DEVELOPMENT OF THE COGNITIVE CONSTRUCTIONS OF THE FINNISH CLOTHING AND FASHION INDUSTRY 1995-2020

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Author: Sonja Karppanen
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Supervisor: Juha-Antti Lamberg

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ABSTRACT

Author
Sonja Karppanen

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Abstract

The Finnish fashion and clothing industry revenues and firm numbers have declined for the last 26 years. Simultaneously, its dependence on the domestic market has stayed at over 60% of the sales, and domestic clothing consumption has more than doubled in value. Therefore there exists an apparent conflict between demand and the success of domestic supply. Prior studies in the industry have shown that the global clothing industry is increasingly hypercompetitive and have studied the consequential strategic adjustments of firms and even developed new ideal business models for the industry. However, there are no studies on the cognitive foundations of the industry.

The strategic cognition (SC) literature has developed around a homogeneity-heterogeneity dialect and found that cognitive constructions of an industry often match the velocity and perpetuate the perceived pace of changes. The enactment of cognitive constructions thus makes the perceived become a reality while realized strategies and changes affect the shared beliefs, creating self-fulfilling prophecies.

This study contributes to the SC literature, challenging the exclusive nature of either homogenous inertial or complex heterogenic industry recipes. For the observed 26 years, the Finnish clothing and fashion industry shows no consensual industry model with three metanarratives existing throughout the environmental changes, resulting in increasing hypercompetition and complexity of industry recipes. However, specialization, quality, and design show cognitive inertia in elements of the recipes and can be perceived as the anchors of cognitive constructions. The Finnish culture seems to hinder success, and ethical values rise to justify the business in a culturally appropriate manner.

Keywords
Strategic cognition, industry recipe, strategy frame, cognitive construction, clothing industry, fashion industry

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Tiivistelmä

Suomen muoti- ja vaateteollisuuden liikevaihto ja yritysten lukumäärä ovat laskeneet viimeisimmän 26 vuoden ajan. Samanaikaisesti ala on riippuvainen kotimaisista markkinoista, jotka kattavat yli 60% myynnistä, ja kotimainen vaatteiden kulutus on yli kaksinkertaistunut. Kysyntä ja kotimaisen tarjonnan menestys ovat keskenään selkeästi ristiriidassa. Aiemmat tutkimukset alasta osoittavat globaalin vaateteollisuuden muuttuneen hyperkilpailulliseksi ja tutkimus on selvittänyt seuranneita yritysten strategisia sopeutumisia sekä kehittänyt uusia ideaaleja liiketoimintamalleja alalle. Kuitenkaan yksikään aiempi tutkimus ei käsittele alan kognitiivisia taustoja.

Strategisen kognition kirjallisuus on kehittynyt homogeenisyyden ja heterogeenisyyden välisen dialektin ympärille ja osoittanut, että alojen kognitiiviset konstruktiot usein vastaavat alan nopeutta sekä ylläpitävät havaittua muutostahtia. Kognitiivisten konstruktioiden toteutus tekee tulkinnoista todellista ja toteutuneet strategiat ja muutokset vaikuttavat alalla jaettuihin uskomuksiin luoden itseään toteuttavia ennustuksia.

Tämän tutkimuksen kontribuutio strategisen kognition kirjallisuuteen haastaa oletuksen, että jokaisella alalla vallitsee eksklusiivisesti joko homogeeninen hitaasti muuttuva toimialaresepti tai monimutkaiset heterogeeniset toimialareseptit. Tutkimuksessa huomioitujen 26 vuoden aikana Suomen muoti- ja vaateteollisuus ei ole löytänyt konsensuksellista kognitiivista mallia alalle. Läpi tutkimuksen havainnointiajan kolme metanarratiivia jatkavat olemassa oloaan ja johtavat lisääntyvään hyperkilpailuun sekä monimutkaisempiin toimialaresepteihin. Kuitenkin toimialareseptien elementeissä kuten erikoistumisessa, laadussa ja designissa näkyy reseptien pysyvyys ja näitä elementtejä voidaan pitää alan kognitiivisten konstruktioiden ankkureina. Suomalainen kulttuuri vaikuttaa haastaneen alan menestystä ja eettiset arvot nousevat oikeuttamaan alan liiketoimintaa kulttuuriin sopivalla tavalla.

Asiasanat
Strateginen kognitio, toimialaresepti, strategiakehys, kognitiivinen konstruktio, vaateteollisuus, muotiteollisuus

Säilytyspaikka
Jyväskylän yliopisto

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1 INTRODUCTION

The clothing and fashion industry has been under much discussion, some focussing on ethical and greener production of clothing and some on the technological development of manufacturing (for example, 3D-printing clothes, generating textiles from waste, etc.) and design (for example, intelligent clothing measuring heart rate, etc.). The globalization of supply chains in the industry and realized (for an example of the effects of globalized supply chains and MFA regulatory change see Rocha & Abreu, 2018) and upcoming (see European Commission, 2019) regulatory changes have pushed the industry towards a continuing state of hypercompetition. Hypercompetition is evident in the changes' scale, scope, and duration and results in the ambiguity of industry boundaries, customer needs, and industry definition (Bogner & Barr, 2000). Finnish industry has been declining in turnovers, firm numbers, and employment (Suomen Tekstiili ja Muoti, 2021c; Tahvanainen & Pajarinen, 2014). On the other hand, domestic clothing consumption has more than doubled in the last 26 years (Suomen Tekstiili ja Muoti, 2021a). Meanwhile, academia promotes the advantages of product-service-system (PSS) based business models in the industry (Armstrong et al., 2015; Niinimäki & Hassi, 2011).

This thesis dives into the cognitive foundations of the Finnish clothing and fashion industry. It answers a gap in the industry literature where prior studies have focussed on realized strategic adjustments (see Kilduff, 2005; Rocha & Abreu, 2018) and the implementation of sustainable business models (see Chiu et al., 2018; Niinimäki & Hassi, 2011). The research on cognitive assumptions behind business models and strategies is missing. Additionally, the Finnish industry has not inspired many studies. Organizations like ETLA and STJM (Suomen Tekstiili ja Muoti ry/ Finnish Textile and Fashion) have released reports, and some under-graduate level theses have been published. Other than that, information on the Finnish industry is scattered and lacks scientific rigour. With the

focus on the industry's cognitive construction, this thesis aims to provide significant and new perspectives on the Finnish clothing industry.

The object of study is cognitive changes in the Finnish industry over time. The textile industry as a whole is a dynamic combination of many subindustries with fuzzy boundaries. This thesis defines the industry as originally and fully Finnish firms whose primary product is women's, men's, or children's clothing items. This definition includes firms with their own manufacturing (primarily termed clothing industry) and outsourced manufacturing (primarily termed fashion industry). Research questions are summarized below.

- How and why have cognitive constructions of the industry in Finland changed over time?
- What kinds of industry recipes can be recognized in the observation period? How and why have they changed? Are the recipes more content or process-oriented?
- What kinds of diagnostic (problems identified) and prognostic (solutions to the problems) aspects or causal logics can be identified in the shared strategic knowledge structures over time? How and why have they changed?
- Why has the industry developed to its current state?

The cognitive view of the industry is academically interesting, and the thesis advances the research on cognition and strategy in the Finnish industry context. The strategic cognition (SC) research shows how significant impacts the shared mental models within an industry have, influencing firms' strategic actions (Porac et al., 1989), the competition identification and industry boundaries (Porac et al., 1995), adoption of new technology (Benner & Tripsas, 2012), opportunity recognition (Vedula et al., 2019), and velocity of the industry (Nadkarni & Narayanan, 2007a; 2007b). Thus, understanding the cognitive basis of an industry helps us further understand the industry and its development and even the actions of individual firms. Porac and Thomas (2006) forecasted that research on cognition and strategy would focus more on the cognitive change rather than the

description of strategic knowledge structures at one point in time and thus provide a better understanding of the dynamic evolution of these structures. Similarly, they argued that future research would seek to understand the interactions of strategic knowledge structures over time. Thus, this thesis serves to advance the research on cognitive change and strategy, especially in demonstrating how the traditional homogeneity-heterogeneity dialect (see Porac & Thomas, 2006) might be making researchers myopic to cognitive inertia and complexity of industry recipes co-existing.

Results show how the industry can develop gradually with inertial anchors within industry recipes that hinder and enable action in uncertain conditions while adding complexity to match (and contribute to) the industry velocity. The dynamism of added complexity and inertial shared beliefs is an exciting finding, as is the lack of industry model consensus for the observed 26-year period. Additionally, this study raises interest in the effects of national culture on the shared beliefs of an industry. The Finnish culture may have hindered the development for a substantial time forcing the industry to search for justifications from ethical values for the business to fit the cultural context.

The next chapter will elaborate on strategic cognition literature focusing on cognitive constructions of industries and their enactment into a reality. The third chapter describes the archival media data collection and analysis and the industry context. Results describe the found three metanarratives of protectionist, limited success, and pessimistic fates of the industry and analyze the identified shared beliefs in depth. The conclusion provides a summary of the findings, their contribution to literature and policy implications for managers.

2 THEORETICAL FRAMEWORK

The concept of cognition originates from psychology and entered strategy literature in the early 1980s with the rise of the interpretive view of the organization (Kaplan, 2011). Today, cognition research has spread around different topics of interest in the strategy literature. The research tradition has used multiple levels of analysis: individual, group, organizational, and industry levels (Walsh, 1995). This study focuses mainly on industry-level analysis, allowing us to best tackle the question at hand: How does cognitive change within an industry emerge and evolve?

Before diving into the strategic cognition (SC) literature more in-depth, the philosophical background of the study needs elaborating. Although building on multiple streams of research within the cognition and strategy tradition, this paper is grounded on the logic of enacted environments first conceptualized by Weick (1979, pp. 148-169).

Hodgkinson (2015) argues that blending different ontological assumptions in SC literature has partially led to philosophically inferior results. The ontological views of perceived and enacted environments are often used as synonyms, although they differ in their fundamental assumptions about the nature of the environment (Weick, 1979, p. 164). The perceived environment perspective assumes that reality is objective, but we can only perceive it imperfectly due to human limitations in information processing (Walsh, 1995). The underlying assumption is that managers, being human, have bounded rationality and thus use heuristics to draw conclusions of their environments; thus, the perceptions of the environment are imperfect (Kaplan, 2011; Nadkarni & Barr, 2008; Walsh, 1995). Additionally, the perspective on cognition is often computational rather than interpretative (Hodgkinson, 2015).

Merely noting the imperfect nature of human cognition is not enough to advance the cognitive managerial and organizational theory (Porac & Thomas, 2006). Weick (1979; 2015) and Porac et al. (1989) create the argument for enacted

environments. The ontological assumptions behind enacted environments are the interpretative perspective on cognition and the socially constructed view of reality (Weick, 1979, pp. 164-166). The enacted environment has blind spots, but these are explained as issues in interpretation rather than information overload (Hodgkinson, 2015). Enacted environment perspective frames the individuals within an industry as active creators of reality (Weick, 2015).

Acknowledging that research streams drawing from perceived environment ontology have significantly influenced and made several contributions to SC literature, this study emphasizes the enacted environment tradition. The enacted environment better describes the fundamental assumptions behind SC. This chapter continues to give an overview of SC and then dives into cognitive constructions at an industry level and their emergence. The final part of the chapter explores the relationship between industry velocity and cognitive constructions and gives an overview of the theoretical framework.

2.1 Strategic cognition

Strategic cognition as a term originated from Schwenk's (1988) paper. It defines and describes the cognitive perspective in strategic management literature. Narayanan, Zane, and Kemmerer (2011) integrated literature on SC and defined it as including the cognitive structures that are relatively stable characteristics or behavioural patterns and processes describing strategic actions taken within an organization. SC provides causal explanations on strategy antecedents, outcomes and ultimately, success and competitive advantage of firms. "SC highlights how cognitive structures and processes develop in organizations, how these structures and processes generate business definitions and corporate and business strategies, and how they lead to major strategic initiatives" (Narayanan et al., 2011, p. 307).

Narayanan et al. (2011) conducted an extensive literature review to base their integrative definition and analysis of SC on. They draw from Porac and

Thomas (2006) in their initial definition. To distinguish SC from behavioural literature, SC emphasizes cognitive structures providing meaning to the strategic environments and these strategic knowledge structures, thought variably labelled, are conceptualized around strategic interpretation (Porac & Thomas, 2006). Narayanan et al. (2011) include articles that had a strategic issue focus and addressed cognitive structures and/or processes following these theoretical boundaries. The integrative framework (presented in figure 1) includes organizational identity, strategy frames, and organizational routines as structural elements of SC; and strategy formulation, strategy implementation, strategic change, and organizational learning as processual elements of SC. Outside the SC, they recognize antecedents (external environmental factors including the industry, internal organizational factors, decision-specific factors and individual factors) and outcomes (process outcomes, strategic actions and economic outcomes) as they are essential to draw the focus on linkages within the framework.

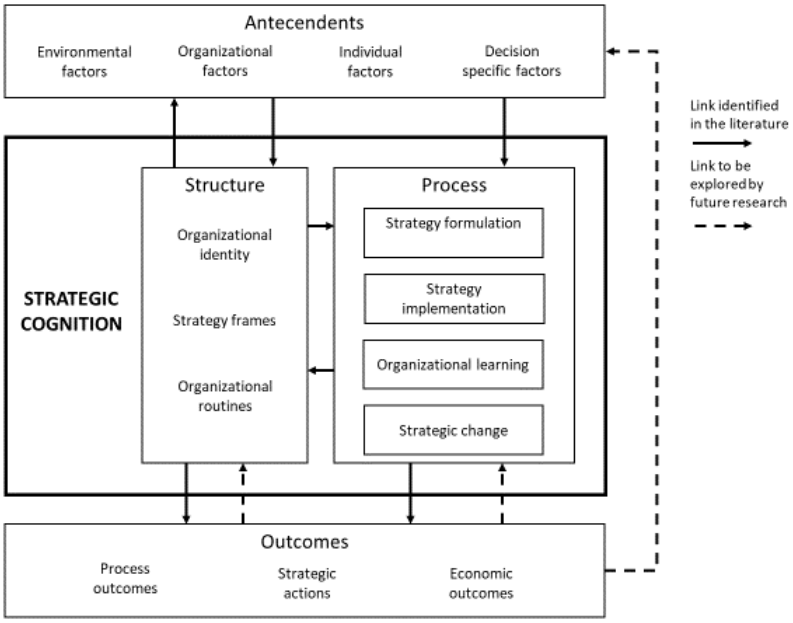


Figure 1 Strategic cognition: an integrative framework re-created from Naraynan et al. (2011)

A fundamental assumption behind the SC research is that "knowledge structures provide a set of lens for strategists to make sense of their firms' strategic predispositions, competitive position, and internal capabilities" (Porac & Thomas, 2006, p. 12). As cognitive filters, the knowledge structures admit some information into

the strategy process, leaving some out, and the literature aims to recognize and measure this filtering (Porac & Thomas, 2006). This underlying logic makes the enacted environment built on Weick's (1979, 2015) ideas about sensemaking and interpretation a logical philosophical choice.

Although the emphasis in the definition seems to be on the firm level, SC research has been conducted on all levels identified by Walsh (1995), including the industry level. SC provides an integrative view of the complex relationship between cognition and strategy. The context of this study draws our attention to the two established streams of research. The first stream studies environmental factors affecting strategy frames and thus strategic actions and economic outcomes, including the cognitive construction of industries. The second relevant stream of literature is the contrary: strategy frames affecting environmental factors. The rest of this chapter discusses these streams of research.

2.2 Cognitive construction of industries

SC literature perceives industries as cognitively constructed (Narayanan et al., 2011). Porac and Thomas (2006) structure the industry's cognitive construction by recognizing three different belief types constituting an industry belief system: beliefs about industry boundaries, industry recipes and reputational orderings of firms. This chapter is structured by first discussing the types of shared beliefs on an industry level. Second, the chapter discusses creating and sharing the beliefs and the enactment cycle that leads to the endogenous nature of industry environments. Finally, the chapter will discuss the enabling and constraining consequences of the cognitive knowledge structures of an industry for participating firms' strategies.

A pro forma citation and an influential paper on the subject is Porac's, Baden-Fuller's and Thomas' study of the Scottish knitwear industry in 1989. A key finding is the existence of shared beliefs within an industry which is vital for this dissertation. When investigating the Scottish knitwear industry, Porac et al. (1989)

found that managers' mental models develop shared beliefs of the industry over time, which guides the recognition of key actors and competitors and strategic actions. They describe the industry as a cognitive community where, although each manager faces unique decisions and has their own unique knowledge base to draw upon, the shared beliefs emerge. They divided these beliefs into two types: beliefs about the environment, aka identifying customers, competitors, and suppliers, and causal beliefs on how to compete in that identified environment, aka the industry boundaries and recipes as Porac and Thomas (2006) labelled them later. Their later work on the Scottish knitwear industry recognizes the reputational ordering of firms (Porac et al., 1995). Other studies use different labels. For example, industry recipes have been conceptualized as environment-strategy causal logics, which offer the basis for decision making by representing the perceived causal relationship between the firm strategy and external environment (Nadkarni & Barr, 2008). In this study, we follow the labels of Porac and Thomas (2006).

Industries are socially constructed, and thus, a collective sensemaking task emerges to define the industry boundaries (Porac & Thomas, 2006). These are based on 'frames of comparability', the name reflecting the critical task to include some firms within the industry and exclude others to stabilize the markets (Leifer, 1985). Porac et al. (1989) observed consensual identity beliefs within the Scottish knitwear industry, aka the managers tended to define their business in similar terms. These defining assumptions describe the business the firm is in and include assumptions about customers, competitors, and suppliers.

