MARKET PRACTICES AND STRUCTURING PRACTICES ON MARKET MAKING: SUSTAINABLE CERTIFIED AND SPECIALTY COFFEE MARKET DYNAMICS IN BRAZIL

Práticas de mercado e práticas estruturantes: dinâmica do mercado de cafés certificados e especiais sustentáveis no Brasil

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ABSTRACT

On this paper, in a five years longitudinal study, the theoretical framework the constructivist market studies (CMS) were used to analyze how market practices interacted with structuring practices in the making of market arrangements throughout the sustainable and specialty coffee market development process in Brazil. Through the historical reconstruction of the UTZ certification program in Brazil and the Cup of Excellence (COE) coffee quality competition, based on document analysis and in-depth interviews, it was possible to identify the main market practices adopted by the actors involved in the organization and in market designing. It was possible to select specific translation moments that resulted in different market framings, showing how rules, devices and practices shaped the Brazilian coffee market. Main representational, normalizing and exchange practices were identified, and it was highlighted the role of a new analytical category called “market structuring practices”, which acts as an important mechanism for the making of market arrangements and for the shaping and consolidation of market practices (marketization process).

KEYWORDS: Market making, Constructivist Market Studies, sustainability, certification, specialty coffee.

RESUMO

Neste artigo, em um estudo longitudinal de cinco anos, o referencial teórico dos Estudos de Mercado Construtivistas (EMC) foi usado para analisar como as práticas de mercado interagiram com as práticas estruturantes na construção de arranjos de mercado ao longo do processo de desenvolvimento do mercado de cafés especiais e sustentáveis no Brasil. Por meio da reconstrução histórica do programa de certificação UTZ, no Brasil, e do concurso de qualidade do café Cup of Excellence (COE), com base em análise documental e entrevistas em profundidade, foi possível identificar as principais práticas de mercado adotadas pelos atores envolvidos na organização e no desenho de mercado. Foi possível selecionar momentos específicos de tradução que resultaram em diferentes enquadramentos de mercado, mostrando como regras, dispositivos e práticas moldaram o mercado cafeeiro brasileiro. As principais práticas representacionais, normatizadoras e de troca foram identificadas. Ademais, destacou-se o papel de uma nova categoria analítica denominada “práticas de estruturação de mercado”, que atua como um importante mecanismo para a formação de arranjos de mercado e para a formação e consolidação de práticas de mercado (processo de marketização).

PALAVRAS-CHAVE: Construção de mercados, Estudos de Mercado Construtivistas, sustentabilidade, certificação, cafés especiais.
1 Introduction

Sustainable certifications are a reality in global coffee agribusiness, and Brazil plays a prominent role in this context. The country participates in this market as the largest producer and exporter of the bean. According to data from the Council of Coffee Exporters of Brazil (CECAFE) from 2020, 7.9 million bags of 60 kg of certified coffee were exported, i.e., approximately 17.7% of the Brazilian coffee exported has some differentiated production in relation to common coffee or commodities. Brazil is the largest source of sustainable coffee in the world (Leme, 2015).

The supply of certified coffee to consumers around the world depends heavily on links among the several actors in the coffee chain, from farmers to retailers, as it involves the coordination of traceability and product origin control actions. Among the main tools for the control and coordination of these certification systems are certificates credited by third parties, i.e., organizations usually linked to the third sector that are responsible for coordinating inspection, traceability, commercialization, and the use of certificates in products linked to the production chain (Daviron & Vagneron, 2011; Raynolds et al., 2007).

In particular, Utz Certified has been consolidated in Brazil since 2002 and was one of the main coffee certification programs in the international market until its merger with the Rainforest Alliance certification program in 2018.

Since its founding, Utz Certified focused on the professional management of farms and on the socioenvironmental aspects related to production. A code of conduct sets standards for responsible environmental and social practices, including traceability and organizational management. Certification focuses on crop management, reduced production costs, and increased quality and productivity. The objective is to provide a quality product to the market, remunerating producers adequately (Utz Certified, 2007).

On the specialty coffee side, Brazil has a strong reputation in the market due to the quality and variety of its coffees, which have complex characteristics derived from the country’s geographical breadth and, consequently, diversified cultivation (BSCA, 2019).

The term specialty coffee was first used by the Norwegian Erna Knutsen (Rhinehart, 2009); in her definition, she linked specialty coffee to beans grown in special geographical microclimates. According to another definition, the term specialty coffee may refer to a gourmet coffee that is processed using exceptional beans grown in climates conducive to production (van der Merwe & Maree, 2016). To Guimarães et al. (2019), specialty coffees have clear attributes of differentiation from the consumer perspective, either by their organoleptic characteristics (flavour, aroma, body) or by attributes related to the production and processing system (certifications, organic, among others).

In its market development in Brazil, specialty coffee relied on specific arrangements to establish market practices. As shown in the study conducted by Maciel (2020), market arrangements such as a quality protocol system, market encounters with different actors, price formation mechanisms (auctions), and the organization of coffee quality competitions were key in the formation of the Brazil specialty coffee market.

