Passion Driven Companies in a Profit Driven Industry

A qualitative study on how craft entrepreneurs’ motivations affect their perception on competitive strategy

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Acknowledgments

First and foremost, we would like to thank all participants of our study for taking time to partaking in this study. Without you, this study would not have been possible. Furthermore, we would like to thank our supervisor, Malin Näsholm, for your tremendous support, time, and patience. You have motivated us continuously throughout this process. Finally, we would like to thank our families and friends for your support and encouragement during the last part of our studies.

We would like to propose a toast to all the microbrewers out there, and we hope that you can keep the spirit high and continue to provide the world with excellent products.

CHEERS!

May 25\textsuperscript{st}
Umeå, Sweden

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Abstract

The microbrewery industry is the fastest growing industry in Sweden. In seven years, the industry has grown by 832 percent. The dramatic increase of microbreweries has led to a highly competitive business environment for these entrepreneurs. This calls for microbreweries to develop strategies for how to stand out in this increasingly competitive environment, i.e., create competitive advantages. However, previous studies have shown that craft entrepreneurs do not strive to achieve traditional economic objectives as the competitive strategy research field suggest that companies have. Hence, traditional competitive strategies may not be applicable for these entrepreneurs. The purpose of this study was therefore to develop an understanding how motivational factors affect craft entrepreneurs’ competitive strategy.

To fulfill the purpose, we conducted a case study on microbrewers within the northern region of Sweden. We used a qualitative research methodology where we conducted semi-structured interviews. Seven microbreweries participated in the study.

We found that craft entrepreneurs’ motivations for why they started and maintained their microbreweries were mainly because of their passion and interest for the craft and therefore this was their primary objective. However, they perceived profit as a necessity that would enable them to achieve their primary objective. Therefore, we found that these entrepreneurs have dual objectives. We also found that entrepreneurs’ motivations affected their competitive strategies.

These entrepreneur’s dual objectives caused some dilemmas when the two objectives contrasted each other. We saw tendencies that this created tension among these entrepreneurs when they had to balance the two objectives of generating profit and achieving objectives related to their passion and interest for the craft. Further, we found that these tensions caused implications on the entrepreneurs’ perception of competitive strategy. Their perception of competitive strategy differed from traditional theory in three areas. Firstly, they had a resistance to grow their businesses. Secondly, they had a resistance for product/market development. And lastly, they experienced a low level of ambiguity when competing and cooperating simultaneously.

In this study, we have been able to deepen the knowledge of craft entrepreneurs and how their motivations affect their competitive strategy. This is a first step in developing an understanding of how additional objectives to profit can cause implications for competitiveness.
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1. Introduction

The field of research of competitive strategy is based on the assumption that companies exist in order to make a profit. But what happens with a firm’s competitive strategy if profit is secondary to other objectives?

A competitive strategy is to act to create a “defensible position in an industry” to create a “superior return on investment for the firm” (Porter, 1980, p.34). According to Magretta (2002, p. 91) a competitive strategy is based upon companies realizing and acting upon how they can do something no one else can do, which allows them to be different, i.e. getting a competitive advantage. Based on Porter’s generic strategies there are three pillars of which competitive advantage in an industry can be established (Porter, 1980, p. 35). A company can apply a strategy of diversification where the company develops products and services that are completely different from that of the competitors within the industry (Porter, 1980, p. 35). Or, a company can apply a strategy of cost-leadership in which the company is able to develop products and services at lower prices than their competitors and hence sell them for lower prices to customers (Porter, 1980, p. 36). Further, a company decides on what their focus market should be, and whether they intend to have a broad or narrow focus market. Since a competitive strategy is a way for taking on competition, the importance of a competitive strategy is increasingly important if the rivalry within a market intensifies (Porter, 1980, p. 38).

It is not uncommon for companies of various sizes to exist within the same industries (Dean et al., 1998, p. 722). Large companies are usually characterized to have the ability to uphold and stay competitive through broader strategies, and moving past common industrial barriers like the need to heavily invest in new technologies and production of scale, assemble human capabilities or exercise power on suppliers and buyers (Dean et al., 1998, p. 724). In contrast, small companies are characterized to have the ability to carry out advantageous strategies that are of a quick, flexible and niche-filling nature (Dean et al., 1998, p. 724). Chen & Hambrick (1995, p. 473) explain that smaller companies tend to be more rapid in making actions of a competitive nature, while large firms tend to have a higher degree of reactivity when being faced with competitive actions. Further, small companies tend to have faster procedures in terms of implementing their competitive actions into their business activities compared to larger companies’ due to less complicated organizational structure and administrative processes (Chen & Hambrick, 1995, p. 473).

Since the research field of competitive strategies aims to develop an understanding of how companies can be profitable, it is based on the assumption that companies exist to achieve profit objectives. However, according to the entrepreneurial research field, there may be various reasons for why an entrepreneur start and maintain a business (Gorgiewski et al. 2011; Reijonen & Komppula 2007). Stephan et al. (2015, p. 43) suggest that the motives to why entrepreneurs start and sustain their companies varies and points out that self-realization, recognition, and independence are examples of entrepreneurial motivations.

Stephan et al. (2015, p. 43), further suggests that the drivers and motivations of a manager may influence the strategies chosen for the firm. If an entrepreneur is motivated by other reasons than profit maximization and growth, tension may occur between the need for survival and
other motivations that the entrepreneur may have, if these interest’s contrasts each other (Jennings & Graham, 1997, p. 73). This creates an interesting dilemma. If an entrepreneur, for example, is motivated by the love for his products, a resistance for strategies related to diversifying from his current products, may exist. Further, an entrepreneur that is motivated by the desire to be his own boss may resist hiring an executive above him, even if that would be a good strategy for competition, according to traditional competitive strategy research. This describes a situation where an entrepreneur may have to balance motivation interests when developing strategies for competition. This dilemma is highlighted by Lechner & Gudmundsson (2014, p.53) who recommend future research in how the entrepreneurial orientation of the firm influences the firm's strategy.

One example of entrepreneurs that in general have other motivations than profit maximization for why they start and maintain their companies are the craft entrepreneurs. According to the study by Paige & Litrell (2002, p. 327), craft entrepreneurs are motivated by the love and passion for their craft, which also is the primary reason for why they run their companies. These entrepreneurs were found to perceive financial gains and growth objectives as secondary to other motivations. Since these entrepreneurs may have other objectives for their companies than profit maximization, the traditional competitive strategies may not be applicable to them. Therefore, an understanding of how the craft entrepreneur’s motivations may affect their perspective on competitive strategy is necessary.

1.1 The Microbrewery Industry

One example of handicraft entrepreneurs are the microbrewers. In the 18th century, there existed a large number of microbreweries in the world. But in step with the rise of the industrialization, including the running belt technology, the actors with the ability to cut costs, market the most and that could produce large volumes, won (Wu, 2015). The large-scale actors within the beer industry out-competed the smaller actors with the help of cost-reduction, including having only a small variety of flavors, expensive marketing campaigns, and large-scale production. As a result of this, the whole microbrewery market was almost eliminated.

In recent years, however, a trend for microbreweries has again emerged. According to Wu (2015), the rise of microbreweries in the recent years comes from what the author defines as “true differentiation”. Instead of competing with price and expensive marketing campaigns, the microbreweries compete with flavor. This has given the microbreweries a whole new market where they can compete on their own conditions, being independent of price-reduction and large-scale capabilities.

Since the microbreweries differentiated in a way so that they did not compete with the big actors on the market, the microbreweries found ways to become profitable. According to (Kederstedt, 2018), the profitability for microbreweries has risen and was 2015 at a historical peak. As a reaction against that, the big market actors have acted on this trend. Several big actors like Carlsberg and Heineken has in recent years started or bought their own microbreweries (Salomonsson, 2018). Further, the competition within the microbrewery market has intensified also from the establishment of many new microbreweries. 2010, it existed 42 microbreweries in Sweden. Today, seven years later, it exists 392 microbreweries in Sweden (Statistiska Centralbyrån, 2018). This is an increase in the number of microbreweries of 832 percent, which
means that the microbrewery industry is the fastest growing industry in Sweden. With this dramatically intensified competition within the microbrewery industry, from both small and large actor, an increased need for the microbrewers within the industry to develop strategies on how to defend their market positions, has emerged.

According to traditional economic theories, the actors with the best ability to cut costs, use marketing most effectively and to produce in the largest scale, in each market, will win (Kim and Mauborgne 2004, p.70). This would imply that microbrewers will fall under the pressure set from the traditional market factors, as the larger companies will be able to outperform the smaller companies since they have better capabilities for cost reduction and price competition within their local niche markets. This would lead to a future scenario where the big actors, once again, outcompetes the smaller actors and that the history repeats itself with big actors out-dominating the micro-breweries. If the microbreweries want to avoid this future, for them dystopian scenario, strategies for how to remain competitive in a market with increased competition from big actors are needed.

The microbrewery industry is, as above mentioned, an industry with many small craft actors who found competitiveness with the help of diversification strategies. These diversification strategies are now challenged by both multinational giants and a dramatic increase of other microbreweries. A need for strategies on how to remain relevant in this increasingly competitive market is, thus, motivated. As previously discussed, traditional competitive strategies may be inapplicable to the actors within this market. The microbrewery market is, thus, a good example of a market that represents the issues described in chapter 1.1. Therefore, research on how microbrewers motivations affect their perception of competitive strategy is required.

1.2 Purpose and Research Question

The purpose of this study is to understand if and in what way motivational factors affect craft entrepreneurs’ perception of competitive strategy.

To fulfill the purpose of this study, the research questions for this study are the following:

- What are the motivations for small craft entrepreneurs for starting and maintaining their companies?
- How do craft entrepreneurs’ motivations affect their perception of their competitive strategy?
1.3 Delimitations

The study is limited to craft-entrepreneurs located in the northern region of Sweden. The craft-entrepreneurs chosen for this study are small microbrewers.

Since we are of the opinion that managers of small companies are more able to affect the company’s competitive strategies, the size limit was applied. Furthermore, microbreweries that are not registered as companies may have less need for competitive strategies. Therefore, the study was limited only to registered microbreweries.

Since there might be regional differences in competition, the fact that the study is limited to microbreweries in the northern region of Sweden may have consequences for this study. Microbreweries in other regions may perceive the studied phenomenon differently.
2. Scientific Methodology

In this chapter, we present our preconceptions to the study, our ontological and epistemological standpoints, our research approach, our research strategy, and how we have found and selected our theories for the theoretical framework. This chapter will allow the reader to get a better understanding about how we as researchers have made certain choices in our scientific research, and further have an easier time to follow along through the next chapters of the study.

2.1 Preconceptions

According to Bjereld et al. (2002, s. 14), all individuals have a preconception about the subject of the study, already before the study is conducted. The authors further suggest that the researcher's preconception about the subject can influence the study in different directions and that the researchers, therefore, should be transparent about what preconceptions that the researchers have and how they could affect the study. Johansson & Lindfors (1993, s. 76) states that the researcher's preconceptions can be both the knowledge that the researchers have gained from studies and the knowledge that the researchers have gained from possible interests in the field.

Our first preconception derives from our interest in entrepreneurship. Since us both have a dream of starting our own businesses, we both have a strong interest in business development and what strategies that small companies can use to compete in competitive markets. This preconception might affect our perception of the company’s different business strategies to be more positive than if this preconception did not exist.

A second preconception derive from studies in the business economy at Umeå School of Business and Statistics. We both are studying our final year at master’s level. During our five years at the university, we have gained knowledge about the market and what theories and concepts that might influence the market in different directions. We have, from the university, also gained knowledge about different business strategies and got opinions on what strategies that are preferable and what strategies that are not. This knowledge might influence our perception of the different businesses strategies that will be presented in the study.

Further, we have an interest in the microbrewery industry. This interest derives from our passion for beer. We, therefore, share the passion for the beer handicraft with many of the handicraft entrepreneurs within the microbrewery market. This might facilitate our understanding of the motivations for why the entrepreneurs within the microbrewery market run their businesses. Since we strive to obtain deep knowledge about how the entrepreneur's motivations influence their competitive strategies, the fact that we have a passion for beer is therefore considered as something that will be positive for the quality of the study.
2.2 Ontology

Ontology can be described as the science of how the reality is perceived (O’Gorman & MacIntosh, 2014, p. 55). According to Åsberg (2001, p.3), every scientist has a pre-perception about the reality and what is considered as real, already before the research is conducted. The researcher’s ontology is, thus, important for the study since it may affect the research question and the way that the study is executed.

We as researchers perceive the phenomenon of how business strategies of small local craft entrepreneurs are developing through a continuous process with other social actors and shaped by the social environment itself. Further, we see it as something that is changing over time and affected by the social actors within the setting. Because the purpose of this thesis is to gain a deeper understanding of how motivational factors of small local craft entrepreneurs affect their business strategies, we as researchers will subjectively interpret the entrepreneurs’ reality. Since the motivations of the entrepreneurs are potentially changing over time, we will need to interpret why these changes take place.

This ontology is in line with the definition of a constructivist ontology explained by Bryman & Bell, (2011, p. 22), who suggest that researcher with a relativist ontology perceive reality as something built up of phenomena and structures that are in a constant change and that exists together with social actors. What we find important is to allow for interviewees to provide their own meaning to their situation as this will allow us to get a deep understanding of the phenomenon that we are researching on. The constructivist ontology is subjective since it takes into consideration that individuals perceive the reality differently based on their attitudes, behaviors, experiences, and interpretations (O’Gorman and MacIntosh, 2014, p. 57).

2.3 Epistemological approach

Epistemology can be described as the science of knowledge, or perhaps rather as the science of how we view that we know something and how we justify knowledge (Creswell, 2003, p. 7). Within epistemology, researchers are able to explore what different limitations and possibilities are present within various cognitive fields, and what is accepted knowledge (Bryman & Bell, 2011, p. 15). Bryman & Bell (2011, p. 15) explains that in terms of epistemology, researchers can have particular approaches that are distinct forms of how knowledge is viewed depending on their perception of reality as either subjective or objective.

We perceive knowledge about motivations and strategies from the perspective of the small local craft entrepreneurs. This approach can be argued to have a high degree of individual description. We find it relevant to highlight the individual’s subjective meaning of the matter. The purpose of the study is not to bring any absolute truths about which strategies that are better or worse. Rather, the purpose is to understand how different viewpoints take shape in order to potentially contrast and advance existing knowledge forward. This perception of knowledge is similar to the interpretivist epistemology as explained by Creswell (2003, p. 8).

The interpretive approach, which is often combined with a constructive ontological position, advocates the importance of subjectivity and differences that every individual proceeds (Creswell, 2003, p. 8). Knowledge from an interpretivist standpoint takes into consideration the complicated behaviors of social actors and the interactions of human beings, as knowledge is
perceived to be created through interpretation of these social constructions (Saunders et al., 2012, p. 137).

As researchers with a constructionist approach toward the phenomenon, we aim to get a deeper understanding for how different motivational drivers impact business strategies, and how external forces impact the motivational drivers and therefore potentially affect business strategy. To achieve the purpose of this study it is, therefore, necessary to grasp how motivational drivers are translated into business strategies, and how motivational drivers can be affected by external factors. This, however, calls for an interpretation of human reality in order to develop an understanding of how the different parts interplay with one another. Since we regard motivation as something highly individual and potentially unique, while business strategies are rather standardized, interpreting how the motivation of entrepreneurs is displayed in business strategy will create new knowledge and drive the research area forward.