The strategy group literature deals with industry boundaries and draws from the Scottish knitwear industry study. Porac et al. (1989) argue that strategic groups explain the intra-industry variation between firms and offer a logic of primary competitive group, which they later elaborated by recognizing the categorization within a shared industry model (Porac et al., 1989, 1995). Both rivalry networks and strategic groups are concepts that perceive the boundary beliefs as

segmenting the firms within an industry to market networks (Porac et al., 1995; Porac & Thomas, 2006).

The cognitive taxonomy and strategy group literature are not as relevant for this research as the cognitive construction of industries. However, it is helpful to understand the basic idea since they are tightly linked to other shared beliefs within an industry. These streams have inspired the categorization and competitive identity literature until today (Porac et al., 2011). In this study, it was necessary to define industry boundaries in advance for data collection purposes; thus, any analysis of socially constructed boundaries from the data would be inherently biased. Boundary beliefs guide the attentional focus to comparably similar firms and enable creating shared beliefs on industry-specific logics of actions, aka industry recipes (Porac & Thomas, 2006).

The causal beliefs or shared strategic recipes link beliefs about strategy and performance. These beliefs draw from the boundary beliefs and describe the possible strategies to compete and succeed within those perceived market boundaries (Porac et al., 1989). A shared consensus about the market structure allows firms to recognize threats and opportunities within a competitive arena with its own 'rules of the game' (Porac et al., 1995). Spender (1989) first introduced the term industry recipe, and to some extent, it is equivalent to a strategy frame of industry-level. Strategy frame is a seemingly organization-level concept (Cornelissen & Werner, 2014; Narayanan et al., 2011), but strategic frame was originally a term for industry-level logic (Huff, 1982). The term collective strategy frame has been used in industry-level studies to describe Huff's (1982) logic consisting of a set of causality understandings related to industry boundaries, competitive rules, and strategy-environment relationship. It is noteworthy that the collective strategy frame includes, in addition to commonly shared ideas, the unique but publicly available (aka could be imitated by another firm) ideas (Nadkarni & Narayanan, 2007b). All these industry-level concepts emphasize the causal beliefs that guide the strategic choices of firms. The content of strategy frames is generally

understood as business or corporate strategies or assessing the firm's value (Narayanan et al., 2011). The structure of strategy frames has been operationalized as core and peripheral elements (Nadkarni & Narayanan, 2007a) and as characteristics of focus and complexity (Nadkarni & Narayanan, 2007b).

Industry recipes reflect the consensual rule systems of the industry that guide the reasoning of strategic problems and justify actions among the cognitive community (Porac & Thomas, 2006). These causal beliefs in the Scottish knitwear industry clearly influenced the business models and strategies that firms used to compete and operate (Porac et al., 1989). The consensual model, for example, emphasizes manufacturing expertise and flexibility (the minimum order number being as low that stores could order individual products) and high-quality Scottish materials over high-fashion design, and only actors outside the industry contested this logic (Porac et al., 1989). The stability of the beliefs is remarkable. In their revisitation of the case twenty years later, Porac et al. (2011) note that similar recipes were still used in the industry, although the industry had suffered a significant decline. Later research confirms that solidified industry recipes can trap industry participants and lead to collective failures (Pazzaglia et al., 2018). On the other hand, some studies have indicated that elements of the recipes are in constant flux (Porac & Thomas, 2006).

Boundary beliefs and industry recipes enable a socially constructed comparison, where the industry insiders use intricate and detailed measuring and evaluating mental models for comparing a rival firm's products and other outputs (Porac & Thomas, 2006). For example, when judging the rivalry firms in the Scottish knitwear industry, the industry insiders compared the firms based on central and noncentral attributes drawn from the shared beliefs of industry boundaries (Porac et al., 1995). In addition, to the rankings produced by the insiders, external evaluators and their judgments impact the reputational ordering (Pazzaglia et al., 2018; Porac & Thomas, 2006).

2.3 Emergence of shared beliefs and self-fulfilling prophecies

The role of the transaction network is critical for the emergence of shared beliefs, underlining that the material and the cognitive are tightly interwoven (Porac et al., 2011) in line with the idea of enactment (Weick, 1979, 2015). Industries consist of networks of actors. Those networks evolve around activities and artefacts, which become informational cues to which commonly accepted interpretations are attached, building an explicit population language within an industry (Porac & Thomas, 2006). The commonly shared language and associated cognitive knowledge structures constitute the industry belief system, elements of which we have already gone through earlier in this chapter. Social networks can be described as channels for information flow between various industry participants, including suppliers, customers, unions, and associations (Nadkarni & Narayanan, 2007b).

The industry beliefs are created and shared in networks through stories, our very human and essential tool for sensemaking (Porac & Thomas, 2006). The shared beliefs and existing social networks are mutually reinforcing each other (Pazzaglia et al., 2018). They guide the sensemaking process influencing noticing of stimuli, attribution of meaning, and developed causal beliefs (Nadkarni & Narayanan, 2007b). Stories make the internal cognitive representation externally available, and they become public interpretations about industry events, practices, and conditions and are either accepted or contested (Porac & Thomas, 2006). Once public, they feed institutionalization processes that incorporate them into the shared beliefs (Porac & Thomas, 2006). The institutional pressures make firms adopt the behaviours and beliefs perceived as successful since they are enacted by successful firms (Bogner & Barr, 2000). Additionally, enacting a predominant cognitive frame can give firms status in the industry (Pazzaglia et al., 2018).

Social comparisons also lead to imitation of recipes (Pazzaglia et al., 2018; Porac et al., 1989), although cognitive beliefs have a greater impact on strategic decisions than direct imitation (Benner & Tripsas, 2012). Thus, although industry

boundaries serve as the basis for industry recipes on which reputational orderings are based, there is a reciprocal circle in play, where the industry recipes of successful or powerful firms get multiplied and consequently affect the boundaries of the industry

The existence of shared beliefs within an industry does not mean a full consensus exists. Intra-industry variation is assumed, and shared beliefs are merely core assumptions shared by many industry actors (Porac et al., 1989). Many former SC studies have suffered from a limiting implicit assumption of one shared frame (Narayanan et al., 2011). The issue persists in industry-level studies (see Nadkarni & Barr, 2008; Pazzaglia et al., 2018; Porac et al., 1989, 1995). Some studies (see Benner & Tripsas, 2012; Irwin et al., 2018; Kaplan, 2008) challenge this singularity assumption and argue that multiple recipes or identities can exist simultaneously inside a cognitive community. The whole strategy and cognition literature has long evolved around this homogeneity-heterogeneity dialect in which the central question concerns the degree of consensus on strategic knowledge structures among individuals or groups and within industries (Porac & Thomas, 2006).

Porac et al. (1989) underline the notion of the enactment cycle. It explains how the firm's environment is more enacted and a cognitively constructed reality than objective truth. Enactment places both agency and action with sensemaking as central elements in creating and re-creating our environments (Weick, 2015, pp. 194–195). Enactment supports the research on change as it focuses on the linkages and dynamics of constant enactment of environments. One could question the causality of enactment, but Weick (2015, pp. 197–202) argues that the reciprocal specification of two elements renders the 'which came first' -question mute. In the context of industries and organizations: the organization is created through enactment by its members, and the organization enacts an industry. The organization thus gets a more specified identity by the actions of its members, and industry is specified by the organization. Simultaneously, being a member of the industry specifies the organization's identity, which specifies the actions

the members of the organization see fit to enact. The cyclical causation is the very nature of enacted environments and makes the emergence of shared beliefs possible.

The enactment resembles a self-fulfilling prophecy where expectations have concrete, real-life consequences (Weick, 2015, p. 194). Porac et al. (1989) notice this as an observation from the Scottish knitwear industry: Most information processed within the industry's network of transactions comes from within the network (other firm's actions as market cues), explaining the self-reinforcing nature of shared beliefs. They go as far as to suggest that perceived competitive boundaries in the network could not be different due to self-reinforcement. In their revisiting article, Porac et al. (2011) reveal that their empirical intuition had been proven correct after twenty years, as the Italian firms, the industry participants considered not to be their competitors, have since acquired multiple firms in the Scottish knitwear industry. They note that the problem of myopia is not merely a cognitive issue emphasizing the role of material transactions. More recently, Pazzaglia et al. (2018) argue that the interplay of cognitive and political processes and the enactment cycle explain industry-wide collective sensemaking failures.

In conclusion, the shared beliefs emerge from a socially enacted environment and shape consistently the strategies and actions of firms involved (Porac & Thomas, 2006). The industry participants reciprocally shape the shared beliefs by enacting them. Shared beliefs and especially industry recipes enable the creation of (successful) strategies that fit the industry and perceived competition. On the other hand, they bind organizations to a set of capabilities and available actions, blinding them to alternatives (Benner & Tripsas, 2012). Porac et al. (1989) refer to a 'competitive cusp' describing shared beliefs' enabling and constraining impact. Firms experience pressures to both conform with other firms within the industry and differentiate from them to compete (Irwin et al., 2018). Participating in the enactment process and adopting the shared beliefs becomes a price to participate in that industry's competitive arena, limiting the tactics for differentiation (Porac et al., 1989, 1995). The enacted nature of market structures makes

them constraints to strategic decisions because key decision-makers believe they exist and do not contest them (Porac et al., 1995). However, this form of cognitive inertia might be unique to low-velocity industries. Thus, the next chapter will discuss the industry velocity's relationship between cognition and strategy.

2.4 Reciprocality of industry velocity and industry recipes

There are indications that the industry clock speed might be a product of the cognitive construction of an industry (Nadkarni & Narayanan, 2007b). Bogner and Barr (2000) argue that the shared industry recipes perpetuate a hypercompetitive state of an industry, further underlining the fundamental significance that the cognitive construction of industry has for determining industry outcomes. The empirical findings on antecedents of strategy frames have found some support for what Narayanan et al. (2011) call "the law of requisite variety", meaning that the structure and content of industry recipes match the dynamism and turbulence of the environment. For example, Nadkarni and Narayanan (2007b) show that the complexity of frames promoted strategic flexibility and success in fast clock speed industries, whereas the more focused frames fostered strategic persistence, which was found effective in slow clock speed industries.

Bogner and Barr (2000) argue that the hypercompetition demands more from managerial sensemaking and drives them towards using adaptive sensemaking processes: developing cognitive diversity to increase the noticing of stimuli in the top management, implementing rapid decision-making based on real-time information, and taking experimental actions, thus being involved in active sensemaking and proactively changing the environment. Similarly, Nadkarni and Narayanan (2007b) find that collective strategy frames in high-velocity industries tend to be more complex, thus enabling noticing of various stimuli and less coherent, thus enabling sharing more novel ideas. A wider diversity of noticed stimuli encourages opportunity recognition and firm entries (Vedula et al., 2019) as well as business model innovation (BMI) (Narayan et al., 2020). Further,

Bogner and Barr (2000) argue that as hypercompetitive circumstances persist, the industry recipes focus more on the processes of adaptive sensemaking practices instead of the traditional content of recipes. For example, a nonhypercompetitive industry recipe might include understanding that a specific technology is the key to success. In contrast, a hypercompetitive one might say that technological advancement is the key to success but favours no specific technology for nobody in the industry knows certain which technology will become the "winner".

Moreover, low and high-velocity industries experience different paces of changes due to differences in social networks (strong ties with narrow scope in low-velocity conditions, weak ties with broader scope in high-velocity conditions) and reliance on feedback mechanisms (higher on low-velocity industries) (Nadkarni & Narayanan, 2007b). Nadkarni and Narayanan (2007b) compared the low- and high-velocity industries. They found that changes in low-velocity conditions are incremental for a long time, punctuated by short periods of radical changes. In contrast, high-velocity industries follow a pattern of constant medium-scope changes. They further explain that the feedback mechanisms either reinforce or undermine collective assumptions and existing social networks, influencing how and when the collective assumptions, social networks and collective strategy frames are changed. According to their findings, high reliance on feedback mechanisms and strong social ties in low-velocity industries cause the industry to recover into its low-velocity state after a period of discontinuity. In contrast, heterogeneous industry recipes allow the firms to alternate between multiple perspectives that help anticipate and prevent major discontinuities. The industry recipe of high-velocity industry encourages the diffusion of novel ideas and thus experimental actions leading to medium scope changes that further perpetuate high-velocity (Bogner & Barr, 2000; Nadkarni & Narayanan, 2007b).

The reinforcing nature of the match between industry velocity and recipes perpetuates hypercompetition or low-velocity conditions. Solidifying shared beliefs further weakens the firm's ability to engage in adaptive sensemaking (Paz-

zaglia et al., 2018), making it harder to break the cycle. To conclude, figure 2 reflects the reciprocal enactment cycle, including shared beliefs, strategic actions, and industry velocity as context. As found in this chapter, industry velocity affects all elements and is enacted through them, making the system further reciprocal.

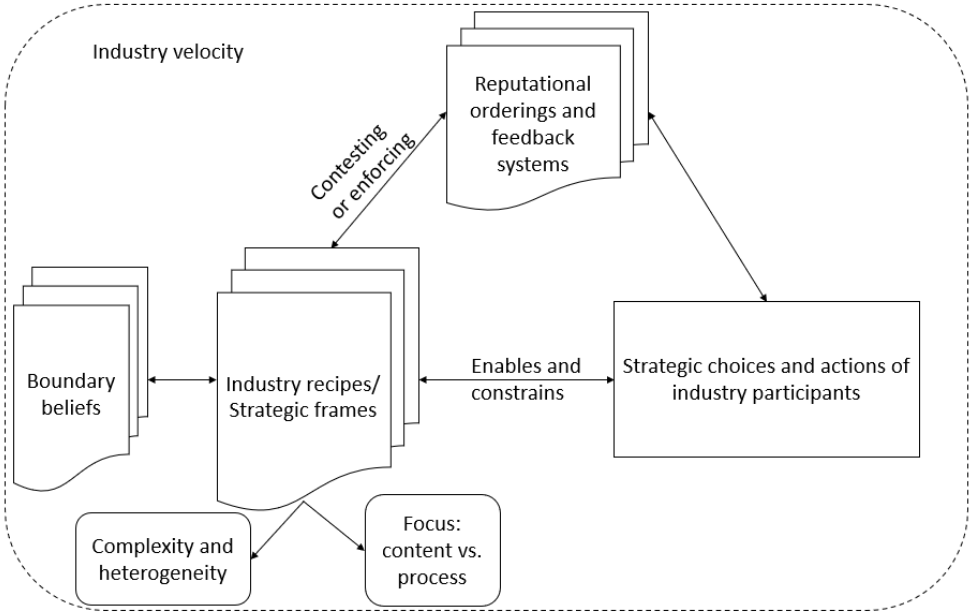


Figure 2 Theoretical Framework

3 DATA AND METHODOLOGY

This chapter describes the collection and analysis of the archival data used. I clarify general analysis principles and describe the context of the analysis, aka industry statistics and prior strategy findings.

3.1 Data collection and analysis

A set of newspaper articles from Helsingin Sanomat (HS) between 1995 and 2020 were collected for the data. I considered Tekstiililehti (Textile Magazine) articles but dropped them due to a particular focus on the textile industry's perspective. The data set needs to be limited enough to answer the master thesis scope and provide meaningful data. Thus, I developed specific criteria to help recognize relevant articles.

The textile and fashion industries are a dynamic combination of firms producing textiles and clothing; manufacturing shoes, leather products, furs, and other related products; offering textile care services; and operating in whole and retail sale of the final products (Suomen Tekstiili ja Muoti, 2021c). This makes the industry boundaries hard to define. TOL classifications of Finland do not serve the purpose due to the fluidness of industry boundaries and firms self-choosing the TOL reported. To limit the study's scope and form meaningful research questions, I chose to focus on the clothing and fashion industry. This thesis uses the clothing industry to describe firms that manufacture clothing themselves (often in addition to designing and retailing) and the fashion industry to describe the firms that have outsourced manufacturing but design clothes for consumption. Speciality areas like fur and leather garments are excluded.

To find relevant articles from the HS digital archive, I used a set of search words (vaate*(cloth*), vaateteollisuus (clothing industry), muoti (fashion)). Then

I skimmed through all results, including only articles handling the Finnish clothing or fashion industry and its state or development. The chosen focus is the one of business since the theoretical interest considers strategy. The articles included discuss a Finnish brand or company producing or designing clothes for consumption or general direction of Finnish clothing or fashion industry. This filtering leaves out articles about the global clothing and fashion industry and global brands and their development. Furthermore, it excludes individual designer career stories, retail, textile industry, shoes, furs, and other specific products. In addition, general fashion trend descriptive articles are excluded. The complete list of topics to include and exclude I used and developed while gathering the articles is provided in the appendix.

The HS archive search resulted in a collection of 344 articles. Articles per se are not the topic of interest, and to draw actual data to analyse, I collected quotes. The initial gathering of quotes follows similar inclusion and exclusion rules as the article gathering. The first set was 475 quotes with descriptions of the industry or its development, firms' strategic choices, success or failure, and prospects of the industry or firms. Simultaneously, I conducted the first iteration of coding, resulting in a general understanding of the data, and I recognized the three metanarratives: protectionist, limited success, and pessimistic. First-order codes are all directly drawn from the language the industry participants have used to describe the industry. However, I generalized the titles when transcribing in English for the figures presented later in the results.