One such specialty coffee quality competition is the Cup of Excellence (COE) programme, organized by the Brazilian Specialty Coffee Association (BSCA), in partnership with the Brazilian Trade and Investment Promotion Agency (Apex-Brasil) and the non-profit organization that runs the COE, the Alliance for Coffee Excellence (ACE), which was also established by the BSCA (ABIC, 2018). The COE is the main initiative that shaped Brazil’s specialty coffee market in the last 20 years.
Throughout certified and specialty coffee market history, several actors have contributed to its consolidation and expansion. The comprehension of what was being shaped by these actors and this process dynamics (translation chains), focused on market practices over time, and provided important evidence that contributes to the Constructivist Market Studies (CMS) theoretical perspective. According to Mason, Kjellberg and Hagberg (2015), CMS essentially deals with how marketing theories help to perform certain market visions or even how marketers and marketing practices can modify their structure (Araujo, 2007).

CMSs are especially suitable for analysing the market dynamics and the performance of their actors from the perspective of their practices (Reckwitz, 2002). For this reason, the subjects chosen for this paper were two longitudinal studies developed from 2015 to 2020.

The first study was two-phase research (2015 to 2019) to understand the formation of the Utz certified coffee market in Brazil. Initially, the aim was to comprehend how the organization was established in Brazil, and analyse the organizational process. In the second phase, the aim was to identify how the market practices and structuring practices performed by socioenvironmental certification changed the dynamics of small coffee growers of certified coffee.

The other study (from 2019 to 2020) was conducted to understand the role of coffee quality competitions in the development of the specialty coffee market in Brazil from a market practice perspective. A timeline was created with the main events in the Brazilian specialty coffee market from the late 1980s and early 1990s to 2019.

Our core theoretical proposition is that practices, sociotechnical arrangements and translation interaction into a process of “marketization” (Çalışkan & Callon, 2009) that demands an interaction among market practices, as shown by Kjellberg and Helgesson (2007) and another kind of practice identified, called “structuring practices”.

In 2015, during the first research phase mentioned above, structuring practices appeared for the first time. This occurred at the time of document content analysis and interviews with Utz actors in Brazil and was portrayed as all management/organizational practices performed to establish certification in a new market. They have the specific objective of performing and modifying the organization structure by giving support to market practices in their translation process.

To consolidate normalizing, representational and exchange practices, market structuring practices are essential since they act as mediators among market practices and among market practices and their respective sets of different arrangements. From a temporal market-making perspective, they precede market practices, as they are performed among specific actors in a given organization or among specific actors at an interorganizational level. As will be shown in this paper, we are improving the (Kjellberg & Helgesson, 2007) proposition by connecting market practices and structuring with Çalışkan and Callon’s notion of sociotechnical agencements (or arrangements).

Human and nonhuman actors, by forming different market arrangements, rely on specific structuring practices to create and consolidate market practices that are capable of provoking translations that “build up” overflows and market framings. To build new market arrangements and to consolidate market practices, some specific structuring practices were developed in these arrangements, aiming at controlling, coordinating, and managing intra- and interorganizational initiatives. As will be shown in this paper, the actors involved in the creation of specific market arrangements on sustainable and specialty coffee initiatives had to translate, adapt, and create new market devices to achieve their objectives.
Specifically, for this paper, the answer to the following questions is sought: In addition to the market practices raised by Kjellberg and Helgesson (2007), are there other kinds of practices that can explain market dynamics? To promote, support, and maintain market *agencements*, are there practices that act on the organizational and intraorganizational level? Thus, from a perspective directed at the sustainable and specialty coffee market, the aim of this research is to analyse how market practices interacted with structuring practices in the formation of market arrangements throughout the development process of the specialty and sustainable coffee market in Brazil.

Based on the results of these five years of research on certified and specialty coffee market formation in Brazil, an integrative view of market practices and arrangements is evident, highlighting the importance of a new category of analysis, structuring practices. Thus, the results and discussions brought about in this research bring contributions to the literature on CMS.

In Section 2 below, we present the theoretical foundation that underlies the conceptual structure of the research. Later, in Section 3, we present the methodological procedures. In Section 4, we present and discuss in more detail the three cases that motivated this paper. Finally, in Section 5, we conclude by reporting the practical meaning and implications of the research and pointing out some directions for future research.

### 2 Theoretical Framework

Empirical studies from several authors on CMS focus on two starting points: attention to the market phenomena based on market practices, as clearly demonstrated by Kjellberg and Helgesson (2007), Araujo et al. (2008), and subsequent authors, or the analysis of several framings and market overflows (market *agencements*), as synthesized and classified by Çalışkan and Callon (2010). They are different starting points for analysis but with the same objective of understanding market functioning and construction (Hagberg & Kjellberg, 2014; Mason et al., 2015).

For the empirical analysis of certified and specialty coffee market formation in Brazil, an analytical framework was built based on the theoretical proposals of the market practices of Kjellberg and Helgesson (2007) and based on the market framings of Çalışkan and Callon (2010). Within this analytical framework, an approximation between market practices and market framings is proposed Leme and Rezende (2018), considering the importance of the structuring practices.