2.4 Research approach

From the previous two sections, it has been shown that our research is resting on the constructive and interpretive assumptions of reality and knowledge. Further, it has been explained that the aim of the study is to develop a deep understanding of how motivational factors influences competition strategies. In the problem background, it was illustrated how the phenomenon that is being researched in this study lacks sufficient knowledge and understanding. There is a lack of knowledge within the research area about how small craft entrepreneurs’ motivational drivers are connected to competitive strategy. The aim of the study is thus to develop new theory rather than test already existing theory. According to Bryman (2011, p.26), an inductive research approach should be applied when the purpose is to develop, rather than test already existing, theory. An inductive research approach has therefore been applied in this study.

An inductive researcher starts with observations and the result is the developed theory (Bryman & Bell, 2005, p. 25). Hence, the inductive research approach tries to generalize from the individual to the masses and generate new- and build on theory (Saunders et al., 2012, p. 146). When researchers are faced with a highly complex problem that there is little previous knowledge about, an inductive research approach should be used (6 & Bellamy, 2012, p. 76). The inductive approach, however, needs to have a foundation from a theoretical framework to allow for sense-making of the gathered data (Merriam, 2009, p. 15-16). Since our interview guide is based on previous research, we started with a foundation of theories on the subjects of motivations and competitive strategy. Hence, the study was not fully inductive according to the definitions of Bryman & Bell (2005, p. 25) and 6 & Bellamy (2012, p. 76).

2.5 Research strategy

Since the goal of this study is to gain a deeper understanding on how motivations affect business strategies, we focus on interpretation and understanding of phenomena rather than quantification of data. Bryman & Bell, (2011, p.297) suggests that the qualitative strategy has the focus on interpretation and understanding of phenomena rather than quantification of big data. Since this is in line with the purpose of the study, the research strategy that we will use is, thus, qualitative. The selection of a qualitative research strategy is further supported by the fact
that the we, as described in 2.1, 2.2 and 2.3, have a constructivist ontology, an interpretive epistemology an inductive research approach, an ontology, epistemology and a research approach that characterize a qualitative research methodology, according to Bryman & Bell (2005, p.40).

The main critique of qualitative research derives from the subjective nature of the research strategy (Bryman & Bell, 2011, p. 408-409). O’Gorman and MacIntosh (2014, p. 69) explain that all individuals are biased and that these biases affect the quality of the study. We have, in chapter 2.1, explained what preconceptions we have and in what way that these preconceptions may affect the study. Neuman (2013, p. 175), describes that openness and transparency is a good way to handle biases since it allows the reader to critically reflect on how the preconception might affect the quality of the study.

Theories and literature that has been used in this study are primarily found with the help of the database Business Source Premier, provided by Umeå University. In addition, Google Scholar has been used as a complement to Business Source Premier in order to extend the possibility to find relevant research on the topic.

### 2.6 Literature Search

The literature search is based on:

| Survival strategies                              |
| Motivations, motivational factors, motivational drivers |
| Small firm’s competitive strategies             |
| Small firms competing with larger firms        |
| Competition strategies                          |
| Entrepreneurial motivation                     |
| Craft entrepreneurs                            |
| Craft entrepreneur’s motivations                |
| Microbrewers                                   |
| Entrepreneurial orientation                    |

*Table 1 – Literature search words*

### 2.7 Theory choice

Since the purpose of our study is to investigate how entrepreneurial motivations affect their perception of their competitive strategy, it is important to understand what factors that drive entrepreneurs to start and maintain their businesses. Therefore, motivational theories have been selected for the study. These theories cover entrepreneurial intrinsic and extrinsic motivations. In order to fully understand what drives an entrepreneur, it is also important to understand what the entrepreneur defines as success. Theories about entrepreneurial success criteria have therefore also been selected.

In order to understand the competitive strategies of the firm’s, two main theories have been selected. These are the Ansoff matrix and Porter's Generic Strategies. The Ansoff matrix is a framework for explaining what strategies the companies have around their products. Since
microbreweries are product oriented companies, an understanding of these company’s competitiveness around their products is important. Therefore, the Ansoff Matrix is selected. What strategies the companies have around another element of their business model will the Ansoff Matrix, however, not explain. If the companies, for example, try to stay competitive by developing new flavors within their current products, that strategy can be explained by the Ansoff matrix. If the companies, however, try to stay competitive by finding new ways to deliver their products or new ways to market their products, additional models need to be used in order to explain that strategies. Therefore, Porter’s generic strategies have been selected for explaining these parts of the companies’ competitive strategy.

Further, theories about how small local companies can use their smallness and localness as a competitive advantage are presented. Finally, theories about market orientation have been selected.

2.8 Source criticism

According to Johansson & Lindfors (1993, p.88), there are mainly three principles to consider when criticizing the theories that the study is based upon. These theories are newness, empirical ground, and origin. The criticisms of the theories behind this study are based on these three principles. The newness of the source refers to, as the name suggests, how new the study is (Johansson & Lindfors, 1993, s. 89). According to the authors, the more recent the study is, the more valid it should be considered. Johansson Lindfors (1993, p. 89-90) is, however, suggesting that older studies can be used if no recent study is conducted on the topic of interest. In this study, we have tried to use as new sources as possible. A few fundamental theories within the field of business strategies have been used. These theories origins from the sixties and the seventies. Since these strategies are fundamental within the research field of business strategies, they can be used to understand companies’ competitive strategies. For example, Porter’s generic strategies are highly acceptable among researchers and are well cited in economic research. Therefore, this framework is still relevant despite its age, and we are thus considering it as valid.

The second principle when criticizing sources is, according to (Johansson Lindfors, 1993, p.89) whether the sources are primary or secondary. Bryman and Bell (2011, p. 130) suggest that the secondary sources should be avoided since these sources may misrepresent the initial meaning from the primary source. In this study, primary sources have, therefore, be selected if possible but some secondary sources are present in the study. This should, however, not affect the study to any larger extent.
3. Theory

In this chapter, we will start by presenting theories about why entrepreneurs start and maintain their companies. This includes theories about the entrepreneurial process and what factors that can potentially influence the entrepreneurial process. After that, theories about company's competitive strategy will be presented. To start with, Porter's generic strategies will be introduced, this since it gives a good overall understanding of how a company can work to create competitive advantage. Further, the Ansoff matrix will be presented in order to create an understanding of what different strategies that exist for product and market development. Finally, we will present theories on how small, local firms can find competitiveness, despite and because of their smallness and localness.

3.1 What drives the Entrepreneur?

The research about entrepreneurial motivations is extensive. Wach et al (2016, p. 1099) explain that the research that is grounded in rational economy defines success as the financial performance of the firm. Other research suggests that entrepreneurs may have other motives for why they start and maintain their companies than profit maximization. Stephan et al. (2015), suggests that the motives to why entrepreneurs start and sustain their companies varies and points out that self-realization, recognition, and independence are examples of entrepreneurial motivations.

3.1.1 The basics of the motivational theory

Ryan & Deci (2000, p. 73) explains that motivations can be divided into two main areas, intrinsic and extrinsic motivations. Frey (1994, p. 336) explains extrinsic motivation as motivational factors that are external to a person, for example, monetary rewards, or non-monetary rewards like fame and influence over others. The motivation of an extrinsic character can be unrelated to the actual activity that is going to be performed (Ryan & Deci, 2000, p. 71). Why a person gets motivated by extrinsic motivational factors is mainly because it is incited or appreciated by others who are important to the person and that he or she is, or want to be, connected to (Ryan & Deci, 2000, p. 73). Intrinsic motivations, on the other hand, is that kind of motivation that comes from within, where a person has a deep interest in the activity and for being involved with it (Amabile, 1997, p. 44). It is the pleasures, the desire to know about-, or the personal challenge that the activity poses upon a person that motivates the person to partake in the activity (Amabile, 1997, p. 44).

According to Frey (1994), an entrepreneur's motivation is, further, changeable rather than static and can be affected by external factors. This is called the motivation crowding theory. It brings up the idea that in a principal-agent relationship, the principal can, through external interventions, crowd out the agent’s intrinsic motivation (Frey, 1994, p. 349). The theory has been tested in both psychology and economics and found to be relevant when trying to explain how intrinsic motivation can be affected and changed. The theory highlights that extrinsic and intrinsic motivation are two poles of the motivational continuum, where a person’s motivation can be moved to the extrinsic pole, which is referred to as “crowding-out”, or to the intrinsic pole, which is referred to as “crowding-in” (Frey & Jegen, 2001, p. 592).
3.1.2 Motivation theory in entrepreneurial research

In the research by Shane et al. (2003) they propose a model that shows how motivations of the entrepreneur might influence the entrepreneurial process of recognizing an opportunity, developing an idea for how to realize this opportunity and finally how to execute this idea. The motivational factors in the research were: Need for achievement; Locus of control; Vision; Desire for independence; Passion; and Drive.

Need for achievement (nAch) is the individual’s own wish to achieve a specific task. It was derived from the study by Collins et al. (2000) that nAch is a good attribute to measure when trying to find the difference for why some people who establish companies might be successful in running their business, and why others are not. Shane et al. (2003, p. 264) suggest that nAch, therefore, could be used when trying to explain the actions of entrepreneurs.

Locus of control takes into consideration how much a person feels that what they do has an impact on the consequences that follow. People who perceive that their actions have no effect on the consequences that follow are described to have an external locus of control, while people who do perceive that they can affect the consequences have an internal locus of control (Rotter, 1966, p. 25). Shane et al. (2003, p. 266) argue that the reason for why previous research has had a hard time distinguishing between the entrepreneurs and managers is because defining entrepreneurs as founders of firms and try to contrast these to managers could possibly fail in seizing the context of the situations. Managers of highly changing environments might need to possess a higher internal locus of control than a founder of a small local business need.

The desire for independence is explained as taking the accountability for not making decisions based on what others perceive as the right thing to do, and rather use one's own knowledge to make decisions. Shane et al. (2003, p. 268) refer to the long line of previous research that has found that entrepreneurs have a high degree of desire for independence compared to people in other professions and that it, therefore, is relevant to use when researching the motivations of entrepreneurs.

Passion is argued by Shane et al. (2003, p. 269) to be the "... passionate, selfish love of the work" where the ego plays an important part in why someone starts and maintain a business. It is the motivation for the work itself that allows someone who is passionately motivated to go to great lengths to do what is required to continue their business.

The drive is characterized by Shane et al. (2003, p. 268) as the ambition of the entrepreneur to make money or to try to create something that has not been done before. Drive is also characterized by the endurance that the entrepreneur has to achieve the ambition. Vision is described by Shane et al. (2003, p. 261) as the entrepreneur's notion of how to pursue and actualize an opportunity.

Traditionally, accumulation of wealth, prosperity and appreciation has been recognized as the criteria of which success of entrepreneurs and/or business owners/managers are decided (Wang et al. 2004; Littunen 2000; Parker, 2009). But in the research by Gorgievski et al. (2011) they found that there are differences in how business owners define success based on how they oriented toward certain values. Owners that aligned success with traditional criteria like growth and profitability cherished more self-enhancing values like achievement and power (Gorgievski et al. 2011, p. 224). Business owners that aligned success with a good work-life balance, stakeholder satisfaction and regarded self-transcending values like benevolence and altruism.
high. Furthermore, innovativeness was found to be linked with self-enhancement, and Gorgievski et al. (2011, p.224) argued for innovation to be rather an attempt to achieve the profit- and growth objectives of the business.

3.1.3 Motivational theory in craft entrepreneurship

In a study conducted by Paige and Litrell (2002, p.327), the researchers investigated what motivates small craft retailers into running their businesses. They found out that these entrepreneurs are motivated by a combination of intrinsic and extrinsic motivations. The study, however, further found that small craft retailers were motivated by the craft itself. The study found that small craft retailers mainly were motivated by the love and passion for the craft. Since microbrewers are craft-entrepreneurs, this would suggest that these entrepreneurs are motivated by the love and passion for their products. And that extrinsic motivations, as for example monetary rewards, are secondary to these motivations.

In their research about crafting and tourism industry entrepreneurs, Reijonen & Komppula (2007) found that business growth in terms of the financial objectives turnover and employees was rather secondary to subjective measures of why they started their business and how they perceive success. Craft entrepreneurs started their business since they thought of it as a good opportunity, because they had been getting unemployed or because of bleak work opportunities, or because they had a willingness to work in the field of one's education (Reijonen & Komppula 2007, p. 696). Craft entrepreneurs were also found to have success criteria's such as quality of products, respect for customers, work satisfaction, and making a living (Reijonen & Komppula 2007, p. 699). The craft entrepreneurs of our study are microbrewers, and Reijonen & Komppula (2007, p. 698) suggest it necessary to carry on the research of how small craft entrepreneurs perceive growth and success and how it affects their decision making. Since we are researching how the craft entrepreneurs’ motivations are affecting their competitive strategy, the presented study by Reijonen & Komppula (2007) is an interesting addition to how we can apply different parts of previous theory in order to guide our research.

3.1.4 How entrepreneurs approach the market

Another aspect of the entrepreneurial field is the orientation towards the market. Lumpkin & Dess (1996, p. 136) describes the fundamental act of entrepreneurship is by entering a market by either providing existing or new products to current or new markets. Entrepreneurial Orientation (EO) is an orientation that adopts characteristically aspects of entrepreneurship into strategy in order to create a competitive advantage. The aspects are autonomy, innovativeness, risk taking, proactiveness, and competitive aggressiveness (Lumpkin & Dess, 1996, p. 137). The EO is in contrast with market orientation (MO) which takes on a different approach. According to the MO, a company should develop their strategy by orienting toward their customers. Hence, a company would need to understand its market, i.e. its customers in or to create their competitive advantage. This suggests a top-down approach where the process starts by understanding the demands of the customers within a market that is not met by existing products and services (cf. Solomon et al., 2006). This is done by conducting market research where the aim is to find out characteristics of the consumers within a market based on demographics, needs and preferences (Solomon et al., 2006, p. 100-101). The more market research that is conducted, the more market intelligence is generated, and allows for new
products and services to be developed, further expanding the customer base and growing the company.

In his research about the entrepreneurial process of reaching the customers, Stokes (2000) developed a conceptual model of how entrepreneurs approach reaching customers differently compared to the MO which focuses on the customer needs. His model is based on examining concepts, strategy, method, and market intelligence to contrast the MO with the EO.

In contrast to the MO, entrepreneurs have a tendency of orienting toward innovation and relies on an instinctual feel of market needs, rather than orienting toward customers or meticulously searching for the needs within the markets (Stokes, p. 8). The entrepreneurs of Stokes (2000, p. 8-9) study did not follow the process of focusing on finding potential customers through segmenting the market, decide on what customers to target and position the offering so that it would correspond to the needs of the specific target segment. Instead, they started with a trial-and-error process based on the entrepreneurs’ own feel for the market, which leads to the identification of an initial small base of customers (Stokes, 2000, p. 9). Due to the close contact with these customers, the entrepreneurs were able to figure out what the customers want and prefer. Through word-of-mouth and the entrepreneurs’ drive to find similar customers, the ability to expand the customer base was possible for the entrepreneurs (Stokes, 2000, p. 10-11). Finally, the entrepreneurs’ networks grant them access to information in contrast to the systematic collection of information. The advantages of the entrepreneurial orientation are that it is more adjustable, versatile and requires fewer resources to apply. However, it is dependent on reaction and it takes more time to establish the customer base. But it can be successful for small firms as it allows them to find clear niches within markets (Stokes, 2000, p. 13-14). For craft entrepreneurs, and in this case the microbrewers, in relation to the earlier findings by Paige & Littrell (2002) that these entrepreneurs are driven of their passion for the craft, it would be interesting to further get an insight into how this drive might affect the entrepreneurial process toward finding its customers.

Adding on to the discussion of how companies find competitive advantages, there are different strategies for how small companies most efficiently should direct their actions in order to capture these advantages and turn them into strategy.