During the second iteration of coding, I revisited all articles, quotes, and their coding, focusing on the subject matter that emerged from the first iteration. The coding was adapted to pay more attention to the meanings given by each quote while dividing the quotes into the three metanarratives. Some quotes and articles I excluded as irrelevant, and I found some additional relevant quotes. The second iteration resulted in a coding tree that clearly describes the meanings

given in each metanarrative. After the second iteration, I removed irrelevant documents with zero quotes, and the number of articles dropped to 279. The final number of quotations came 444.

The final coded data is divided into two macro levels: the metanarratives and whether the code describes failure, success, or neutral reality. Using two macro levels confirmed that the metanarratives are coherent in shared beliefs and not in outcomes described. Thus, each metanarrative includes success, failure and neutral descriptions. Metanarratives are the analytical focus. Each metanarrative changes during the observation period. I began data analysis by building yearly networks from the coded data and recognizing connections between the codes and discussion between and within metanarratives. I wrote twenty-six memos, each describing the themes and central elements of a network. After the year-by-year analysis, I recognised the critical transformations of each metanarrative that divided them into eleven subnarratives. Some subnarratives co-existed for a longer time, most having at least a short (one or two years) "transformative" period, where elements of two subnarratives co-existed with the new one becoming more dominant each year. Figure 3 shows the subnarratives on a timeline. The four eras will be described later in the context chapter.

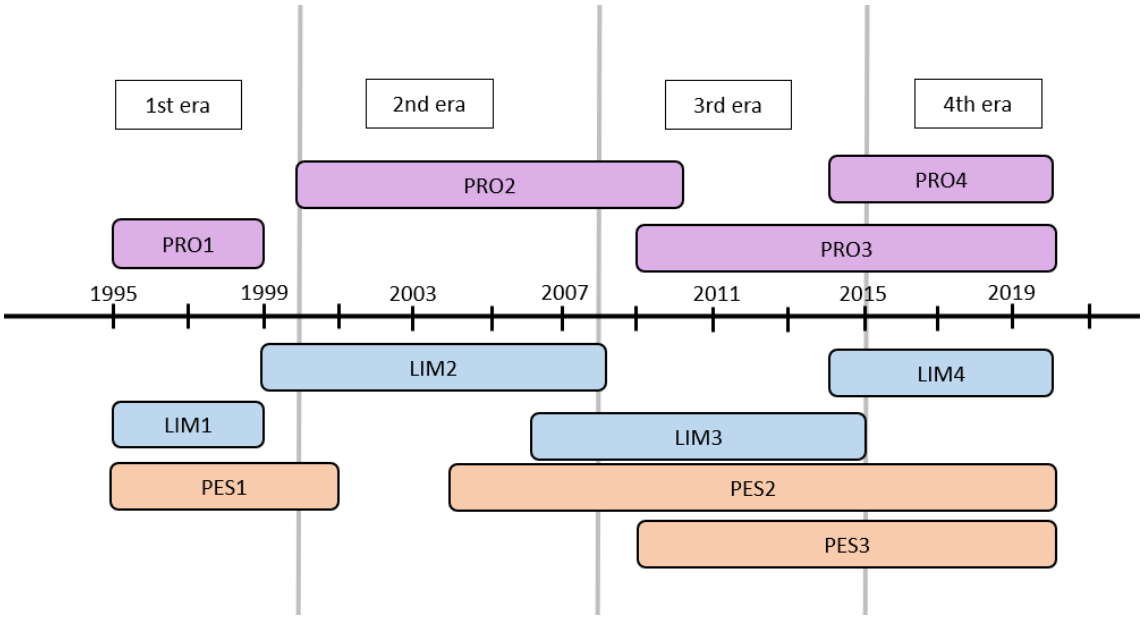


Figure 3 Timeline of subnarratives

After recognizing the subnarratives, I generated eleven quote collections grouped by codes and conducted computational analyses to see what codes each narrative emphasized. The apparent computational differences in codes confirmed that the qualitatively identified subnarratives are significantly distinct. I ensured that one quote belonged to only one subnarrative within a metanarrative. However, a minority of quotes included elements from two metanarratives. Quote collections enabled further subnarrative analysis. I continued to recognize diagnostic (problems noticed in the narrative) and prognostic (solutions to answer perceived challenges) aspects of each narrative. Kaplan (2008) uses a similar method and notes that recognizing diagnostic and prognostic aspects is consistent with the strategic choice since strategy-making involves matching problems to solutions. In addition to the subnarrative analysis, I conducted thematic network analysis on the ethical issue related codes and made a quote collection on innovations to provide a more detailed analysis on the matters.

3.2 Methodology

The research process is highly based on interpretation, and thus, the results are by nature subject to misinterpretations due to the researcher's subjectivity. The desired outcome was not to prove or test any prior theories or construct new ones but to build more understanding through this interpretative case study. This thesis is best described as a theory elaborating case study, where empirical data can test and challenge the existing theories and focus is on contextualized logics of general theory (Ketokivi & Choi, 2014). Abductive reasoning is emphasized in these types of studies (Ketokivi & Choi, 2014), meaning that the researcher looks for the best possible explanation, aka matching theory with empirical data (Mantere & Ketokivi, 2013). Abductive reasoning is distinct from inductive and deductive reasoning. Inductive reasoning is used to build new theories from the existing data, and deductive reasoning to test existing theories with new data. Inter-

pretative research uses abductive reasoning and, as a result, does not create theoretical propositions or new models but rather reflexive narratives. (Mantere & Ketokivi, 2013.)

In interpretive studies, theory and empirical data are in a dialogue (Mantere & Ketokivi, 2013) which challenges the researcher to investigate theory and data simultaneously and in a balanced manner (Ketokivi & Choi, 2014). I conducted theory building and data analysis simultaneously, and emerging results have impacted the theoretical approach. Research questions were also subject to the interpretative process as what was interesting to focus on emerged from the data and not from prior theories. However, prior to data collection, I developed a general understanding of the industry and strategy and cognition literature to ensure meaningful data collection.

I used the Atlas.ti software to assist the analysis process. The software enables the grouping of data sources (articles) and codes, developing a coding tree, collecting the quotes, building networks, and conducting different types of analysis from the coded data. Automatic keyword coding would have been possible, but I chose not to use it. Abductive reasoning and interpretative studies rely on researcher cognition rather than computation (Mantere & Ketokivi, 2013). Thus, I conducted all codings manually to support the methodological choices and goals of the study. Computational analysis of counting quotes and codes was merely used to confirm qualitative findings.

3.3 Context of analysis

I used two primary statistical sources to gain the overall picture of the industry's development: Etla's report (Tahvanainen & Pajarinen, 2014) I primarily use for the historical understanding between 1995-2012, and STJM's (Finnish Textile and Fashion, a third-sector organization for Finnish companies operating in textile, clothing, and fashion industries) reports for both historical and after 2012 understanding. Figure 4 summarizes developments from both sources considering the

overall turnover of the clothing industry, exporting value of clothes, number of firms in the textile and fashion industry in total, and money consumed on clothes in Finland. The best year in turnover (2001) is marked with a star. The figure is divided by the eras used in the analysis, which are discussed later in detail.

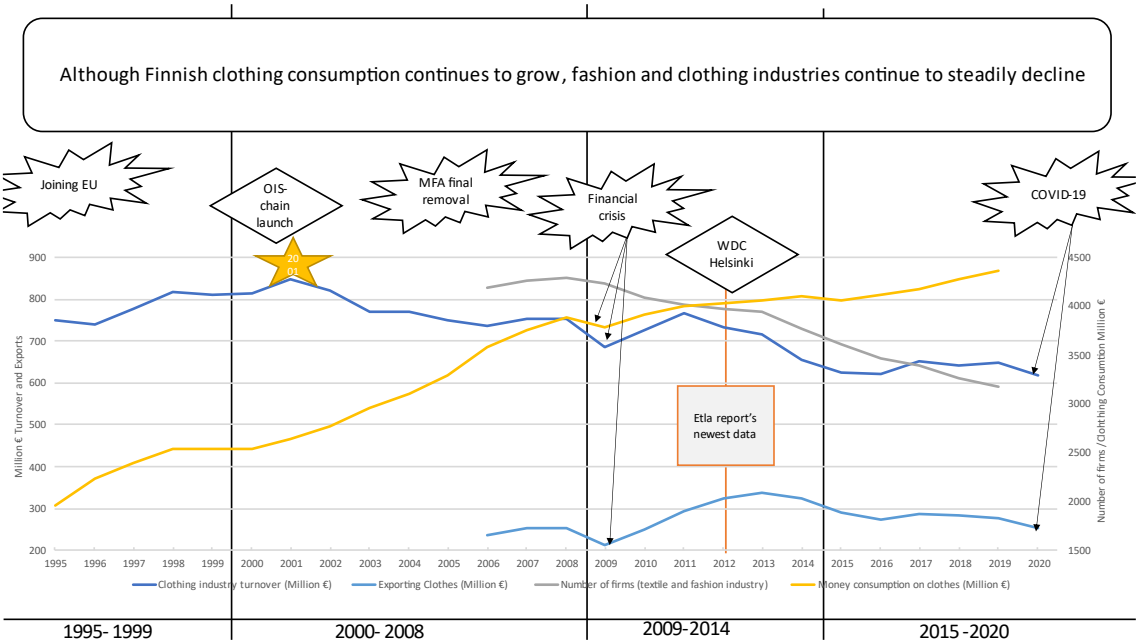


Figure 4 Statistical development of Finnish industry: 26-year summary

The industry is relatively small by global standards. STJM follows the consumption of textiles and clothes in Finland since over 60% of the sales in the industry come from domestic markets (Suomen Tekstiili ja Muoti, 2021c). However, domestic production covered under 15% of the consumption in 2019. As the clothing industry is also the carrying force of the growth in exporting of the textile industry (Tahvanainen & Pajarinen, 2014), the actual percentage is even lower. Thus, there seems to be room for growth. More importantly, the consumption of Finnish people in clothing has nearly doubled from the year 2000 (Suomen Tekstiili ja Muoti, 2021a). Despite the potential and high profitability, the revenues decline steadily, and global players dominate market shares.

Global hypercompetitive conditions characterize the industry. It is evident in the scale, scope and duration of changes making former shared beliefs useless (Bogner & Barr, 2000). According to the data, the most noteworthy events are regulatory changes of joining EU (1995) and MFA final removal (2005); structural

changes manifesting in the OIS-case (Oikeaa Istuvuutta, retail chain launched by the Finnish L-Fashion Group) discussion (2000-2001); general economic situations of the financial crisis (2009) and COVID-19 pandemic (2020); and the Helsinki World Design Capital (WDC) event (2012). Each has both positive and negative impacts associated with them. In circumstances of hypercompetition, significant ambiguity exists around industry boundaries, recognition of critical resources, and customer needs and preferences (Bogner & Barr, 2000). Although I collected data with clear pre-defined boundaries, the structural ambiguity is evident. The firms represented go from clothing producing companies to more retail-oriented (many conducting both), handicraft-focussed firms, to ones defining themselves as lifestyle brands. Additionally, the industry participants describe the ambiguity of customer needs and myopia in recognizing competitors.

One expects an increase of industry recipes' complexity in hypercompetitive industries (Bogner & Barr, 2000). This is evident in Brazil's apparel industry as a diverse set of business models (Rocha & Abreu, 2018). The Finnish industry has used high-quality products and R&D as its primary competitive strategy, but prior research does not recognize any industry recipes (Tahvanainen and Pajarinen, 2014). In the US, the most successful firms have combined interpreting market requirements correctly, offshoring manufacturing early, product innovation, effective supply chains, not expanding into retailing, and effective brand portfolio management and marketing (Kilduff, 2005). Still, many US firms have experienced downsizing and bankruptcies like other firms in most countries, and the profit margins have stayed thin even among the success stories (Kilduff, 2005). In contrast, in Finland, profitability has stayed good regardless of market shocks (high profit-margin of quality products) (Tahvanainen and Pajarinen, 2014).

The diversified market needs and evolving technology demand constant investments while intense competition encourages lower costs and increasing efficiency. Kilduff (2005, p. 191) describes the turbulent environment accurately as "one of fragmenting and more rapidly changing market requirements; intensifying global competition; rapid technological innovation; and increased political

and economic uncertainty, including continued interventions by national governments." The same applies to the Finnish and European industries as the recent development in 2018 in the EU Waste Framework Directive demonstrates, making it mandatory to have recycling collection for all textiles by 2025 and more regulation is being prepared (European Commission, 2019).

Regulatory changes reflect the additional pressures to cut emissions and increase the sustainability of the industry. Technological advancement is often presented as the cure, but as the current business models rely on mass consumption, technology's benefits become limited, and a genuine structural change is needed (Niinimäki & Hassi, 2011). Finnish consumers have a preliminary interest in product-service-system (PSS) business model design advocated by the academia, but the industry's infrastructure does not support the design, and ownership change takes away some psychosocial by-products from the customer (Armstrong et al., 2015). If implemented, the benefits of PSS are undeniable for answering consumer needs and sustainability pressures, and there is an immense potential of redefining competition in the industry. Even a methodology for creating integrated PSS business models for the clothing industry has been created by academic research (Chiu et al., 2018). Empirical findings from the industry indicate that although a systemic transformation of the industry is perceived as an ideology worth striving for, the industry's actual business models and strategies are likely to remain fragmented for the time being (Molderez & Van Elst, 2015).

The analysis deep dives into cognitive constructions, answering the open questions concerning the Finnish industry's response in the hypercompetitive global context. The three metanarratives consist of 11 subnarratives which differ in length and timing of their eras. However, four eras can be recognized as having something in common and cutting the 26 years roughly in the places where narratives shift focus. Figure 5 summarizes the main statistical trends in each. The first era is from 1995 to 1999, and I call it the design-focused era. Many quotes recall the wave of bankruptcies from the 1990s recession. The analysis starts with this setting: Industry has gone through significant losses, but revenues have since

risen and stabilized. Globalization is evident and a rising phenomenon in the industry, and fast fashion is the global new normal, which has already waken some resistance (Korhonen, 2016).

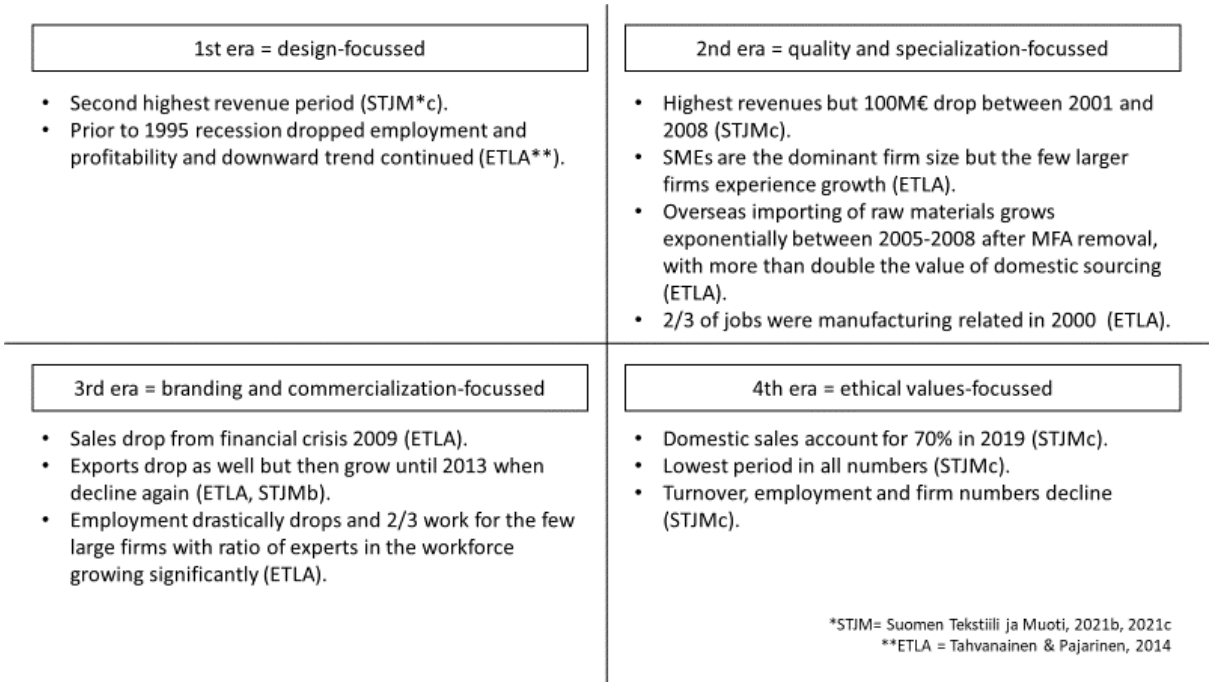


Figure 5 Statistical trends and descriptions of the four eras

The second era is the longest, lasting from 2000 until 2008, and mostly emphasizes quality and specialization. The beginning of the 21st century was the industry's high point (Suomen Tekstiili ja Muoti, 2021c). The MFA removal in 2005 removed tariffs to importing globally and fully integrated the industry to follow WTO's regular GATT rules (General Agreement on Tariffs and Trade) (Textiles: Back in the Mainstream, n.d.). Globally the concern was that removing the MFA would have catastrophic effects on most countries' clothing industries except for China, and as the change was realized, it permanently changed both global and national value chains and accelerated modern fast fashion (Rocha & Abreu, 2018). This concern is voiced in the data but not very dominant. The launch of the OIS retail company, which was meant to challenge H&M and other foreign retailing/fashion companies, captured more attention in all three metanarratives. Later the structural shift manifested in the OIS discussion is referred to as a time

when multiple firms expanded into retailing, a strategy that has been found unsuccessful, at least in the US context (Kilduff, 2005).