Despite being a theoretical body under development from a multitude of different authors and perspectives, CMSs have fundamental concepts for understanding the theoretical contextualization of this study.

For Kjellberg and Helgesson (2006) (highlighted in Figure 1), translations are used to characterize the interrelationship of market practices. For instance, the process of developing a marketing strategy (a structuring practice) - which in CMS’s model is considered a set of temporally interconnected standardization practices – which can produce intentions that become translated into prescriptions for future exchange practices and new methods to measure and describe the market. In this model, individual market practices are conceived as being linked through translation chains produced by the market.

Based on this theoretical reference, a longitudinal look at these translation chains is proposed; however, instead of using the semi cyclic chains of Kjellberg and Helgesson (2006), a more fluid design with a less predefined order between the beginning and end of a translation is proposed. The chain is shown purposely in helix format to represent the
different possibilities promoted by each translation (Figure 1), showing the multiplicity of coexisting market versions (Kjellberg et al., 2012; Kjellberg & Helgesson, 2006).

Based on this theoretical proposition and to help researchers understand the practice dynamics on Kjellberg and Helgesson (2006) these dynamics are represented as a picture, such as a snapshot from a specific moment in the timeline of the market formation. The snapshot instance helps researchers in the methodological approach. However, multiple changes occur in the market framework on a temporal continuum. To provide this overview, a three-dimensional perspective will be added to the authors' model, as shown in Figure 1.

**Figure 1 –** Market practices interconnected through translation chains and their fit from the three-dimensional perspective of translation chains.

![Market practices interconnected through translation chains](image)

*Source: Elaborated by the authors based on Kjellberg and Helgesson (2006).*

Market practices - exchange, normalizing and representational - lead to translations in the network structure, resulting in overflows and new framings. Although the possibility that markets can be viewed as configurations of market actors engaging in market practices was proposed by Storbacka and Nenonen (2011), the conceptual framework to understand the modes of market configuration they proposed relies on market configuration capabilities.

As a further step to understanding market dynamics, and answering the call from Kjellberg et al. (2012), we propose here a connection between market practices and market agencement or market arrangements by Çalışkan and Callon (2010) and Callon (2016). The reason is that the framing/overflowing perspective from Çalışkan and Callon is especially useful to identify and analyse empirically when researchers are working on unveiling that market historical perspective, i.e., marketing researchers acting like market-making historians.

That is why the analytical structure includes the possibility of identifying the five types of market framing proposed by Çalışkan and Callon (2010), adapted to certified and specialty coffee market context, i.e., (1) the pacification process standard coffees (i.e., standardization); (2) marketizing agencies; (3) market encounters; (4) price formation; and (5) market design and maintenance.

Another important conceptual proposition is the structuring practices instance. Storbacka and Nenonen (2011) already showed how market actors need new sets of
capabilities and management practices to be able to cocreate their market, applying this knowledge to value cocreation in business models. Additionally, Baker et al. (2019), when examining the decline and creation of circus in North America through the 20th century, in a historical, longitudinal case study, they pointed out that markets are complex systems that evolve over time rather than pre-existing, stable structures. Baker et al. (2019) showed how market-shaping activities occur through an interdependent process involving institutionalized practices, beliefs and expectations, and the intentional activities of market actors at any institutional level. They highlighted some market creating (and disrupting) and stabilizing (maintenance) activities or practices.

Those propositions clearly show that Kjellberg and Helgesson (2006) initial framework is not a final work, on the contrary, is a very practical look at market dynamics and marketing itself (Araujo, 2007).

In our theoretical proposition, market shapers (Baker et al., 2019) use a set of structuring practices to consolidate normalizing, representational and exchange practices so that those practices can act as translation chain influencers. Structuring practices act as mediators among market practices and among market practices and their respective sets of different sociotechnical arrangements. From a temporal market-making perspective, they precede market practices, as they are performed among specific actors on a given organization or among actor inter-organizations with the aim of organizing common activities.

Structuring practices were developed in these arrangements, aiming at controlling, coordinating, and managing the market. They help create and consolidate market practices that are capable of provoking translations that “build up” overflows and market framings. It is argued that market practices cause translations on a “market level,” causing overflows that remain stable for a given period. A set of specific translations occur in the network structure and cause overflows. Thus, there are three moments in a temporal perspective: (1) tension moment in the structure; (2) market overflows and (3) reframing (Figure 2). It is a theoretical representation of the “marketization process,” as Çalışkan and Callon (2009) define.

The new market configuration and its tenuous frontiers persist for a time until the occurrence of new translations that will again modify the market structure. Figure 2 illustrates how this new configuration would be constituted in time.

**Figure 2 – New market configuration and new translations**

Source: The authors (2022).

When analysing market practices, the market framing and overflow processes can be identified and categorized. This temporal perspective of analysis would allow us to understand the diverse configurations while simultaneously allowing the researcher to select
specific translation moments that resulted in different market framings, since studying all market translations would be nearly impossible.

The aim of this analytical framework, which is presented as a roadmap for analysing and describing markets, is to determine how the concepts of market performativity are related through market arrangements and framings (Çalişkan & Callon, 2010) and market practices (Kjellberg & Helgesson, 2007). Both knowledge and materiality participate in the design, elaboration, experimentation, change, maintenance, extension, and operation of agencements.

