

A SENSEMAKING PERSPECTIVE ON RETAILER BUYING BEHAVIOUR: TOWARDS A NEW CONCEPTUAL FRAMEWORK

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ABSTRACT. This paper examines the shortcomings of the existing literature on retailer buying behaviour and discusses the potential contribution of studying retailer buying behaviour from a sensemaking perspective. A new conceptual framework for understanding retailer buying behaviour is outlined. It is argued that sensemaking related to retailer buying behaviour can be analysed at several, inter-related levels of analysis. The framework developed draws on discussions of sensemaking within strategic management and organisation science and discusses how concepts such as organisational identity, image, noticing, interpretation, action and attribution might be useful for understanding retailer buying behaviour. The paper concludes with a discussion of implications and areas for future research.

1. INTRODUCTION

As a result of developments in the vertical and horizontal structure of the food supply chain, understanding retailer buying behaviour has become increasingly important for food producers wanting to sell their products to consumers. Horizontally, grocery retailing in most countries of Western Europe is today dominated by a small number of retail groups; in several countries the three largest retail groups have combined market shares of above 40 percent of grocery retailing (Eurostat 1998). The size of multiple retailers and the limited number of alternative distribution channels available to food producers have improved the bargaining position of retailers relative to suppliers (Bowlby & Foord 1995; Dawson & Shaw 1989; Grant 1987). Vertically, the increased size of retailers has given them the ability and incentive to deal directly with food producers, often leading to the elimination of wholesalers from the supply chain, their functions being shifted either forward or backward in the chain

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(Hansen & Skytte 1998). Retail chains have become gatekeepers to consumer markets (Hirschman & Stampfl 1980), as food producers wanting to sell their products to consumers have to sell them to retailers first (Davies 1990). In order to be chosen as a supplier under these conditions, a food producer needs to understand the buying behaviour of retailers as such knowledge can help the producer tailor his market offerings to suit specific retailers (Davies 1990; Hansen & Skytte 1998).

In order to gain an understanding of retailer buying behaviour and to subsequently develop suitable marketing strategies, food producers can consult the literature on retailer buying behaviour. A recent review of this literature listed more than 70 references dealing with various aspects of retailer buying behaviour (Hansen & Skytte 1998), indicating that a substantial body of knowledge exists by which food producers can profit. Unfortunately, the conceptual framework for understanding retailer buying behaviour found in the existing literature suffers from a number of theoretical shortcomings that limit its practical usefulness.

First, the cognitive processes involved in retailer buying behaviour have been overlooked and retail buyers are often assumed to act rationally (Hansen & Skytte 1998; Smith 1982). Recently, increasing attention has been paid to cognitive processes within organisation science and strategic management (Walsh 1995). However, within marketing and particularly the study of retail buying behaviour, cognitive processes have been the subject of limited interest from researchers. This is unfortunate because cognitive processes are linked to organisational actions and, ultimately, to firm performance (Dutton, Fahey & Narayanan 1983; Ginsberg & Venkatraman 1992; Thomas, Clark & Gioia 1993; Thomas, Shankster & Mathieu 1994). Gaining insight into the cognitive processes involved in retailer buying behaviour will assist in developing a new conceptual framework of retailer buying behaviour and lead to a better understanding of buying decisions and the performance of retailers. Such a new conceptual framework would be useful for understanding how retail buyers make sense of the stimuli competing for his attention in the market place and within the organisation.

A second limitation of the existing literature is that the contexts of retail buying behaviour have been neglected. According to Pettigrew (1990) this is a limitation, which is common to most research within the social sciences. Retail buying behaviour is embedded in, at least, social, organisational, competitive and societal contexts. Except for studies pointing to the importance of buying committees (see e.g. McGoldrick & Douglas 1983; McLaughlin & Rao

1990; Nilsson & Høst 1987) and the pressured work environments within which retail buyers operate (Grønhaug & Venkatesh 1991; Shaw, Dawson & Blair 1992), the influences that perceptions of these contexts may exert on retail buying behaviour are poorly understood.