From 2009 until 2014, the third era started with the financial crisis that manifested in the global economy in 2009. The Helsinki WDC event in 2012 is perceived as significant for the industry, especially in arousing conversation of the lack of appreciation, support organizations, and funding institutions. The third era strongly emphasizes branding and commercial fashion. The fourth era marks the shift in emphasis to ethical values in 2015-2020. This final period is the lowest in terms of pure numbers, demonstrating that the trend has been towards decline despite some ups and downs.

Table 1 describes the used abbreviations of each subnarrative and their specific years and the number of quotes they include. Note that a minority of quotes are coded as belonging to two metanarratives when they unmistakably depict elements from both. Thus the total number of quotes from the table comes over 444. The limited success narratives are stronger in pure numbers than the other two, and due to this, I normalize the code information in the next chapter as percentages.

Table 1 Used abbreviations and their meanings

Used abbreviations	Meaning	Years	Number of quotes	Quotes per year
PRO1	First protectionist subnarrative	1995-1999	19	3,8
PRO2	Second protectionist subnarrative	2000-2010	48	4,4
PRO3	Third protectionist subnarrative	2009-2020	60	5,0
PRO4	Fourth protectionist subnarrative	2014-2020	15	2,1
LIM1	First limited success subnarrative	1995-1999	22	4,4
LIM2	Second limited success subnarrative	1999-2008	73	7,3
LIM3	Third limited success subnarrative	2006-2015	84	8,4
LIM4	Fourth limited success subnarrative	2014-2020	73	10,4
PES1	First pessimistic subnarrative	1995-2001	16	2,3
PES2	Second pessimistic subnarrative	2004-2020	29	1,7
PES3	Third pessimistic subnarrative	2009-2020	16	1,3

4 RESULTS AND ANALYSIS

This chapter presents the findings of the study. First, it describes the metanarratives and then the shared beliefs related to industry velocity, boundaries and recipes. Finally, the discussion summarizes the evolution of the cognitive constructions in the industry and discusses its theoretical and managerial implications.

4.1 The three metanarratives

This thesis recognizes three metanarratives of what is the outcome of the Finnish clothing and fashion industry. Industry recipes and other shared beliefs vary both within and between the metanarratives. Each metanarrative holds characteristics that make it distinct from the others and coherent through time. This chapter focuses on understanding how each of the three metanarratives has developed and describes their key characteristics. All three metanarratives exist during most years, with individual exceptions. Figure 6 shows how the ratios of metanarratives change during the observation period. A key observation is that protectionist and pessimistic metanarratives mostly mirror each other, so when protectionist is stronger, pessimistic is weaker and vice versa—indicating that the balance of the narratives depicts the overall development of optimism in the industry.

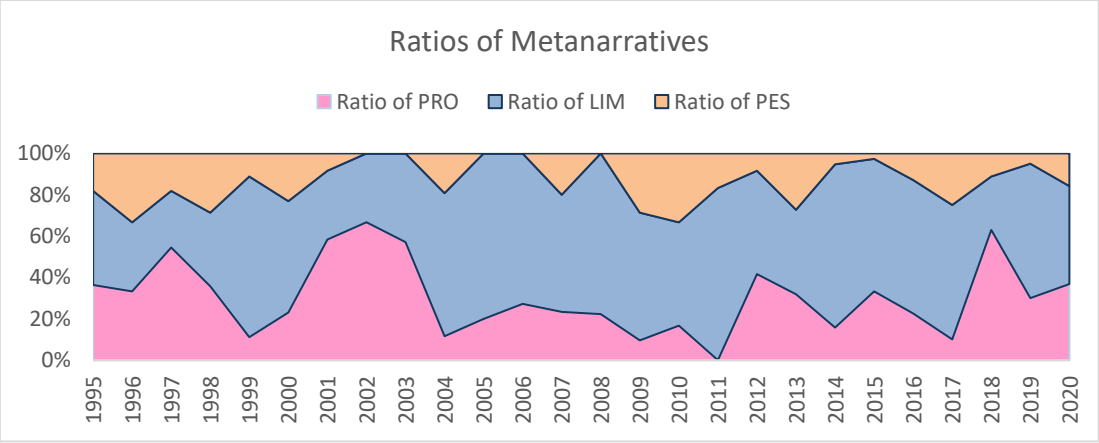


Figure 6 Ratios of metanarratives through the observation period

The following chapters describe each metanarrative with a similar structure. First, there is a summarizing picture of all subnarratives, their development and their relation to critical events. Then key attributes are described in more detail, and numerical code development is presented in pictures. Descriptions end with a table summarizing causal beliefs of subnarratives.

4.1.1 Protectionist

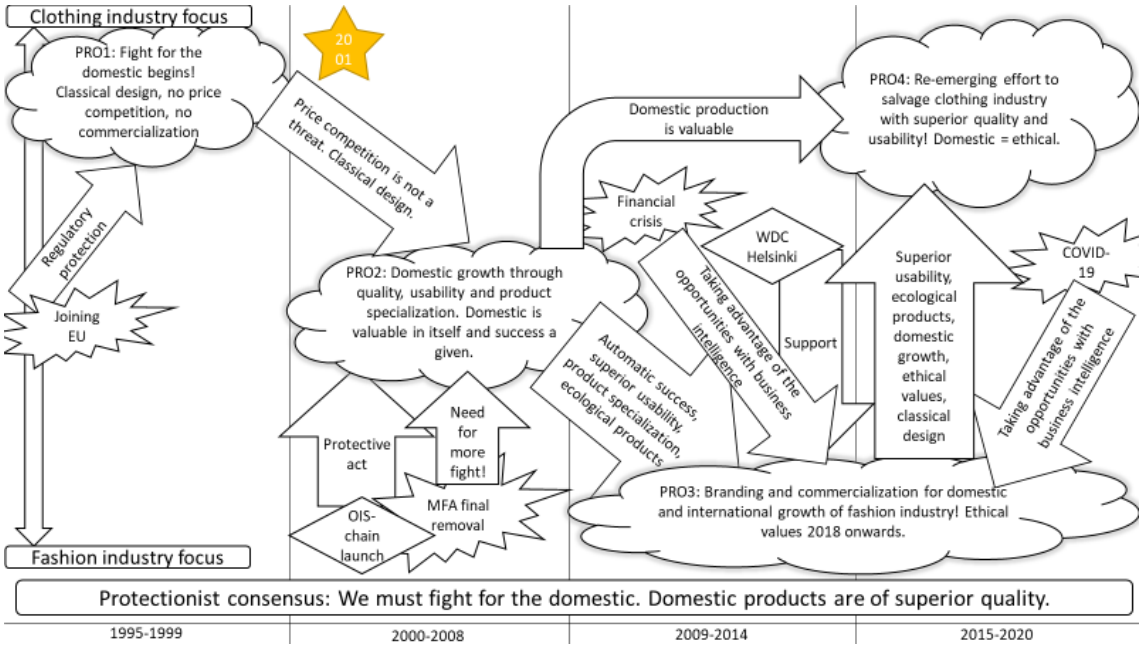


Figure 7 Development of protectionist metanarrative

The protectionist metanarrative's core belief is that the Finnish industry can have (unlimited) growth. Four subnarratives emerge, each with individual characteristics. The consensus within the metanarrative is that the industry is worth fighting for, and Finnish products possess superior quality. The fight discourse is especially interesting since the metanarrative mainly focuses on success rather than challenges, but the fight discourse includes an implicit assumption of problems. To summarize, the development of the positive fight starts with protection, develops into a fight, and finally attempts salvation.

The fight discourse starts with the advocation for a fight to preserve domestic production. It focuses primarily on regulatory protection since EU membership causes discussion around it. It states that the extra customs before moving

to standard EU regulations are necessary to protect the domestic industry. Once normal regulation of the EU is enforced, one can trust the EU to regulate importing from third-world countries. Thus, the worry for intense price competition is irrelevant.

> *"The difference between customs was so big that a transition period was necessary to protect the industry. It helps manufacturers adapt to the substantial difference between Finnish and EU customs.", assures the CEO Jussi Peitsara from the Central Union of Clothing Industry. Peitsara also justifies the transition period in that it protects domestic employment. – Industry NGO representative, 1995, PRO1*

In PRO2, the noble fight is more concrete than mere price competition. The threat of globalization entails foreign fashion retailers claiming market space and invading the producing industry and WTO changing regulations leading to increased imports from China. The threat of China is especially evident from 2005 onwards and the threat of retailers in the first half of the 2000s. From the protectionist point of view, the OIS case is a courageous and intelligent move against foreign retailers, protecting domestic industry. It shows that the fight has evolved into an active attempt to beat the global competition. Additionally, the focus is not solely on producing firms.

In the fashion industry-focussed PRO3, the fight discourse is not as strong as in the others but continues to prevail as active attempts to succeed and protect domestic employment. While PRO3 continues to exist, a minor distinct subnarrative appears. PRO4 argues that domestic production is valuable in itself and worth fighting for and thus returns to the roots of protecting producing industry imitating attributes of PRO1. However, the attempt is much more desperate since most of the production is already gone. Words used favour salvation instead of protection. Figure 8 demonstrates how the codes have computationally developed, including the fight for domestic -code.

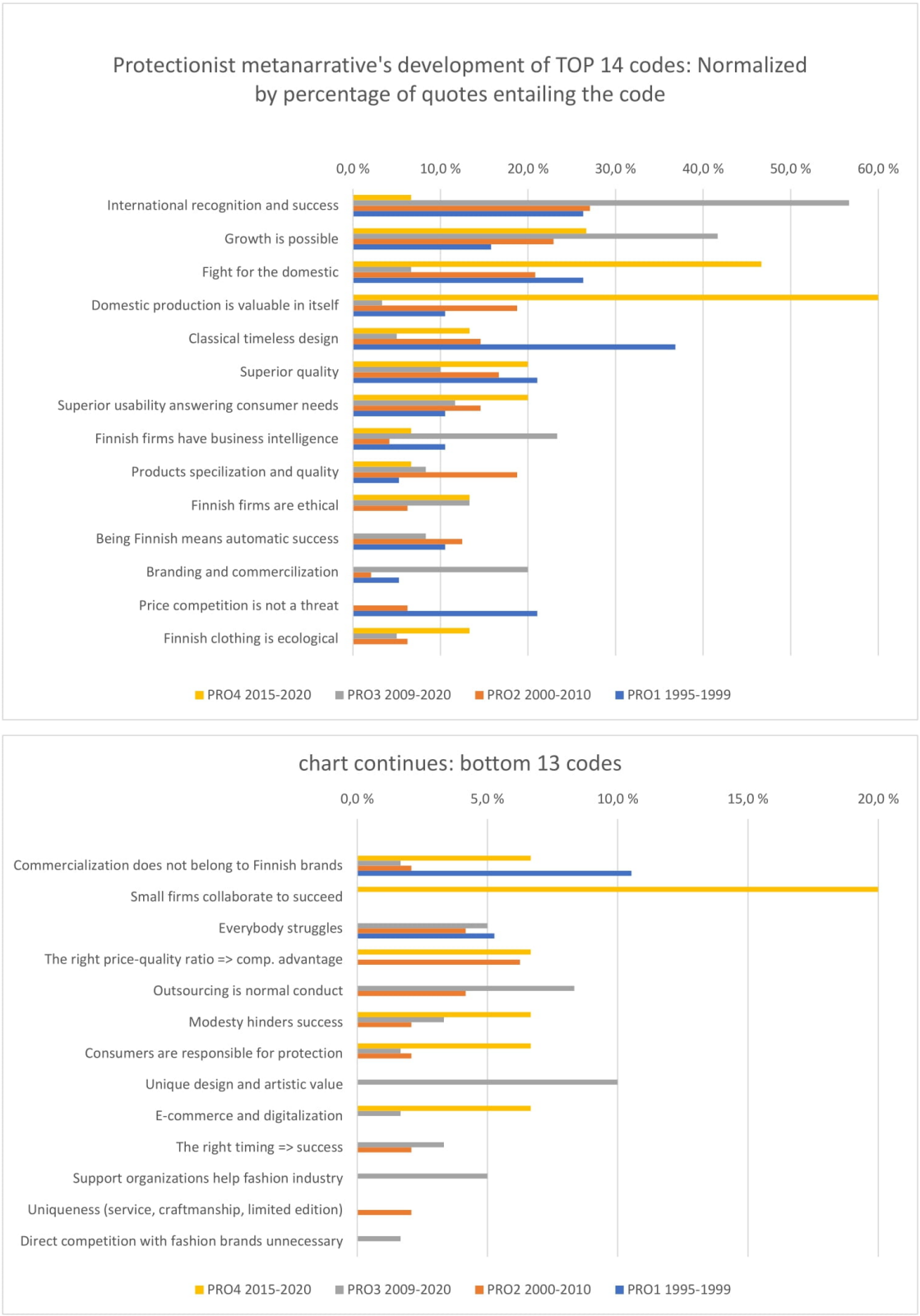


Figure 8 Protectionist metanarrative: code development

The superiority of quality is described as a source of competitive advantage. PRO1 associates it strongly with classical design, PRO2 with specialization, and the latest two see it as inherently Finnish and associate it with the value proposition of what Finnish products are. The latest three justify higher prices with quality since the clothes can stay in use for longer. PRO1 does not perceive price competition as a threat, and thus the price argument is absent. The limited success metanarrative extensively adopts the quality argument, and thus I will continue to discuss its different meanings in a separate chapter. Note that the protectionist narratives' product specialization and quality code depicts the quality discussions indicating that quality is something to improve, aka not inherently superior. However, the code mainly depicts specialization strategies.

> *At its best, a top-quality men's blazer has over two hundred pieces, and then you talk about millimetres and half a millimetres. The development and refining of these clothes have taken decades. Anssi Tuupainen has added practical details to his own models like cell phone pockets. To materials stretch, aka flexibility, has brought crease-resistance, what a person sitting in cars, trains or aeroplanes appreciates. /…/ The Danish are St. Jacques' worst competitors. "However, their blazers have, for example, half the stuff of mine.", the designer convinced of his own product's merits states. -Media, 2002, PRO2*

An interesting development in the narrative is its production focus, which is strong in the beginning, mediocre in the PRO2, shifts to the fashion industry in PRO3 and clothing industry focus re-emerges in PRO4. Despite the apparent shifts, each narrative describes a specific recipe for success with a relatively strong content orientation. Even challenges are mostly framed as opportunities, such as the financial crisis and structural changes. Overall, it is a very optimistic metanarrative except for the desperation element in the PRO4. Table 2 below shows the development of strategic beliefs.

Table 2 Strategic causal beliefs of protectionist subnarratives

Era	Diagnostic	Prognostic
PRO1 1995-1999	Protection of domestic industry	Regulations, competitive pricing
	Need to achieve growth	Superior quality combined with classical design
PRO2 2000-2010	Need to achieve growth	Classical design as a counterforce for superficial fashion, superior quality and usability, specialization to a specific product category or raw material
	Globalization (foreign retail groups, WTO agreement increasing imports from China)	Ethical values meaning protecting domestic employment, active fight for domestic industry (firms and consumers)
	Domestic products are pricy	They pay themselves back in superior quality
PRO3 2009-2020	To achieve international and domestic growth	Having business intelligence in leadership, branding and commercialization, design (classical and unique), ethical and ecological values, superior usability
	Domestic products are pricy	Justified by the quality and domestic origin and its value
	Climate change and humanitarian issues with offshoring	Ethical values, openness, sustainable consumption as a function of superior quality and timeless design, ecological product development
	Times in the industry are hard	Business intelligence, values opposite to superficial consuming, brand value
	(Lack of branding capabilities)*	Support organization
PRO4 2014-2020	There is not much production in Finland anymore	Collaboration among smaller firms, ecological and ethical values, the best quality, and usability harvested to bring back domestic production
	Products are pricy, and consumers do not buy pricy	Consumers should buy the high priced products for their superior ethicality and quality

*implicit aka not explicitly voiced

4.1.2 Limited Success

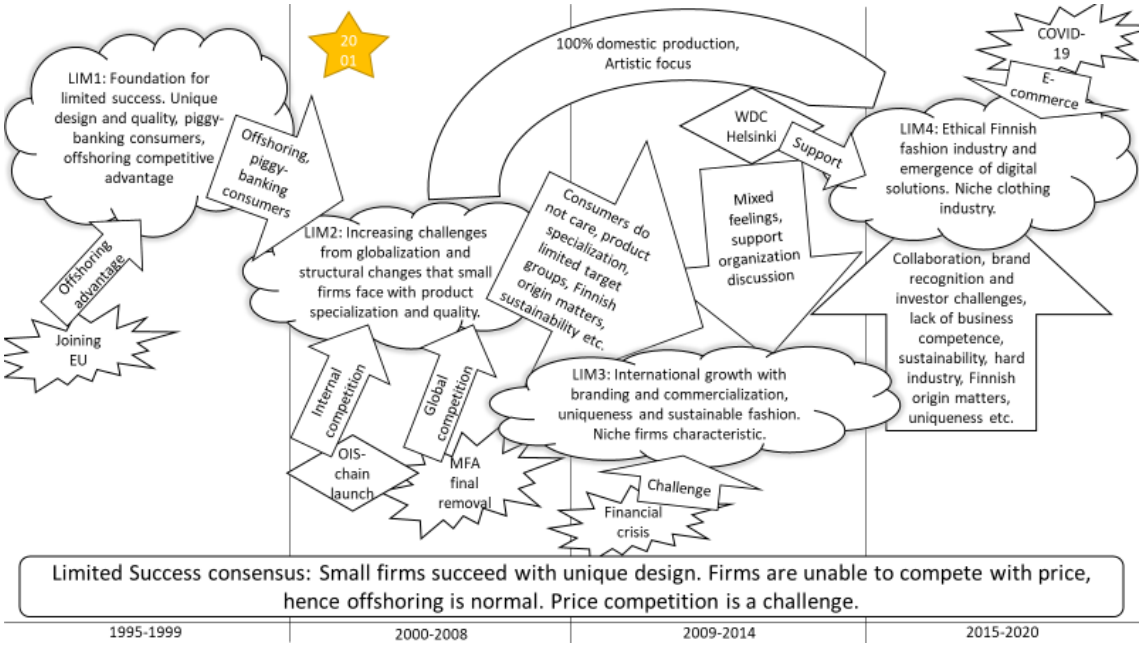


Figure 9 Development of limited success metanarrative

Limited success metanarrative operates the middle ground of the three. Successful business and even growth are possible outcomes for the industry, but limits to the growth seem given no matter how great strategies or novel ideas are implemented. It is the most complex metanarrative of the three, as over half of the codes belong under limited success. Similar to the protectionist metanarrative, the limited success splits into four subnarratives. The first two are notably more content-oriented than the latter as the complexity increases from each subnarrative to the next. Despite the complexity, consensus exists. It is argued that small firms with unique designs are to succeed, but small size limits growth. The most prevailing challenge is price competition, which is perceived as impossible for Finnish firms, and thus offshoring manufacturing is the diagnostic answer.