In the specific case of this study and analysing the coffee market, it can be inferred that the specific markets for “special” products result from consequent overflows and reframing in the “traditional/commodity” coffee market. It is a continuous process, and several “bubbles” or “deformations” in the market structure can arise and interact to build new market designs. Actors’ agency (practices evidence) and arrangements play a significant role in the analysis structure. Methodologically, historical analysis and interviews with market actors can provide important insights into the structure overflowing moments and even how actors’ practices have shaped translation movements in the network.

3 Methodology

This paper presents the results of a multi-case study (Yin, 2018), which involved five years of research related to the specialty and sustainable coffee market in Brazil. For this, Constructivist Market Studies (CMS) were used as theoretical support to analyse how market practices interacted with structuring practices in the formation of market arrangements throughout the development process of the Brazilian specialty and sustainable coffee market.

In this paper, three different studies developed by Leme (2015), Souza (2019) and Maciel (2020) on certified and specialty coffee markets were connected. Table 1 presents the general structure of each case study.

In more detail, the first stage corresponds to an analysis that aims to understand the data and general information about the Utz Certified and certified coffee markets in Brazil. For this, a historical and chronological profile of this market formation is drawn. Then, a timeline was drawn containing the main time instances of this market construction in Brazil. For this, data obtained from documentary research (general documents, annual reports, open interviews with directors and directors and others) and from in-depth interviews with actors related to the representation of Utz certification in Brazil were used.

The second stage of the research was established based on the framework of interactions among market and organizational practices developed by Leme (2015). It was a case study with 13 certified producers with a coffee-growing area of up to 50 hectares, hence characterized as small-scale producers, with UTZ group certification managed by a private company and with technical support provided by a cooperative in Minas Gerais state.

Data were collected through documentary research of regulatory documents and characterization data of the certified groups, with the purpose of understanding the stages of the certification cycle. These data were also used as input to prepare a questionnaire, thus developing a semi structured qualitative interview script.

In the third stage, also based on Leme (2015) propositions, Maciel (2020) analysed the role of coffee quality competitions – in particular, the COE – in the development of the specialty coffee market in Brazil. Maciel (2020) also used a historiography methodology procedure to chronologically enumerate the main events in the history of the specialty coffee market in Brazil, beginning with the deregulation of the coffee market in the early 1990s.
Table 1 – Methodological summary of case studies

<table>
<thead>
<tr>
<th>Stage</th>
<th>1º</th>
<th>2º</th>
<th>3º</th>
</tr>
</thead>
</table>

Case Objectives
- Understand the process of construction and evolution of sustainable certified coffee markets, through the case of Utz Certified certification in Brazil.
- Identify how the Market Practices driven by certification and its mechanisms cause translations in the ownership structure and in the daily management practices of small coffee producers.
- Understand how the Cup of Excellence coffee quality competition performed the process of shaping the specialty coffee market in Brazil.

Approach
- Qualitative
- Qualitative
- Qualitative

Research Type
- Case Study
- Case Study
- Case Study

Research Object
- Certified coffee market
- Certified coffee market
- Specialty coffee market

Data Collect
- Documentary Research In-Depth Interviews
- Documentary Research In-Depth Interviews
- Documentary Research In-Depth Interviews Nonparticipant Note

Data Analysis
- Content analysis
- Content analysis
- Content analysis

Analysis Categories
- Market practices (Kjellberg & Helgesson, 2007)
- Market Arrangements (Çaliskan & Callon, 2009)
- Market practices (Kjellberg & Helgesson, 2007)
- Market Arrangements (Çaliskan & Callon, 2009)
- Structural Practices (Leme, 2015).

Source: The authors (2022).

Documentary research, in-depth interviews and nonparticipant observation were applied as data collection techniques. The observations were carried out over the four days of the 2019 COE Brazil Contest, held at the Federal University of Lavras (UFLA) from October 15 to 19, 2019. During the event, the observations and photographs were recorded in a field diary and later analyzed with the rest of the data corpus.

In this paper, we will summarize our findings to specifically analyze the role of structuring practices and their interaction with market practices and market arrangements.

4 Results and Discussion

4.1 Structuring practices on certified coffee market-making

There is a great focus on management practices of the certification process throughout Utz’s history as an organization, from its creation and definition of its philosophical principles until the present days with Rainforest Alliance. This philosophy runs through the entire construction of Utz’s official documents and is reflected in the speech of its representatives. Utz certification, as an organization, focuses on both, the professional
management at the farm level, and on the socioenvironmental aspects of production. A code of conduct sets standards for responsible environmental and social practices, including traceability and organization management. Certification focuses on crop management, sustainable soil usage practices, integrated pest control techniques, postharvest quality control, social responsibility, reduced production costs, and mainly on increasing quality and productivity as a tool for economic sustainability. The aim is to provide a quality product to the market, and remunerate producers properly (Utz Certified, 2007).