Third, previous research and models of retailer buying behaviour have been static (Hansen & Skytte 1998). There have been no longitudinal studies of retailer buying behaviour, yet today retailers often engage in long-term relationships with their suppliers (Arndt 1979; Bowlby & Foord 1995; Buzzell & Ortmeyer 1994; Dawson & Shaw 1989). As relationships between retailers and suppliers develop, actions and symbolic interpretations of buyer and seller will continually shape and restructure the relationship (Ring & Van de Ven 1994). It seems reasonable to expect retailer buying behaviour to evolve as relationships develop and to be different depending on the nature and length of the relationship between retailer and supplier. In addition, the type of negotiation is likely to influence the buying behaviour of the retailer, i.e. whether the retailer re-orders goods or negotiates an annual contract with a supplier (Hansen & Skytte 1998).

Finally, relations between various phenomena related to retailer buying behaviour are poorly understood. As has been pointed out on several occasions, there is a lack of a widely tested and accepted conceptual model of retailer buying behaviour (see e.g. Hansen & Skytte 1998; McGoldrick & Douglas 1983). As a result, findings on retailer buying behaviour appear scattered and unrelated (Hansen & Skytte 1998).

One way to overcome these limitations of the existing literature and study the cognitive processes involved in retailer buying behaviour is to use a sensemaking approach. According to Weick (1995, p. 4), "*the concept of sensemaking is well named because, literally, it means the making of sense*". Sensemaking has to do with the construction and reconstruction of meaning by organisational actors as they attempt to develop a meaningful framework for understanding the nature of some stimuli (Gioia & Chittipeddi 1991). From a sensemaking perspective, the central research questions are how actors construct what they construct, why and with what effect (Weick 1995). Sensemaking, or the process of making sense of some stimuli, includes, at least, the processes of comprehending, understanding, explaining, attributing, extrapolating and predicting (Starbuck & Milliken 1988). Common to these processes is that they involve placing stimuli into some kind of framework. Sensemaking is more than the placement of stimuli within frameworks, however. Thus, Thomas et al. (1993,

p. 240) describe sensemaking as “*the reciprocal interaction of information seeking, meaning ascription and action*”. According to Weick (1995), sensemaking has seven properties distinguishing it from other explanatory processes. Sensemaking is thus “*understood as a process that is (1) grounded in identity construction, (2) retrospective, (3) enactive of social environments, (4) social, (5) ongoing, (6) focused on and by extracted cues and (7) driven by plausibility rather than accuracy*” Weick (1995, p. 17). Sensemaking differs from managerial and organisational cognition through an explicit focus on the concepts of identity and image and because actors may reflect upon both their own actions and upon the environment. Sensemaking and the different sensemaking concepts that are proposed as useful for studying retailer buying behaviour will be discussed in more detail later.

The limitations of the existing literature on retailer buying behaviour give rise to theoretical and practical arguments for studying retailer buying behaviour in a sensemaking perspective because this will contribute to developing a new conceptual framework for understanding retailer buying behaviour, which can assist food producers’ marketing activities. It is hoped that the framework outlined in this paper will aid food producers in the creation of value for their customers, i.e. retailers. Below it will be demonstrated how the limitations of existing theory and research can be overcome by taking a dynamic perspective to investigating the sensemaking of retail buyers in the contexts within which it occurs.

2. RETAILER BUYING BEHAVIOUR

Before discussing retailer buying behaviour from a sensemaking perspective, it would probably be a good idea first to clarify what retailer buying behaviour is. Sheth's observation (1981, p. 181) that “*a retailer is more like a consumer in what he buys, and more like a producer in how he buys his merchandise*” captures the essence of retailer buying behaviour well. Retailers buy products from suppliers and sell them to consumers in competition with other retailers within the boundaries provided by regulatory agents. Drawing on previous descriptions of retailer buying behaviour, Hansen and Skytte (1998, p. 278) in their review of the literature, note that retailer buying behaviour has the following characteristics:

- retailers primarily buy finished products, but sell more than just the products, i.e. a shopping experience
- retail buyers are responsible not only for controlling costs but also for generating revenue

- retail buying decisions are influenced by marketing, logistics and merchandising people
- retailers are members of different retail buying associations which may limit the number of suppliers to choose among
- with the spread of own labels in retailing, increasingly the retail buyer becomes involved in product development, sales forecasting, market analysis and so on
- the structure of the individual chain will often give the buying centre a very complex structure; a listing at headquarters does not mean that the product will be on the shelves in all chains or all of the stores
- developments in information technology have given the retailer decision tools that differ from the ones that industrial buyers use

Having outlined the characteristics of retailer buying behaviour, attention will now turn to discussing retailer buying behaviour from a sensemaking perspective.