### 3.2 Small firm’s competitiveness

Since the understanding about what competitive strategy of craft entrepreneurs is an underdeveloped research area, it is relevant to get a broad understanding of how these entrepreneurs competitiveness. Various frameworks have been developed in order to understand companies’ competitive strategy in more detail. However, since this study is not aiming for detailing the strategy of craft entrepreneurs, but rather to get an understanding about how they perceive competitive strategy, Porter’s generic strategies is a valid model for the purpose. The same goes for the Ansoff matrix, which is a good model for understanding companies’ perception of market/product development. To complement these two more overarching models, theories about how small local companies can create competitive strategies will be presented.
3.2.1 Porter's Generic Strategies

Porter's generic strategies is a model consisting of three types of strategies commonly used by companies in order to create competitive advantage (Porter, 1985, p. 34). The three strategies in the model are focus, differentiation and cost leadership. According to the theory, companies that adapt one of the three strategies will be profitable and companies that do not adopt one of these three strategies will be stuck in the middle and are less profitable (Tanwar, 2013, p.11). The author further suggests that companies should try to avoid taking on multiple generic strategies.

If a company mainly competes with a low price of the products or services that the company produces, the company has adopted a cost leadership strategy (Porter, 1985, p.38). Companies using the cost leadership strategy aims to produce acceptable products or services at the lowest cost compared to their competitors. By producing products or services at low costs, the company can also provide products or services to low prices to their customers (Porter, 1985, p.38).

According to Li & Li, (2008), the cost leadership strategy aims to produce standard products or services in high volumes to low prices, compared to their competitors. The cost leadership strategy is, further, competitors oriented rather than consumer oriented. This since the strategy is focused on the supply side, rather than the demand side, of the market (Li & Li, 2008, p.3). By focusing on the supply chain, the company can cut costs in the pursuit of providing products or services to low prices compared to their competitors. Miller (1992, p. 40), suggests that the cost leadership strategy is best suitable in markets where the consumers are price sensitive and where the companies have the resources to maintain a cost leadership strategy. The resources that are highlighted as important when using the cost leadership strategy is” economies of scale” and “unique access to cheap materials or channels of distribution”, attributes often linked with big companies (Miller, 1992, p .40). Since the cost leadership theory is strongly associated with being big, companies with this strategy are often growth oriented (Porter, 1985, p.37). Dawar & Frost, (1999, p.122) suggest that small firms should try to avoid this strategy since this often is a strategy that is adopted by large companies. Competing on a large company on the large company’s premises is, according to the author, a strategy that rarely is successful for small companies.

The fact that ability to cut costs, often with the use of economies of scale, is an important element of the cost leadership strategy, would suggest that the cost leadership strategy is best suitable for the macro-actors within the microbrewery market. The larger actors within a market should, according to the above-stated arguments, have better capabilities to compete with low costs and low prices.

In contrast to the cost leadership strategy, the differentiation strategy is a competitive strategy that aims to establish a competitive advantage by creating products or services that are different compared to that of the competitors (Porter, 1985, p.39). Instead of focusing on low prices, as with the cost leadership strategy, the differentiation strategy often includes products that are uniquely different from the competitors' offerings and therefore can be priced at premium levels (Baroto et al, 2012, p.121). The differentiation strategy centers around understanding what the customer needs beyond what is already offered by competitors within the industry (Lechner & Vidar, p.40). De Wit & Meyer (2010, p. 353), suggests that the products that the company provides to their consumers do not only need to be different from their competitors’ products objectively. Instead, the uniqueness is in the eye of the beholder, and the differentiation strategy
is only successful if it is perceived unique by the consumers. The authors further suggest that it can exist many differentiated products on the market since consumers may value and perceive things differently.

Since the differentiation strategy is about providing products that are being perceived as unique by the customers, often to premium prices, the differentiation strategy is a strategy that could be suitable for companies that need to compete with other elements than low costs and low prices. The differentiation strategy may, thus, be suitable for small actors within a specific market. Since the microbreweries are small compared to the macro-actors entering their markets, the differentiation strategy could be a suitable approach when competing with them.

The focus strategy is a strategy for attracting consumers within a specific segment (Boroto et al. 2012, p.122). Instead of focusing on the biggest possible market, companies can use the focus strategy on a specific niche within their market. The focus strategy can be implemented with the purpose of the company of being perceived as unique or with the purpose of being low cost. Thompson et al., (2008, p.202), suggests that a focus strategy is suitable when the target niche is big enough for being profitable, while at the same time uninterested enough for the big actors within the market to participate in. Further, the needs of the customers within the selected niche market should be hard for the big actors within the market to meet without compromising their current products. Finally, the market should have many different niches and segments, allowing the companies using the focus strategies to select a niche that suits the company's specific strengths, capabilities, and resources. According to Longenecker et al. (2010, p.46), start-ups focus on niche markets in their early stages and apply strategies in which they aim to differentiate their offerings by providing unique products to already existing markets. Also, SMEs that use cost-leadership or differentiation strategies with a broad focus often end up in head-to-head competition with existing powerful brands of large companies (Storey and Sykes, 1996, p.90).

### 3.2.2 Product and market development

The Ansoff matrix, developed by Igor Ansoff, (1965), is a model for explaining companies’ competitive strategies. The model consists of four quadrants which are located around two axes, the newness of the market and newness of the product. The four quadrants are increased sale to existing market, a new market for existing products, new products for existing customers and new products for new markets. The four strategies that the model covers are market penetration, market development, product development, and diversification (Ansoff, 1965). Storey and Sykes, (1996, p.90), suggested that small firms should try to avoid direct competition with larger firms by developing alternative competition strategies than the larger firms. This would suggest that the small firms should avoid competing with their current products in their current markets and instead try to develop their products or/ and markets. The market penetration strategy should, thus, according to Storey & Sykes (1996), be avoided by small firms and product and market development strategies should instead be adopted. Watts et al (1998, p.106), however, found that small firms within the food industry are more likely to find new customers within their existing product range. This would suggest that small food producers are more likely to use penetration and product development strategies. This is in contrast to the theories by Storey and Sykes, (1996, p.90) that suggested that small companies should try to avoid that strategy.
3.2.3 Small and local firms’ competitive advantages

Small local companies can use the smallness and the localness of their companies’ as a competitive advantage. (Dawar & Frost, 1999, p.122) suggests that a local company can have a better possibility to meet unique customer needs within their local markets. This since local companies can develop a deep understanding of the customers within their local markets. Small local companies can, therefore, create unique offerings towards these specific needs within their local market.

Small companies are, further, in general, more innovative than larger companies (Vossen, 1998, p.91). Wellbourne & Pardo-del-Wall (2009, p.484) suggests that creativity, innovation and value creation is crucial in the rapidly changing environment, and that small firms have a competitive advantage on those areas since small companies are more agile than larger firms. Vossen (1998, p.90) suggests this is because of the fact that small companies consist of less bureaucracy than large companies because they have shorter decision chains and thus faster decision making. Further, small companies have in general less stakeholder to take into consideration when developing new offerings. Small companies are therefore less dependent on showing an annual profit and can, therefore, take more risk (Vossen 1998, p.90).

Small local companies can, further, create competitive advantage by creating local partnerships and networks. A large variety of research highlights the importance of networks for companies in order to create competitive advantage. Pardo-del wall (2009, p.486, suggest that cooperation is crucial for small companies since they can share knowledge that they currently do not possess. Pardo-del wall (2009, p.486, suggest that entrepreneurs can get access to resources that the not currently possess by participating in networks. Bathelt, et al. (2004, p.40) argues that the being geographically close to the actors within a network improves the relationships within the network. The authors further highlight than local companies can benefit from their local network since these networks will allow “labor pooling, access to specialized suppliers and knowledge spill-overs”. Martynovich (2017, p.743) further argues that local networks linkage-creation to the actors within the network. This since local embeddedness in networks facilitates relationships with potential partners, customers, suppliers etc.,

3.3 Summary of Theory

In this chapter, we have presented theories about what motivates entrepreneurs to have for starting and maintaining their companies. We have highlighted that there might be various reasons that drive an entrepreneur to start a company. These drivers and motivations are divided into two main areas, namely intrinsic and extrinsic motivations. Intrinsic motivations are motivations that come from within, as for example pleasure, desire or interest for a specific task or topic. Extrinsic motivation, on the other hand, is external factors that motivate the entrepreneur, as for example monetary rewards, fame, and influence over others. We have also highlighted that intrinsic and extrinsic motivation are not static and that they, therefore, can change over time. The initial motivation for when the entrepreneur starts their business may change along with time due to occurring events. Further, we have in this chapter highlighted that different entrepreneur might have different orientations towards the market. For example, some entrepreneurs create products based on their intuitive feel, while others create products based customer demands.
In terms of strategy, we have highlighted that a company can develop competitive advantages with the use of four generic strategies, namely cost leadership-, differentiation-, and narrow- or broad focus strategy. Further, we have highlighted that a company can develop their product and/or market in four different ways, namely by market penetration, product development, market development or diversification.

Finally, we have provided theories about how small local companies can create a competitive advantage despite or/and due to their smallness and localness. We have brought to attention that small companies have a competitive advantage over larger companies in terms of innovativeness. Local companies can also have a competitive advantage over global companies since they have a better understanding of customer needs within the local markets. Further, local companies have a better opportunity to create local networks and partnerships, which may facilitate knowledge- and resource sharing.
4. Practical Method

In this chapter, we will first introduce the reader to how we have designed the research, followed by how we collected the data and our process for selecting participants for the study. Furthermore, we will show how we created the interview guide and in what ways it is linked to the theoretical framework, elaborate on the procedure of our interviews, and how we have chosen to process the collected data. Finally, we provide the reader with an insight into the steps we as researchers have taken to act in an ethical manner during this study.

4.1 Research Design

The purpose for the study is to develop a deep understanding of how motivations of craft entrepreneurs affect their perception of competitive strategy. In order to fulfill this purpose, a specific phenomenon within a specific geographical area and in a specific industry will be investigated. The specific phenomenon is the situation where small craft entrepreneurs are active in a highly competitive industry and the geographical area is the northern part of Sweden. The specific industry is the microbrewery industry in Sweden. According to Bryman & Bell (2015, p 68), a case study is focusing on a “bounded situation or system, an entity with a purpose and functioning parts”. Since this definition is in accordance with how the purpose of the study will be achieved, the choice of research design is motivated.

4.2 Data Collection

Saunders et al (2009, s. 318), suggest that semi-structured interviews is a good approach if the purpose of the study is to develop a deep understanding of different phenomena. Since that is in line with the purpose of our study, the choice of semi-structured interviews as data-collection method has been selected.

The interview object is not restricted to only answering pre-prepared questions when gathering data through semi-structured interviews (Bryman, 2011, s.415). Instead, the interview objects can develop their thoughts in a more extensive way, which suit the purpose of this study. The interviewer can, further, ask supplementary questions which may allow the interviewer to understand the interview object to a great extent (Bryman, 2011, s.415). The fact that semi-structured interviews allow the interview object to develop their thoughts and not only answering the pre-prepared question, makes this research approach opened. Even though the semi-structured interview approach is opened, it is not fully unstructured. An interview guide consists of pre-prepared questions and themes that are used to keep the interview on topic and to assure that specific area is covered (Bryman, 2011, s.415). Semi-Structured interviews are, thus, a good mixture of openness and control. Since semi-structured interviews use pre-prepared questions, a certain amount of pre-knowledge is demanded when developing these questions (Andersson, 2013, s.206).
4.3 Interview participants

The process for selecting participants for the study is based on two criteria, the microbrewery that the participant is affiliated with has to be registered as a company and the company has to be small. In order to assure if the participants of this study met the criteria of being registered as a company, the Swedish Company Registration Office (Bolagsverket) database was used. To assure that the microbrewery was small, only companies with the maximum of five employees were selected. Each company in the study is represented by one actor within each company. Tjora, (2012, p. 113), suggests that the insights developed through a study like this one should be seen as the perception of the participants own experiences and opinions, and not as a representation of the opinions and experiences of the company as a whole. Because of this, we aimed to reach small companies with a low number of employees, as this would narrow down the multiplicity of motivations and perceptions on competitive strategic choices. However, with respect to the potential of different viewpoints from other people within the companies, the data collected from the interviews will not be seen as representative of the companies as a whole.

When selecting participants for our study, microbreweries in the northern region of Sweden were selected. Selecting participants within this region helped to simplify the data-collection process due to distance, time and financial constraints. This since our goal was to in first hand conduct the interviews physically in an environment where they felt comfortable. This sampling approach is defined as convenience sampling (Bryman & Bell, 2014 p.195). Since the participants were selected based on where they were located and thus where it would be most convenient for us to meet them. Fifteen microbreweries within the northern region were contacted via email (Appendix 1), and seven out of these fifteen microbreweries were interested in participating.

Bryman & Bell, (2014, p.195) argues that convenience method can be problematic since the participants are selected based on convenience and not on the premises on which participants that would be best suited for meeting the purpose of the study. Since all participants of the study are meeting the criteria of our study, this problem should not cause any serious impact on the results of the study. Similar mechanisms should be experienced by most actors within the microbrewery market, even though they might be slightly different in different areas because of local differences in market conditions. The competition in the northern part of Sweden was the participants of this study are located, may be slightly different than the competition in other parts of Sweden. This might cause differences in motivations and the perception of needed strategies for dealing with the competition. The strategies of how to handle competition from big actors should, however, be similar.

4.4 Interview Guide

In order to structure our interview to make sure that the interview helped to answer the research question, an interview guide was developed. The interview guide was structured into three topics, background questions, motivational factors and competitive strategies. The topics about motivational factors and competitive strategies were based on the theories presented in chapter 3. The motivational factors topic was based on the theories about intrinsic and extrinsic motivations and the competitive strategy topic where based on the theories about Porter's generic strategies and the Ansoff matrix.
<table>
<thead>
<tr>
<th>Theme 1: Motivations, Drivers, and Orientations</th>
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<tbody>
<tr>
<td><strong>1A</strong></td>
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<td><strong>1B</strong></td>
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<td><strong>1C</strong></td>
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<tr>
<th>Theme 2: Strategies</th>
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</thead>
<tbody>
<tr>
<td><strong>2A</strong></td>
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<tr>
<td><strong>2B</strong></td>
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<td><strong>2C</strong></td>
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</tbody>
</table>
Table 2 – Connection to the theoretical framework

<table>
<thead>
<tr>
<th>2D</th>
<th>Alternative products and markets</th>
<th>Product development</th>
<th>Ansoff; Storey &amp; Sykes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2E</td>
<td>Growth orientation</td>
<td>Success Criteria; Generic Strategies</td>
<td>Boronto et al.; Porter; Reijonen &amp; Komppula; Gorgievski et al.</td>
</tr>
</tbody>
</table>

### 4.5 Pilot Study

After we had created an interview guide, we decided that it would be best to test the questions on a real respondent in order to assure that the questions were suitable for meeting the purpose of our study. It was also due to reason that we wanted to see if we had put the questions in a logical order for us to have a good and comprehensive interview. Therefore, a pilot study was conducted on a person connected to a microbrewery. We were able to get in contact with this person through a common friend. This person had good knowledge about the industry and therefore seemed suitable to try out our interview guide on. This approach is supported by Rugg & Petre (2007, p. 141) who suggest that a pilot study can lead to an improvement of the quality of the collected data. However, since we had to make some major adjustments on the interview guide after the pilot study, the pilot interview was not included in the empirical findings. In the initial interview guide, questions about the external environment surrounding the microbrewery actors were included. After the pilot study, we, however, found that these questions were not highly relevant to the study, and was therefore removed. This is also in line with Bryman, (2011, p. 258, 259) who suggest that the researcher can change and refine the questions after the pilot study. Finally, the pilot study gave us a perspective of how long the interview could potentially run for. Since the initial pilot study was a little bit longer than we had thought, and that some questions were answered without the need to ask follow-up questions, some questions were removed and combined in order to make the flow of the interview better.

