Coopetition in Industry Associations:
A study of Scandinavian Outdoor Group

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Program
Degree Project, 30 Credits, Spring 2018
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ABSTRACT

Coopetition - the simultaneous pursuit of cooperation and competition, is a paradoxical situation where the pooling of resources has the potential to create greater advantages compared to if the involved actors solely compete. Previous research shows that coopetition is a difficult strategy to pursue due to the tensions arising from the paradox. In this study, coopetitive relationships within an industry association is studied. The focal context is the Scandinavian Outdoor Group (SOG), which facilitates cooperative activities between competitors, mainly concerning export and sustainability. The main purpose of this thesis is to gain a deeper understanding of how industry associations affect the coopetitive relationships within it. Furthermore, we aim to investigate how the tensions stemming from the paradox are managed.

We could identify a research gap, since no coopetition scholars have up to this date explored the third party role in facilitating cooperation and nonetheless industry associations. Furthermore, previous research on coopetition has mainly focused on high-tech industries, where the cooperation mainly occurs far from the customer, hence there is a need to conduct research in contexts with oppositional characteristics.

In order to fulfil the purpose of this thesis, a qualitative study was conducted. The qualitative study consists of eight semi-structured interviews, six of which were with senior managers from member firms and two with people possessing key functions in SOG. Through the interviews, a deeper understanding of the industry association’s role in facilitating cooperation between competitors was gained. Further, a more profound knowledge of the member firms views on being part of an industry association and cooperating with competitors was attained through the interviews. From our empirical data as well as previous theories presented in the theoretical framework, we derived three main themes in which we present our main findings.

From our findings, we conclude that SOG has a salient role in facilitating cooperation between competitors. It affects the coopetitive relationships through activities where personal bonds are built and trust is created, which also leads to deeper cooperation outside the boundaries of SOG. Further, we found the member firms to already be positive towards cooperating with competitors before entering SOG, but that the view had been strengthened since then. Mainly positively dominated low tensions were found, which partly derive from the cooperation dominated paradox, but factors such as industry characteristics, culture and voluntary engagement seem to play their role. Previous research claims that positively dominated low tensions expose firms to opportunistic behaviour, whereas in this case, the high level of trust was found to function as a substitute.

Keywords: Coopetition, industry associations, tensions, balancing, third party role, network, co-branding, sustainability
ACKNOWLEDGEMENTS

We would like to show our gratitude to the general secretary of SOG, Sara Wänseth, and the sustainability coordinator of SOG (through Peak Innovation), Joel Svedlund, for their guidance and interest in this thesis. Further, we would like to thank the responding member firms for their participation and their responses. Without your generous answers, this study could not have been conducted. Moreover, it is hard to imagine a better supervisor than ours, Thomas Biedenbach, who supported us from the beginning and patiently advised us throughout the process. Thank you very much. Lastly, Tatbeeq Raza-Ullah deserves a great thank you for his passionate tutoring about coopetition, without which we would not have chosen this subject for our thesis. Furthermore, we are thankful for his guidance in the literature search, which gave us a stable ground to base our theoretical framework upon.

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1. Introduction
This introductory chapter aims at providing a background of what has led to the pursuit of this study. First, the authors are presented and the choice of subject explained. Following, the phenomenon of coopetition is presented as well as a presentation of Scandinavian Outdoor Group. Furthermore, research gaps are identified and the theoretical background is outlined. Lastly, the research questions and the purpose of the study are presented.

1.1. Choice of subject
We are two business administration students, one with a focus on business development and one on management. Our common interest in strategic management caused the decision to land on coopetition as field of research. As you will notice, coopetition is a multi-level construct where strategical movements on the business level causes great implications on the individual level, a dynamic which fits very well with our mixed disciplines.

We initiated the research process by examining literature, in which was previously provided to one of the authors in a course taught at Umeå School of Business and Economics. The practical implications of coopetition, especially tensions and the management of those, caught our attention and directed our further choices of what literature to examine. We shared our interest with Tatbeeq Raza-Ullah, associate professor and coopetition researcher, who directed us to important contemporary research. Relatively soon we understood the novelty of the coopetition field and began to look for a context with possibilities to conduct exploratory research in. Simultaneously as we were deepening our knowledge in the field, we screened the surroundings and found the Scandinavian Outdoor Group (henceforth referred to as SOG). SOG is an industry association mainly facilitating cooperative exporting activities, but also increasingly pushes for sustainable improvements. After a sufficient amount of literature had been scrutinized, we recognized the absence of investigating the third party role, a common structure to facilitate cooperation among competitors, and the lack of recognizing industry associations as subject to coopetitive tensions. This put together made us to move forward with SOG. By investigating an industry association with a coopetition lens, we aimed to gain fruitful insights in how to leverage coopetition in the context most effectively. Since one of us are somewhat involved in the industry SOG embraces, we thought it would enable easier access.

We have chosen relevant and contemporary research in coopetition theory, as well as older research to attain a holistic view of the concept. Besides coopetition, we have also build the theoretical framework upon relevant theories concerning industry associations and their impact on member firms. Moreover, we have reviewed co-branding research and defined sustainability, which are the main cooperating activities in the chosen context.

1.2. Problem background
Brandenburger and Nalebuff (1997) were among the first researchers to shed light on the phenomenon of coopetition. The term is a fusion of cooperation and competition, where the latter is important in business to encourage and create incentives for development and efficiency; a lack of competition can result in laziness and stagnation. Cooperation on the
other hand, increases flexibility, coordination, problem-solving and joint investments. Brandenburger and Nalebuff (1997) argue that an organization must practice both concepts simultaneously to succeed in the information economy. The core in coopetition is to create a bigger pie together with other players on the same market to, in the end, get a bigger slice (Brandenburger & Nalebuff, 1997, p. 28). The authors further exemplify coopetition using the event of when the first cars came out into the market, when there was little value in owning a car if there were no proper roads to drive on (1997, pp. 28-29). The car manufacturers realized this problem and joined forces together with tire manufacturers and headlight firms to, in 1913, create the Lincoln's Highway Association and built the first highway (Brandenburger & Nalebuff 1997, p. 30). Through this cooperation between competitors, they jointly increased the value of their products which led to an increased market, bigger pie, which in turn led to increased sales, the slice of the pie got bigger.

However, coopetition in practice is challenging due to the opposite natures of competition and cooperation - a paradox. Strong competitors have been suggested as optimal partners in a strategic alliance (Deming, 1993), which explains why over 50% of all new alliances are formed between competitors (Harbison & Pekar, 1998), yet more than half of all strategic alliances fail (Park & Ungson, 2001). According to Gnyawali et al. (2016), a substantial amount of research has been conducted on cooperation and competition separately, but research on the simultaneous pursuit of them both, coopetition, is quite scarce. Tensions in the coopetition alliance partly derives from the trade-off between knowledge sharing and knowledge protection (Li et al., 2012, p. 1191). In other words, for coopetition to be successful, a certain amount of information must be shared for the sake of the cooperation, while at the same time the focal firm needs to protect sensitive information from its competitor.

Coopetition in the example of the Lincoln Highway Association (Brandenburger & Nalebuff 1997, p. 30) also tells the story about an industry association that was formed. The cooperation between the car manufacturers was facilitated by the industry association and collective actions were taken to move towards a common goal. In this study we will examine coopetition in an industry association, in which we have identified coopetitive activities to appear.

The following is a commonly used definition of industry associations; “organizations through which a group of interdependent firms, typically in the same industry, pool their resources and coordinate their efforts so that they may ‘speak with one voice’ on matters of shared interest” (Barnett, 2013, p. 214). Rajwani et al. (2015) argues that industry associations are institutional actors who influence the practices of their member firms (Rajwani et al., 2015). Other terms interchangeable for industry associations are trade associations (Rajwani et al., 2015) and business associations (Hultén et al., 2012). Previous research has shown that they play a significant role in defining and enforcing industry norms (Lenox & Nash, 2003), the diffusion of innovations (Watkins et al., 2015) and in protecting their member firms from external pressures (Barley, 2010). Enforcing norms in a practical sense, industry associations have been identified as key players in developing and implementing industry standards, where it has been suggested they may influence the dispersion of such standards across borders and jurisdictions (Lenox & Nash, 2003). Voluntary agreement plans initiated by industry associations are suggested to strongly influence small and medium-sized member firms in their actions regarding climate change (Wakabayashi & Arimura, 2016). They can both play a facilitative role
where member firms initiate a self-regulatory program (King & Lenox, 2000), or actively launching programs, even in situations where member firms are not initially supportive (van Wijk et al., 2013).

As with the Lincoln Highway Association, SOG is an industry association facilitating cooperation between member firms, where many are competitors. The cooperation between a number of Scandinavian outdoor brands materializes in the practice of co-branding. Co-branding includes different branding strategies when two or more brands are involved (Blackett & Boad, 1999), which we perceive the exporting activities to mainly focus on. The co-branding aims at establishing the concept of ‘Scandinavian Outdoor’ internationally (SOG, n.d.). Further, they have the objective to provide a platform for cooperation and offer projects that strengthen both the image and the profit of the brands (SOG, n.d.). “We believe that by joining together 1 + 1 can become 3” (SOG, n.d.). In addition to co-branding, SOG increasingly involves its members in sustainability projects within the association.

According to SOG’s website (n.d.), they are a not-for-profit membership organization registered in Sweden, consisting of 66 outdoor brands, mainly small and medium-sized enterprises (SMEs), and media from Iceland, Finland, Norway, Sweden and Denmark. It was founded in 2000 to further improve the perception of Scandinavian brands by addressing the quality the products possess, this due to tough weather conditions in the surroundings (SOG, n.d.). According to definition, Scandinavia actually only consists of Sweden, Norway and Denmark, but does sometimes include all the Nordic countries which adds Iceland and Finland (NE, n.d.), as it does in the case of SOG. The Scandinavian outdoor market includes almost everything that is used when being outdoors, such as tents, headlamps, shoes, clothes and knives. What the products have in common is that they are adapted to make outdoor activities easier and more comfortable (SOG, n.d.). The main coordinated sales activity takes place on the ISPO Munich exhibition, the world’s greatest multi-segment trade fair for international sport business (ISPO, n.d.). At trade fairs, SOG has its own section, the Scandinavian Village, where all member firms are accommodated, although every member firm has its own stand (SOG, n.d.).

Apart from Scandinavian Village, there are other regular activities taking place in SOG, such as Scandinavian Outdoor Award and Outdoor Academy of Scandinavia (SOG, n.d.). Scandinavian Outdoor Award is a competition aimed at supporting product and design innovations to promote products from member firms (SOG, n.d.). Products are nominated for both summer and winter seasons, i.e. twice a year, and are judged by an international jury who awards the best products according to its functionality, quality, innovation, design and sustainability (SOG, n.d.). Further, Outdoor Academy of Scandinavia is a project with the objective to invite customers to, together with staff from some of the member firms, discover the Scandinavian outdoor and try out the equipment provided by the participating brands (SOG, n.d.).

Further explained on SOG’s website (n.d.), every spring and fall a member assembly is held where decisions regarding projects, budgets and board of directors are taken. In connection with the assemblies, other activities take place such as social events, competence seminars and planning of other projects (SOG, n.d.).
Apart from co-branding and sales activities, SOG increasingly focuses on sustainability issues with the formation of different sustainability activities, such as SOG Sustainability Network. SOG Sustainability Network arranges seminars and has a Facebook group consisting of about 100 people from the member firms. Joel Svedlund, who is in charge of SOG Sustainability Network through Peak Innovation, states in the Scandinavian Outdoor News (2018, p. 28): “if your goal is to improve the environment, you can’t keep your innovations to yourself”. Svedlund (personal communication, February 20, 2018) explains that Peak Innovation is part of the firm Peak Region, an innovation node with its base in Jämtland owned by municipalities, Mid Sweden University as well as trade- and industry. The focus of Peak Innovation is outdoor gear innovations in which they have worked together with SOG for several years, with a more explicit focus on sustainability in the latter years. The vision of SOG Sustainability Network is to function as a platform for more in-depth cooperation between firms regarding sustainability, which can already be noticed in spin-off projects in smaller groupings (J. Svedlund, personal communication, February 20, 2018). Another example of sustainability projects within SOG is Sustainable Retail (J. Svedlund, personal communication, February 20, 2018). Sustainable Retail consists of a group of member firms from SOG which, together with Peak Innovation, aims at creating a better sustainability communication between retailers and consumers (J. Svedlund, personal communication, February 20, 2018). Moreover, Svedlund is the connection to the European Outdoor Group (henceforth referred to as EOG) and their extensive sustainability endeavours. SOG is an associate member of EOG among other outdoor industry associations and outdoor gear retailers and producers (J. Svedlund, personal communication, February 20, 2018).

To maintain a high quality of the shared brand image of SOG, there are certain requirements that need to be fulfilled before entering. Firstly, they need to have an overall turnover of minimum 1 million Euro, of which at least 300,000 Euro should derive from export to at least three countries outside the Nordic Region (SOG, n.d.). Secondly, they need to provide written references from at least one outdoor retailer located in one of those three countries. Thirdly, they need to provide recommendations from at least three firms that are already members of SOG (SOG, n.d.). Apart from these requirements, the firms need to be well-respected, act in one of the Nordic countries, and have high quality and innovative products in the outdoor sector as well as a high degree of business ethics (SOG, n.d.).

SOG is thus an industry association facilitating cooperation, whereas many of the actors are direct competitors. The paradoxical nature of cooperating with competitors creates tensions, which have been suggested to partly explain why strategic alliances fail. Up to this date, SOG has been facilitating cooperation for 17 years, which we consider as a successful alliance, in the sense that the member firms extend their membership and continue to pool resources. Therefore, we want to investigate the reasons for it.

1.3. Theoretical background and research gaps
Adam Smith (1776, cited in Marques, 2017, p. 733) stated that people of the same trade should not meet since this would end in a conspiracy against the people or with an agreement of raised prices. We can assume it is not the opinion of most people today since almost every industry organizes in one way or another (Marques, 2017, p. 734), as well as the establishment of antitrust laws by legislators to prevent such events (Markovits, 2017). According to Marques (2017), the organizing of industry associations began with the aim to better influence decision makers such as the government.
Influencing legislators is however not as important to SOG as it is to facilitate co-branding towards the international market. As mentioned, they pool resources to market themselves as Scandinavians, with an emphasis on high quality products due to harsh weather conditions (SOG, n.d.). This leads us to assert theories within co-branding and further review and define sustainability due to SOG’s focus on the subject.

To attain a holistic view of industry associations, the history and motivations of their formation are reviewed. The relevance of this lies in the fact that a deeper understanding of what positive and negative aspects there are of such an engagement must be reached before exploring the focal industry association. Furthermore, this helps us to apply coopetition theories in such a setting, since it explains why competitors initially began to cooperate. Therefore, we examine the theory which is stated to explain the main reasons to why industry associations began to appear, namely; the logic of collective action (Marques, 2017). Furthermore, contemporary research is scrutinized in order to apprehend modern industry associations’ objectives and activities, however, from a management perspective, research on industry associations is relatively scarce, where scholars hitherto have focused on organizational theories and business ethics (Marques, 2017, p. 735). Industry associations have also appeared in resource dependence theory (Pfeffer & Salancik, 1978) as well as corporate social responsibility (henceforth referred to as CSR), but as mentioned, not as much in management literature. Combining industry associations with the relatively new phenomenon of coopetition and the tensions stemming from it, forms an original take on the theories; viewing an industry association with a coopetition lens.

Bengtsson and Kock (2000) outlined coopetition in business networks where the industry associations played a third party role in facilitating cooperation, as a mean to separate the conflicting forces of competition and cooperation. As far as we know, no coopetition scholars have had the third party role itself and nonetheless industry associations in focus. By applying theories stemming from coopetition research, we aim to gain insights on how to run and participate in an industry association most effectively. This coopetition lens enables us to understand how the cooperative element that is introduced to the competitors affect the member firms’ competitive relationships. Furthermore, how their competitive relationships affect the cooperation, how the actors moderate the tensions stemming from the paradoxical situation and what mechanisms that are established to control information flows. Incentives for competitors to cooperate in high-tech industries are explicit due to short product life cycles, converging technologies and increased R&D costs (Gnyawali & Park, 2009, p. 314). Hence, after the coopetition field was scrutinized, we concluded that less attention has been drawn to industries considered low-tech.

Bengtsson and Kock (2000) argued that firms solely want to cooperate far from the customer, and besides the attempt of Lindström and Polsa (2016) to conceptualize coopetition in output activities, little attention has been drawn to output activities. Also, Chiambaretto et al. (2016) highlighted coopetitive branding in its different forms, benefits and risks, although solely looking at dyadic relationships.

Bengtsson et al. (2016) suggest that the field of coopetition would benefit of adopting a holistic take on the phenomena, where existing theoretical roots are combined with micro-level-oriented approaches. Theories on the organizational and individual level needs deeper attachment (Bengtsson et al., 2016), in order to explain underlying mechanisms and their impact across levels (Bouncken et al., 2015). Bengtsson et al. (2016) further
suggests coopetition researchers to adopt new, creative contexts. We examine research on multiple levels in SOG, which operates in the outdoor industry to facilitate co-branding and sustainable solutions, where the characteristics of the industry and the activities are not usually affiliated with coopetition. Further, Gnyawali and Park (2009, p. 309) argue that the importance of coopetition is even greater in the context of SMEs, and Bengtsson and Johansson (2014, p. 403) claim the coopetition literature so far has mainly focused on large firms.

Accordingly, the research gaps stated in this chapter has directed us to conclude in the following research questions.

1.4. Research questions
How do industry associations affect the coopetitive relationships among member firms?

How are tensions stemming from the coopetition paradox managed by industry associations, member firms and individuals?

1.5. Thesis purpose
The main purpose of this thesis is to contribute to coopetition literature by investigating the coopetitive relational ties among member firms in SOG, as well as the impact of the industry association on those ties. Further we want to investigate whether coopetitive tensions arise between direct competitors when cooperating in co-branding and sustainability activities, and how these tensions are managed by industry associations, member firms and individuals within the member firms. The nature of the first research question, i.e. effect on coopetitive relationships, promotes the responding member firms in this study to have direct competitors within the association. If not, the ties would solely be cooperative. Moreover, the responding member firms should preferably be engaged in the same cooperative activities within SOG. This because actors interpret the reality differently, hence more viewpoints are demanded to draw conclusions regarding specific activities. By this, we aim the results to be applicable to industries with similar dynamics and industry associations with similar objectives as the focal one.

As suggested earlier, industry associations play a significant role in influencing the practices of its member firms (Lenox & Nash, 2003), and nonetheless within sustainability (Wakabayashi & Arimura, 2016). Due to the relative absence of management research in the context, and an absolute absence of research targeting the probable core mechanism guilty of impairing cooperation between competitors, findings in this study have the potential to create large positive effects. Other managers of industry associations may discover critical success factors, which can be transformed and applied on their own networks, with increased cooperation as a potential consequence.