3. RETAILER BUYING BEHAVIOUR IN A SENSEMAKING PERSPECTIVE

Organisations can be viewed as sensemaking systems (Daft & Weick 1984; Gioia & Chittipeddi 1991; Weick 1995). Within organisations, sensemaking can be analysed at several, inter-related levels of analysis (Weick 1995):

- the intra-subjective level, i.e. at the level of the individual actor
- the inter-subjective level, i.e. when two or more actors communicate
- the generic subjective level, i.e. at the routine and procedure level
- the organisational subjective level, i.e. at the company level

In addition to the levels of analysis suggested by Weick, I suggest that sensemaking can be analysed at the following levels of analysis:

- the departmental subjective level, i.e. at the level of individual departments
- the intra-organisational subjective level, i.e. across departments within an organisation
- the inter-organisational subjective level, i.e. when two or more organisations communicate

This paper will focus on the inter-subjective, the generic subjective, the departmental subjective, the intra-organisational subjective and the organisational subjective levels of analysis. The argument for doing so is that evidence suggests that convergent meanings be developed among members of the organisation. For my purposes, the individual buyer is only interesting as he or she relates to other actors in the buying department or elsewhere in the organisation.

Within the field of marketing, sensemaking has only been studied sporadically. Therefore, I feel that it is necessary to clarify some basic concepts that I expect will be central to the understanding of retailer buying behaviour from a sensemaking perspective. In so doing, I will draw on the discussions of sensemaking in other disciplines, notably strategic management and organisation science, where there has been increasing interest in studying sensemaking processes. A rich and sizeable literature on sensemaking exists within these disciplines.

Sensemaking context

Sensemaking occurs within several contexts, e.g., within work groups (Salancik & Pfeffer 1978), organisations (Weick 1995) and industries (Porac, Thomas & Baden-Fuller 1989). Common to these sensemaking contexts is that they are social. The social context is crucial to sensemaking because it *“binds people to behaviour through a process of commitment, affects the saliency of information about their past activities and provides norms and expectations that constrain their rationalisation or justification of those activities”* (Salancik & Pfeffer 1978, p. 233).

With regard to retailer buying, contextual influences on sensemaking may stem from the work-group, buying department and other parts of the organisation. Furthermore, perceived customers, suppliers and competitors may figure in sensemaking related to retailer buying (Grønhaug & Venkatesh 1991). The actual customers, suppliers and competitors of a retailer and their actual behaviour are not necessarily relevant to the buying behaviour of a retailer because *“organisations’ environments are largely invented by organisations themselves. Organisations select their environments from ranges of alternatives, then they subjectively perceive the environments they inhabit”* (Starbuck 1976, p. 1069). When studying the sensemaking processes of retail buyers focus should be on the environment enacted by the retailer and how the enacted environment influences retailers’ demands and wishes regarding

products and suppliers. For instance, at the level of individual grocery stores, Gripsrud and Grønhaug (1985) found that grocery retailers perceived only a modest fraction of potential competitors and that the perception of competitive structure influenced the choice of strategy.

What retail buyers may make sense of

The myriad of stimuli that is available for retail buyers to make sense of is truly bewildering. At the most general level, retail buyers may ponder developments in the macro environment, e.g. changes in technology or overall economic climate. The task environment of retailers is also potentially ripe with stimuli that retail buyers may attend to. These might be related to the legal or competitive environments, e.g., legislative changes, market movements, the positioning of the retail chain, competitors' positioning or market shares of products and retail chains. The buying behaviour of retail buyers may also be influenced by factors related to suppliers, e.g., the assortments of current and potential suppliers, new product concepts, new product launches, product positioning, product complementarities, the marketing support offered by suppliers or interactions with sales people. Furthermore, retail buyers might consider the buying behaviour of consumers and their preferences. Factors related to the company, for which he or she works may also influence the retail buyer. The buying behaviour of retail buyers may thus be influenced by organisational strategies and goals, the profitability of individual products and whole product categories, expectations of superiors or interactions with colleagues. Finally, the retail buyer might consider his or her own actions and their consequences.

