). *Metro Handelslexikon 2006/2007: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG.

Metro Group. (2007). *Metro Handelslexikon 2007/2008: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG.

Metro Group. (2008). *Metro Handelslexikon 2008/2009: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG,.

Metro Group. (2009). *Metro Handelslexikon 2009/2010: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und weltweit*. Düsseldorf: Metro AG.

Metro Group. (2010). *Metro Handelslexikon 2010/2011: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und der Welt*. Düsseldorf: Metro AG.

Metro Group. (2011). *Metro Handelslexikon 2011/2012: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und der Welt*. Düsseldorf: Metro AG.

Metro Group. (2012a). *Metro Handelslexikon: Die Sonderedition zum Metro-Handelslexikon - Mehr Drin Für Kunden*. Düsseldorf: Metro AG.

Metro Group. (2012b). *Metro Retail Compendium 2012/2013: Data, facts and addresses of the trade and retail industry in Germany, Europe and the world*. Düsseldorf: Metro AG.

Metro Group. (2014). *Metro Handelslexikon 2014/2015: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und der Welt*. Düsseldorf: Metro AG.

Metro Group. (2015). *Metro Handelslexikon 2015/2016: Daten, Fakten und Adressen zum Handel in Deutschland, Europa und der Welt*. Düsseldorf: Metro AG.

Meyer, J. W., & Rowan, B. (1977). Institutionalized Organizations - Formal-Structure as Myth and Ceremony. *American Journal of Sociology, 83*(2), 340-363.

Micheletti, M. (2003). *Political Virtue and Shopping. Individuals, Consumerism and Collective Action.* New York [u.a.] Palgrave Macmillan.

Micheletti, M., Follesdal, A., & Stolle, D. (2004). *Politics, Products , and Markets. Exploring Political Consumerism Past and Present.* New Brunswick, NJ [u.a.] Transaction Publishers.

Micheletti, M., & Stolle, D. (2007). Mobilizing consumers to take responsibility for global social justice. *Annals of the American Academy of Political and Social Science, 611*, 157-175.

Micheletti, M., & Stolle, D. (2008). Fashioning social justice through political consumerism, capitalism, and the Internet. *Cultural Studies, 22*(5), 749-769.

Michels, R. (1911). *Zur Soziologie des Parteiwesens in der modernen Demokratie: Untersuchungen über die oligarchischen Tendenzen des Gruppenlebens*. Leipzig: Verlag von Dr. Werner Klinkhardt.

Miller, R. A. (1982). The Herfindahl-Hirschman Index as a market structure variable: an exposition for antitrust practitioners. *The Antitrust Bulletin, 27*(3), 593-618.

Moore, G. (2004). The Fair Trade movement: Parameters, issues and future research. *Journal of Business Ethics, 53*(1-2), 73-86.

Mora, P. (2007). Key Success Factors in Today's Wine Sector. *International Journal of Case Method Research & Application, 14*(1), 25-33.

Morazán, P. (2012). *Das krumme Ding mit der Banane - Soziale Auswirkungen des weltweiten Bananenhandels*. Siegburg: SÜDWIND e.V. – Institut für Ökonomie und Ökumene / Bischöfliches Hilfswerk MISEREOR e.V.

Moxham, C., & Kauppi, K. (2014). Using organisational theories to further our understanding of socially sustainable supply chains: The case of fair trade. *Supply Chain Management: An International Journal, 19*(4), 413-420.

Mueckenberger, U., & Jastram, S. (2010). Transnational Norm-Building Networks and the Legitimacy of Corporate Social Responsibility Standards. *Journal of Business Ethics, 97*(2), 223-239.

Murray, D. L., & Raynolds, L. T. (2000). Alternative Trade in bananas: Obstacles and opportunities for progressive social change in the global economy. *Agriculture and Human Values, 17*, 65-74.

Murray, D. L., & Raynolds, L. T. (2007). Globalization and its antinomies. Negaotiating a Fair Trade Movement. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 3-14). London/New York: Routledge.

Murray, D. L., Raynolds, L. T., & Taylor, P. L. (2006). The future of Fair Trade coffee: dilemmas facing Latin America's small-scale producers. *Development in Practice, 16*(2), 179-192.

Mützel, S. (2015). Geschichten als Signale. In R. Diaz-Bone & G. Krell (Eds.), *Diskurs und Ökonomie: Diskursanalytische Perspektiven auf Märkte und Organisationen* (pp. 263-284). Wiesbaden: Springer Fachmedien Wiesbaden.

Nasdaq. (2017). Markets - Commodities. Retrieved from http://www.nasdaq.com/markets/commodities.aspx (Date: 01/10/2017).

NASS, Agricultural Statistics Board, & USDA. (2016 [03/22/2016]). *Honey* National Agricultural Statistics Service (NASS), Agricultural Statistics Board, & U.S. Department of Agriculture (USDA) (Eds.), Retrieved from http://usda.mannlib.cornell.edu/usda/current/Hone/Hone-03-22-2016.pdf (Date: Access Date)

Nau, H. H. (2002). History Matters: From Historical Economics to Modern Institutionalism. In H. H. Nau & B. Schefold (Eds.), *The Historicity of Economics: Continuities and Discontinuities of Historical Thought in 19th and 20th Century Economics* (pp. 1-22). Berlin / Heidelberg / New York: Springer-Verlag.

Naveh, E., Marcus, A., & Moon, H. K. (2004). Implementing ISO 9000: performance improvement by first or second movers. *International Journal of Production Research, 42*(9), 1843-1863.

Navis, C., & Glynn, M. A. (2010). How New Market Categories Emerge: Temporal Dynamics of Legitimacy, Identity, and Entrepreneurship in Satellite Radio, 1990-2005. *Administrative Science Quarterly, 55*(3), 439-471.

Negro, G., Perretti, F., & Carroll, G. R. (2013). Challenger Groups, Commercial Organizations, and Policy Enactment: Local Lesbian/Gay Rights Ordinances in the United States from 1972 to 2008. *American Journal of Sociology, 119*(3), 790-832.

Nicholls, A. (2002). Strategic Options in fair trade retailing. *International Journal of Retail & Distribution Management, 30*(1), 6-17.

Nicholls, A. (2004). Fair trade new product development. *The Service Industries Journal, 24*(2), 102–117.

Nicholls, A. (2010). What gives Fair Trade its Right to Operate? Organizational Legetimacy and Strategic Management. In K. Macdonald & S. Marshall (Eds.), *Fair Trade, Corporate Accountability and Beyond: Experiments in Globalizing Justice* (pp. 93-119). Farnham: Ashgate Publishing Limited.

Nicholls, A., & Opal, C. (2005). *Fair Trade: Market Driven Ethical Consumption*. London: Sage Publications.

Nielsen. (2014). The State of Private Labels around the World - Where it's growing, where its's not, and what the future holds. Retrieved from http://www.nielsen.com/content/dam/nielsenglobal/kr/docs/global-report/2014/Nielsen%20Global%20Private%20Label%20Report%20November%202014.pdf (Date: 05/11/2016).

Nordhaus, W. D. (1975). The Political Business Cycle. *The Review of Economic Studies, 42*(2), 169-190.

NPR. (2007 [03/30/2007]). Kraft Foods Chief Explains Split from Altria. Retrieved from http://www.npr.org/templates/story/story.php?storyId=9237383 (Date: 05/05/2016).

Nyberg, J. (2009). Sugar - International Market Profile (Background Paper for Competitive Commercial Agriculture in Sub–Saharan Africa (CCAA) Study). In International Bank for Reconstruction and Development / The World Bank (Ed.), *Awakening Africa's sleeping giant: Prospects for commercial agriculture in the Guinea Savannah zone and beyond* Washington DC: FAO (Food and Agriculture Organization of the United Nations - Markets and Trade Division).

OECD, FAO, Fapri, & USDA. (2009). *Agricultural Commodity Markets Outlook 2009-2018: A comparative analysis of projections (working document)*. Brussels: OECD (Organisation for Economic Cooperation and Development) / FAO (Food and Agriculture Organisation) / FAPRI (Food and Agricultural Policy Research Institute) / USDA (U.S. Department of Agriculture).

Oliver, C. (1988). The Collective Strategy Framework: An Application to Competing Predictions of Isomorphism. *Administrative Science Quarterly, 33*(4), 543-561.

Oliver, C. (1991). Strategic Responses to Institutional Processes. *Academy of Management Review, 16*(1), 145-179.

Oliver, C., & Holzinger, I. (2008). The Effectiveness of Strategic Political Management: A Dynamic Capabilities Framework. *Academy of Management Review, 33*(2), 496-520.

Oliver, P. E. (1993). Formal Models of Collective Action. *Annual Review of Sociology, 19*, 271-300.

Olsen, M. (2002 [1965]). *The Logic of Collective Action: Public Goods and the Theory of Groups* (20 Ed.). Cambridge / London: Harvard University Press.

Olsen, W. (2014). Comment: The Usefulness of QCA under Realist Assumptions. *Sociological Methodology, 44*(1), 101-107.

Pacheco, D. F., York, J. G., Dean, T. J., & Sarasvathy, S. D. (2010). The Coevolution of Institutional Entrepreneurship: A Tale of Two Theories. *Journal of Management, 36*(4), 974-1010.

Pastakia, A. (1998). Grassroots ecopreneurs: change agents for a sustainable society. *Journal of Organizational Change Management, 11*(2), 157-173.

Pietrykowski, B. (2004). You Are What You Eat: The Social Economy of the Slow Food Movement. *Review of Social Economy, 62*(3), 307-321.

Piotti, G. (2007) Why Do Companies Relocate? The German Discourse on Relocation. *MPIfG Discussion Paper 07/14* (pp. 1-29). Retrieved from http://www.mpifg.de/pu/mpifg_dp/dp07-14.pdf

Pittman, R. (1988). Rent-Seeking and Market Structure: Comment. *Public Choice, 58*(2), 173-185.

Planetretail. (2016). European Grocery Retailing: Change is the only constant. Retrieved from http://www.planetretail.net/presentations/ApexBrasilPresentation.pdf (Date: 05/16/2016).

Polanyi, K. (2001 [1944]). *The Great Transformation: The Political and Economic Origins of Our Time* (2 ed.). Boston, Massachusetts: Beacon Press.

Potts, J., Lynch, M., Wilkings, A., Huppé, G. A., Cunningham, M., & Voora, V. (2014a). Banana Market. In R. Ilnyckyi, D. Holmes, & E. Rickert (Eds.), *The State of Sustainability Initiatives*

Review 2014: Standards and the Green Economy (pp. 97-118). Winnipeg, Canada: International Institute for Sustainable Development (IISD).

Potts, J., Lynch, M., Wilkings, A., Huppé, G. A., Cunningham, M., & Voora, V. (2014b). Cocoa Market. In R. Ilnyckyi, D. Holmes, & E. Rickert (Eds.), *The State of Sustainability Initiatives Review 2014: Standards and the Green Economy* (pp. 131-154). Winnipeg, Canada: International Institute for Sustainable Development (IISD).

Potts, J., Lynch, M., Wilkings, A., Huppé, G. A., Cunningham, M., & Voora, V. (2014c). Coffee Market. In R. Ilnyckyi, D. Holmes, & E. Rickert (Eds.), *The State of Sustainability Initiatives Review 2014: Standards and the Green Economy* (pp. 155-185). Winnipeg, Canada: International Institute for Sustainable Development (IISD).

Powell, W. W., White, D. R., Koput, K. W., & Owen-Smith, J. (2005). Network Dynamics and Field Evolution: The Growth of Interorganizational Collaboration in the Life Sciences. *American Journal of Sociology, 110*(4), 1132-1205.

Premier Foods plc. (2007 [07/09/2007]). Trading update for the six months to 30 June 2007: Integration of Campbell's completed and integration of RHM proceeding to plan. Confident that we will meet our expectations for the full year. Retrieved from http://www.premierfoods.co.uk/getattachment/2521dc55-9ecf-4c65-a8a4-20aa7150fbf4/2007-Half-Year-Trading-Statement.aspx (Date: 05/10/2016).

Press, M., & Arnould, E. J. (2011). Legitimating community supported agriculture through American pastoralist ideology. *Journal of Consumer Culture, 11*(2), 168-194.

Press, M., Arnould, E. J., Murray, J. B., & Strand, K. (2014). Ideological Challenges to Changing Strategic Orientation in Commodity Agriculture. *Journal of Marketing, 78*(6), 103-119.

Przeworski, A. (2009). Is the Science of Comparative Politics Possible? In C. Boix & S. C. Stokes (Eds.), *The Oxford Handbook of Comparative Politics* (1 ed., pp. 147-171). Oxford / New York: Oxford University Press.

Pyatt, G. (1976). On the Interpretation and Disaggregation of Gini Coefficients. *The Economic Journal, 86*(342), 243-255.

Quack, S. (2007). Legal Professions and Transnational Law Making: A Case of Distributed Agency. *Organization, 14*(5), 643-666.

Quack, S., & Djelic, M.-L. (2010). Transnational communities and their impact on the governance of business and economic activity. In S. Quack & M.-L. Djelic (Eds.), *Transnational Communities. Shaping Global Economic Governance* (1 ed., pp. 377-413). Cambridge, New York: Cambridge University Press.

Ragin, C. C. (1987). *The Comparative Method: Moving Beyond Qualitative and Quantitative Strategies*. University of California Press: Berkeley.

Ragin, C. C. (2000). *Redesigning Social Inquiry: Fuzzy Sets and Beyond*. University of Chicago Press: Chicago.

Ragin, C. C. (2008a). Calibrating Fuzzy Sets. In C. C. Ragin (Ed.), *Redesigning Social Inquiry: Fuzzy Sets and Beyond* (pp. 85-105). Chicago / London: University of Chicago Press.

Ragin, C. C. (2008b). Configurational Analysis Using Fuzzy Sets and Truth Tables. In C. C. Ragin (Ed.), *Redesigning Social Inquiry: Fuzzy Sets and Beyond* (pp. 124-144). Chicago / London: University of Chicago Press.

Ragin, C. C. (2008c). Evaluating Set Relations: Consistency and Coverage. In C. C. Ragin (Ed.), *Redesigning Social Inquiry: Fuzzy Sets and Beyond* (pp. 44-68). Chicago / London: University of Chicago Press.

Ragin, C. C. (2008d). *User's Guide to Fuzzy-Set/Qualitative Comparative Analysis 2.0*. Tucson, Arizona: Department of Sociology, University of Arizona.

Ragin, C. C. (2009). Qualitative Comparative Analysis Using Fuzzy Sets (fsQCA). In B. Rihoux & C. C. Ragin (Eds.), *Configurational Comparative Methods: Qualitative Comparative Analysis*

(QCA) and Related techniques (Vol. Applied Social Sciences Methods Series Volume 51, pp. 87-121). London / Thousand Oaks / New Delhi / Singapore: Sage Publications Inc.

Ragin, C. C. (2014). Comment: Lucas and Szatrowski in Critical Perspective. *Sociological Methodology, 44*(1), 80–158.

Ragin, C. C., Drass, K. A., & Davey, S. (2006). Fuzzy-Set/Qualitative Comparative Analysis 2.0. Tucson, Arizona: Department of Sociology, University of Arizona. .

Ragin, C. C., Shulman, D., Weinberg, A., & Gran, B. (2003). Complexity, Generality, and Qualitative Comparative Analysis. *Field Methods, 15*(4), 323-340.

Ragin, C. C., & Sonnett, J. (2005). Between Complexity and Parsimony: Limited Diversity, Counterfactual Cases, and Comparative Analysis. In S. Kropp & M. Minkenberg (Eds.), *Vergleichen in der Politikwissenschaft* (pp. 180-197). Wiesbaden: VS Verlag für Sozialwissenschaften.

Ragin, C. C., & Strand, S. I. (2008). Using Qualitative Comparative Analysis to Study Causal Order: Comment on Caren and Panofsky (2005). *Sociological Methods & Research, 36*(4), 431-441.

Raiffeisen-Holding NÖ-Wien. (2005). Geschäftsbericht 2005. Retrieved from http://www.rhnoew.at/eBusiness/01_template1/1021234568466-438807703494677207_439779494681596902_439780670160459186-314514137971443717-NA-37-NA.html (Date: 05/27/2016).

Rao, H., Monin, P., & Durand, R. (2003). Institutional change in Toque Ville: Nouvelle cuisine as an identity movement in French gastronomy. *American Journal of Sociology, 108*(4), 795-843.

Rao, H., Morrill, C., & Zald, M. N. (2000). Power Plays: How Social Movements and Collective Action Create New Organizational Forms. *Research in Organizational Behavior, 22*, 237-281.

Rasmussen, S. (2013). Economies of Scale and Size *Production Economics: The Basic Theory of Production Optimisation* (pp. 111-120). Berlin, Heidelberg: Springer Berlin Heidelberg.

Rawles, S. (2010 [07/13/2010]). Fairtrade towns to top 500 Retrieved from https://www.theguardian.com/society/2010/jul/13/fairtrade-towns-ethical-shopping-twinning (Date: 08/12/2016).

Raynolds, L. T. (2000). Re-embedding global agriculture: The international organic and fair trade movements. *Agriculture and Human Values, 17*(3), 297-309.

Raynolds, L. T. (2002). Consumer/producer links in Fair Trade coffee networks. *Sociologia Ruralis, 42*(4), 404-424.

Raynolds, L. T. (2007). Fair Trade Bananas. Broadening the movement and market in the United States. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 63-82). London, New York: Routledge.

Raynolds, L. T. (2009). Mainstreaming Fair Trade Coffee: From Partnership to Traceability. *World Development, 37*(6), 1083-1093.

Raynolds, L. T. (2012). Fair Trade: Social regulation in global food markets. *Journal of Rural Studies, 28*(3), 276-287.

Raynolds, L. T., & Long, M. T. (2007a). Fair Trade bananas. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 63-82). London; New York: Routledge.

Raynolds, L. T., & Long, M. T. (2007b). Fair/Alternative Trade. Historical and empirical dimensions. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 15-32). London; New York: Routledge.

Raynolds, L. T., & Murray, D. L. (2007). Fair Trade. Contemporary challanges and future propects. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 223-234). London, New York: Routledge.

Redfern, A., & Snedker, P. (2002) Creating Market Opportunities for Small Enterprises: Experiences of the Fair Trade Movement. *SEED Working Paper No. 30*: International Labour Organization. Retrieved from http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---ifp_seed/documents/publication/wcms_117707.pdf

Reed, D. (2009). What do Corporations have to do with Fair Trade? Positive and Normative Analysis from a Value Chain Perspective. *Journal of Business Ethics, 86*, 3-26.

Reinecke, J. (2010). Beyond a subjective theory of value and towards a 'fair price': an organizational perspective on Fairtrade minimum price setting. *Organization, 17*(5), 563-581.

Renard, M. C. (2003). Fair trade: quality, market and conventions. *Journal of Rural Studies, 19*(1), 87-96.

Renard, M. C. (2005). Quality certification, regulation and power in fair trade. *Journal of Rural Studies, 21*(4), 419-431.

Renard, M. C., & Pérez-Grovas, V. (2007). Fair Trade Coffee in Mexico. At the center of the debates. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 138-156). London/New York: Routledge.

Rihoux, B., & De Meur, G. (2009). Crisp Set Qualitative Comparative Analysis (csQCA) In B. Rihoux & C. C. Ragin (Eds.), *Configurational Comparative Methods: Qualitative Comparative Analysis (QCA) and Related techniques* (Vol. Applied Social Sciences Methods Series Volume 51, pp. 33-68). London / Thousand Oaks / New Delhi / Singapore: Sage Publications Inc.

Riisgaard, L., & Hammer, N. (2011). Prospects for Labour in Global Value Chains: Labour Standards in the Cut Flower and Banana Industries. *British Journal of Industrial Relations, 49*(1), 168-190.

Riley, B. (2014). U.S. Trade Policy Gouges American Sugar Consumers. [http://www.heritage.org/research/reports/2014/06/us-trade-policy-gouges-american-sugar-consumers]. *The Heritage Foundation: Backgrounder*(2914 [06/05/2014]), 1-7.

Rohlfing, I. (2012a). Analyzing multilevel data with QCA: a straightforward procedure. *International Journal of Social Research Methodology, 15*(6), 497-506.

Rohlfing, I. (2012b). *Case Studies and Causal Inference - An Integrative Framework*. Houndmills / Basingstoke / Hampshire, UK: Palgrave Macmillian.

Rohlfing, I. (2014 [11/30/2014]). How (not) to justify running a QCA. Retrieved from https://ingorohlfing.wordpress.com/2014/11/30/how-not-to-justify-running-a-qca/

Rohlfing, I. (2015 [05/04/2015]). The conservative QCA solution isn't based on counterfactuals? Not so fast. Retrieved from https://ingorohlfing.wordpress.com/2015/05/04/the-conservative-qca-solution-isnt-based-on-counterfactuals-not-so-fast/

Rohlfing, I. (2015 [10/01/2015]). The irony of Lucas/Szatrowski's QCA criticism. Retrieved from https://ingorohlfing.wordpress.com/2015/10/01/the-irony-of-lucasszatrowskis-qca-criticism/

Rosenthal, N., Fingrutd, M., Ethier, M., Karant, R., & McDonald, D. (1985). Social Movements and Network Analysis: A Case Study of Nineteenth-Century Women's Reform in New York State. *American Journal of Sociology, 90*(5), 1022-1054.

Rössel, J., & Beckert, J. (2012) Quality Classifications in Competition: Price Formation in the German Wine Market. *MPIfG Discussion Paper 12/3*. Retrieved from http://www.mpifg.de/pu/mpifg_dp/dp12-3.pdf (Date: 01/27/2017).

Roundtable on Market Definition (Note by the Delegation of the European Union) (2012 (05/31/2012)).

Rucht, D. (2004). Movement Allies, Adversaries, and Third Parties. In D. A. Snow, S. A. Soule, & H. Kriesi (Eds.), *The Blackwell Companion to Social Movements* (1 ed., pp. 197-216). Malden / Oxford / Carlton: Blackwell Publishing Ltd.

Ruigrok, W. (2011). From niche to mass markets: Promoting fair trade organic cotton commodity chains. *Analyse & Kritik, Zeitschrift für Sozialtheorie, 33*(1), 213-233.

SAGE V FOODS, L. (2016). II. Rice Production in the World and in the U.S. . Retrieved from http://www.sagevfoods.com/MainPages/Rice101/Production.htm (Date: 06/04/2016).

Sartori, G. (1970). Concept Misformation in Comparative Politics. *The American Political Science Review, 64*(4), 1033-1053.

Sartori, G. (1991). Comparing and Miscomparing. *Journal of Theoretical Politics, 3*(3), 243-257.

Sassen, S. (2003). Globalization or denationalization? *Review of International Political Economy, 10*(1), 1-22.