To fulfil our purpose, a qualitative study with semi-structured interviews was conducted with managers from the member firms as well as with coordinators of SOG.
2. Scientific method

In this part, the authors of this thesis view on knowledge is presented, how the study was approached, and how our view and approach affect the study, which research design we have chosen and why, as well as our pre-understandings and the implications of those. Our chosen theories are also discussed, why they were chosen and how they were found.

2.1. Ontology

Ontology deals with ‘the nature of being’, i.e. the nature and character of social entities (Bryman, 2008, p.35). When studying the nature of being, it is important to address the question of how to interpret and hence, how to approach it. Ontology regards the researchers’ beliefs about reality and truth, and the question is whether the reality of social entities should be interpreted as objective or subjective. In other words, if reality should be looked upon in a matter-of-fact kind of way, that lies beyond our intellect or not (Bryman, 2008, p. 36). The objective way of viewing the reality is called objectivism. Objectivism positions the social phenomenon as independent from the social actors, where only one truth exist and hence is generalizable. Bryman (2008, p. 36) uses the example of organizations as a social phenomenon and the individuals within it as social actors. The objectivist views the organization and its operations as independent from the people operating in it, meaning that the organization and its people are interchangeable, and the systems would look the same no matter who the people are (Bryman, 2008, p. 36). Alvesson and Deetz (2000, pp. 73-74) dispute the objectivist view by stating that the world in itself is foundationally undetermined; it is determined specifically by people’s interests and ways to relate to it.

The above-mentioned standpoint by Alvesson and Deetz (2000) belongs to another ontological approach, namely constructionism. Constructionists advocate that multiple realities exist and is shaped by context, i.e. it is interpreted subjectively (Alvesson & Deetz, 2000, p. 74). Truth, according to a constructionist, evolves and changes with experiences (Bryman & Bell, 2017, p. 53). Bryman and Bell (2017, p. 53) state that the findings of such a study cannot be generalized but can only be transferred into similar contexts. This study is of an exploratory nature where the aim is to find out the relationship between actors in a certain context. A relationship is, according to us, something that is continuously created by social actors and hence changes with experience. Our beliefs about reality is therefore subjective and the interpretation of it depends on the context as well as the actors. Since we want to find out the reality of a certain context through the experiences of actors in the stated context, the constructivist perspective aligns with our ontological standpoint.

2.2. Epistemology

Epistemology deals with researchers’ relationship to their study and what can be considered as acceptable knowledge within the domain of the study. This means that the epistemology of a study considers whether the social reality can or should be studied according to the same principles and methods as in natural science or vice versa (Bryman & Bell, 2017, p. 47). Positivism is an epistemological stand which advocates the use of the same methods in social sciences as in natural sciences. The positivistic researcher aims at being as objective as possible in his or her research, meaning the researcher does not take a personal standpoint when conducting the study. The researcher in this case strives to be an external observer and wants to generate theories from the testing of hypotheses. A second epistemological stand is realism, in which many aspects are similar
to positivism. The difference lies first and foremost in the fact that realists recognize there is more than one way of finding knowledge about reality, whereas positivists views the scientific research as a mirror of reality, i.e. it is a more restricted way of viewing reality (Bryman & Bell, 2017, p. 47).

Furthermore, a researcher can attain a hermeneutic view on knowledge, which is the view of the authors of this study. The hermeneutics have a starting point at collecting and analysing data to reach an understanding of a certain context (Bryman and Bell, 2005, p. 443), which is what has been pursued in the study of SOG and the coopetitive situation within it. By conducting interviews with people involved, a deeper understanding about the mechanisms that drive competitors to cooperate in the context of SOG has been gained. The interviews have been conducted with the aim to reach the involved actors experiences and insights to be able to find their truth about the reality. Further, Bryman and Bell (2005, pp. 443-444) argue that the analysis of different kinds of data with a hermeneutic point of view needs to consider the interpretation by the authors as well as the context in which the data was attained. This means that we, the authors, cannot strive for being entirely objective in our study, but instead subjectively depart from our own pre-understandings. This is a method Patel and Davidson (2011, p. 29) explain as characterising the hermeneutic researcher; viewing knowledge, thoughts, impressions and feelings that he or she already possesses as something useful for the understandings of the research. The hermeneutic point of view aims at attaining a holistic view of the subject (Patel & Davidson 2011, p. 29). By looking at historical as well as contemporary research in coopetition and industry associations, we believe a general picture of the theories has been gained. Furthermore, the holistic view has directed us to carefully consider the choice of respondents, to obtain different views from actors involved in SOG. The respondents have been chosen from certain criteria which will be further explained in the practical method. Our choice to investigate coopetition in two dimensions in the context, sustainability activities and co-branding, although we could constraint it to one, is explained by our hermeneutic view.

2.3. Research approach
There are usually two ways to categorize research approach, namely; induction and deduction. An inductive approach is often explained as a bottoms up-view, meaning the theory is generated from the research (Bryman & Bell, 2012, p. 380). According to Saunders et al. (2012, p. 146) research using an inductive approach is usually concerned with the context in which the studied topic is taking place. The authors further argue that an inductive study reaches its findings by studying patterns from a collection of single cases, and by assuming a sort of truth is reached in the connections between them. This method finds a general rule from a collection of observations, which generates weakness of drawing conclusions solely from single cases and hence not being able to see the whole truth (Alvesson & Sköldberg, 2009, p. 3). Alvesson and Sköldberg (2009, p. 3) further illustrate this weakness with an example; “there have never been any rocks on the bottom so far when I have dived into the water; therefore there are probably none this time either”.

The opposite of inductive is deductive approach, which views the relationship the other way around; research is generated from theory, i.e. top down (Bryman, 2012, p. 160). A deductive approach departs from a general rule and claims this rule explains a single case (Alvesson & Sköldberg, 2009, p. 4). Alvesson and Sköldberg (2009, p. 3) explain that deduction is less risky since this approach can assume what will be explained by the
general rule, which is asserted to always hold true. However, Alvesson and Sköldberg (2009, pp. 3-4) further argue that a deductive research has troubles explaining anything at all since it is strictly controlled by authoritarian predetermined statements.

Alvesson and Sköldberg (2009, p. 4) argue that induction and deduction are both extremes and it is complex to force all research into either one of them. A third method, a mix between induction and deduction, can thus be introduced; abduction. Alvesson and Sköldberg (2009, p. 4) state that since a research would be bordering on flat if it aimed at reaching true deduction or true induction, most research have an abductive approach. Bryman and Bell (2011, p. 27) explain abductive approach similarly, where abductive logic starts with a puzzle that might arise when a researcher stumbles upon a phenomenon in the empirical findings, which cannot be explained by existing theories. By studying the social world, the researcher seeks to identify conditions for the issue to become less puzzling, turning to existing theory and then back to the social world, in a back-and-forth manner to find the most reasonable explanation for the issue (Bryman & Bell, 2011, p. 27).

The approach of this study is inductive, which is explained by the fact that empirical data is first collected, which is used as basis when generating theory. Our pre-understandings as well as the preparation of the theoretical framework before data collection, however, indicate that the approach is not exclusively inductive. Further, our interviews will be based on an interview guide containing questions which are partly influenced by previous research, which could be assumed to be a deductive approach. However, Bryman and Bell (2011, p. 25) states that inductive approaches are likely to involve some deductive elements and vice versa. The coopetition field has an exploratory nature with many challenges lying ahead (Bengtsson & Kock, 2014) where the paradigm points towards theory building (Lindström & Polsa, 2016; Bengtsson & Kock, 2000; Fernandez et al., 2014; Gnyawali & Park, 2011) rather than theory testing. Due to the novelty of conducting coopetition research in the focal industry and context, we argue that the study is exploratory in its nature, hence it is inductive.

2.4. Research design

The constructivist perspective promotes a qualitative study (Bryman & Bell, 2011, p. 27), which also aligns with the nature of this study’s research questions. Firstly, a qualitative study suits better when attempting to answer questions which are more of exploring character such as trying to gain an understanding of how something is related (Saunders et al., 2012, p. 163). Second, since coopetition is studied in a specific industry association, the study is context based to a great extent, implying a qualitative research fits better (Saunders et al., 2012, p. 163). A quantitative research design, on the other hand, is preferred if the research questions were to be answered by handing out questionnaires and then analyse the data using statistical methods (Saunders et al., 2012, p. 161). The quantitative research design is often connected to the ontological standpoint of objectivism. Quantitative studies are considered to have a higher degree of generalizability as well as objectivity due to the different sampling techniques used to avoid biases (Saunders et al., 2012, p. 161). It does not, however, provide answers to questions which are of more exploratory natures which aims at discovering and gaining insights of a problem (Saunders et al., 2012, p. 171).

The fact that we aim to attain a holistic view of a specific context aligns with the definition of a case study. Patel and Davidson (1994) define a case study as a study of a small group
where every case can be an individual, a group of individuals, an organization or a situation where every case is studied carefully. The case is chosen by the researchers and their research question and purpose. For this thesis the case is an organization, being the industry association SOG and its member firms. Case-based exploratory methods are appropriate for novel and under researched phenomena (Eisenhardt, 1989) with multiple and complex elements (Dodgson et al., 2008), evolving over time (Langley, 1999). Due to the paradoxical nature and the multi-level dynamic that coopetition inclines, an in-depth case study in SOG has been conducted to bring key dimensions to light.

Our qualitative study was performed by conducting semi-structured interviews with representatives from member firms in SOG, as well as employees from the association itself. The purpose of the interviews was mainly to investigate the respondents’ notions of coopetition within SOG, whether or not they experience tensions from the paradoxical situation and in that case, how they manage them. According to Lundahl and Skärvd (1999) a qualitative study aims at explaining people's perceptions of reality. Due to this, every interview was of importance for the outcome of this thesis since we aim to create an understanding of the respondents’ perceptions in the matter of coopetition in this particular industry association.

Criticism towards qualitative data collection has addressed the subjectivity, meaning the results and findings are affected by the researchers own views about what is important and what is not (Bryman & Bell, 2012, p. 405). Further it is hard to replicate a qualitative research because it is often unstructured and of subjective character. Generalization is also an issue, since it is often context-specific (Bryman & Bell, 2012, p. 406). A qualitative data collection method also has transparency issues, since it is often unclear what the researchers actually did in their study, how respondents were chosen as well as how the analysis was conducted (Bryman & Bell, 2012, p. 406). By being aware of these factors it has easened the moderation of some of them, for example by carefully explain the process to increase replicability.

2.5. Pre-understandings

Hermeneutic research requires that pre-understandings are brought to light (Geanellos, 1998, p. 238), since this type of research very much considers the interpretation by the authors (Bryman & Bell, 2005, p. 443). This has the implication that we should not strive towards being entirely objective, but instead utilize the understandings that we possess to our advantage (Geanellos, 1998, p. 238).

Both authors are studying a four-year program in business administration at Umeå School of Business and Economics. The program of business administration has provided some pre-understandings of the world of business in general and an interest in strategic management in particular. One of the authors, Alex Mugrauer, has focused on business development in his last years of studies, in which one module addressed coopetition. The phenomenon immediately caught his attention due to its paradoxical nature. This means he were somewhat educated in the overarching theories, but lacked knowledge regarding practical implications. Moreover, he had some pre-understandings concerning industry associations and their activities, but the focal industry association was first introduced to him in the start-up phase of the thesis process. The Scandinavian outdoor industry on the other hand, he got in touch with due to his thesis partner. The authors joined forces and visited a factory in Poland, which is run by one of the member firms of SOG, to find a
thesis subject of interest. This immersed his knowing regarding input activities and supply network as well as few competitors in the niche market of the industry.

The other author, Erika Granqvist, has a few years hands-on experience in the Scandinavian outdoor industry, in one of the member firms of SOG, and has participated in some of the fairs and assemblies that are mentioned throughout the text. Through this, she has met with people from most of the involved firms in SOG and thus have an insight in the industry as a whole but also in the individual member firms. We do, however, realize that an extensive previous knowledge about the subject being studied might have created a barrier when trying to understand a new aspect of it, such as already set opinions. Previous knowledge might have shaped the interpretations of the answers from respondents as well as the applied theories, which might have led us to jump to conclusions.

The authors aim to utilize the combined pre-understandings, both practical and theoretical, when conducting this study. The practical pre-understandings are of aid since we believe that the knowledge about the industry and the member firms, has helped accessing respondents as well as increasing the quality of the interviews. The theoretical pre-understandings are not as explicit, but has been used when choosing relevant theories as well as analysing answers from respondents.

2.6. Literature search and source citation

Our theoretical framework is based on previous literature dealing with the subjects necessary for this study, coopetition and industry associations. A broad literature search was first conducted to obtain a sufficient knowledge base as well as to disclose diverse perspectives. With the guidance of Tatbeeq Raza-Ullah, researcher in the focal field at Umeå University, articles paramount to this study as well as reviewing articles within the coopetition field were examined. By scrutinizing the references of the reviewing articles, we were further directed to previous research essential to this study. Once a sufficient overview of the field was attained, the conclusion was drawn that no scholars had focused on the third party role in facilitating cooperation. In parity with this discovery, we understood the novelty of investigating coopetition in an industry association we knew could be accessed. At this point, focus was then narrowed to the theories most relevant for the pursuit to answer the research questions and to fulfil the purpose.

When searching for relevant literature, databases through Umeå University Library were used, mainly Business Source Premier (EBSCO). Literature which were not derived from references of other articles or books, certain keywords were used in order to find academic articles relevant to the study. These were; coopetition, industry associations, business organizations, trade associations, branding, co-branding and sustainability.

As you will notice, a substantial part of the coopetition theories we have built the theoretical framework upon stem from publications authored by Maria Bengtsson and Tatbeeq Raza-Ullah, both researchers at Umeå University. Maria Bengtsson is one of the pioneers in the field, where the article “Coopetition in business networks - to Cooperate and Compete Simultaneously” (2000) co-authored with Sören Kock, has been cited 602 times hitherto. All her articles combined have a total of 1414 citations as of today. Tatbeeq Raza-Ullah premiered with an article in 2014 together with Vladimir Vanyushyn and Maria Bengtsson, “The coopetition paradox and tension in coopetition at multiple levels”, and he has a total of 92 citations as a researcher. Raza-Ullah has mainly been
focusing on the coopetition paradox and the resultant tensions, where he outlines these concepts in his doctoral dissertation. Due to the nature of our second research question, which addresses the management of tensions, basing much of the theoretical framework upon Raza-Ullah’s work falls naturally. Additionally, we have been selective in the process of choosing literature, by verifying all articles were peer-reviewed, for us to be certain of their credibility.

2.7. Choice of theories
The theoretical framework begins with defining and explaining the role of industry associations, which is the context in which we study coopetitive relationships. Hence, we have chosen relevant literature examining how industry associations function, what drives firms to enter as well as what activities they engage in. Further, previous research has been used to investigate the opportunities as well as the risks in being part of an industry association. To reach a better understanding of the focal association, chosen theories are weaved together with activities and drivers found in SOG.

To attain a holistic understanding of coopetition, many different aspects of the phenomena were examined. Coopetition is, however, a relatively new field of study with the earliest articles emerging in the end of the 20th century. We suspect this partly explains the lack of inconsistency in the field, where authors seem to prefer building upon previous work to enhance the development of the field rather than criticizing others - an act of coopetition itself. Although most research has investigated coopetition in input activities (Fernandez et al., 2014), some more recent findings contradict the fact that cooperation among competitors solely occurs in activities far from the customer (Lindström & Polsa, 2016) which relates to the focal context to a great extent. Moreover, we apply later work which attempts to conceptualize the abstract phenomena of tensions and the coopetition capability firms must possess in order to manage them (Bengtsson et al., 2016; Raza-Ullah, 2017). To display what firms, and individuals within it, can do in a more practical sense to manage tensions, previous findings from case studies will be presented as well.

Since cooperation occurs in specific activities in SOG, such as co-branding and sustainability, definitions of those are provided to the reader. Also, more in-depth findings presenting triggers and results of conducting co-branding with competitors is presented.
3. Theoretical framework

In this chapter, the objective is to provide an overview of the scientific theories which have been used to reach the purpose of this study. The key concepts of industry associations and coopetition will be explained accordingly as well as the main cooperating areas of SOG, being co-branding and sustainability.

3.1 Industry associations

Barnett (2013, p. 214) defines industry associations as “organizations through which a group of interdependent firms, typically in the same industry, pool their resources and coordinate their efforts so that they may 'speak with one voice' on matters of shared interest”. It has been argued that industry associations are institutional actors who influence the practices of their member firms (Rajwani et al., 2015). Creation of this type of association became popular in the beginning of the 20th century, but has grown dramatically in numbers the past decades (Marques, 2017, pp. 734-736). According to Marques (2017, p. 736) there were one theory especially central when conceptualizing industry associations, namely the logic of collective action by Olson, 1965.

3.1.1. The logic of collective action

The theory of the logic of collective action is explained by Olson (1971, p. 2) as a paradox. The paradox lies in the assumption that individuals with common interests organizes themselves to further pursue these common interests. However, it was shown that individuals tend to not want to sacrifice themselves for the common cause (Olson, 1971, p. 3). Even if all individuals would gain from this collective pursuit, and everyone would be aware of this fact, research has shown that without a separated distinctive force, the group would not engage in collective actions (Olson, 1971, p. 3). This is due to the possibility of free riding, i.e. letting others invest but still reaping the benefits without putting in any effort themselves (Olson, 1971, p. 4). Free riding can further be defined as “the action or practice of benefiting (or seeking to benefit) in some way from the effort, sacrifice, financial outlay etc., of others, without making a similar contribution” (Fontaine, 2014, p. 361). This is where industry associations enter as a separated tangible organization which can facilitate the common interests and cause firms to strive together towards them (Olson, 1965, p. 2). Using the example in the introduction of this thesis, the Lincoln Highway Association (Brandenburger & Nalebuff 1997, p. 30), the car firms would not have initiated cooperation without the facilitation of the association. The reason for that would be, since if one would start building roads, the others would not see the meaning of building roads as well. This depends on the fact since they would be able to benefit from the roads built by the first - without having to invest. This can be connected to SOG by considering the firms in the Scandinavian outdoor industry that are not part of the association and do not invest in it, but will still be able to reap some of the benefit of a stronger Scandinavian brand.

3.1.2. Activities, advantages and risks in industry associations

Four activity areas for industry associations have been clearly distinguished, which are; commercial, public, political and solidaristic (Staber & Aldrich, 1983). These include for example lobbying towards the government, promoting members and enhancing their image at events such as trade fairs, as well as activities which increase standardization. Lobbying is, however, not an activity in which SOG is engaged in (S. Wänseth, personal...
communication, April 20, 2018), but promoting members and enhancing their image at trade fairs are central activities, as well as activities which increases standardization and innovation. Lennox and Nash (2003) have shown that industry associations play a significant role in defining and enforcing industry norms, and Watkins et al., (2015) present their importance considering the diffusion of innovations.