The Utz certified coffee market in Brazil is a set of sociotechnical arrangements that (1) organize the conception, production and circulation of certified coffees; (2) are measures of heterogeneous constituents (devices, knowledge, skills, and others); and (3) delimit and construct a space for confrontation and power struggles (Çalişkan & Callon, 2010). The Utz Certified coffee market in Brazil is therefore a continuous translation process linking exchange, representational and normalizing practices into hemicyclic and reversing chains that intercept and interfere with one another (Çalişkan & Callon, 2010).

After constructing a timeline that could consolidate these translations and set the human and nonhuman actors, an attempt was made to categorize the different identified practices. With this, the main practices of representational, normalizing, exchange and structuring were identified.

Based on the consolidated results in the analysis of historical reconstruction and content, a summary table of the identified practices was elaborated:

**Table 2 – Consolidation of practice groups identified in the research results**

<table>
<thead>
<tr>
<th>Identified practices</th>
<th>Evidence from UTZ’s market construction in Brazil</th>
</tr>
</thead>
</table>
| Representational practices | 1 - The standards and rules of other certification and standardization systems (EurepGap/GlobalGap, ISEAL).  
                          | 2 - Program’s philosophy, mission, vision and its transformations over time.                                      |
| Normalizing practices    | 1 - All market-changing translations occur whenever certification standards are discussed and whenever a new version of the code of conduct goes into effect.  
                          | 2 - The governance system operating from deliberating committees.                                               |
| Exchange practices       | 1 - Price formation practices of Utz coffee (including price premium).                                           
                          | 2 - Practices that occur through the electronic portal (Members Portal and the CID) in the control and transparency of exchanges. |
| Market Structuring practices | 1 - Internal control practices in the market making system.                                                      
                        | 2 - Practices in the making of devices to disseminate the management philosophy of the organization.             
                        | 3 – Market making practices of hybrid forums.                                                                    
                        | 4 - Practices related to the making of the electronic portal system.                                            |

Source: Leme (2015)

A category of practices was highlighted in the content analysis of the documents and interviews with the Utz actors in Brazil: the management practices of the organization. These management/organizational practices are market structuring practices, since they have a specific objective of performing and modifying the market structure, giving support to market practices (Baker et al., 2019).

Management practices appear naturally as daily practices performed by Utz actors and appear in the program’s philosophy. Their importance is strengthened in the analysis of the interviewees’ speeches, in which they demonstrated that the management practices are disseminated globally by Utz and that their daily management practices aim to modify the management practices of other actors in the market and agricultural practices from certified
coffee growers. Those market arrangements rely on specific structuring practices aiming at controlling, coordinating, and managing the market, and giving support to market practices. It was clear that the Brazilian staff had to translate (literally, from English to Portuguese), adapt (when something did not apply to the regional context) and create new market devices to achieve their objectives.

Kjellberg and Helgesson (2007), Storbacka and Nenonen (2011) and (Baker et al., 2019) argue that market practices include efforts to shape markets, as well as efforts to exchange in markets (including promoting, advertising, selling, among others). However, they do not specify how these practices are consolidated, i.e., how this formation process occurs. It is proposed that market structuring practices must be present in conjunction with market practices to reach this consolidation. In other words, market structuring practices could be the key to understanding why some market practices work in some specific markets and in not in others.

However, if we simply judge that an organization's management practices are essential for market formation, there would be no contribution to the CMS. After all, everyday practices are performed at all times by the actors involved in market formation (such as writing an email, making a call, explaining a rule, among others). In certain situations, and performed by specific actors, these daily practices become structuring practices of the organization (organizing a market encounter, developing a client list, contacting buyers, organizing a spreadsheet, publicizing the price premium, doing an operation on the Utz electronic portal, answering questions of an auditor, among others).

It is important to note that structuring practices provoke their own translations on intra- and interorganizational levels. Through structuring practices, Utz local actors in Brazil can interpret the representations of the Utz market and develop their representational, exchange, and normalizing practices adapted to the local context. The analogy with the making of a building is emphasized. Market practices are market pillars, and structuring practices are the cement necessary to keep the functioning of pilasters.

It is important to highlight the reason why market structuring practices are not considered another specific type of market practice, similar to normalizing, representational and exchange practices. Indeed, when structuring practices occur with the aim of modifying the market, they can be considered market practices; however, they are primarily mediating practices between market practices and the purpose of these practices. This definition (categorical by nature) will depend on the context of its occurrence and on the perception of the actors and the researcher at that moment.

To clarify differences, some examples from the Utz Certified case study are presented:

(a) To review EurepGap (GlobalGap) standards, discuss ISEAL recommendations, establish a mission and a vision for Utz. All these are representational practices, however, to conduct a study on the feasibility of applying a recommendation, organizing forums to legitimize mission and vision, create guides to spread the Utz’s vision to growers and buyers, these are market structuring practices. They support the making of market arrangements for this purpose;

(b) To develop a standard, to change the code of conduct and discuss the validity of standards for the application of pesticides, all these are normalizing practices. However, organizing market encounters so that the actors debate democratically, disseminate the code of conduct so that more people understand its structure, train auditors to monitor compliance; these are
market structuring practices. They provide the necessary framing for standards to be established and disseminated;

(c) a financial transaction involving Utz coffee, the negotiation of a price premium, the definition of a quality standard for the exchange, all these are exchange practices, however, the coding of a software to control the traceability system, establishing a way to analyse the average price premium paid, the verification of inventories to audit coffee purchases and sales, all these are market structuring practices. Without them, transactions would never occur in the Utz market.