Satz, D. (2010). *Why Some Things Should Not Be for Sale: The Moral Limits of Markets*. Oxford: Oxford University Press.

Schaber, C., & van Dok, G. (2008). *Die Zukunft des Fairen Handels*. Luzern: Caritas-Verlag.

Scherer, A. G., & Palazzo, G. (2011). The New Political Role of Business in a Globalized World: A Review of a New Perspective on CSR and its Implications for the Firm, Governance, and Democracy. *Journal of Management Studies, 48*(4), 899-931.

Scherer, A. G., Palazzo, G., & Matten, D. (2014). The Business Firm as a Political Actor: A New Theory of the Firm for a Globalized World. *Business & Society, 53*(2), 143-156.

Scheufele, B. T., & Scheufele, D. A. (2010). Of Spreading Activation, Applicability, and Schemes: Conceptual Distinctions and Their Operational Implications for Measuring Frames and Framing Effects. In P. D'Angelo & J. A. Kuypers (Eds.), *Doing News Framing Analysis - Empirical and Theoretical Perspectives* (pp. 110-134). New York / London: Routledge.

Schmelzer, M. (2007). In or Against the Market? Is Fair Trade a neoliberal solution to market failures or a practical challenge to neoliberal trade and the free market regime in general? Retrieved from http://www.threefolding.org/essays/2007-01-001.html (Date: 01/20/2017).

Schnedlitz, P., Berger, D., & Haller, T. (2003). *Ethik im Handel am Beispiel Fair Trade*. Wien: Schriftenreihe Handel und Marketing (Band 49), Eigenverlag Institut für Absatzwirtschaft - Handel und Marketing.

Schneiberg, M., King, M., & Smith, T. (2008). Social Movements and Organizational Forms: Cooperative Alternatives to Corporations in the American Insurance, Dairy, and Grain Industry. *American Sociological Review, 73*, 635-667.

Schneider, C. Q., & Rohlfing, I. (2013). Combining QCA and Process Tracing in Set-Theoretic Multi-Method Research. *Sociological Methods & Research, 42*(4), 559-597.

Schneider, C. Q., & Wagemann, C. (2006). Reducing complexity in Qualitative Comparative Analysis (QCA): Remote and proximate factors and the consolidation of democracy. *European Journal of Political Research, 45*, 751-786.

Schneider, C. Q., & Wagemann, C. (2010). Standards of Good Practice in Qualitative Comparative Analysis (QCA) and Fuzzy-Sets. *Comparative Sociology, 9*, 1-22.

Schneider, C. Q., & Wagemann, C. (2012). *Set-Theoretic Methods: A User's Guide for Qualitative Comparative Analysis and Fuzzy Sets in Social Science*. Cambridge: Cambridge University Press.

Schumpeter, J. A. (1911). *Theorie der wirtschaftlichen Entwicklung* (1 ed.). Leipzig: Verlag von Duncker & Humblot.

Schumpeter, J. A. (2008 [1942]). *Capitalism, Socialism and Democracy*. New York: HarperCollins Publishers.

Schurman, R. (2004). Fighting "Frankenfoods": Industry Opportunity Structures and the Efficacy of the Anti-Biotech Movement in Western Europe. *Social Problems, 51*(2), 243-268.

Schurman, R., & Munro, W. (2009). Targeting Capital: A Cultural Economy Approach to Understanding the Efficacy of Two Anti-Genetic Engineering Movements. *American Journal of Sociology, 115*(1), 155-202.

Scott, W. R. (2008 [1995]). *Institutions and organizations : ideas and interests* (3. ed.). Los Angeles, CA: Sage Publ.

Scott, W. R. (2014 [1995]). *Institutions and Organizations: Ideas, Interests, and Identities* (4 ed.). Los Angeles / London / New Delhi / Singapore / Washington DC: Sage Publications.

Seawright, J. (2002). Testing for Necessary and/or Sufficient Causation: Which Cases Are Relevant? *Political Analysis, 10*(2), 178-193.

Seawright, J. (2014). Comment: Limited Diversity and the Unreliability of QCA. *Sociological Methodology, 44*(1), 118-121.

Sekhon, J. S. (2004). Quality Meets Quantity: Case Studies, Conditional Probability, and Counterfactuals. *Perspective on Politics, 2*(2), 281-293.

Selznick, P. (1949). Conclusion: Guiding Principles and Interpretations - A Summary. In P. Selznick (Ed.), *TVA and the grass roots: A Study in the Sociology of Formal Organization* (pp. 249-266). Berkeley, Los Angeles: University of California Press.

Senge, K. (2006). Zum Begriff der Institution im Neo-Institutionalismus. In K. Senge & K.-U. Hellmann (Eds.), *Einführung in den Neo-Institutionalismus* (pp. 35-47). Wiesbaden: VS, Verlag für Sozialwissenschaften.

Shaw, D., & Clarke, I. (1999). Belief formation in ethical consumer groups: an exploratory study. *Marketing Intelligence & Planning, 17*(2), 109-120.

Shaw, D. V., McLeod, D. M., Kim, E., Lee, S. Y., Gotlieb, M. R., Ho, S. S., & Brevik, H. (2007). Political consumerism: How communication and consumption orientations drive "lifestyle politics". *Annals of the American Academy of Political and Social Science, 611*, 217-235.

Shaw, D. V., Newholm, T., & Dickinson, R. (2006). Consumption as voting: an exploration of consumer empowerment. *European Journal of Marketing, 40*(9-10), 1049-1067.

Shaw, D. V., & Shiu, E. (2002). An assessment of ethical obligation and self-identity in ethical consumer decision-making: a structural equation modelling approach. *International Journal of Consumer Studies, 26*(4), 286-293.

Shorette, K. (2012). *Institutionalization of Market-Based Social Justice: The Uneven Rise of Fair Trade Producer Organizations.* Paper presented at the 2012 Annual Meeting of the American Sociological Association, Denver.

Shreck, A. (2002). Just Bananas? Fair Trade Banana Production in the Dominican Republic. *International Journal of Sociology of Agriculture and Food, 10*(2), 13-23.

Shreck, A. (2005). Resistance, resistribution, and power in the Fair Trade banana initiative. *Agriculture and Human Values, 22*, 17-29.

Sider, T. (2003). What's So Bad About Overdetermination? *Philosophy and Phenomenological Research, 67*(3), 719-726.

Sikavica, K., & Pozner, J.-E. (2013). Paradise Sold: Resource Partitioning and the Organic Movement in the US Farming Industry. *Organization Studies, 34*(5-6), 623-651.

Sine, W. D., & Lee, B. H. (2009). Tilting at Windmills? The Environmental Movement and the Emergence of the U.S. Wind Energy Sector. *Administrative Science Quarterly, 54*(1), 123-155.

Smets, M., Morris, T., & Greenwood, R. (2012). From Practice to Field: A Multilevel Model of Practice-Driven Institutional Change. *Academy of Management Journal, 55*(4), 877-904.

Smith, A. (2007 [1776]). *An Inquiry into the Nature and Causes of the Wealth of Nations*. Amsterdam / Lausanne / Melbourne / Milan / New York / São Paulo: MetaLibri.

Smith, A. M. (2009). Evaluating the Criticism of Fair Trade. *Economic Affairs, 29*(4), 29-36.

Smith, S. (2010a). *Fairtrade Bananas: A Global Assessment of Impact*: Institute of Development Studies, University of Sussex, UK.

Smith, S. (2010b). For Love or Money? Fairtrade Business Models in the UK Supermarket Sector. *Journal of Business Ethics, 92*, 257-266.

Snow, D. A. (2004). Framing Processes, Ideology, and Discursive Fields. In D. A. Snow, S. A. Soule, & H. Kriesi (Eds.), *The Blackwell Companion to Social Movements* (1 ed., pp. 380-412). Malden / Oxford / Carlton: Blackwell Publishing Ltd.

Snow, D. A., Benford, R. D., McCammon, H., Hewitt, L., & Fitzgerald, S. (2014). The Emergence, Development, and Future of the Framing Perspective: 25+ Years Since "Frame Alignment". *Mobilization: An International Quarterly, 19*(1), 23-46.

Snow, D. A., Rochford, E. B., Worden, S. K., & Benford, R. D. (1986). Frame Alignment Processes, Micromobilization, and Movement Participation. *American Sociological Review, 51*(4), 464-481.

Soh, P.-H. (2010). Network patterns and competitive advantage before the emergence of a dominant design. *Strategic Management Journal, 31*(4), 438-461.

Spiegel Online. (2006). Chronologie eines Scheiterns. Retrieved from http://www.spiegel.de/wirtschaft/wal-mart-in-deutschland-chronologie-eines-scheiterns-a-429049.html (Date: 05/24/2015).

StataCorp. (2013). Stata Statistical Software: Release 13. College Station, TX: StataCorp LP.

Statista. (2016a). Food market share grocery retailers United States, 2014. Retrieved from http://www.statista.com/statistics/240481/food-market-share-of-the-leading-food-retailers-of-northamerica/ (Date: 05/06/2016).

Statista. (2016b). Global market share of the 5 leading cocoa producers in 2010/11 Retrieved from http://www.statista.com/statistics/238274/market-share-of-the-5-leading-cocoa-producers-worldwide/ (Date: 05/06/2016).

Statista. (2016c). Marktanteile der führenden Zuckerhersteller in Europa im Jahr 2011. Retrieved from http://de.statista.com/statistik/daten/studie/189296/umfrage/groesste-zuckerhersteller-europas-nach-marktanteil/ (Date: 05/20/2016).

Statista. (2016d). Per capita consumption of pure honey in the United States from 2000 to 2014 (in pounds) Retrieved from http://www.statista.com/statistics/328897/per-capita-consumption-of-pure-honey-in-the-us/ (Date: 05/20/2016).

Statista. (2016e). Principal sugar exporting countries in 2014/2015 (in million metric tons). Retrieved from http://www.statista.com/statistics/273437/exported-amount-of-sugar-in-leading-countries/ (Date: 05/06/2016).

Stolle, D., Hooghe, M., & Micheletti, M. (2005). Politics in the supermarket: Political consumerism as a form of political participation. *International Political Science Review, 26*(3), 245-269.

Stolle, D., & Micheletti, M. (2013). *Political Consumerism: Global Responsibility in Action*. New York: Cambridge University Press.

Strang, S. (1996). *The Retreat of the State: The Diffusion of Power in the World Economy*. Cambridge: Cambridge University Press.

Strausz, R. (2005). Honest certification and the threat of capture. *International Journal of Industrial Organization, 23*(1–2), 45-62.

Suchman, M. C. (1995). Managing Legitimacy - Strategic and Institutional Approaches. *Academy of Management Review, 20*(3), 571-610.

Sueddeutsche. (2014 [02/18/2014]). Zucker-Kartell teilte Deutschland unter sich auf. *Sueddeutsche.* Retrieved from http://www.sueddeutsche.de/wirtschaft/strafe-von-wettbewerbsbehoerde-zucker-kartellteilte-deutschland-unter-sich-auf-1.1892496 (Date: 05/23/2016).

Sugarcane.org. (2016a). EU Sugar Policy. Retrieved from http://sugarcane.org/global-policies/policies-in-the-european-union/eu-sugar-policy (Date: 05/20/2016).

Sugarcane.org. (2016b). U.S. Sugar Policy. Retrieved from http://sugarcane.org/global-policies/policies-in-the-united-states/sugar-in-the-united-states (Date: 05/20/2016).

Sutton, C. J. (1974). Advertising, Concentration and Competition. *The Economic Journal, 84*(333), 56-69.

Swaminathan, A. (2001). Resource Partitioning and the Evolution of Specialist Organizations: The Role of Location and Identity in the U.S. Wine Industry. *Academy of Management Journal, 44*(6), 1169-1185.

Swaminathan, A., & Carroll, G. R. (1995). Beer Brewers. In G. R. Carroll & M. T. Hannan (Eds.), *Organizations in Industry - Strategy, Structure, and Selection* (pp. 223-243). Oxford; New York: Oxford University Press.

Swidler, A. (1993). [Talking Politics., William A. Gamson]. *Contemporary Sociology, 22*(6), 810-812.

Tallontire, A. (2000). Partnerships in Fair Trade: Reflections from a Case Study of Café direct. *Development in Practice, 10*(2), 166-177.

Tallontire, A. (2009). Top Heavy? Governance Issues and Policy Decisions for the Fair Trade Movement. *Journal of International Development, 21*(7), 1004-1014.

Taylor, D. A. (1958). Certification Marks: Success or Failure? *Journal of Marketing, 23*(1), 39-46.

Taylor, P. L. (2004). In the Market But Not of It: Fair Trade Coffee and Forest Stewardship Council Certification as Market-Based Social Change. *World Development, 33*(1), 129-147.

Taylor, P. L., Murray, D. L., & Raynolds, L. T. (2005). Keeping trade fair: Governance challenges in the fair trade coffee initiative. *Sustainable Development, 13*(3), 199-208.

The Guardian, & Fairtrade Foundation. (2016). The future of chocolate: why cocoa production is at risk. Retrieved from http://www.theguardian.com/sustainable-business/fairtrade-partner-zone/chocolate-cocoa-production-risk (Date: 06/02/2016).

The Heritage Foundation, & Wall Street Journal. (2016a). 2016 Index of Economic Freedom: Globally Economic Freedom Exppands; Nearly 100 Countries Improve. Retrieved from http://www.heritage.org/index/pdf/2016/press-releases/THF-2016-Index-Overview.pdf (Date: 07/13/2016).

The Heritage Foundation, & Wall Street Journal. (2016b). Index of Economic Freedom. Retrieved from http://www.heritage.org/index/explore?view=by-region-country-year (Date: 07/13/2016).

The Independent Ireland. (2014 [04/11/2014]). Rowse Honey Bought By Irish Food Company. Retrieved from http://www.insidermedia.com/insider/southeast/112669- (Date: 05/09/2016).

The World Bank. (2016a). Economy 4.5 World Development Indicators: Structure of merchandise imports. Retrieved from http://wdi.worldbank.org/table/4.5 (Date: 07/13/2016).

The World Bank. (2016b). People 2.10 World Development Indicators: Educational inputs. Retrieved from http://wdi.worldbank.org/table/2.10 (Date: 07/13/2016).

The World Bank. (2016c). World View 1.1 World Development Indicators: Size of the economy. Retrieved from http://wdi.worldbank.org/table/1.1 (Date: 07/13/2016).

Thiem, A. (2016). Analyzing multilevel data with QCA: yet another straightforward procedure. *Quality & Quantity, 50*(1), 121-128.

Thompson, E. P. (1971). The Moral Economy of the English Crowd in the Eighteenth Century. *Past & Present*(50), 76-136.

Thornton, P. H. (2002). The rise of the corporation in a craft industry: Conflict and Conformity in institutional logics. *Academy of Management Journal, 45*(1), 81-104.

Thygeson, N. M., Solberg, L. I., Asche, S. E., Fontaine, P., Pawlson, L. G., & Scholle, S. H. (2012). Using Fuzzy Set Qualitative Comparative Analysis (fs/QCA) to Explore the Relationship between Medical "Homeness" and Quality. *Health Services Research, 47*(1 Pt 1), 22-45.

Tilly, C. (1977 [01/1977]). Studying Social Movements / Studying Collective Action. *CRSO Working Paper, 168*, 1-34.

Tilly, C. (1978). *From Mobilization to Revolution*. Reading, Massechusetts / Menlo Park, California / London / Amsterdam / Don Mills, Ontario / Sydney: Addison-Wesley Publishing Company.

Timmermans, S., & Epstein, S. (2010). A World of Standards but not a Standard World: Toward a Sociology of Standards and Standardization. *Annual Review of Sociology, 36*(1), 69-89.

Tolbert, P. S., & Zucker, L. G. (1983). Institutional Sources of Change in the Formal-Structure of Organizations - the Diffusion of Civil-Service Reform, 1880-1935. *Administrative Science Quarterly, 28*(1), 22-39.

Trans Fair Austria. (2002). *Jahresbericht 2002* (T. F. Austria Ed.). Wien: Trans Fair Austria.

TransFair e.V. (1999). *Jahresbericht 1998*. Köln: TransFair e.V., Verein zur Förderung des Fairen Handels mit der "Dritten Welt".

TransFair e.V. (2001). *Jahresbericht 2000*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2002). *Jahresbericht 2001*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2003). *Jahresbericht 2002*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2004). *Jahresbericht 2003 – Ausblick 2004*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2005). *Jahresbericht 2004 – Ausblick 2005*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2006). *Jahresbericht 2005 – Ausblick 2006*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2007). *Jahresbericht 2006 – Ausblick 2007*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2008). *Jahresbericht 2007 – Ausblick 2008*. Köln: TransFair e.V./RugMark.

TransFair e.V. (2009). *Jahresbericht 2008 – Ausblick 2009*. Köln: TransFair e.V./RugMark.

Transfair e.V. (2010a). *Fairtrade-Partner-Firmen*, Retrieved from: http://www.transfair.org/ueber-fairtrade/fairtrade-partner-firmen/ (Date: 09/11/2010).

TransFair e.V. (2010b). *Jahresbericht 2009 – Ausblick 2010*. Köln: TransFair e.V./GoodWeave.

TransFair e.V. (2010c). *Jahresberichte 2000-2009*. Köln: TransFair e.V./GoodWeave/ RugMark.

TransFair e.V. (2011). *Jahresbericht 2010/11 - Fairtrade bewegt*. Köln: TransFair – Fairtrade Deutschland, Verein zur Förderung des Fairen Handels mit der "Dritten Welt" e.V.

TransFair e.V. (2012). *Jahresbericht 2011/12*. Köln: TransFair, Verein zur Förderung des Fairen Handels mit der "Dritten Welt" e.V.

TransFair USA. (2001). *Annual Report 2001*. Oakland: Transfair USA

TransFair USA. (2007). *Annual Report 2007*. Oakland: Transfair USA

TransFair USA. (2009). *Annual Report 2009 - Making History*. Oakland: Transfair USA

United Nations. (2016). Total Population - Both Sexes. Retrieved from https://esa.un.org/unpd/wpp/Download/Standard/Population/ (Date: 06/10/2016).

USDA. (2014). Rice: Trade. Retrieved from http://www.ers.usda.gov/topics/crops/rice/trade.aspx (Date: 06/02/2016).

USDA. (2015). *Retail Trends* U.S. Department of Agriculture: The Economic Research Service (Ed.) Retrieved from http://www.ers.usda.gov/topics/food-markets-prices/retailing-wholesaling/retail-trends.aspx (Date: 06/02/2016).

USDA. (2016). Overview (Rice). Retrieved from http://www.ers.usda.gov/topics/crops/rice.aspx (Date: 06/02/2016).

USDA Foreign Agricultural Service. (2013). United Kingdom Retail Foods. Retrieved from http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Retail%20Foods_London_United%20Kingdom_12-17-2013.pdf (Date: 05/24/2016).

USITC. (2015 [04/2015]). *Rice: Global Competitiveness of the U.S. Industry (Publication Number: 4530 - Investigation Number: 332-549)*. Washington, DC: United States International Trade Commission,.

Vaisey, S. (2014). Comment: QCA Works—When Used with Care. *Sociological Methodology, 44*, 108-112.

Valor, C. (2008). Can Consumers Buy Responsibly? Analysis and Solutions for Market Failures. *Journal of Consumer Policy, 31*(3), 315-326.

van Begin, G. (2006). *BUY FAIR-A Guide to the public purchasing of Fair Trade products*. Freiburg, Germany: ICLEI -Local Governments for Sustainability.

van Bommel, K., & Spicer, A. (2011). Hail the Snail: Hegemonic Struggles in the Slow Food Movement. *Organization Studies, 32*(12), 1717-1744.

van Bommel, K., & Spicer, A. (2015). Slow Food MovementThe Wiley Blackwell Encyclopedia of Consumption and Consumer Studies: John Wiley & Sons, Ltd. Retrieved from http://dx.doi.org/10.1002/9781118989463.wbeccs213.

van Wijk, J., Stam, W., Elfring, T., Zietsma, C., & Den Hond, F. (2013). Activists and Incumbents Structuring Change: The Interplay of Agency, Culture, and Networks in Field Evolution. *Academy of Management Journal, 56*(2), 358-386.

Vander Stichele, M., & Young, B. (2009). The Abuse of Supermarket Buyer Power in the EU Food Retail Sector: Preliminary Survey of Evidence (Annex 2). *AAI - Agribusiness Action Initiatives,*.

Vatin, F. (2009). *Evaluer et Valoriser: Une Sociologie Economique de la Mesure*. Toulouse: Presses Universitaires Mirail.

Verdú Jover, A. J., Lloréns Montes, F. J., & Fuentes Fuentes, M. a. d. M. (2004). Measuring perceptions of quality in food products: the case of red wine. *Food Quality and Preference, 15*(5), 453-469.

Vicari, S. (2010). Measuring collective action frames: A linguistic approach to frame analysis. *Poetics, 38*(5), 504-525.

Vis, B. (2009). Governments and unpopular social policy reform: Biting the bullet or steering clear? *European Journal of Political Research, 48*(1), 31-57.

Viscusi, W. K. (1978). A Note on "Lemons" Markets with Quality Certification. *The Bell Journal of Economics, 9*(1), 277-279.

Vogel, D. (2005). *The Market for Virtue - The Potential and Limits of Corporate Social Responsibility*. Washington D.C.: Brookings Institution Press.

Waldron, T., Navis, C., & Fisher, G. (2013). Explaining Differences in Firms' Respobnse to Activism. *Academy of Management Review, 38*(3), 397-417.

Walker, E. T. (2009). Privatizing Participation: Civic Change and the Organizational Dynamics of Grassroots Lobbying Firms. *American Sociological Review, 74*(1), 83-105.

Walker, E. T. (2010). Industry-Driven Activism. *Contexts, 9*(2), 44-49.

Walker, E. T. (2012). Putting a Face on the Issue: Corporate Stakeholder Mobilization in Professional Grassroots Lobbying Campaigns. *Business & Society, 51*(4), 561-601.

Walker, E. T. (2014). *Grassroots for Hire - Public Affairs Consultants in American Democracy* (1 ed.). Cambridge / New York Cambridge University Press.

Walker, E. T., Martin, A. W., & McCarthy, J. D. (2008). Confronting the State, the Corporation, and the Academy: The Influence of Institutional Targets on Social Movement Repertoires. *American Journal of Sociology, 114*(1), 35-76.

Walker, H. A., & Cohen, B. P. (1985). Scope Statements: Imperatives for Evaluating Theory. *American Sociological Review, 50*(3), 288-301.

Warrier, M. (2011a). Glossary. In M. Warrier (Ed.), *The Politics of Fair Trade - A Survey* (pp. 133-246). London: Routledge.

Warrier, M. (2011b). Statistics. In M. Warrier (Ed.), *The Politics of Fair Trade - A Survey* (pp. 247-257). London: Routledge.