An example of standardization in industry associations which have been increasing in interest the past decade is Corporate Social Responsibility (CSR) and sustainability norms (Marques, 2017, p. 734). Relating to sustainability norms, Wakabayashi and Arimura (2016) have shown that voluntary agreement plans initiated by industry associations are suggested to strongly influence SME member firms in their actions regarding climate change. Industry associations can play a facilitative role where member firms initiate a self-regulatory program (King & Lenox, 2000), or actively launch programs, even in situations where member firms are not initially supportive (van Wijk et al., 2013).

According to Marques (2017), there are however different opinions in the connection between industry associations and CSR and sustainability norms. Some research agrees with the earlier mentioned quote from Adam Smith (1776, cited in Marques, 2017, p. 733), meaning that firms working together is harmful for the public interests since they only seek profit for themselves (Marques, 2017, p. 734). Whereas, more contemporary findings claim that peer pressure from firms in the same industry to increase sustainability efforts as well as the industry associations’ role in mitigating any possible negative outcomes through pursuing such efforts, is in fact in the interest of the society (Marques, 2017, p. 734). Industry associations thus provide an opportunity to engage in such projects more efficiently (Barnett, 2013, p. 220).

An example of standardization within sustainability in the focal context is the new Responsible Wool Standard (RWS), which is applied in the European outdoor industry (EOG, n.d.). This standard aims at creating a benchmark for the rest of the world to use wool that is produced in sustainable ways, considering the entire process chain (EOG, n.d.). The RWS is a voluntary standard, but it is an example of peer pressure and creating sustainable norms in an industry association.

Another positive aspect of industry associations is the network it provides (Besser & Miller, 2010, p. 107). Business networks are defined as enduring ties between organizations or firms that are intended to give strategic advantages as well as to help members to get access to new markets and pooling of resources (Gulati et al., 2000, p. 203; Riggins, 1997, p. 28). Industry associations usually consist of a horizontal network, compared to supply chains which are vertical networks (Besser et al., 2010, p. 108). Horizontal networks are usually defined as less structured, where members of the network have equivalent positions of power, whereas vertical networks are highly structured and authority-based (Besser et al., 2010, p. 108). SOG is defined as a horizontal network according to these definitions, due to the fact that the members are firms with similar positions of power. According to Adler (2001, p. 217) trust is higher in horizontal networks than in vertical ones. The author opines that the possibility of having one’s reputation ruined if acting untrustworthy acts as a governance mechanism. However, according to Besser et al., (2010, p. 115), the level of trust in business networks is pronounced by the relationship ties in the network and Phillipson et al. (2006, p. 41), advocates that the size of the network matters as well. Phillipson et al. (2006, p. 41) argue
that networks with fewer members have a more effective system of member surveillance and hence, smaller networks often possess more trust.

According to Barnett (2013), there are a few negative aspects of engaging in an industry association. Even though firms join forces to avoid or overcome a collective problem, it is complex to know how they recognize this problem and to know to whom it is a problem. According to Ferrier et al. (1999), firms tend to gaze at the market leaders and follow their actions, thus presuming that the market leaders know best, which might not be the most suitable actions for the smaller firms. This provides the dominant firms a certain control over the events in an industry association, leading them in their favour (Barnett, 2013, p. 219). Firms in an industry association are often competitors, and even though they are involved in cooperative situations within the industry association, it does not mean they set their rivalry aside (Philips et al., 2000). Further, this might lead to dominant actors pursuing the events and actions of the association to their advantage, and to their rivals’ disadvantage (Barnett, 2013, p. 219). This inclines that collective problems in industry associations are subjective, where larger firms possess stronger power to decide what should be seen as a shared problem and how to act on it (Barnett, 2013, p. 221). Moreover, due to the fact that member firms are perceived by externals as associated, an unethical or illegal action conducted by one member firm might affect the reputation of the associated firms (Barnett, 2013, p. 232). In the case of SOG, if one member firm acts inappropriate, this might spill over to the other member firms due to their intertwined brand image.

As of today, SOG’s main cooperative activity is the co-branding towards the international market (SOG, n.d.). As mentioned earlier, the reason to why industry associations are formed is to facilitate a platform for firms in the same industry with common problems (Barnett, 2013, p. 214). The common problem in the case of SOG is that most of the member firms are small players on a global market. In order to become more visible internationally, they joined forces to pursue joint-marketing and create an in-common brand around Scandinavian outdoor brands (SOG, n.d). Apart from the co-branding, sustainability activities are becoming more prominent within SOG (J. Svedlund, communication in person, 26 February 2018).

3.2. Coopetition
Bengtsson and Kock (2000) argued that previous research on relationships between competitors had an either/or focus on cooperation and competition. Cooperation can be defined as conducting an act, or work, together for a mutual benefit, as opposed to competition where actors work in rivalry for a selfish benefit (NE, n.d). Competition is important because it is a mechanism rewarding good ideas and failing bad ones, in which well-run firms bloom and bad ones improve or cease to exist, and a continuous pressure for innovation is maintained (Freeman 2007, cited in Littlechild 2018, p. 212).

The article from Bengtsson and Kock (2000) was one of the earliest on the subject of coopetition, where the field has grown substantially since then (Bengtsson & Raza-Ullah, 2016, p. 24). However, this is one of the most referenced articles in the field and more recent research appear to take departure from this article. In this early age of coopetition, the phenomenon is described as viewing competition and cooperation as one relationship rather than two separate ones (Bengtsson & Kock, 2000, p. 414-415). As of today, the paradigm of the field has shifted. Cooperation and competition are two contradictory logics that makes sense when viewed separately, but irrational when put together (Raza-
Ullah et al., 2016). Such phenomenon, when persisted over time, has been defined by scholars as a paradox (Smith & Lewis, 2011, p. 387) instead of seeing it as a trade-off. Due to the paradoxical nature, coopetitive relationships are complex to manage (Raza-Ullah, 2017, p. 2). However, a trade-off is a one continua relationship which early researchers viewed coopetition as, where competition increases as cooperation decreases and vice versa (Raza-Ullah et al., 2016). A paradox enables coopetition to be seen as placed on a two continuum, as can be seen in figure 1 below, where both cooperation and competition can fluctuate between low and high intensities (Bengtsson et al., 2010). Thereby, the paradox can both be balanced, strong or weak, and unbalanced, cooperation or competition dominated, on a two continuum (Bengtsson et al., 2010).

![Figure 1. Balanced paradox and two continuum (Bengtsson et al., 2016).](image)

Competition between direct rivals in an industry has earlier been described as the most beneficial structure, while cooperation between them is considered to be inefficient due to the risk of knowledge leaking (Li et al., 2012, p. 1191). However, Bengtsson and Kock (2000, p. 412) advocate there are beneficial aspects when both competing and cooperating simultaneously, since the joined resources and capabilities could be advantageous when competing with others. Raza-Ullah (2017, p. 3) argue that coopetitive relationships are triggered by both environmental and organizational forces. These forces are especially strong when considering innovation and R&D costs (Bengtsson et al., 2010) where firms tend to cooperate in activities early in the value chain and compete close to the customer (Bengtsson & Kock 2000).

When Tidström (2014) compared two different coopetitive situations, it was found that partners are keener to support each other in their actions if the coopetitive relationship was voluntary and build on trust and commitment. As opposed to relationships initiated by an external force, involving high competition and low cooperation (Tidström, 2014, p. 70). Furthermore, coopetition is more crucial in high-technology industries due to shorten product life cycles, increased investment requirements in R&D, multiple technology convergence and criticality of technological standards (Gnyawali & Park, 2009, p. 314). Since the challenges competing firms face are alike and that they possess relevant resources, cooperation among them enables the acquiring and creation of new
technological knowledge, where this knowledge transforms into innovations (Quintana-García & Benavides-Velasco, 2004).

Lindström and Polsa (2016) have later shown, although not occurring to the same extent, that cooperation between competitors also takes place in output activities. Their findings showed that SMEs in an ICT business network cooperated in branding, marketing, joint customers and delivery of services and simultaneously competed in local services, marketing campaigns and pricing. Relating to the coopetition continuum explained in the end of the paragraph above, the firms in the network sensed the dynamic paradox differently; whereas three firms perceived it to be balanced, four as cooperation dominated and one as competition dominated, all with varied intensities (Lindström & Polsa, 2016, p. 221).

Bengtsson and Johansson (2014, p. 403) argue that research has mainly been focusing on large firms, whereas Gnyawali and Park (2009, p. 309) argue that coopetition might be even more important to SMEs. According to Gnyawali and Park (2009), this is explained by the fact that SMEs can obtain great benefits when cooperating with competitors by pooling their resources, and accordingly increase their abilities to innovate as well as strengthen their position on the marketplace.

Most of the findings presented throughout the theoretical framework are based on cases where competitors engage in cooperation, hence the relationship becomes coopetitive. Tidström and Hagberg-Andersson (2012) propose that the process can have the reverse sequential order. The studied relationships were dyadic, where the firms initially held supplier-customer relationships, but due to chronological events such as information sharing, sales-related and opportunistic activities, they became coopetitors. With opportunistic activities we mean to take selfish advantage of prevailing circumstances. Although the problem background has provided a view of SOG related to coopetion as conventional, competitors who begin to cooperate, the reversed could also be the situation in dyadic relationships within the association. For instance, a firm enters SOG and due to events such as explained above, another member firm might extend its value propositions, and therefore, the two member firms become coopetitors.

It is argued that the coopetition paradox creates salient tensions on the inter-firm level as well as the individual level (Raza-Ullah, 2017, p. 2). Tensions at individual levels stem from the difficulty that manager’s experience when pursuing the contradictory situation of cooperating with a competitor (Raza-Ullah, 2017, p. 6). This individual tension further affects the actions and behaviours of the organization at the inter-firm level which impacts the firm performance and its relationship with the coopeting firm or firms (Raza-Ullah, 2017, p. 2). Furthermore, tensions may also arise from the dilemma between value appropriation and value creation when jointly created value is to be captured (Fernandez et al., 2014, p. 232).

Considering the two-continua approach mentioned earlier, tension is at its highest when both cooperation and competition is strong, i.e. when the paradox is strong (Raza-Ullah et al., 2017, p. 2). Figure 2 displays the relationship between degrees of experienced tensions and positive and negative cognition of emotion. Raza-Ullah (2017, p. 59) proposes that when managers are highly involved in both clashing demands of cooperation and competition, it results in strong ambivalence and conflicting thoughts. This requires cognitive and emotional resources, stealing the focus and commitment from
the task to be performed (Raza-Ullah, 2017, p. 59). Moreover, it has been suggested by other scholars to result in paralysis (Stratton, 2005) and delays in decision making (Nohlen et al., 2015 cited in van Harreveld et al., 2015). This situation is displayed in the upper right corner in figure 2.

According to Raza-Ullah (2017, p. 58), strong tension stemming from a strong paradox is not the only source of affecting alliance performance negatively. It is not preferable if managers’ negative emotions and cognitions are dominating, presumably because of a relative greater participation in competition activities, as it may hamper cooperation (Raza-Ullah, 2017, p. 58). This because distrust and anger towards the partner inhibits the sharing of knowledge vital to the success of the alliance (Raza-Ullah, 2017, p. 58). This situation is displayed in the lower right corner in figure 2.

![Figure 2. Different degrees of experienced tension depending on positive or negative cognition and emotion (Raza-Ullah, 2017).](image)

Further, if instead positive emotions and cognitions towards the partner are dominating, high trust may result in an underestimation of risks, resulting in the focal firm being exposed to opportunistic behaviour (Raza-Ullah, 2017, p. 58). This situation is displayed in the upper left corner in figure 2. If the low tension is neither positively nor negatively dominated, which can be seen in the lower left corner, little attention is paid to opportunities and risks until something arise. Potential consequences might be that opportunities pass unnoticed or the focal firm being exposed to opportunistic behaviour of the partner (Raza-Ullah, 2017, p. 59).

What managers should strive for is moderated tension (Park et al., 2014, p. 219), displayed in the purple square in figure 2, where both positive and negative emotions and cognitions are of equal intensity, although not too strong nor low (Raza-Ullah, 2017, p. 60). Hence, Raza-Ullah (2017, p. 60) advocates that this level of tension creates vital pressure and drive for optimal performance. Moreover, Raza-Ullah (2017) argues that managers are now able to better understand the cruciality of simultaneous pursuit of competition and cooperation as well as making informed decisions in time. Also, research propose that individuals who experienced emotional ambivalence also demonstrated a greater sensitivity to associations, thus being more creative (Fong, 2017, p. 1027), and
that emotional ambivalence correlates with judgement accuracy (Rees et al., 2013, p. 366).

3.3. Coopetition capability
Managers may not balance the coopetition paradox itself due to macro forces as demands in industries, network dynamics and third party influence often dictate the degree of cooperation and competition (Garud & Kumaraswamy, 1995). Instead they can manage the tensions stemming from a strong (or weak) paradox, where the ability to perform such management is referred to as the coopetition capability (Raza-Ullah et al., 2016; Gnyawali & Park, 2011). Raza-Ullah et al. (2017) further conceptualizes the theory of coopetition capability by outlining the construct in three dimensions, namely: analytical, balancing and emotional (Raza-Ullah et al., 2017, p. 1).

3.3.1. Analytical dimension of coopetition capability
The analytical construct refers to a firm’s capacity to attain a clear and precise understanding of the coopetition situation (Raza-Ullah, 2017, p. 61). A high analytical capability implies an ability to map out contradictions and dualities and foreseeing the implications of those (Gnyawali et al., 2016, p. 13). It enables managers to see the benefits of simultaneous competition and cooperation, but also reduces the risk for misperception of the situation, resulting in less experienced tension (Gnyawali et al., 2016, p. 13). Firms with high analytical capability will have a more accurate understanding of the challenges that lies ahead and can better moderate the tensions because better decisions regarding how to balance the paradox are taken (Gnyawali et al., 2016, p. 13). A constructionist view insinuate that social actors interpret the reality differently, thereby will firms in a dyadic coopetitive relationship experience different levels of tensions depending on their analytical capability (Gnyawali et al., 2016, p. 13). The analytical coopetition capability is important to managers when pursuing decisions regarding who to coopete with as well as when and how (Raza-Ullah, 2017).

3.3.2. Balancing dimension of coopetition capability
The balancing capability involves how effective a firm utilizes routines and processes to balance the paradox within the organization (Raza-Ullah, 2017, p. 61) where different approaches have been proposed through the years. Paradoxes can be solved by temporal or spatial separation of the logics (Poole & Van de Ven, 1989) which Bengtsson and Kock (2000) advocated, since it does not expose individuals to the contradictory forces, resulting in lower internal tensions. Moreover, if cooperation is not possible to be managed between the parties, it can be assigned to a third party. Bengtsson and Kock (2000) outlined the third party role of industry associations in business networks. When investigating the Swedish brewery industry, the researchers found that an intermediate actor, the Swedish Brewery Association, coordinates and defines the cooperation among the breweries. The association had developed a shared distribution system for empty bottles and standardized the packing system, appreciated by the breweries due to the possibility to solve problems more efficiently. Later on, the association proposed a shared distribution system also for full bottles which none of the competitors wanted to participate in. This because the activity was too close to the customer and is thereby a mean to compete, which contradicts the situation of SOG where cooperation mainly encircles output activities.
The principle of integration has further been suggested to manage coopetition (Chen, 2008; Gnyawali et al., 2011), arguing that separation creates stronger tensions when individuals do not understand the coopetitive context, hampering coordination between functions in the organization. Therefore, organizations should integrate the logics on the individual level to develop a coopetitive mind-set to handle the paradoxical nature of coopetition (Chen, 2008). Fernandez et al. (2014) suggest that a combination of the two principals at different levels is preferable to manage tensions efficiently. By conducting an in-depth case study on a coopetitive dyadic relationship between European satellite manufacturers, the researchers found that the separation principle was implemented on the inter-organizational level where ordering parties acted as diplomats and forced cooperation. Furthermore, on the intra-organizational level, a project team with a dual management principle was created, which was separated from both parent firms. Employees in the project team were now colleagues with employees from the competitor, meaning that the paradox was integrated on the individual level (Fernandez et al. 2014).

Deriving from the same case but presented in a latter article, Fernandez and Chiambaretto (2016) outlined the formal and informal mechanisms which the parties utilized to manage tensions related to information. The authors found that common autonomous information systems were established, which kept critical information to the project and separated non-critical information. To avoid knowledge leaking, the information’s degree of appropriatation, information appropriate to the competitor’s own benefit, was assessed by project managers (Fernandez & Chiambaretto, 2016). Further, they saw that if removing the critical information from the information system, the scope of the project would diminish, but if the appropriable information turned into non-appropriable information, the project could proceed as planned. Project managers only shared aggregated financial data to not reveal margins as well as presenting technical solutions where the steps how to get there were excluded (Fernandez & Chiambaretto, 2016). To avoid reverse engineering, no calculations or methods used were shared (Fernandez & Chiambaretto, 2016).

3.3.3. Emotional dimension of coopetition capability

The emotional dimension of the coopetition capability addresses emotional ambivalence experienced by individuals. Raza-Ullah (2017, p. 62) defines the emotional capability as “the ability to accept, understand and regulate ambivalent emotions and their effects.” Individuals must embrace both negative and positive feelings and understand why these emotions arise (Raza-Ullah, 2017, p. 62). Moreover, when the feelings are accepted and understood, two strategies to regulate the ambivalence can be pursued (Raza-Ullah, 2017, p. 62). Deep acting refers to showing ones genuinely felt emotions while surface acting refers to the opposite, displaying emotions that are not felt, although necessary to the situation (Raza-Ullah, 2017, p. 62).

In the Swedish brewery industry case presented by Bengtsson and Kock (2000), the three biggest firms held 70-80% of the total market. The authors reason that although the industry was significantly consolidated with few important actors, there was still a need for a third party to facilitate the cooperation. Relating to SOG, when the member firms’ managers concluded in the decision to enter SOG, their analytical capability was put to test. Involving a third party in coopetitive relationships aligns with the principle of separation, where the coordination of one element is assigned to an outsider, thereby separating it from the other element (Bengtsson & Kock, 2000, p. 412). Without any research insofar presented, we can still conclude that SOG is the result of such a structure,
since the cooperating activities occurs within the domain of SOG. With the Swedish brewery industry in mind, it is unlikely that effective cooperation would occur without the presence of SOG since the Scandinavian Outdoor industry is far more fragmented with its 66 members. Further, from the coopetition paradox that member firms now experience, tensions might arise. These potential tensions can be managed by for example establishing formal mechanisms to handle information flows, reducing the possibility of disputes due to knowledge leakage (Bengtsson & Kock, 2000, p. 419). Important to emphasize is that assigning SOG to coordinate cooperation together with other balancing pursuits, does not automatically erase tensions. This because individuals still need to cooperate, although following the rules set by SOG. If necessary decisions have been taken hitherto, it is now up to the individual to moderate the remaining tensions, not eliminate, since moderated tensions are optimal (Park et al., 2014, p. 219; Raza-Ullah, 2017, p. 60).

