INTRODUCTION

According to the Stern report, climate change is the greatest market failure the world has ever seen” (Stern et al, 2006). To truly accept the environmental crisis in which we live is to acknowledge the unknowability emerging from the radical changes being experienced in our natural environment, where reassurances are rare and conflicts abound regarding the key issues such as climate change and global warming. A long standing recognition has been that the transition towards sustainability will require change, both incremental and transformational, in our concepts of production, consumption, and business success generally (Bruntland 1987; Hawken, Lovins et al. 1999). Several marketing scholars suggest that this necessitates large scale systemic change in markets and marketing systems (c.f Van Dam and Apeldoorn 1996; Kilbourne, McDonagh et al. 1997). This change cannot occur in isolation, but is more a collaborative endeavor where a critical mass of individuals, groups and organizations decide to live and act differently (Senge, Laur et al. 2006). Indeed with governments all over the world offering incentives for the establishment and growth of green markets (e.g. renewables and energy-saving technologies), conditions are becoming more favourable for the establishment of green business. For example for small businesses, green markets have been termed the ‘the next big thing’ (Kotchen, 2006 p. 817). For the past 20 years, however, marketing scholars have been debating how to tackle the green challenge and whether the marketing practices of ‘green firms’ differ substantially. For example proponents of the traditional Marketing Mix approach claim that achieving sustainability requires only incremental adaptations (Prakash, 2002) whereas others suggest a paradigmatic shift away from the Marketing Mix towards a more interaction and networks perspective is required (Ryan et al., 2009). In light of this ongoing debate, it is relevant to take a deeper look at the marketing implications for companies that try to walk the line of environmental and economic sustainability. As such this paper addresses the key question as to what marketing dilemmas are associated with a green start up and how these can be explained and perhaps resolved.

“Examination of the consumption of what used to be described in British industrial statistics as ‘the utilities’ reveals a type of commodity which dances scarcely at all to the tunes of consumer culture...yet [...] together they contribute to the most pressing of the world’s environmental problems” (Shove and Warde, 1998 pg 13).

According to the United Nations Environment Programme, global investment in renewable energy generation projects grew by 13% during 2008, to $117 billion, and new private investment in companies developing and scaling-up new technologies increased by 37% from 2007 to $13 billion (UNEP, 2009 p10). Moreover, 2008 was the first year that new power generation investment in renewable was greater than investment in fossil-fuelled technologies (ibid). We take renewable or ‘Green electricity’ as electricity “produced from solar, wind, geothermal, biogas, biomass, and low-impact small hydroelectric sources”\(^1\). The nature of the

\(^1\) http://www.epa.gov/gnpower/gpmarket/index.htm
green energy market gives expression to the concept that there are multiple efforts by different actors engaged in divergent market practices to simultaneously configure markets differently (Kjellberg & Helgesson, 2006). Where “multiple and often divergent versions of the market co-exist and compete with each other for supremacy” (Azimont and Araujo, 2007 pg 850).

For example let us address the key drivers for investment in renewables which include climate change, energy security, fossil fuel depletion and new technology. Each of these constitutes different world views, agendas and theories regarding the human-planet relationship. These often diverging perspectives on the environment have been much explored in the literature, most often as a duality between anthropocentrism, i.e. valuing nature because of material or physical benefits it can provide for humans and ecocentrism, that is, valuing nature for its own sake (Thompson and Barton, 1994). Moreover, there are multiple actors involved in the shaping of the renewable energy market, including climate scientists, climate sceptics, ‘brown’ energy firms, new green energy firms, differing government departments (environment and economy), NGOs, the public and the media. Due to the topicality and political nature of ‘climate change’ much shaping of the market occurs visibly and in the public sphere (Muniesa et al 2007). Moreover, the concept of sustainability changes the boundaries of both time and space (Gladwin et al., 1995) and calls for system level market changes (Bruntland, 1987; Hawken, Lovins & Lovins, 1999). Some of these changes are underway, including firms encouraging consumers to consume less (e.g. KIA Motors Sedona ad supporting the Walking Bus initiative, and the AISE Washright campaign), consumers becoming suppliers of green energy (Murray, 2010) and firms embarking on proactive collaborative industry partnerships (e.g. World Business Council for Sustainable Development), seeking to influence suppliers, and manufacturers to generate and adopt environmentally sound technologies and behavioural practices. However, contradictions abound, as on one hand government asks society to consume less for the sake of the environment, and in times of recession the public were asked to spend more to save the economy (McDonnell, 2009). Moreover, firms launching environmentally related strategies and campaigns risk ongoing media scrutiny (e.g. Wal-Mart’s sustainability programme, http://walmartwatch.com/) and the potential of a green backlash (Crane, 2000). Moreover, rewards for risks taken are by no means guaranteed (Kapelianis and Strachan 1996); coupled with the level complexity and increased speed/volume of environment related government regulations and guidelines means that many firms and consumers may feel paralysed into inaction, or become increasingly risk adverse. Indeed even the product ‘green energy’ is nebulous. That is, that all electricity generated (whether renewable or not) emerges from one power grid, where all electricity is ‘pumped’ and then mixed. Thus, as a green consumer what one buys is an assurance, than the green electricity company will buy and pump into the grid an amount of green electricity equal to what you have consumed. From this, we can conclude that green electricity is an intangible and abstract product where the electricity a consumer receives before and after the decision to buy green electricity is essentially the same (Truffer, 1998).