Weber, K., Heinze, K. L., & DeSoucey, M. (2008). Forage for Thought: Mobilizing Codes in the Movement for Grass-fed Meat and Dairy Products. *Administrative Science Quarterly, 53*(3), 529-567.

Weber, K., & King, B. G. (2014). Social Movement Theory and Organizational Studies. In P. Adler, P. Du Gay, G. Morgan, & M. Reed (Eds.), *The Oxford Handbook of Sociology, Social Theory,*

and Organization Studies: Contemporary Currents (pp. 487-509). Oxford / New York: Oxford University Press.

Weber, M. (1922). *Wirtschaft und Gesellschaft* (1 Ed.). Tübingen: Verlag von J. C. B. Mohr (Pail Siebeck).

Weber, M. (1978 [1921]). *Economy and Society: An Outline of Interpretive Sociology. Vol. 1*. Berkeley: University of California Press.

Weik, E. (2011). Institutional Entrepreneurship and Agency. *Journal for the Theory of Social Behaviour, 41*(4), 466-481.

Weitzman, H. (2006, 28.09.2006). The bitter cost of 'fair trade' coffee. *Financial Times*.

Welter, F., & Smallbone, D. (2015). Creative Forces for Entrepreneurship: The Role of Institutional Change Agents. [http://www.ifm-bonn.org/uploads/tx_ifmstudies/workingpaper_01_15.pdf]. *IfM Bonn Working: Paper, 01/15, Bonn*.

Wendt, A. (1998). On Constitution and Causation in International Relations. *Review of International Studies, 24*, 101-117.

Westphal, J. D., Gulati, R., & Shortell, S. M. (1997). Customization or conformity? An institutional and network perspective on the content and consequences of TQM adoption. *Administrative Science Quarterly, 42*(2), 366-394.

Westphal, J. D., & Zajac, E. J. (1994). Substance and Symbolism in CEOs Long-Term Incentive Plans. *Administrative Science Quarterly, 39*(3), 367-390.

WFTO. (2012). Charters of Fair Trade Principles. Retrieved from http://www.wfto.com/index.php?option=com_content&task=view&id=1082&Itemid=334 (Date: 11/28/2012).

Wheeler, K. (2012). *Fair Trade and the Citizen-Consumer*. London / New York: Palgrave Macmillian.

White, H. C. (1981). Where Do Markets Come From? *The American Journal of Sociology, 87*(3), 517-547.

White, H. C. (2000). Modeling discourse in and around markets. *Poetics, 27*(2–3), 117-133.

White, H. C. (2002a). Businesses mobilize production through markets: Parametric modeling of path-dependent outcomes in oriented network flows. *Complexity, 8*(1), 87-95.

White, H. C. (2002b). *Markets from Networks - Socioeconomic Models of Production*. Princeton, N.J / Woodstock, Oxfordshire: Princeton University Press.

White, H. C., & Godard, F. C. (2007). Stories from Identity and Control (Simposio / Narratives, Temporality, and Sociology). *Sociologica: Italian Journal of Sociology Online, 1*(3), 1-17.

White, H. C., & Godart, F. C. (2007). Märkte als soziale Formationen. In J. Beckert, R. Diaz-Bone, & H. Ganßmann (Eds.), *Die soziale Ordnung von Märkten* (pp. 197-216). Frankfurt a.M./New York: Campus.

White, H. C., Godart, F. C., & Corona, V. P. (2007). Mobilizing identities - Uncertainty and control in strategy. *Theory Culture & Society, 24*(7-8), 181–202.

White, L. J. (2012 [05/2012]) Market Power: How Does it Arise? How is it Measured? *NYU Working Paper 2451/31547*. Retrieved from http://ssrn.com/abstract=2056708

Wilkinson, J. (2007). Fair Trade: Dynamic and Dilemmas of a Market Oriented Global Social Movement. *Journal of Consumer Policy, 30*(3), 219-239.

Wilkinson, J., & Mascarenhas, G. (2007a). The making of the Fair Trade movement in the South. The Brazilian case. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 157-179). London, New York: Routledge.

Wilkinson, J., & Mascarenhas, G. (2007b). Southern social movements and Fair Trade. In L. T. Raynolds, D. L. Murray, & J. Wilkinson (Eds.), *Fair Trade: The challanges of transforming globalization* (1 ed., pp. 125-137). London, New York: Routledge.

Wilkinson, P. (1971). *Social Movements*. London: Pall Mall.

Willy Hagen GmbH. (2011). Aus Tradition und Überzeugung Fair Gehandelt - Hagen Kaffee. Retrieved from http://www.hagen-onlineshop.de/Kaffee/Kaffee-aus-fairem-Handel/FAIR-Brasil-Santos.html?listtype=search&searchparam=fair (Date: 12/02/2010).

Wine Institute. (2015). Table 6.1 (revised 11/2015) World wine Consiumption (1) 2011-2014, % Change 2013/2014 and Percent of the World Consumption - 2014 Quantities (Liters 000). Retrieved from http://www.wineinstitute.org/files/World_Wine_Consumption_by_Country_Revised_Nov_2015.pdf (Date: 06/02/2016).

Wine Institute. (2016). Table 3: World Wine Production by Country 2011-2014 and % Change 2014/2011 (Liters 000). Retrieved from http://www.wineinstitute.org/files/World_Wine_Production_by_Country_2014_cTradeDataAndAnalysis.pdf (Date: 06/02/2016).

Wirtschaftliche Vereinigung Zucker e.V. (WVZ) / Verein der Zuckerindustrie e.V. (VdZ). (2016). Zuckermarkt. Retrieved from http://www.zuckerverbaende.de/zuckermarkt/zahlen-und-fakten/zuckermarkt-deutschland/zuckermarkt.html (Date: 05/10/2016).

Wolfe, S. E., & Pyrooz, D. C. (2014). Rolling Back Prices and Raising Crime Rates? The Walmart Effect on Crime in the United States. *British Journal of Criminology, 54*(2), 199-221.

Wooten, M., & Hoffman, A. J. (2008). Organizational Fields: Past, Present and Future. In R. Greenwood, C. Oliver, K. Sahlin, & R. Suddaby (Eds.), *The Sage handbook of organizational institutionalism* (1. ed., pp. 131-147). Los Angeles [u.a.]: Sage.

World Trade Daily. (2012 [07/28/2012]). Honey: World Production, Top Exporters, Top Importers, and United States Imports by Country. Retrieved from https://worldtradedaily.com/2012/07/28/honey-world-production-top-exporters-top-importers-and-untied-states-imports-by-country/ (Date: 06/02/2016).

Wry, T., Lounsbury, M., & Glynn, M. A. (2011). Legitimating Nascent Collective Identities: Coordinating Cultural Entrepreneurship. *Organization Science, 22*(2), 449-463.

Yamasaki, S., & Rihoux, B. (2009). A Commented Review of Applications. In B. Rihoux & C. C. Ragin (Eds.), *Configurational Comparative Methods: Qualitative Comparative Analysis (QCA) and Related techniques* (Vol. Applied Social Sciences Methods Series Volume 51, pp. 123-146). London / Thousand Oaks / New Delhi / Singapore: Sage Publications Inc.

Young, K. L., & Park, S. H. (2013). Regulatory Opportunism: Cross-National Patterns in National Banking Regulatory Responses Following the Global Financial Crisis. *Public Administration, 91*(3), 561-581.

Zelizer, V. A. (1978). Human Values and the Market: The Case of Life Insurance and Death in 19th-Century America. *American Journal of Sociology, 84*(3), 591-610.

Zelizer, V. A. (1981). The Price and Value of Children: The Case of Children's Insurance. *American Journal of Sociology, 86*(5), 1036-1056.

Zelizer, V. A. (2007). Ethics in the Economy. *Journal for Business, Economics & Ethics (zfwu), 1*, 8-23.

Zilber, T. B. (2007). Stories and the Discursive Dynamics of Institutional Entrepreneurship: The Case of Israeli High-tech after the Bubble. *Organization Studies, 28*(7), 1035-1054.

Zilber, T. B. (2008). The Works of meanings in Institutional Processes and Thinking. In R. Greenwood, C. Oliver, K. Sahlin, & R. Suddaby (Eds.), *The Sage handbook of organizational institutionalism* (1. ed., pp. 151-169). Los Angeles [u.a.]: Sage.

Zukin, S., & DiMaggio, P. J. (1990). Introduction. In S. Zukin & P. J. DiMaggio (Eds.), *Structures of Capital: The Social Organization of the Economy* (pp. 1-36). Cambridge: Cambridge University Press.

8 Appendix

8.1 The concentration of industries with regard to product categories

This chapter presents the "raw data" for the concentration of single industries or product markets, which has been summarized in chapter 4.3.2.2. Chapter 4.3.2.2 is a very brief presentation of the information below. This section is organized in sub sections for each industry with additional sub sections for the particular information on the national level.

Most industries are introduced in a general part to provide a holistic picture, before the industries are discussed with regard to the national contexts and with references to the information provided by Market Line (2016a, 2016b, 2016c, 2016d, 2016e, 2016f, 2016g, 2016h). Only, sugar and bananas are discussed with regard to differences between regions (USA and the European Union) and phases in time (Until 2002/2003 and Time Period after 2002/2003), respectively. Therefore, coffee (chapter 8.1.1), cocoa (chapter 8.1.2), wine (chapter 8.1.3), honey (chapter 8.1.4), and rice (chapter 8.1.5) are introduced. Afterwards, the market structure of each category in each national context (Austria, Germany, United Kingdom, and the USA) is discussed for coffee in chapter 8.1.1.1 to chapter 8.1.1.4, for cocoa in chapter 8.1.2.1 to chapter 8.1.2.4, for wine in chapter 8.1.3.1 to chapter 8.1.3.4, for honey in chapter 8.1.4.1 to chapter 8.1.4.4, and for rice in chapter 8.1.5.1 to chapter 8.1.5.4. Market Line (2016a, 2016b, 2016c, 2016d, 2016e, 2016f, 2016g, 2016h) does not provide sufficient information for sugar and bananas to undertake a similar comparative endeavor. Therefore, sugar is discussed with regard to regional differences between the European Union and the USA and bananas are discussed with regard to phases in time. In both instances, hunches about the concentration of the industries for the four national contexts are provided and form the basis for calibration. While it has proven difficult to gather exact and straightforwardly interpretable information about these industries, it is well known how concentrated these industries are. Most of the main players have faced numerous accusations of monopoly abuses and the oligopolies and monopolies have been assessed by the European Commission.

8.1.1 Coffee

After oil, coffee is the most widely traded commodity (Grodnik & Conroy, 2007, p. 84). The global coffee supply chain is governed by the top five companies (Kraft, Nestlé, Sara Lee, Procter and Gamble, and Tchibo) which buy almost half of the supplied green coffee beans (Nicholls & Opal, 2005, p. 81). Gilbert (2006, p. 5) estimates the two largest roasters to have a combined market

share of 29% (CR_2) and the six major roasters to have 60% market share (CR_6) of the whole coffee roasting (globally). In 1989, about 36% of the coffee was bought by five companies, which increased to roughly 42% in 1995 (CR_5). The concentration of roasting in Europe increased from about 22% (CR_5) in 1995 to about 58% (CR_5) in 1998 (Kaplinski, 2004, p. 14). Kaplinski (2004, p. 14) argues that the major imports of coffee into consuming countries were dominated by five companies in the 1990s, while (in 2001) only three companies dominate imports (Neumann Kaffee, Volcafe, and Ecom Agroindustrial). According to Taylor (2004, p. 133) the global coffee crisis of 1989 and the resulting drop of the price for coffee led to this power shift in favor of the global roasters. The crisis had also severe and long lasting effects on the global trade of coffee (Hutchens, 2009, p. 30ff). It marks a major shift away from the International Coffee Agreements, which limited exports to keep prices at a level which sustains production and consumption (Gilbert, 2006, p. 5). It is also among the primary causes for the certification approach to Fair Trade and the shift away from Alternative Trade to the direction of mainstreaming (Gendron et al., 2009, p. 66; Low & Davenport, 2005, p. 147ff).

Fair Trade coffee was the most important fair-labeled product for a considerable time with 80% sales volume and the highest amount of countries involved (Renard, 2005, p. 420). In general, specialty coffee and roasters offer distinct niches and entry points to the northern markets – especially for certified products (P. L. Taylor, 2004, p. 133f). In these segments, quality plays a vital role and long term relationships between suppliers and buyers are of major importance (Grodnik & Conroy, 2007, p. 84f). The significance of specialty coffee in northern markets gained momentum during the recent decade (Luetchford, 2011a). Besides the conventional distinction between Arabica and Robusta coffees, the market is segmented and differentiated, while branding is of importance as well (Gilbert, 2006, p. 5)

Nevertheless, the conventional supply chain looks different. While coffee growing is fragmented (with small farmers producing 50%[234] of the green coffee beans)[235], middleman, known as "cojotes", buy about 50% of the coffee through unfair trading practices (Nicholls & Opal, 2005, p. 81). Those middlemen sell the green beans to the major exporting companies (70% market share),

[234] Today small scale producers (according to the definition of Fair Trade) produce 70% of the coffee (Fairtrade Foundation, 2016c).

[235] Severe conflicts within the Fair Trade community evolved around the issue of plantations/*fincas* and small producers with regard to coffee. The international body certifies only small scale producers organized in cooperatives (Fairtrade Foundation, 2016c). Those small scale producers and current beneficiaries/stakeholders voiced against an increase of scope and an expansion of Fairtrade certification to plantations/*fincas* (Murray et al., 2006, p. 186). This issue of expanding Fair Trade coffee to large scale producers is also regarded as the main reason for Transfair USA (today Fair Trade USA) to resign its membership in Fair Trade International / FLO (Jaffee, 2012, p. 109).

which again sell the majority of the coffee to the top five roasters (more than 50% market share) (Nicholls & Opal, 2005, p. 82).

8.1.1.1 Coffee in Austria

The main distribution channel of coffee in Austria are super- and hypermarkets which distribute about 68 to 70% (in the years 2000 to 2014) of the coffee (in volume), followed by independent retailers (about 12 to 14% in the years 2000 to 2014), specialist retailers (about 6 to 8% in the years 2000 to 2014), and convenience stores (about 6 to 8% in the years 2000 to 2014) (Market Line, 2016a).

The coffee market of Austria is highly concentrated with regard to market share in volume. Incumbents can easily be identified in the period from 2002 to 2014 (all data accessed via: Market Line, 2016g) and their combined market share is presented in Table A 1. The major companies are Maxingvest AG with 24 to 28% market share, the Altria Group Inc. (only from 2002 to 2006) / Kraft Foods (only from 2007 to 2011) / Mondelez International Inc. (only from 2012 to 2014)[236] with 20 to 21% market share, Julius Meinl International with 12 to 13% market share, and FinLav S.p.A. with 11 to 12% market share. Overall from 2002 to 2014, five major retailers have a combined market share of 75 to 80% (CR_5), the top four major retailers share 69 to 70% of the market (CR_4), and even the main three major retailers still have a market share of about 57 to 61% (CR_3) in volume. Private labels have a market share of 11 to 13% in volume between 2002 and 2014.

Table A 1: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of coffee in Austria

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Coffee (2002 to 2014)	75% to 80%	69% to 70%	57% to 61%

source: Market Line (2016g), own estimation

Coffee accounts for 72.1% of the total value of the hot drinks market in Austria (Market Line, 2012, p. 2). The market for hot drinks is characterized by a moderate "buyer power", which means that the main super- and hypermarket chains have an impact on the market (Market Line, 2012, p. 17 [data for 2010]). This is mirrored by a moderate supplier power (Market Line, 2012, p.

[236] In 2007, Kraft Foods split from Altria (NPR, 2007 [03/30/2007]). In 2012, Mondelez split from Kraft (FAZ, 2012 [10/03/2012]). All three companies can be regarded as the same company over time for the purpose of evaluating the market concentration and incumbents' power. Mondelez succeeds Kraft Foods in 2012, which succeeded the Altria Group in 2007.

18 [data for 2010]), even though the global market is highly concentrated with strong buyer supplier power (Market Line, 2015i, p. 18). Furthermore, the whole market shows a low degree of differentiation even though gourmet segments exist (Market Line, 2012, p. 21 [data for 2010]) and low switching costs, which could decrease the barrier for new entrants – if the dominance of the major brands were not that severe. Especially, price wars and existing high economies of scale harden the opportunities for new entrants to compete with the established major brands (Market Line, 2012, p. 19 [data for 2010]). New entrants could only enter this moderately rival market if they were able to attract high investments (Market Line, 2012, p. 21 [data for 2010]).

8.1.1.2 Coffee in Germany

Super- and hypermarkets are the main distribution channel of coffee in Germany. In volume, they account for about 70 to 72% of the distributed coffee from 2000 to 2014. Independent retailers (12% from 2000 to 2014), convenience stores (about 6 to 8% from 2000 to 2014), and specialist retailers (about 4 to 6% from 2000 to 2014) account for a smaller part of the distribution (Market Line, 2016a).

With regard to incumbents, the German coffee market can be categorized as a rather concentrated market (according to Market Line, 2016g) as can be seen in Table A 2. The five major companies account for 68 to 70% of the coffee in volume from 2000 to 2014 (CR_5). The market share of the major four (CR_4) and major three companies (CR_3) is about 64 to 66% and 57 to 60% (from 2000 to 2014), respectively. The main players are the Altria Group Inc. (only from 2002 to 2006) / Kraft Foods (only from 2007 to 2011) / Mondelez International Inc. (only from 2012 to 2014)[237] with 22 to 24% market share in volume. In addition, Maxingvest (about 20 to 21% market share in volume), the Melitta Unternehmensgruppe (14 to 16% market share in volume), Alois Dallmayr Kaffee Ohg (6 to 7% market share in volume), and Nestlé S.A. (3 to 4% market share in volume) have a high market share. The market share of private labels increased steadily from 19 (in 2002) to 30% (in 2014).

[237] In 2007, Kraft Foods split from Altria (NPR, 2007 [03/30/2007]). In 2012, Mondelez split from Kraft (FAZ, 2012 [10/03/2012]). All three companies can be regarded as the same company over time for the purpose of evaluating the market concentration and incumbents' power. Mondelez succeeds Kraft Foods in 2012, which succeeded the Altria Group in 2007.

Table A 2: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of coffee in Germany

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Coffee (2002 to 2014)	68% to 70%	64% to 66%	57% to 60%

source: Market Line (2016g), own estimation

68.1% of the hot drinks market's value is generated by coffee in Germany (Market Line, 2015i, p. 2). The buyer power in this market is shared by strong major brands and strong super markets – both are highly concentrated (Market Line, 2015i, p. 17 [data for 2014]). Due to a highly concentrated supply chain, the suppliers' power of the major international retailers (not the producers) is also regarded as strong – especially for coffee (Market Line, 2015i, p. 18 [data for 2014]). Since the German hot drinks market has undergone some recent changes in terms of consumption, the high power by major brands and their advantageous position, might be matched by new (specialized) entrants Market Line (2015i, p. 20 [data for 2014]). Market Line (2015i, p. 22 [data for 2014]) evaluates the rivalry within this market as being strong.

8.1.1.3 Coffee in the United Kingdom

In the United Kingdom, coffee is mainly distributed through super- and hypermarkets (about 76 to 82% in volume from 2000 to 2014). Convenience stores (about 10% in volume from 2000 to 2014), department stores (about 2 to 4% in volume from 2000 to 2014), specialist retailers (about 2 to 6% in volume from 2000 to 2014), and independent retailers (about 2% in volume from 2000 to 2014) have only very minor shares (according to Market Line, 2016a) – even compared to the coffee markets in the USA, Germany, and Austria. Relatively to these markets, super- and hypermarkets play the leading role compared to other distribution channels in the United Kingdom.

The major player in the coffee market in the United Kingdom is Nestlé S.A. with about 36 to 37% market share in volume from 2002 to 2014 (according to Market Line, 2016g). Nestlé virtually dwarfs the market share in volume by any other company in this market. The second major player, the Altria Group Inc. (only from 2002 to 2006) / Kraft Foods (only from 2007 to 2011) /

Mondelez (only from 2011 to 2014)[238] has merely a market share of about 15 to 16% in volume. The other major companies are the Sarah Lee Corporation (only from 2002 to 2011) with a market share of 4 to 6%, Joh. A. Benckiser SE (JAB) (only for the years 2013 to 2014) with about 6% market share, Bettys & Taylors Group Ltd with 2 to 3% market share, and FinLav S.p.A. with about 2 to 3% market share. Private labels share about 21 to 25% of the market in volume. Since Nestlé S.A. and the Altria Group / Kraft Foods / Mondelez are by far the biggest companies, the market share of the incumbents does not vary with the amount of considered incumbents. As Table A 3 demonstrates, the major five incumbents have a combined market share of about 60 (in 2002) to 65% (in 2014) (CR_5) in the period from 2002 to 2014, while them major four companies still share about 58 to 62% (CR_4) of the market, and the major three companies have a combined market share of about 56 to 59% (CR_3) in volume.

Table A 3: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of coffee in the United Kingdom

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Coffee (2002 to 2014)	60% to 65%	58% to 62%	56% to 59%

source: Market Line (2016g), own estimation

Even though coffee is the major hot drink in the United Kingdom, it does only account for 51.2% of the total market by value (Market Line, 2015j, p. 2) compared to 72.1% in Austria (Market Line, 2012, p. 2), 67.1% in the USA (Market Line, 2015k, p. 2), and 68.1% in Germany (Market Line, 2015i, p. 2). Strong buyer power and the importance of big brands for consumers characterize the hot drinks market in the United Kingdom (Market Line, 2015j, p. 17 [data for 2014]). As for most coffee markets, the highly concentrated global supply in the hands of few major suppliers leads to a strong supplier power by the major retailers – not the producers (Market Line, 2015d, p. 18 [data for 2014]). New entrants can enter this market through small scale specialist "boutiques" for lifestyle customers, while the mainstream market is highly competitive and dominated by major brands (Market Line, 2015j, p. 20 [data for 2014]). The rivalry is moderate, but intense (Market Line, 2015j, p. 22 [data for 2014]).

[238] In 2007, Kraft Foods split from Altria (NPR, 2007 [03/30/2007]). In 2012, Mondelez split from Kraft (FAZ, 2012 [10/03/2012]). All three companies can be regarded as the same company over time for the purpose of evaluating the market concentration and incumbents' power. Mondelez succeeds Kraft Foods in 2012, which succeeded the Altria Group in 2007.

8.1.1.4 Coffee in the USA

The main distribution channel for US coffee are super- and hypermarkets (about 72 to 74% in volume from 2000 to 2014). Independent retailers (8 to 10% in volume), convenience stores (about 6% in volume), specialist retailers (4 to 6% in volume), service stations (2 to 4% in volume), and department stores (about 4% in volume) play a relatively minor role (Market Line, 2016a).