3.4. Branding
The main cooperation area in SOG is export, in which they focus on increasing the shared brand image of Scandinavian outdoor brands. Therefore, it is of importance to provide the authors definition of branding, and subsequently move on to outlining previous research on co-branding and coopetitive branding.

The American Marketing association defines a brand as “a name, term, sign, symbol or design, or a combination of these, intended to identify the goods or services of one seller or group of sellers and to differentiate them from those of competitors” (Kotler, 1997, p. 443). Brand differentiators covers a wide range of observable elements, such as; name, colour, logo and slogan, as well as unobservable elements, e.g. functional, emotional, psychological and social benefits (Aaker, 1991; Keller, 1993). Research has found that brand heritage increases the perceived brand quality, resulting in a higher willingness to pay as well as successful penetration of new markets (Pecot et al., 2018), possibly partly explaining SOG’s emphasize on Scandinavia’s long tradition of producing outdoor gear.

Co-branding includes different branding strategies when two or more brands are involved, where the popularity of such strategies could be explained by: cost reduction and speed increase in product development (Blackett & Boad, 1999), enhanced production and commercialization (Washburn et al., 2004), new client and market accessibility (Ugglä & Åsberg, 2010) and inter-brand cross-fertilization and image enhancement (Simonin & Ruth, 1998). Associated brands in co-branding are perceived by outsiders as sharing a common set of values and moves within the same cultural sphere (Besharat, 2010; Simonin & Ruth, 1998). Caused damage of a co-branding agreement could stem from the fact that the brands’ strategic position does not align, with the consequence of consumers being unable to identify, relate and position their cultural sphere (Simonin & Ruth, 1998; Ugglä & Åsberg, 2010). Moreover, the co-branding may inhibit the competitive flexibility (Chiambaretto et al., 2016). In addition, scholars argue that due to the spill over effect, the benefits from engagement in co-branding are greater to a low-equity brand compared to a relatively high-equity brand (Park et al., 1996). In spite of, high-equity brands are still prone to involve in such a cooperation since it increases their sales in general (Washburn et al., 2004).

Co-branding agreements between competitors, coopetitive branding, have seen an increase in which Chiambaretto et al. (2016) identifies two key aspects that will influence the potential benefits and risks; the nature of the agreement (hybrid vs. symbolical) and
the type of the partner (direct vs. indirect competitor). A hybrid agreement involves sharing of both tangible and intangible assets, in contrast to symbolic that essentially is limited to joint labelling. As with other coopetitive activities, coopetitive branding risks the focal firm to be subject to opportunistic behaviour. Chiambaretto et al. (2016) conclude that in a coopetitive branding agreement, the more resources shared, the greater the potential benefits and risks. Moreover, the more similar the resources shared are, the greater the potential benefits and risks. The latter is because the more similar, the better the fit between the firms as well as a greater appropriability of the shared resources to the competitor.

3.5. Sustainability
Sustainability is a trendy and catchy word, possibly meaning different things to different people. SOG increasingly involves its members in sustainability activities, in which they are subject to our research, and therefore, there is a need to provide the authors view.

The quality of ecosystems currently decreases and the risk of reaching the tipping point increases, a state of the biosphere where it would be difficult or impossible to maintain the human civilization on this planet (Steffen et al., 2015). The challenge increases due to a continuous growing population (United Nations, 2013). To perform sustainable business, the actions of the business must be in parity with the triple bottom line (Bocken et al., 2014). An organization with the founded purpose to create economical value to its shareholders is the traditional view of a for-profit firm, but for the business to align with the triple bottom line it must also create environmental and societal value (Bocken et al., 2014). It is a vague statement that the business is sustainable because it also creates environmental and societal value, and therefore the principles of a framework for strategic sustainable development (FSSD) can be used when assessing business’s sustainability improvements (Robert et al., 2013; Missimer, 2015). According to Robert et al. (2013) and Missimer (2015), in a sustainable society, nature is not subject to systematically increasing; concentrations of substances extracted from the Earth's crust, concentrations of substances produced by society, degradation by physical means, and people are not subject to structural obstacles to health, influence, competence, impartiality and meaning making.

The main sustainability activity taking place in SOG is the SOG Sustainability Network. Christiane Pfeiffer (2003) defines sustainability networks as “voluntary, mid- to long-term oriented cooperation with a polycentric organizational structure in which different actor groups combine their expertise and specific organizational resources trying to jointly solve societal problems that are related to a sustainable development”.

3.6. Summary of theoretical framework
In this theoretical framework, theories concerning industry associations and coopetition have been collected, which are to be applied on the context of SOG and its main cooperative activities; sustainability and branding. By intertwining these theories, we aim to provide the full picture of our research, in which the theoretical ties are briefly displayed in figure 3 below.
Figure 3. Visualization of theoretical framework

**SOG**
- Co-branding
- Sustainability

**Theories about industry associations:**
- The logic of collective action
- Activities, advantages & risks

**Theories about coopetition**
- Coopetitive tensions
- Coopetition capability
4. Practical method
In this part, a description of how the data for this study was collected is presented. We further explain how the respondents were chosen as well as the manners of which the interviews were conducted. The chapter ends with a discussion regarding ethical considerations and aspects.

4.1. Choice of respondents, sampling technique and access
We have interviewed six senior managers from different member firms of SOG, where all responding member firms have direct competitors in the industry association. By interviewing senior managers, we aimed at obtaining a deeper understanding of the managerial implications of cooperating within SOG as well as implications on the individual-level. The latter required the chosen managers to be active participants of SOG activities. Further, to illuminate the activities from the facilitator’s point of view, we interview the general secretary as well as the sustainability coordinator of SOG. These two perspectives, member firms and employees from SOG, shed light on the phenomena from two angles. To fully answer our research questions, it is crucial to investigate the industry association’s third party role from within. To exemplify, member firms might not be aware of all actions employees at SOG pursue to manage the tensions between member firms.

Further, we have chosen to not consider member firms working with media and instead, solely focus on retailers. This is since we find retailers being more exposed to coopetitive situations. This since media firms differentiate themselves in what geographical location they target, for example Swedish customers are not interested in an outdoor magazine written in Danish, as well as on what platform they publish.

Saunders et al. (2012, p. 217) suggest familiarizing one selves substantially with the organization that is being studied before reaching out. Hence, we started by reading in to SOG. Even though we already possessed some knowledge about SOG beforehand, all information we could find was examined before contact was initiated. Through e-mail correspondence, ourselves and the study were presented to the general secretary of SOG. Then we made an appointment for a phone call to acquaint ourselves further and to ensure our topic would fit in the context of SOG. After SOG had cleared the context fits our topic as well as accepted our inquiry to conduct research in the organization, we further deepened our knowledge now directed by the employees of SOG.

In order to develop a deeper understanding of the aspects of coopetition in reality, and for the context of SOG, we decided to contact firms within the association we knew were direct competitors. Direct competitors are defined as competitors which serve the same market segment with similar products (Shulman, 2013, p. 428). In order to gain access to the data required for a study, it is of importance to have a strategy (Saunders et al., 2012, p. 216). According to Peticca-Harris et al. (2016, p. 377) this process is however not as straightforward as one might think, something we experienced as well.

We have chosen the sampling technique of purposeful sampling. This technique is a good choice when resources are limited, and it is of importance to find information-rich sources (Palinkas et al., 2013). Since there are a limited number of member firms in SOG, 66, and some of them are media firms, and some of them have no competitors within the association, we had to find participants which could give us as much information as possible. The criteria we wanted to be fulfilled were; that the member firms are...
manufacturers, all responding member firms are direct competitors (according to the definition of Shulman (2013, p. 428)), participates in sustainability projects as well as co-branding activities and the senior managers to be interviewed are highly involved in SOG.

Our strategy was to, as stated earlier, prepare well by examining previous research, SOG itself, as well as exploring the member firms more in detail. Since SOG consists of member firms with many different types of segments, they are not all competitors. When a greater understanding of the member firms was attained, direct competitors were clustered according to the definition by Shulman (2013, p. 377) presented above. The clusters are displayed in figure 4.

![Diagram](image)

*Figure 4. Categorizing of SOG member firms according to similar customers.*

The cluster with most firms was chosen, which turned out to be the firms with outdoor clothing, displayed in the oval to the left in figure 4. Subsequently, emails to all those firms were sent, in which ourselves and our topic were presented as well as asking if they wanted to participate in the study. These emails were sent to the member firms info- or customer service mail, were we asked the emails to be forwarded to senior managers highly involved in SOG activities. Considering the ethical aspects, it was also mentioned that the interviews would be treated with confidentiality. Saunders et al. (2012, p. 2017) suggest using existing contacts to gain access, which is partly why we also mentioned our previous connection to SOG, since we expected this to ease up the process of establishing contact with potential respondents. Furthermore, since we knew the participants were busy, a maximum time of 30 minutes per interview was specified in the request. Our belief is that this was important in order for them to accept our inquiry to participate in the study.
According to Bryman and Bell (2011, p. 473), it is often difficult to gain access to interviews in the field of business, since these people often are busy. This was found to be a complication to us, in which reservation of interviews turned out to be more complex than expected. Out of 15 emails sent to the first batch of member firms, eight replies were received. Two out of those had recently left SOG. Another two of the replies forwarded us to somebody else in the company, where we received no further answers. Two replies concerned the fact that they did not engage in SOG to a great extent and would therefore not be able to provide sufficient answers. The last two firms agreed to take part in the study.

After the first attempt, the strategy was altered. Still aiming for the same criteria as before but now with Saunders et al.’s (2012, p. 217) recommendation closer in mind, which regards to using existing contacts. We realised that the importance for the respondents to be direct competitors with each other was not as important, as long as they had direct competitors within SOG. Therefore, contact with firms in which we had closer connections was initiated, which turned out to be more fruitful. In this way, another four interviews were reserved. At this point, six interviews with different member firms and two interviews with employees from SOG were booked. This resulted in a total of eight respondents. The important positions and busy jobs of the people that we wanted to interview, is a probable reason to why the numbers of interviews turned out quite low. However, even though a higher number of respondents would have reduced the risk of bias in the results, we did experience theoretical saturation towards the last interviews. Bryman and Bell (2012, p. 421) defines theoretical saturation as either; no new or relevant data are emerging, the category is well developed and/or the relationships among the categories are well established. In our case, we received answers previously mentioned by other respondents.

4.2. Interviews

Interviews are the most used method when conducting qualitative research (Bryman & Bell, 2011, p. 479), which are often divided into structured, unstructured and semi-structured. Structured interviews are mainly used in quantitative research whereas unstructured and semi-structured interviews are mainly used in qualitative research, due to their flexible natures (Bryman & Bell, 2011, pp. 479-481). Unstructured interviews are informal and allows the respondent to talk freely about events (Saunders et al., 2007, p. 312). Semi-structured interviews are suitable under circumstances where questions are either complex or open-ended, or where the order and logic of the questions need to be varied (Saunders et al., 2012, p. 379). These circumstances fit our study due to its exploratory nature, where open-ended questions are most suitable to find out as much as possible about what the respondents actually think. However, investigating coopetition in an industry association means there is a clear focus on a topic. A semi-structured interview thus allows us to address specific issues, but with rather open-ended questions so to not restrict respondents in their answers. Open-ended questions have the advantage of being more exploratory and the respondents can answer in their own terms as well as leaving space for unusual or unexpected answers (Bryman & Bell, 2011, p. 249). However, we found it to be of importance to have some structure in which the questions would be asked to make sure the participants would not talk about completely different things, as opposed to an unstructured interview. If the interviews would be too different from each other, it would be difficult to analyse and compare them. Moreover, the semi-structured interviews allowed us to skip questions that had already been answered in
earlier questions. Thus, we decided upon a semi-structured interview with an interview guide.

4.2.1. Interview guide
Semi-structured interviews are often based on an interview guide (Bryman & Bell, 2011, p. 479). In this study, the interview guide functioned as a tool to ensure that all the topics we wanted to explore would be covered. The interview guide can be viewed in appendixes 1 to 3. It was not strictly followed due to the semi-structure, but instead used as a checklist. The questions in the interview guide were inspired by the suggestions by Bryman and Bell (2011, p. 486), asking ourselves questions like “what about this is puzzling us?” and “what do we need to know in order to answer each of the research questions?” Furthermore, it is important to consider the respondents and what they consider as important in our topic areas (Bryman & Bell, 2011, p. 488). Since the respondents both were senior managers of member firms and employees of SOG, the questions were slightly adapted in which we could target the same topics but from different viewpoints. To exemplify, the employees of SOG were asked “how do you view the fact that many of the member firms are direct competitors?” while the respondents from member firms were asked “what is your view on cooperating with competitors?” Thus, we gained views from different angles.

Kvale and Brinkman (2009, p. 166) proposes a list of criteria for successful interviews, the first one being knowledgeable. This criterion addresses the preparation from the interviewer, where one way to prepare is by performing pilot interviews. A pilot interview with a CEO from one of SOG’s member firms was conducted before the data collection process was initiated. The member firm did not participate in the study consecutively. This was done for us to practice as interviewers, since we were unfamiliar with the semi-structure, with the thought to ask the right follow up questions as well as to know when to skip a question could be difficult. Moreover, the pilot interview was conducted to test the questions per se. This resulted in re-writing a few which were confusing to the pilot respondent and removal of two questions which were redundant. Additionally, two questions were added since we thought it would fill the gap between what we expected would be discussed and the actual outcome. Furthermore, the interview guide was continuously clarified between the interviews, as well as the order of the questions was adjusted to become more logical. Important to emphasize is that we did not add questions to explore new phenomenon and themes that emerged during the process.

4.2.2. Interviews by telephone
According to Saunders et al. (2012, p. 404), semi-structured interviews should preferably not be conducted via telephone due to the fact that these types of interviews are supposed to explore the answers of the respondents. This includes facial expressions and body language as well as the spoken language are important for the analysis. However, there are a few advantages of telephone interviews. Since the respondents were spread out throughout Sweden, Norway and Finland, it was convenient to reach them by phone. Apart from the advantage of reaching respondents who are geographically dispersed, telephone interviews are quicker and cheaper to conduct (Bryman & Bell, 2011, p. 206). The fact that it is quicker to administer has been of great advantage to us, since the respondents have all been busy people. We believe many of them would not have agreed to participate if the total amount of time would exceed 30 minutes, which would have been difficult if we instead conducted face-to-face interviews, since they are more socially demanding. According to Bryman and Bell (2011, p. 207), one of the
disadvantages of conducting telephone interviews is that they rarely last longer than 25 minutes, which we instead consider to be beneficial in our situation. Of course, we realize that longer interviews would have given more substantial information, but despite the fact that they were pretty short, we believe we collected the data that we needed.

Telephone interviews also offers the advantage of removing the bias of physical characteristics of the interviewer, i.e. appearance, age, ethnicity, that might affect the respondents’ way of answering the questions (Bryman & Bell, 2011, p. 206). However, Saunders et al. (2012, p. 404) argues that it is hard to create the trust needed between interviewer and respondent without physical presence, unless they know of each other from before. Considering this, it was a great advantage that one of us had some previous contact with, and met some of, the firms and senior managers we reached out to. In addition to this, we corresponded by email prior to the interview, where we introduced ourselves, the topic of our thesis as well as all the formalities of time-limit and confidentiality, in which we believe created enough trust to get good and honest answers from the participants.

Limitations of phone interviews is however potential technological problems (Bryman & Bell, 2011, p. 207), such as bad or volatile reception, which we experienced a few times. Further, telephone interviewers cannot observe the participants facial expressions, such as confusion or unease (Bryman & Bell, 2011, p. 207). At a face-to-face interview the interviewer can respond to such expressions and restate or clarify the questions. This means that all ways of communicating cannot be used when conducting interviews by telephone, which might have the effect that some things are being misinterpreted or misunderstood.

4.2.3. Conducting the interviews
Table 1 shows an overview of the interviews that were conducted. Since we are two authors, we decided to divide the interviews between us, instead of both being interviewers simultaneously. This decision was made since our interviews were conducted over phone, where we realized it would be less confusing to the respondent if only one of us asked questions. However, both of us were present at the interview, in which one of us was first interviewer and the other second interviewer. According to Bryman and Bell (2017, p. 456), it is a good idea to follow an interview guide when there are more than one researcher conducting the interviews. By using the interview guide, we made sure that all our predetermined themes were covered in the interview. When altering interviewers, the interview guides aided us to make sure that the same topics were covered no matter who conducted the interviews, to make sure that the material would be comparable as suggested by Bryman and Bell (2017, p. 456). The presence of the second interviewer was always introduced to the respondent, and sometimes spontaneous follow-up questions were asked by the second interviewer.
When reserving the interviews, the option was given to the respondent whether video call or telephone should be used, in which all the respondents chose telephone. We followed the recommendation of Bryman and Bell (2017, p. 461), who state the importance of finding a quiet setting for the interview, in which unnecessary noise can be avoided. Then, the recording devices were tested to ensure they were fully functioning, in order to reduce the risk of technical errors, which is an obvious risk (Saunders et al., 2012, p. 394). Upon scheduled time, the interviewees were called, or, if they instead wished to call us, we waited for their call. When contact was made, we took a few minutes to present ourselves, the topic of our thesis and asking whether the respondent had any questions. Further, we stated the formalities consisting of confidential handling of information and their freedom to skip questions as well as stopping the interview if they did not feel comfortable. The purpose of this procedure is to demonstrate that the interviewer has structure as well as ethical consciousness (Bryman & Bell, 2017, p. 461). After we asked whether or not it was ok to record the call, the recording device was started accordingly to their agreement and the interviews subsequently began.