In the examples above, structuring practices preceded market practices from a historical perspective. Structuring practices started translation chains that ended up shaping new market formation, evidenced by different market arrangements. On the other hand, it is important to note that not all structuring practices provoked translations, and some of them were performed without changing the market structure, a “dead end.”

In Figure 3, as a theoretical explanation, market practices are linked to market arrangements with the mediation of structuring practices from the perspective of the Utz Certified market. It shows how this constant interaction would occur through translation chains that cause overflows and frames of several types.

**Figure 3 – Market practices, structuring practices and market arrangements**
Souza (2019) identified three important actors: the Utz corporation, as the certification that represents the certification label; the management unit (a cooperative or association), which represents the system that manages the certification components as required by the certification itself; and the producers that make up the certification group. The fact that there is more than one actor involved is an important attribute of the dynamics of this context.

Market practices carried out by Utz identified by Leme (2015) reverberate in different ways with the management unit and coffee growers, changing their market practices. It appears that all actors observed in the context of this research, each in their way, contribute to the making of the certification market, and proposing new market practices as their behaviour is changed by the practices conducted by Utz certification (Table 3).

<table>
<thead>
<tr>
<th>Practices</th>
<th>UTZ (Leme, 2015)</th>
<th>Management Unit</th>
<th>Coffee grower</th>
</tr>
</thead>
<tbody>
<tr>
<td>Representational</td>
<td>Norms and rules of other systems UTZ philosophy and its transformations</td>
<td>Centralization of member representation Replacement of UTZ as a representation of certification</td>
<td>Reassignment of property in rural development Aesthetical and functional reframing</td>
</tr>
<tr>
<td>Normative</td>
<td>New versions of the UTZ Code</td>
<td>Provision of technical advice</td>
<td>Implementation of the practices demanded by UTZ</td>
</tr>
<tr>
<td>Governance system/deliberative committees</td>
<td>Creation of the group’s operation and control rules</td>
<td></td>
<td>Filling in the field notebook.</td>
</tr>
<tr>
<td>Exchanging</td>
<td>Price and premium formation Transparency practices in transactions.</td>
<td>Consolidation of the barter operation Preparation of the institutional program</td>
<td>Development of sales strategies and risk dilution Use of the group’s traceability system</td>
</tr>
</tbody>
</table>

Source: Souza (2019).


On the management unit side, the determination of the [1] strategic orientation of the group influences the construction of the market through the group's perspective, since from its strategy, the management unit will select the geographical extension and the number of producers assisted. The management unit also performs the [2] adaptation of the standard to the local context, that is, it helps the assimilation of the standard's key concepts by the producers by using a simpler language than the one adopted by Utz.
The management unit, like Utz, builds important market devices such as [3] the Field Notebook so that producers can provide their performance information, which determines the direction of other market practices, and the [4] Motivational Case, a case study aimed at convincing the producer to join the Institutional Program and thus take part in the group.

Considering the context of the coffee grower, the [1] development of strategic partnerships by establishing commercial and institutional relations with other entities outside the cooperative or management unit is a relevant structuring practice to make the producer use the certification as a sales tool and allow transactions to occur, directing products of different qualities to different buyers, for example. Finally, the [2] assimilation of the motivation case is also considered a structuring practice because it was identified that the entry point of the motivation case conveyed by the management unit is very specific to each coffee grower, which also changes their perception about certification regarding its benefits and challenges.

Going further, Souza (2019) showed the dynamics of structuring and market practices. For example, regarding exchange practices, Utz conducts the ‘formation of the price and premium’ and ‘transparency practices’, and when observing the conceptual internalization of the price, premium and transparency, the premises on which the management unit bases the creation of its institutional program are observed and consolidates its barter operation (exchange of products with coffee bags in advance with the coffee grower). From the perspective of the grower, the sale and risk dilution strategies and the use of the group’s traceability system originate by making the certification group viable as an entity structured to operate such strategies and by the management unit’s value proposal for this grower. Therefore, trends in the coffee macro market and information shared by producers influence how Utz positions its pricing, as shown in Figure 4.

**Figure 4 – Inscriptions observed in the Exchange Practices**

Souza (2019) observed that structuring practices, in addition to helping in the construction of the market according to Leme (2015), have the important function of being catalysts for these inscription processes, making them visible and giving dynamism to the market from the assimilation or dissociation of market practices. In addition, actors perform structuring practices to strengthen or weaken coordination relations, supporting new market practices based on these newly constituted relations.
4.3 Structuring practices on the making of the specialty coffee market in Brazil

Maciel (2020) showed how the specialty coffee market in Brazil was developed since the world coffee market deregulation process that took place in the early 1990s. Initiatives such as quality competitions have contributed to the dissemination of specialty coffee throughout the country and have shifted the focus of producers towards obtaining products with higher added value, placing Brazil as one of the main sources of specialty coffee in the world in less than 20 years of marketing initiatives.