According to Table A 4, the five major player have a market share of about 72 to 79% (CR_5) in volume, the four major players combine a market share of between about 69 to 76% (CR_4), and the three major companies have a combined market share of about 65 to 71% (CR_3) in volume between 2002 and 2014 (according to Market Line, 2016g). This concentration increased steadily over time from 2002 to 2014. In the US coffee market, the players change due to mergers, acquisitions, and splitting companies, while the market share is concentrated in a few hands over time. The Altria Group Inc. (only from 2002 to 2006) / Kraft Foods (only from 2007 to 2011) / Mondelez (only from 2011 to 2014)[239] has a market share of about 31 to 34% in volume. The Procter and Gamble Company (only from 2002 to 2007) has about 28% market share, the J.M. Smucker Company increased its market share of 2% in 2002 to 31% in 2014, the Starbucks Corporation has about 6 to 7% and Nestlé S.A. holds about 4% market share in volume. Private Labels have a market share of about 9 to 10% in volume.

Table A 4 . Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of coffee in the USA

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Coffee (2002 to 2014)	72% to 79%	69% to 76%	65% to 71%

source: Market Line (2016g), own estimation

Coffee dominates the hot drinks market in the USA and accounts for 67.1% of this market by value (Market Line, 2015k, p. 2). The buyer power exercised by the super- and hypermarkets within this market is regarded as strong – even though the importance of brands for the costumers weakens the buyer power (Market Line, 2015k, p. 17 [data for 2014]). Due to the high concentration of the global value chain, the supplier power of major brands is also strong (Market Line, 2015k, p. 18 [data for 2014]). Even though specialist coffee is becoming increasingly

[239] In 2007, Kraft Foods split from Altria (NPR, 2007 [03/30/2007]). In 2012, Mondelez split from Kraft (FAZ, 2012 [10/03/2012]). All three companies can be regarded as the same company over time for the purpose of evaluating the market concentration and incumbents' power. Mondelez succeeds Kraft Foods in 2012, which succeeded the Altria Group in 2007.

important, the major companies are able to exploit their position to establish barriers which leads to a moderate likelihood of new entrants (Market Line, 2015k, p. 20 [data for 2014]). The rivalry among competitors is strong (Market Line, 2015k, p. 22 [data for 2014]).

8.1.2 Cocoa

Cocoa is one of the main composite products of Fair Trade (FLO, 2011b) and mainly marketed as "Fair Trade chocolate" (e.g. Fairtrade Foundation, 2001; Fairtrade Österreich, 2004; TransFair e.V., 2001; TransFair USA, 2001). Together with bananas and coffee, chocolate is regarded as one of the "flagships" of Fair Trade (FLO, 2006, p. 13; 2011c). In general, the cocoa value chain is arm length, market based, and fairly complex with a lot of intermediaries, exporters, commodity exchangers, processors, and manufacturers (Barrientos & Smith, 2007, p. 110).

The main importing areas are Europe (40% of global imports) and North America. Cocoa is mainly used to produce chocolate, of which the consumption is highest in the United Kingdom, Germany, and the Netherlands (global comparison) (Berlan, 2011, p. 123). In recent years, the prices for cocoa have been volatile and low. Cocoa growing has shifted from Central America as the main producing country to Africa in recent decades (Meixner & Ettenauer, 2007, p. 13). This also affected the mode of production. Cocoa in Central America is mainly grown on large plantations, while small scale producers are of much stronger importance in Africa. Today, West Africa accounts for over 70% of global production (Berlan, 2011, p. 124). From the beginning of the 21st century until today, 90% of the cocoa have been grown by small scale producers (globally) (Berlan, 2011, p. 124; Meixner & Ettenauer, 2007, p. 13). Fair Trade initially focused stronger on Latin America (until 2004), while the highest amount of cocoa was grown in West Africa (75 to 80%) (Farnworth & Goodman, 2008, p. 35). Especially the life situations of producers at the Ivory Coast is known to cause serious obstacles – while the demand of chocolate is on the rise in the consuming countries, the hardship and insecure life situation of the producers might restrain the supply of cocoa in the long run since the producers abandon their business (Berlan, 2011, p. 125; The Guardian & Fairtrade Foundation, 2016). One of the main ethical issues of cocoa is the problem of child labor, which constantly draws the attention of many civil society organizations (e.g. EarthLink e.V. – The People & Nature Network, 2016).

Niches for gourmet markets exist in the case of cocoa (CBI (Ministry of Foreign Affairs of the Netherlands), 2014, p. 8ff), while Ghana and the Ivory Coast (the two main exporters) deliver a rather uniform product (the so called "Ghana Quality" – a standard which is applied to distinguish "mass market" and "premium cocoa") (Losch, 2002, p. 208). At the beginning of the

21st century, the Ivory Coast (about 44%) and Ghana (about 16 to 17%) held about 60% of the market share of cocoa (globally) (Kaplinski, 2004, p. 20). Nevertheless, even though the Ivory Coast is close to the "Ghana Quality" standard, the growing production of cocoa from the Ivory Coast is regarded as a step towards a uniform product and standardized procedures (Losch, 2002, p. 208). The Ivory Coast is regarded as an example of mismanagement, which resulted in disastrous consequences and nearly bankruptcy of the national economy (Losch, 2002, p. 208ff).

Since decades, the global cocoa market is regarded as an oligopoly of multinational companies, which relies on "new forms of differentiation and integration"; big commodity brokers, and big chocolate manufacturers, which increased their influence though upstream investments (Losch, 2002, p. 212f). The global trade became consolidated through upstream integration, which led to a "bipolar governance structure" dominated by cocoa processors and chocolate manufacturers (Barrientos, 2016, p. 216f). The transition from a state governed regulation to market liberalization facilitated a global market in which the biggest companies hold a higher market share than the main producing countries.

This process took momentum in the 1980s (Barrientos, 2016, p. 216f; Losch, 2002, p. 224f). This transition also diminished the formerly high segmentation of this market by quality standards (Losch, 2002, p. 224f). In 2006, the global chocolate market is regarded as being dominated by four oligopolists (ADM, Barry Callebaut, Cargill, and Hosta), while those do not manufacture chocolate and ADM and Cargill are regarded as traders, only (Gilbert, 2006, p. 7). Between 2000 and 2001, the cocoa grinding industry was dominated by four companies (Archer Daniels Midland, Cargill Inc., Barry Callebaut, and Nestlé S.A.) which control 40% of the market (Kaplinski, 2004, p. 21) and have a combined market share of about 51% (CR4) (Kaplinski, 2004, p. 22) of the global grinding industry. Most of those grinders were formerly traders, which expanded their business. Kaplinski (2004, p. 21) argues that technological innovations, a high opportunity to switch among producing countries and producers, and developments in transport (just-in-time provision of goods) provided an impetus for those traders to expand and crowd out "less sophisticated and smaller traders and grinders". According to Statista (2016b), the combined global market share of the main five producers of cocoa is 56.2% (CR_5), the major four share about 51% (CR_4), and the major three 42% (CR_3) of the world cocoa production in 2010/2011. The top producer is Cargill which holds 15.4%. Cargill is followed by Barry Callebaut (13.8%), ADM (12.8%), Petra Foods (9%), and Blommer (5%) (Statista, 2016b). In sum, the global market for cocoa can be regarded as concentrated over time (since the 1990s).

8.1.2.1 Cocoa in Austria

In order to describe the market for cocoa products, the market categories chocolate confectionaries, chocolate based hot drinks, and chocolate spreads have been considered. In between 2000 and 2014, about 98% by value (US$) and about 95% in volume of these three categories are chocolate confectionaries, while chocolate-based hot drinks and chocolate spreads have shares of about 1 and 2% by value and 1 and 4% in volume, respectively[240] Market Line (2016h, own estimation). The chocolate confectionaries market is discussed in detail below, while some information on the market for hot beverages can be found in the section on coffee in Austria (see chapter 8.1.1.1).

Before we turn to the confectionary market, some brief remarks about the market for chocolate spreads are made. With regard to chocolate spreads, Ferrero S.p.A. is by far the strongest incumbent (43 to 44% market share by value (local currency) from 2002 to 2014), followed by the Hero Group (growing from initially about 15% in 2002 to 19% in 2014 by value (local currency)), Zentis GmbH & Co. KG (about 14 to 15% by value (local currency) from 2002 to 2014), and Mars Inc. (about 4 to 5% market share). Private labels hold about 8 to 9% market share by value (local currency) in this time period (according to Market Line, 2016d). Thus, the major 4 companies have a combined market share of 78 to 81%, while the major three companies still hold 73 to 77% market share by value (local currency) from 2002 to 2014.

In Austria, about 46 to 50% of the chocolate confectionaries are distributed through super- and hypermarkets markets, leaving about 24% to independent retailers, about 10 to 12% convenience stores, and 4 to 8% to specialist retailers between 2000 and 2014 (according to Market Line, 2016c).

The incumbents or major companies of the chocolate confectionaries market are Mars Inc. (growing from initially 25% (in 2002) to 31% (in 2014) by value (local currency)), Ferrero S.p.A. (22 to 24% market share), the Altria Group Inc. (only from 2002 to 2006) / Kraft Foods (only from 2007 to 2011) / Mondelez (only from 2011 to 2014)[241] with about 10% market share by value, August Storck KG about 5% market share by value, Nestlé (4% market share by value), and finally Zotter Schokoladen Manufaktur GmbH with about 2 to 4% market share by value (local currency) from 2002 to 2014. The market share by value of private labels has grown from initially about 6 (in 2002) to 9% (in 2014) by value (local currency) (according to Market Line, 2016d).

[240] Rounding of small percentages leads to small inconsistencies, here.

[241] In 2007, Kraft Foods split from Altria (NPR, 2007 [03/30/2007]). In 2012, Mondelez split from Kraft (FAZ, 2012 [10/03/2012]). All three companies can be regarded as the same company over time for the purpose of evaluating the market concentration and incumbents' power. Mondelez succeeds Kraft Foods in 2012, which succeeded the Altria Group in 2007.

Thus, the major five companies have a combined market share of initially 69% to finally 72% (CR_5) by value (local currency). The major four and major three companies have an initial market share of 64% (CR_4) and 59% (CR_3) in 2002, which increased to 68 and 63% market share by value (local currency), respectively. In sum, the market for chocolate in Austria is characterized by strong incumbents as demonstrated in Table A 5.

Table A 5: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of chocolate confectionaries and chocolate spreads in Austria

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
chocolate confectionaries	69% (2002) to 72% (2014)	64% (2002) to 68% (2014)	59% (2002) to 63% (2014)
chocolate spreads	-	78% to 81% (2002-2014)	73% to 77% (2002-2014)

source: Market Line (2016d), own estimation

8.1.2.2 Cocoa in Germany

The German market for cocoa products is described with regard to the market categories chocolate confectionaries, chocolate based hot drinks, and chocolate spreads. In Germany, about 96% by value (US$) and about 90 to 91% in volume of these three categories consist of chocolate confectionaries between 2000 and 2014. Chocolate-based hot drinks and chocolate spreads have shares of about 2% by value each and 2 to 3% and 7% in volume, respectively[242] (Market Line, 2016h, own estimation).

Before discussing the chocolate confectionary market, the market for chocolate spreads is presented briefly. Some further information on the market for hot beverages can be found in the section on coffee in Germany (see chapter 8.1.1.2). Ferrero S.p.A. has the highest market share and virtually dwarfs any other company in the market for chocolate spreads with its stable market share of about 54% by value (local currency) from 2002 to 2014. Any other single company (Sächsische Spezialitäten Hartmann Karl-Heinz und Thomas Hartmann GbR with about 5%, Mars Inc. with an increasing market share of below 1% (2002) to finally 4% (2014), and Zentis GmbH & Co. KG and the Hero Group (each about 3% market share)) is well below 10% market share by value (local currency) from 2002 to 2014. Private labels are relevant in the

[242] Rounding of small percentages leads to small inconsistencies, here.

German chocolate spreads market and have a combined market share of about 25 to 26% by value (local currency) from 2002 to 2014 (according to Market Line, 2016d). It is not surprising that the combined market share of the incumbents are very similar and very high (major 5 companies: 65 to 69% (CR_5); major 4 companies: 65 to 67% (CR_4); major 3 companies: 62 to 63% (CR_3) market share by value (local currency) from 2002 to 2014).

About 48 to 52% of the chocolate confectionaries are distributed through super- and hypermarkets markets in Germany, followed by about 22% by independent retailers, about 10 to 12% by convenience stores, and 4 to 8% by specialist retailers between 2000 and 2014 (according to Market Line, 2016a).

The incumbents or major companies of the chocolate market are Ferrero S.p.A. (24 to 26% market share), Barry Callebaut AG (about 15% market share), the Altria Group Inc. (only from 2002 to 2006) / Kraft Foods (only from 2007 to 2011) / Mondelez (only from 2011 to 2014)[243] with about 12 to 16% market share by value (local currency), Mars Inc. (growing from initially about 6% (in 2002) to 10% (in 2014) by value (local currency)), and finally Nestlé S.A. with about 4% market share by value (local currency) from 2002 to 2014. The market share of private labels is about 12 to 13% by value (local currency) for this time period (according to Market Line, 2016d). Thus, the major five companies have a combined market share of initially 66 to finally 69% (CR_5) by value (local currency). The major four and major three companies have an initial market share of 61 (CR_4) and 55% (CR_3) in 2002, which increased to about 66 and 56% market share by value (local currency), respectively. In sum, the market for chocolate in Germany is characterized by strong incumbents according to Table A 6.

Table A 6: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of chocolate confectionaries and chocolate spreads in Germany

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
chocolate confectionaries	66% (2002) to 69% (2014)	61% (2002) to 66% (2014)	55% to 56% (2002-2014)
chocolate spreads	65% to 69% (2002-2014)	65% to 67% (2002-2014)	62% to 63% (2002-2014)

source: Market Line (2016d), own estimation

[243] In 2007, Kraft Foods split from Altria (NPR, 2007 [03/30/2007]). In 2012, Mondelez split from Kraft (FAZ, 2012 [10/03/2012]). All three companies can be regarded as the same company over time for the purpose of evaluating the market concentration and incumbents' power. Mondelez succeeds Kraft Foods in 2012, which succeeded the Altria Group in 2007.

The market for chocolate confectionaries is categorized into molted bars (about 47% of the market in 2014 by value (US$)), boxed chocolate (about 26% of the market in 2014 by value (US$)), novelties (about 9% of the market in 2014 by value (US$)), chocolate countlines (about 8% of the market in 2014 by value (US$)), and chocolate straightlines (about 6% of the market in 2014 by value (US$)) (Market Line, 2015a, p. 10). Even though the chocolate confectionary market relies not that strong on super- and hypermarkets, they can exercise moderate buyer power through stocking decisions in this fragmented market (Market Line, 2015a, p. 17). The supplier power is also regarded as moderate (Market Line, 2015a, p. 18). The moderate likelihood of new entrants stems from specialty and "high-value, low-volume" product lines (Market Line, 2015a, p. 19). In general, the brands are strong and the consumers are reluctant to switch (Market Line, 2015a, p. 19). While the German chocolate confectionary market is regarded as highly concentrated, "product differentiation by inherent characteristics and by strong brands" lead to a moderate rivalry (Market Line, 2015a, p. 21).

8.1.2.3 Cocoa in the United Kingdom

Again, cocoa products are further distinguished into chocolate confectionaries (about 97% market share by value (US$) and 96 to 97% of the market in volume between 2000 and 2014), chocolate-based hot drinks (3% market share by value (US$) and 2% of the market in volume), and chocolate spreads (below 1% market share by value (US$) and 1 to 2% of the market in volume) (Market Line, 2016h, own estimation)[244].

Some findings on the hot drinks market can be found in the section on coffee in the United Kingdom (see chapter 8.1.1.3). While the confectionary market is more relevant, some short findings on the market for chocolate spreads are discussed, first.

The market for chocolate spreads is highly concentrated – only three major players are relevant. The major company is Ferrero S.p.A. with about 50% market share, followed by Premier Foods plc (about 8 to 9% market share), and finally Mars Inc. with a decreasing market share of about 8% in 2002 to about 6% in 2014 by value (local currency) (according to Market Line, 2016d). This three major companies have a combined market share of about 65% (CR_3) over time, while private labels are relevant as well. They have a combined market share of 27 to 28% between 2002 and 2014.

[244] Rounding of small percentages leads to small inconsistencies, here.

With regard to chocolate confectionaries, the main distribution channel are convenience stores (between about 40 and 42%), super- and hypermarkets (between about 18 and 22%), pharmacies and drugstores (about 8%), specialist retailers (8 to 12%), and finally independent retailers with 4 to 6% of the sold confectionaries by value (local currency) from 2000 to 2014 (according to Market Line, 2016c). Compared to Austria and Germany, convenience stores have a much stronger impact on this market, while super- and hypermarkets matter less.

The major player in the chocolate confectionary market in the United Kingdom is Altria (from 2002 to 2006) / Cadbury Schweppes plc (from 2002 to 2007) / Cadbury plc (2008 and 2009) / Kraft Foods Inc. (from 2010 to 2011) / Mondelez International Inc. (from 2012 to 2014) with a decreasing market share of initially 43% to finally 33% by value (local currency) from 2002 to 2014. With regard to market share, the other companies are close. Mars Inc. has a stable market share of about 26 to 27%, Nestlé S.A. has a market share of about 18 to 20%, and Ferrero S.p.A. has a comparatively low but increasing market share of about 2% in 2002 and 4% in 2014 (according to Market Line, 2016d). The market is an exceptional case of concentration with four companies having a market share of 92% (CR_4) (major three companies: 89% (CR_3)) in 2002, which decreases to 81% (major three 77%) market share by value (local currency) in 2014 (see Table A 7). Private labels gain in importance over time. From 2002 to 2014, their share rose from 5 to 11% by value (local currency).

Table A 7: Combined market share of the major 4 and major 3 companies - concentration ratios (CR_4 and CR_3) of chocolate confectionaries and chocolate spreads in the United Kingdom

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
chocolate confectionaries	-	92% (2002) to 81% (2014)	89% (2002) to 77% (2014)
chocolate spreads	-	-	65%

source: Market Line (2016d), own estimation

Different product categories can be distinguished in the chocolate confectionary market of the United Kingdom, while chocolate countlines (35% by value (US$) in 2014) are the strongest category. Boxed chocolate (22%), molted bars (16%), novelties (15%), and chocolate straightlines (12% by value (US$) in 2014) are of minor importance, but also relevant (Market Line, 2015b, p. 10). Even though, the distribution relies mainly on convenience stores, large super- and hypermarket chains can exercise a moderate buyer power in this fragmented and differentiated market (Market Line, 2015b, p. 17). The supplier power is also regarded as moderate (Market

Line, 2015b, p. 18). As in the case of Germany, an entry point to this moderately rival market (Market Line, 2015b, p. 21) are specialty and "high-value, low-volume" product lines – even though consumers are regarded as being brand loyal (Market Line, 2015b, p. 19). The likelihood of new entrants is regarded as moderate (Market Line, 2015b, p. 19).

8.1.2.4 Cocoa in the USA

The categories chocolate confectionaries (about 98% market share by value (US$) and 97% of the market in volume between 2000 and 2014), chocolate-based hot drinks (1% market share by value (US$) and 2% of the market in volume), and chocolate spreads (about 1% market share by value (US$) and 1% of the market in volume) (Market Line, 2016h, own estimation)[245] belong the assessed market for cocoa products in the USA. The information about the market for chocolate-based hot drinks can be found in the section on coffee in the USA (see chapter 8.1.1.4). Very few information could be accessed for the market of chocolate spreads in the USA – it is only known that Ferrero S.p.A. is the main player with 50 to 51% (CR_1) market share by value (local currency) from 2002 to 2014 (according to Market Line, 2016d).

The distribution of chocolate confectionaries is mainly done by super- and hypermarkets (increasing from about 30% in 2002 to 34% in 2014), independent retailers (decreasing from about 26% in 2002 to 22% in 2014), convenience stores (about 12%), pharmacies and drugstores (about 8%), specialist retailers (decreasing from 12% in 2002 to 8% in 2014), and service stations with 6% share by value (local currency) from 2002 to 2014 (according to Market Line, 2016c).

The two main players in the market for chocolate confectionaries in the USA are the Hershey Company with about 40 to 41% market share and Mars Inc. with a stable market share of about 31% by value (local currency) from 2002 to 2014. Nestlé S.A. (about 9 to 10%), Russell Stover Candies Inc. (5 to 6%), and Cadbury Schweppes plc (from 2002 to 2007) / Cadbury plc (2008 and 2009) / Kraft Foods Inc. (from 2010 to 2011) / Mondelez International Inc. (from 2012 to 2014) with a market share of about 2 to 3% by value (local currency) from 2002 to 2014 play a comparatively minor role (according to Market Line, 2016d). Over the years 2002 to 2014, the five major companies have a combined market share of about 89 to 90% (CR_5), while the major four companies still share about 85 to 87% (CR_4) of the market and even the major three companies still have a market share of 80 to 81% (CR_3) of the chocolate confectionary market in the USA between 2002 and 2014. As it is the case for the United Kingdom (chapter 8.1.2.3), the chocolate

[245] Rounding of small percentages leads to small inconsistencies, here.

confectionary market in the USA has exceptionally strong incumbents. Private labels have a combined market share of only about 4 to 6% by value (local currency).

Table A 8: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of chocolate confectionaries and chocolate spreads in the USA

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
chocolate confectionaries	89% to 90% (2002-2014)	85% to 87% (2002-2014)	80% to 81% (2002-2014)
chocolate spreads	- (CR_1: Ferrero S.p.A: 50%)	- (CR_1: Ferrero S.p.A: 50%)	- (CR_1: Ferrero S.p.A: 50%)

source: Market Line (2016d), own estimation

Chocolate countlines (45%) and chocolate straightlines (37%) are the main categories in this market (in US$), while boxed chocolate (7%), molted bars (4%), and novelties (4%) are of little relevance (Market Line, 2015c, p. 10). As it is the case for the other national context (chapter 8.1.2.1, chapter 8.1.2.2, and chapter 8.1.2.3), the buyer power of large super- and hypermarket chains together with a fragmented market lead to a moderate buyer power, overall (Market Line, 2015c, p. 17). Accordingly, the global cocoa market leads to a moderate supplier power – as in the other national contexts (chapter 8.1.2.1, chapter 8.1.2.2, and chapter 8.1.2.3) (Market Line, 2015c, p. 18). The likelihood of new entrants and the degree of rivalry are moderate and rely on "product differentiation" and "high value"-products, which is similar to the confectionary markets in the other national contexts (Market Line, 2015c, p. 19ff) (see chapter 8.1.2.1, chapter 8.1.2.2, and chapter 8.1.2.3).