What stimuli are noticed and made sense of depends on the organisational identity of the retailer and on the image organisational members perceive the retailer to have with stakeholders (suppliers, customers, regulatory agents etc.).

Organisational identity

The concept of organisational identity is central to the study of sensemaking in organisations because it “*filters and moulds an organisation’s interpretation of and action on an issue*” (Dutton & Dukerich 1991, p. 520). It provides the context within which behaviours are linked to the rules that give them meaning (Fiol 1991). Organisational identity is a concept organisations use to characterise aspects of themselves and is defined as what members consider to be central, distinctive and enduring about their organisations (Albert & Whetten 1985). It is formed by a process of ordered inter-organisational comparisons and reflections

upon them over time (Albert 1977; Albert & Whetten 1985). Definitions of organisational identity will depend on where people are located within organisations (Dutton & Jackson 1989, cited in Fiol 1991). Organisations are thus likely to consist of units with different identities (Fiol 1991). As a consequence, sub-groups within an organisation with structurally differentiated roles may differ in the way they make sense of organisational events and situations (Fiol 1991).

Organisational identity has been analysed on the intra-subjective, generic and organisational levels of analysis, prompting the development of several concepts of organisational identity. Thus, Dutton, Dukerich and Harquail (1994) distinguish between *perceived organisational identity* and *collective organisational identity*. These two conceptualisations of identity may diverge because organisations socialise members imperfectly. Located on the intra-subjective level of analysis, perceived organisational identity is defined as what the individual organisational member believes to be central, distinctive and enduring about the organisation. On the other hand, collective organisational identity represents members' shared beliefs about what is central, distinctive and enduring about their organisation. Collective organisational identity has primarily been studied at the organisational level of analysis, although in relation to retail buying behaviour I suggest that it might be particularly fruitful to focus on collective identity at the departmental and inter-departmental levels of analysis. The reasoning behind this is that a buying department typically has primary responsibility for buying products, yet it interacts with other departments that may have other identities. It would be interesting to study and compare the identities of the organisation as a whole, of the buying department and of other departments, with which the buying department interacts, e.g. the marketing department and store personnel, and how these different identities interact to influence sensemaking processes related to retail buying.

Image

Closely related to the concept of identity is that of image. As demonstrated by the study of Dutton and Dukerich (1991), organisational members' perceptions of identity are influenced by what they believe outsiders think of them, i.e. by the image they believe outsiders have of the organisation. This image serves as a gauge against which action on an issue is evaluated and justified. If organisational members perceive the image of their organisation to be deteriorating they will take action to improve it, because their "*self-concepts and personal*

identities are formed and modified by what they believe others think about the organisation for which they work” (Dutton & Dukerich 1991, p. 548).

The concept of *construed external image* captures an internal member’s assessments of outsiders’ beliefs about the organisation (Dutton et al. 1994). This assessment may or may not correspond to the actual beliefs of outsiders about what distinguishes the organisation. Outsiders’ actual beliefs are captured by the concept of *organisational reputation* (Dutton et al. 1994). A concept of *collective external image*, the shared assessment of organisation members regarding outsiders’ beliefs about the organisation, has not been made explicit in the literature but seems to be implicit in the work of Dutton and Dukerich (1991) and Gioia and Thomas (1996). Organisation members are not only concerned about what outsiders believe about the organisation at present but also what the organisation members would like outsiders to believe about the organisation in the future, the *desired future image* of the organisation (Gioia & Thomas 1996). The study by Gioia and Thomas (1996) showed that a plausible, attractive, even idealistic desired future image of the organisation helped organisation members envision and prepare for future change. The desired future image of an organisation has internal implications, because it can help change the identity and sensemaking of organisational members (Gioia & Thomas 1996).