The interviews began with initial or warm-up questions, where they were asked to tell us more about the firm they are working for as well as their role. This had two main objectives; for us to gain a better understanding of the respondents and the firms the respondents represent, and for the respondent to become more comfortable through answering questions in which are easy to answer. After the warm-up questions, we moved on to ask questions more specific to the topics we wanted to investigate. The interviews were all held in Swedish or Norwegian, meaning the questions and answers had to be translated into English afterwards. According to Bryman and Bell (2011, p. 488), this translation could mean that there would be difficulties in the process of analysing the material. However, we felt it was more comfortable for the respondents and therefore easier access to honest material if the interview was held in the respondents’ first language. Since the Norwegian language differs a bit from the Swedish language, which is the first language of both authors, where we did realize it might pose a risk for misunderstandings. However, as mentioned, we figured it was of importance that the respondents felt comfortable and could speak freely in their own language. Besides, one of us are quite used to listening to, and have conversations in Norwegian, due to personal and work-related relationships as well as growing up near the Norwegian border. Hence, the risk of misunderstandings is estimated to be small.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Duration</th>
<th>Interviewer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respondent 1</td>
<td>31 min</td>
<td>Erika</td>
</tr>
<tr>
<td>Respondent 2</td>
<td>38 min</td>
<td>Alex</td>
</tr>
<tr>
<td>Respondent 3</td>
<td>36 min</td>
<td>Alex</td>
</tr>
<tr>
<td>Respondent 4</td>
<td>29 min</td>
<td>Erika</td>
</tr>
<tr>
<td>Sustainability</td>
<td>30 min</td>
<td>Alex</td>
</tr>
<tr>
<td>Coordinator</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Respondent 6</td>
<td>40 min</td>
<td>Alex</td>
</tr>
<tr>
<td>General</td>
<td>31 min</td>
<td>Erika</td>
</tr>
<tr>
<td>Secretary</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Respondent 8</td>
<td>46 min</td>
<td>Erika</td>
</tr>
</tbody>
</table>

Table 1. Table of interviews
When conducting the interviews, we noticed that some respondents had more to say than others. Since we were very careful about keeping the time limit, we set up a system where we gave a signal when the 30 minutes almost were finished and kindly asked if they had a few more minutes to answer our last questions. This happened four times and never posed a problem.

The interviews were wrapped up by asking the respondents if they wanted to add anything or if they had any questions to us. We then gave many thanks for their participation and promised them a copy of the thesis when finished.

4.3. Transcribing
When conducting qualitative studies using interviews as data, it is recommended to audio-record the interviews (Saunders et al., 2012, p. 394). We found this to be an important aspect to avoid bias in quickly scribbled notes, where we instead were able to hear it all again as it were. The advantages with recording the interviews is that it allows the researcher to focus on the interview and its questioning and listening (Saunders et al., 2012, p. 396). The alternative to recording is taking notes during the interview, this has the advantage of making the respondents feel that their answers are important to the interviewer, as well as keeping the interviewer focused. It is also recommended to use both recording device and taking notes at the same time, to gain the advantages from both methods (Saunders et al., 2012, p. 394). However, we decided to solely record since we conducted the interviews over phone and the positive visual aspects of taking notes was thereby removed, an instead we chose to listen carefully to be able to come up with suitable follow-up questions.

We recorded the interviews to subsequently transcribe them, meaning that we turned the spoken interviews into text. To transcribe is very time consuming, as also stated by Saunders et al. (2011, p. 550). It does however have the benefits of thoroughly processing the material and further analyse the answers that were given during the interview. By recording an interview, the researcher also gets the possibility to catch not only what the interviewee says but also how they say it, which is an important aspect of qualitative research (Bryman & Bell, 2011, p. 494), and would not have been possible if only notes were taken.

4.4. Qualitative analysis
Bryman and Bell (2011, p. 571) claim that a fundamental difficulty in qualitative research is the analysis of a rapidly growing dataset, where the richness of the collected data might make it tough to find analytical paths. Thereby, the researcher must avoid getting too intrigued by the richness of the data collected. Compared to quantitative analysis, there are few well-established methods and rules to analyse qualitative data, but there are some generic approaches one can take (Bryman & Bell, 2011, p. 571). For this study, a thematic analysis has been conducted, which is also one of the most common approaches (Bryman & Bell, 2011, p. 571). As the name implies, thematic analysis is the identification of themes and the application of the data collected to those. Moreover, thematic analysis is an umbrella term which involves more than one single approach (Bryman & Bell, 2011, p. 571).
Attride-Stirling (2001) has developed a tool for thematic analysis, thematic network analysis, which was utilized for this study. The aim of a thematic network analysis is to explore the understanding of an issue or the significance of an idea (Attride-Stirling, 2001, p. 387). A thematic network analysis uses networks as organizing principle to understand a common theme of the qualitative data. In a thematic network analysis, the first step is to break down the text into pieces and assign them with labels. These labels can either reveal themselves from the dataset or being derived from the theoretical framework. In this study, we departed from predetermined labels, but corrected these as the data was collected to avoid overlaps and to have a better fit. The second step involves exploring the data by creating the networks based on the emerging themes (Attride-Stirling, 2001, p. 388). With the research questions in mind, the final step is analysing the data using the thematic networks. The themes use three different orders, global theme, organizing theme and basic theme, as is illustrated in figure 5.

![Thematic network](image)

*Figure 5. Thematic network.*

The lowest-order theme is the basic theme, which cannot be used solely to reach conclusions about the data as a whole. These basic themes need to be paired with other basic themes, where these groupings create the second-order theme, organizing theme. Patterns reveal themselves as basic themes are grouped and sense can now be made from the data. The first-order theme is the global theme, which consists of these organizing themes grouped together. The global themes tell the reader what the data is about in a specific context by summarizing the lower-ordered themes. More than one global theme can arise (Attride-Sterling, 2001, p. 389) and for this study, we developed three; Mediating, Cooperating and Coopetition. The global themes with the derived organizational and basic themes, are to be found in appendix 4.
To identify themes, we began to colour code the answers from the respondents. We coded answers which were related by the same colours to easier obtain an overlook of the large amount of data. Each colour represented one subject, in which the majority were pre-determined, and a few were added to the framework as we read the transcribed texts. This way, we could easily see patterns as well as disparities in the respondents’ thoughts and opinions. Upon the coding, we assembled extracts in relating areas into separate documents and at last found the three salient themes by which we created the theme network.

4.5. Ethical considerations

When conducting research, it is of importance to consider ethical issues that might arise. The areas in which ethical concerns are more prone to occur than others are lack of informed consent, invasion of privacy, whether harm comes to participants as well as deception (Bryman & Bell, 2011, p.122).

To avoid lack of informed consent, we presented ourselves and our topic in each written interview request, as well as informed the participants before each interview that they may skip questions if they feel uncomfortable and stop the interview whenever. Hence the participants have the information regarding the research they will take part in, as well as hopefully not feeling forced to participate further in case the interview itself or certain questions would make them uncomfortable. We have also carefully explained that the information will be treated with confidentiality as well as kindly asked whether it was ok if we recorded the interview. However, according to Bryman and Bell (2011, p.133), it is difficult in business research to present all the information needed. This because for them to make the decision to participate with fully informed consent, would be inconvenient due to the amount of information that would need to be given. Further, giving out too much information about a study might also contaminate the answers given (Bryman & Bell, 2011, p. 133). We have also been very careful not to exceed the promised maximum time frame of 30 minutes without their permission, since this would be a sort of abuse to the informed consent.

Even though the researcher takes good care when asking the questions, it is impossible to know what will be regarded as too sensitive to the participant (Bryman & Bell 2011, p.136). Starting the interviews with stating that the participants are free to skip questions and quit the interview whenever they want, is therefore a way to avoid invasion of privacy, and hopefully making the interview more comfortable to them. Invasion of privacy is also linked to anonymity and confidentiality, which is why we have chosen to treat the given information from participants with confidentiality. However, it would not have been possible for us to treat the information anonymously, since this would mean that we would not have known the respondents, which is tricky in a qualitative study. Exceptions to the confidentiality were made for two participants who have given their consent for us to use their names and titles.

Putting participants of a study into a situation where they might be harmed physically, mentally or otherwise, is unacceptable. However, this has happened in many studies throughout time (Bryman & Bell 2011, p. 129). In this study, the only potential harm participants might be in risk of is the relationships between themselves and other firms within SOG, or themselves and SOG if revealing sensitive information or speaking negatively about other parties. Since we have promised to send the thesis to all the participants, it is of even greater concern that we treat the information confidentiality.
Deception occurs when the researcher has been lying about the study towards the participants, i.e. to study something different than what they say they are (Bryman & Bell 2011, p. 136). In this research we have been very clear and honest about the research. Furthermore, we have been very clear in informing the participants that one of us have been involved in one of the member firms, in case this would implicate any of the participants to give out certain information.

Further, we have decided to be extra careful when handling some information given by the respondents since the thesis might be read by members of the association. Since events, projects and members within SOG are not extremely numerous we have avoided to mention some projects and events by name since it might otherwise give away who the respondent is. The reason to why information about the responding member firms is limited is mainly because we wanted to attain as extensive answers as possible. We realized the respondents might become inhibited in their answers if they thought it could be traced back to them. Furthermore, it is of less importance who says what since we are not looking for patterns in the answers from the individuals, but rather patterns according to the themes established in the interview guide (appendix 1-3). Therefore, the respondents will be called by numbers. However, we have decided not to use numbers on all the quotes and information in the findings but instead referring to “One respondent said…”, or “firm x” to avoid readers to make connections between the quotes and the numbers. We do realize that this will make reading the empirical findings a bit complicated, but for the sake of confidentiality we decided to keep it that way.
5. Empirical findings

In this chapter, the empirical findings are presented, which were gathered through interviews with representatives from six different member firms as well as the general secretary and the sustainability coordinator of SOG. The views of the respondents regarding the role of the industry association as well as the coopetitive relationships within are emphasized according to their answers of the research questions.

5.1. Motivation

To figure out the motivations for firms in the Scandinavian outdoor industry to join SOG, the respondents were asked what the main benefits of being part of SOG are. The motivations are important to understand because if we investigate coopetition in the context and the management of the resultant tensions, we must first understand why member firms choose to coopete in the first place. One beneficial aspect all respondents agreed upon can be summarized by quoting respondent 2: “We stand stronger together, and by working together we pull each other up”. This aims at the fact that many of the member firms in SOG are relatively small actors, compared to international brands on the market, in which they are stronger if they stand together. By this, all respondents especially meant the Scandinavian Village at ISPO, which is the world’s largest multi-segment trade fair for the sports business (ISPO, n.d.). Furthermore, two of the respondents spoke about the importance of creating easier access for potential customers to find them in the big halls of the fair. As respondent 8 put it: “it is better that the customers spend their time in our stands than wandering the halls of the fair”. Respondent 2 addressed that by standing together with other high-quality brands from Scandinavia, even if they’re competitors, gives them higher credibility than if they were standing by themselves. This statement is similar to respondent 1, who claimed: “it is a strength to belong to a group of brands that are champions in the industry”. The general secretary stated the main reason why many firms join SOG is Scandinavian Village at ISPO, and they stand stronger together as Scandinavian brands. The above stated viewpoints appear to be coherent between members of SOG and the general secretary.

Other motivational factors to be a part of SOG mentioned by the respondents were the network and the platform it provides for discussion and exchange experiences with people in same positions, as well as listening to interesting lectures. According to respondent 2, the network can be used as a quality-check when being approached by new distributors which claim to have worked together with other firms from SOG. A second respondent values the network for giving the possibilities to find firms to cooperate with, a third for the helping of each other to develop their products and production and a fourth for the exchanging of experiences.

In addition to the Scandinavian Village and the network, three of the respondents mentioned the saving of resources by cooperating and sharing start-up and/or export costs. As respondent 3 put it: “it is unnecessary to reinvent the wheel”.

5.2. Risks and disadvantages

Besides examining motivational factors of entering SOG as well as the benefits of the membership, it is also important to identify factors that potentially hold other firms outside SOG and what reasons could cause firms to leave the association. The respondents agreed there are mainly positive aspects of being part of SOG. However, two of the respondents addressed the time aspect where respondent 3 said: “operative business
comes first and SOG second, maybe sometimes a gathering once a year would be enough, rather than two”. Two of the respondents mentioned the diversity of the themes at the different gatherings, where the theme sometimes is not relevant to everyone, which is when the time aspect becomes more salient. Two of the respondents mentioned that it costs money.

Furthermore, respondent 2 claimed that one risk of being part of the association lies in member firms not being able to manage exports well enough, since it can create a bad reputation for all member firms in SOG. Respondent 8 further identified a risk in member firms not having a strategy for their engagement in the association. The respondent thought that those cases create a waste of resources, both to the firm itself but also to SOG. Concerning risks, the general secretary of SOG said: “there is a danger in becoming too big, however we don’t have any ambition to grow. But if we become too big the member firms might not dare to be as open and transparent”.

5.3. Expectations

The authors further asked what the member firms expect of SOG and what they think SOG expect of the member firms. By understanding their expectations, it provides us with insights in how closely the members are willing to work with each other’s as well as what they believe the cooperation activities can achieve.

Four of the member firms expect SOG to lead the way and to keep them updated when it comes to news in the industry, especially regarding export and sustainability issues. Respondent 3 expected SOG to “remind us or open a door” regarding sustainable options. Respondent 8 expects that SOG creates a contemporary platform to conduct global business. Four of the respondents stated that one of the main functions of SOG is to help the firms to enable export. Regarding that, respondent 4 said that creating good results at international fairs is an important aspect, and respondent 6; “to increase visibility in new markets”. Moreover, respondent 8 thought that SOG should act as a compass guiding their development concerning exports.

Furthermore, we also asked the general secretary and the sustainability coordinator what they think the member firms expect of SOG, where the general secretary answered: “that we keep good quality on what we do” and “keep them informed of what’s going on in the industry”. The sustainability coordinator thought that SOG is expected, to a certain point, to take an active stance for sustainability on their account. He further explains this by saying that it depends on the fact that the member firms view sustainability as a big challenge, and that is why they want the association to work actively with the issues.

When asking the member firms what they think SOG expects from them, all the respondents thought SOG expects them to participate and to be active during gatherings, where they share information and raise questions and issues with the association. This suited well with what the general secretary answered when asked what SOG expects of the member firms: “we expect them to be active in the projects that suits them and make good use of their membership in SOG”. Furthermore, the general secretary explained that they expect the member firms to keep up the quality of their products and the sustainable ways of manufacturing, since SOG has certain requirements that need to be fulfilled in order to be allowed as members. The sustainability coordinator thought: “there should be a will in SOG, among its members and among its leaders to work seriously with sustainability as an issue”.

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5.4. Sustainability
Before specific questions regarding coopetition were asked, activities occurring in SOG were examined, sustainability projects being one of them. This is because it is important to understand the characteristics and the member firms’ general thoughts of the cooperation activities before investigating coopetition itself.

During the interviews, many of the respondents implicitly talked about sustainability projects they were involved in, using those as examples when answering questions regarding cooperation, thus contributing to our understanding of sustainability activities as well as coopetition. When asking about their expectations, four of the respondents expected SOG to take the lead in sustainability issues. To fill the gap for those who did not mentioned sustainability as well as to go more into depth for those who did, we also asked explicitly what the member firms and the employees of SOG think SOG’s role in moving towards a sustainable future should be.

The sustainability coordinator was the first respondent to mention that on the previous SOG meeting in mid-April 2018, it was decided that SOG should work with sustainability criteria in the membership procedure, which is presently being done regarding quality. The member firms want SOG to measure sustainability for new entrants as well as existing firms, where specific criteria need to be fulfilled in order to be a member of SOG. SOG should then follow up and continuously measure to see if the once approved members need to improve in order to maintain their membership. In the remaining interviews that were held after this decision was presented to the authors, two respondents from member firms and the general secretary, stressed the importance of this decision in SOG taking the lead within sustainability issues. In regards to this, the sustainability coordinator asserted that the member firms want SOG to take sustainability issues seriously and that it should be externally displayed, to further strengthen the view of Scandinavian brands.

Moreover, the sustainability coordinator explained the foundation of the member firms somewhat high expectations on SOG regarding sustainability; “it's a new area and tricky for firms to manage”. He continued stating that what is enabling open discussions regarding sustainability issues between competitors is that the internal challenges of the member firms are more or less generic, i.e. they face the same challenges. Furthermore, he claimed there are incentives to cooperate in the development of standard solutions as well as in problems they cannot solve by themselves. Respondent 1, and 8 also mentioned common standards is a sustainability area to cooperate within. Regarding problems the firms cannot solve by themselves, the sustainability coordinator exemplified with cooperation in the supply chain. If a firm wants a supplier to do something new for them, it might require a too big order for the single firm. Instead, if three firms join forces and place an order together, it is thereby possible. The general secretary had similar viewpoints: “one area where firms cooperate to a significant extent is sustainability because everyone wins” and “you have to be large in numbers in order to impact customers and suppliers”.

Respondent 1 view aligns with the above, although expressed in more general terms, where respondent 1 asserted that previously, the problem had been that everyone tried to do everything one their own, hence the whole society needs to cooperate.
As the general secretary touched upon, the necessity to be large in numbers in order to impact customers, is something respondent 6 regarded as central in their sustainability work: “it is almost hopeless how consumers do not know anything about how the products are manufactured, and that is what we want to do with sustainability”. Respondent 6 referred to sustainability retail, a sustainability project in SOG that has the aim to educate distributors and raise awareness of consumers.

All respondents were somewhat coherent in their views, where everyone stressed their willingness to cooperate within the area. Respondent 2, however, was a little more restrictive when talking about cooperation within sustainability issues; “sustainable solutions can be a competitive advantage towards main competitors and a majority of our main competitors are also member firms in SOG, which means that one might not want to share everything regarding that”.

When discussing how the member firms utilize the Sustainability Network, the sustainability coordinator admits that not much discussion takes place on the network’s Facebook page, but the Sustainability Network has other advantages: “by creating this network, a function in each firm is connected that has basically been previously invisible” and “before they didn’t know the others existed and nonetheless knew each other”. Further he claimed that it is more of a platform so that cooperation can emerge elsewhere. Respondent 3 confirmed this reasoning by explaining that the existence of the Sustainability Network probably results in them contacting other member firms directly instead of going through the Facebook page.

Lastly, when discussing what SOG itself contributes with rather than functioning as a platform, all member firms’ respondents that touched upon this, being five out of six, agreed it is a great resource to have an expert, the sustainability coordinator, in SOG. Respondent 3 explained their view a bit more thoroughly: “expert help that sifts for you, instead of searching by your own or talking to a supplier that doesn’t have a clue or with conflict of interest.”

5.5. Co-branding
As described in the beginning of the above headline, the respondents were asked about their view on the activities taking place in SOG, sustainability and co-branding, before exploring coopetition in detail.

Most respondents agree that the perception of Scandinavian brands internationally and especially in Europe is good. They emphasize the image of Scandinavian brands has its strength regarding quality and production. Respondent 6 added the affiliation with nature to be a factor of importance supporting the perception of high-qualitative Scandinavian brands. Respondent 8 has a slightly different perception, although agreeing Scandinavian brands have a good reputation, mainly due to a historical exporting success of some bigger Scandinavian brands. Respondent 8 claimed: “if we together can market Scandinavian outdoor industry in a good way, I think we should do it, but we have to constantly develop in how we do it. It is fairly easy to end up in a copy paste situation, doing the same thing”. Respondent 8 continued describing a discussion he had with one of the major purchasers in Europe, where respondent 8 said to the purchaser that it must be fun doing business with Scandinavian brands due to the pole position in product development as well as other things. The purchaser replied: “what makes you think that? Europe is full of firms that are just like you, why should we do business with you?”
Respondent 8’s claims can be summarized by the fact that Scandinavian brands have historically had a good reputation, but there is nothing that assures this reputation in the future.