8.1.3 Wine

In general, wine is regarded as a rather fragmented product with distinct niches according to quality, labels, and most importantly: growing areas and grape varieties. Wine quality is a rather complex construct with various dimensions (Charters & Pettigrew, 2007; Verdú Jover et al., 2004). Compared to most commodities in the "fast moving consumer good"- segment, wine is regarded to be a product of high involvement (Nicholls, 2004, p. 113). Some of those niches are regarded to be differentiated and sustained by traditions (Garcia-Parpet, 2011; Rössel & Beckert, 2012). The classification of wine is also regarded as a process which is driven by conflict and contention

(Garcia-Parpet, 2011). Only in recent decades has wine outside Europe (USA, Australia, Africa) gained in significance and changed the landscape of the global wine market (Garcia-Parpet, 2011, p. 143ff).

The main producing countries between 2011 and 2014 (in volume/liters) are France (2014: 16.54%), Italy (2014: 15.85%), Spain (2014: 13.53%), the USA (2014: 10.7%), Argentina (2014: 5.38%), Australia (2014: 4.25%), and South Africa (2014: 4.01%). Germany is the 10th largest producer with 3.01% of global production and Austria is number 19 with 0.83% of global production – the United Kingdom is not even listed among the 67 main wine producing countries (Wine Institute, 2016). A look at the global consumption reveals a different picture. The primary consuming countries between 2011 and 2014 (in volume/liters) are the USA (2014: 13.03%), France (2014: 11.29%), Italy (2014: 8.26%), Germany (2014: 8.18%), China (2014: 6.4%), the United Kingdom (2014: 5.61%), and Spain (2014: 4.05%). Therefore, three of four contexts considered are among the most wine consuming countries (USA, Germany, and the United Kingdom) – Austria is number 22nd and consumes 1.02% of the global wine (Wine Institute, 2015).

Regardless, for each of the national settings considered the relative amount of consumption exceeds the relative amount of production – especially in the United Kingdom, which is not even listed among the producing countries, but is among the main consuming countries. Therefore, even if most national settings are well known for producing a considerable amount of wine (USA, Germany, and Austria), imports still play a role. Comparing the imports globally, Germany is the main importer of wine (14.2 Mhl in 2010), followed by the United Kingdom (12.5 Mhl in 2010), and the USA (9.3 Mhl in 2010) – the amount of imported wine is exceptionally high if one considers that the number four on the list (Russia) only imports 5.5 Mhl, which lies between about two thirds and one half of the amount of number three (USA). The European imports decreased between 1995 (83%) and 2010 (70%) considerably (BK Wine Magazine, 2012). Hence, those national settings (the USA, the United Kingdom, and Germany) rely on imports to meet their domestic demand for wine. Besides Alternative Trade-channels, the certification of Fair Trade in the wine market first gained momentum in the United Kingdom (Nicholls, 2004). When the Fairtrade Foundation began to source certified wine, Nicholls (2004) evaluated the potential within the United Kingdom and claimed that wine could triple the spending for Fair Trade products if it followed the example of coffee. The steadily growing wine market of the United Kingdom suits this purpose well (Nicholls, 2004, p. 109). According to him, in the case of successful products (by market penetration) and especially a successful market penetration of wine, buyers need to meet certain criteria. They should:

- secure the supply and possibly aid the producer *(given in the case of wine)*
- source high quality for premium pricing *(given in the case of wine)*
- get the product officially certified by the national licenser *(not granted at the time when Nicholls (2004) wrote the paper; he evaluates the chances to be rather low. In contrast, wine eventually gained a certification mark, later)*
- secure a premium price (10 to 30% more than equal substitutes) *(highly probable in the case of wine since it already is a "high involvement product", where consumers evaluate many criteria – including the production, in particular)*
- secure central distribution channels to mainstream markets *(rather unlikely due to the central problems of sourcing (reliably) high quantities and the potential of devaluating non-fair trade certified wine on the same shelves – nevertheless, it works for the brands which already were labeled Fair Trade)* (Nicholls, 2004, p. 109ff)

Nicholls (2004) conclude that the success of the sourced product lines can be regarded as rather likely. Next, some information is provided for the national markets of wine. The general picture speaks to a high degree of segmentation and fragmentation in the case of wine (compared to other products).

8.1.3.1 Wine in Austria

Super- and hypermarkets are the main distribution channel of still wine in Austria between 2000 and 2014. They gained a market share in volume from about 42 (in 2000) to 48% (in 2014). The market share of on-trade (e.g. bars and restaurants) consumption is about 36 to 38% in volume from 2000 to 2014. Specialist retailers (about 12% in 2002 to 8% in 2014), convenience stores (4 to 6%), and department stores (about 2% in volume from 2000 to 2014) have a comparatively small market share (Market Line, 2016b).

The fact that wine is sold on a rather fragmented market with strong potential for product differentiation is mirrored by the market share of potential incumbent companies. A closer look at the market share of the market for wine (still wine, sparkling wine, fortified wine, champagne), the sub-category still- and sparkling wine, or still wine leads to nearly identical results as can be seen in Table A 9 (according to Market Line, 2016f).

Table A 9: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of wine (still, sparkling, fortified, champagne), still & sparkling wine, and still wine in Austria

	Market Share Major 5 Companies (in volume)	Market Share Major 4 Companies (in volume)	Market Share Major 3 Companies (in volume)
wine (still, sparkling, fortified, champagne)	24% (2002) to 33% (2014)	20% (2002) to 27% (2014)	16% (2002) to 20% (2014)
still & sparkling wine	25% (2002) to 33% (2014)	20% (2002) to 27% (2014)	16% (2002) to 21% (2014)
still wine	26% (2002) to 36% (2014)	22% (2002) to 29% (2014)	17% (2002) to 22% (2014)

source: (Market Line, 2016f), own estimation

In all three categories, the main five companies share 24 to 36% (CR_5) of the market (in volume), while the main three companies and four companies have about 20 to 29% (CR_4) and 16 to 22% (CR_3) market share in all three categories, respectively. No major company could gain a market share higher than 10%, while the main companies could increase their relative market share over time. The major companies are the same across categories and the market share is reported for still wine with regard to companies. The major players are Weinkellerei Lenz Moser AG (about 6 to 7% market share in volume from 2002 to 2014), Peter Panitsch GmbH (about 4 to 7% market share in volume from 2002 to 2014), Reh Winery Kendermann GmbH (about 5 to 7% market share in volume from 2002 to 2014), Wein- und Sektkontor Radebeul GmbH (about 5 to 7% market share in volume from 2002 to 2014), and Peter Mertes GmbH & Co. KG (about 3 to 6% market share in volume from 2002 to 2014). Nevertheless, due to the rather small and evenly distributed market shares, those companies hardly qualify as incumbents.

8.1.3.2 Wine in Germany

In Germany, still wine is mainly and increasingly distributed through super- and hypermarkets (about 58% (in 2000) to 66% (in 2014) in volume). On-trade (e.g. bars and restaurants) consumption (about 16%), specialist retailers (decreasing from 18 (2000) to only 8% (2014)), and convenience stores with about 4 to 6% market share in volume from 2000 to 2014 distribute far less wine (according to Market Line, 2016b).

The market share of wine (still wine, sparkling wine, fortified wine, champagne), the sub-category still- and sparkling wine, or still wine are rather similar. Only among the companies selling sparkling wine, some companies could gain a market share in volume worth mentioning

(according to Market Line, 2016f). Henkell (about 5% market share from 2002 to 2014 in the categories "still wine, sparkling wine, fortified wine, champagne" and "still and sparkling wine"), Rotkäppchen-Mumm Sektkellereien GmbH (about 3 to 4% market share from 2002 to 2014 in the categories "still wine, sparkling wine, fortified wine, champagne" and "still and sparkling wine"), and Sektkellerei Schloss Wachenheim AG (in the categories "still wine, sparkling wine, fortified wine, champagne" and "still and sparkling wine") are relevant, here. Those are not engaged in the main market segment – "still wine" which represents about 75% of this market by value (Market Line, 2015l, p. 10). Furthermore, private labels have a high market share in volume from 26% (in 2002) to 30% (in 2014) ("still wine, sparkling wine, fortified wine, champagne" and "still and sparkling wine"). For still wine, private labels are of even higher importance with a market share of 28 (in 2002) to 32% (in volume). The five, four, and three major companies were able to gain a market share of about 13 to 14% (CR_5) (major four: 12 to 14% (CR_4) and major three: 11 to 12% (CR_3)) in volume in the categories "still wine, sparkling wine, fortified wine, champagne" and "still- and sparkling wine" from 2002 to 2014. In contrast, the market for still wine is not concentrated at all. About 6 to 7% (CR_5) (CR_4: 5 to 6% and CR_3: about 4 to 5%) market share in volume between 2002 and 2014 indicate an extreme low degree of concentration (Market Line, 2016f, own estimation). There are hardly any incumbents with regard to market share in the German wine market as can be seen in Table A 10.

Table A 10: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of wine (still, sparkling, fortified, champagne), still & sparkling wine, and still wine in Germany

	Market Share Major 5 Companies (in volume)	Market Share Major 4 Companies (in volume)	Market Share Major 3 Companies (in volume)
wine (still, sparkling, fortified, champagne)	13% to 14% (2002- 2014)	12% to 14% (2002- 2014)	11% (2002) to 12% (2014)
still & sparkling wine	13% to 14% (2002- 2014)	12% to 14% (2002- 2014)	11% (2002) to 12% (2014)
still wine	6% to 7% (2002- 2014)	5% to 6% (2002- 2014)	4% to 5% (2002- 2014)

source: Market Line (2016f), own estimation

As indicated by the large segment of private labels, the main large supermarket chains are able to exercise buyer power through their high concentration[246]. Nevertheless, the impossibility to integrate forward or backward by most of the companies and a strong tendency and potential for product differentiation (e.g. by region, grape) lead to a moderate buyer power (Market Line,

[246] In 2013, four supermarket chains held 85% of the food retail market in Germany (Market Line, 2015l, p. 17).

2015l, p. 17). In a similar vein, the large amount and high flexibility of independent growers lead to only a moderate supplier power (Market Line, 2015l, p. 18). The likelihood of new entrants or entry barriers is weak due to companies which span the whole segment from specialist to mass products and strict government regulations on this market (Market Line, 2015l, p. 19). The resulting rivalry is strong (Market Line, 2015l, p. 21).

8.1.3.3 Wine in the United Kingdom

The distribution of still wine in the United Kingdom is rather fragmented. Initially super- and hypermarkets distributed about 44% in volume in 2000, which rose to 50% in 2014. Specialist retailers (about 28% (in 2002) to 22% (in2014)) and on-trade (e.g. bars and restaurants) with about 9 to 10% of the distributed volume (2000 to 2014) are of high importance as well. Convenience stores with about 6% of the sold volume (from 2000 to 2014) are less important (Market Line, 2016b).

In 2014, "still wine" is the major category with about 81% market share by value (US$) (Market Line, 2015m, p. 11). The major company is Constellation Brands Inc. (increasing from about 6 to 7% market share in 2002 to 13% in 2010 in the categories "still wine, sparkling wine, fortified wine, champagne", "still and sparkling wine", and "still wine") / Champ Private Equity (increasing from about 13% market share from 2011 to 2014 in the categories "still wine, sparkling wine, fortified wine, champagne", "still and sparkling wine", and "still wine")[247]. The other companies have market shares below 10% between 2002 and 2014 in volume for all three categories (Diego plc. with about 3 to 5% market share, Brand Phoenix Ltd. with about 3 to 5% market share below 1% to 5% market share, and E. & J. Gallo Winery with 3 to 5% (still wine: 4%) market share in volume) (according to Market Line, 2016f).

Private labels have a strong and rising impact and a market share of initially about 19 to 20% in 2002 (depending on the category) and finally about 25 to 26% in 2014. Depending on the category, the combined market share of the major five companies in volume increased from initially 19 to 21% (major four: 16 to 18% and major three 13 to 14%) in 2002 to 31 to 32% (CR_5) (major four: 28% (CR_4) and major three: 24% (CR_3)). All three categories yield similar results. Incumbents with regard to market share could not be detected for wine in the United Kingdom (see Table A 11).

[247] In 2010, Constellation Brands sold its wine business in Australia and the United Kingdom to Champ Private Equity (Food and Drink Business Europe, 2011 [02/02/2011]). Therefore, both companies can be regarded as one player for the analysis of incumbents over time.

Table A 11: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of wine (still, sparkling, fortified, champagne), still & sparkling wine, and still wine in the United Kingdom

	Market Share Major 5 Companies (in volume)	Market Share Major 4 Companies (in volume)	Market Share Major 3 Companies (in volume)
wine (still, sparkling, fortified, champagne)	19% (2002) to 31% (2014)	16% (2002) to 27% (2014)	13% (2002) to 23% (2014)
still & sparkling wine	20% (2002) to 32% (2014)	17% (2002) to 28% (2014)	14% (2002) to 23% (2014)
still wine	21% (2002) to 34% (2014)	18% (2002) to 29% (2014)	14% (2002) to 24% (2014)

source: Market Line (2016f), own estimation

In the United Kingdom, the main large supermarket chains are able to exercise buyer power through their high concentration (Market Line, 2015m, p. 18)[248]. Nevertheless, the strong tendency and potential for product differentiation (e.g. by region, grape) lead to a moderate buyer power overall, which might vary by specific wine segments (Market Line, 2015m, p. 18). In a similar vein, many independent and flexible growers are able to exercise moderate supplier power (Market Line, 2015m, p. 19). In the case of Fairtrade certification, Nicholls (Nicholls, 2004) evaluated the opportunity for success as rather high. A steady growth of about 5 to 7% per annum (wine market) offers opportunities for certified wine, as well (Nicholls, 2004, p. 109)[249]. Large and diversified companies and government regulations on this market lead to high entry barriers for new entrants (low likelihood of new entrants) (Market Line, 2015m, p. 20) and a strong rivalry, overall (Market Line, 2015m, p. 22).

8.1.3.4 Wine in the USA

From 2000 to 2014, still wine is mainly distributed through specialist retailers (36 to 38% in volume), super- and hypermarkets (24 to 26% in volume), and on-trade (e.g. restaurants and bars) consumption (decreasing from 24 (in 2000) to 18% (in 2014) in volume). With 6 to 8% and 4 to 6% share in volume, service stations and convenience stores play a minor role (Market Line, 2016b).

Even though wine is regarded as a rather segmented product (see chapter 8.1.3), the wine market in the USA appears to be relatively concentrated – compared to the markets for wine in the

[248] In the United Kingdom, the main four supermarket chains held 62% of the food retail market and 75% of the supermarket channel (Market Line, 2015m, p. 18).
[249] For as detailed assessment, see page 396f.

United Kingdom (chapter 8.1.3.3), Germany (chapter 8.1.3.2), and Austria (chapter 8.1.3.1). While the concentration is still lower as for most other product categories assessed in this thesis, the market share of the major five, four, and three companies is much higher than in the other (national) wine markets (according to Table A 12). The category "still wine" accounts for about 83% of this market (Market Line, 2015n, p. 11). The market shares of major companies rose over time with about 42 to 43% (in 2002) to 53 to 54% (in 2014) for the major five companies (CR_5), about 39 to 40% (in 2002) to 49% (in 2014) for the major four companies (CR_4), and 34 to 36% (in 2002) to 44 to 45% (in 2014) for the major three companies (CR_3) across all product categories ("still wine, sparkling wine, fortified wine, champagne", "still and sparkling wine", and "still wine") (according to Market Line, 2016f).

Table A 12: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, CR_3) of wine (still, sparkling, fortified, champagne), still & sparkling wine, and still wine in the USA

	Market Share Major 5 Companies (in volume)	Market Share Major 4 Companies (in volume)	Market Share Major 3 Companies (in volume)
wine (still, sparkling, fortified, champagne)	43% (2002) to 54% (2014)	40% (2002) to 49% (2014)	36% (2002) to 45% (2014)
still & sparkling wine	42% (2002) to 53% (2014)	39% (2002) to 49% (2014)	35% (2002) to 44% (2014)
still wine	42% (2002) to 54% (2014)	39% (2002) to 49% (2014)	34% (2002) to 44% (2014)

source: Market Line (2016f), own estimation

Large and international players are relevant for the wine market of the USA. In all three market categories, the three major players are E. & J. Gallo Winery (about 16 to 18% market share in volume), the Wine Group, Inc. (about 11 to 16% market share in volume), and Constellation Brands, Inc. with 7 to 12% market share in volume between 2002 and 2014. While their shares vary a little between categories, the range is rather low – as demonstrated.

The main large supermarket chains in the USA are able to exercise some buyer power which is counterweighted by the strong tendency for product differentiation (e.g. by region, grape). This leads to a moderate buyer power overall, which might vary by specific wine segments (Market Line, 2015n, p. 18). In a similar vein, the number and high flexibility of many independent growers increases the supplier power to a moderate level (Market Line, 2015n, p. 19). Large and diversified companies, strong limitations on sales (of alcoholic beverages) and the stringency of state level government regulations within this market lead to a moderate likelihood of new entrants and a moderate rivalry (Market Line, 2015n, p. 19ff). The rivalry has been further abated

by the increasing trend of brand management and differentiation – especially by the Wine Group and Constellation Brands (Market Line, 2015n, p. 22).

8.1.4 Honey

The honey market is segmented between household consumption and industrial use, while direct consumption is accountable for roughly 85% of the honey (CBI, 2009 (06/2009], p. 2). In the EU, importers usually combine the functions of importing, blending, and packing the honey (CBI, 2009 (06/2009]).

The honey market is further segmented by product quality – the low-priced honey is used for private labels, while higher quality monofloral and single origin honey are sold through brands and specialty shops (CBI, 2009 (06/2009], p. 2). All over Europe, super- and hypermarkets are one of the main distribution channels for the "outlet honey" (CBI, 2009 (06/2009], p. 15). Furthermore, one can distinguish between bulk honey (before processing), comb honey (directly from the hive), extracted honey (usually consumed honey), beeswax, and chunk honey (combination of comb honey and extracted honey) (Kaiser & Ernst, 2013). As dietary supplements, royal jelly and bee pollen are sold, as well. The product is further segmented by the nectar which has been used by the bees to produce the honey (Kaiser & Ernst, 2013). Color is another important way to segment the market from white to light to dark (NASS et al., 2016 [03/22/2016], p. 4). Tropical honey is not easy to place on European markets since consumers within the European Union usually prefer light honey compared to the dark tropical honey (CBI, 2009). Niches for these darker honeys exist, but are rather small (CBI, 2009 (06/2009], p. 7). In a similar vein, locally produced and specialty honey are regarded as strong segments in the USA (Kaiser & Ernst, 2013). The largest segment in the EU consists of blended, polyfloral honey, in which blending different sorts of honey ensures a constant product quality. The smaller segment consists of (the higher quality) monofloral honey (about 10% of the market) (CBI, 2009 (06/2009], p. 7) – they are especially pronounced in Germany and the United Kingdom (CBI, 2015 [08/2015], p. 4). Other segmentation encompasses organic certification (main importer in the EU: Germany) and the Fair Trade segment, where Germany and the United Kingdom are the largest markets within the EU (CBI, 2009 (06/2009], p. 7). Currently, production within Europe is on the decline (CBI, 2015 [08/2015], p. 3).

In 2009, the global top exporters of honey in value are China (11.8%), Germany (8.9%), Mexico (6.9%), Brazil (5.6%), and New Zealand (4.9%). Interestingly, Germany is not only the second

strongest exporter, but the main importer of honey, as well (with 23.6% of global imports). The USA (16%), the United Kingdom (8.7%), France (6.9%), and Japan (6%) are also among the main importers (World Trade Daily, 2012 [07/28/2012]). The EU accounts for about 20 to 25% of the global honey consumption (USA: 10%) and 13% of the global honey production, while the honey market is considered to be a "very stable market" (CBI, 2009 (06/2009], p. 2). 41% of the imports into the EU are delivered from "Developing Countries" (CBI, 2009 (06/2009], p. 3)[250]. The main importers from "Developing Countries" are Germany and the United Kingdom (CBI, 2009 (06/2009], p. 20). Honey consumption is also highest in Germany and the United Kingdom, while Austria is number eight consumer of honey in comparison to the other national settings within the EU (total consumption). If one considers per capita consumption this pictures changes. Per capita consumption of honey is highest in Greece (1.62 kg/year), Austria (1.19 kg/year), Slovenia (1.17 kg/year), and Germany (1.16 kg/year). The United Kingdom consumes far less honey per capita (0.59 kg/year) (CBI, 2009 (06/2009], p. 5). The USA is closer to the United Kingdom than to Germany and Austria with about 0.9 to 1.2 pounds/year consumption per capita between 2000 and 2014 (Statista, 2016d).

Entry points to the European markets are the importers, who usually also function as blender, and packer. Those source large stocks of honey from reliable sources. Therefore, CBI (2009 (06/2009], p. 14f) advises small producers from developing countries to rely on small scale exporters and alternative trade channels (Fair Trade, organic).

8.1.4.1 Honey in Austria

In Austria, honey is mainly distributed by super- and hypermarkets (about 74 to 78% by value (local currency) between 2000 and 2014. Only 12% and 4 to 10% are sold through independent retailers and specialist retailers in this time period, respectively (Market Line, 2016c).

Four major companies (CR_4) share about 88 (in 2002) to 91% (in 2014) of this market by value (local currency). Even the major three companies (CR_3) still have a combined market share of about 75 (in 2002) to 77% (in 2014) by value (local currency). As Table A 13 shows, this market is highly concentrated with regard to market share. By far the strongest incumbent is A. Darbo AG with about 39 to 40% market share by value (local currency) between 2002 and 2014. Between 2002 and 2014, the other three major companies (Dr. Wilhelm Krieger's Bienenhonig GmbH & Co.

[250] The imports from China are rather low due to health issues and pesticide, which resulted in recurring issues with "honey laundering" (CBI, 2015 [08/2015]).

KG with about 20% market share, Dr. August Oetker KG with about 16% market share, and Meli NV with 13 to 14% market share) have a combined market share of about 49 to 51% by value (local currency) (according to Market Line, 2016d). Strikingly the market share of single companies does not vary more than 1% over time – the market shares are rather stable over time. Private labels have a combined market share of about 5% by value (local currency) in this time period, which is extremely low compared to Germany (chapter 8.1.4.2), the United Kingdom (chapter 8.1.4.3), and the USA (chapter 8.1.4.4). This market is stable and characterized by strong incumbents.

Table A 13: Combined market share of the major 4 and major 3 companies - concentration ratios (CR_4 and CR_3) of honey (spread) in Austria

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
honey (spread)	-	88% (2002) to 91% (2014)	75% (2002) to 77% (2014)

source: Market Line (2016d), own estimation

8.1.4.2 Honey in Germany

From 2000 to 2014, honey is mainly distributed by super- and hypermarkets (about 74 to 78% by value (local currency) between 2000 and 2014. Only about 12 (in 2002) to 10% (in 2014) and about 10 (in 2002) to 6% (in 2014) are sold through independent retailers and specialist retailers, respectively (Market Line, 2016c).