Retailers actively try to manipulate their reputation among consumers and to attain desired future images. Through positioning of their retail chain, retailers may attempt to achieve a certain reputation among consumers (Davies 1992). How retailers perceive their image with consumers and what they would like their image to be in the future has implications for their buying behaviour because what products are on their shelves is a key element in the reputation of retailers. For instance, if retailers strive for a high quality image, they must buy high quality products. On the other hand, if a retail chain is positioned as a discounter, retailer buying will focus on obtaining low prices and eliminating costs from the supply chain. It should thus be interesting to analyse how the identity and image of retail organisations influence their buying behaviour. Specifically, I will analyse how identity and image influence what issues are noticed, how these issues are framed, how they are interpreted, what actions are taken and how causes are attributed to outcomes.

Noticing

Starbuck and Milliken (1988, p. 46) define noticing as “*an act of classifying stimuli as signals or noise. Noticing results from the interactions of the characteristics of stimuli with*

the characteristics of perceivers". Noticing can be either controlled and volitional or automatic and involuntary. It is influenced by perceivers' habits, their beliefs about what is and what ought to be. Furthermore, what perceivers do affects both what stimuli are available and the ability of stimuli to attract attention (Starbuck & Milliken 1988). Thus, not all stimuli are noticed. Perceptual filters amplify some stimuli and attenuate others, thereby distorting raw data and focusing attention (Starbuck & Milliken 1988).

Noticing can occur at all of the levels of analysis proposed earlier. Here I will only discuss the link between individual and organisational noticing. Individual and organisational noticing are inextricably linked (cf. Daft & Weick 1984; Kim 1993). To paraphrase (Kim 1993), organisations ultimately notice via their individual members. Organisational noticing occurs when individual members of the organisation classify some stimuli as signals (Starbuck & Milliken 1988) and bring it to the attention of other organisational members. If organisational members collectively recognise the stimuli as having some consequence to the organisation, an issue has been noticed by the collectivity (cf. Dutton & Dukerich 1991). What organisational members collectively notice will depend on their shared sensemaking frameworks (cf. Kim 1993).

An example of organisational noticing from the sphere of retailer buying behaviour would be a retail buyer noticing a trend towards organic food products and bringing it to the attention of other buyers, who collectively recognise this trend as having consequences for the retailer. Need recognition in organisational buying (Grønhaug & Venkatesh 1991) is another form of noticing relevant to retail buying behaviour.

Issues

Issues are the starting point for interpretation and organisational action and are defined as "*events, developments and trends that an organisation's members collectively recognise as having some consequence for the organisation*" (Dutton & Dukerich 1991, p. 518). Issues can be routine and expected, fitting existing categories and elicit well-learned responses, or they can be problematic because they have not been encountered before or because of the feelings they evoke (Dutton & Dukerich 1991).

Decision-makers such as retail buyers are issue jugglers, who attend to multiple issues at any one point in time (Dutton, Walton & Abrahamson 1989). The majority of issues that retail

buyers face entail satisfying organisational needs. Grønhaug and Venkatesh (1991, p. 20, emphasis in original) view organisational needs as “*outcomes derived from perceived goals and the organisational interpretation of the activities needed to pursue these goals*”.

Most issues that retail buyers face will be routine and expected. Examples of routine issues facing retail buyers would be reordering of goods, planning of marketing activities and negotiating annual contracts. An example of a problematic issue would be the introduction of Electronic Data Interchange between retailer and supplier, because new technologies change the relational and non-relational elements of the retail buyer role (Barley 1990).

Framing

Once something is noticed, it will be placed in some sensemaking framework. By placing issues within sensemaking frameworks, perceivers attach meaning to them. How issues are framed and labelled influences decisions and actions (Dutton & Jackson 1987). As we live in a complicated and often contradictory world, Starbuck and Milliken (1988, p. 59) argue that “*realistic people have to have numerous sensemaking frameworks that contradict each other [because] these numerous frameworks create plentiful interpretative opportunities*”. Using the concept of requisite variety, Weick (1979) argues that the same is true for organisations.