The empirical context of this study is a small Danish start-up called Natur-Energi that sells green electricity. Natur-Energi has acquired more than 25,000 customers in less than one year and according to a recent NGO report, the electricity they sell is the greenest available (Ejlertsen, 2009). It is also a company that has recently gained media attention because of its controversial marketing approach. In this context therefore it is possible to examine the nature of impact of multiple versions of the market on the market practices of a single small start up firm. Building on the work of Kjellberg and Helgesson, (2007) we examine the interface between three interlinked types of practices, that is; representational practices which serve to depict markets and how they work; normalising practices which serve to establish
and reproduce commonly held views of how a market should be shaped according to some group of actor(s); and finally exchange practices which serve to realise individual economic exchanges. This is achieved by focusing on one particular artefact of the one green company’s marketing practice, that is, a reseller kit. With this kit the company mobilise a series of market actors with the aim of shaping the market and to grow the firm. We discuss how these exchange practices are influenced by different theoretically based normative advice espoused in green marketing theories. However, the variability in norms presents the firm with particular dilemmas; with conflicts arising between the firm’s need to grow, while maintaining their environmental integrity. According to Grant (2008 p.23) this trade-off seems inevitable when the agendas of marketing and sustainability are at odds on ideological, cultural, economic and practical grounds. As such this paper attempts to theorise as to how firms can transform practice and develop mechanisms such that these dilemmas may be resolved.

This paper is outlined as follows: First the conceptual foundations of this work will be discussed, that is, the market practice approach, its IMP routes and potential in our understanding of the emergence and development of green markets. Specifically we will be looking at market practices identified by Kjellberg and Helgesson, (2007) and the concept of translation, as developed by Latour, (1986) and market shaping devices (e.g. Muniesa et al., 2007). Third to outline the methodological approach taken in this research, outlining the nature of data collected in line with a market practice approach, that is, designed to enable the study of markets in the making. Fourth we present the case of Natur-Energi, paying particular attention to the emergence of their market practices and the tensions and trade-off faced over time. Fifth we discuss the observations from the case in light of the theory and explore the implications of diverging views of the market as ideas/norms are interpreted in multiple, divergent and local ways. We conclude by outlining the implications of understanding green markets from a market practice perspective.

MARKETS, THE IMP AND A MARKET STUDIES APPROACH

The focus of this paper lies with the markets as networks perspective espoused by the IMP group (Axellsson and Easton 1992), but also its more recent development, that is, the market practices perspective (e.g. Araujo et al 2008). Certain critical points of departure for the work of the IMP serve to differentiate this work from the more traditional marketing management perspective, including the rejection of the notions of: atomistic consumer markets; comprised of multiple independent actors; where the consumer is seen as passive; and therefore merely responding to marketing mix signals (Cunningham 1980; Möller and Wilson 1995). There was a clear move away from what the group felt was a “restricted understanding of much of the reality of what occurs in [industrial] markets” (Ford 1990 p1) which had heretofore dominated the marketing discipline.