The combined market share of private labels increased from about 30 (in 2002) to 37% (in 2014) by value (local currency), which speaks to their high relevance and accordingly, to the high relevance of super- and hypermarket chains. As it has been the case for Austria (chapter 8.1.4.1), the market shares of the major companies are rather stable (disregarding the private labels), while the market is much less concentrated (see Table A 14). While the major company (Dr. August Oetker KG) has a stable and high market share of 28 to 29% by value (local currency), the other companies have merely a market share of about 9% (Dr. med. Hans Plumer Nachf. GmbH & Co. KG), 5% (Dr. Wilhelm Krieger's Bienenhonig GmbH & Co. KG), and 2 to 4% (Schneekoppe GmbH & Co. KG) by value (local currency) between 2002 and 2014. Therefore, the major four companies share 45 to 47% (CR_4) and the major three companies 42 to 43% (CR_3) of this market by value (local currency) from 2002 to 2014.

Table A 14: Combined market share of the major 4 and major 3 companies - concentration ratios (CR_4 and CR_3) of honey (spread) in Germany

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
honey (spread)	-	45% (2002) to 47% (2014)	42% (2002) to 43% (2014)

source: Market Line (2016d), own estimation

8.1.4.3 Honey in the United Kingdom

Supermarkets are by far the main distributors of honey in the United Kingdom with about 40 (in 2000) to 84% (in 2014) by value (local currency). Convenience stores (8 to 10%) and independent retailers (with about 4% share by value (local currency) between 2000 and 2014) play only minor roles (Market Line, 2016c).

Private labels hold more than half of the market by value (local currency) with a stable combined market share of 52% between 2002 and 2014. CBI (2009) detects Rowse Honey with about 34% market share as the dominant player. They argue that besides Gale's and Premier Foods, private labels by the main supermarket chains are the most important brands on this market. According to Market Line (2016d), the major company is Rowse Honey (from 2002 to 2005) / Wellness Foods (from 2006 to 2013) / the Valeo Group (after 2013)[251] with the highest market share by value (local currency) of about 26 to 28% between 2002 and 2014. Premier Foods plc. has a decreasing market share of initially 17% (in 2002) and finally 10% (in 2014), while Capilano Honey Limited has a stable 1% market share by value (local currency) from 2002 to 2014. Therefore, three companies have a combined market share of initially about 43% (in 2002) and finally 38% (CR_3) (in 2014) by value (local currency) as presented in Table A 15.

[251] This is due to mergers and acquisitions (The Independent Ireland, 2014 [04/11/2014]). These three companies can be regarded as the same player in the honey market of the United Kingdom over time.

Table A 15: Combined market share of the major 3 companies - concentration ratio (CR_3) of honey (spread) in the United Kingdom

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
honey (spread)	-	-	43% (2002) to 38% (2014)

source: Market Line (2016d), own estimation

8.1.4.4 Honey in the USA

Super- and hypermarkets are the leading distribution channel of honey in the USA with initially about 80 (in 2000) to finally 86% share by value (local currency) which dwarfs the contribution by the other channels (convenience stores with 4 to 6% and service stations with 4% share by value (local currency) between 2000 and 2014). Specialist retailers lost shares by value (local currency) from 8 (in 2000) to only 2% (in 2014) (Market Line, 2016c).

As it is the case for honey in Germany (chapter 8.1.4.2) and the United Kingdom (chapter 8.1.4.3), private labels are of major importance for honey in the USA with a stable combined market share of 42% by value (local currency) between 2002 and 2014. Together with the high relevance of super- and hypermarkets for the distribution of honey, this exemplifies the importance of supermarkets. Besides private labels, the market shares of the major four and major three companies are rather stable with about 43 (in 2002) to 46% (CR_4) (in 2014) and 39 (in 2002) to 41% (in 2014) (CR_3) combined market share by value (local currency), respectively (see Table A 16).

Table A 16: Combined market share of the major 4 and major 3 companies - concentration ratios (CR_4 and CR_3) of honey (spread) in the USA

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
honey (spread)	-	43% (2002) to 46% (2014)	39% (2002) to 41% (2014)

source: Market Line (2016d), own estimation

Dutch Gold Honey (about 20 to 21%) and the Sioux Honey Association with about 13 to 14% market share by value (local currency) between 2002 and 2014 are the main players, while Golden Heritage Foods, LLC. (6 to 7%) and Burleson's Honey, Inc. with about 4% market share by value (local currency) from 2002 to 2014 are of minor importance (according to Market Line, 2016d).

8.1.5 Rice

More than 1,000 varieties of rice are grown worldwide – a pronounced heterogeneity of this product led to distinct sub-markets, most notably by variety, quality, and the degree of processing (CBI, 2010b, p. 46; USITC, 2015 [04/2015], p. 59). At the final point of sale, rice is segmented into basic rice (e.g. brown rice, long grain rice, milk rice / rice cream) (76% of the German rice market) and rice specialties. Furthermore, packed rice and "loose rice" can be distinguished and convenience products (rice for the micro-wave) are sold (Euryza, 2010). Cooking time is a possibility to segment the rice market as well as the texture (Southern Europeans prefer sticky and wet-, while Northern Europeans prefer dry cooked rice (CBI, 2010b, p. 8)). CBI (2010b, p. 4) distinguishes the crop into paddy rice, brown rice, milled rice, and broken rice by processing stages. Paddy or rough rice is unprocessed and comes directly from the field, while brown or husk or cargo rice is the least processed from the edible rice (36% of EU imports (CBI, 2010b, p. 30)). Semi milled or wholly milled rice is the processed rice which accounts for most of the consumption (50% of EU imports (CBI, 2010b, p. 30)) and broken rice is of low quality (CBI, 2010b, p. 46f). In Northern Europe, the retail focuses on milled, Indica, long-grain rice[252], which replaced the traditionally consumed and produced (inside the EU) medium-grain Japonica rice (CBI, 2010b, p. 7). In general, market segments for brown rice and rice specialties (e.g. Jasmine, wild rice) are becoming more important. Side products exist as well in small niches markets (sweeteners and cereals) (CBI, 2010b, p. 8). In the EU, rice consumption is divided between human consumption (85%), animal feed (7%), industry (4%), and seeds (4%) (CBI, 2010b, p. 7). In general, high quality and low quality rice are affected by similar trends in a similar manner, while low quality rice is hit harder in the case of price drops (CBI, 2010b, p. 41).

90% of the rice is produced in Asia (globally) (USDA, 2016). The global rice trade is rather "thin" – only 8% of global rice production is exported (2007/8 to 2013/14). The five major rice consuming countries are rather "self-sufficient" – they import only 1% of their consumption in 2007/8 to 2013/14 (USITC, 2015 [04/2015], p. 85). The market for rice is regarded as rather sensitive to political conflicts, intransparent, and volatile – governments intervene in many of the domestic markets, which creates further obstacles down the supply chain (USITC, 2015 [04/2015], p. 83ff).

Within Europe, Italy, the United Kingdom, France, Spain, and Germany are the main consumers, while rice is only produced in some Southern European countries (most notably: Italy, which has

[252] Historically, Japonica (medium grain) rice was mainly produced for domestic demand (within the producing country). EU rice consumption always exceeded the production, while the European Community encouraged a shift to Indica because of a surplus of Japonica. In the beginning 1990s, 55% of domestic demand for Indica could be met by domestic production (CBI, 2010b, p. 15)

the largest rice milling industry within the EU). None of the national contexts analyzed in this thesis produces (paddy) rice, while a low and decreasing amount of rice is milled in the United Kingdom and Germany. Italy is by far the strongest miller with roughly about 5 times the milled quantity compared to the United Kingdom in 2004 (CBI, 2010b, p. 14f)[253]. The major importers of rice within the EU are the United Kingdom, France, and the Netherlands (CBI, 2010b, p. 2ff). Overall, the EU is rather marginal with regard to rice consumption (0.6% of global consumption) (CBI, 2010b, p. 5). The main importers from rice from "Developing Countries" are the United Kingdom, France, the Netherlands, and Germany[254] – Austria is number 16 in the comparison within the EU (CBI, 2010b, p. 34f)[255]. 46% of the rice imports into the United Kingdom are already milled (CBI, 2010c, p. 9)

The main players in the EU rice trade are commodity traders, rice millers, and food manufacturers. Roughly 70% of the rice from outside the EU is delivered by rice millers and 30% by rice importers (mainly commodity traders) - food manufacturers are highly important, but only down the supply chain and not at the importing stage (CBI, 2010b, p. 22). Super- and hypermarkets are of major importance within the EU, as well. They buy the rice directly from food manufacturers and rice millers – private labels play a major role within the EU (CBI, 2010b, p. 23). The degree of vertical integration has increased recently. While many Basmati millers started to process rice in Europe, Ebro Puleva Group (today Ebro Foods, incumbent company in Austria, Germany, and the USA, (see chapter 8.1.5.1, chapter 8.1.5.2, and chapter 8.1.5.4) dominates the rice trade in Europe with 30% market share – it is the biggest rice-processing company of the world (CBI, 2010b, p. 23). The market for food manufacturers is fragmented and much less transparent. They constitute the production stage after milling, for instance, through adding of spices and herbs (CBI, 2010b, p. 23). Rice enters the EU already as brown or milled (processed) – regardless whether imported by a rice miller or commodity trader. Paddy (unprocessed) rice is hardly imported from outside the EU (CBI, 2010b, p. 22).

While the USA is only accountable for 2% (1.5% in 2010 (SAGE V FOODS, 2016)) of the world production of rice, 10% of the exported rice originates from the USA (USDA, 2014). It is the 12th-largest producer of rice (globally) (USITC, 2015 [04/2015], p. 121). The exports include rough (paddy) rice, parboiled rice, brown rice, and fully milled rice (USDA, 2014). While the exports

[253] The decreasing amount of rice processing (e.g. milling) within the EU partly results from reforms of the Common Agricultural Policies in 2003 and the resulting abolishment of tariffs for processed rice from outside the EU (CBI, 2010b, p. 16)
[254] Compared to other countries of origin, the German imports from "Developing Countries" are rather low but increasing (CBI, 2010, p. 34f)
[255] The data for imports from "Developing Countries" do not necessarily provide an accurate picture, many countries import rice mainly through Intra European trade as Austria which imports processed rice from Germany and the Netherlands, for instance (CBI, 2010a).

decreased, the competitive advantages of the USA as an exporter are high quality and reliability as a trading partner (USITC, 2015 [04/2015], p. 121). The USA is one of the few countries which allows for the export of unmilled rice, which is usually forbidden to protect the domestic milling industry. Only a small amount of the exported rice is delivered to the European Union, partly due to issues of "genetic engineering" (USDA, 2014). The predominant types of rice grown in the USA are the most common (Indica type) long grain rice or Southern Long Grain rice (most commonly consumed around the world), (Indica type) medium grain rice or Southern Medium Grain rice, and (Japonica type) medium grain rice, typically known as California Medium or Calrose rice (SAGE V FOODS, 2016).

The imports into the USA encompass mostly aromatic rice (primarily Jasmine and Basmati) from Thailand, India, and Pakistan (USDA, 2014). 15% of the rice in the USA is used by the beer industry (formerly only broken rice, today also higher quality rice), 25% by the (processed food) industry, and 60% as table rice (SAGE V FOODS, 2016). Historically, over half of the rice has been exported, while domestic consumption has increased considerably and "more than doubled" within the last decade (SAGE V FOODS, 2016). Nevertheless, the level of consumption remains rather low in global comparison (SAGE V FOODS, 2016; USITC, 2015 [04/2015], p. 122). The USA accounts for about 1% of rice consumption (globally) (USITC, 2015 [04/2015], p. 122). The US rice industry comprises of growing and milling, which are linked by large cooperatives (USITC, 2015 [04/2015], p. 125). Furthermore, the rice industry is supported by the government, while the expenditures have decreased considerably to only about 10 to 20% (2013/14) of the level of the year 2000.

Most notably, due to the distinct quality of the domestically produced rice, the US rice industry does not face direct competition from imported rice[256] – the imported rice is no substitute for the US-rice – also since it is mainly aromatic rice[257], as aforementioned (USITC, 2015 [04/2015], p. 323). Therefore, the rice market in the USA is rather different from Europe, where imported rice is predominant. The domestic production in the USA does only provide very limited opportunities for imported rice – imported and especially aromatic rice is a separate market segment (USITC,

[256] In some key markets, there exists competition. While US produced long grain white rice is mainly sold through retail grocery stores and industrial food processors, aromatic rice is also sold through ethnic food distributors. Competition from imports focusses on the retail sector and less on food services and restaurants (USITC, 2015 [04/2015], p. 325)

[257] Some long grain white rice is imported as well. 2/3 of the imports are aromatic and log grain white rice (USITC, 2015 [04/2015], p. 324f)

2015 [04/2015], p. 326). Next, the single national rice markets are presented very briefly, while the main focus lies on the concentration and the major companies in the single markets.

8.1.5.1 Rice in Austria

Rice is mainly distributed through super- and hypermarkets in Austria between 2000 and 2014 (80 to 81% share by value (local currency)). Independent retailers (12%) and specialist retailers (4% in 2002 to 2% in 2014) distribute far less rice by value (local currency) (according to Market Line, 2016c).

The combined market share of the major three companies rose from initial 48 to final 52% (CR_3) from 2002 to 2014 by value (local currency) (Table A 17). Private labels gained in importance and more than doubled their combined market share from initial 15% to final 35% by value (local currency) from 2002 to 2014. Therefore, since super- and hypermarkets are the main distribution channel and private labels gained in importance, super- and hypermarkets are of great relevance for rice in Austria. The main companies in this market are Mars Inc. (about 23 to 24%), Ebro Foods S.A. (about 20 to 22%), and Marap HandelsgmbH with about 5 to 6% market share by value (local currency) from 2002 to 2014 (according to Market Line, 2016d).

Table A 17: Combined market share of the major 3 companies - concentration ratio (CR_3) of rice in Austria

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Rice	-	-	48% (2002) to 52% (2014)

source: Market Line (2016d), own estimation

8.1.5.2 Rice in Germany

Super- and hypermarkets are the leading distribution channel of rice in the Germany with about 82 to 84% share by value (local currency) between 2000 and 2014. The contribution by the other channels are comparatively low (independent retailers with 10 to 12% and specialist retailers with 2 to 4% share by value (local currency) between 2000 and 2014) (according to Market Line, 2016c).

According to Market Line (2016d), the main players are Mars Inc. with an increasing market share of initially about 27 to finally 31% market share by value and Ebro Foods with initially 28 to finally 22% market share by value (local currency) from 2002 to 2014[258]. The other companies are of lower importance with regard to market share. B. Natha Singh Karam Singh (Pvt) Ltd has a market share of about 3 to 4%, Rickmers Reismuhle GmbH has a market share of about 4%, and Wurzener Nahrungsmittel GmbH has a market share of about 1% by value (local currency) between 2002 and 2014. Private labels are important and have a market share of about 30 to 33% by value (local currency) for the same time period. Therefore, the major five companies have a combined market share of about 62 to 63% (CR_5), while the major four and major three companies share 61 to 62% (CR_4) and 57 to 59% (CR_3) of the market by value (local currency) from 2002 to 2014. The combined market shares decreased over time as Table A 18 shows.

Table A 18: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, and CR_3) of rice in Germany

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Rice	63% (2002) to 62% (2014)	62% (2002) to 61% (2014)	59% (2002) to 57% (2014)

source: Market Line (2016d), own estimation

8.1.5.3 Rice in the United Kingdom

According to Market Line (2016c), super- and hypermarkets are the dominant distribution channel of rice in the United Kingdom with an increasing market share of about 82 (in 2000) to 86% (in 2014) by value. The contribution by the other channels are comparatively low (convenience stores with about 8%, independent retailers with 6%, and specialist retailers with 2 to 4% share by value (local currency) between 2000 and 2014).

Super- and hypermarkets are not merely the main distributor - private labels have a combined market share of about 43% by value between 2002 and 2014. The major companies are Mars Inc. with a rising market share of about 26% (in 2002) to 29% (in 2014), Tilda Ltd. with a market share

[258] According to Euryza, Oryza was the main retailer of rice in both segment of basic rice (76% of the German rice market) and rice specialties, followed by Uncle Ben's (Mars Inc.) The predominant position of both brands (Oryza and Uncle Ben's according to Euryza (2010)) of the two major companies (EBRO Foods and Mars Inc. according to the data from Market Line) seems to apply for all relevant segments of the rice market (Euryza, 2010).

between about 9 and 17%[259] by value (local currency) between 2002 and 2014[260], Campbell Soup Company (from 2002 to 2005) / Premier Foods (from 2006 to 2014)[261] with a rising market share of 7% (in 2002) to 11% in 2014, and Riso Gallo S.p.A. with 2 to 3% market share by value (local currency) between 2002 and 2014 (Table A 19). According to these number, the major four companies held about 44% of the market in 2002 (CR_4), which rose to 54% and peaked in 2009, and fell to 46% in 2014 by value (local currency) (according to Market Line, 2016d). The major three companies had a market share of 42% (CR_3) in 2002, which increased to 51% in 2009, and fell to 44% in 2014. This reverse u-shaped pattern (for the market share of the major four and major three companies) is mainly driven by the second biggest player, Tilda Ltd. (according to Market Line, 2016d).

Table A 19: Combined market share of the major 4 and major 3 companies - concentration ratios (CR_4 and CR_3) of rice in the United Kingdom

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
Rice	-	44% to 54% (2002-2014)	42% to 51% (2002-2014)

source: Market Line (2016d), own estimation

8.1.5.4 Rice in the USA

Rice is mainly distributed through super- and hypermarkets in the USA between 2000 and 2014 (82 to 86% share by value (local currency)). Convenience stores (4 to 6%), independent retailers (4 to 6%) and specialist retailers (6 (in 2002) to well below 1% (in 2014)) distribute far less rice by value (local currency) (according to Market Line, 2016c).

The combined market share of the major companies increased from very high to exceptionally high between 2002 and 2014 by value (local currency). The top five major companies started in 2002 with about 85% and finally held 98% of the rice market by value (local currency) in 2014 (CR_5). The major four companies held 84% (CR_4) (major three: 68% (CR_3)) of the market share in 2014, while their combined market share in 2002 was about 72% (major three: 58%) by value

[259] The market share of Tilda Ltd rose from 9% since 2002 and peaked with 17% in 2009, before it fell to 10% in 2014 according to Market Line (2016d) (own estimation).
[260] According to CBI (2010c, p. 6), Tilda and Uncle Ben's (Mars Inc.) can be regarded as the main competitors in the United Kingdom – which is consistent to the information by Market Line (2016d).
[261] Premier Foods plc acquired the Campbell Soup Company in 2006 (Premier Foods plc, 2007 [07/09/2007]). These two companies can be regarded as the same player in the rice market of the United Kingdom for the time period from 2002 to 2014.

(local currency) (Table A 20). While these numbers indicate a high and increasing concentration, overall, no single incumbent company "governs" this market – the market share shows a rather even distribution between the five major companies. Ebro Foods S.A. could increase its share from about 15% (in 2002) to 25% (in 2014), while American Rice Inc. lost market share from about 26% (in 2002) to 23% (in 2014). Mars Inc. (initially about 15% to finally 20%) and Rice Producers' Group (initially about 15 to finally 17%) could also increase their market shares. Riceland Foods Inc. has a stable market share of 13% between 2002 and 2014 by value (local currency) (according to Market Line, 2016d).

Table A 20: Combined market share of the major 5, major 4, and major 3 companies - concentration ratios (CR_5, CR_4, and CR_3) of rice in the USA

	Market Share Major 5 Companies by value (local currency)	Market Share Major 4 Companies by value (local currency)	Market Share Major 3 Companies by value (local currency)
rice	85% (2002) to 98% (2014)	72% (2002) to 84% (2014)	58% (2002) to 68% (2014)

source: Market Line (2016d), own estimation

8.1.6 Sugar

In general, sugar cannot be regarded as a differentiated product. Therefore, Fair Trade is regarded as the main opportunity for product differentiation since organic and product quality measures are difficult to implement and communicate (Agritrade, 2012 [2011]). Only a small amount of the sugar processed is directly sold to consumers while most of it is processed further – for instance into the confectionary market, bakeries, and soft drinks (Buzzanell, 1997; Wirtschaftliche Vereinigung Zucker e.V. (WVZ) / Verein der Zuckerindustrie e.V. (VdZ), 2016). Nevertheless, the amount differs – 30% of the sugar in the USA are sold directly to the consumers (Buzzanell, 1997), while in Germany (2012/13) only 12% of the market (in volume) are sold directly to consumers (Wirtschaftliche Vereinigung Zucker e.V. (WVZ) / Verein der Zuckerindustrie e.V. (VdZ), 2016).

8.1.6.1 Sugar in the European Contexts

Until the World Trade Organization limited the exports in 2006/7, policies on subsidies shielded the sugar production in the European Union and facilitated exports. This resulted in a

predominant position with 60% market share of the global refined sugar trade (Nyberg, 2009, p. 9). Today, Brazil dominates the world market for raw and refined sugar and nearly tripled its exports of refined sugar between 2000 and 2005 (Nyberg, 2009, p. 5ff). The European Union was the main exporter of refined sugar until 2005 when it was restricted by the WTO (Nyberg, 2009, p. 9). In the medium run, the new regulation offers new import opportunities for countries outside the European Union (Sugarcane.org, 2016a). This is expected to decrease the production of sugar within the European Union and will cut sugar production by one third of the level of 2005 (Raiffeisen-Holding NÖ-Wien, 2005, p. 55). The recent level of Europe's sugar exports appears as if this measure succeeded (Statista, 2016e). Europe will become the globally leading net importer of sugar (OECD et al., 2009, p. 77). In recent years, the volatility of prices has increased and uncertainty has risen as well (Agritrade, 2013; Fairtrade Foundation, 2013 [01/2013], p. 7). In 2009, some of the major retailers of sugar in Europe received considerable subsidies by the European Union (Agritrade, 2010b).

2/3 of the global sugar market lies in the hand of six companies (Czarnikow (42.5% owned by British Sugar, United Kingdom), Sucden (France), Louis Dreyfus (France), Cargill (USA), ED&F Man (United Kingdom), and Bunge (USA)) (Fairtrade Foundation, 2013 [01/2013], p. 8f). In a similar vein, the sugar market in Europe is rather oligopolistic with five corporate alliances accounting for 80% of the sugar beet production and 72% of the refined sugar processing (Agritrade, 2010a; Fairtrade Foundation, 2013 [01/2013], p. 9). Statista (2016c) estimates the market share of sugar for 2011 (in Europe) to be highly concentrated as well. According to their data, the top five producers (CR_5) account for about 71%, the top four producers (CR_4) account for 64%, and the top three producers (CR_3) account for 52.3% of the market in volume. Südzucker (24.8%), Nordzucker (15.4%), Associated British Foods / ABF (British Sugar) (12.1%), Tereos (11.7%), Cosun (7%), and Pfeifer & Langen (6.6%) are the main producers in Europe (Statista, 2016c). While this information already points to a rather concentrated market, the concentration within single national contexts dwarfs these numbers.