### 4.6 Interview Procedure

Out of seven interviews, five were conducted face to face at the location chosen by the interview participant. The other two were carried out via telephone. We aimed to conduct all interviews face to face and at the location chosen by the interview object. This was because we thought that it would be most suitable and also in order to allow for the interviewee to feel comfortable. Since some of our interview participants were geographically located far away, and due to time and financial constraints of us researchers, it resulted in telephone interviews. The differences of interview technique should not have any significance on the quality of the generated data (Bryman & Bell 2013, p.432).

The interviews were held in Swedish since both us as researchers and the interview participants are native Swedish speakers. To hold the interviews in Swedish helped, therefore, to maximize the understanding from the interview participants, and not limiting the interviews to language barriers.
The interviews were between 30 - 60 minutes long. We estimated that the interviews would run for approximately 45 minutes as all topics from the interview guide were covered at around that time during the pilot study. The reason for the different length of the interviews derived from how in-depth the interview participants answers and elaborations were. The interviews ran as long as it took for all topics to be covered.

During the interview, the interview guide, explained in 4.4, was, however, not followed strictly. Instead, we used it as a tool for guidance so that the discussion stuck to the topic and in order to ensure that every important subject was handled during the interview. This approach is supported by Bryman and Bell (2014, p.413) who argues that the interviewer can deviate from the interview guide and develop new questions during the interview. During all seven interviews, the same three topics were handled. That enabled us to compare and contrast the different answers from the interview objects (Hjorton & Struyven, 2004, p. 340). Since the interviewees had the chance to elaborate on their answers and since they could interpret the questions differently, insights that we had not considered on beforehand could be found (Horton & Struyven, 2004, p. 340).

All interviews were recorded. Bryman & Bell (2000, p. 428) suggests that in order to conduct a cohesive analysis, it is of great importance that a complete exposition of the interview is carried out. It is also important that in order to be able to ask follow-up questions during the interview, the interviewer should not be distracted by taking notes (Bryman & Bell, 2000, p. 428).

<table>
<thead>
<tr>
<th>Company</th>
<th>Time</th>
<th>Presence</th>
<th>Date</th>
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<tbody>
<tr>
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<td>Physical</td>
<td>23-04-2018</td>
</tr>
<tr>
<td>Company B</td>
<td>58 minutes</td>
<td>Telephone</td>
<td>26-04-2018</td>
</tr>
<tr>
<td>Company C</td>
<td>30 minutes</td>
<td>Telephone</td>
<td>26-04-2018</td>
</tr>
<tr>
<td>Company D</td>
<td>56 minutes</td>
<td>Physical</td>
<td>01-05-2018</td>
</tr>
<tr>
<td>Company F</td>
<td>57 minutes</td>
<td>Physical</td>
<td>04-05-2018</td>
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<tr>
<td>Company E</td>
<td>38 minutes</td>
<td>Physical</td>
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<tr>
<td>Company G</td>
<td>35 minutes</td>
<td>Telephone</td>
<td>03-05-2018</td>
</tr>
</tbody>
</table>

*Table 3 - Overview of the interviews*
4.7 Processing data

It is of great importance to systematically analyze the data (Saunders et al. (2016, p. 579). Therefore, we have analyzed the data from the interviews in accordance to thematic analysis, which is a method of identifying themes in the generated data for further analysis. There are six steps that a researcher should follow when carrying out a thematic analysis (Braun and Clarke’s (2006, p. 16) approach to thematic analysis. These are; familiarize yourself with the data, generate initial codes, search for themes, review themes, define and name themes and finally produce the report. We carried out the thematic analysis based on these six steps.

In the first step, we transcribed the interviews from our recordings directly after each interview was conducted. We went through the transcribed interviews several times and searched for patterns and themes. This is supported by Braun & Clarke who argues that the researcher should read through the material at least once (Braun & Clarke (2006, p. 16). We also took notes initially to remember significant details from the interviews that potentially later could be used when coding.

During the second step of the thematic analysis, we searched for insights that stood out in the data and categorized them into different subjects (Braun and Clarke (2006, p. 18). The most interesting subjects were the interviewees motivations for why they started their businesses, how they perceived growth, how and why they developed their products and how they perceive competition. This was organized in a table to get an overview of the initial findings from the data. In the third step, we searched for broader themes within the data based on the previous coding (Braun and Clarke (2006, p. 19). During this step of the analysis, we used our theoretical framework as the basis for the search of themes. In this step, we also categorized our themes through connecting our previously discovered subjects with corresponding theory. For example, the Ansoff Matrix was connected with how the interviewees discussed product development and competitive advantages.

In step four we further refined the themes by reviewing them in more detail and sorting out the relevance of each theme. Some themes were combined into one, while others were separated, and some themes that lacked relevance for the study were removed (Braun and Clarke (2006, p. 20). For example, in our interviews, we found a theme where the interviewees described their distribution channels. This theme was removed since we perceived that it lacked relevance for the study. Initially, we also had competition and cooperation as two separate themes. However, these two themes were combined in this step.

In step five we defined and named each theme by specifying the essence of it. We decided to proceed with two overarching themes. This, because we argue that these two themes cover the presented theory and the empirical findings of our study. In addition, we found areas in which previous theory and our empirical findings do not align. These, we have chosen to present as sub-themes in Chapter 6.

The results from the fifth step of the analysis are what is presented in Chapter 5 and 6 (Braun and Clarke (2006, p. 22). Finally, in step six, we tried to present a story in which we analyzed the data in relation to previous research. In this, we tried to go beyond just describing the data, but instead discuss the data in relation to our research. This is an approach that is suggested by Braun and Clarke (2006, p. 23).
4.8 Ethical considerations

According to Bryman & Bell (2000, p.), there are four main ethical principles that need to be considered when conducting qualitative research. These are the information obligation, consent obligation confidentiality obligation usage obligation. All these four ethical principles were considered when the study was carried out.

Initially, an email invitation was sent to all microbreweries for the study’s sample. In the email, we presented ourselves, the purpose of the study, how the data was intended to be used and that it was fully voluntary to participate. Further, we informed that all participants would be anonymous in the study. This is in accordance with the information obligation and the consent obligation (Bryman, 2011, s.131; Ritchie & Lewis, 2003, p. 66-67).

The data that was collected during the interviews were handled in a way that would limit the traceability of each interview participant. For example, we did not present their names or the names of their companies in the study. Further, we did not present specific product information, information about other companies that the participants mentioned during the interviews, etc. This is important in order to protect the confidentiality of all participants, (Bryman 2011, p.131; Ritchie & Lewis, 2003, p. 67). Finally, the data that was generated in the study was only used for the purpose of the study. This is in accordance with the usage obligation described by Bryman (2011, p.131).
5. Empirical Findings

In this chapter, we present our empirical findings. Here, we have chosen to present the findings from each interview separate. This, as our intention, is to make it easier for the reader to grasp the context of which our findings derive from. It also makes it easier to follow how we perceive that certain patterns emerge from the interviews. We have divided each of the interviews into two sections, where the first section is what motivations and drivers that the interviewees had for starting their microbrewery. The second section, which is named strategy, illustrates how the interviewee perceives different aspects of competitive strategy.

5.1 Company A

5.1.1 Motivations for starting the microbrewery

The interviewee explained that he and the other founders of the microbrewery were members of a group of whiskey enthusiasts who had met for over 20 years to taste different whiskeys. After a while, the members of the group started dreaming about starting a distillery. The interviewee, however, explained that they all realized that starting a distillery was a rather unrealistic dream. He explains:

“To start a distillery is a huge investment, and the process for producing whiskey takes at least 15-20 years. So, the oldest in our group calculated that they would not have the possibility to taste the whiskey that we would produce during their lifetime.”

The interviewee explained that this insight led them into starting a microbrewery, instead. The idea rose from the interviewee’s own home-brewed beer that he used to bring to the whiskey gatherings to complement the served food. Since all members of the group perceived that the beer was of high quality, the discussion of starting a microbrewery arose. However, the interviewee also explained that they saw a market opportunity since they perceived there was a lack of variation of beer products on the market:

“It was also a totally different beer-scene then, compared to now. One of the local pubs had a few taps of beer that perhaps was a little different. Otherwise, it was just the regular assortment of beer.”

The interviewee, however, explained that monetary rewards have never been the driver for why they are running their microbrewery. According to the interviewee, the drivers for running the microbrewery was an interest in beer. Further, he explains that the company has become a social activity for the owners. The interviewee provided an example of how financial gains have not been the primary driver for why the microbrewery exists:

“Of course, we want to make money. After all, we are a company that needs to have an income source in order to survive. But money is not the primary driving force. If it would have been, we would have stopped long ago.”
When asked about what expectations the owners had when starting the microbrewery, the interviewee explained that they were not aware of all of the obstacles and costs that are associated with running the company.

“We'd probably imagined how the money would just come in heaps. Of course, we knew that it was many costs to deal with like amortization and costs related to the facility, but it was so much more costs and hinders that we didn't know about”.

5.1.2 Perception on competitive strategy

The interviewee explains that they are working toward a specific target group of customers and that in comparison to other local microbreweries, their target customer is a little bit older to the other microbreweries. However, the interviewee believes that it is the target group that probably has chosen them and not the other way around:

“We have not chosen that target group directly, but it is more likely that the target group has chosen us. And because of this, we work towards that target group by for example design where we try to be a little more stylish. Also on some events we do, we try to target that target group.”

At the same time, the interviewee elaborates on how they have always tried to target a broad market. The interviewee explains that they do not want to produce products that have too extreme flavours, as it could limit them to reach their target group. Further, the interviewee states that it is impossible to compete on price in comparison with the large beer producers. Therefore, they try to distinguish themselves from the large actors within the beer market by producing a large variety of different flavours. Also, they try to emphasize the quality aspect of their products. Finally, the interviewee discussed the importance of localness and that it can be an opportunity for companies:

“Now a local trend is taking place, not only with regard to beer. We aim to pay attention to the fact that it exists local alternatives, and we try to get people to buy locally. We do not want to be there just because of some kind of curiosity. If people think it’s good that there are local alternatives, then they must support us too.”

When explaining the process of how new products are developed, the interviewee explained that they partly base their development of products on their own taste preferences and partly from trends. Further, the interviewee explains that they try to develop a broad product portfolio and that it has led them to develop new products to increase breadth:

“We have until now not had any lager and it is an important product section. A large majority of all the beer that is sold is a lager. So now we have developed one”.

When asked about if the company works with alternative products to beer, the interviewee explained that they had experimented with a few other products like t-shirts, taste sample glasses, and hats that they tried to sell at events and exhibitions. However, this was something that the interviewee explained got very little of their attention as it was not highly requested by their customers.

Regarding the competition within the industry, the interviewee explained that they perceive that their main competition comes from the big actors. In contrast, the interviewee elaborated that
they cooperate with other small microbreweries and argued that they are stronger together against the big companies, rather than single-handedly going head to head with them. The interviewee claims that cooperation permeates the whole microbrewery industry. The interviewee explains that the cooperation with other microbreweries in the local market gives them a greater chance to be noticed by people and bring forth that local products exist. The interviewee explains that they have been forced to make some sacrifices on/of products that they have personally enjoyed in order to be more profitable. The interviewee brings up one example:

“We like our current label very much, it is, however very expensive. So, despite the fact that we like that label very much, we will now switch to a simpler label. This because the new label is much cheaper to manufacture. So, we waive some stuff to lower costs. This goes for other stuff as well.”

The interviewee explains that in the beginning, the microbrewery was perceived more as a hobby to the owners. But now, the interviewee perceived that they are more of a company. The interviewee discussed that there might have been the increased local competition that pushed them into that direction. The interviewee explained that they created a lot of beer that they personally perceived as fun and of good taste, usually darker beers, but that it did not sell in any larger quantities and therefore stopped producing it.

5.2 Company B

5.2.1 Motivations for starting the microbrewery

The interviewee explained that he had a history of being a home brewer for several years prior to the start of the microbrewery. After he decided that he was going to start a brewery, he worked at another brewery to learn how to brew beer commercially. The interviewee explained that his primary driver for starting and running his microbrewery is due to the passion for the beer. The interviewee further explained that they are two who run the company and that they have an easy set-up and have no loans, which make them independent. However, the interviewee also elaborated on that he wants to earn some money out of this business venture:

“If course, I want to earn some money on all of the efforts that I have put in. But I do this because I love to brew beer. That is number one!”

The interviewee explains that he views his microbrewery business as a semi-retirement project. He further explains that operating a microbrewery means a lot of hard work. He elaborates and explains that all the effort that he has put into the business would not have been worth it if he was only looking for monetary gains. However, since running the microbrewery gives him the opportunity to work with his passion, running it is perceived by the interviewee as a good career choice:

“We have so much fun when we come up with new recipes for beers. That is what it is all about for me.”

In addition, he describes how running a microbrewery enables him to do other things that he enjoys besides just working at the microbrewery, as there are some periods of less production
in which he gets more spare-time. Further, the interviewee explained that the love for crafting beer is still existing, despite some obstacles and problems and that the profitability is not always on top.

5.2.2 Perception on competitive strategy

When asked about the competitive strategy of the microbrewery, the interviewee answered that they have a niche strategy based on a specific country’s brewing technique. The interviewee further elaborates on that they want to create beer products that other brewing companies do not produce:

“We would never consider brewing a pale ale because so many other breweries do that.”

The interviewee further elaborated on their strategy to be unique and argued that trends also affect their choice of products. But also, the interviewee expressed that the strategy of what is produced also is featured by what he believes that customers want to purchase. But the interviewee emphasizes that it is the uniqueness of the beer product, and to create beer products that are not existing within the market, that is the cornerstone of what is being produced.

In terms of how the interviewee perceived the effort of reaching customers, the interviewee explained that their main competitiveness comes from their products. He explained that he thinks that it is too expensive to reach out through marketing campaigns. However, the interviewee explained that they had worked hard on the design of their label in order for it to attract their target segments. Further, the interviewees highlighted the high-quality aspects of his beer in contrast to that of the macro-level actors.

When the interviewee answered the question about if they have other offerings than the beers, the interviewee explained that they had produced an energy drink. The development of the energy drink derives from what the interviewee perceived as a challenge. The fact that people told that it was impossible to realize this idea spurred him to prove them wrong. The interviewee elaborated on that the whole idea of making the energy drink arose from a contact abroad. The interview further explained that he thought that it would be a fun and interesting product to develop. However, he also explained that he hoped that this product would generate some profit in order for him to produce more unique beer products:

“We thought that this product would generate a nice cash flow that would allow us to be even more creative with the beer.”
5.3 Company C

5.3.1 Motivations for starting the microbrewery

The interviewee explains that he started to produce beer as a hobby when he was really young. He perceived that his beer tasted well and was of high quality. By accident, he came in contact with a local microbrewery owner and he started an apprenticeship at that local brewery. According to the interviewee, that experience provided him with valuable knowledge about the craft and inspiration to start his own microbrewery. A few years later, the interviewee explains that he, with the help of a couple of investors, founded a microbrewery of their own. The interviewee further explained that it was the passion for beer that was his primary motivation to start the microbrewery. The interviewee elaborated on how he perceived the microbrewery market as rather saturated, but since the monetary reward was not his primary driver for starting the brewery, the fact that the market, according to the interviewee, is saturated was not perceived as a hinder. But the interviewee, however, highlighted that profit is necessary to allow him to work with his passion:

“If you want to make a lot of money, it is probably smarter to start a business within another industry. Of course, I need to take out a salary in order to live, but the main driver is to produce a product that I am proud of.”