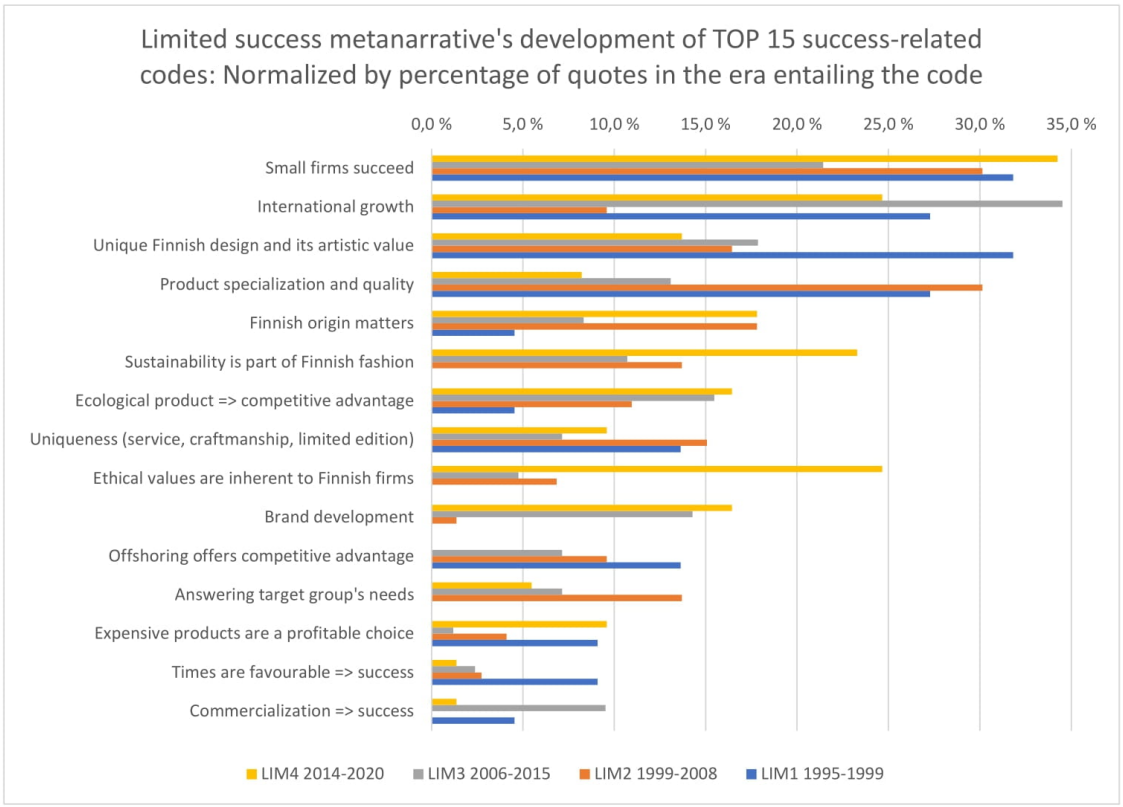
The unique design of small entrepreneurial firms is a popular competitive advantage in all four subnarratives. The unique design is something distinct and even art-like that positively draws attention. The design is perceived as inherently Finnish despite offshored production. LIM2 emphasizes artistic freedom while LIM3 questions how artistic values can be combined with commercial ones, and again, in LIM4, the artistic nature is celebrated. In association with the artistic

nature, many entrepreneurs are unwilling to compromise their vision and thus state that their clothes will choose their audience. This is framed as leading to success by not doing what everybody else does and smaller target groups as a natural growth limitation. LIM3 and LIM4 describe the unique design as superior and distinct to Finland. Being mainstream is the opposite of the unique design, and the quality of Finnish design is attributed to the education of Aalto University. Moreover, the design is the primary factor answering the consumer needs.

> *Does it bother Pirjo Suhonen, the company's financial person, that Ivana Helsinki does not go commercialization but art first? "We wouldn't exist if we didn't go art first. It is our competitive advantage, without it, we would have nothing." The sisters have shared the work so that Paola designs and Pirjo deals with finances. They have worked hard for the past 20 years, but turnover has stagnated around 1,5 Million euros. -Media, 2018, LIM4*

The SMEs catch most attention in this narrative, and quotes are often stories of entrepreneur designers. Even larger firms are described as small, especially when compared to global competition. The emphasis shifts gradually during LIM3 and LIM4 characterizes the industry as primarily small firms with few (10 or less) larger ones. This description is consistent with Etla's report (Tahvanainen & Pajarinen, 2014). From LIM2 forward, the small size is recognized as a natural limitation. First, specialization and artistic design lead to smaller target groups, related to the discourse of 'clothes choose their audience'. Even larger firms state that the goal is not to appeal to everyone. Second, some argue that firms must settle for the small Finnish markets. Third, LIM3 emphasizes small firms lacking resources preventing growth. Additionally, not everyone wants to grow. Entrepreneurship is often a way to employ a few people and execute artistic freedom.

Figures 10 and 11 show the codes of the limited success through time. Note that the uniqueness -code must not be mixed with the unique design. Uniqueness refers to individualism-based tactics, including promoting handicraft work (every piece is unique), limited edition pieces and individual service, for example, customizing the clothes to customer's measures.



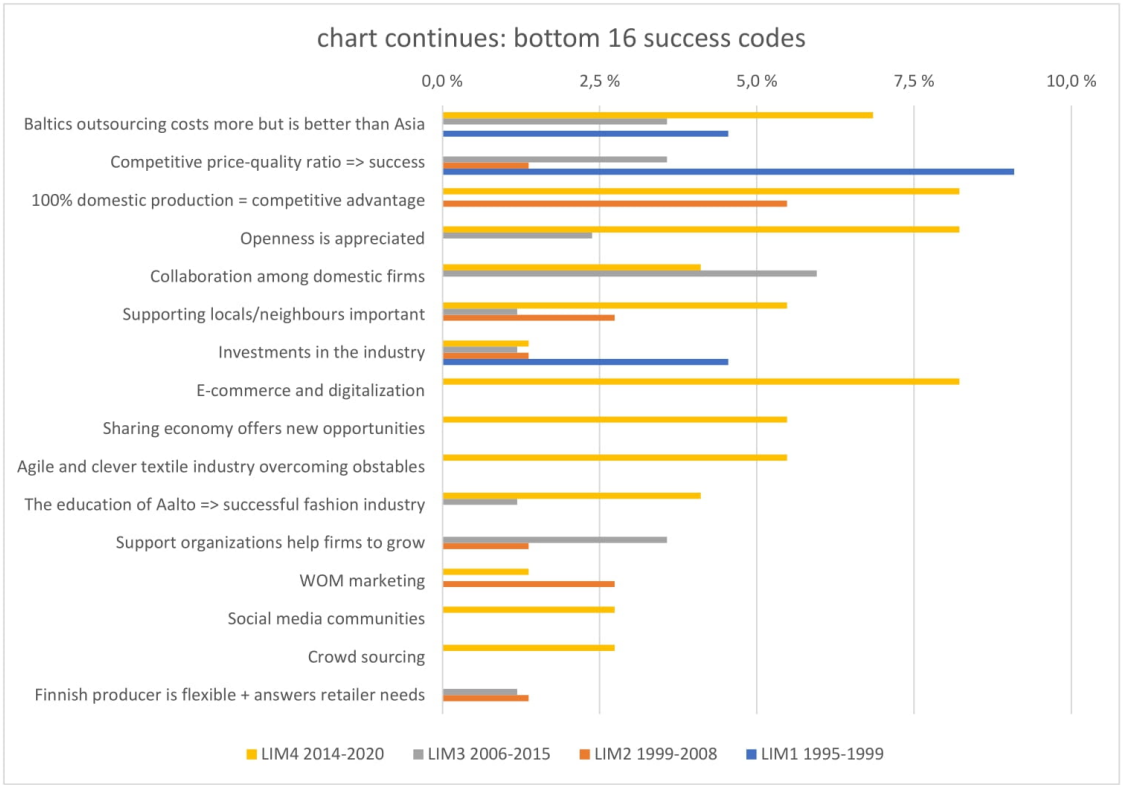


Figure 10 Limited success metanarrative: success-related code development

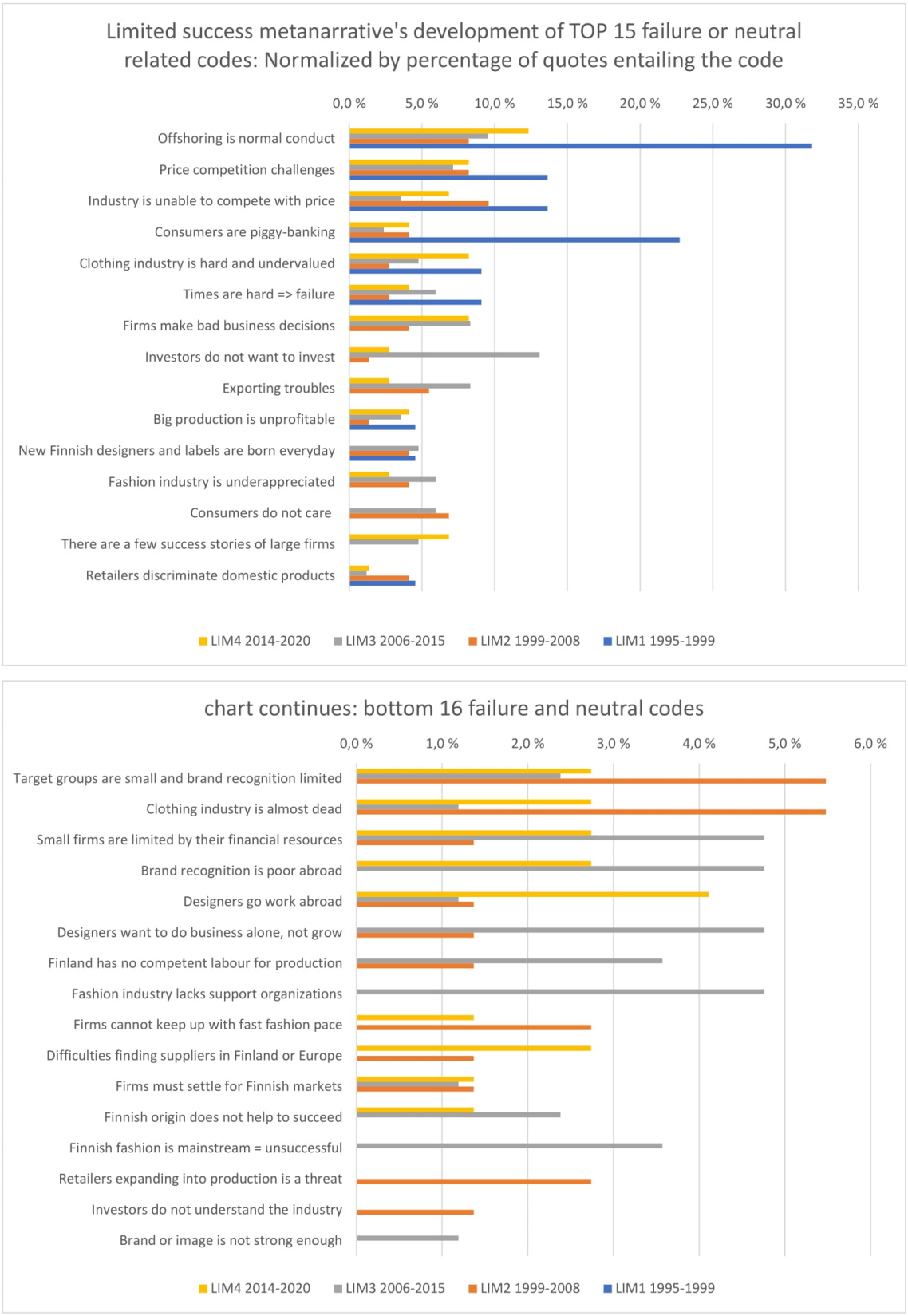


Figure 11 Limited success metanarrative: failure and neutral codes development

The challenge of price competition, the related offshoring, and the fundamental belief that Finnish firms should not even try to compete with the price is evident throughout the metanarrative. In LIM1, there is a slight contrast where some argue that EU policies making offshoring easier could help Finnish firms gain some price competition advantage, but LIM2 already perceives offshoring as a pure necessity. Discussion of these price-related challenges gets relatively lesser attention year by year. However, it is clear from the data that this is mainly due to it becoming a central implicit taken-for-granted belief. Tables 3 and 4 summarize strategic causal beliefs of subnarratives

Table 3 Strategic causal beliefs of LIM1 and LIM2

Era	Diagnostic	Prognostic
LIM1 1995-1999	The Finnish consumers do not spend money on clothing.	Pursue international growth.
	Price competition is brutal and domestic products are costly, but the worst radical changes are over; an era of incremental change is beginning.	Unique design and quality justify higher prices, especially in international markets. Offshoring offers a competitive advantage in price.
LIM2 1999-2008	The retailers enter producing and discriminate against domestic clothes.	Accept fluid boundaries and expand to retailing.
	Price competition is increasing with importing.	Produce quality and something special or unique, aka unimitable. Ecological materials are one way to differentiate.
	Mass production is unprofitable.	Handicraft small domestic production. Offshoring mass production.
	Consumers do not care about domesticity or ecological values.	Focus on unique design and let the clothes choose their users. Marketing relies on WOM.
	Domestic products are expensive.	Justified by handicraft work, quality and sustainability, aka the clothes stay in use for longer.

Table 4 Strategic causal beliefs of LIM3 and LIM4

Era	Diagnostic	Prognostic
LIM3 2006-2015	Competition is intense with cheap imported garments.	Pursue exporting growth and build strong brands and brand recognition.
	Finnish firms cannot compete with price or mass production (price and lack of competent workforce).	Small firms succeed by 1. Combining branding and commercialization with unique design, 2. Uniqueness, 3. Sustainable fashion.
	Finnish brands experience exporting challenges, investors do not invest, and firms lack business competencies.	Build support organizations to help with international growth, branding, and funding.
	The fashion industry is underappreciated and misunderstood.	Governmental support organizations.
	Niche strategies and the lack of growth intentions limit growth.	Accept entrepreneurial niche firms as characteristic of the industry.
	Domestic products are expensive.	Excellent quality (long-lasting) and uniqueness justify prices. A strong brand would justify prices but is hard to achieve.
LIM4 2014-2020	Mainstream fast fashion is unethical.	Domestic firms conduct their business with ethical core values and uniqueness, a counterforce for fast fashion. It leads to smaller target groups but is a good compromise.
	Offshoring has humanitarian and ecological issues.	Favouring European and small domestic production. Promoting openness of value chains when offshoring.
	We lack branding, business, and marketing competencies.	We have superior design capabilities and support organizations help with the rest.
	The fashion industry is a hard business.	Combining the superior unique design with solid brands and social media and digitalization opportunities is the recipe for success. People buy Finnish clothing for ethical values.
	The Finnish clothing industry is unable to mass-produce clothing profitably.	Specialized small patch production or handicraft products succeed.
	Finnish firms succeed with expensive product niches like affordable luxury.	Prices are justified by ethical production nearby, quality, uniqueness, and brand.

4.1.3 Pessimistic

Figure 12 Development of pessimistic metanarrative

Pessimistic metanarrative offers very little in terms of industry recipes since its fundamental belief is that the industry has no chance of flourishing in Finland. It resembles an inner critic of the industry. It entails three subnarratives: the first two address the clothing industry, and the last one addresses the fashion industry. The consensus is that the industry lacks competitive advantage (needed advantage varies), and Finnish markets are small and thus do not support growth. Finally, Finnish products are not good enough, and nobody wants to buy them.

The main argument of PES1 is that Finnish market size and increasing price competition mean that production will disappear from Finland. The market size is limited because consumers do not spend money on clothing. When they do, the imported clothing wins since Finnish producers are unable to offer competitive pricing. Additionally, the industry has not recovered from the recession and the Soviet Union fall.