Schemata and scripts are two important forms of sensemaking frameworks. Schemata describe data structures in memory that represent knowledge about concepts (Dutton & Jackson 1987). The functions of schemata are discussed by Isenberg (1986), who argues that in relation to managerial thinking, schemata help managers make inferences about otherwise ambiguous events, determine the rapidity of thinking about a given domain, fill in missing data by supplying default options and fill in missing solutions through the recall of past instances. Furthermore, schemata guide the categorisation of events, people and objects and the normative appraisal of events, people and objects.

Scripts are cognitive structures that describe appropriate sequences of events in particular contexts (Schank & Abelsen 1977). They are cognitive models that provide structured expectations about people, situations and events (Poole, Gray & Gioia 1990). Scripts play dual roles (Leigh & Rethans 1984). First, they drive information processing by performing encoding and representation functions. Second, they perform interpretative and inferential functions. Schemata and scripts have typically been analysed at the intra-personal level of

analysis. However, in this connection it is important to bear in mind that the meanings people assign to objects, people and events by framing them within schemata and scripts are socially constructed (Daft & Weick 1984; Weick 1979). Poole et al. (1990) suggest, and found tentative evidence to support the notion, that organisational members will co-evolve scripts for task performance. These are shared across work-unit members through a process of interacting and accommodating in repetitive situations. Furthermore, organisational actors attempt to influence the sensemaking and meaning construction of other organisational members through a process labelled 'sensegiving' by Gioia and Chittipeddi (1991). This is, e.g., the case with the socialisation of new organisational members.

With respect to retailer buying, the above discussion suggests that (relatively experienced) retail buyers, working for the same retailer, will place issues into sensemaking frameworks (e.g. in the form of buying policies) that have been collectively developed through processes of sensemaking and sensegiving (Gioia & Chittipeddi 1991).

It is important to acknowledge the existence of sensemaking frameworks like schemata and scripts in order to gain a holistic understanding of retailer buying behaviour because they will be implicit in much retailer buying behaviour. In order to be able to understand retailer buying behaviour it is important to understand how these sensemaking frameworks are collectively developed and changed over time by actors making and giving sense.

Interpretation

The meanings attached to issues by placing them within sensemaking frameworks influence the interpretation of issues. As already pointed out, organisations can be viewed as interpretative systems (Daft & Weick 1984) within which interpretations are socially constructed. Organisational interpretation is the process of translating events and developing shared understanding and conceptual schemata among organisational members (Daft & Weick 1984). Interpretations are a product of multiple sources of influence that may emanate from different levels of the interpreters' overall context (Thomas et al. 1994). Thus, Thomas et al. (1994) hypothesised that the interpretation of issues is dependent on individual-level contextual effects; group-level contextual effects; organisational contextual effects and the content of issue. In their study, Thomas and colleagues found that group and organisational contexts influenced interpretations of issues, but that individual-level characteristics of respondents did not appear to be significant. Furthermore, results showed that until the

content of issues being interpreted is considered, the impact of certain contextual variables – notably organisational variables – are obscured. Finally, in her study of key events, Isabella (1990) showed that interpretations of these key events evolve over time. The results of these studies justify my focus on the inter-subjective, generic, departmental, intra-organisational and organisational levels of analysis.

Action

Organisational actions are responses to issues, which are seen as important, and vary along two dimensions: response target and response magnitude (Dutton & Jackson 1987). The target of organisational actions can be either internal or external. External responses to issues imply less control and greater dependence upon other organisations. The dimension of response magnitude captures the extent to which responses are radical, i.e. large or small.

Organisations develop rules and procedures to handle repetitive tasks (Aldrich 1979; Thompson 1967). Within retailing, examples of such rules and procedures could be automatic reordering of goods when stocks fall below a specified level or buying policies. For often executed tasks cognitive scripts are developed. Leigh and colleagues (Leigh & McGraw 1989; Leigh & Rethans 1984) have demonstrated the existence of cognitive scripts in industrial buying and selling. It therefore seems reasonable to anticipate that retail buyers faced with routine issues will enact scripts.

It should be interesting to investigate how the nature of issues (are they routine or problematic?) and the meanings attached to issues by placing them within sensemaking frameworks during interpretation influence the target and magnitude of organisational actions. In this relation it would be interesting to investigate what leads to changes in buying policies or practice, sensemaking frameworks or processes (e.g. information gathering, dissemination and use).