5.3.2 Perception on competitive strategy

The interviewee explains that they will differentiate themselves from other microbreweries by producing a product for a highly-niched customer segment. The Interviewee explained that the product will be more expensive in comparison to other products on the market. Also, the interviewee explains that the product itself will be more towards a specific type of customer:

“The ones that are out for cheap beer will probably not go for us. I would say that our products will be a kind of extreme beer and nothing for the large masses.

The interviewee elaborated further on the importance of the chosen finish. The interviewee argued that he wants the products from his microbrewery to have a feel of being homebrewed and breathe craft beer. The interviewee exemplified this:

“Instead, of, for example, let a PR bureau design our labels we believe that it is better that we create something ourselves. Of course, it must look nice, but we want it to feel unique and suitable for our niche strategy.”

Further, the interviewee highlighted the trend within the beer market towards craft beer. And he believed that this trend is due to younger customers’ preference of unique products. Regarding the process of developing new products, the interviewee explained that he experimented with different recipes in order to find the flavours and characteristics of the beer that he preferred. The interviewee argues that larger companies must create products according to customer needs, but small companies can develop products that the customer did not even know was possible:
“The big breweries need to develop products that the customer demands, and therefore there are rarely any new products on the market. To develop and sell unfiltered beer 20 years ago would probably be hard. Today, people have discovered that beer can have many different shapes and tastes.”

Regarding alternative products and services beside the produced beer, the interviewee explained that they plan to have exhibitions of the brewery along with beer-tasting events. However, these activities were perceived as primarily for marketing purposes, and less about generating profit. Also, the interviewee highlighted the local aspects of these activities, and the effect they potentially could have on the local market:

“I believe that it is important that the customers get a personal connection to the brewery. It adds a personal touch to our brand if a customer can experience where the beer is produced and is not only communicated through social media channels. That goes along with our strategy of being perceived as home-brewed and small scale.”

Regarding the intention of being perceived as producing home-brewed craft beer, the interviewee thought that a microbrewery can get an advantage of being perceived as small. Small is, according to the interviewee, associated with quality in the microbrewery industry. In line with this reasoning, the interviewee further highlighted that the local aspect is an important factor for the microbrewery as a sales argument:

“I believe that many consumers like products that are local. If they visit a restaurant and see a locally produced beer, I think that they will want to try it, as long as it is within a reasonable price range.”

### 5.4 Company D

#### 5.4.1 Motivations for starting the microbrewery

The interviewee explained that it all started as a hobby in one of the founder’s basements. The interviewee explained that they originally were six friends who got together and brewed beer just for fun. After brewing as a hobby for about ten years, they started to feel confident about the beer they were brewing. And four out of the six friends decided to start their own microbrewery, which was one of the first in their local market. But according to the interviewee, they had no previous experience of the craft other than as a hobby, as two of them had backgrounds within archaeology and culture, while another one was an artist and the fourth one was working with IT.

When asked about the motivation for starting the business, the interviewee explained that it was primarily the love for beer, and the urge to work with the passion that motivated them. But the interviewee also explained that if they could earn some money while living out their passion, it should only be seen as something positive.

“When we were in contact with investors, we were asked the exact same question, ‘do you do this for living out your passion or do you plan to make money out of this?’ And I answered, ‘we do it to 95% because it is fun, but if we can make money out of it, it does not hurt’”. 
When discussing if the motivation and passion for running the microbrewery have changed since the start, the interviewee thought that running the microbrewery still brings him as much joy as it did from the start. But, the interviewee also mentioned that the obstacles they have experienced have been more severe than he expected and that it can be frustrating from time to time. However, the interviewee explained that any major obstacles or setbacks that would have killed their passion to continue have not occurred.

The interviewee explains that they quickly after starting microbrewery maxed out their capacity for how much beer they could produce. Therefore, they realized that they needed investors so they could expand their production capacity. During their search for investors, the interviewee explains that they found an investor who also could function as the chairman of their company’s board. The new member also invested in the company and became the fifth owner of the company. The interviewee elaborates on how the fifth member is more business-minded profit-oriented:

“The fifth member is not out scrubbing the beer tanks, but he is really important to us since he knows really much about board work and how to run a company strategically.”

The interviewee further explains that the fifth member wants to see the company develop so they can become more profitable. However, the interviewee also explains that the profit-driven strategic approach is not always in line with the other four member’s intentions with the company. This can sometimes, according to the interviewee, create tension between these two interests:

“When the fifth member entered, he was more business-minded and could ask questions like ‘couldn’t we do soda like other microbreweries do?’ Of which we reply that ‘it does not go along with our profile.’ And this sometimes forces us compromise between those two interests.”

This is further elaborated on by the interviewee:

“How much can we sacrifice of what we think is our profile, in contrast to how much money we can make out of this sacrifice?”

5.4.2 Perception on competitive strategy

On the question about what the company’s primary business strategy is, the interviewee was of the opinion that their customers perceive them as a company that produces high-quality products in which the customers always know what they get.

“For us, it is all about style and purity. For example, if we produce a lager beer, it tastes like a lager beer and if we produce a wheat beer, it tastes like a wheat beer.”

The interviewee also thinks that being a local microbrewery can work as an advantage as he perceives that there is a trend in society for small local companies:

“I think that people want to be aware of what is on their plates and in their glasses if the meat comes from that farm over there, or the beer comes from the beer over there.”
Further, the interviewee describes that they have a strong regional cultural history profile. The interviewee explains that this profile was chosen already from the start and that they will continue on this profile going forward. The interviewee emphasizes that they want they want the cultural aspect to be reflected throughout the whole company profile. However, the interviewee also explains that they had to balance their own desire to be informative about cultural history contra the attractiveness and purity of their design:

“I’m from a background of cultural education, so I thought that if we have this regional cultural profile, then we should have a map on the label where the customer could see where the history of the specific product comes from. Further, I wanted to have some information about the location on the label and so on. Our designer, however, had a completely opposite opinion. She emphasized that the design should be pure, so she took away all the information that we initially had on the label which resulted in a very clean design. She has helped us a lot!”

The interviewee further explains that they had a vision in mind that their beer products should exist and be distributed on locations like old gods, museums, and taverns associated with cultural history. However, the interviewee explains that these locations do not provide the opportunity to sell any large quantities of their products. Therefore, they sell mostly to systembolaget.

Further, the interviewee emphasizes that he believes that their brand is perceived by others as a premium brand and have a more mature audience for their products. However, this audience and the premium perception is something, according to the interviewee, have developed unintentionally over time rather than as a strategic choice:

“In the beginning, we did not have the intention of becoming some type of premium brand. But we are very aware of what type of beers we like to produce. And after we had the good collaboration with the designer and got the nice labels it felt quite natural to go in that direction. But it has progressed gradually I would say.”

The interviewee explains that he perceives the company’s products as rather niched due to the segmentation of a more mature audience along with the premium feel of the brand. But at the same time, the interviewee argues that because their products are easily accessible, they are not limited to a narrow market in terms of their product:

“I would probably perceive us as quite broad, but at the same time, a little bit niched because of the premiumness of our brand and since we are attracting a more mature segment.”

According to the interviewee, when they develop products they use their own preferences of what they believe is a good beer based on taste and beer type. The interviewee elaborates on this and explains that they do not create products based on what they believe that others would like, but rather what they like themselves. He expresses this line of reasoning in an example:

“It is like if a musician get a question like ‘why did you write this song?’ We create our beers based on what we like.”

The interviewee further explains that this can create some tension between accumulating profit and creating products that they like themselves:
“For example, we have this one beer that we created but it barely sells. However, we want to keep it because we like it. Maybe the consumer will eventually realize that it is a good beer.”

The interviewee further elaborates on this, and that they experience that this tension is becoming increasingly present over time as the company becomes more strategically oriented:

“It’s a fine line, or whatever you want to call it, between how much to sacrifice your interest and passion to increase your profits. I can take one example, we got this question about making a specific beer to an event and this would be really good for profit. However, the customer who wanted us to create this beer wanted us to change the recipe of our beer into something that we did not feel comfortable about doing. On one hand, we wanted the money, but on the other hand, we weren’t sure if it was worth it since we would have to make sacrifices on our original product.”

And,

“We do not want to start to produce a beer that tastes like that of the large breweries, even if we would make money out of that. That is out of the question. If we would do that, the whole point of running this business would be gone. We want to make beer that we like ourselves.”

However, the interviewee explains that they have produced an ecological beer because many customers asked for it, and not because they had a passion to create it. They also do a beer with a lower alcohol percentage in order to expand their distribution channels.

Regarding competition with other local microbreweries, the interviewee perceives that the local microbrewery market is permeated by competition. He is of the opinion that they all benefit from helping each other and that they are stronger together against the large breweries, rather than trying to handle the competition alone:

“I believe that we all benefit from cooperation. We do many exhibitions together, events together, and we borrow stuff from one another and so on. The competitors are the big ones”.

### 5.5 Company E

#### 5.5.1 Motivations for starting the microbrewery

When asked about the background for why they started the microbrewery, the interviewee explains that it all started when one of the founders tasted craft beer for the first time and felt that it was the best beer he ever had tasted in his whole life. This then led to an interest in how to brew beer on his own. He then started to do research about how to brew and began to brew by himself. Although they were a couple of people who founded the microbrewery, the interviewee emphasizes that they all shared the same passion for craft:

“The driver for us is to brew damn good beer and to live out our dream and passion. Further, it is a really fun product to work with because all people can relate to it.”
When the interviewee got the question of whether monetary gains has been a driver, he explains that since they already from the beginning were aware of how hard it is to make a profit in this industry, he argues that monetary gains have never been a driver:

“We did our research before we began, and we looked at the profitability of other microbreweries and realized that there are not that many breweries that are profitable. Perhaps somewhere in the future, we can get our investment back.”

5.5.2 Perception on competitive strategy

Regarding strategy, the interviewee explains that since there were about 300 microbreweries in Sweden when they started, they realized that it was important for them to stand out. He further explains that they try to work on a clear concept that will allow people to recognize them. Also, the interviewee elaborates that one important aspect of their concept is to produce new sorts of beers and flavors:

“I believe that it is really important to have a clear concept. Our concept is to find new tastes and challenge flavours. I think that this is the most important part of our strategy.”

When the interviewee was asked about who their target customer is, he explains that they do not want to be associated with being pretentious. They want their beer to be accessible to ordinary people and a broad audience and therefore try to have lower prices than other microbreweries. However, the interviewee explains that since they do beers according to their interest in challenging tastes, some of their products may be considered as too extreme by the average beer customer:

“I think we try to reach the broader mass rather than the beer hipsters. But at the same time, some of the tastes and products that we create may be better suited towards people who have tasted and liked more extreme beers previously.”

In terms of the company’s orientation, the interviewee explains that they both look at what the customer wants, but they also do products based on their own interests. They interviewee provides examples of how they have worked with restaurants to create products that will match the restaurant’s menu:

“For example, one restaurant asked to develop a beer for their herring. We then tasted the herring and tried to create a beer that we thought would be a good complement to it.”

However, the interviewee explains that they sometimes create new flavours and beers totally on what they themselves would like to create:

“Our brewer used to work as a barista, and therefore he wanted to brew the best stout in the world. Since that is his goal, he has started a cooperation with a local guy who roasts and supplies the beans. And our brewer then finalizes the stout.”

The interviewee speculates that they do not want to create flavours based on what the customers demand since that may cause a conflict with their initial motive for why they founded the brewery:
“I don’t think that we would be able to maintain our brewer in the company if we would have said to him that we want to start to produce cheap and watery pilsner.”

Further, he explains that the microbrewery industry is strongly permeated by cooperation. As an example, the interviewee highlights that the different microbreweries help each other with the brewing process and to market each other:

“I can take one example, we bought a new steam-boiler from China. After that, another local microbrewery came by to check it out. And now they have decided to buy one for themselves as theirs is getting worn out.”

However, the interviewee explains that the beer recipes is viewed as more confidential information, although some microbreweries are very transparent with those as well:

“The only thing that can be a little bit sensitive is regarding the recipe. But some microbreweries post them online for other microbrewers to download.”

When talking about growth, the interviewee explains that they want to grow and that this is necessary to become profitable:

“To become profitable, I think that you have to be big. I believe that it goes for all production industries. In the scale that we are in, it is almost impossible to make a living out of this.”

However, the interviewee also mentions that they perceive that there might be obstacles to grow too quickly. He elaborates on previous failures of other microbreweries that could not keep up with the increasing production demands and had to foreclose. Also, he talks about growing too big, and that he perceives that it is possible to keep a uniqueness within your identity. However, in order to do this, you will need to be strategic about it so you do not lose your identity:

“I believe that you can create niched and unique products that are strongly associated with your identity even though you are big. Of course, some of your customers might think that you are becoming a little bit too big. I think you have to count on that.”

5.6 Company F

5.6.1 Motivations for starting the microbrewery

The interviewee explains that the whole thing started as a hobby project in one of the founder's kitchen. After a while, the owner of the kitchen thought that it started to be fed-up with the mess that the brewing process led to. Therefore, they decided to find a facility to continue with their hobby. According to the interviewee, soon after they got the new facility they took a decision to register their hobby as a company. But they had no expectations of their brewery besides continue doing it as a hobby:

“Our plan was to create some fun beers every now and then. Point blank, we had no plan to do this full-time. The plan has never been to become rich out this.”
The interviewee had the perception that running a microbrewery was not a profitable business opportunity prior to the start of the company. This perception derived from talking with other microbrewers who told them that the microbrewery industry was harsh in terms of making money:

“We thought that there might be a small group of people that would like our beer, but that the group was too small to earn profits on that would cover more than the costs of running the microbrewery.”

On the question of whether the motivational driver for running the microbrewery had changed since the start, the interviewee illustrated that the hobby, which was the whole idea of it in the beginning, demanded a lot of time and money. Even though they perceived that it was worth because it was really fun, they realized that it was not sustainable in the long run to continue. The interviewee explained that this finally came down to a decision in which they either had to stop producing their beer or start to become profitable:

“We ended up somehow in a crossroad where we either had to sell our microbrewery or spend even more time and resources in order for it to possibly take off.”

The interviewee explains that profit has been seen as something that they need in order to finance their hobby. The interviewee elaborates on this and says that monetary rewards have never been a driver. Further, the interviewee highlights that the possibility to manage their own business and time is another reason for why they love doing this:

“Big money has never been a driver. If money would have been a driver, we would have done something else. We do this because it is so much fun brewing beer and we manage everything by ourselves. I would probably have a really hard time going back to an ordinary job.”

The interviewee describes how they became more business-oriented once they had made the decision to fully invest in the microbrewery. However, the interviewee argues that they still perceive the business as their hobby more than a company:

“The business itself is a kind of hard and negative side effect of running a microbrewery. We just want to brew good beer and sell it.”

5.6.2 Perception on competitive strategy

When asked about what their main business strategy is, the interviewee explains that they just do a beer that they believe is good. He further describes how they like to play and experiment with the brewing process, and come up with different flavours, based on their own preferences, and then hope that others like it. The interviewee further explains that they do not have any other areas of strategy that they work with:

“We have never sat down and tried to develop products after specific customer segments or customer preferences. Instead, we have just been developing products based on what would be fun to try to do. And sometimes, we realize that the products that we develop are not so profitable, but if we think that a product is fun to produce and sell, we continue to produce it anyway.”
According to the interviewee, the relation with the other local microbreweries has rather been perceived as cooperative than competitive. Everyone help each other through exchanging tips and advice about the different beers and brewing processes.

“First has only been about helping and supporting each other from the start. We would have never been a brewery if it wasn’t for another local actor since they helped us really much from the start. We do deliveries together, borrow stuff from each other, share tips and advice with each other. Now, one of the other local breweries are going to release a low-alcoholic beer, and we have created quite a lot of those, so we gave them some pointers and tips. We help each other out. All of the small breweries try to steal from the big dragons.”