In Germany, the main three retailers of sugar (Südzucker, Nordzucker, and Pfeifer & Langen) have been successfully accused of geographically sharing the German sugar market and controlling the prices as a cartel since the 1990s. On the sub-national level in Germany, each of the three retailers exploited a quasi-monopoly (Bundeskartellamt, 2014; Handelsblatt, 2015 [08/25/2015]; Sueddeutsche, 2014 [02/18/2014]). Even without this infringement of German cartel law, the aforementioned three main retailers (CR_3) hold a market share of "approximately 80%" of the supplies in Germany (Agritrade, 2014, p. 4), which indicates an exceptionally high

concentration. In the early 2000s, Südzucker held about 30 to 40% (industrial use: 30-40%), Pfeifer & Langen about 20 to 30% (industrial use: 15 to 25%), and Nordzucker 19% (industrial use: 25 to 35%) market share in volume (private consumption) (European Commission, 2001 [12/20/2001], p. 16). The geographical cartel is visible if one considers the market share in Southern Germany, alone. Here, Südzucker accounts for 80 to 90% (industrial use: 75 to 85%), Pfeifer & Langen for 10 to 20% (industrial use: 0 to 10%), and Nordzucker for 0 to 10% (industrial use: not listed) of the market (private consumption) (European Commission, 2001 [12/20/2001], p. 16). Therefore, the overall market share of the major three retailers can be regarded as high.

Austria can be regarded as an even more extreme case, in which one single company (CR_1) accounts for "more than 90%" of all sugar markets according to the European Commission – Agrana (50% held by Südzucker / subsidiary of Südzucker) (European Commission, 2001 [12/20/2001], p. 21). This subsidiary of Südzucker is active in Eastern Europe, while its main business lies in Austria (Raiffeisen-Holding NÖ-Wien, 2005, p. 55f). Since Agrana's revenues seem rather stable over the beginning 2000s (Agrana, 2005), an exceptionally high market share can be assumed to be valid for after 2001, as well The power of Südzucker in Germany (Southern Germany, in particular) and Austria (through Agrana) is unquestionable.

Exact data on the market concentration in the United Kingdom is rather old (but not necessarily outdated) compared to Austria and Germany. In 1988, the European Commission issued a case against British Sugar and Tate & Lyle (European Commission, 1988 [07/18/1988]). Even today, Associated British Foods / ABF (British Sugar) still holds a market share of about 12.1% in 2011 all over Europe (according to Statista (2016c))[262].

According to the European Commission, British sugar held a market share (of granulated sugars in Great Britain) in 1984/85) of 58% and Tate & Lyle of 37%, while a second report indicates a market share of 57 to 61% in the segment of granulated white sugars (European Commission, 1988 [07/18/1988]). Together, Tate & Lyle and British Sugar restrained competition on price which means that British Sugar exploited their dominant position. The European Commission recognizes an infringement in favor of Napier Brown (European Commission, 1988 [07/18/1988]). This dispute continues until today with similar accusations by Napier Brown (now a subsidiary of the Real Good Food Company). In 2014, Napier Brown, which supplies about 12% of the sugar in the United Kingdom in volume (Hardman & Co, 2013, p. 1), accused ABF (British Sugar) of a

[262] Again, one has to keep in mind that the market share of single sugar producers and refiners is usually higher within single national context than in Europe due to geographical segmentation – the United Kingdom does not seem to be different in this regard (Foodmanufacture, 2014 [02/21/2014]; Hardman & Co, 2013).

similar infringement. Napier Brown claimed that ABF held a monopoly in the beet sugar market (Foodmanufacture, 2014 [02/21/2014]). According to Napier Brown, they (Napier Brown) hold a market share of about 15 to 20% of the sugar supply of the United Kingdom and that sugar production in the United Kingdom consists of only two companies – Tate & Lyle and ABF (British Sugar) (Foodmanufacture, 2014 [02/21/2014]). This claim is consistent with the graph by Hardman & Co (2013, p. 11), which shows that three companies are nearly governing the whole sugar market (with an exceptionally high CR_3-value / market share). According to the Fairtrade Foundation (2013 [01/2013], p. 8f), two of the six major global sugar traders reside in London (United Kingdom) - Czarnikow (42.5% owned by ABF / British Sugar) being one of them. In sum, it seems valid to perceive the sugar market in the United Kingdom as a rather oligopolistic market and quite similar to the Austria and Germany.

8.1.6.2 Sugar in the USA

The USA is also among the major sugar producers and consumers of the world – they are number five of the producers and consumers of sugar (Sugarcane.org, 2016b). In 1997, they were the third largest producer and consumer (Buzzanell, 1997). The US-sugar market is exceptionally highly structured by the government and shielded from international competition since the 1920s. In part, today's protective measures can be regarded as the result of "temporary" measures against the "Great Depression" of 1929 (Riley, 2014, p. 2). While the producers get a minimum price regardless of the market price, the Farm Bill of 2008 guarantees that 85% of domestic sugar demand is met by domestic producers. Even the market share of individual companies (in volume) is not only restricted, but determined by the government (Sugarcane.org, 2016b). This special treatment by the government coincides with a high amount of lobbying activity (40% of the US-crop industries expenditures and 33% of the crop industries campaign expenditures), while the farms account for 1% of all US-farms and 1.3% of the value of total farm and livestock production (Riley, 2014, p. 1). According to Riley (2014, p. 2f), this measures by the government lead to a sugar prices, which are 79% (raw sugar) and 87% (refined sugar) higher than the world market prices. Besides the direct consumers, the confectionary industry is affected as well (Riley, 2014, p. 5).

The American Crystal Company (2016) states that roughly 65% of the refined sugar market are in the hand of three major companies (CR_3). American Crystal Sugar holds 13% and United Sugar Corporation (the second biggest marketer) holds 25% of the domestic market (American Crystal

Sugar Company, 2016). The major companies are Domino Foods Inc., which belongs to the ASR Group (the world's largest refiner of cane sugar) (Domino Sugar, 2016), Cargill Inc., The Amalgamated Sugar Company LLC, Louis Dreyfus Commodities LLC, the Michigan Sugar Company, and the Western Sugar Cooperative (American Crystal Sugar Company, 2016). Older data indicates that the industry structure has not changed considerably since the 1990s. In 1994, five companies (Archer Daniels Midland Company (ADM), Tate & Lyle, Cargill, Corn Products Company (CPC), and American Maize) dominated all relevant industries for sugar (Boland & Barton, 2002). ADM held 32%, Tate & Lyle 25%, Cargill 19%, and CPC and American Maize 9% each (Boland & Barton, 2002). This means that the five major producers held about 94% (CR_5), the major four about 85% (CR_4), and the major three about 76% (CR_3) of the market in 1994. With slightly different actors, sugar cane and sugar beet refinery showed a similar picture. Sugar cane was similarly concentrated with about 87% (CR_4) and 79% (CR_3) as sugar beet production 88% (CR_5), 78% (CR_4), and 67% (CR_3) of the market in the hand of few corporations (Boland & Barton, 2002). In sum, recent and dated information indicate a rather concentrated market, in which the concentration of the market is guarded by law.

8.1.7 Bananas

The markets for bananas in Austria, Germany, the United Kingdom, and the USA are discussed in concert since not all of the required data are available for each of the single product market over time[263]. Since the global market for bananas has experienced dramatic changes in between 2002/3 and 2013, both time periods are discussed separately. Together with sugar, bananas are the second undifferentiated product, which implies that differentiation (in the eyes of customers) mainly relies on certification – and Fair Trade in particular (Agritrade, 2012 [2011]).

8.1.7.1 Until 2002/2003

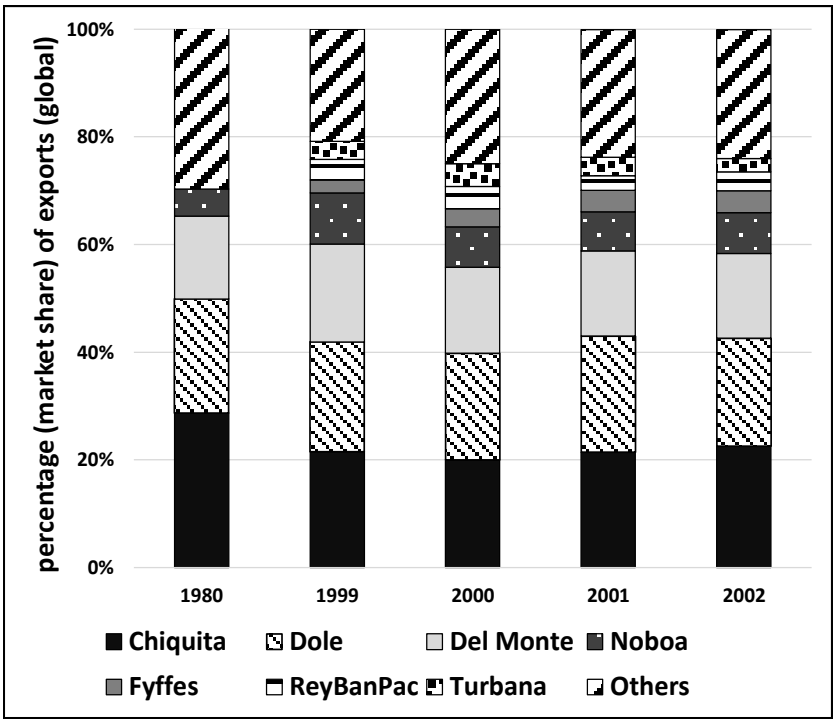
Until 2002/3, the global trade of bananas is usually regarded as an ideal typical case of vertical integration. According to Nicholls and Opal (2005, p. 87), three companies (Dole, Chicquita, and Del Monte) controlled 40% of the banana farms, 55 to 60% of shipping and packaging, and 55 to 60% of the imports – which means that three companies virtually governed the whole supply chain up to the point where the bananas were finally distributed through supermarkets. The

[263] Some hunches about the national product markets will be provided, while the global banana trade is at the heart of this section. Usually, the three companies are reluctant to report their exact national market shares and even global market shares, while some indication is given that it is even higher than their share in the global markets (Arias et al., 2003).

oligopolies result from early monopolies in the early 20th century. Those companies and their predecessors acted as monopolistic or oligopolistic companies in single national markets. While Fyffes had a quasi-monopoly in the United Kingdom and dominated Europe, the United Fruit Company dominated the USA (Arias et al., 2003)[264]. Therefore, even though the global trade on bananas is already rather concentrated, the global concentration is still a rather conservative measurement for the concentration in national markets (Arias et al., 2003). The market shares up the supply chain are even higher with regard to single exporting countries – in some cases up to 100% market share of the top three transnational corporations in one national context (Arias et al., 2003). Even later, the banana market has been regarded as extremely competitive and driven by prices. The market share of the exports by the transnational companies is visualized in Figure A 1, while data is only available for the years 1980, 1999, 2000, 2001 and 2002 and is not exact in some cases:

[264] In 1974, United Brands controlled 35% of global banana exports. It held a market share of 35% (directly) and 45% (through "Chiquita) of all bananas sold in Germany in the 1970s. Furthermore, United Brands held a market share of 40% to all bananas sold in the United Kingdom through "Fyffes" (1978 [02/14/1978], p. 213). In the European Community, United Brands market share was about 45% (1974) to 41% (1975) (1978 [02/14/1978], p. 282). At the same time, Castle and Cook / Dole held a market share of 9% in Germany and 5% in the European Union, the Alba Group sold 15% of the bananas in Germany and handled 5% of the bananas in the European Community, the Belboa Group accounts for 7% of all bananas sold in Germany and 6% of the European Community, La Société Geest Industries accounted for 30% of the bananas in the United Kingdom and 6% of the Community, La Société Mercantile d'Oltremare controlled 3% of the bananas sold in the European Community, La Société W. Bruns sold 10% of the bananas in Germany and 3% of the European Community (1978 [02/14/1978], p. 213f).
In sum, two companies held a market share of about 70% (CR_2) in the United Kingdom and the German market was also highly concentrated (with a concentration of CR_2: 60%, CR_3: 73%, CR_4: 83%, and CR_5: 92%). All over Europe, the concentration was also high with a concentration of 54% (CR_2), 60% (CR_3), 66% (CR_4), and 71% (CR_5) of the market in the hand of very few companies (1978 [02/14/1978], p. 215). Nevertheless, United Brands was clearly the most dominant player and the European Court of Justice recognized a dominant position and abuse of a dominant position in Europe (1978 [02/14/1978]). The market shares of United Brands in other European contexts is disregarded, here.

Figure A 1: Market share of major companies (bananas) over time in %, global exports

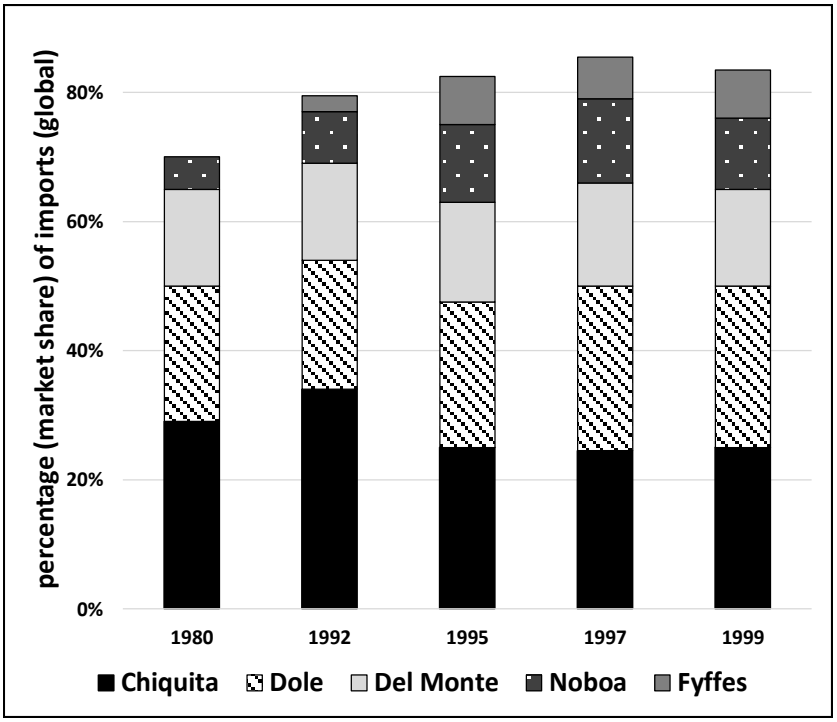


source: Arias et al. (2003)

While trade policies had an impact on the market share and prospects of individual companies, the picture of an oligopolistic market has not changed until 2002. While the three major companies have a market share of about 90% in the USA (given by the data in Arias et al. (2003)), the shares of the global imports and the imports into the European market (of which Austria, Germany, and the United Kingdom are parts) can be assessed below. As can be seen, the major three companies held about 65 (in 1980) to 58% (in 2002) (major 5 companies: about 70% in the same time period) of the global banana exports. On global scale, the very same companies held about 65% (major three companies) or 75 (in 1980) to 84% (in 1999) (major five companies) of the global imports. Furthermore, those same companies have a market share of 52 (in 1980) to about 54.5% (in 2003) of the imports (major three companies) and 59 to 64.5% (major four companies) in the European Union. Another source estimates the combined market share of the exports of the main three companies in 2002 to be about 56%, the major four to be about 64%, and the major five to be about 68% (Banana Link, 2016). Smith (2010a, p. 19f) estimates the global market share of the major three multinational corporations (Dole Food, Chiquita Brands, and Del Monte Fresh Produce) to be about 60% of the whole banana trade (major four companies (including Noboa): about 71%, major five companies (including Noboa and Fyffes): about 78% market share). While the data is not identical, the general picture is similar: the global banana market and the national

banana markets are rather oligopolistic and show a strong degree of vertical integration until 2002/3.

Figure A 2: Market share of major companies (bananas) over time in %, global imports

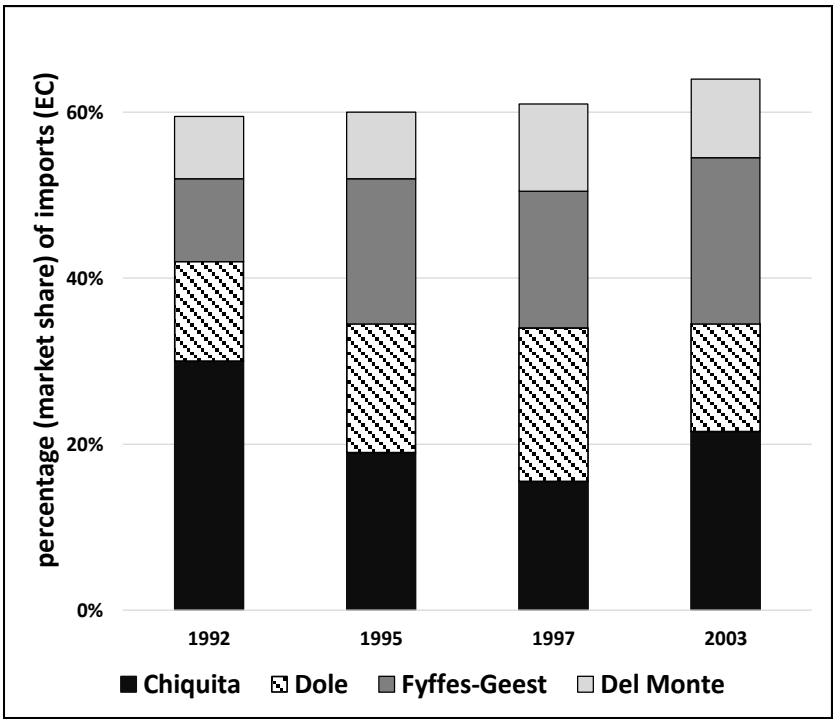


source: Arias et al. (2003)

As can be seen in the comparison of Figure A 2 and Figure A 3[265], the three major companies have a higher market share on the global level compared to the European Union. On the other hand, the market share within national contexts can be even higher. In 2014, the three main importers (Fyffes, Tesco, and Pacific (Morrissons)) into the United Kingdom have a combined market share of about 72% (Make Fruit Fair, 2015 [10/2015]-c, p. 6) - even after the changes in global trade (see Figure A 5 on page 371). In the USA, three major companies held a combined market share of 90% (Arias et al., 2003) in the early 2000s.

[265] The percentages within these graphs should be handled with great caution. Many of the numbers are not that exact as they might appear. If the numbers are given as "higher than X" (as it is the case for the market share of the imports (global in 1995 and into Europe in 1992) of Chiquita), the exact number ("X") is presented; if the numbers are given as "lower than X" (as it is the case of the global exports of Noboa in 1980 and global exports of the major 5 Companies), the exact number ("X") is presented; if a range is presented (as it is in many cases, maximum percentage points-range for single companies: 1%-Point, maximum percentage points-range for combined market share: 4%-Points), the mean value within the range is provided.

Figure A 3: Market share of major companies (bananas) over time (1992 to 2003) in %, imports (into the European Community)



source: Arias et al. (2003)

Besides the global oligopoly, bananas are characterized by a strong buyer power of the national supermarket chains - especially in the United Kingdom (Barrientos & Smith, 2007; Make Fruit Fair, 2015 [10/2015]-c; S. Smith, 2010a, p. 23), Germany (Morazán, 2012), Austria (Make Fruit Fair, 2015 [10/2015]-b, p. 11), and the whole European Union (Make Fruit Fair, 2015 [10/2015]-a, p. 4). In the USA, only the major wholesalers sell their bananas through the main supermarkets or directly, while small wholesalers sell their bananas through small supermarket chains and specialist retailers (Evans & Gordon, 2011, p. 45). In particular, the United Kingdom (S. Smith, 2010a, p. 23) and Germany (Morazán, 2012, p. 17f)[266] are well known for the price wars between the major supermarket chains on bananas. They lower the profit margins (Morazán, 2012, p. 17f) on some products as a to attract customers. In the United Kingdom, the exercised power of the main supermarket chains is exceptionally severe. With regard to fresh fruits and bananas, the major supermarket chains put a strong emphasis on high quality, do not stick to contracts (two of five chains actually purchased the volume ordered), easily switch between producers (which violates the notion of long term relationships by Fair Trade, for instance), and constantly try to

[266] Among the European contexts, Germany (followed by the United Kingdom (14% of the European imports)) is the largest importer of bananas (20% of European imports) (CBI, 2013 [08/2013]). Especially in Germany, the market power of the big transnational corporations is known to be severe (CBI, 2013 [08/2013]). Due to the buyer power of the German corporation ALDI Einkauf, the price is beaten down to the so called ALDI price (Morazán, 2012, p. 17f) as the new market price and reference point for banana trade in Europe.

beat down the prices (Barrientos et al., 2007, p. 114f). In general, the potential for buyer power with regard to fresh fruit (and therefore bananas) is high due to the problem of long term storage – even short periods of banana storage diminish the product quality and thus lowers the price (Barrientos et al., 2007, p. 115).

8.1.7.2 Time Period after 2002/2003 (until today)

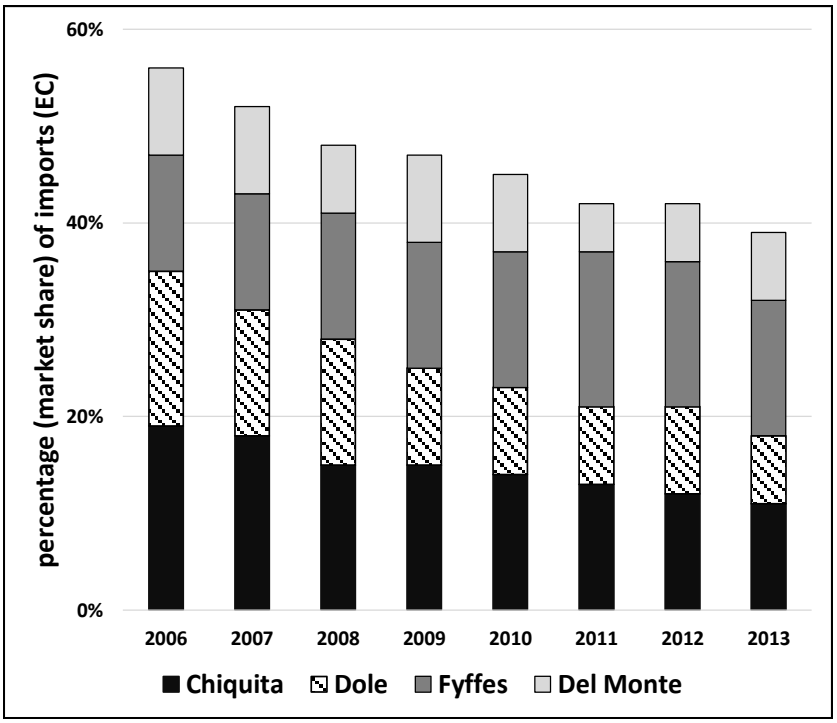
After 2002/2003, the market shares of the major companies dropped considerably. The four major companies which controlled about 58% of the banana imports in 2006, lost nearly 20%-points of the combined market share, which leaves them with 39% of the banana imports in 2013 (data for the European Union).