When discussing motivations, as said before, respondent 1 thought: “it is a strength to belong to a group of brands that are champions in the industry”. Respondent 8 thinks that being a part of SOG certifies a set of values that all member firms possess. This is because when entering SOG, there are requirements regarding quality to be fulfilled, where the community strengthens the perception of the individual member firms. None of the responding member firms thought there was a misalignment between SOG’s message and the firm’s own message, as respondent 6 put it: “the message SOG delivers is in accordance with our own values”.

Branding and sustainability emerged as interrelated concepts. The sustainability coordinator explained that in discussions with member firms, it was agreed that the image of Scandinavian brands as a good alternative should be sustained. Likewise, they want the Scandinavian brands to be more proactive than other outdoor brands dare to be. Also, as mentioned earlier, the member firms want SOG to take the lead, which should be displayed externally.

5.6. Coopetition
In the second part of the interviews, we started to dig deeper into coopetition itself to get us closer to the answering of the research questions.

The first question asked considered their personal view on cooperating with competitors. There seems to be a coherent, predominant positive view of the respondents from member firms as well as the sustainability coordinator and the general secretary. This citation by the general secretary was found on SOG’s website: “outsiders sometimes laugh at the Scandinavian strive for consensus and cooperation. In SOG we use it as our competitive advantage”. This view is supported by respondent 1: “my basic philosophy, success creates success and draw back creates draw back, aligns with the whole idea of SOG, that we shall help each other to export. Can I help a competitor to do that, then it will also be easier for us”. Respondent 8 agreed on this by stating that if a competitor within SOG increases its sales, it means there is less synthetic fabric on the market, which is very positive according to the respondent. Respondent 8 emphasized that all competing firms have their own strengths, weaknesses and niche market which results in everyone having their place on the market and that “the only time we actually compete is during tenders”. Respondent 1 had the same view, when it was mentioned that they are very different from their closest competitors and thereby they do not have a problem of cooperating with them. The general secretary of SOG shared this view; “we are not competing, we work first of all with exports where the firms are not that big as of today. In that case you compete with others and not with each other”. The reasoning of the respondents and the general secretary implies that they do not consider member firms as competitors at all, especially when exporting to other markets.

Furthermore, the respondents were asked if the view they possess had changed since they entered SOG. The respondents, three in number, who were employed by their firm at the time they entered SOG, clarified they already had a positive view, but that it had been strengthened somehow since. In accordance, respondent 4 stated: “I have always had a good attitude, but if something has changed it would be my knowledge regarding the
competitor's products and an increase in respect towards them because of their good work”. Respondent 2 mentioned it sometimes happens they grab a beer with a competitor during exhibitions, a way of thinking respondent 2 believed they did not have before entering SOG. No respondent answered that the view had changed negatively.

Regarding areas to cooperate within, the sustainability coordinator claimed the key is to find cooperation in areas that are not direct means of competition. Respondent 2 thinks that regarding products, they try to go their own way and to not look so much at what the competitors are doing, keeping it a secret for as long as possible. Respondent 1, respondent 3 and respondent 6 agreed upon this by saying that the product development itself is nothing they share, which are the core competencies. Respondent 6 also added that marketing strategy details are nothing they share. Several respondents mentioned that sales numbers, budget and margins is information they do not share.

As we conducted the interviews, characteristics of the industry emerged to play an important role in enabling successful cooperation between competitors. First of all, several respondents mentioned that the firms in the industry are few in numbers. For example, respondent 6 has been in the outdoor and sport industry for a long time and knows pretty much everyone. Respondent 6 continued adding that many employees from member firms involved in SOG has been previously employed by other member firms in SOG, meaning there is a natural high level of trust. Respondent 4 told us that many good friends are employed by competitors. This was also touched upon by the general secretary, the fact that people move around a lot between brands, as herself who was previously employed by two member firms. Respondent 1 equates the industry with a small duck pond where everyone knows everyone and exemplifies by mentioning that some former employees nowadays are hired by competitors.

Not only had the size of the industry emerged as a critical success factor in cooperating with competitors, but also the size of the member firms themselves. Respondent 2 said: “I think that what is important is that we are few in numbers in Scandinavia, but also that we are small in size, and small brands must stand more tightly together if successfully reaching markets outside of Scandinavia”. When discussing the positive view of cooperating with competitors, respondent 1 asserted: “I know that everyone does not think the same way, it can happen that we think like this because we are relatively small, something I would take into account in my analysis”. The sustainability coordinator agreed upon this by saying there is often an open attitude in smaller firms, and they ask for help to a greater extent because of their lack of resources. Respondent 2 mentioned a cooperation situation with a direct competitor within SOG, where respondent 2 emphasized that the cooperation worked well mostly due to their personal relationship with the people in the rival company.

Moreover, respondent 8 mentioned that in this industry, it is hard to invent something revolutionary, meaning that there are no greater risks in sharing information. Respondent 6 claimed that the industry is open in the Nordic countries and that there are no great secrets between competitors. The sustainability coordinator claimed that the prestige in the focal industry is quite low. He exemplified this by the fact that the way of dressing during assemblies are relaxed and people with different titles are all treated, and treats each other, as equals.

Another subject frequently initiated by the respondents was the culture in Scandinavia. The sustainability coordinator explained that in comparison with other parts of Europe,
such as Italy and Germany, it is much easier to cooperate in Scandinavia. He emphasizes there is a tradition to cooperate in Scandinavia and the attitudes towards cooperation is often open. When describing the other countries, he emphasized it is a narrow generalization, but there probably lies some true in his perception. About Germany, he said it often takes a lot of time, gets very big and usually the government is involved somehow. Further, what drives innovation clusters in Italy is competition, but the mistrust inhibits cooperation.

The general secretary claimed: “in Scandinavia, we fight for being the most reliable, we trust each other, and that is what I think is the success factor”. Respondent 2 has the same view when saying that it is a bit special that competitors cooperate to this extend compared to the rest of the world, and that others see them as a bit naive, although with admiration. Respondent 4 also thought it is easier for Scandinavian brands to cooperate compared to further south in Europe. Respondent 3 explained that they used to be part of another association for winter sport gear with whom they stood together with at ISPO, and that they thrive much better now that they are part of the Scandinavian Village. We asked if it could be due to cultural factors, since most of the firms in the other association was from other parts of Europe, where respondent 3 answered that it is most likely the case, where they now stand together with those they recognize. Respondent 8 reflected upon the same phenomena, that it might not be a Scandinavian culture itself why they successfully cooperate, but because they all are Scandinavians. Respondent 8 continued with “we have a long history together, regardless of what kind of trade we conduct with each other” and “it is different to conduct business in Scandinavia, but there is no mistrust, we have this long tradition of being Scandinavians”.

The respondents were asked how they perceive the atmosphere during SOG meetings, to gain a deeper understanding regarding the member firms attitudes towards each other and whether it is cooperation or competition dominated. All of the respondents’ answers would be considered as viewing the atmosphere as cooperation dominated. The general secretary described the atmosphere as: “fantastic, even though people come and leave, this atmosphere has continued, they see their competitors as friends”. She exemplified by describing that during the latest SOG assembly, four representatives from competing shoe firms took the seats next to each other during dinner. This event was also mentioned by respondent 8. Furthermore, respondent 2 stated: “it is a very casual atmosphere” and as partly mentioned earlier: “we have a very good tone, during exhibitions it happens that we sit down and grab a beer together with a competitor”. Respondent 8 described the atmosphere as: “generous, a feeling of community that might not be found elsewhere”. Respondent 4 agreed with the others, but that the atmosphere may not always be as good, which rather depends on the agenda of the meeting.

To find out whether the respondents experience tensions on an individual level, they were asked if they ever felt negative emotions towards a competitor in a SOG context. If the answer was yes, the respondents would be asked how these negative emotions were managed to find out if they used self-regulation or self-acting as a method. No respondent said that they had felt negative emotions towards a competitor in a SOG context, and consequently there were no methods mentioned in how negative emotions are managed.

We wanted to find out SOG’s potential impact on member firms cooperation projects that take place outside the boundaries of SOG. The general secretary believes that such projects would not occur to the same extent without the existence of SOG, due to the fact
that firms and employees already know each other from SOG. She claimed: “*contact within SOG creates ripples on the water, where projects starts independent from SOG*”. She exemplified with a cooperation project between two firms that designed a product together and co-branded it. The sustainability coordinator also thought that SOG as a network enables cooperation projects outside of SOG to take place. Respondent 8 and respondent 2 thought that the cooperation projects they have had with other member firms would not occur without the existence of SOG.

Respondent 3 explained a cooperative relationship which became coopetitive. Initially, respondent 3’s firm manufactured different clothing to the other member firm, and began later to supply them with its core product, which the partner sold under its own brand. However, these events happened before respondent 3’s firm entered SOG and hence, SOG did not cause these events.

We asked the respondents to describe different cooperation projects they were involved in, about negative emotions towards competitors in connection to these, as well as if there are different internal views in the member firms. Further, we asked if there are any formal mechanisms regarding information sharing. We found different aspects relating to tensions and the methods to managing these. Firstly, one respondent explained that they were not part of SOG during a period, since a competitor that already were members in SOG held them out. The applying firm got denied several times because they did not fulfill all requirements down to the letter, where the respondent believed they were the only firm that needed to do so. Another respondent also mentioned an event when he or she sat on the board of SOG, where a member firm asked the respondent if they were really going to let one of their competitors to enter. The respondent replied to the member firm that it does not work that way. When asking the general secretary if there has been any conflicts between competitors in SOG, she says that she cannot think of any. Respondent 1 said they would rather call another firm to talk about certain things than a competitor, and that the competitor probably feels the same way, but if the competitor would call, respondent 1 would not have a problem sharing certain information. One respondent mentioned that they have withdrawn their participation in a project, partly since another competitor was also involved in the project: “we have paused the project partly because we are putting a lot of resources into something that also benefits the competitor”.

Further, respondent 2 said: “*when grabbing a beer with a competitor, it has happened that he or she tells information I wouldn’t share myself*”. When asking if there are any internal differences in views regarding cooperating with competitors, all respondents agreed there are no greater differences. Respondent 6 mentioned that for employees who are not involved in SOG and projects with competitors, they might think the representatives share too much information, where they think differently because they have another function in the firm and do not have the full picture.

When discussing methods to manage information and tensions with the general secretary, she said there is no formal mechanism used when handling information in SOG. The member firm respondents agreed it is the case, where employees in the member firm know what information to share and what information they should keep for themselves. Respondent 1 mentioned that it is written in their employment agreements, what is considered information leakage and thereby employees know what violates the employment agreement. Respondent 3 said that when meeting competitors in SOG, respondent 3 naturally becomes restrictive in what to say. Respondent 2 agreed upon this.
by saying that when talking to a competitor respondent 2 becomes more careful about what is being said. Respondent 4 said: “of course we keep confidential things to ourselves and information that competitors should not have access to”, implying that an employee of the member firm naturally knows what to share and what not to share. The sustainability coordinator explained that in innovation projects and other specific projects, sensitive information is protected by a third part from transparency. The third part is also the actor that facilitates the cooperation between competitors so that they can “play on equal terms”. The third part could be a research institute, an academic institution or an organization like Peak innovation, which is the organization in charge of the sustainability work within SOG.

With two of the respondents, competition as a phenomenon was touched upon. As earlier described, the sustainability coordinator discussed different countries where he specifically stated that what drives innovation clusters in Italy is competition. “The firms see themselves as own entities that look and compete with each other”. He thinks though, that because of the mistrust these firms possess towards each other, it will be tough to find common areas of cooperation. Furthermore, he mentioned the US as having a very competition driven culture, although they find areas to cooperate within and often they do something really good out of it. When asking respondent 8 about his view on cooperating with competitors, he began with “competition is healthy, it is what drives development”.

6. Analysis and discussions
We will in this chapter connect the empirical findings with the theoretical framework in order to answer our research questions. For this purpose, we used thematic network analysis. The thematic network analysis synthesized the following global themes: Mediating, Cooperation and Coopetition.

6.1 Thematic network analysis
As explained earlier in the practical method chapter, the first step in a thematic network analysis is to break down the text into pieces and assign them with labels, all belonging to the same theme. When collecting the different themes, we gathered them under three global themes, all consisting of two to three organizational themes which in turn consist of basic themes. The themes are illustrated through figures 6 to 8, however the information in the basic themes was too extensive to be fully included but can be found in its entirety in appendix 4. Further, the major findings are displayed in table 2 at the end of this chapter.

First, the global theme of Mediating will be presented, with the organizational themes: third party role, network and trust. In this part we have analysed the mediating role of SOG and how it affects the coopetitive relationships. Second, the global theme of cooperation, with the organizational themes of co-branding and sustainability. In this part, the views and motivations of the respondent to cooperate in the main activities are analysed. In the third global theme we are analysing the coopetition phenomenon with the organizational themes of paradox, tensions and balancing. In this part, the coopetitive relationships between the firms are scrutinized as well as how tensions are managed and balanced.

6.2. Global theme: Mediating
The first global theme derived is Mediating, with the organizational themes of third party role, network and trust. This aims at analysing and explaining the role of SOG regarding coopetitive relationships between the members. The global theme of Mediating was found due to the apparent salient importance of the three organizational themes, which was connected through the mediating overarching role which, according to our findings, the industry association holds.
6.2.1. Third party role
When screening the findings, it became clear that SOG’s third party role is of importance to enable cooperation between competitors. All the respondents agree that SOG’s role in enabling cooperation is substantial. According to theory, firms in an industry association are often competitors, and even though they are involved in cooperative situations within the association, it does not mean that they will set their rivalry aside (Philips et al., 2000). However, this does not seem like a salient fact in the case of SOG. Most of our respondents have given answers saying that they drink beer with their rivals, they wish them to succeed and they believe that their success means success for themselves too.

Barnett (2013, p. 232) argues that if one member of an association misbehaves or fails in its commitments, it might reflect badly on the rest of the association. This fact was brought up by two of the respondents as well, regarding the risks in being part of SOG. The risk lies in the intertwined brand image of SOG, where the member firms still act as separate units where misconduct can appear. However, the general secretary believed this is not a salient risk due to the criteria which need to be fulfilled before a new member is accepted.

Bengtsson and Kock (2000) outlined the third party role in the Swedish brewery industries, where the industry association was important to enable coopetition. This is a way of separating the competing element in alliances from the cooperating element, with the industry association functioning as a mediator of the cooperating units. Since many of the respondents answered that they did not believe that cooperation to such a degree would be possible without the facilitating factor of SOG, the third party seems to be an important factor in the Scandinavian outdoor industry as well. According to Olson (1965, p. 2) and the logic of collective action, the collective action for the common good needs
to be facilitated by a separate distinctive force for a group to engage. When analysing the answers of the respondents from SOG, the theory of collective action seems to be true in this case. Furthermore, SOG has a salient impact on cooperation between member firms even outside the association. This seems to be due to the network inside SOG, which enhances cooperative activities outside its boundaries.

According to Tidström and Hagberg-Andersson (2012), the process of coopetition can have the reverse sequential order. This means that firms initially are cooperators, but due to chronological events such as information sharing, sales-related and opportunistic activities, firms may become coopetitors. Such an event was found during the empirical research; however this was initiated before both of the firms concerned became part of SOG. We thereby found no evidence of SOG enhancing competitive activities among member firms.

6.2.2. Network and Trust

One of the main motivational factors to be part of SOG, according to five of the member firm respondents, was the network it provides. By creating this network, it enables member firms to discuss issues with peers, exchange experiences, pool resources as well as help each other develop and reach new markets. The stated benefits of the network support earlier research by Gulati et al. (2000, p. 203) and Riggles (1997, p. 28), claiming that business networks provide the strategic advantages of access to new markets and pooling of resources. However, according to Phillipson et al. (2006), a network should not be too big, since the trust between the members would be more difficult to retain. When talking to the general secretary of SOG, she underlined the high level of trust in the association and stated that they have no intention to grow, since it might lead to reduced trust. Further, research has shown the level of trust in a network is connected to the personal relationships in the network (Besser et al., 2010, p. 115). This might help to explain the high level of trust expressed by the member firms that were interviewed. As both respondents 1 and 6, as well as the general secretary expressed they know pretty much everyone because the industry is small and when people change occupations, they usually stay in the industry. This means, the people inside the network of SOG have strong relational ties to each other, due to the limited size of the Scandinavian outdoor industry. Respondent 2 even talked about the fact that the reason they could cooperate so well with a competitor was because of the personal relationship with the people in the rival firm.

The high level of trust is further believed to be one of the main reasons why all respondents replied very positively when asked about the atmosphere at assemblies and other activities in SOG. Except for respondent 4, who stated the atmosphere depends on the agenda of the meeting, all the others described it as “casual”, “generous” and “fantastic”. This is also strongly supported by both the general secretary and respondent 8, who talked about four competitors that even though, all of them make shoes for outdoor activities, they were still having dinner together during the latest assembly.

SOG has further connected employees working with sustainability in the different firms through the Sustainability Network. The respondents who were engaged in the Sustainability Network agreed that they did not utilize it a lot, but respondent 3 admits that by being part of it, he or she is constantly aware that others share the same issues when it comes to sustainability. Even though the respondent would not use the Sustainability Network directly, he or she knows who to contact in the network for
specific questions regarding sustainability. According to the sustainability coordinator, the Sustainability Network serves as a platform allowing cooperation to emerge elsewhere.

6.3. Global theme: Cooperation
The second global theme derived is Cooperation, with the organizing themes of sustainability and co-branding, which are the main areas in which the member firms cooperate. By the global theme of Cooperation we aim at analyzing the empirical findings concerning the main areas in which the competitors in SOG cooperate, and weaving them together with the theoretical framework to further investigate what drive firms to cooperate within an industry association.