As such we take the view that green firms act as interdependent actors within complex networks, which they shape through market practices. From this perspective networks are constantly being constructed by the interactions between organizations (Håkansson and Snehota 1995). Firms therefore are in a position to both create change, and create stability in response to change, both internally and externally generated. This therefore forms a constructivist view on change that allows for actor level agency while recognizing the impact of the system itself, where individual action will be subject to other actors in the network, and where changes initiated in part of the network will go onto involve other parts of the system. This constructivist view of network change has important implications for sustainable marketing theory as it allows for the concept that organizations, relationships and networks are changeable by the actions of the parties involved, both internally generated or in response to external triggers. Moreover, this perspective counters the traditional view within the
business discourse that suggests that the green market exists outside of the firm. This is evidenced in the ongoing ‘chase for the green pound’ and where firms err on the side of scepticism as to the existence of the green consumer (Hume 1991; Kapelianis and Strachan 1996; Emond 1997; Follows and Jobber 2000; Peattie 2001; Skuras and Vakrou 2002). Following this particular logic the market for green products and services must already exist, and be considered large enough for it to be worthwhile to engage in the organizational changes necessary to enter this market. This has also fuelled the boom and bust characteristic of marketing and the environment, with swells of support arising out of specific crises or triggers (i.e. banning of cfcs and ozone layer depletion, or the energy crises in the 1980s and 1990s) eroding as quickly as they emerged (Goldman 1991; Reed 1992; Prothero 1998; Crane 2000; Peattie 2001; Ottman 2003; c.f. Cleveland, Kalamas et al. 2005; Melillo, Miller et al. 2006)

Kjellberg and Helgesson, (2007) suggest two important issues that a Market Studies approach can offer to our understanding of markets, that is, what is being shaped through market practice and what are the processes that lead to those outcomes. According to Araujo et al (2008 pg 6) “markets should be studied as sites of multiple and often conflicting practices, and attention should be directed towards the forms markets take as a result of the efforts to shape them”. Marketing is engaged in the production of markets and not just in their description. The definition of practices employed in this research follows Araujo et al (2008) in looking at market practices as “the bundles of practices including material arrangements that contribute to perform markets”. This approach is founded on the premise that markets to not pre-exist as stabilised entities but are ever-changing performances enacted, reproduced and shaped by the interplay of routines, activities and material devices.

The view that multiple theories inform market actors’ relationship to the market has gained attention elsewhere in the marketing literature, for example Coviello et al (2002). However, of that which is missing from this perspective is that these multiple views on the market can cause tensions and tradeoffs within the firm and will be met with a further multitude of perspectives on the market as held by other relevant market actors; that is, they are neither neutral nor operating in a vacuum.

“Market theories are present in many everyday market practices, be it in the shape of rules stipulated as part of a governmental market reform or the use of some measurement device when performing customer segmentation “(Kjellberg and Helgesson, 2007 pg 138). This paper will examine the nature and role of three key forms of market practices, that is, exchange, representational and normalising practices, which involve concrete activities undertaken by various actors [that] intersect and affect both individual economic exchanges that take place, the images of markets that are produced and the objectives that actors establish for themselves and others” (Kjellberg and Helgesson, 2007 p143). However establishing the existence of these is not enough, we need to understand the link between them, i.e. how ideas of the market transform into practice or how practices contribute to modifying norms or representations of the market. This involves a process of translation, which is defined as the process of how an idea, rule or technology, for instance, gets picked up and spreads across time and space (after Latour, 1986). In this process the idea, rule or technology is sustained because it is being reproduced in some way, while at the same time is gets changed according to how it is ‘put to use’ by different market actors in context.

2 by which they particularly focus on marketers
“Representational practices thrive on measures and methods of measurement devised by normalising practices and applied to exchange practices. Taken together, representational practices transform these inputs into images of markets that in turn may act upon normalising and exchange practices (Kjellberg and Helgesson, 2007 p149)

While the above describe ongoing and continuous processes, according to (Kjellberg and Helgesson, 2007 p149) “it is not impossible to identify events that for all practical purposes must be regarded as setting off important change processes”. Building on this premise, our discussion will focus on a reseller kit as one particular market shaping device, which as it moved through time and space (i.e. mobilised by different actors as to their own interpretation) the multiple perspectives shaping the market come into relief. According to Muniesa et al (2007 p2) a market device is a “simple way of referring to the material and discursive assemblages that intervene in the construction of markets...they articulate actions; they act or make others act” This device was itself a translation of ideas of how the market works, held by the management of the firm and used to mobilise actors in the market (b2b customers, end consumers, outsourced call centre). We will observe how this device was taken up and used by these different actors and the tensions and tradeoffs this caused for the focal firm.