Further, the interviewee explains that they all gather up against the big companies within the industry, and market the local and handcrafted beer together. Within the local market, all of the microbreweries have their own niches and segments of customers, which allows them to coexist instead of being rivals. Further, the interviewee elaborates on the competition from the large breweries within the beer market and explains that they try to emphasize different values in comparison to the big actors:

When talking about how growing the company, the interviewee explains that they have some intention to grow but only up to some level. The interviewees explain that his perception of microbreweries that are getting big has compromised on their creativity and innovativeness. He elaborates on this idea and explains that a company that is big needs to take into consideration other investors and need to show good numbers:

“Small microbreweries that are getting big can’t be as crazy as we are in terms of creating products. We are totally independent of such things, except for perhaps taking a small salary, so we can be much more innovative and produce beers just for fun.”

However, the interviewee explain that they want to grow in order to be more profitable, but if they grow too much they are scared of having to sacrifice what they think is fun of running the microbrewery:

“If we would start to produce only one or two beers that sell extremely well, it would still not be worth it because then it would not be any fun no more. In that case, we could just take an ordinary job at a factory.”

And,

We definitely think that we would be able to create a beer totally after what the customer demands that would sell extremely well. But we do not want to do that. Because it would not be fun. We have declined offers on making beer on commission for different actors even though it would have been good for us in terms of generating profit. This since we did not like the beers that these actors wanted us to create.

“If we would produce beers that we could not stand for ourselves, it would feel like we were sell-outs”.

The interviewee, however, explains that they perceive that they there might be ways to create products after what the customer demands while at the same time have fun while doing it:
“If we, for example, would get a request to make a beer for a hockey team. Then we would do it in our own way. It would be flavoured with things that we associate with hockey, like liniment and sauna wood, or something like that”

And,

“We can create a cheap and watery lager, but we would only do it if we, ourselves, want to create it. We would not do it just because someone else asks us to.

5.7 Company G

5.7.1 Motivations for starting the microbrewery

The interviewee explains that there are different motivations that drive the different owners. However, they share the urge of doing a revolt against what they perceive as macro produced beer. Further, he also explains that the passion for the craft is consistent among all three owners. He also explains that they have become more profit-oriented over time, but they do not want to sacrifice their passion for the craft:

“We have reached a point in which we have existed for many years now, and have started to realize that we cannot run this place as a playground forever. But one thing doesn’t have to exclude the other. We don’t want to compromise to get there.”

5.7.2 Perception on competitive strategy

When asked about their overall strategy, the interviewee explains that their competitive advantage is the fact that they are handcraft beer, and he highlights the uniqueness and the quality aspect of microbrewery beer:

“It is almost like when a chef makes a meat sauce. Then it always tastes a little bit different. It is the same for micro-brewed products.”

And,

“I would say that it is because of taste experience that you should buy crafted beer. But I would not say that you would have to necessarily buy our beer. But you should definitely buy locally produced beer. Because the fresher the beer is, the better it tastes.”

When the interviewee was asked about competition, the interviewee explains that on a local level, the microbreweries help each other out. He further explains that they send freight together to cut costs, create and attend events together and help to market each other. He further elaborates on this and explains that they might even be too cooperative sometimes:

“In the microbrewery business, it is a kind of familiar atmosphere. It is not like we are trying to compete with the other local microbreweries for the same customers even though we probably would need to. But that is maybe just a sign that we are bad businessmen (haha!)”
When talking about competition from large actors in the beer industry, however, the interviewee is of the opinion that the big actors try to imitate the small microbreweries. They have taken the features of a craft beer but produce it on a macro scale, and are thus able to lower the price to levels that microbreweries can compete with. The interviewee perceives that the microbrewery market is rather saturated. He speculates that some actors will not be able to survive, and highlights that the quality of the beer and the capability of marketing the microbrewery are the most important aspects if a microbrewery wants to survive. He also highlights that he is of the opinion that a microbrewery needs to grow up to a certain level in order to survive:

“But every actor should be at least our size. Earlier, many smaller microbreweries existed, but today I don’t think we are at a place where people are ready to pay 50kr for a beer, which is necessary if a microbrewery only produces 500 litres.”

However, the interviewee perceives that there might exist a resistance within the industry of becoming too big as a microbrewery, since this may create tension between the self-perception of the microbrewers and their potential/need of growth:

“It is a sensitive market. It is a little bit like the punk scene during the 90’s. If you signed with a record label, you were a sell-out.”

And,

“Within the microbrewery-bubble, many perceive that the microbreweries that has grown too much have become boring. But I don’t think that it is something that the average customer takes into consideration. So, we don’t think of growth as a problem with how others perceive our brand. However, many actors within the industry want to keep it small-scale and that is honourable, but then you won’t be able to hire someone and instead have to work your ass off.”

When asked if the company creates some other products or services than beer, the interviewee explains that they have created a craft soda. The reason for why they created a soda, the interviewee elaborates on, is to broaden their product portfolio and to broaden their customer segment. However, the interviewee explains that this project was aligned with their passion for craft brewing. He further explains that the process of coming up with beers and flavours comes from a mix of market demand and what they themselves perceive would be fun to create:

“We do beers according to what we think would be fun to create, but we have been bitterly taught that it must exist a market connection. But those two things do not need to cancel out each other necessarily. It is fun to create a lager as well.”

However, the interviewee explains that in order for them to produce something, it must be aligned with what they believe that the motivation for running their business is all about:

“Many big distributors have told us that ‘guys, you need to produce a cola-flavoured soda since that is the product that sells best.’ But that goes, in some way, against our philosophy. To produce cola, you just use an essence, and then you brew on that. The craft is getting lost in this process. In this case, it might be better to be the small exclusive actor.”
6. Analysis and discussion

This chapter shows how we have analysed the empirical findings from the previous chapter through our theoretical framework. We try in this chapter to show what motivates the craft entrepreneurs to start and maintain their microbreweries, and that their motivation is further affecting their perception of competitive strategy. We highlight the duality of motivations that these craft entrepreneurs have, and how this causes a dilemma when the duality has to be balanced. We finally provide three areas in which the dilemma causes tensions in terms of competitive strategy.

6.1 Motives for starting and maintaining a microbrewery

When we asked about why the interviewees started their microbreweries, all seven explained that it was their passion for the craft and the product that motivated them to start their companies. Further, monetary rewards were secondary to all of them, but they all mentioned that profit is necessary in order for them to continue running their microbreweries. This is in contrast to Wach et al (2016, p. 1099) who defines success as the financial performance of the firm. Reijonen & Komppula (2007) also support this and suggest that financial objectives were secondary to other subjective measures for why craft entrepreneurs start their companies.

Amabile (1997, p. 44) describes that individuals that are motivated to partake in an activity for the pleasure and the desire for the specific activity are intrinsically motivated. This is in line with what the interviewees express as their motivations for starting and maintaining their microbreweries. Further, since all actors describe that monetary rewards are necessary in order to be able to live out their passion, they are also motivated by external factors. This is in line with the definitions of extrinsic motivations by Ryan & Deci (2000, p. 73) and Frei (1994, p. 336), who both describes that people can be motivated by things such as monetary rewards. We interpret this as that the individuals are not motivated by extrinsic or intrinsic motivation in isolation. Rather, it is a combination of external and internal motivational factors that a person has to balance. This is in line with Paige and Litrell (2002, p.327) who argues that small craft entrepreneurs are motivated by a combination of intrinsic and extrinsic motivations, where monetary rewards were secondary to the love and passion for the craft. To add to this, some interviewees described that they enjoyed the possibility of running their own business. This is in line with the motivation of being independent described by Stephan et al(2015, p.43).

Another interviewee describes that running a microbrewery allows him to do other things that he enjoys besides running the business. This is according to the success criteria of having a good work-life balance described by Gorgievski (et al. 2011, p. 224). Furthermore, one interviewee mentioned that it was important for him to be able to be his own manager, while another interviewee mentioned that the social aspect of running the microbrewery was an important factor for why they ran the microbrewery. This is similar to the description of the motivational factor of passion described by Shane et al. (2003, p. 269), which argues that entrepreneurs can be motivated by the passion for the work itself. Many of the interviewees also mentioned that they are motivated by creating high-quality products, which is suggested by Reijonen & Komppula (2007, p. 699) as success criteria for craft entrepreneurs.
The interviewees from all companies explain that they started their microbreweries to live out their passion. They further explain that their perception of money is that it is a necessity in order for them to sustain their businesses. We interpret that the extrinsic motivation of monetary rewards is something that enables their intrinsic motivation of living out their passion for their craft. This is in line with the crowding-in effect explained by Frey & Jegen (2001, p. 592) in which external actions can crowd in, i.e. enhance the intrinsic motivation. From what we have found and with our interpretations of the empirical findings, we see tendencies that the craft entrepreneurs in our study have dual objectives for their companies. The main objective is to live out their passion and interest for their craft, which corresponds to their intrinsic motivations. But in order for them to achieve their main objective, they need to earn money to sustain their businesses. Therefore, their second objective is to generate profit, which corresponds to their extrinsic motivation.

6.2 Motivations effect on competitive strategy

From the previous section, we have seen that craft entrepreneurs have dual objectives for why they start and sustain their microbreweries. In this section, we present if the duality of objectives of the craft entrepreneurs affects their perception of competitive strategy.

From our interviews, we could see that all interviewees had some kind of focus strategy, in accordance with the definition of Boroto et al. (2012, p.122). The chosen focus strategy was further centered around some kind of specific interest or preference of a brewing technique or sort of beer. Further, the interviewee's interests or background seemed to be reflected in the company profile. One interviewee described that they have a strong connection to a specific country, and also that the company profile was strongly affiliated with that country’s brewing technique. Another interviewee elaborated on that they have a background in archeology and culture, and that their company profile and products were centered around the background. A third interviewee claimed that they did not have any specific strategy besides doing what they think would be fun and what they liked themselves. Further, the interviewee mentioned that they want to have fun and playful labels, products, and product names which he thought should reflect their own personalities. All these examples show that the entrepreneur's interests and/or preferences affected their selection of products and profiles, which are part of their niche strategies. We interpret this as that the entrepreneurs’ intrinsic motivation is based on working with their passion (Shane et al., 2003, p.266) affect them to have a focus strategy in line definition of Boroto et al, (2012, p.122).

Since their strategies are based on intrinsic motivations and interests of the entrepreneurs rather than what would be most profitable, the end result could potentially become more random in terms of traditional financial goals. As an example, if the entrepreneur’s preferences correspond with what a large group of customer’s demands, this could potentially be a very successful business opportunity seen from a profit-maximization perspective. However, if the entrepreneur’s preferences do not correspond with the market demand, the business opportunity could potentially be less successful.

Further, all interviewees described that their products are rather unique in relation to the traditional beer products within the beer market. Also, all interviewees describe that they primarily try to create products that have not been done before. This is in line with the differentiation strategy described by Porter (1980, p. 34) which implies that a company’s competitive advantage can be established through creating products that are different from the products of their competitors. However, their focus varies to some extent. For example, two
interviewees highlighted that they are aiming for a broader market. Several interviewees are instead focusing on a narrower market segment. This is according to Boroto et al. (2012, p.122) described as a focus strategy because they are focusing on a specific segment. As earlier explained, all companies perceive that they create different and unique products compared to their competitors and that they also take a higher price than their competitors. This is interpreted as that these companies have focus strategies with elements of differentiation (Porter, 1980, p.35). Since several of the interviewees explained that their strategy was a result of their interest and passion rather than chosen actively, but that they, at the same time, have a clear perception of their competitive strategies, we interpret this as that their intrinsic motivations are strongly affecting their competitive strategies.

However, none of the interviewees mentioned that they applied a cost-leadership strategy, described by Porter (1980, p.35). When analysing our empirical findings, we saw tendencies that these entrepreneurs resistance to use these strategies were connected to their intrinsic motivations for why they started their businesses. For example, some interviewees explained that the whole purpose of why they are running their microbreweries would be eliminated if they started to produce products at low costs and in big quantities, and also products that are mass-produced by others, even if they would make a lot of profit. Since these are attributes linked to the cost-leadership strategy, we interpret this as that the entrepreneurs are not willing to take on this strategy, due to their intrinsic motivation. However, since the cost-leadership strategy is not suggested as a suitable strategy for small companies according to Porter (1980, p.35), the microbrewers motives are leading them into a strategic direction.

Further, none of the interviewees described that they have elements of the diversification strategy in their own strategy. The diversification strategy means that company creates a competitive advantage by developing totally new products for totally new markets (Ansoff, 1965, p. ) This is a strategy that is suggested as a suitable way for small companies to create competitive advantages against larger actors. However, since the interviewees described that they want to work with their passion and create products that they like themselves, we analyse that the absence of the diversification strategy among the entrepreneurs is a result of them not wanting to produce products that are completely different.

As earlier shown, the interviewees explained their main competitive advantage as their uniqueness of products and profiles and that these products and profiles are what they base their niche strategies upon. Further, the interviewee's motivations are the reasons for why they have their specific niche. Since they all describe that their main competitive advantage is their niche, and since this niche is affected by their intrinsic motivation, we interpret this as that their motivations are strongly affecting the craft entrepreneur’s perceptions of competitive strategies.

### 6.3 Passion-Profit Dilemma

As was explained in the previous section, motivations affect the microbrewers perception on competitive strategy. In the previous section, we also highlighted that the dual objectives of the craft entrepreneurs are leading them into different strategic directions. In the thematic analysis, we could see that this created one main dilemma for the microbreweries. This dilemma was that they sometimes had to balance their interest of living out their passion with generating profit.

This tension is, however, not always present. Sometimes, the objectives of generating profit and working with their passion were aligned. As earlier explained, many of the interviewees explained that it was important to them to create high-quality beer products, which Reijonen &
Komppula (2007, p. 699) suggested as success criteria for craft entrepreneurs. This would not cause any conflict with the objective of generating profit as producing quality beer would be in line with meeting customer demands, which ultimately could generate profits. However, the interviewees explained that the dual objectives sometimes collide. One example that several of the interviewees brought up was that they perceive that many customers’ demands were for watery and light beer, which do not correspond with what the interviewees want to create. From our analysis, we could see that the dilemma where the interviewees explained that they had to balance the dual objectives of profit and passion caused tension in three areas. These areas are described in the following sections.

6.3.1 Growth tension

When the interviewees were talking about growth, all of them gave the impression of perceiving growing the company as something positive up to a certain level. Several interviewees explained that it is necessary for microbreweries to be at least a certain size in order to produce large enough volumes to be profitable. We interpret this as the interviewees perceive growth as something that is necessary to achieve profit-related goals. However, being too big was also perceived by the interviewees as something they did not aspire to. One interviewee also explains that, within the industry, there is a resistance to growth that can be linked to the motivations and self-perception of the brewers (Frey & Jegen, 2001, p. 592). Accordingly, the microbrewers seem to perceive that there is a tension between growth, which is linked to profit objectives, and passion for the craft, which seems to be linked to their intrinsic motivation. For example, one interviewee explained that many other microbrewers consider that it is honourable to be a small-scale actor within the microbrewery industry, but that being able to produce large enough volumes to be profitable is necessary. This illustrates that the interviewees perceive that there might be a balance in the industry between being big and being small. However, we see tendencies that growth is considered as an enabler for the microbrewers for them to be able to generate enough profit in order for them to live out their passion.

However, if they grow above and beyond a certain level, many of the interviewees perceive that growth is starting to become a disabler for them to live out their passion. The reason as we see it is that becoming too big might cause a conflict with their intrinsic motivations of being independent, self-actualized, and working with their passion, and with their extrinsic motivation of generating profit (Frey, 1994, p. 336).

This situation, where the microbrewers perceive that the dual objectives of growing and not growing too much may result in a resistance to growth, which is irrational in relation to the what the traditional competitive strategy research would suggest. This could lead to some potential outcomes that are discussed below.