PES2 builds on the former, emphasizing that Asia is the winner of the industry because they have a competitive advantage in price and produce good

quality. Additionally, it states that brand matters and has nothing to do with producing country. In contrast to earlier, the consensus entails that Finland's days of producing industry are mostly gone already. The lack of competitive advantage is now more than just the inability to compete with price. It includes the inability to compete with quality due to the development of the Asian producers and the inability to compete with design due to inadequate design capabilities.

> *The former "low-quality nation's" standards have risen significantly. "Today, nearly everyone does things with the same machinery, same raw materials and same techniques." Also, in China, very high-quality and expensive clothes are made now. As examples serve the luxury stores known from European capitals like Gucci, Cartier, Dior and Salvador Ferragamo. Their clothes are so expensive that Finnish purchasing power is not enough, and that's why these stores are not found in Finland. -Industry NGO's CEO, 2004, PES2*

PES3 focuses on the fashion industry holding the doom of producing industry as a truth that has manifested already for a large part. It argues that Finland has no fashion industry because Finnish designers do art and not commercial clothes. Industry participants have missed the brief of what the fashion industry is. Additionally, they lack the business capabilities required in the heavily commercialized fashion industry. Moreover, Finnish culture does not support superficial fashion enthusiasm and cannot provide a nurturing environment for the fashion industry. Figure 13 shows code development of the subnarratives, and table 5 summarizes strategic causal beliefs.

> *Kujala emphasizes that she does not want to ditch Finnish designers but bring forth that Finnish fashion does not start from the needs of customers and the greater public. "Commercialism is held as a curse word, although it is about making a clothing item that the customer wants to buy", Kujala, who has received a Master of Science in Economics and Business Administration education, says. -Researcher, 2010, PES3*

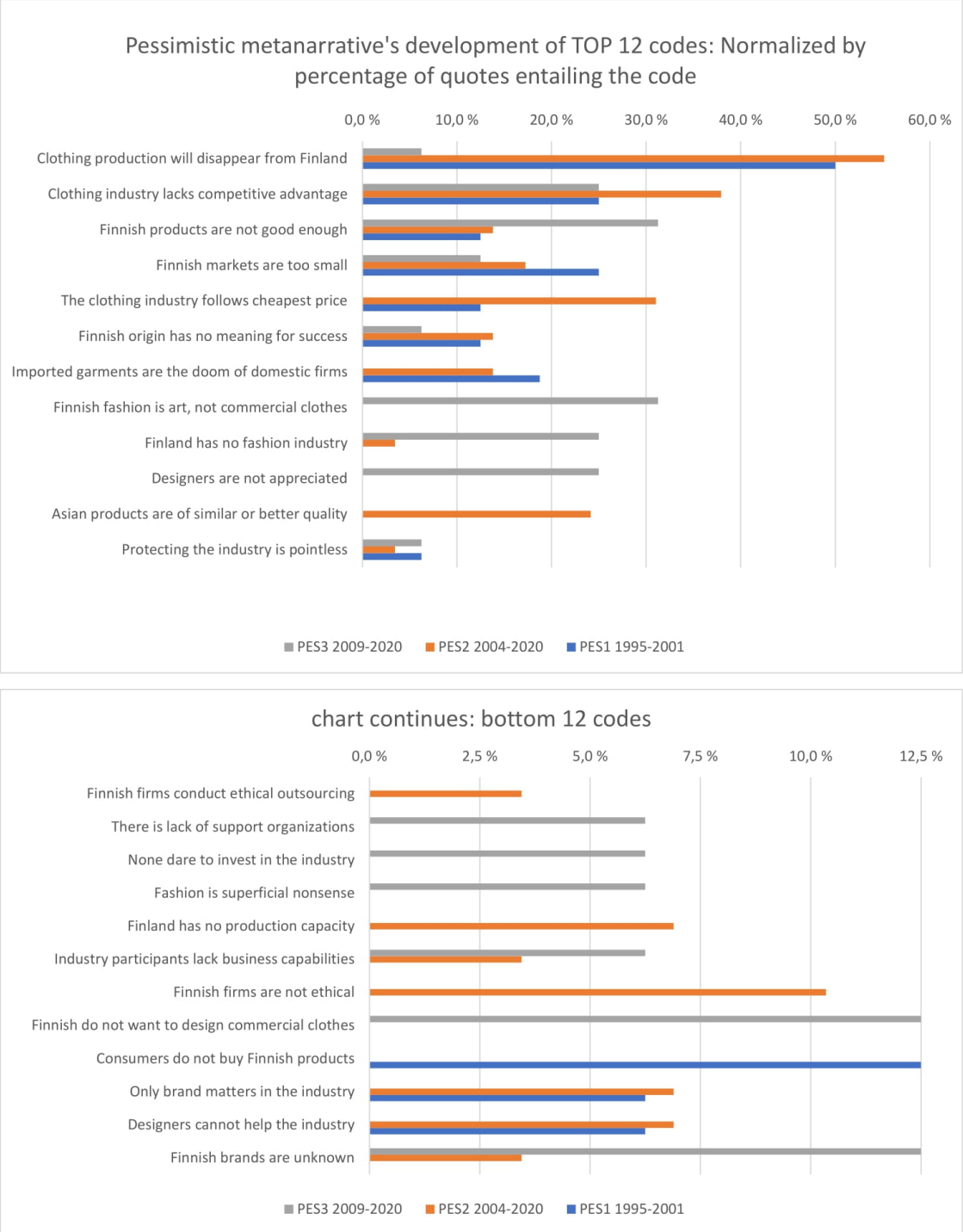


Figure 13 Pessimistic metanarrative: code development

Table 5 Strategic causal beliefs of pessimistic subnarratives

Era	Diagnostic	Prognostic
PES1 1995-1999	Price is the defining factor for consumers, and domestic producers cannot compete with price.	Offshore production and end domestic clothing industry.
	Domestic consumption is too small.	There is no market to support domestic industry.
PES2 2004-2020	Finnish markets are small, and consumers buy cheap clothing.	Expensive Finnish clothing cannot survive.
	The production has left Finland due to price competition.	Nothing to be done but accept.
	Finnish clothing is no better in quality or design than Asian.	There is no competitive advantage, only brand matters.
	There is a lack of ethical conduct in Finnish firms when it comes to offshoring.	(Ethical values are not a source of advantage or legitimacy.)*
PES3 2009-2020	Finland has no fashion industry because of its focus on art rather than commercial business.	(Push the business culture towards commercialization)* or change the Finnish clothing culture to appreciate more artistic clothing.
	Designers lack the business competencies required to get funding and to produce and sell commercial clothes.	(Build diverse teams that entail the required competencies. Build support organizations to educate and assists firms in commercialization.)*
	Funding organizations are not used to or created to support the fashion industry.	(Build support organizations primarily to fund the fashion industry.)*

*implicit aka not explicitly voiced

4.2 Industry velocity beliefs

The industry is arguable hypercompetitive given the scale, scope, and duration of changes in the last 26 years. The law of requisite variety thus suggests that its industry recipes should be heterogenic and complex (Nadkarni & Narayanan, 2007a; Narayanan et al., 2011). In terms of industry recipes, the data supports the literature as the increase in complexity is visible in protectionist and limited success metanarratives. The increase reflects the cumulative effects of significant

events in the industry. The mere existence of three metanarratives adds to the heterogeneity of shared beliefs. More general and heterogenic industry recipes allow the industry participants a more comprehensive set of tools to react and proactively act in circumstances of higher industry velocity (Nadkarni & Narayanan, 2007a, 2007b). Bogner and Barr (2000) argue that adaptive sensemaking process centred recipes perpetuate the hypercompetition, whereas, in times of perceived stability, the more content specific industry recipes perpetuate.

The increasing complexity of industry recipes is coupled with the persistence of content-specific industry recipes demonstrated in the cognitive inertia around three key elements, specialization, quality, and design. Chapter 4.4 describes these in detail. Even very concrete elements like unique design in the limited success metanarrative have perpetuated for 26 years. Additionally, the data demonstrates beliefs in line with the perception of low-velocity environments where the evolution pattern is incremental changes punctuated by short periods of radical changes (Nadkarni & Narayanan, 2007b). PRO1 sees the new globalization phenomenon as a passing trend, and LIM1 and LIM3 describe how the "worst is over" and more stable times are ahead.

> *"On the other hand, the worst transition period is over. Now the offshored manufacturing improves the profitability of firms so that domestic jobs are easier to retain." The structural change has also led to new forms of ownership. Family businesses have grown rarer, although two big ones, Luhta and Nanso, prevail. - Industry NGO representative, 1999, LIM1*

> *Textile and Clothing industry ry's CEO Satu Mehtälä says that the field's big structural change is already behind. There still exists a lot of technical textile industry's production in Finland, but the clothing industry's mass-production has mainly gone offshore. "Clothes are manufactured more in small series. Firms are smaller", the CEO says. - Industry NGO's CEO, 2009, LIM3*

The two quotes are ten years apart but very similar, showing that some belief in stability prevails. The narrative of the industry 'being hard' grows along with the complexity. This narrative is especially evident in pessimistic and limited success narratives. The pure number of codes does not fully capture this, but through the

analysis, it is clear that explicit descriptions of the industry being hard are increasingly popular, as well as perceiving bankruptcies as increasingly usual. The high firm risk with high average returns that the industry has achieved (Tahvanainen & Pajarinen, 2014) are characteristic of a hypercompetitive industry (Thomas, 1996). The former quotes' contexts describe bankruptcies as short-time characteristics (recession and financial crisis-related), whereas the latest LIM3, LIM4 and PRO3 start to describe them as natural to the industry.

> *The clothing business is reputedly a challenging field. In itself, the possible bankruptcy of Samuji would not be anything unusual. However, Samuji is more than a small clothing company. 44-year old Samu-Jussi Koski is a superstar of Finnish clothing design. – Media, 2019, PRO3*

It seems that both beliefs of stability and hypercompetition have co-existed throughout the observation period. The high-velocity related beliefs have grown in popularity as expected by the literature. Nevertheless, some evidence of low-velocity related beliefs still exist.

4.3 Industry boundary beliefs

Although industry boundary beliefs and reputational orderings are not the focus due to pre-determined boundaries of data collection, it is meaningful to identify the beliefs that emerge from the data regarding competitors, suppliers, and customers. Salient points of competitor perceptions include fluidness of boundaries, inconsistent representation of SMEs, and Nordic benchmarking. Hypercompetitive circumstances are characterized by increasing vagueness of industry boundaries (Bogner & Barr, 2000). The fluidness is evident between retailing, designing, and manufacturing firms. OIS case is the visible part of the iceberg and provoked varied interpretations of what L-fashion Group's expansion into retailing meant.

> *"The founding of manufacturer's own outlet. I see it as an emergency measure", Halme says. "If goods do not sell enough homeland, people think the fault is in the retailer. The manufacturer could instead look*

in a mirror and ask why the products are not competitive."- President of Fashion Retailer Union talking about OIS-chain, 2000, PES1

The participants are easily recognizable from the first era: manufacturing/designing firms, agents (who sell the lines to retailers), and retailing firms. Agents are partially made useless, with clothing firms expanding into retail. The focus on the relationship between retailing and production is characteristic of the second era. However, the fluidness of the industry boundaries shows no recovery. The e-commerce rise in the fourth era makes self-retailing further natural, and simultaneously lifestyle-focused business models emerge. Thus, the fashion and clothing industry division used here does not fully capture the industry's different business models.

Entrepreneurship and SMEs are considered inherent to the industry across the metanarratives, but media emphasizes larger firms in their topics. This is counter-intuitive considering the actual amounts of SMEs versus large firms. Further, they are unequally represented in metanarratives with limited success emphasizing SMEs and protectionist large firms. Whether the two different metanarratives depict or overlap with different strategic groups is impossible to conclude but remains a possibility.

Nordic countries are constantly benchmarked in design, marketing and commercialization capabilities evaluations. Global competition is almost exclusively comprehended as Asian competition. Continents of Africa, Australia, North and South America are almost entirely ignored. European companies are sometimes benchmarked but not a lot.

On the supplier side, the taken-for-granted assumption is that European firms are ethical and Asian unethical. The contesting quotes of PES2 depict a third-party evaluation showing unethical choices by Finnish firms. However, it mainly goes ignored by other metanarratives showing the strength of the shared assumption of Western ethical values.

Consumer descriptions go through a curious development. Consumers are seen as piggy-banking and restricting the success of Finnish firms mainly in LIM1

and PRO4 and in PES3 in terms of consumption culture that does not enable the Finnish success fashion industry. In contrast, LIM3 and PRO3 depict the commercialization efforts, aka the proactive effort to serve consumers, predict their preferences, and offer superior usability. Finally, LIM4 starts to talk about brand development and ethicality in terms of co-creation, for example, through social media communities and serving the identity needs of consumers above usability. The consumer accounts in the industry are thus drastically different between narratives, developing from a restriction to target to co-creators.

4.4 Industry recipes

This chapter's structure follows Kilduff's (2005) summarization of industry's needs related to value, quality, product innovation, speed, and flexibility. The US firms pursued to develop change-seeking business cultures and flexible operations by changing marketing strategies, supply chains, and consumer relations (Kilduff, 2005). There are significant similarities between the strategic adjustment patterns in the US and the strategic causal beliefs in the data. The speed and flexibility are titled price and manufacturing, which describes the discussion in Finland more accurately.

4.4.1 Consumer value

Forecasting consumer preferences and needs in an industry that changes quickly is challenging (Bogner & Barr, 2000) but vital in any consumer market. In the clothing and fashion industry, they are especially varied. Additionally, the fast-fashion pace creates extra pressure. The metanarrative descriptions earlier collected the perceived causal beliefs related to what offers value for the consumer. They change within and between metanarratives. In this chapter, I will focus on two overarching themes: design and ethical values.

Design is an element of discussion in each metanarrative, and there are two central debates. First, between limited success and protectionist metanarratives

exists a debate over the nature of Finnish design: What is the successful recipe for Finnish design? Chapter 4.1.2 describes the unique design, the characteristic of limited success, in detail. The protectionist metanarrative promotes classical design as inherently Finnish. The classical design is associated with quality products and simplicity in design, colour, and material choices. The simplicity is argued to create superior usability from 2000 onwards. It is often described as timeless since it does not play by seasonal fashion's rules. Similarly, the unique design is characterized as a counterforce for superficial fashion. The contrast between classical and unique design is most visible in the 1990s, but also the third era shows significant discussion on the matter.

Finnish Design is classical and practical. – Media, 2002, PRO2

PRO3 shows a significant internal metanarrative shift from clothing to fashion industry that manifests in design and marketing. Now unique design and a certain creative madness are included. The main objective is to have a design that appeals to consumers. Classical design is associated with timelessness and sustainability. On the other hand, the unique design associates with modern design, style, the designer's vision, doing things differently, and colourfulness. Arguably, the protectionist metanarrative adopts the unique design as an equally acceptable way of conducting Finnish design.

Simultaneously, LIM3 shifts discourse to superior unique design supported by Aalto's education and does not adopt the classical design, claiming it as more inherent to other Nordic countries and even dull. Consensus is never achieved as PRO4 refocuses on classical design, and limited success continues on the unique nature.

> *Thawley says that people do not really know to separate Finnish fashion from other Nordic fashion, although it has its own characteristics and legacy that young designers reinterpret. Annamari Vänskä also agrees. "If you look at Swedish fashion critically, it is not as creative as in Finland. Swedish clothes are pretty classical; in Finland, clothes have interesting cuts and the courage to use prints. Finnish fashion is*

top-notch and shows creativity and user-friendliness." - An Australian fashion journalist and a Finnish Fashion researcher, 2012, LIM3

A related discussion concerns commercial and artistic values. The critics of commercialization (mainly PRO1 and PRO4) state that it does not belong to the values of Finnish design. During the third era, a strong consensus emerges that the source of international and domestic growth is commercialization. Commercialization is adopted from the shared beliefs of perceiving Baltic and Nordic countries as benchmarks. Simultaneously, branding becomes a vital tool for success both in LIM3 and PRO3. Interestingly, the first mentions of the brand as the leading value creator emerge in the PES2; the limited success adopts this and quickly after the protectionist.

The Finnish clothing industry looks for new ways to survive from the squeeze of countries of cheap production. The best-discovered measures are branding, aka raising a clothing trademark's recognition and image, quality and exporting collaboration. -Media, 2007, LIM3

Interestingly while brand focus persists, the enthusiasm for copying the Nordic commercial strategies disappears after 2015 and artistic values are again celebrated. As described in chapter 4.1.2, the artistic values are associated with smaller target groups and 'the clothes choose their audience' discourse.

The second debate over design is between pessimistic and the other two metanarratives, and it is over whether or not Finnish design can generate value. While PES2 and PES3 agree with LIM3 and PRO3 that commercial clothes are the key to success, they argue that Finnish design is too artistic and lacks the will to do commercial products. In contrast, the clothing industry-focused PES1 and PES2 argue that design, even if good, is not enough to save the clothing industry.

I don't know a single Finnish clothing brand that has succeeded internationally. Swedish brands, for example, Gant, Marc O'Polo, Flippa K., Odd Molly and Björn Borg – just to mention a few – are brands of the world. What links these brands, and why have they succeeded? Their common denominator is commercialism. Firm founders are not designers but clothing industry professionals who know what the consumer wants. New Finnish designers and brands are born more all

the time. The collections I have seen, however, have been very peculiar. Surely they attract attention, but to whom are they meant for? Has fashion and clothing design become art? - CEO of a retail store, 2010, PES3

In one form or another, ethical values are associated with the Finnish industry through the observation period in the limited success and protectionist metanarratives. Table 6 shows the code development and explains how they were applied to capture the richness of the discussion.