**METHODOLOGY**

Kjellberg and Helgesson, (2007) suggest that to be philosophically consistence within a market studies perspective it is important to ‘study markets in the making’. This involves a process orientation towards the activities that go into the making and shaping of the market. This is achieved in this study by taking an action research perspective, which by its nature breaks down the object/subject divide that is at the heart of the market practice perspective (Woolgar, et al 2009). An important aspect of this methodology therefore was the role of observation. As part of this research one of the authors worked with Natur-Energi in Copenhagen and as part of this he had a chance to participate in meetings both internally and externally with sales partners in Copenhagen, Aalborg and Aarhus. In table 1, the observations from the project are listed. The researcher’s role shifted back and forth between being ‘observer as participant’ and being ‘participant as observer’ (Ackroyd and Hughes, 1992) The denominator of these two approaches is that his identity as a researcher is revealed in both. ‘Observer as participant’ happened for instance when he went into the field with field marketing sales people and observed how they interacted with existing and potential customers. ‘Participant as observer’ was used when he attended meetings between Natur-Energi at its salespeople. Here, he took part in the activity, since he was asked to articulate his opinion about certain issues.

<table>
<thead>
<tr>
<th>Observation</th>
<th>Date</th>
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</thead>
<tbody>
<tr>
<td>Observation while working with Natur-Energi in Copenhagen from the 9th to the 12th of June 2009</td>
<td></td>
</tr>
<tr>
<td>Observation of field marketing sales person in Copenhagen, 9th of June 2009</td>
<td></td>
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<tr>
<td>Observation while attending meeting with freelance sales person in Aalborg on the 17th of June 2009</td>
<td></td>
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<tr>
<td>Observation of field marketing sales people onsite in Aalborg, 17th of June 2009</td>
<td></td>
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<tr>
<td>Observation of field marketing sales people debriefing in Aarhus, 18th of June 2009</td>
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*Table 1: Observations in the project*

These observations were complimented by both in-depth personal interviews and secondary data. When conducting semi-structured interviews, it is important to think about whether you
are using the interviewee as an informant or representative (Kvale, 1996: 218). The interviewee is being used as an informant when the interviewee’s expressions are treated as fact. Typically, interviews with people high up in the hierarchy took this format and were used to get a fundamental understanding of how Natur-Energi operates. Sales people and customers were used more as representatives. Here, focus was on collecting understandings, descriptions and narratives.

<table>
<thead>
<tr>
<th>Individual interviews</th>
<th>Group interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rasmus Christensen, CEO, Natur-Energi</td>
<td>Fieldwork salespeople, external sales organisation in Eastern Jutland</td>
</tr>
<tr>
<td>Soren Hoelgaard Justesen, Founder and chairman, Natur-Energi</td>
<td>Fieldwork salespeople, external sales organisation in Northern Jutland</td>
</tr>
<tr>
<td>Christopher Olesen, Sales manager, Natur-Energi</td>
<td>Customer support, Natur-Energi</td>
</tr>
<tr>
<td>Tina Bech Andersen, Marketing manager, Natur-Energi</td>
<td></td>
</tr>
<tr>
<td>Thomas, External salesperson, Natur-Energi</td>
<td></td>
</tr>
<tr>
<td>Manager(external telemarketing organisation)</td>
<td></td>
</tr>
<tr>
<td>Shop owners in Copenhagen and Aarhus</td>
<td></td>
</tr>
</tbody>
</table>

*Table 2: List of interviews*

As a part of the company project, the lead research had access to sensitive internal documents. When analysing these internal documents, it is important to be mindful that they include an extra layer of information because they are written in the cultural language of the informants (Lincoln and Guba, 1985). Also externally available evidence such as the company’s marketing materials; website and news articles provided useful insights for the research.