6.3.2 Consequences of the growth tension

On the positive side, the resistance of growth above a certain level corresponds to what Wellbourne & Pardo-del-Wall (2009, p.484) argues that small firms have competitive advantages by being small. For example, they highlight that small company can be more creative, innovative. Further, Vossen (1998, p.90) suggest that small firms can be more risk-taking than large firms. Many of the interviewees have described that they strive to be
innovative and creative with their products and that this is one of the motives for why they started their microbreweries. The resistance of growth, or the strive to remain small, is thus corresponding to both their own intrinsic motivation and what would be considered as a good strategy in accordance to traditional competitive strategy research. Since growth-oriented companies usually are connected with the cost-leadership strategy (Porter, 1980, p.37), companies with a strong growth-orientation will potentially need to adapt to a cost-leadership strategy. Because cost-leadership strategy involves being able to scale up production in order to produce products at low costs and enable sales at low prices, this strategy is suggested for large companies (Miller, 1992, p.40). In contrast, the differentiation and focus strategies are about being able to produce unique products and is, therefore, more suitable for smaller companies. Hence, the company’s willingness to remain small that is derived from their intrinsic motivation is something that leads them towards a good strategic direction in accordance with traditional competitive strategy research.

This line of reasoning is supported by Vossen et al. (1998, p.91) who suggest that small companies can be more innovative than large firms since they are more agile, consist of less bureaucracy, shorter decision-chains, fewer stakeholders to take into consideration and that they, therefore, can take more risk in terms of being innovative.

On the negative side, however, there might be some problems with the resistance to grow if the competition intensifies within the industry. Thompson et al. (2008, p.202) suggest that it is only suitable to have a niche strategy if the target niche is big enough for being profitable. If the market intensifies and other actors start targeting a company’s specific niche, there might occur a situation in which the niche is no longer profitable enough. In that scenario, a need for the company to expand from that niche is needed. But according to our findings, the companies within the microbrewery industry are not motivated to expand their products from their niche. This might, therefore, lead to a problematic future if this scenario would occur.

**6.3.3 The product/market development tension**

When the interviewees were talking about how they develop new products, a majority of them explained that they develop their products based on their own preferences and what they themselves would think could be fun to create. For example, one interviewee explained that they had never sat down and tried to develop products after customer segments or preferences. Instead, he explained that they just create products after what they themselves perceived would be fun to do. This type of approach to the market is according to the entrepreneurial orientation of how to find opportunities within the market (Stokes, 2000, p.8). The entrepreneur creates a product based on intuitive feel and then try it out on the market. This market approach is also in line with their description of what motivates them to run their microbreweries, in which they want to experiment and create products based on their own preferences.

However, a majority of the interviewees also explained that they sometimes create products based on what the market demands. For example, several of the interviewees explained that they had produced craft sodas, energy drinks, and versions of their beers with a lower alcohol percentage. All of these activities were explained as something the companies do in order to meet the customer demands, to broaden the product portfolio or to extend their market. This is thus an approach to the market that is more in accordance to the market orientation (Solomon et al., 2006, p. 100-101) which implies that a company develops products to meet the needs of
the customers. Since the MO is more customer-oriented than the EO, we perceive this as an orientation that is more related to profit objectives.

Several of the interviewee's highlight that elements from these two approaches were creating some tension between profit and motivational objectives. One interviewee explained that he perceived that it is a fine line between how much to sacrifice the interest and passion for the beer in relation to generating profit.

Furthermore, all companies mentioned that they mainly focus on producing beer and sell it on their local market. This is according to Ansoff (1965, p.) defined as a market penetration strategy. However, as earlier mentioned, some companies had created products beyond their core products. Further, two interviewees explained that they wanted to expand to new markets with their current products. When analysing this through the lenses of the Ansoff matrix, we could see that the companies were willing to broaden their market and product portfolio which are in line with the product- and market development strategies (Ansoff, 1965, p.). But no company mentioned that they had any totally new products for totally new markets, explained as the diversification strategy by Ansoff (1965, p.). This is interpreted as that companies may have a resistance to some strategies if these do not coincide with their initial motives for why they started their business. We interpret this as that the companies want to extend their product and or market portfolio in order to make a profit. But it must be within the boundaries of their craft. We interpret this as that the companies perceive that they need to balance the objective of profit and the objective of passion.

In our analysis, we noticed tendencies that the microbrewers created products based on their own preferences rather than researching what the customer wanted and created products after that. However, we saw tendencies that these entrepreneurs also understand that it was necessary to create products after customer demands since it generates profit. Several of the interviewees explained that this caused some emotional ambivalence because they had to balance generating profit and create products based on their own interests. We interpreted this as that their intrinsic motivations were affected by external actions. We interpret this as that the entrepreneurs perceived the profit-generating external objective to be in contraposition to the passion-related intrinsic objective. This creates a tension where the entrepreneur has to balance these two interests.

We have discovered that the craft entrepreneurs in our study have an entrepreneurial orientation toward the market, as it is explained by Stokes (2000). However, this orientation aims to develop products that the customer wants, in order for companies to generate profit. In contrast to this, many of the interviewees in our study explain that they do not consider their customers at all when they develop new products. They also stated that products that they do not sell in high quantities may continue to be produced and remain in their product portfolio if the entrepreneurs had an affection for the product. Some of the interviewees further explained that they may also resist creating products that they believe would sell in large quantities if the products do not correspond with the entrepreneurs’ preferences. This is in stark contrast with the assumptions from the traditional economic theory that suggests that companies exist in order to generate profit. This can have some implications on the microbrewers competitive strategy.
6.3.4 Consequences of the product/market development tension

The advantages that this approach has for the companies are that they will be more oriented towards creating new flavours and sorts of beers, which can be traced back to their intrinsic motivation of being innovative. This is in accordance with Porter’s generic strategies which recommend either a differentiation- or focus strategy in order to be perceived as providing unique offerings (Baroto et al, 2012, p.121). This is also in line with the theories that suggest that small firms can create a competitive advantage from their smallness, due to their ability to be innovative (Wellbourne & Pardo-del-Wall, 2009, p.484). The resistance of these companies to create products that do not correspond with their own preferences might, therefore, lead to a consistency in creating products for the specific niche. For example, if these companies would get an offering to create a beer similar to the big brewers within the beer industry, and they did not have this resistance to create these products, this could lead to head-to-head competition with the larger actors (Storey & Sykes, 1996, p.90). Further, Tanwar (2013, p.11) suggest that companies that try to adopt several strategies might find themselves stuck in the middle, which may lead to a less competitive position within an industry. Hence, these company’s resistance to creating products that are not in accordance with their own preferences may decrease the risk for them to end up in a situation where they try to adopt multiple strategic directions.

We also see that there might be some disadvantages to this approach to the market. As earlier explained, we see a tendency that these entrepreneurs will continue to create and try to sell products that the customers do not demand. As explained earlier, some of the entrepreneurs explained that they might stop producing and selling products even if they were profitable. This, if they perceived that these products were not enjoyable to create and if the products became hinders for the entrepreneurs to be creative with new products. To stop selling profitable products and to continue to sell unprofitable products, are for obvious reasons, not rational approaches going forward if the goal is to generate profit. Although the primary goal for these entrepreneurs is not to make a profit, they do highlight that profit is necessary in order for them to sustain their microbreweries. This resistance to create products based on customer demands may cause problems with profitability for these companies in the future. This is especially true if the competition within the industry intensifies, and competitors start to focus on customer demands.

As described in section 6.3.2, these entrepreneurs do not express that they are willing to create products that are too unrelated to the craft as it goes against their intrinsic motives for starting and maintaining their microbreweries. We analysed this as that the entrepreneurs have a resistance toward developing totally new products for totally new markets, which is a recommended approach for small companies to adapt according to Storey and Sykes (1996 p.90 ) since it limits the head-to-head competition with larger competitors. The fact that we see tendencies that these companies have a resistance to creating totally new products in totally new markets may limit their possibility of staying ahead of the competition and grow.

6.3.5 Cooperation and competing simultaneously non-tension

During the interviews, it was found that all interviewees had the perception that the microbrewery industry is permeated by cooperation. Several of the interviewees explained that they do not perceive each other as competitors but rather as collaborators. Regarding cooperation, the interviewees explain that they share knowledge, do deliveries together, borrow stuff from each other and help market each other. According to Pardo-del Wall (2009, p.486)
and Bathelt et al. (2004, p.40), small companies can create competitive advantage by participating in network activities in which they can share knowledge and resources. However, according to Raza-Ullah et al. (2013, p.196) companies that participate in cooperative activities with their competitors can experience emotional ambivalence because of the balance between collaboration and competition Companies that collaborate with other actors within their own markets do not want to share knowledge since this might lead to a fruitfuller relationship, but they do not want to share to much knowledge since this may help their competitors in creating competitive advantage towards themselves. However, the interviewees in this study seemed to experience a low ambivalence in regard to cooperating and competing simultaneously. Several interviewees mentioned that their relationship with their competitors was all about helping each other out and supporting each other. One interviewee exemplifies that they got from another local microbrewery when establishing their own company and that this help was crucial for them during the start. Another interviewee explained that it is not uncommon for microbreweries to post their beer recipes online for others to download. Several interviewees mentioned that their relationship with their competitors and customers is all about helping each other out and supporting each other. One interviewee exemplifies that they got from another local microbrewery when establishing their own company and that this help was crucial for them during the start. Another interviewee explained that it is not uncommon for microbreweries to post their beer recipes online for others to download.

Since the interviewees in this study explain that they cooperate and help each other out in an uncompromised way by for example sharing recipes and help to install equipment in competing breweries, we interpret therefore that the emotional ambivalence of our interviewees is low. This could possibly be explained by that the intrinsic motivation, i.e. their interest and joy for the craft, is shared similarly among the different actors within the industry. The interviewees seem to perceive that cooperating is something that allows them to share and express their interest in the craft with others and that it therefore intrinsically motivates them to cooperate. Therefore, cooperating with competitors is not perceived as something that causes a high level of tension.

We analysed that their uncompromised cooperation and absence of emotional ambivalence in relation to this is linked to their intrinsic motivation, which they explained as the reason for why they started and maintain their companies. Since emotional ambivalence of cooperating and competing simultaneously derives from balancing the profit objective, and since these entrepreneurs do not aspire to make a lot of money, we analysed that this is one of the reasons for why they do not seem to experience any tension. Since the entrepreneurs have the goal to live out their passion, and since cooperation can facilitate the possibility to meet this goal, this can also be a reason for why these entrepreneurs experience a very low level of emotional ambivalence in regard to cooperation.

6.3.5. Consequences of the cooperation and competing simultaneously non-tension

When analysing these entrepreneurs uncompromised perception of cooperation from a competitive advantage point-of-view, this can have some positive implications. Pardo-del wall (2009, p.486) suggest that cooperation facilitates resource sharing and Bathelt et al. (2004, p.40) argues that cooperation can facilitate knowledge creation for small companies that cooperate. Since the entrepreneurs of our study cooperate to a large extent, the conditions for achieving the positive aspects presented should be very high for these entrepreneurs. However, the cynical profit-related downside of being too cooperative may be that the entrepreneurs of our study share too much knowledge and run the risk of helping the competitors to create a competitive advantage towards themselves. For example, one interviewee explains that they helped another local brewery to establish their brewery. This shows that one actor within the microbrewery industry put resources of increasing the
competition within the industry. Another interviewee explained that it is not uncommon for microbreweries to share recipes online. Both of these examples are in contrast to profit-related rational logic.
1. Conclusions

In this final chapter of our study, we present how we have been able to answer our research question and by doing so, achieved our research purpose that we set out at the beginning of this study. Also, we provide a short summary of our findings, our proposal for future research of this topic, what practical implications that we can provide. Further, we provide our recommendations for the microbrewers in terms of how they could strategically improve the businesses in line with their dual objectives. Finally, we go through what social and ethical implications our study could have, and finish the chapter with our truth criteria.

1.1 General Conclusions

The purpose of this study was to understand if and in what way motivational factors affect craft entrepreneur’s perception of competitive strategy. To fulfill our purpose, we had two research questions:

- What are the motivations for small craft entrepreneurs for starting and maintaining their companies?
- How do craft entrepreneurs’ motivations affect their perception of their competitive strategy?

Regarding our first research question, we have found that the reason for why the craft entrepreneurs in our study started and maintain their companies derives from both their intrinsic and extrinsic motivations. Further, we found that the intrinsic motivations that these entrepreneurs emphasized were to live out their passion and interest for the craft. The extrinsic motivations that these entrepreneurs were motivated by were the necessity to generate enough profit in order for them to be able to maintain their microbreweries. We could also see that the entrepreneurs were mainly motivated by intrinsic motives. This is a contrast to the assumption that the competitive strategy research rests upon, that the core objective of a company is to generate profit.

In terms of the second research question, we found that the entrepreneurs’ motives for why they started and maintains their companies affected their perception of their competitive strategy. In contrast to what the traditional competitive strategy research suggests, these entrepreneurs seemed unwilling to make some strategic moves that could lead to an increased competitive advantage. We argue that their resistance to make certain competitive moves derives from that they have other motives for why they run their business than to maximize profit. However, as earlier explained, they still have profit generation as an objective. This creates a situation where these entrepreneurs have dual objectives of generating profit while at the same time working with their passion. Further, these entrepreneurs explained that this duality of objectives sometimes collides. This creates tension where the entrepreneurs need to balance these objectives when developing their competitive strategies. From our analysis, we found three main areas where these entrepreneur’s dual objectives did not correspond with traditional competitive strategy research. These three areas were growth, market/product development, and competition.

Regarding the first area, growth, these entrepreneurs expressed a positive attitude towards growing their companies and perceived as something that would enable them to earn a profit -
which is one of their objectives. Simultaneously, the entrepreneurs expressed a concern about growing beyond a certain level, as it could become a hinder for them to live out their interest and passion for their craft - which is their other, and primary objective. This creates an interesting tension where the entrepreneurs perceive that they need to balance these two objectives.

In terms of the second area, market/product development, the entrepreneurs expressed similar concerns. Creating products after customer demands were perceived as something that would enable them to meet their profit objective. However, creating products after their own preferences were seen as something that was related to their primary objective to living out their interest and passion for their craft. This, again, caused an interesting tension where the two objectives collided and the entrepreneurs perceived that they had to balance them.

Finally, in regard to the third area, competition, the entrepreneurs perceived that there existed a low level of tension between cooperating with competitors. Since the primary objective for these entrepreneurs is to live out their passion and interest for their craft, these entrepreneurs cooperated with competitors in an uncompromised manner. This is in contrast to the traditional competitive strategy research which assumes that companies exist to generate profit and that it, therefore, should be a resistance for companies to cooperate in an uncompromised manner.

To sum up our findings, we argue that these entrepreneurs seem to differ from the assumption that competitive strategy research is built upon. Hence, these theories are not fully applicable to this group of entrepreneurs. Therefore, competitive strategy research needs to be developed where the entrepreneurial motivation is taken into consideration. One important aspect is to understand the entrepreneur’s motivations and in which areas their motivations may affect how they perceive competitive strategy. We have in this study started to deepen the understanding of how these entrepreneurs perceive competitive strategy, which is a logical point of departure for the development of this research field.

1.2 Theoretical contributions

In this study, we have succeeded with combining two fields of research, which are motivational theory and competitive strategy. Although there have been previously conducted studies on what, how and why various types of entrepreneurs start their businesses and previous a big variety on studies on competitive strategies, there are, at least not to our knowledge, any research that has tried to combine these two areas of research.

In this study, we have found that traditional competitive strategy theory is not applicable to all companies. This since the competitive strategy research field is based on the assumption that companies exist to maximize profit and thus act in a rational way according to that objective. In this study, we have been able to show that entrepreneurs may have other primary objectives than profit maximization, and that this may lead them to not acting according to what is considered rational according to traditional competitive strategy theory.