One such specialty coffee quality competition is the Cup of Excellence (COE) programme, which celebrated its twentieth anniversary in Brazil in 2019. The COE was solely responsible for significant changes in the specialty coffee market. Maciel (2020) demonstrated, from a historical perspective, the role of quality competitions – in particular, the COE – in the development of the specialty coffee market in Brazil.

To this end, a timeline was created with the main events in the Brazilian specialty coffee market from the late 1980s and early 1990s to 2019 based on a number of studies on the topic identified through the document and bibliographic research, as well as interviews with actors who were involved in the development of the market in some way.

The results point to multiple practices and market devices designed specifically to modify the specialty coffee market structure, many of which have been replicated in other contexts, such as (1) quality competitions using the operational format introduced by the COE that have spread throughout the world; (2) the pursuit of integrity and transparency in all stages and processes; and (3) the recognition of different Brazilian coffee origins by the COE over the past 20 years, which has enabled the emergence of new terroirs in the market, new discoveries in coffee quality conception (such as acidity for specialty coffee) and, consequently, new growers with different practices and knowledge in the production, harvesting and postharvest processing of coffee.

**Table 4 – Market practices identified in the COE program creation and development**

<table>
<thead>
<tr>
<th>Practices</th>
<th>Evidence</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Representational</strong></td>
<td>Creation of regulatory and operational models based on other institutions.</td>
</tr>
<tr>
<td></td>
<td>Observation of the American specialty coffee market from a “coffee waves” perspective.</td>
</tr>
<tr>
<td></td>
<td>Translations of regulatory and operational models of the COE carried out by other institutions.</td>
</tr>
<tr>
<td><strong>Normative</strong></td>
<td>Creation of protocols and forms for the COE.</td>
</tr>
<tr>
<td></td>
<td>Definition and evolution of the cut-off score.</td>
</tr>
<tr>
<td></td>
<td>The participation of judges.</td>
</tr>
<tr>
<td></td>
<td>Defining and changing batch sizes over time.</td>
</tr>
<tr>
<td><strong>Exchanging</strong></td>
<td>Coffee sale revealed in the exemplary coffee program for Japan.</td>
</tr>
<tr>
<td></td>
<td>Virtual auction and payment to producers.</td>
</tr>
<tr>
<td></td>
<td>Visiting producers and direct trade.</td>
</tr>
<tr>
<td><strong>Structuring</strong></td>
<td>Structuring and organizing the panel of judges.</td>
</tr>
<tr>
<td></td>
<td>All organization activities of the event.</td>
</tr>
<tr>
<td></td>
<td>Organizing visits of coffee cuppers (tasters) and buyers to coffee producers.</td>
</tr>
<tr>
<td></td>
<td>Creation of the Alliance for Coffee Excellence (ACE).</td>
</tr>
<tr>
<td></td>
<td>The organization and launch of the “natural dried” coffee competition (whole parchment coffee).</td>
</tr>
</tbody>
</table>

*Source: Maciel (2020).*
The first structuring practice is the organization of the panel of judges that would have the duty to classify or determine what is a specialty coffee (Table 4). A selection of an international jury to the COE Program can be considered a structuring practice. From this formation of the jury, the competition gained more support in the market, and more spotlights emerged for the event. This structuring practice translated into representation practices, and it is clear that, over time, it became a norm, a competition rule. The international jury over the past editions of the competition has become a standard of the COE. Other structuring practices regarding the judges are the constant training and calibration initiatives promoted by the COE organization.

The other structuring practices identified were all organization activities of the annual event. The COE competition represents a market encounter that involves different actors, such as growers, judges, buyers and other participants, who seek to recognize differentiated quality coffees. During the week of the event, blind tasting sessions are held, and on the last day, there is an award ceremony where the winners and the score achieved by their coffees are revealed. At this moment, the participating public has access to information regarding the growing origin, the grower him/herself, the processing in which the coffee was prepared, and its type, among other data. The two different events organized during the week of the quality contest are recognized as structuring practices in this study. It is possible to recognize that both the competition and the award ceremony are practices carried out that include market encounters to make exchange practices possible.

As a result of the award ceremony, field visits by coffee cuppers (tasters) and buyers to coffee growers are recognized as structuring practices that can enable other practices to take place and enable them to change the market. The relationship between grower and buyer from field inspection is recognized as one of the contributions of the COE and other quality contests that enable this type of practice to happen. In these visits, judges who do not make a purchase – but who are recognized as influences in their countries – make themselves present and closely check the entire production of Brazilian specialty coffees, enabling future exchanges.

Another important moment also recognized as a structuring practice was the creation of Alliance for Coffee Excellence (ACE), a non-profit organization that had, among other attributions, a set of standards for the event to take place uniformly in different countries. It is noticed that the constitution of an organization is a structuring practice, since creating an organization or developing an organization is a practice that was conceived with the purpose of providing support for other practices to happen. In the case of ACE, an important marketing agency in this context that needed to standardize rules to disseminate the COE to other countries, the framework for the pacification of goods was necessary.