<table>
<thead>
<tr>
<th>Natur-Energi - Employee contracts including reward structure information</th>
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</thead>
<tbody>
<tr>
<td>Natur-Energi ‘s Investor relations presentation</td>
</tr>
<tr>
<td>Natur-energi’s ‘Go-to market’ BTC strategy document</td>
</tr>
<tr>
<td>Websites from relevant partnering organisations</td>
</tr>
<tr>
<td>Natur-Energi’s Website: <a href="http://www.natur-energi.dk">www.natur-energi.dk</a></td>
</tr>
<tr>
<td>Natur-Energi ‘s site on Facebook: <a href="http://www.facebook.com/NaturEnergi">http://www.facebook.com/NaturEnergi</a></td>
</tr>
<tr>
<td>News, commentaries and magazine articles about Natur-Energi, green electricity and green marketing</td>
</tr>
<tr>
<td>NGO reports from Noah Energi and WWF</td>
</tr>
<tr>
<td>Industry report from Datamonitor</td>
</tr>
</tbody>
</table>

*Table 3: List of secondary information*

**THE CASE STUDY**

In Denmark, the electricity industry is dominated by three big players that account for 46 percent of the market (Datamonitor, 2008). While the electricity market was liberalised in 2003 only 7.5 percent of consumers have switched supplier (The Danish Energy Agency, 2007). This was seen to be cause by three factors: 1) low awareness about the possibility of switching, 2) low interest in energy products and 3) the pricing structure (The Danish Energy Agency, 2007). The pure electricity price only constitutes 19% of total price per kilowatt
hour. The rest of the price is made up from grid fees, subscriptions etc. Thus, for a typical household the possible savings from switching from the most expensive to cheapest supplier only equal approx. £35 a year (The Danish Energy Agency, 2007: 6). Thus, despite liberalisation, the industry can be characterised by a relatively low level of competition and by long-term relationships between consumers and utility companies.

Natur-Energi is one of two green electricity retailers in the Denmark. Natur-Energi was founded in 2007 by Soren Hoelgaard Justesen, who is a serial entrepreneur. In 2008, Rasmus Christensen, an MBA with a background in management consulting, joined Natur-Energi as CEO. His primary responsibility was sales and marketing with the objective to grow the company to reach the target of 50,000 BTC customers by the end of 2010. The same year, Ole Vestergaard who has had a long career in utility sector operations became director. The company started its life in a city centre office community with only a handful of employees.

A crucial element in preparing the company for the market was to build partnerships. Since, Natur-Energi is a retailer, they partnered with an energy company, which now takes care of the trading and distribution of electricity. Furthermore, Natur-Energi partnered with the World Wildlife Foundation (WWF). WWF certified and verified that Natur-Energi’s products lived up to the criterion of additionality. Natur-Energi also became licensed to sell green electricity under the Swedish eco-label ‘Bra Miljöval’.

From the beginning, a key feature of Natur-Energi’s strategy was cost-per-order (CPO). Most of Natur-Energi’s sales activities were structured around the CPO principle meaning that sales people internally as well externally would be paid per order/acquisition. The idea was to create a highly sales-oriented organisation. Natur-Energi hoped to create rapid growth so the company would achieve a critical mass of customers before the big players in the industry could catch up. CPO-thinking penetrates most of Natur-Energi’s marketing activities and makes them very transaction/acquisition-oriented. According to Soeren “acquisition focus is necessary to build the business, active sales activity is what works – it’s the name of the game”. However, as Rasmus explains it “We don’t think of it as one-shots”.

The management of Natur-Energi takes a dualistic view on sustainability. Rasmus, the CEO, talks about ‘economic sustainability’ and what he calls ‘sustainable sustainability’. The economic sustainability is evident when Soren, the founders, says “we are followers of a need” in society – “we are not hippies”. The economic perspective is also reflected in the CPO approach, ‘bootstrapping’ and the efforts to keep administration and systems at a minimum. Relationship to partners is characterised by warmth but with a clear expectation of “something in exchange for something”. ‘Sustainable sustainability’ comes from the fact that Natur-Energi believes their products play a role in transforming the industry, creating additional renewable energy and as Rasmus, the CEO, says “we contribute to a change of attitude”. As a green business, Rasmus also emphasises that it is important to “say what we do and do what we say”, keep promises and promote honest communication about the products.