![Diagram: Thematic Network 2, Cooperation]

6.3.1. Sustainability
Regarding the role of SOG in enhancing sustainable solutions, consensus prevails in the belief that SOG should take the lead and provide guidance in how to become more sustainable. This view is coherent among member firms and employees in SOG. These findings support previous research that industry associations play a significant role in defining and enforcing industry norms (Lenox & Nash, 2003). As proposed by King and Lenox (2000), industry associations can both play a facilitative role where member firms initiate a self-regulatory program or actively launch programs in situations where member firms are not initially supportive. Our findings support the former since it was the member firms who decided that sustainability requirements should be implemented in the membership procedure. Why the member firms want SOG to work with sustainability can be explained by respondent 1: “the whole society needs to cooperate regarding sustainability, the problem before has been that everyone tries to do everything on their own”. The notion from the sustainability coordinator is that the member firms want it to be part of the international branding, that Scandinavian brands take this issue seriously. Moreover, he says sustainability is a new area, tricky to manage and where the member firms face the same challenges. These notions together with the integration of sustainability requirements in the membership procedure imply that the member firms have come to understand the commercial value of working with sustainability, and that cooperating while doing so offers great benefits.
To create common standards within sustainability was suggested by respondent 1 as an area to cooperate within, which was also mentioned by the sustainability coordinator. Sustainability requirements in the membership procedure can be considered as common standards, which the remaining respondents after it was decided on the member assembly, were positive towards. Common standards can thereby be seen as one area that the member firms want SOG to work with. Furthermore, all respondents who touched upon the subject were positive towards having a sustainability expert in SOG and as respondent 3 puts it: “it is great to have an expert help that sifts for you, instead of searching by yourself or talking to a supplier that doesn’t have a clue or with conflict of interest”. Another theme frequently mentioned by the respondents was the pooling of resources, which is a major motivation to enter an industry association (Barnett, 2013) and to initiate a coopetitive relationship (Quintana-García & Benavides-Velasco, 2004), in order to impact suppliers and customers. As the sustainability coordinator said, if pursuing sustainable improvements, multiple firms can join forces when the supplier requirements of order size exceeds the individual firm’s capacity. Impacting customers is the aim of the project Sustainability Retail within SOG, which respondent 6 viewed as central in their sustainability work.

6.3.2. Co-branding

There was a coherent view among the respondents regarding the perception of the Scandinavian brands, that it stands for quality and good production and that Scandinavia’s affiliation with nature helps strengthen the perception of Scandinavian brands as a good choice for outdoor activities. Respondent 8 claims this good reputation stems from the historical exporting success of a few bigger Scandinavian brands. Brand heritage has previously been found to increase the perceived brand quality (Pecot et al., 2018), something the respondents in this context also see as true. By emphasizing on this historical success, e.g. “with the heritage and traditions of Scandinavia” (SOG, n.d), SOG aims to increase the brand quality in order to successfully penetrate new markets. According to Uggla and Åsberg (2010), penetration of new markets is an explaining factor to pursue co-branding strategies, which we conclude for this context. Furthermore, respondent 8 thinks it certifies a common set of values being a member of SOG, which is supported by previous research, that outsiders perceive associated brands in co-branding as sharing a common set of values and a belonging to the same cultural sphere (Besharat, 2010; Simonin & Ruth, 1998).

No respondents thought the message SOG delivers misaligns with their member firms’ values. A consequence of misaligning strategic co-branding positions could lead to consumers being unable to identify, relate and position the firm’s cultural sphere (Simonin & Ruth, 1998; Uggla & Åsberg, 2010), but according to the member firms this is not a concern. In addition, scholars argue that due to the spill over effect, the benefits of engaging in co-branding are greater to low-equity brands compared to high-equity brands (Park et al., 1996). Respondent 1, who is employed by a relatively small firm, thought that one of the major motivations of entering SOG was that “it is a strength to belong to a group of brands that are champions in the industry.”, implying the high perception of the champions will spill over to respondent 1’s firm.

Respondent 8 did, however, talk about the danger of relying too much on the historical success, stating that the Scandinavian brands need to constantly develop the way in which they market themselves to maintain the good reputation. The respondent stated that “it is fairly easy to end up in a copy paste situation, doing the same thing”. This further implies
the importance of SOG as an industry association to constantly develop, keeping high standards.

6.4. Global theme: Coopetition
The third and final global theme derived is Coopetition, including the organizational themes of paradox, tensions and balancing. The global theme of Coopetition aims at connecting the empirical findings with the theoretical framework to investigate how the different aspects of coopetition is appearing and expresses itself in the context of SOG.

Figure 8, Thematic Network 3, Coopetition.

6.4.1. Paradox
Before examining potential coopetitive tensions in SOG, we must first analyze the coopetition paradox itself. To begin with, SOG consists of member firms where all have their own dyadic relationship with each other, i.e. a business network. Member firms are further involved in different projects within SOG as well as external ones, all to varying degrees. The plotting of the respondent member firms’ position in figure 9, showing the degree of competition and cooperation, is therefore on a network basis and not between two specific firms. In essence, we have assessed the responding member firms general experience of competition/cooperation in the business network.
Figure 9. Respondents plotted on the balanced paradox and two continuum according to our evaluation (adapted from Bengtsson et al., 2016).

All respondents made clear that both elements of competition and cooperation have their presence in the business network SOG embraces, hence the business network is coopetitive. Our view is that most of the responding firms tend to experience more of cooperation than competition in the business network. To exemplify, respondent 1 said that it was a good idea to help each other to increase the export, and believed that if their firm can help a competitor to do that, it will also become easier for them. Respondent 8 further stated that the only time they compete is during tenders. As mentioned in the empirical findings chapter, this reasoning implies they do not view other firms that sell similar products in SOG as competitors at all. This was also mentioned by the general secretary, that the member firms only compete with non-Scandinavian brands when targeting the international market. Further, three respondents from member firms who were employed when their firm entered SOG, said that their positive view of cooperating with competitors had been strengthened since the entering.

We identified some factors possibly explaining this cooperative mind-set the respondents possess. Firstly, culture emerged as an important factor, where many respondents mentioned a Scandinavian tradition of cooperation. However, since our theoretical framework lacked theories examining cultural aspects, we chose to not elaborate on this further. Secondly, SOG consists mainly of relatively small firms, where smaller firms are keener to cooperate since there is a higher probability they do not possess all necessary resources (Gnyawali & Park, 2009), which was also supported by some of the respondents. Lastly, as respondent 8 put it, every firm has its own niche, implying a great degree of product differentiation. According to some microeconomic theories, a condition for perfect competition is homogeneous products (Axelsson, 1998, pp.118-119), hence a greater degree of differentiation signifies less competition.

However, there were respondents with greater competitive elements in their answers. For instance, respondent 2 thought sustainable solutions is a competitive advantage and since
all their competitors are located in Scandinavia, they may not want to share everything regarding that subject. Another respondent mentioned their withdrawal from an SOG project which partly due to the fact that they were putting a lot of resources into something that also benefited a competitor. In figure 9 below we have plotted the responding member firms in the coopetition two-continuum, which displays whether they view the paradox as competition dominated, cooperation dominated or balanced as well as the intensities of these forces. We have based the distribution of the respondents from the interviews in entirety, i.e. the author’s general impression, and not on single citations.

6.4.2. Tension
The coopetition paradox creates tensions, both at the inter firm- and individual-level (Raza-Ullah, 2017, p. 2). Looking at the coopetition continua, we see that most firms experience the coopetition paradox as cooperation dominated and two firms perceive it as balanced, all with varying intensities. According to literature, tensions are at its highest when both cooperation and competition are strong, since individuals experience conflicting thoughts and strong ambivalence (Raza-Ullah et al., 2017, p. 2). This requires cognitive and emotional resources, stealing the focus and commitment from the task to be performed (Raza-Ullah, 2017, p. 59), which may result in paralysis (Stratton, 2005) and delays in decision making (Nohlen et al., 2015, cited in van Harreveld et al., 2015).

As mentioned above, one respondent said that they had withdrawn their participation in a project partly due to the fact that they were putting a lot of resources into something that also benefited a competitor. Here, the respondent firms’ analytical dimension of the coopetition capability, which refers to the firm’s ability to attain a clear and precise understanding of the coopetition situation (Raza-Ullah, 2017, p. 61), was put to test. It is important to emphasize that it was not only due to the competitor that they decided to withdraw their participation. Clearly, they experienced very high tensions during the simultaneous pursuit of competition and cooperation and estimated the disadvantages to be greater than the advantages within this coopetitive situation. Moreover, firms can experience different levels of tension since they might view the coopetitive situation differently depending on their analytical capabilities (Gnyawali et al., 2016, p. 13). This could mean that the responding firm’s competitor had a different view of the situation since they did not choose to leave the project, but which firm made the right decision and moreover, which firm possesses the highest analytical capability, remains unknown. Furthermore, a competition dominated paradox may result in negative tensions, where the anger and distrust towards the partner might hamper cooperation to take place (Raza-Ullah, 2017, p. 58). Two respondents mentioned situations where member firms attempted to hold entering competitors outside of SOG, indicating negative tensions in those particular relationships. Besides that, no respondent reported experience of negative emotions towards a competitor within SOG.
As can be seen in figure 10, we concluded that a majority of the respondents’ firms viewed the coopetition paradox in the business network as dominated by cooperation. A cooperation dominated paradox presumably results in positive thoughts and emotions towards competitors. When asking the general secretary if she had experienced any conflicts among competitors, she could not think of any. Besides the examples explained in the above paragraph, there was not much in the member firms’ answers indicating negatively dominated tensions or high tensions. We thereby conclude that the responding firms generally experience positively dominated low tensions.

Besides the high-level of trust and SOG’s mediating role examined in the first global theme of Mediating, we identified an industry characteristic and a motivational factor partly explaining the positively dominated low tensions. One respondent mentioned that there are not many secrets in the industry while another said that it is unlikely to invent something revolutionary. This addresses the notion of the outdoor industry being a low-tech industry where there is little potential damage in information leakage, thereby little tension stems from the trade-off between information sharing/information protection. Moreover, Bengtsson et al. (2010) argue that environmental and organizational forces are especially strong when considering innovation and R&D costs, which applies to high-tech industries to a greater extent. Tidström (2014, p. 270) suggests that partners are keener to support each other in their actions if the coopetitive relationship is voluntary and build on trust and commitment, than if the relationship is the opposite. When environmental forces are strong, the decision to coopete is more reactive than proactive, meaning there is not necessarily a voluntary will to coopete. This put together suggests that the positively dominated low tensions found in SOG could be partly explained by the fact that the cooperation in SOG between competitors is highly voluntary and proactive, i.e. the firms are not forced into coopetition.
But having too positive thoughts and emotions towards a competitor is not preferable, since the high trust may result in an underestimation of risks, resulting in the focal firm being exposed to opportunistic behaviour (Raza-Ullah, 2017, p. 58). As respondent 2 mentioned: “when grabbing a beer with a competitor, it has happened that he or she tells information I wouldn’t share myself”. This exemplifies competitors being too open due to their high level of trust, where the information he or she shared could have led, or did lead, to opportunistic behaviour by respondent 2 firm. What firms instead should strive for is moderate tension (Park et al., 2014, p. 219), where both positive and negative emotions and cognitions are of equal intensity, although not too strong nor too low (Raza-Ullah, 2017, p. 60). Some respondents said that when talking to competitors, they become more restrictive in what they say, thereby hedging against opportunistic behaviour. This way of acting implies moderate tensions where some positive emotions and cognitions seem to be present due to what they say, thereby hedging against opportunistic behaviour. This way of acting implies moderate tensions where some positive emotions and cognitions seem to be present due to the competitors will to speak to each other, although simultaneously keeping some distance in order to not say something that the competitor can act opportunistic upon.

6.4.3. Balancing

Now that tensions have been examined, we move into the third and last organizational theme considering how tensions are balanced in SOG. First of all, we did not find much evidence of either high tensions or negatively dominated low tensions, but rather our findings point towards positively dominated low tensions. As a result, no formal mechanism is needed for handling information where the firms instead rely on the high level of trust present in the network and their employee’s common sense. Compare this to the case between two high-tech firms presented by Fernandez & Chiambaretto (2016), where information was highly appropriable to the partner and in which formal mechanisms for handling information was necessary. With the global theme of Mediating in mind, we conclude that SOG increases the cooperation element in the paradox since firms engage in cooperative activities to a greater extent than without the presence of SOG. This cooperation dominated paradox presumably results in positively dominated low tensions.

Based on industry characteristics, as well as other factors already examined in this global theme, the industry does not seem to be subject to fierce competition. This allows us to assume that without the presence of SOG, firms in the industry would experience a low intense paradox, neither cooperation nor competition dominated, in which would presumably result in low tensions. This means that the cooperation activities that firms are exposed to in SOG as well as SOG’s third party role in facilitating cooperation, moves the tensions from low to positively dominated low. But as already mentioned, according to previous scholars, moderate tensions are preferable (Park et al., 2014, p. 219; Raza-Ullah, 2017, p. 60). Raza-Ullah (2017, p. 60) argues that this level of tension creates vital pressure and drive for optimal performance. Moreover, competition in general creates a constant pressure on firms to be innovative (Freeman, 2007, cited in Littlechild 2018, p. 212). This is in accordance with what respondent 8 said; “competition is what drives development”. Furthermore, when moderate tensions are present, managers are able to better understand the cruciality of simultaneous pursuit of competition and cooperation as well as making informed decisions in time (Raza-Ullah, 2017, p. 60). Moreover, research has found that individuals who experienced emotional ambivalence demonstrated a greater sensitivity to associations, thus being more creative (Fong, 2017, p. 1027), and that emotional ambivalence correlates with judgement accuracy (Rees et al., 2013, p. 366). Regarding what the sustainability coordinator touched upon, innovation
clusters in Italy are driven by competition, but the mistrust towards each other inhibits cooperation. Further, he said that although the US has a very competition driven culture, they find areas to cooperate within and often they do something really good out of it.

Clearly, there are benefits of moving within a competitive environment and experiencing moderate tension. In the answers of the respondents, we did not find much evidence of how SOG and the member firms stimulate internal competition, except the Scandinavian Outdoor Award. Here, the member firms get their products examined by an international jury and the best ones are awarded. The impact of the Scandinavian Outdoor Award in stimulating competition can only be speculated upon since none of the respondents mentioned it during the interviews.

### 6.4. Summary of analysis

To provide the reader with an overview of our analysis, a table of the major findings has been constructed. These findings are presented through the two research questions our study is based on.

<table>
<thead>
<tr>
<th>How do industry associations affect the coopetitive relationships among member firms?</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Bringing the members together by assemblies and other activities</td>
</tr>
<tr>
<td>• Keeping the network small and hence keeping the trust within it</td>
</tr>
<tr>
<td>• Facilitates cooperative activities between the member firms, hence increases the cooperation element in their relationships</td>
</tr>
<tr>
<td>• The network increases cooperative activities among member firms outside the boundaries of SOG</td>
</tr>
<tr>
<td>• Individuals in member firms are more positive towards cooperating with competitors after entering SOG</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>How are tensions stemming from the coopetition paradox managed by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry associations</td>
</tr>
<tr>
<td>Provides a cooperative atmosphere where personal relationships are created. No formal mechanism for managing information.</td>
</tr>
<tr>
<td>Member firms</td>
</tr>
<tr>
<td>Trust the common sense of the employees.</td>
</tr>
<tr>
<td>Individuals</td>
</tr>
<tr>
<td>The personal relationships enhances trust between individuals and hence, tensions does not need much attention.</td>
</tr>
</tbody>
</table>

*Table 2. Summary of analysis*
7. Conclusions
In this chapter, conclusions are drawn from what has emerged in the empirical findings which has further been interpreted in the analysis. Moreover, we will answer the research questions as well as addressing the purpose of the thesis. In this chapter, theoretical contributions and practical recommendations are presented and the societal implications these might have are discussed. Furthermore, limitations of our study and future research will be addressed.

7.1. General conclusions
Our main purpose has been to investigate the coopetitive dynamics among member firms in SOG and the third party facilitator impact on those. What we have found during our interviews is that the will to cooperate with competitors is very high among the member firms. Most of the respondents seem to perceive benefits in working together with competitors, especially within export and sustainability issues. Further, they seem to believe that they can grow together with competitors. The main reason is believed to be the high level of trust which exists in the network. According to the information provided in the interviews, this trust appears to derive from the fact that most people already know each other due to the industry’s relatively small size. If they do not already know each other, SOG provides a good environment to do so.

When looking at the dynamics of coopetition, we have considered previous research and the factors of tension and balancing. Previous research tells us that a balanced coopetition paradox and moderate tensions are preferable in coopetitive relationships. Moreover, the member firms we have interviewed have all been SMEs, and so are most member firms in SOG. According to research, SMEs have high incentives to cooperate with competitors since resources are more scarce than in large firms. In the case of SOG we have found that in general, the paradox is cooperation dominated and the tensions are positively dominated low. According to previous research, positively dominated low tensions expose firms to opportunistic behaviours, meaning that a competitor might get too much information and use it for own winnings. However, there are also theories stating that a small network does not tolerate opportunistic and deceitful behaviour, due to the personal relationships that usually exist to a higher degree in small networks.

Upon analysing the empirical findings and weaving it together with the theoretical framework, we could provide answer to our second research question:

How are tensions stemming from the coopetition paradox managed by industry associations, member firms and individuals?

The tensions between coopeting firms have been found to be positively dominated low and hence, do not require much attention, neither from the member firms, from SOG itself nor at an individual level. This seem to be the overall perception of both the member firms as well as the general secretary and the sustainability coordinator.

Further, we believe that the positively dominated low tensions also derive from the answer to the first research question:

How does industry associations affect the coopetitive relationships among member firms?
We have found that SOG as a third party affects the coopetitive relationships in the association by mainly enabling cooperating. Facilitating cooperation is, according to previous research and the logic of collective action (Olson, 1965), an important aspect of industry associations. The logic of collective action refers to the fact that without a separate distinctive force facilitating cooperation, the pursuit of collective gain will not occur. By this, SOG facilitates the cooperation between competitors to collectively strive to enhance export and commonly work towards finding more sustainable solutions and implementing sustainable common standards. Consequently, this cooperation between competitors would not have occurred, at least not to the same extent, without SOG. This was also believed to be the case according to the respondents, where a majority claimed that they did not believe the cooperation would exist without the facilitating of SOG. Also, the network possibilities SOG provides has resulted in cooperation projects outside the boundaries of SOG.

Secondly, by being part of SOG, the members meet at least once a year. By putting competitors in the same room in a relaxed atmosphere, the competitors will eventually get to know each other. This seems to have created an even more positive attitude towards cooperating with competitors before the member firms engaged in SOG. According to research, personal relationships create trust and functions as a governing mechanism in networks for members to behave appropriate, hence protecting against opportunistic behavior. This trust has been argued to be greater in smaller networks.

Lastly, by moderating the network and keeping high criteria for the membership, SOG maintains the quality of the network. Furthermore, SOG has no intentions to grow, since too many actors in the network would risk the high level of trust.

When arriving at these conclusions, we considered the fact that positively dominated low tensions possibly expose member firms to opportunistic behaviour. This is however prevented by the high level of trust present in the network. However, we further discussed if the coopetition could be more successful if adding more of the positive aspects of competition as well. This because competition is what drives optimal performance, and, emotional ambivalence, which is at its highest when individuals experience moderate tensions, has been found to increase creativity and judgement accuracy. We considered the Scandinavian Outdoor Award, which might add some competition components and hence increase creativity and innovation incentives among the members. This was however not mentioned by any of the respondents and therefore, we cannot draw any conclusions regarding its effectivity.