More specifically, we have found that entrepreneurs that do not have profit maximization as their primary objective for running their business may be unwilling to grow and to create products after customer demands. This contrasts with previous theory about competitive strategy, as for example the Ansoff Matrix and Porters Generic Strategies, which assumes that growth and development of products after customers’ demands is pre-given objectives for all
companies. Further, we have found that entrepreneurs with other primary objectives than profit maximization may be more cooperative than what theories about coopetition suggests.

What we have found is that the entrepreneurs of our study seemed unwilling to grow and create products after customers’ demands, even if these two actions would mean that these entrepreneurs could generate more profit, if it would force them to make sacrifices on their passion. We have also found that the motivation for why the entrepreneurs started their company affects their attitude towards cooperating with competitors. The entrepreneurs that participated in our study showed signs that they had a low ambiguity regarding competing and cooperating simultaneously with other actors within their industry.

To summarize, we have showed that motivations for why entrepreneur starts and maintains their companies affects their perception of competitive strategy. By that, we have showed that the current competitive strategy research field is not fully applicable on all entrepreneurs. Therefore, we have also showed that it is a need for a development of the field of competitive research where the entrepreneurial motivations theory is combined with competitive strategy theory. We have, with this study, created a foundation for other researchers to take off from, when developing this field of research further.

### 1.3 Future research

For future research, we recommend that this subject is investigated more extensively. This study has been conducted on seven craft entrepreneurs within the northern region of Sweden. We recommend research on a larger sample and in other geographical areas because there might be local differences in terms of motivation and competition, which may influence the entrepreneur’s perception of strategy.

Further, we recommend quantitative research in order to be able to draw generalizations and to see if the tensions that have occurred in our study has a significant correlation with the motivations of the entrepreneurs. We also recommend that future research should investigate possible thresholds in balancing the objective of profit and motivation-related objectives in a future study.

Finally, a study on entrepreneurs of other crafts is recommended in order to investigate if there are differences between craft industries and how this could have implications on the research field. Examples of other craft entrepreneurs that would be interesting to study in relation to this topic is musicians, designers and professional athletes.

### 1.4 Practical contributions

By deepening the understanding of how entrepreneurs’ motivations for starting and sustaining their businesses affect their perception of competitive strategy, the possibilities for external actors to help these entrepreneurs to develop strategies that will correspond to their different objectives will be facilitated. Further, by highlighting the different tensions that these dual objectives may create, it may increase the possibilities for these microbrewers to work proactively to find competitive advantages in which both objectives are balanced.
As previously explained, the craft entrepreneurs within the microbrewery industry do not have profit as their sole and primary goal. Instead, their primary goal is to live out their passion and interest in the craft. Further, it has been explained that these actors do not have a hostile attitude towards competitors. Instead, they perceive other companies within their local markets as something that may enable them to live out their passion and interest for their craft. Further, these companies perceive that the competition comes from the large actors within the beer market and that the microbreweries are stronger together when facing this competition. This would imply that it is in many of the brewer’s interest to develop strategies as many of the actors as possible can survive. A deepened understanding about the different motivations within this industry, and how these motivations affect their perception of competitive strategy, may therefore lead to a situation where the industry as a whole is better prepared to face the competition from the larger actors, and where these companies together can develop strategies where as many as possible can coexist.

1.5 Recommendations

Our overall recommendation for the microbreweries when they are handling these dual objectives is to strive to find solutions where these two dual objectives have the potential of being aligned. If this is not possible, solutions in which the dual objectives are balanced in order to generate profit enough profit for them to sustain their companies, without compromising completely on their initial motivational objective.

As shown in this study, the craft entrepreneurs differ from the assumption that competitive strategy research is based upon. Therefore, the current theories about competitive strategy do not seem to be completely applicable on these entrepreneurs. We have highlighted that these entrepreneur’s motives might lead to situations that the current theory on competitive strategy is unable to solve. The craft entrepreneurs in our study differ in three ways - they perceive a tension with growth and certain aspects of product development which is different from what competitive strategy research would suggest. Further, they have a very low level of tension regarding cooperating with competitors. We are recommending a solution in which all these three aspects are considered and where these entrepreneurs do not need to sacrifice their primary motive of doing what they love while generating as much profit as possible.

Our recommendation is that the companies merge with a more profit-oriented partner in the microbrewing industry. By doing so, the more profit-oriented partner in such a merger can take on products and projects that are related to profit, but that is not of interest to the more passion-oriented partner to continue. The more profit-oriented partner in this relationship will benefit from the innovativeness and creativeness from the more passion-oriented partner. Simultaneously, the passion-oriented partner in this relationship will benefit as the profit-oriented partner will generate more direct profit, which is necessary for these actors to sustain their businesses. This will allow them to grow without compromising with their primary objective of living out their passion and interest for the craft. Further, it will allow them to meet customer demands and continue to create products that are popular and generate profit. Finally, this solution will be easy to implement for these actors due to their willingness to cooperate with other microbreweries within their industry.
1.6 Social and Ethical considerations

To put our study into a broader context, we have decided to discuss social and ethical considerations in order to give some perspective about what consequences our study can have in relation to these aspects. First and foremost, as described in chapter 1, the microbrewery industry is by far the fastest growing industry in Sweden (Statistiska Centralbyråen, 2018). If this trend continues, many microbreweries might find themselves in a future position where they have problems with competition. Further, several large breweries have started or invested in their own microbreweries (Salomonsson, 2018). Our study has shed light on this issue and provided a starting point about how small microbreweries perceive competitive strategy. By increasing the understanding about this, a first step in increasing their abilities to maintain competitive in an ever increasingly competitive industry is taken. This may improve their abilities to survive in this fast-growing industry. To help small microbreweries to stay competitive may have various implications for society.

Firstly, small companies are an extremely important factor for a country’s economy. In Sweden, two-thirds of all employment within the private sector comes from SMEs, (Svensktmaringsliv.se, 2018). By increasing SMEs ability to survive, the Swedish economy may be improved. More people will be employed which will result in more tax income for the government, which may lead to even more opportunities for people to start companies and even more jobs to be generated.

Secondly, Gallagher (2009, p.283) suggest that the rise of the globalization has put pressure on the environment. Further, Brain (2012, p.2) suggests that small local companies are important for the environment because it decreases the distance that goods have to travel, which leads to a decreased fossil fuel consumption, air pollution, and greenhouse gas emissions. As previously, discussed, our study may work in favor for SMEs competitive strategies. If SMEs in Sweden are able to produce products that gives the Swedish consumers alternatives to buying products from large multinational companies, where the products have traveled long distances to finally reach the Swedish market, it can have positive implications on the environment. Even if it might be at a very limited level, our study may help to, in the long run, ease the pressures of globalization.

Thirdly, since we help SMEs to survive, we indirectly enable more alternatives for the consumers to choose from. A market that is portrayed by many actors puts pressure on prices and on quality of the products, which is something positive for the end-consumer.

The negative consequence of our study is that we extend the possibility for companies whose products can be harmful to the public health, to increase their potential production and distribution of these products, (European Commission, 2018). Alcohol-related harm is a major concern within the EU. Our hope is thus that this study will only lead to a more equal distribution of sales among the alcohol producers in Sweden, and not to increase the overall alcohol consumption.
1.7 Truth Criteria

1.7.1 Credibility

After we had transcribed our interviews, we sent the transcriptions to our interviewees in order for them to review the transcriptions in order to assure that we did not misinterpret or misheard what they had said. According to Bryman & Bell (2015, p. 401), this is according to the credibility truth criteria for assuring that the study is trustworthy and in order to increase the credibility. Bryman & Bell (2015, p. 401) further suggests that this technique of letting the interviewee review the transcript is defined as respondent validation. None of the interviewees had any concerns regarding our transcripts and therefore we considered the transcripts as valid. However, we cannot guarantee that the interviewees have read through the transcripts in detail and interpret our understanding in a correct way. But we have done everything in our power to be as clear as possible when transcribing the interviews to assure that no misunderstandings and misinterpretations have happened.

1.7.2 Transferability

In this study, we have researched a small number of people to gain a deeper understanding of the context that they are in, rather than trying to find generalizable findings. However, Bryman & Bell (2015, p. 403) suggest that even though qualitative researchers do not strive to find generalizable data, the transferability of the study is important to evaluate. This, in order for other researchers to evaluate if the findings are transferable to other contexts. In order to allow our study to be as transferable as possible for other researchers, we have presented how we have presented how we have gathered the data, our research process and the context of our research. Further, we have been transparent about the time of the interviews, how they were conducted, and the dates that they took place. We have also described the size of the companies, and in which region of Sweden that they are located. According to Bryman & Bell (2015, p. 403), this is a good approach for qualitative researchers in order to improve the transferability of the study.

1.7.3 Dependability

In this study, we have tried to present descriptive raw data and explained all steps in terms of how this study has been conducted in terms of developing the research guide, selecting participants, our research methodology and so on. All of this in order for other researchers to understand the context of our study and also be able to review our findings, while at the same time evaluate the trustworthiness of our study. This approach is supported by Bryman & Bell (2015, p. 403) who explains that in order to improve the quality of qualitative research, the research process should be explained in great detail. However, as earlier explained, the purpose of qualitative research is not to generalize on larger populations. In contrast, we have aimed at developing deep knowledge about a social phenomenon. Therefore, we do not strive for generalization.
1.7.4 Confirmability

We have in our scientific methodological chapter presented our preconceptions, our ontology, and our epistemology. This, in order to be transparent about how our possibly subjective opinions and preconceptions potentially could have affected our interpretations of the studied phenomenon. According to Bryman & Bell (2015, p. 403), no researcher is fully objective, and it is therefore of great importance to be transparent of what possible personal subjectivity that may affect the study. By explaining our preconceptions and ontological and epistemological stances, it will facilitate an understanding for other researchers and readers of this study about how our perceptions might have affected the results of the study. Bryman & Bell (2015, p. 403) suggest that a researcher that uses this approach increases the possibilities to show that he or she has acted in good faith.
Reference List


Salomonsson, R. (2018). Bryggerijättarna öppnar egna mikrobryggerier - P1-morgon. [online] Sverigesradio.se. Available at:


Appendix

Appendix 1: Initial e-mail to potential interviewees

Hej Bryggeriet

Vi heter Alfred och Christopher och är två studenter på handelshögskolan vid Umeå Universitet. Just nu håller vi på med vår masteruppdrag inom marknadstjänst och föreläsning vid lager där vi kollar på svenska mikrobryggeriers möjlighet till hållbar tillväxt. Vi är båda två studentläger, men framförallt är vi fasinerade av den snabba utvecklingen som mikrobryggerindustrin har upplevt de senaste fem åren. Nu när även större företag såsom Carlsberg och Spendrups börjat ta sig in på marknaden undersöker vi hur aktörer på den svenska mikrobryggermarknaden tänker kring den ökade konkurrensen, och hur de arbetar för att eventuellt konkurrens mot större aktörer nu och i framtiden.

Då ni är en del av den svenska mikrobryggermarknaden skulle det vara intressant att få intervjuar er och höra er syn på marknadsutvecklingen och framtidern inom branschen. Intervjun kommer inte vara anonym och kommer ta cirka en timme, Intervjun kommer sedan att vara med i vår studie och användas i vetenskapligt syfte. När studien är klar kommer den att publiceras för allmänheten via Umeå Universitetets database och Diva Portal. Om det blir aktuellt sen vi gärna i första hand att vi kommer ut till er och utföra intervjun, men om det inte passar kan vi utföra intervjun via telefon.

Låter det intressant? Kontakta oss på:
Email: dkcforth@gmail.com
Fon: 0730661084

Appendix 2: Interview guide

<table>
<thead>
<tr>
<th>Interview question</th>
<th>Follow-up question(s)</th>
<th>Section in the theory chapter</th>
<th>Litterature connection</th>
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<tbody>
<tr>
<td>Tema 1: Bakgrundsfrågor</td>
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<tr>
<td>Hur gammal är du?</td>
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vi
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<tr>
<th>Vad har du arbetat med tidigare?</th>
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<tr>
<td>Position i företaget</td>
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<td>Antal anställda</td>
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<td>Produktionsvoly m</td>
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<td>Omsättning</td>
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</table>

Tema 1: Motivation och Drivkraft för Företagandet

<table>
<thead>
<tr>
<th>1</th>
<th>Varför startade du/ni ett mikrobryggeri?</th>
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<tbody>
<tr>
<td>A</td>
<td>• Vad fick dig att ta steget in i just mikrobryggbranschen?</td>
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<tr>
<td></td>
<td>• Vad var er primära drivkraft vid starten?</td>
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<td></td>
<td>Internal/External Motivations</td>
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<td>Paige &amp; Littrell; Ryan &amp; Deci; Amabile</td>
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<th>1</th>
<th>Hur definierar ni framgång?</th>
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<tbody>
<tr>
<td>B</td>
<td>Success criterias</td>
</tr>
<tr>
<td></td>
<td>Reijonen &amp; Komppula; Gorgievski et al.</td>
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<thead>
<tr>
<th>1</th>
<th>Hur har dina drivkrafter förändrats sedan starten?</th>
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<tr>
<td>C</td>
<td>Motivational Crowding Theory</td>
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Tema 2: Business Strategy

<table>
<thead>
<tr>
<th>2</th>
<th>Beskriv kortfattat eran företagsstrategi?</th>
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<tbody>
<tr>
<td>A</td>
<td>• Ge exempel</td>
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<tr>
<td></td>
<td>• Nischad eller bred marknad?</td>
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<tr>
<td></td>
<td>• Hur har er strategi växt fram?</td>
</tr>
<tr>
<td></td>
<td>Generic strategies</td>
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<td></td>
<td>Porter; De Wit; Pearce &amp; Robinson</td>
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<thead>
<tr>
<th>2</th>
<th>Hur gick processen till när ni kom på nya produkter?</th>
</tr>
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<tbody>
<tr>
<td>B</td>
<td>• Utgick ni ifrån kundunderlag när ni gjorde olika produkter?</td>
</tr>
<tr>
<td></td>
<td>Traditional/Entrepreneurial orientation</td>
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<tr>
<td></td>
<td>Solomon et al.; Stokes; Wellbourne &amp; Pardo-del-Wall</td>
</tr>
<tr>
<td>2 C</td>
<td>Hur ser ni på konkurrens små bryggerier?</td>
</tr>
<tr>
<td>2 D</td>
<td>Jobbar ni någonting med andra produkter förutom öl?</td>
</tr>
<tr>
<td>2 E</td>
<td>Hur ser ni på tillväxt?</td>
</tr>
</tbody>
</table>

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Ser ni en motsättning mellan att skapa produkter som marknaden efterfrågar och att skapa produkter som vi själva tycker om?  
- Ge exempel

- Vad var kundunderlaget ni utgick ifrån?  
- Hur använde ni det?

---

Hur ser ni på konkurrens små bryggerier?  
- Konkurrenter eller samarbetspartners?  
- Påverkade det erat sätt arbeta?  
- Kan du ge exempel?  

---

Hur ser ni på konkurrensmärken?  
- Konkurrerar ni med andra bryggerier?  
- Om ja/nej: Varför?

---

Jobbar ni någonting med andra produkter förutom öl?  
- Om ja/nej: Varför?

---

Hur ser ni på tillväxt?  
- Vill ni bli stora eller ser ni ett värde i att fortsätta vara småskaliga?

---

Innovation  

Local collaborations  

Product development  

Success Criteria; Generic Strategies  

Wellbourne & Pardo-del wall; Martynovich Porter  

Ansoff; Storey & Sykes  

Boronto et al.; Porter; Reijonen & Komppula; Gorgievski et al.