Prior to entering the BTC market, Rasmus commissioned a market survey to measure and profile the market. This analysis identified three segments; a dark green (36 %), a light green (40 %) and a red segment (24%). The dark green segment was most willing to pay for climate friendly electricity and the red segment the least. Based on this research, Rasmus drafted a marketing strategy enabling Natur-Energi to start selling its products midway through 2008.
From the outset, Natur-Energi followed a differentiation strategy targeting the BTC market. The key differentiator was green or so-called ‘climate friendly’ electricity. In the beginning, Natur-Energi offered two types of electricity. Green electricity from renewable sources and black electricity bundled with destruction of co2 quotas. Electricity prices fluctuate like stock prices, but in general Natur-Energi’s pure green electricity product was priced so that it was between 10-20 % more expensive or at par with the price of ordinary electricity from the big players in the industry.

Inspired by marketing approaches adopted by charities, Rasmus decided to concentrate on personal direct selling, PR and online marketing. For the BTC market, Natur-Energi used own and externally sourced field marketing people. Field marketing focused on big cities (Copenhagen, Aalborg and Aarhus) and areas with high pedestrian traffic. Other channels included partnerships and member-get-member. PR-wise, Natur-Energi has been on number of TV-shows and celebrities have spoken positively in public about Natur-Energi’s products. The sales activities went well and midway through 2009, Natur-Energi had reached 25,000 customers.

In the beginning of 2009, Natur-Energi and a charity (‘Folkekirkens Nødjaelp’ developed a cause-related green electricity product called ‘Nødstrøm’ (translated it means Aid-Power), where 8 % of the electricity bill went to climate projects in the third World. Natur-Energi’s ambition was to sell its products by appealing to people’s values and attitudes and invoke a sense of efficacy when buying green electricity. Furthermore, Natur-Energi knew that information and education about the opportunity to switch electricity supplier was necessary.

In figure 1, translated examples of the more emotional arguments that Natur-Energi’s field marketing people use are presented. Included in the table is also an illustration obtained from one of Natur-Energi’s sales people, which indicate how Natur-Energi is perceived by their own sales people. Since, electricity prices fluctuate, Natur-Energi’s green electricity products were sometimes cheaper than its competitors’ black electricity. In these periods, the sales pitch became more price-focused.

Figure 1: Sales pitch lines and illustration made by a field marketing sales person
Aproximately 4% of Natur-Energi customers have become fans on Facebook. In comparison, one of the big electricity companies, Dong Energy, has several ‘hate clubs’ on Facebook with more than 500 members in total\(^3\).

Midway through 2009 Natur-Energi became active in the B2B market. The targeted B2B segment was SMEs but to an extent also large corporations. The SME segment was chosen because it is substantial; SMEs are easier to switch; and they pay upfront and are less price-focused. Four channels were used to target the SMEs. Natur-Energi’s own field marketing organisation, an external telemarketing organisation, partnerships and freelance regional sales people. The intention was to generate most of the sales through the external call-centre. Natur-Energi partnered with the municipality of Copenhagen, which ran a programme called ‘Copenhagen green businesses’. Through this network, members were offered Natur-Energi’s ‘greenest’ electricity product. The freelance regional salespeople were typically people with experience in sales, who operated independently in different regions of Denmark.

Natur-Energi also developed a reseller-kit, which was thought as way of combining B2B and BTC channels. BTB customers were offered the possibility of becoming a Natur-Energi reseller. Resellers got a brochure-kit for display in their shop and for every generated BTC-acquisition; Natur-Energi bought a gift voucher from the reseller and sent it to the new customer. The idea was to create a win-win situation where Natur-Energi got new customers, the resellers earned money on the gift vouchers and the new customer got a free gift voucher for the reseller’s shop. The market shaping role of this device will be discussed in detail below.

By June 2009, Natur-Energi had grown and had close to 20 fulltime employees. As a result, Natur-Energi moved into a new building where WWF and Fairtrade also had offices (exhibit 2).

Due to the growth and the rather informal culture, you often found two people sitting at the same desk because the number of employees was growing faster than the number of desks. Likewise, you would have people from all levels of the organisation staying late in the evenings to help when the pile of customer requests and questions got too big. The company was characterised by a strong entrepreneurial spirit. From the management team and down to field marketing sales people, there was a strong belief that Natur-Energi really does something...
good for the environment. Furthermore, there is a sense of pride in selling a product that does ‘good’ at almost the same price as ordinary black electricity.  