Table 6 Ethical value related codes of limited success and protectionist metanarratives

Limited Success	**LIM1**	**LIM2**	**LIM3**	**LIM4**	**Total codings**
Ethical values: When term ethical is used explicitly, when such ethical values are discussed that do not fall under sustainability or ecological	0,0 %	18,5 %	14,8 %	66,7 %	100% =27
Sustainability: When discussing sustainability choices like sustainable consumption, manufacturing or for example climate change impact	0,0 %	27,8 %	25,0 %	47,2 %	100% =36
Ecological: When discussing using ecological choices as sources of competitive advantage or differentiator	2,9 %	23,5 %	38,2 %	35,3 %	100% =34
Protectionist	**PRO1**	**PRO2**	**PRO3**	**PRO4**	**Total codings**
Ethical values: When term ethical is used explicitly, when such ethical values are discussed that do not fall under ecological	0,0 %	23,1 %	61,5 %	15,4 %	100% =13
Ecological clothes: When discussing using ecological choices as sources of competitive advantage or differentiator	0,0 %	37,5 %	37,5 %	25,0 %	100% =8
TOTAL codings per year by era (both metanarratives)	**1st era**	**2nd era**	**3rd era**	**4th era**	**Total codings**
Ethical	0,00	1,00	1,00	3,00	40
Sustainable	0,20	1,22	1,00	2,67	36
Ecological	0,20	1,56	1,83	1,67	42
ALL	0,40	3,78	3,83	7,33	118

In the protectionist metanarrative, the codings are fewer, and sustainability mostly coexists with ethical values; hence only two codes were used. The three codes are hierarchical because ecological choices are a part of sustainability choices that are a part of general ethical choices. Table 6 shows the gradual growth and emphasis moving from ecological to sustainable to ethical, quantifying the increasing richness in meanings. The evolution of ethical codes and their meanings demonstrate the gradual movement from content specific to more process-

oriented and complex industry recipes. The rest of this chapter will elaborate on this movement on each code.

Ecological values manifest as a function of selected raw material (organic cotton, wool, fish skins) relating to specialization. Not surprisingly, ecological values strive in the second era as primarily providing an additional competitive advantage. Descriptions then develop to match the sustainable fashion worldview. In LIM3 and PRO3, the ecological value-driven tactics include mostly firms working with recycled materials. PRO4 refocuses on ecological material choices as a competitive advantage.

> *The fashion designer Anne Linnonmaa from Helsinki has been a real godsend for itchy people with sensitive skin and also for very different women. She has developed, designed and manufactured cotton clothes that don't stretch, expand, nor mat. The ecological knitwear is neither tight, shake threads, nor lint. They fit the tall and the shorty and cover the shapes of a scrawny scrag as well as a roly-poly. – Media, 2003, PRO2*

Sustainability emerges in LIM2 as a function of quality and uniqueness resulting in sustainable consumption as clothes last longer in use and remain loved for their individuality. PRO3 adopts this perspective over 15 years later as part of ethical conduct but, in contrast to uniqueness, links it to classical design. The focus persists in LIM3, arguing that these values are even more trendy in times of financial uncertainty (2009 financial crisis). LIM4 emphasizes thinking through the entire product life cycle and sustainability as characteristic of Finnish firms. Additionally, the relationship between quality and sustainability flips, aka quality being a function of sustainability.

> *Also, environmentally sustainable solutions have great significance in Uhana's production. In addition to material choices, this means, for example, designing the clothes not only current but as long-living as possible. -Media, 2020, LIM4*

The ethical values are the richest in meaning, and here I focus on three meanings: domestic value, ethical offshoring and human rights. Ethical values emerge in PRO2 as a plead to consumers connecting it to domestic employment. LIM2 and

LIM3 adopt this view that reflects increasing concerns of global competition. The value of domesticity is highly characteristic of the protectionist metanarrative. In contrast, LIM3 does not see Finnish origin as that meaningful in international markets. However, it sees it as giving emotional values to the brand or evident in sustainable or ethical values. Similarly, LIM4 views domestic production as inherently ethical but as rarer than offshoring. It views the actual value of Finnish origin as related to ethical and sustainable values.

The ethical conduct of offshoring emerges during the last era in PRO3 and LIM4. It emphasizes corporate responsibility, discourse unique to the last era. The openness of value chains is framed as a solution to difficulties in monitoring long global value chains. Moreover, it is seen as a responsibility of Finnish firms to guarantee that manufacturing is humanitarian. The solution most used is offshoring the production to Baltics and Europe where issues are fewer, monitoring easier but prices higher. The responsibility is the minimum of LIM4, as many speak about proactively changing the fashion industry.

Finally, ethical values manifest as human rights promotion beyond manufacturing personnel. A view that emerges in the fourth era, mainly in LIM4. It includes conducting gender-neutral design, promoting LGBTQ rights through fashion, and giving stock to employees as an extra ethical HR solution. In addition, LIM4 adds a value-driven Finnish business model design as part of ethical conduct. Joy, kindness, and sustainability are mentioned as core values by which businesses plan their business models. Consequently, some firms shift from a fashion brand to a lifestyle brand and include immaterial products in their business models.

Ethical values have existed in the metanarratives for 26 years and have rapidly increased in richness within the last two eras. The growing richness and clear emphasis make it currently the most shared belief that answers concerns of cultural fit originating from the superficiality perspective to fashion. Additionally, the value-loaded strategies perpetuate as competitive tactics.

4.4.2 Quality

Tahvanainen and Pajarinen (2014) identify quality as the most used differentiating strategy in the Finnish industry. Limited success and protectionist metanarratives argue for quality as a competitive advantage, whereas pessimistic metanarrative challenges the belief. PRO1 perceives the entire price competition as redundant since the quality of Finnish products is so superior that cheaper products will soon perish beside them. The superiority of quality is a taken-for-granted assumption strongly present in the metanarrative. It often goes hand-in-hand with the assumption that merely being Finnish is associated with success. LIM1 emphasises quality as the factor that firms should be competing with, not price, but does not take growth for granted. Specialization is framed as supporting quality by specializing in one material. PRO2 adopts quality as a justification for a higher price as well as the connection between product category specialization and quality. Quality and specialization dominate as critical success factors in both LIM2 and PRO2. The specialization includes production with particular material or method, product development (intelligent clothing, new materials) and specialization in a product category. The next chapter goes in-depth to innovative factors of it. PES1 does not contest that Finnish firms can produce excellent quality but argues that this is not sufficient since the price is the crucial factor in the market.

PES2 directly contests the assumption of superior quality, stating that Asian products are of similar or better quality. Similarly, Tahvanainen and Pajarinen (2014) recognize the increasing quality of Asian products as a threat. It thus seems that quality is not on its own a sufficient competitive advantage and the limited success and protectionist metanarratives react to this moving the emphasis to brand and commercialization. PRO3 still argues for outstanding quality but does not assume superior quality to the extent of other protectionist subnarratives. In PRO4, the superior quality discourse re-emerges. In LIM3 and LIM4, product specialization and quality get mentioned but in a declining amount. The declin-

ing emphasis is also evident in the relationship between sustainability and quality. In the second era, sustainability is a by-product of quality, whereas, in the fourth era, this has flipped so that quality is a prerequisite to conducting sustainable fashion. Interestingly, using quality as a justification for higher prices persists despite other factors rising to be the critical factors of industry recipes. Quality is present in the industry recipes of each subnarrative of limited success and protectionist metanarratives.

4.4.3 Innovativeness

This chapter summarizes the innovations in the data divided into product innovations (PI) and business model innovations (BMI). I did not initially consider innovations when coding, although I expected to see PI and BMI in the data based on prior research. The best performing US apparel firms were originators of PI (Kilduff, 2005). PI can relate to experimental actions, characteristic of adaptive sensemaking (Bogner & Barr, 2000). However, primarily PI relates to new materials and consequently, most opportunities originate from technological advancements (Kilduff, 2005). A profound understanding of the industry's technological state is beyond the scope of the thesis. Material-related product innovations are most common in the data with a distinct focus in LIM3 to recycled materials. Sustainability is the most stated motivation, but also customer preferences and differentiation are mentioned. Figure 14 shows the positioning of quotes within the eras and subnarratives.

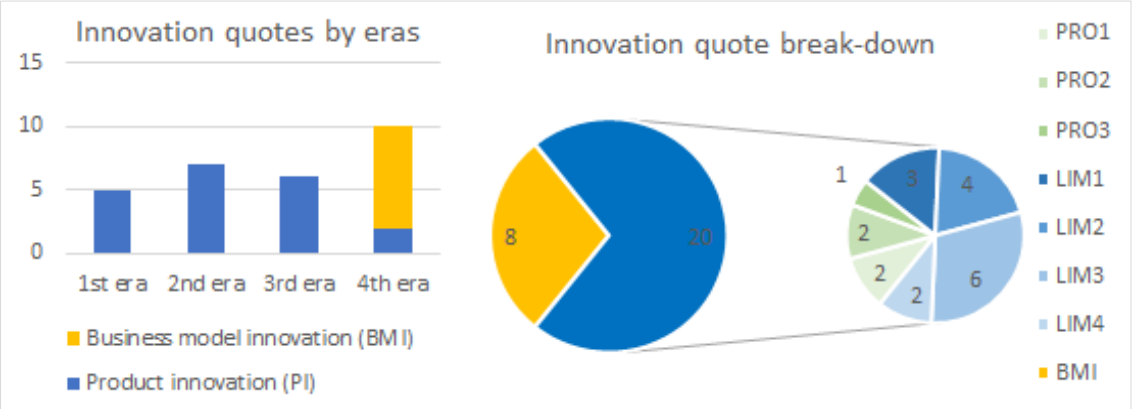


Figure 14 Innovation-related quote statistics

New firms generally implement BMI more often than incubators (Cantner et al., 2021), and data shows a significant characteristic of entrepreneurial effort. Further, the industry's competitive environment encourages innovative behaviour, and the absence of collaborative strategies hinders systematic change, not lack of innovation (Molderez & Van Elst, 2015). However, LIM4 includes all except one of the BMI-related quotes. Clothing loaning services emerge as the only business model that resembles the PSS model advocated by academic research (for example, Armstrong et al., 2015; Niinimäki & Hassi, 2011). Other BMI quotes promote lifestyle brand focus, immaterial products and a cross-professional network around a brand with a distinct focus on ethical values.

> *The reason for the change is not, according to Suhonen, in the problems of the current model but in a deeper will to change the logic of business. "Here is also a very powerful value load in the background", she says. The company wants to offer more sustainable products, immaterial experiences and other variously sustainable products. - Producer of the firm, 2016, LIM4*

Multiple quotes across the metanarratives describe entrepreneurial success, attempts and self-employment, but the majority are described as not looking for growth or not being able to pursue it. Experimental actions are not characteristic to Finnish firms, although when implemented, they are celebrated.

> *Often Finnish fashion brands set up an office in Finland, attempt to go international from Helsinki and visit fashion weeks and exhibitions to showcase their clothing. They go permanently international not until after the test years, if ever. /…/ A few new Finnish brands invest in a team this large in the beginning since it costs. Many also want to create primarily alone, with their own name. - Founder of Finnish Fashion start-up, 2015, LIM3*

4.4.4 Price and manufacturing

According to the data, in addition to the fast-fashion challenges, Asian companies copy designs and prints. Moreover, social media is speeding up the whole industry further since consumers want to buy a product instantly after they have seen

it. Different manufacturing tactics arise to meet the challenge affected by the perceived price sensitivity of consumers.

Price is a topic spread within all three metanarratives. Except for PRO1 and PRO2, the consensus is that firms struggle to answer price competition. The price discussion focus moves from piggy-banking consumers to Finland's size and high manufacturing costs to accepting a higher price. PES1 and PES2 agree that the small population and price-sensitive consumers equal a small market size. Internationalization is the limited success's answer to this concern. The consumer "blaming" re-emerges in PRO4, while other narratives focus on justifications for high prices. Figure 15 summarizes the price justifications, which vary, except for quality. LIM4 sees the expensive price range as a success factor itself stronger than any other narrative. The arguments for specializing in expensive product niches like affordable luxury begin already in PRO2 and LIM2.

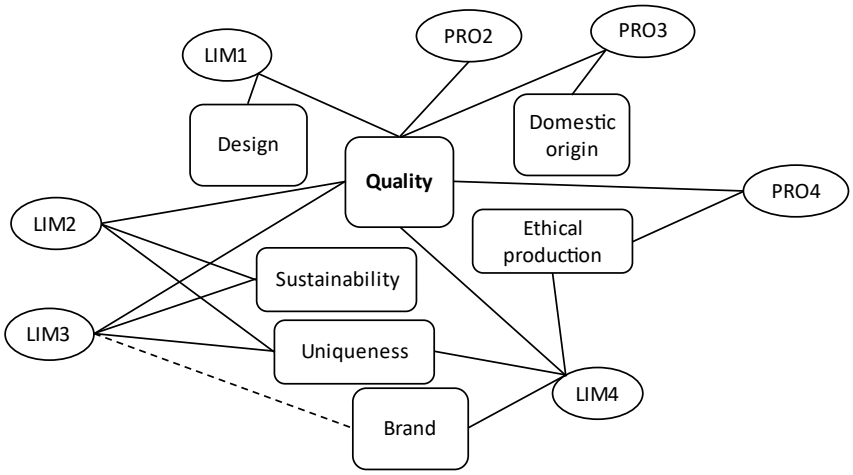


Figure 15 Price justifications of subnarratives

Manufacturing is mainly offshored or kept highly specialized to succeed in Finland. Especially PRO1, PRO2, PRO4, and LIM2 perceive offshoring as an unavoidable evil due to price competition and, later, lack of competence and labour in Finland. LIM2 and LIM3 depict minor arguments that Finnish producers can provide more flexibility and better service to retailers than foreign firms. PRO4 shows that flexibility can be built through multiple small firms collaborating to meet rapidly changing demands. The most successful firms in the US apparel

industry did not procrastinate in offshoring manufacturing (Kilduff, 2005). The holding of domestic production as prestigious and PRO4's discourse about returning production to Finland indicate some procrastination. In contrast, LIM1 perceives offshoring as a competitive advantage and LIM2, LIM3, LIM4, and PRO3 as mandatory. Thus the trend is favouring offshoring. Since many favour European production due to ethical values, there are no price advantage arguments after LIM1.

In limited success, an assumption exists that mass production is not an option for the Finnish clothing industry. Small, specialized production can succeed, and multiple examples emerge. Some firms are as small as one entrepreneur who makes the clothes by hand. The small firms conducting 100% of manufacturing in Finland are especially evident during the second and fourth eras.

E-commerce, digitalization, and social media emerge as sources of innovative competitive advantage and flexibility in the fourth era, mainly in LIM4. E-commerce is a critical sales channel during the COVID-19 pandemic, and social media communities as sources of brand building with consumers. Especially children's clothing brands seem to have taken advantage of the trends.

> *The social media posts by mothers are free advertising. Roivainen reminds, that even though it is essential when purchasing trademarks like Vimma that certain people recognize them, there are many people who have no idea of the brand. – Researcher, 2017, LIM4*

4.4.5 Consequences of conflicting demands

The conflicting demands of the environment in staying innovation generators, offering superior value and quality while managing supply chains to offer fast and flexible material outputs, result in investment needs that conflict with the price competition demands (Kilduff, 2005). Data recognizes that brand development, international expansion, and production require financial inputs that SMEs especially lack. Some mention the difficulties around funding early, but the discussion jump-started when the WDC Helsinki event manifested in 2012. LIM3 highlights that the fashion industry lacks support organizations. Investors like

Tekes are more suitable for technological start-ups than fashion. Moreover, there is general underappreciation and lack of will to invest in fashion. LIM2 and LIM3 include collaborative efforts among small firms to overcome financial issues.

LIM3 and PES3 attribute the lack of funding to the Finnish cultural attitude towards fashion. The industry is repeatedly described as "rättibusiness" (loosely transcribes into 'rag business'), and multiple quotes discuss the unappreciation for designers, clothing design in general or fashion. Finnish people are described as not taking pride in their looks, for it is superficial and irrelevant. Bogner and Barr (2000) discuss the possibility that national cultures characterized by diversity promotion, forward-looking perspectives, entrepreneurial individualism, and market competition would adopt adaptive sensemaking processes quicker and convert to hypercompetitive status. They add that the impact of globalizing environments and national cultures needs research. It is a valid question whether our institutionalized cultural norms have decelerated the conversion of the Finnish industry to a hypercompetitive one that would match the global state.

> *Fashion has also had a stigma of vanity in Finland. People who are interested in fashion are still considered bit superficial airheads. 'The ugly show off with clothes' -expression lives and feels well in a population sick with jealousy as a national disease. Maybe this is why fashion and fashion creators have not been appreciated in Finland. - Media, 2009, PES3*

In addition to culture, PES3, LIM3, and LIM4 worry about designers' lack of business capabilities, resulting in difficulties finding funding. Crowdsourcing appears in LIM4 as a way around by appealing to the general public with the inherent values of Finnish fashion.

Although some criticize that not enough efforts were made, the WDC year's events make efforts to build support organizations and opportunities for international growth. PRO3 focuses on these positive effects of the WDC, for example, the founding of Royal Majestic, a support organization to offer internationalization, funding, and branding assistance to Finnish fashion firms. One quote goes

as far as to compare Helsinki to Silicon Valley in terms of the environment's favourability to start a fashion start-up. Additionally, PRO3 praises the business intelligence of Finnish firms in contrast to other narratives' concerns over the matter.