Attribution

Attribution theory is “*an approach that concerns itself with phenomenal causality – the conditions effecting how each of us attributes causes for his own or others behaviour*” (Jones 1976, quoted in Smith 1982). Causal attributions are “*the statements one individual makes to another to account for the events contributing to an outcome*” (Salancik & Meindl 1984, p. 238). Attribution influences future sensemaking, as it influences noticing, interpretations and

actions (Smith 1982). I will investigate how retail buyers make causal attributions to outcomes, e.g. looking at whether they attribute outcomes to internal or environmental causes (cf. Salancik & Meindl 1984).

Relations among sensemaking concepts

The different sensemaking concepts are related, as illustrated by the following rough description of the sensemaking process of retail buyers. The identity and image of retailers influence what issues are noticed, framed, interpreted, acted upon and how causes are attributed to outcomes within the sensemaking context, confirming or modifying sensemaking frameworks and thus influencing future noticing etc.

4. CONCLUSIONS

This paper has argued that the existing literature on retailer buying behaviours suffers from four limitations. First, the cognitive processes involved in retailer buying behaviour have been overlooked. Second, the contexts within which retailer buying behaviour occurs have been neglected. Third, previous research and models of retailer buying behaviour are static. Fourth, relationships between various phenomena related to retailer buying behaviour are poorly understood. Subsequently, this paper has attempted to demonstrate that some of the limitations of the existing literature on retailer buying behaviour can be overcome by studying retailer buying behaviour from a sensemaking perspective. It was discussed how various sensemaking concepts drawn from discussions of sensemaking within strategic management and organisation science might contribute towards a new conceptual framework for understanding retailer buying behaviour.

Practical implications

Hopefully the conceptual framework of retailer buying behaviour outlined in this paper will contribute to a better understanding of the social units involved in retailer buying behaviour and their relationships within the embedding system of the food chain. In the affirmative, it could help food suppliers better adapt their market offerings to the demands and wishes of retailers – i.e. creating value in the eyes of retailers – and thus improve the economic performance of suppliers. Food suppliers might also use the deeper understanding of retailer buying behaviour to influence retailer perceptions of the suppliers' market offerings. When food suppliers increase their ability to adapt their market offerings, retailers benefit from

products fitting their needs better. At the same time, retailers can gain a better understanding of why they act as they do and can use this insight to ponder whether they would profit from acting differently.

Areas for future research

Several interesting research questions emerge from the above discussion, some of which are summarised below. The objective of this paper has been to take a first step towards gaining an understanding of the sensemaking processes involved in retailer buying behaviour, focusing on the inter-subjective, the generic subjective, the departmental subjective, the intra-organisational subjective and the organisational subjective levels of analysis. Although most of the research questions can be analysed at several levels of analysis, below I have attempted to indicate at what level(s) of analysis I believe it to be most relevant to study each research question.

What influence do the identity and image of retailers exert on their sensemaking processes at the organisational subjective level of analysis? Specifically, how do the identity and image of retailers influence what issues are noticed, how they are framed, how they are interpreted, what actions are initiated in response to issues and how causes are attributed to outcomes?

At the intra-organisational level of analysis, how is the identity of the buying department related to the identities of other departments and of the retailer as a whole?

How does the collective external image of the retailer influence its identity and the identity of the buying department? How are the identity and image of the retailer translated into rules and procedures, specifically buying policies? These questions will analyse inter-relationships between the organisational and generic subjective levels of analysis.

How do the perception of customers, competitors and suppliers influence the sensemaking process of the retailer at the generic level of analysis?

Do sensemaking processes at respectively the inter-subjective and generic subjective levels of analysis differ depending on whether the issues retailers attempt to make sense of are routine and expected or problematic?

How do the identity, image, sensemaking frameworks, interpretations, actions and attributions of retailers develop and evolve over time as a consequence of actors collectively making and giving sense? This question will be analysed on the inter-subjective, generic and organisational levels of analysis.

Do the sensemaking processes of retailers differ systematically on the organisational level of analysis depending on their identity and image?

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