7.2. Theoretical contributions

Through the conduction of a qualitative study, we have been able to explore the coopetitive dynamics among member firms in an industry association. The incentives to coopete are explicit in high-tech industries, e.g. high R&D costs (Gnyawali & Park, 2009, p. 31), hence research conducted in high-tech contexts is common. In contrast, we have chosen to look at firms which coopete in an industry considered to be low-tech with relatively low R&D costs. In addition, some of the cooperative activities within SOG are close to the customer, such as co-branding at international fairs, an aspect of coopetition previously overlooked besides a few attempts (Lindström & Polsa, 2016; Chiambaretto et al., 2016). Further, compared to previous research which outlined the third party role of industry associations in facilitating cooperation among competitors (Bengtsson & Kock, 2000), we looked into the industry association itself. Bengtsson et al. (2016)
suggest coopetition researchers to adopt new, creative contexts, which we believe was
done by applying coopetition theories in a context and an industry not previously subject
to coopetition research.

According to Marques (2017, p. 735) research on industry associations is scarce in
management literature. This study contributes to the field by investigating an industry
association with a coopetition lens, whereas coopetition itself is a strategic management
phenomenon. Hence, we have studied the relationships between member firms and the
role industry associations can have on those. Our findings suggest that industry
associations’ impact on member firms’ coopetitive relationships is significant, whereas
the impact manifests itself in increasing the element of cooperation in the member firms’
respective coopetition paradox. Moreover, we have presented the significance of industry
associations’ third party role in facilitating cooperation among competing member firms
and its moderating impact.

By combining coopetition theories with research on the role of industry associations, we
have shed light on how these are related and hence useful to consider when managing
coopetitive relationships in industry associations. This concludes in the suggestion that
industry associations should not grow too big due to the risk of decreasing the level of
trust, where the high-level of trust is critical to the success of the coopetition.
Furthermore, our findings support the notions of interpersonal trust and voluntary entry
as critical success factors in competitors’ willingness to cooperate (Tidström, 2014, p.
270). Moreover, we have shown that interpersonal trust can function as a substitute for
moderate tensions in protection against opportunistic behaviour. In addition, we have
shown that no formal mechanism for managing information is needed when tensions are
positively dominated low and a high level of trust is present.

7.3. Practical recommendations
Firstly, we recommend SOG to educate its member firms in the field of coopetition, in
which they have the capacity to attain a clear and precise understanding of the coopetition
situation. A high analytical capability enables managers to see the benefits of
simultaneous competition and cooperation, but also reduces the risk of misperceptions,
thus resulting in less experienced tension. Of the six interviewed respondents, one
mentioned a situation where experienced tensions were too high for the cooperation to
continue. We therefore see the probability of other member firms being in a similar
situation in which they experience tensions as high. As of today, member firms in general
might not experience much tension, but external factors can radically change the
landscape. To exemplify, we got the impression that the member firms are nowadays
cooperating to a greater extent in comparison to when the previous financial crisis
occurred. Imagine a new financial crisis and the pressure on member firms it potentially
results in. This improving of the member firms’ analytical capability can be done by
inviting guest lecturers who are experts in the field of coopetition, or an employee of SOG
can take upon the responsibility to gain knowledge in the field. The recommendation to
increase the understanding of coopetition theories is directed to all actors who find
themselves in a coopetitive situation.

Secondly, we recommend SOG to increase the competitive element in the network. The
high-level of trust functions as a substitute for moderate tensions protecting firms from
opportunistic behaviour, but as already mentioned throughout the thesis, competition and
moderate tensions trigger optimal performance and innovation. One way to increase the
competitive element is to further develop the Scandinavian Outdoor Award and expand the number of award categories. The new categories should not only relate to product features as it is today, but rather acknowledge member firms in general and employed individuals. Some examples of new award categories could be SOG ambassador of the year, exporting success of the year, small firm of the year and greatest sustainability improvement of the year. Thus, creating incentives to not solely strive for developing the best products, but also to be the best firm in other areas as well. It is important to be careful in not adding too many categories, so that the honour of winning one is not hollowed. Moreover, SOG should focus on promoting the award in order to draw more attention to it. This recommendation also refers to industry associations and other cooperetitive networks, which are cooperation oriented and experience positively dominated low tensions. For others, perhaps an award is not the correct tool to use, but, to find ways to increase the competitive element is crucial if organizations and networks aim to maximize the benefits from the simultaneous pursuit of competition and cooperation.

7.4. Societal implications and ethical research aspects
During the research process, it became clear to us that the phenomenon of coopetition is relatively unknown in our social and professional environment. This also counts for the respondents who had never heard of its existence, although they implicitly incorporate theories in their business development. By conducting this study, we have shed light on the fact that coopetitive relationships may exist in industry associations. Raising awareness of its implications can help member firms to participate in coopetition more effectively, which is also why we recommend the focal industry association to increase their member firms’ analytical capability. If competitors can cooperate to a greater extent, for instance jointly pursue orders in which the cost per manufactured unit decreases, it eventually results in a price decrease for the customer if the market is competitive enough. According to conventional economics theory, the Kaldor-Hicks efficiency criteria, a change is beneficial if it results in a total value increase, regardless of to whom the value is allocated (Jhunjhunwala, 1974, p. 493). From a welfare perspective, the society as a whole will benefit of this cost decrease, even though the decrease never reaches the customer.

Previous research suggests that industry associations significantly influence their members’ practices (Lenox & Nash, 2003) and nonetheless within sustainability (Wakabayashi & Arimura, 2016). Our findings support their importance in moving towards, where cooperation within sustainability in the focal context would probably not occur without the existence of the industry association. By understanding the coopetitive situation in industry associations, one can also understand what is needed to make member firms to cooperate within sustainability to a greater extent and hence increase sustainability.

The benefits to society when improving cooperation between competitors becomes clearer when the cooperation is centred on sustainability, compared to cutting costs as in the example above. This study has shown that firms in the Scandinavian outdoor industry are positive towards cooperating with competitors to increase sustainability. As we conducted the interviews, co-branding and sustainability emerged as interrelated concepts, where the member firms want the Scandinavian brands to be affiliated with sustainability. This partly explains the member firms’ decision to implement sustainability requirements in the membership procedure of SOG. Now, firms that want
to leverage SOG’s exporting activities must also fulfil sustainability criteria. Firms must thereby not solely behave accordingly to regulations and customer demand, but also follow the norms of the industry. In addition, the objective of SOG’s project Sustainability Retail is to educate retailers, and hence, raise awareness among end customers. By this, SOG expects customers to increase their demand of sustainable products so that sustainable firms are favoured. This put together signals the important role industry associations may have in moving towards a sustainable future.

Lastly, the member firms’ positive view of cooperating with competitors is partly explained by the high level of trust, where the small size of the network seemed to play an important role. Other industry associations might therefore benefit from considering the size of the network if they need to raise the sense of trust and hence create a more beneficial environment to cooperate within.

### 7.5. Limitations and future research

One limitation of this study was that we could not reach any of the bigger firms who are part of SOG to hear their views. Many of the smaller member firms in the association think it is a great advantage to be associated with the bigger brands, but we did not get the view from the bigger and more famous brands themselves. Previous research suggest that motivations for engaging in co-branding differ between high-equity and low-equity brands (Washburn et al., 2004). In addition, market leaders are claimed to have a relatively greater control of the events in an industry association (Ferrier et al., 1999; Barnett, 2013, p. 219). Thus, having a couple of respondents from one of the bigger firms would probably have provided us with more aspects of SOG and the coopetitive relationships. Therefore, we would recommend future researchers to look into aspects of different sizes of member firms when examining industry associations’ impact on coopetitive relationships.

Another limitation is that we did not get to sit face-to-face with the respondents when interviewing, which removes parts of the impressions of the communication. With more time and resources, we would have liked to visit the respondents at their firms to obtain a more accurate picture. Further, since we have studied only one association, we do realize our findings may not be able to be generalize for other industry associations. Consequently, we suggest future researchers to investigate the third-party role of industry associations in a broader spectrum of industries.

During our interviews, we noticed that many of the respondents brought up the cultural aspect to be a critical success factor, including both the culture in the outdoor industry and in Scandinavia. This is something we decided not to study further given the constraints of the inductive approach. If this study had been abductive on the other hand, the theoretical framework would have been revised and questions to the respondents would have been adjusted as the theme emerged. We recommend future research to explore this further; how cultural aspects affect coopetitive relationships.

When reaching out to potential respondents, we found out that some firms have chosen to leave SOG, but unfortunately unable to participate in the study. If so, we would have gained a broader view of coopetition in industry associations and perhaps they would have revealed other negative aspects of coopeting in the context. We therefore suggest future researchers to also include former member firms to attain a more accurate view.
Lastly, we concluded that both SOG and member firms perceive the cooperation among competitors as successful, but besides that, we have not measured performance. To ask customers about their view, especially with regards to the coopetitive branding, could be a good measurement of the cooperation performance. In addition, one could analyse export numbers and the Scandinavian share of the total market in different periods to determine whether the cooperation is objectively successful or not.
8. Truth criteria

It is highly important when doing research to evaluate the quality of the study. To do so, we will in this part review the truth criteria of our thesis to make sure we have met the requirements of quality.

To determine the quality of a study, one usually look at the two criteria of validity and reliability. Validity concerns the accuracy of the findings, meaning assessing whether the research measures what it intends to measure (Saunders et al., 2011, p. 193). Reliability concerns the replicability of the study, i.e. whether or not the findings would be consistent if they were repeated (Saunders et al., 2011, p. 192). According to Bryman and Bell (2011, p. 399) there have been a lot of discussions whether these two alone are relevant when looking at qualitative research, or if they only apply to quantitative studies. Therefore, they suggest validity and reliability should be altered according to LeCompte and Goetz (1982) stance, in which they are divided into external and internal validity as well as external and internal reliability (Bryman & Bell, 2011, p. 400). An alternative way to evaluate the quality of qualitative research is to look at completely different criterions, these are trustworthiness and authenticity, using the sub-criterions of credibility, transferability, dependability and confirmability (Bryman & Bell 2011, p. 395). However, we have decided to use the adapted meanings of validity and reliability to qualitative research according to LeCompte and Goetz (1982) when evaluating the quality of our study.

External validity considers whether the study is generalizable and internal validity refers to whether or not the researchers have measured what they intended to measure (LeCompte and Goetz, 1982, p. 43). Since qualitative studies are usually quite unique and connected to their specific setting, and so is this study, we would assess the external validity to be quite low. The internal validity can be estimated as high due to the semi-structure of the interviews. We used an interview guide which was divided into themes, where it was used as a checklist to ensure we received answers according to all themes. By using a semi-structure we could follow up on answers which was unclear to us or if we noticed that the question had been unclear to the respondent. In this way, we assured what we wanted to measure was measured.

External reliability examines whether a study can be replicated (LeCompte & Goetz, 1982, p.34). Regarding qualitative research, this criteria is difficult to fulfil (LeCompte & Goetz, 1982, p.33). This has to do with the characteristics of qualitative studies itself, since it takes a social view on reality (Bryman & Bell, 2011, p. 38), meaning its findings depends a lot on the people and the context of the study. According to LeCompte and Goetz (1982, pp. 34-35) establishing reliability for a qualitative study is complicated because of the research process as well as the non-standardized nature of it. The authors further argue that the replicability of a study, which is based in specific setting, is nearly impossible since the event cannot be reproduced and neither can the human behaviour due to its dynamic. The authors further discuss five major problems that needs to be handled in order to enhance external reliability and replicability; researchers position, informant choices, social situations and conditions, analytic constructs and premises, and method and data analysis (LeCompte and Gomez, p. 37). We will be using these five problems to discuss the external reliability in our work.

Researcher’s position refers to how the researchers are connected to the group that is being studied, whether they are part of the group or studying it from the outside.
Due to the fact that one of us have bonds to one of the member firms of SOG and has been to a few of the events organized by SOG, we had access to more information in advance than was given by the research alone. This means that other researchers will not be able to replicate the study unless they share a similar position in the association being studied, but will instead be regarded as a supplement (LeCompte & Goetz, 1982, p. 37). However, by stating our positions towards the association being studied in the scientific method, and therefore being known by the possible replicant, this problem can be partly averted.

Informant choices is a problem that is closely related to researcher position. It concerns the fact that by getting access to some people in a group, it might hinder access to others (LeCompte and Gomez, p. 38). By being involved with one of the member firms, it provided access to some respondents but might have prevented access to those in direct competition with that member firm. However, we consider this to have minor impact on the external reliability of our study. This because the member firms in direct competition with this specific firm are few in numbers, and thereby not of great interest to us.

Social situations and conditions is one of the problem that does not constitute an issue for us. It handles the context the interview takes place in as well as the people around, where these situations and conditions might affect the respondents in their answers (LeCompte and Gomez, p. 39). Since we conducted phone interviews at times that were chosen by the respondents, we must assume that they had chosen a spot in which they felt comfortable before taking the call. In neither of the interviews were there interruptions by others or noise in the background and we can therefore also assume that there were no people around to affect their way of answering the questions.

Analytic constructs and premises considers the authors presumptions, definitions and interpretations in the replicability. Since qualitative research is subjective in its nature, its findings and analysis will be dependent on the authors’ view of reality (LeCompte and Gomez, p. 39). By being clear on what definitions we use as well as explaining our scientific methods, we believe this problem can be averted and facilitate better replication. Further, methods of data collection and analysis is the last of the five problems to external reliability in quantitative research according to LeCompte and Gomez (1982). It concerns the specifications of the methods in collecting the data. By clearly explaining the practical methods we believe that we have made the study easier to replicate.

To conclude the external replicability, we believe we have addressed the five problems throughout the thesis. Due to our extensive pre-understandings, replication studies are considered supplements.

Internal reliability means that, in the case there are more than one researcher, the researchers in the team agrees on how to interpret what they see and hear during the study. We assess the internal reliability to be high in our study due to a high degree of cooperation and open discussions throughout the entire process.
Reference list


Kvale, S., & Brinkman S. (2009). Interviews, learning the craft of qualitative research interviewing. SAGE Publications Ltd. United states of America


**Oral references**


Appendix 1: Interview guide for member-firms

General info
Could you start by telling us about your firm and your position at the firm?
What is your involvement in SOG?

Theme: Motivation
Tell us about your company's involvement in SOG?
What are the advantages and disadvantages of being part of SOG?
What are your expectations of SOG and what do you think SOG expects of you?

Theme: Marketing and co-branding
What is your view on the co-branding activities within SOG?
What's your perception of the message the branding strategy attempts to deliver?
- Does it align with your firm's own?

Theme: Sustainability
What do you think that SOG's role in moving more towards sustainable solutions is?
How does your company utilize SOG in that context?
Are you a part of SOG sustainability Network?
- If yes, how do you utilize it?

Theme: Coopetition
What is your view on cooperating with competitors?
Does this view differ from your company's view on cooperating with competitors?
Have this view changed since you/your company became members of SOG?
Have you cooperated with any SOG member outside SOG and where you estimate that SOG is the reason?
- If yes, were they direct competitors to you?
- What was the content in your cooperation?
On SOG meetings and other activities, how do you perceive the atmosphere?
Have you ever found yourself in a situation where you prevented yourself of sharing information within SOG?
- If yes, why?
How do you and your colleagues work with information sharing/leaking?
Do you treat members differently depending on which company they work for?
Have you ever felt negative emotions towards a competitor in a SOG context?
- If yes, what did you do?
A part from you, are there other employees exposed to cooperation inside SOG and competition simultaneously?
- If yes, what is their perception?
Appendix 2: Interview guide for the General Secretary at SOG

General info
Can you start telling us about your involvement with SOG?

Theme: Motivation
What are the advantages and disadvantages of being part of SOG, according to you?
What are SOG:s expectations of the member firms and what do you think the members expect of SOG?

Theme: Coopetition
What is your view on the cooperation among member firms?
  • Has this view changed over time?
How do you view the fact that many of the member-firms are direct competitors?
How do you think the member firms view the fact that many of the member firms are direct competitors?
Have you established any formal mechanism regarding information sharing? E.g. agreements to not behave opportunistic on appropriate information.
Have you noticed any conflicts between competing member-firms?
  • In that case, what was the reason and how was it handled?
How do you sense the atmosphere to be at common sales activities? Friendly? Competitive?
Appendix 3: Interview guide Joel at Peak Innovation

**General info**
Can you start by telling us about your involvement with SOG?

**Theme: Motivation**
What are the advantages and disadvantages of being part of SOG?
What are your expectations of the member firms and what do you think the members expect of SOG?

**Theme: Sustainability**
What is your view on the members involvement in SOG sustainability network?
What, according to you, should be SOG´s role in moving towards a sustainable future?

**Theme: Coopetition**
What is your view on the cooperation among member firms?
- Has this view changed over time?
How do you view the fact that many of the member firms are direct competitors concerning collaboration in sustainability issues?
Have you established any formal mechanism regarding information sharing? E.g. agreements to not behave opportunistic on appropriate information.
Appendix 4: Thematic network analysis

Global Theme: Mediating
Organizational theme: Third party role
Basic themes:
- Cooperation between competitors would not have been initiated without the facilitation of SOG
- Separating the cooperating activities from the competing activities
- By facilitating a meeting-place the competitors get to know each other

Organizational theme: Network
Basic themes:
- A major motivational factor to join SOG
- Enables members to talk and exchange experiences with peers
- Trust is kept by keeping the network small
- The network in SOG can create cooperation elsewhere

Organizational theme: Trust
Basic themes:
- High level of trust within SOG because everyone knows everyone
- The personal relationships created within SOG creates trust
- Trust in small networks protects against opportunistic behaviours

Global Theme: Cooperation
Organizational theme: Sustainability
Basic themes:
- SOG should guide member firms within sustainability issues
- Member firms demand sustainability criteria in the membership procedure
- Common standards is an area to cooperate within
- Cooperation within sustainability is a necessity in order to impact customers and suppliers
- Member firms want the sustainability work to be displayed externally

Organizational theme: Co-branding
Basic themes:
- Scandinavian brands have a good reputation internationally
- Certifies a common set of values belonging to SOG
- Message of SOG aligns with the values of the responding firms
- Scandinavian brands need to actively live up to the good reputation

Global Theme: Coopetition
Organizational theme: Paradox
Basic themes:
- The business network is coopetitive
- Majority of the responding firms experience a cooperation dominated paradox
- Cultural aspect partly explains the cooperation dominated paradox
- The characteristics of the industry partly explains the cooperation dominated paradox
Organizational theme: Tensions
Basic themes:
- In general, member firms experience positively dominated low tensions
- High tensions partly explain the withdrawal from a project for one member firm
- Negatively dominated low tensions were present when member firms attempted to hold entering firms outside SOG
- Respondents showed evidence of moderate tensions when talking in a restrictive manner with competitors

Organizational theme: Balancing
Basic themes:
- Because of the mainly positive dominated low tensions, little attention is needed to balance high tensions
- Member firms rely on employees’ common sense when talking to competitors
- SOG impact the balancing of tensions by shifting from low to positive dominated low
- SOG does not stimulate competition enough, moderate tensions can thereby not be reached