The last structuring practice identified was highlighted because of its importance to change the paradigm that specialty coffee are only the ones with high “acidity.” The conception and realization of a competition, especially for natural coffees, generated considerable expectations among the COE organizers and participating judges, as previously reported in the historical reconstruction. However, holding a competition for the quality of natural coffees in Brazil is justified by the fact that the country is the largest producer of natural coffees in the world and because this type of coffee composes and supports the blends adopted by large coffee shops, such as illycaffè (a reference on coffee quality history), due to this postharvest system that preserves the sugars present in the fruit, giving the product “body”, balancing the drink in case of the presence of some coffee with high acidity.
In Table 5 below, we present the main findings regarding the importance of structuring practices in this five-year multi-case study. The table shows which were the structuring practices identified, their scope of action, the case from which the evidence came and some market arrangement framings where they are important to give support and maintenance.

**Table 5 – Summarizing structuring practices**

<table>
<thead>
<tr>
<th>Structuring Practices</th>
<th>Translations’ area of scope</th>
<th>Evidence</th>
<th>Market arrangements related to</th>
</tr>
</thead>
<tbody>
<tr>
<td>All management/organizational</td>
<td>Intraorganizational</td>
<td>Utz</td>
<td>Marketizing agency</td>
</tr>
<tr>
<td>Creation of internal market devices aiming at controlling, coordinating and managing activities</td>
<td>Intra and Interorganizational</td>
<td>Utz</td>
<td>Pacification process/Market design and maintenance</td>
</tr>
<tr>
<td>Activities to organize market encounters, like workshops, auctions, fairs, etc. (all pre-event activities)</td>
<td>Intra and Interorganizational</td>
<td>Utz and COE</td>
<td>Market encounter/price formation</td>
</tr>
<tr>
<td>Internal control procedures and devices</td>
<td>Intraorganizational</td>
<td>Utz</td>
<td>Marketizing agency</td>
</tr>
<tr>
<td>The strategy development process</td>
<td>Intraorganizational</td>
<td>Utz</td>
<td>Marketizing agency</td>
</tr>
<tr>
<td>All communication efforts procedures. Including propaganda</td>
<td>Intra and Interorganizational</td>
<td>Utz and COE</td>
<td>Pacification process/Market design and maintenance</td>
</tr>
<tr>
<td>Design and creation of Organizations</td>
<td>Interorganizational</td>
<td>COE</td>
<td>Marketizing agency/Market design and maintenance</td>
</tr>
<tr>
<td>Capacity building initiatives</td>
<td>Intra and Interorganizational</td>
<td>Utz and COE</td>
<td>Pacification process</td>
</tr>
</tbody>
</table>

*Source: By authors (2022).*

**5 Final Considerations**

The CMS is a growing field that can give marketing research a new perspective by recognizing the active role of marketing practitioners and researchers in performing market dynamics (Araujo, 2007). When looking at all studies related to the field, we see a panacea of possibilities that evoke the active performativity of marketing. From market practices to market arrangements, it is possible to join and cocreate a new research perspective. As previously said, Kjellberg and Helgesson (2006) initial framework is not a final work, on the contrary, is a very practical look to market dynamics and marketing (Araujo, 2007). We aim to bring here another piece to the market dynamics puzzle.

The results of these five years of research on certified and specialty coffee market formation in Brazil point towards an integrative view within market practices and market arrangements, highlighting the importance of a new category of analysis, structuring practices. From a longitudinal perspective of market formation, one can state that market practices and structuring practices, performed by actors in their daily processes, provoke market overflows. Subsequently, market arrangements are built to accommodate the new market structure, giving room for new market practices and consolidation of structuring practices.
As proposed by (Çalişkan & Callon, 2010), both knowledge and resources are pooled into the design, preparation, experimentation, change, maintenance, extension and operation of market arrangements. For these arrangements to succeed, a number of market structuring practices occur in space, interacting with market practices.

The methodology of the market’s historical reconstruction, from a longitudinal perspective, has proven important to provide the context upon which the market is built, highlighting the importance of market researchers as “market historians.”

Great discoveries may appear to researchers who, instead of caring only about the market results, seek to look at the actors and their everyday practices to build relationships and modify the structures of a production and trading system.

It was possible to identify the main exchange, normalizing and representational practices adopted by the actors involved in the organization and design of the Utz Certified and Cup of Excellence organization scheme in Brazil.

For future research in the CMS field, it is suggested to study the historical context of the market, to identify human and nonhuman actors, to seek the important time instances in which translation chains have caused overflows, to analyse market practices, to identify structuring practices and to verify how this dynamic promotes the emergence of market arrangements.

References


Market practices and structuring practices on market making: sustainable certified and specialty coffee market

Paulo Leme | Gustavo Maciel | Cassio Souza


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**Contribution of each author**

<table>
<thead>
<tr>
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<th>Paulo Leme</th>
<th>Gustavo Maciel</th>
<th>Cassio Souza</th>
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<td>1. Definition of research problem</td>
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<td>9. Manuscript writing</td>
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