4.5 Discussion

The Finnish industry has developed in a similar direction as the US and other European firms, with dominating mass of firms being small and concentrated on a specific market, product, or customer segment (see Kilduff, 2005; Tahvanainen & Pajarinen, 2014). The hypercompetitive conditions create conflicting demands of investments and efficiency (Kilduff, 2005). Companies need to constantly evaluate consumer needs and preferences without comprehensive intelligence on what they are (Bogner & Barr, 2000). The industry has constantly discussed the conflicting demands and involved itself in active sensemaking on adapting to hypercompetition.

The thesis offers a unique window into the development of industry cognition in an industry that has gradually adapted to hypercompetitive conditions. The study's main contribution to the SC literature is bridging the cognitive inertia of shared beliefs, the law of requisite variety, and the constant flux of shared beliefs. This interpretative case study demonstrates the co-existence of cognitive inertia and dynamism in the industry recipes for 26 years. The inertial industry recipe elements (specialization, quality, and design) act as anchors that possibly have eased the sensemaking tasks of industry participants, while increased complexity has provided flexibility and new solutions to answer conflicting demands. The rest of this chapter discusses the key findings and their connection to the literature, the study's limitations, and policy implications to managers.

The industry does not perfectly fit assumptions of complexity increase (Bogner and Barr, 2000), nor does it perfectly fit assumptions of myopic inertia (Pazzaglia et al., 2018), but has elements of both; thus, they co-exist. The found

cognitive inertia resembles Porac et al.'s (2011) findings, with the same ingredients of success as 20 years earlier: specialization, quality, and design. Additionally, not much radically new is added at any point, but instead, metanarratives incrementally alter meanings to create new interpretations. The first era already contains all crucial recipe elements. Thus, I argue that the enactment cycle has resulted in a self-fulfilling prophecy.

Bogner and Barr (2000) theorise that frame-breaking events render the prior shared beliefs useless and leave managers only the general understanding of the industry, challenging them to use adaptive sensemaking tools in ambiguous conditions. The events in the industry have arguably made purely relying on specialization, quality, and design useless. On the other hand, Benner and Tripsas (2012) found that industry participants rely on prior shared beliefs in conditions of uncertainty, but the reliance diminishes as industry participants construct new shared beliefs. Similarly, the emphasis on the inertial elements decreases towards the end of the observation period except for PRO4, which includes re-emerging beliefs. The heavy reliance on them, especially during the first two eras, is perceivable as anchors that have enabled continuous activities in the industry when facing uncertainty. The industry's cognitive constructions have changed drastically from the production of essential consumer goods to affordable luxury goods to co-creating brands for the identity needs of consumers. These changes result from the gradual addition of complexity where inertial anchors have provided stability. The heavy reliance on the anchors may have slowed the changes, but it has also enabled new development in safer conditions.

The SC literature has evolved around a homogeneity-heterogeneity dialect (Porac & Thomas, 2006) with evidence of both consensus amongst industry participants (Pazzaglia et al., 2018; Porac et al., 1989) and of constant negotiations (Irwin et al., 2018; Kaplan, 2008). This study shows that negotiations for meaning can constantly be ongoing without emerging consensus while recycling inertial elements. Furthermore, the inertial elements themselves experience ongoing ne-

gotiations. For example, design has experienced multiple debates: Can design offer sufficient competitive advantage in the competitive arena? What kind of design offers the best competitive advantage: classical or unique? Should designing be focussed on commercial or artistic values, or can the two co-exist? The debates shift focus but show no emerging consensus. Additionally, while it may seem that consensus is achieved, the discussion can be ongoing, which the appreciation of domestic production perfectly demonstrates by first fading and then re-emerging in 2015.

As predicted by the law of requisite variety, the increased hypercompetition has resulted in more complexity in industry cognition. The complexity increase has not been a radical movement but a result of arguing, discussing, and negotiating within and between three metanarratives. Figure 16 summarizes these interactions. Furthermore, the metanarratives have differences in complexity and focus of industry recipes. The pessimistic metanarrative has no straightforward industry recipe other than the evident doom. The protectionist metanarrative is less complex and more content-specific but increases complexity and adopts limited success beliefs. The limited success metanarrative is the most complex of the three.

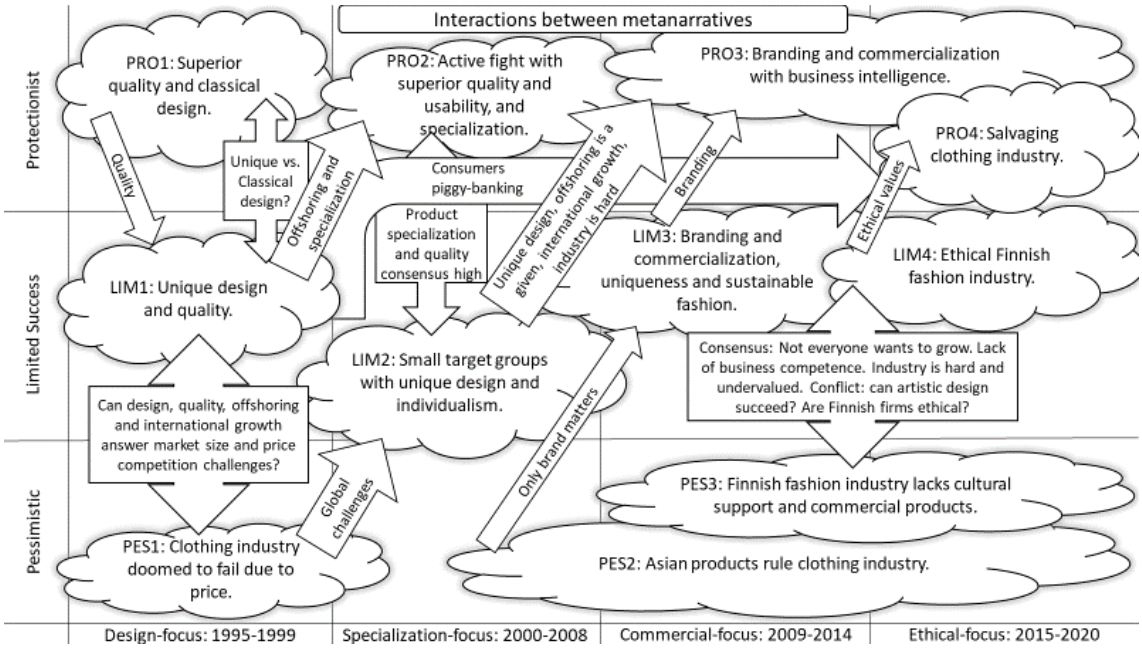


Figure 16 Interactions between metanarratives

In addition to widening our perspective on the homogeneity-heterogeneity dialect of SC literature, the study answers the need for longitudinal-focus cognitive development studies. It contributes to our understanding of how cognitive constructions evolve. The SC research is well past to seek validation for the existence and significance of cognitive strategic knowledge structures, but work remains to understand the emergence and development of cognitive constructions (Kaplan, 2011; Porac & Thomas, 2006). This study contributes to the literature's development by providing a unique window to 26 years of cognitive constructions' development within the Finnish clothing and fashion industry.

In addition to the general development, thought-provoking findings include what the recipes exclude—especially the lack of business model innovation (BMI) and cognitive diversity. Building cognitive diversity is vital for adaptive sensemaking (Bogner & Barr, 2000) and positively influences BMI (Narayan et al., 2020). The academic literature recognises BMI as crucial for the industry's success (Niinimäki & Hassi, 2011). Although niche mentions of each exist, their evident lack is notable.

Finally, the study raises a concern of shared beliefs enacting a national culture. The SC literature has not yet established the role of national cultures for shared industry beliefs (Bogner & Barr, 2000). Culture could prove an essential context for shared beliefs with enabling and hindering effects to industry success. The study offers significant insight into how national culture can affect shared beliefs with its national industry focus. The Finnish culture is described as hindering success due to perceiving fashion as superficial. The rise of ethical values in the industry recipes serves as a fundamental justification for the industry as a business and separates the Finnish industry from the global industry. The cultural background serves the unique design, individualism, and artistic values and disqualifies blatant commercialism and volume-based production. However, this study cannot provide conclusive insight into the dynamics of national culture and cognitive construction. Thus, it remains a task for future research.

To summarize, the cognitive development of industry recipes in the Finnish clothing and fashion industry results from ongoing negotiations to adapt to hypercompetitive conditions. Cognitive inertia persists on specific elements and potentially hinders the development of genuinely effective industry recipes that promote change-seeking business cultures, flexibility and adaptive sensemaking. Given that the industry's radical changes started over 20 years ago, the effects of cognitive inertia are significant. Nevertheless, the industry's metanarratives have constantly developed and increased in complexity to answer the need for cognitive adaptation, and ethical values rise as a culturally appropriate industry recipe element.

This study has two types of limitations—the first relating to the chosen dataset and the second relating to methodological choices and case-study nature. This study contributes to understanding the longitudinal development of industries' cognitive constructions with 26 years of media archive data on the Finnish industry. The limitation of the archival data is obvious, aka it is not directly sourced from industry participants or firms and might not represent their perceptions. However, archival data is better in genuinely reflecting the beliefs of the past time than memory-dependent interviews. Additionally, the chosen dataset included a significant amount of direct quotes from firm leaders, entrepreneurs and industry NGO representatives, increasing its validity as a data source. Industry boundary beliefs cannot be reliably assessed from the data as data gathering required pre-determination, and thus their assessment was not the focus of this study. It must be acknowledged that the three metanarratives could represent different strategic groups or categories within the industry, although no evidence of such is found in this study.

The study is limited to the Finnish industry, and its findings are not transferable to global or other national industries or other industries within Finland. Thus a case study nature is present. Additionally, given the highly research-dependent methodology and my limited experience, results would likely have been different with a different researcher. The role of researcher cognition is critical in

abductive reasoning (Mantere & Ketokivi, 2013). The researcher's subjectivity limitation is a given in this type of study and does not weaken the study's credibility. The study's methodological goal was to elaborate theory, and the study met the goal by bridging different theoretical constructs through data.

This study proposes a few policy implications for current industry participants. As Nadkarni and Narayanan (2007a) demonstrate, the law of requisite variety is beneficial for economic outcomes and the natural order of cognitive constructions and industry velocity. Complex and heterogenic industry recipes serve firms better in high-velocity circumstances. The hypercompetitive conditions of the global and national clothing and fashion industry are likely to perpetuate in the future. There are indications of future regulatory changes (European Commission, 2019) and prospects of radical BMIs in the industry (Chiu et al., 2018; Molderez & Van Elst, 2015; Niinimäki & Hassi, 2011). Consequently, the development of change-seeking business cultures and adaptive sensemaking are cognitive goals that both industry literature and SC theories validate. Additionally, the study's findings support them. Thus, managers should develop adaptive sensemaking capabilities by developing diversity among management teams, investing in experimental actions, and emphasising real-time decision-making information (Bogner & Barr, 2000).

Managers should re-evaluate their business logic and implicit assumptions behind their business models. They should accept the insufficiency of content-specific models based on specialization, quality, and design. Ethical values are the current price of participation in the Finnish industry, and given the trend towards sustainability, this is likely to perpetuate. Ethical values have rapidly increased in richness, and there are indications that the bare minimum CSR activities are no longer sufficient. Firms should expect to do more than comply in terms of ethical values. Managers should consider PSS-based business models. Finally, managers should realise the self-limiting nature of accepting small target groups and limited internationalization and business orientation. If growth is the goal, it requires proactive efforts.

5 CONCLUSION

The thesis offers a unique window into the development of industry cognition in the Finnish fashion and clothing industry in the last 26 years. It contributes to the SC literature by bridging the cognitive inertia, the law of requisite variety, and the constant flux of shared beliefs. The three metanarratives consisting of eleven subnarratives reflect the constant negotiations, debates, and discussions among industry participants with no apparent consensual industry model or recipe. However, cognitive inertia exists in elements of recipes: specialization, quality, and design. Nevertheless, the development pattern is of increasing complexity matching the hypercompetitive conditions of the globalized industry as predicted by the law of requisite variety.

Literature on cognition and strategy has developed around a heterogeneity-homogeneity dialect, where the central question concerns the degree of consensus (Porac & Thomas, 2006). Evidence exists of consensual beliefs and cognitive inertia (Pazzaglia et al., 2018; Porac et al., 1989). In contrast, there are findings of constant negotiations for meaning (Irwin et al., 2018), framing contests (Kaplan, 2008), and multiple industry recipes within an industry (Nadkarni & Narayanan, 2007a). This study demonstrates that stability and dynamism can co-exist and challenges researchers to avoid the bias of one being exclusive of the other.

The inertial industry recipe elements act as anchors that enable and hinder the gradual adaptation to hypercompetition. In conditions of uncertainty, firms rely on existing beliefs (Benner & Tripsas, 2012). The familiar anchors enable action in safer conditions while gradually adding complexity. The effects of prior beliefs diminish as firms develop new shared beliefs (Benner & Tripsas, 2012). Consequently, the anchors lose emphasis as complexity increases. The more heterogenic industry recipe portfolio better enables the firms to alternate between recipes to answer the competitive conditions (Nadkarni & Narayanan, 2007a).

Additionally, the study validates a research problem of national culture's impact on cognitive constructions that Bogner and Barr (2000) have previously

identified. In the Finnish clothing and fashion industry, culture has resulted in the judgement of superficial values. Thus the rising ethical values justify the business and separate Finnish industry from global. Porac et al. (1989) argue that the Scottish knitwear industry's shared beliefs could not have developed in any other way due to the enactment cycle and closed loops of information sources. The question emerges whether there ever was any other way for the Finnish industry to develop due to cultural boundaries. It would have been interesting to study the social networks of the industry to see if most information sources are based on Finnish cultural backgrounds. Future studies should seek to elaborate on the relationship between culture and industry's cognitive construction. Furthermore, future research would benefit from a cross-industry approach and in-depth industry development depicting studies. More research is needed to truly understand how the cognitive construction of industries is enacted to reality.

The media archive data, case study nature, and interpretative methodology limit the generalization of the study. However, my object was not to build new generalizable theories or validate prior ones but to elaborate theory. The limitations recognized, the study has elaborated theory by confirming and challenging it in the context of the Finnish clothing and fashion industry.

Managers in the industry should be alarmed by the lack of business model innovation and adaptive sensemaking processes in the current industry recipes. The hypercompetition of the industry is likely to perpetuate in the future. Thus the development of change-seeking business cultures and adaptive sensemaking is a worthy cognitive goal for the industry. Managers should develop diversity among management teams, invest in experimental actions, and rely on real-time information (Bogner & Barr, 2000). Additionally, the findings here challenge managers to re-evaluate their firm's business model's cognitive assumptions. Models based on specialization, quality and design are likely to be proven insufficient in the hypercompetitive industry where ethical values are the price of participation.

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APPENDIX 1 Table of data inclusion and exclusion rules

This table shows the detailed rules of which articles to include and exclude in the data.

Include (FOCUS: Brand/company, general direction, clothes produced for consumption)	**Exclude**
Articles about Finnish clothing firms (aka a firm listed in Finnish company register that designs or/and manufactures clothes in Finland). Articles about Finnish clothing manufacturing and design.	Articles about the global clothing and fashion industry. Articles handling foreign brands and their development or global ethical issues.
Articles on EU policies especially mentioning Finnish clothing industry.	Articles on illegal importing of cheaper clothes, or tourism in search of foreign clothing, or EU policy without especially mentioning the Finnish clothing industry
Articles about Finnish design (brand or company) succeeding in the foreign markets. Finnish Fashion in foreign fashion weeks etc. Finnish clothing brands and firms gaining recognition, awards, or funding.	Articles on young designer awards, Hyéres competition and other awards, aka individual designer awards.
Articles about the state of Finnish design, fashion, and clothing manufacturing.	Basic fashion trend articles describing, for example, dress length of the season. Consumer preference articles (general not focusing on Finnish products).
Articles about new clothing lines designed in Finland (an exception to individual designer articles).	Articles about individual designer's life journey, when a said designer is not a Finnish fashion entrepreneur talking about a current business (no memoirs). Death memoirs of Finnish designers and historical articles (like 60-years of Marimekko)
Articles handling COVID-19 influence on clothing industry especially.	Articles handling COVID-19 influence on retail or economy in general.
Clothing borrowing business-related when mentioning Finnish clothing.	Articles considering the social significance and influence of fashion, for example, to body images of people's. Lifestyle articles

	about clothing consumption etc. Flea market articles.
World Design Capital organizing, targets, reasons etc.	Finnish designer school graduate articles aka Aalto spring show, Helsinki fashion week, pre-Helsinki. Articles on the independence day reception.
Articles pondering the business impact of a new line (an exception to individual fashion shows exclusion).	Articles on events and art shows with fashion or fashion brand collaborations or individual fashion shows.
Semi couture and online semi-custom-made clothing producing. Producing to-order for masses. Limited edition lines.	Atelier tailors = aka not producing clothes for consumption, but individual custom measured and designed.
	Textile industry articles including face masks and Finnish textile companies.
	Articles on retailers.
	Articles about special products: shoes, atelier hats, leather, and fur products. Knitwear and sewing pattern designer articles (selling instructions, not clothes).
	Video news, document and tv show descriptions. Rectifications.
	Design legal copyright battles.