Over the summer 2009, pressure on customer support intensified. The phones would be ringing from 10 in the morning throughout most of the day. Typically customers complained about getting two invoices or that they had not been informed properly by the telemarketing salesperson. It became clear that the external callcentre addressing the BTB market was responsible for most of the complaints. On the web, a few customers started to write negative comments about Natur-Energi and how they felt they had been by fooled when signing up for a car wind screen sticker campaign, where they could earn a little money⁴.

Another issue, which intrigued Rasmus, was that the resellerkit had only resulted in 150 new BTC customers despite the fact that Natur-Energi had more than 600 resellers. Also Natur-Energi’s freelance regional sales people were experiencing problems and had hardly sold any electricity to BTB customers. Interviews with the different BTB sales channels also revealed an element of overlap between the channels. Over the summer, it was announced that the legislation regarding electricity subscriptions would change so that it would no longer be possible to lock customers for two and half years as Natur-Energi was doing. Thus, Natur-Energi had to think of other ways of making customers loyal.

In the end of August, the negative comments on the web had accelerated and Natur-Energi came into the searchlights of a popular consumer watchdog programme on TV. The 3rd of September, Rasmus defended Natur-Energi’s sales approach but apologised for the cases of overselling on national television. The main criticism was that the sales approach was too aggressive and in some cases misleading.

⁴ Over a period, Natur-Energi has been running a campaign, where people get £25 for having a sticker in their car. However, some people overlooked that to be part of the campaign they had to become Natur-Energi customers  
http://www.sponsorcar.dk/default.asp?Action=Details&Item=1072
Figure 3: key heterogeneous market actors identified in study, including multiple roles played

**The resellerkit: A Market Shaping Device**

During the spring 2009 Natur-Energi started to offer a resellerkit to BTB customers. Figure 3 illustrates the model behind the resellerkit. The resellerkit served two key purposes. The first was to get access to green consumers shopping in green shops and secondly to close deals with more price-focused BTB customers. Rasmus, the CEO, hoped that some of the resellers would become ‘ambassadors’ capable of delivering a good sales pitch. The resellerkit was first offered through two channels: field marketing and freelance regional sales people. In accordance with the CPO principle, the channels were rewarded both on the number of BTB and BTC sales generated by the resellers. Field marketing and the freelance regional sales people typically selected green shops for the resellerkit, but occasionally they also used the kit to close a deal with a price-focused shop-owner. In May 2009, Natur-Energi contracted with an external callcentre to increase BTB sales. The call-centre was only rewarded for its BTB sales and soon began to use the resellerkit as a means of closing deals with price-focused BTB customers.

Hi

**Figure 4: Model of how Natur-Energi’s resellerkit works**

In July 2009, Natur-Energi became aware of problems in the callcentre after pressure on customer service suddenly increased. According to Christopher, the sales manager, people called to say that “they have not agreed any contract with Natur-Energi and they felt pressurised in the phone”. Taped telephone calls showed that the problem with the callcentre
was that sales people had a tendency to focus on price, talk over the customers and give incompletely and sometimes even incorrect information.

Over the summer, interviews with resellers were conducted. It turned out that most shop-owners had not understood the money logic (see figure 3), but they were still displaying the brochures on the shop desk, although, they did not talk much about it to their customers.

In the beginning of August 2009, a number of bloggers wrote negatively about the call-centre’s way of ‘selling’ the resellerkit. One blogger ended his comment with this statement: “a real bad company without any moral towards nature or people.”

By mid August, Natur-Energi had achieved 1000 BTB customers out of which 600 were resellers and these resellers had only generated 150 BTC sales. The list of resellers included Pizzerias as well as organic coffee shops. The situation made Rasmus wonder: “can you sell a cost plus green product over the phone in a way that is satisfactory?” A decision was made to stop selling the resellerkit via the call-centre, as Christopher, the sales manager, explained “the customers misunderstand the message”.

The transaction/acquisition focus in Natur-Energi’s sales approach is clearer in this event than in the main case. The primary purpose of the resellerkit is acquisitions. The transaction/acquisition element is also evident in the choice of sales channels and in the relationship between Natur-Energi and the channels. As Rasmus explained, Natur-Energi chose the external call-centre in order to scale its BTB business: “it is the dream about scaling the company quickly”. The relationship between Natur-Energi and their internal and external sales people also have a transactional character. In the relationship between the sales channel and reseller, the acquisition/transaction focus is reinforced. The call-centre uses the resellerkit primarily as a way of closing deals. However, field marketing and freelance external sales people use it more as way of establishing connections to green consumers.