As Figure A 4[267] demonstrates, the loss of combined market share in the short time period between 2006 and 2013 of the imports into the European Union is stunning (Make Fruit Fair, 2015 [10/2015]-a, p. 5)[268].

[267] The original data is presented graphically as well. Therefore, the exact numbers are estimated roughly from this graph from Make Fruit Fair (2015 [10/2015]-a, p. 5).

[268] Nevertheless, this apparent loss did not necessarily affect all national contexts in a similar manner. In 2013 and for Northern Europe, the combined market share of the five main five importers (Fyffes, Chiquita, Del Monte, Dole, Noboa,Tesco UK) is estimated to be at least 80% in 2013 (European Commission, 2014 [10/03/2014], p. 33). This information is rather imprecise. Del Monte, Dole, Noboa, and Tesco have the same market share – six companies are mentioned and the ranges add up to far more than 100% (European Commission, 2014 [10/03/2014], p. 33). In the United Kingdom, the main three importers still share more than 70% (2014) of the banana imports (Make Fruit Fair, 2015 [10/2015]-c, p. 6) and Fyffes and Chiquita hold a combined and stable (for five years) market share of between 40 and 50% (conventional and overall) to 50 to 60% (Fair Trade / organic) in volume from 2009 to 2013 (European Commission, 2014 [10/03/2014], p. 62). In Germany, 14% of the bananas are sold organic or Fair Trade, while the three main importers share about 30 to 60% of the sales volume (major four: 40 to 75% and major five 50 to 90%) between 2011 to 2013 (i.e. Fyffes, Chiquita, Dole, Del Monte) (European Commission, 2014 [10/03/2014], p. 48). The share of Fyffes and Chiquita in the organic and Fairtrade segment is rather low (between 0 and 10% between 2011 and 2013) (European Commission, 2014 [10/03/2014], p. 48). As in the United Kingdom, the overwhelming buyer power of the main supermarket chains in Germany outweighs the power of the multinational importers – "'retailers can dictate their conditions. […] They are the key driving force in this market'" (European Commission, 2014 [10/03/2014], p. 48).

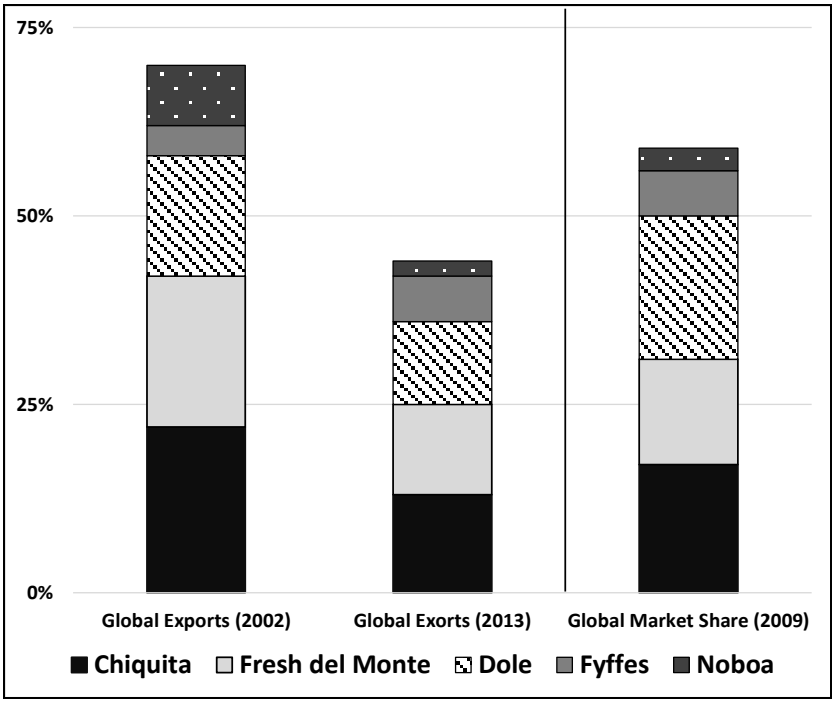
Figure A 4: Market share of major companies (bananas) over time (2006 to 2013) in %, imports (into the European Community)



source: Make Fruit Fair (2015 [10/2015]-a, p. 5)

This image is mirrored by the market shares in the global exports of the very same actors in global trade – thus, the loss of market share is hardly a European phenomenon (Figure A 5):

Figure A 5: Market share of major companies over time (2006 to 2013) in %, imports (into the European Community)



source: FAO (2014, p. 1) and Evans and Gordon (2011, p. 19)

The market share of the global exports dropped to a similar extent between 2002 and 2013 – from a combined market share of 58% in 2002 to 36% in volume by the three main companies (major four: about 66% (in 2002) to 44% (in 2013) (Banana Link, 2016; FAO, 2014, p. 1). Furthermore, the market share of global banana players (major three have an estimated amount of 50% market share in 2009 (Evans & Gordon, 2011, p. 19).

The processes which accompanied, promoted, and potentially caused this major change in the global banana trade will be discussed in chapter 5.6.3.2. It should be noted that the global and partly national banana market has transformed from a rather oligopolistic market (at all levels of the supply chain) to a rather segmented market.

8.2 Components of Collective Action Frames in detail

In this section, the components of "Collective Action Frame(s)" are presented briefly with regard to the national contexts, product categories, and over time.

The occurrence of the different framing components is shown in Table A 21, below. Table A 21 clearly demonstrates that the components of "Collective Action Frame(s)" show a high variation across national settings – especially with regard to the United Kingdom and the "motivational" component. Obviously, those components are rather "noisy" and not the whole variation is theoretically meaningful. From a theoretical viewpoint, those raw indicators (see **(**4.3-1**)** on page 166) need to be subsumed for the relevant theoretical concept "Collective Action Frame(s)". Besides these theoretical arguments for condensing those indicators, this table backs the theoretical intuition to not use the single components, which would be highly biased in favor of the "motivational"[269] component as will be seen.

The first row shows the raw number of articles in which the respective component of "collective action frames" has been mentioned together with the percent of the articles with the respective component of "Collective Action Frame(s)" to all articles within the national setting in which any component of "Collective Action Frame(s)" has been mentioned.

[269] For the problem of the motivational component and its affinity to marketing, see also page 194.

Table A 21: All articles with diagnostic, prognostic, and motivational components of "Collective Action Frame(s)" by national context, absolute amount and % to all articles with any framing component

National Setting	Diagnostic Components		All Articles with Framing Component(s)
Austria	19	(61%)	31
Germany	39	(52%)	75
United Kingdom	130	(43%)	301
USA	47	(69%)	68
Together	235	(49%)	475

	Prognostic Components		All Articles with Framing Component(s)
Austria	19	(61%)	31
Germany	45	(60%)	75
United Kingdom	85	(28%)	301
USA	38	(56%)	68
Together	187	(39%)	475

	Motivational Components		All Articles with Framing Component(s)
Austria	10	(32%)	31
Germany	49	(65%)	75
United Kingdom	247	(82%)	301
USA	34	(50%)	68
Together	340	(72%)	475

source: Factiva Inc. (2014a), own estimation

Overall, the motivational component has been mentioned most often (72%), followed by the diagnostic (49%), and the prognostic component (39%) (Table A 21). A closer look reveals that this hierarchical sequence is driven mainly by the United Kingdom, which has an exceptional high amount of motivational mentions (82% compared to 32% (Austria), 50% (USA), and 65% (Germany)) and by far the highest number of articles collected in total (301 of 475 articles with any component of "Collective Action Frame(s)"). Alas, the number of mentions across countries is highly biased in favor of the United Kingdom. The high amount of articles collected there virtually dwarfs any other national context. In the United Kingdom, the other framing components are mentioned to a relatively low degree, at least when compared to the other national settings. Only 43% of the articles mentioned the diagnostic component (compared to

69% in the USA, 61% in Austria, and 52% in Germany) and the prognostic component has been mentioned in only 28% of the articles (compared to 61% in Austria, 60% in Germany, and 56% in the USA). The other three national settings resemble each other. The components of "Collective Action Frame(s)" have been mentioned to a similar degree and rather "balanced". They range between 50 and 69% - compared to the range in the United Kingdom (28% (prognostic) to 82% (motivational)) The motivational mentions in Austria (32%) are the only outliers from this pattern, which might result from the very low absolute number of articles collected in this national setting (n=43 leading to 31 articles with any framing component). It appears that the motivational component – which shows a strong resemblance to marketing (page 163ff) – is exceptionally pronounced in the United Kingdom, while the other national settings (Germany, Austria, and the USA) show no clear emphasis on one single component of "Collective Action Frame(s)".

In Table A 22, the framing components are assessed for single product categories (coffee, cocoa, and bananas) within national settings. Since the other four product categories (wine, rice, sugar, and honey) are mentioned to a far lesser degree, they are reported together in the category "minor product categories". Some combinations of national settings, framing components, and product categories lead to very few or no articles. Therefore, Table A 22 should be interpreted with caution. Table A 22 shows the absolute number of mentioned components of "Collective Action Frame(s)" and the percentage of respective "collective action frame" (diagnostic, prognostic, or motivational) to all articles in which at least one component has been mentioned by product category. For instance, 27 articles mentioned coffee and the diagnostic component of Fair Trade in Germany. There are 50 articles in Germany which mentioned coffee and any component of "Collective Action Frame(s)" in Germany. Therefore, 27 of 50 articles (54%) mentioned the diagnostic component and the product category coffee.

Table A 22: All articles with diagnostic, prognostic, and motivational components of "Collective Action Frame(s)" by national context and product category, absolute amount and % to all articles with any framing component

National Setting	Diagnostic Components (Coffee)		Diagnostic Components (Cocoa)		Diagnostic Components (Bananas)		Diagnostic Components (minor product categories)	
Austria	9	(47%)	7	(64%)	4	(44%)	3	(60%)
Germany	27	(54%)	13	(54%)	11	(73%)	1	(14%)
United Kingdom	72	(47%)	56	(45%)	30	(56%)	19	(79%)
USA	37	(67%)	15	(75%)	3	(50%)	0	(0%)
together	145	(52%)	91	(51%)	48	(57%)	23	(61%)

	Prognostic Components (Coffee)		Prognostic Components (Cocoa)		Prognostic Components (Bananas)		Prognostic Components (minor product categories)	
Austria	11	(58%)	8	(80%)	6	(67%)	5	(100%)
Germany	28	(56%)	17	(77%)	8	(53%)	7	(100%)
United Kingdom	55	(36%)	43	(34%)	21	(39%)	19	(79%)
USA	31	(56%)	15	(75%)	1	(17%)	2	(100%)
together	125	(45%)	83	(46%)	36	(43%)	33	(87%)

source: Factiva Inc. (2014a), own estimation

Table A 22 ***(continued)***

National Setting	Motivational Components (Coffee)	Motivational Components (Cocoa)	Motivational Components (Bananas)	Motivational Components (minor product categories)
Austria	7 (37%)	4 (36%)	2 (22%)	2 (40%)
Germany	30 (60%)	19 (79%)	11 (73%)	5 (71%)
United Kingdom	124 (81%)	111 (89%)	45 (83%)	22 (92%)
USA	26 (47%)	15 (75%)	4 (67%)	2 (100%)
together	187 (67%)	149 (83%)	62 (74%)	31 (82%)

source: Factiva Inc. (2014a), own estimation

Table A 22 illustrates that the strikingly similar occurrence of framing components in the Austrian, German, and the US context is not simply an artifact, which is due to the aggregation of all product categories. The disaggregated data show similar results and, as will be demonstrated, the disaggregated pattern resembles the aggregated patter of Table A 21. Furthermore, the high occurrence of the "motivational" component in the United Kingdom is not driven by a single product category, but is a consistent finding across product categories. It is not possible to explain the pattern within the United Kingdom above (Table A 21) with regard to the strong marketing effort within one product category in the United Kingdom.

Before interpreting the percentages (between national settings and product categories), the absolute numbers reveal a clear hierarchical sequencing with regard to the product categories. Across all national settings and components of "Collective Action Frame(s)", most articles refer to Fair Trade coffee, followed by Fair Trade cocoa (chocolate and cocoa), and finally by Fair Trade bananas, without any exception. The whole variation of percentages (given by the range) has increased – in part, due to the smaller absolute number of articles per cell for all national settings. The percentages for Austria do not allow for a straight interpretation. Also, the percentages for "minor product categories" do not allow for such an interpretation and are excluded from the description below.

In Germany, the range of all percentages of "collective action frame" respective to all articles with at least one component mentioned lies between 53% and 77%, which appears to be a rather low range and a "balanced" resonance of all three components of "Collective Action Frame(s)" in the

German media. Compared to other framing components within the national settings and the component of "Collective Action Frame(s)" across national settings, the motivational component still resonates best in the United Kingdom (81% to 89%). Diagnostic (47 to 56%) and prognostic components (34% to 39%) are pronounced to a far lesser degree in this national setting. In the US media, the three components are mentioned to a similar degree (between 47.3 and 67.3%) for cocoa and coffee. This range increases if bananas are considered as well (17 to 76%), which is due to a very low absolute number of articles about fair trade bananas and any component of "Collective Action Frame(s)" (6 articles).

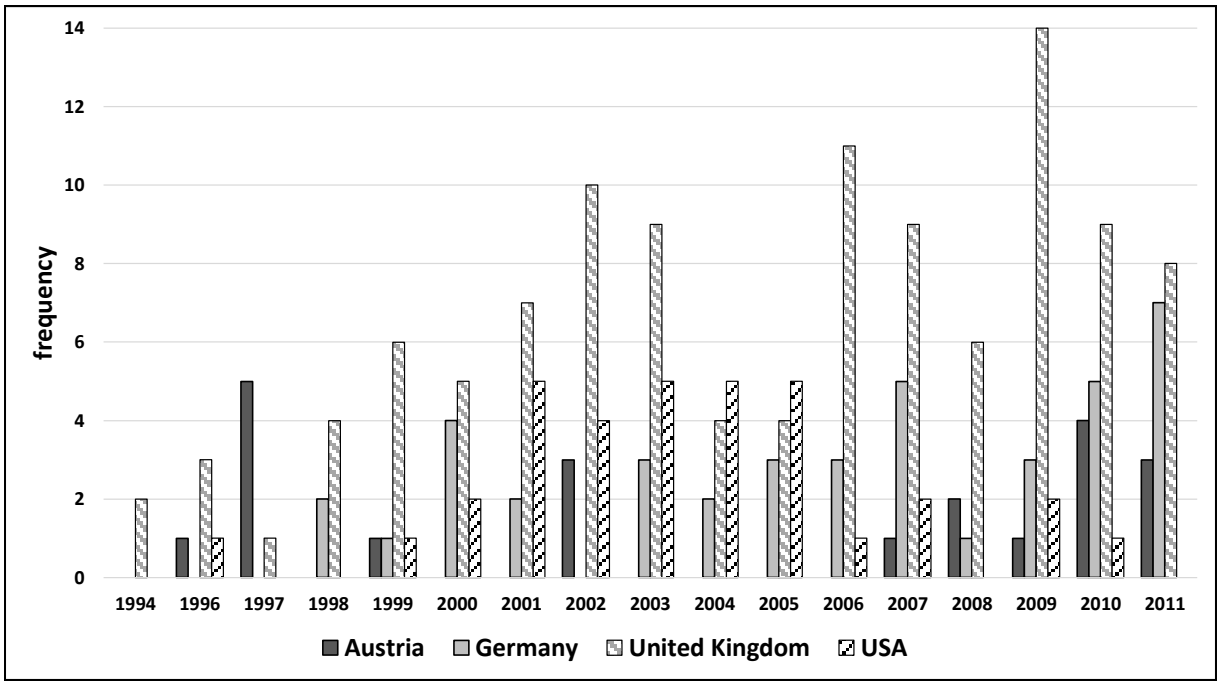
After describing the articles with and without framing components across product categories and national settings, the amount of articles with "Collective Action Frame(s)" is assessed. In Figure A 6, the framing components are subsumed under the concept "Collective Action Frame(s)" as outlined in chapter 4.3.3.1.

As discussed in chapter 4.3.3.1, the motivational component alone does not qualify as "Collective Action Frame(s)" since the mentions are very close to marketing and lack a clear "mobilizing" component that relates to "political activity" or fair trade. Similarly, the diagnostic component alone can be regarded as a description of the status quo and – without the motivational or prognostic component – has a very weak link to Fair Trade if mentioned alone. The description of the life situation down the supply chain and the motivation to buy products that are sourced differently (even if the reasons might relate to other product characteristics, as well) only qualify as "Collective Action Frame(s)" when used together. Therefore, any article that mentioned the diagnostic and the motivational component together is regarded as an article with "Collective Action Frame(s)". Furthermore, the prognostic component – the arguments which frame fair trade as a solution to the global issue of inequality or to local hardships of producers – is sufficient to the concept of "Collective Action Frame(s)". The prognostic component encompasses only mentions, which explicitly argue for fair trade, and thus, fair consumption, as a solution to pressing problems. In summary, "Collective Action Frame(s)" are detected if the diagnostic and the motivational component are mentioned together or if the prognostic component is mentioned alone. In addition, the article has to be in favor of Fair Trade.

Again, one should keep in mind the low absolute number of mentions when interpreting the graph and the extenuated, but still persistent bias for the United Kingdom (53% corresponding to 112 of 208 articles). "Collective Action Frame(s)" appeared in Austria, Germany, and the USA to a similar degree over time – a clear upward trend of "Collective Action Frame(s)" is not observed. In the USA, most of the mentions are detected at the early to mid-2000s. After 2006 they begin to

drop with eventually no mention in 2011. The amount of mentions in the United Kingdom are high over time, with a drop in the mid-2000s. For Germany and Austria no such pattern could be detected.

Figure A 6: All articles with "Collective Action Frame(s)" by national context from 1994 to 2011, absolute amount



source: Factiva Inc. (2014a), own estimation, N=208

In the following table, only articles are considered in which "Collective Action Frame(s)" have been detected (Table A 23).

Table A 23: All artricles with diagnostic, prognostic, and motivational components of "Collective Action Frame(s)" by national context, absolute amount and % to all articles with "Collective Action Frame(s)"

National Setting	Diagnostic Component(s)		All Articles with "Collective Action Frame(s)"
Austria	14	**(67%)**	21
Germany	26	**(63%)**	41
United Kingdom	84	**(75%)**	112
USA	27	**(79%)**	34
Together	151	**(73%)**	208

	Prognostic Component(s)		All Articles with "Collective Action Frame(s)"
Austria	19	**(90%)**	21
Germany	37	**(90%)**	41
United Kingdom	78	**(70%)**	112
USA	33	**(97%)**	34
Together	167	**(80%)**	208

	Motivational Component(s)		All Articles with "Collective Action Frame(s)"
Austria	7	**(33%)**	21
Germany	27	**(66%)**	41
United Kingdom	101	**(90%)**	112
USA	23	**(68%)**	34
Together	156	**(76%)**	208

source: Factiva Inc. (2014a), own estimation

Table A 23 shows the absolute number of articles with "Collective Action Frame(s)" in the right column and the absolute number of articles with "Collective Action Frame(s)" and a certain component of "Collective Action Frame(s)" in the left column. In the middle column, the percentage of articles mentioning a respective component to all articles with "Collective Action Frame(s)" is shown. The variation (given by the range) of the diagnostic component to "Collective Action Frame(s)" is comparatively low (63% (Germany) to 79% (USA)). The prognostic component is by far the most mentioned component in Austria, Germany, and the

USA (90 to 97%), while relatively few mentions (compared to all "Collective Action Frame(s)") were detected in the United Kingdom (70%). Again, the "Collective Action Frame(s)" in the United Kingdom are dominated by the "motivational" component. This component has been mentioned in 90% of the articles, which dwarfs the percentages of the "motivational" component in all the other national settings (33% in Austria, 66% in Germany, and 68% in the USA). The few mentions of the motivational component in Austria (33% corresponding to 7 articles) may be due to the low absolute number of articles collected in this national setting. Besides this exception, all components have been mentioned to a considerable amount (63 to 97%), which militates in favor of a rather balanced pattern of mentions of all three components across national settings.

9 Curriculum Vitae

Jan-Christoph Janssen

Date of birth: 08.11.1983
Place of birth: Geesthacht

Education

10/2011 – present	PhD Candidate, Faculty of Management, Economics and Social Sciences, University of Cologne Thesis: *Why coffee and not honey – untangling the limits and opportunities for certifying the 'moral quality' of products* Supervisors: Prof. Dr. Sigrid Quack, Prof. Dr. Christine Trampuch
03/2011	Diploma in Social Sciences University of Mannheim Diploma Thesis: *Der Fair Trade Markt Deutschlands - Variation der „politischen Mission" jenseits sanktionierter Standards* Supervisors: Prof. H. Hillmann, Prof. M. Woywode
10/2004 – 03/2011	Studies in Social Sciences, University of Mannheim
02/2008 – 07/2008	Studies in Social Sciences and Law, Exchange Semester Abroad, University of Utrecht
06/2003	High School Degree, Otto-Hahn-Gymnasium Geesthacht

Scholarships and Grants

06/2015	Junior Scholar Grant der European Sociological Association for the contribution „Counter-Movements or Weak Veto Players? Paths to Industry Regulation in the Case of the Financial Transaction Tax" (together with Agnes Orban)
10/2011 – 09/2014	Full Scholarship for Doctoral Studies at the Cologne Graduate School
02/2008 – 07/2008	ERASMUS Scholarship for Studies Abroad

Professional experience

10/2014 – 10/2016	Institute of Sociology and Social Psychology (ISS), University of Cologne Research Fellow

05/2012 – 03/2013	University of Cologne Research Assistant to Juniorprofessor Ingo Rohlfing
05/2009 – 02/2011	Department of Small Business Research & Entrepreneurship, University of Mannheim
04/2007 – 01/2008	Student Research Assistant
07/2008 – 10/2008	Ipsos GmbH, Hamburg Intern (Market research)
08/2006 – 09/2006	Mehr Demokratie e.V., Hamburg Intern
04/2004 – 05/2004	IWD - Das Marktforschungsinstitut, Hamburg Interviewer

Community Service

08/2003 – 05/2004	Geesthachter Werkstätten (für behinderte Menschen), Geesthacht