**DISCUSSION**

The aim of this section is to draw together key insights from the case that illustrates the multiple and often-conflicting attempts by heterogeneous market actors to shape the green energy market in Denmark. The observed heterogeneity within and between market actors also provides an opportunity to empirically explore how one particular material market shaping device, that is, the reseller kit, which was devised to enable the consummation of particular exchange episodes, was itself interpreted in multiple and diverging ways by different market actors within and external to the organisation. These multiple interpretations led to multiple and diverging exchange practices, themselves leading to differing degrees of adoption and acceptance by ‘the market’.

A starting point for our discussion is the nature and origins of the Natur-Energy company itself and in particular how it developed a dualistic identity and the effect this was to have on their market shaping activities. Natur-Energi’s motivation for being in business seems to be a mixture of both moral/social and economic motives. Soeren, the founder, explains that on a management level, this dualism does not create conflicts. In Soeren’s view, “the hard part is not to create this balance, but to live up to it”. Thus, the potential conflict is not so much on the strategic level but rather on a practical and operational level. Soeren explains it this way: “There are trade-offs in the sales processes – it is difficult not to step on someone’s toes when you are growing the company... “the more you look towards the sales activities, the

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5 [http://www.mortenbock.dk/natur-energi-129.htm](http://www.mortenbock.dk/natur-energi-129.htm)
harder it is to make the connection [between NGO and business]” (author’s addition). Ole Vestergaard described how Natur-Energi tries to balance these concerns:\footnote{Translated quote from an interview in an article in the magazine ‘Climate’ available at: \url{http://www.publicist.dk/pdf/CLIMATE%20nr%201%202009.pdf}}

“We want to see ourselves in a position between NGOs and hard core business. This is exactly the brand, we want to have. We don’t want to be too worthy because then we lose initiative and business, but we must also make sure that there is a green identity, so that customers choose us”.

Natur-Energi are attempting to walk a fine line between growing a business, through sales and acquisition and maintaining environmental integrity. Interesting this meant the adoption of conflicting norms regarding the process of growing the firm. On the one hand we have the phrase used by the founder/chairman that acquisition is “the name of the game” and on the other hand we have the need for Natur-Energi to “say what we do and do what we say”, that is, to walk the green line. The former norms are reproduced in the re-presentations of the market via classic sales figures, analysis and graphs. Here the market is re-presented as a singular known entity that can be carved up and targeted (as per their market research leading to identification of different green segments).
As a contrast we have figure 1 above which is a representation of the company by a sales agent who clearly wishes to depict the firm not merely as an energy supplier, but as a ‘good guy’, positively shaping the market in the agreed need to transition towards sustainability. These norms were translated into tools that were put to use in specific exchange settings, i.e. reseller kit. What is important to note that in the development and mobilisation of the reseller kit particular norms dominated, that is, sales driven growth as evidenced in the CPO principle adopted.

Green electricity is a complex, intangible and abstract product that resembles a collective good. Therefore, selling green electricity is not like selling a phone subscription or shampoo. As Christopher, the sales manager from Natur-Energi explains it: “you have to think green in order to able to sell green electricity”. In the literature, it is claimed that selling green electricity requires a combination of education about sustainability and product, including the consequence of the liberalised electricity market (Rundle-Thiele et al., 2008: 188). Due to people’s more altruistic buying motivations, it is also important to bring out the emotional values and make people feel that buying green-electricity makes a difference (Rundle-Thiele et al., 2008; Hartman and Ibanez, 2006). In order to deliver a pitch like this, the reseller must be well-informed about Natur-Energi and their products and engaged in the cause - in short be a good ambassador. The reseller can only become a good ambassador if the reseller is motivated and if he/she has been given an opportunity to become eco-literate. However, in a situation, where the external call-centre uses the resellerkit as a means of closing deals, only limited consideration went into who they selected.

Because of the CPO principle, the sales people focus on how many rather than to whom they sell. It seems unlikely that a price-focused shop owner who is offered the ressellerkit over the phone will become a good ambassador. Natur-Energi’s field marketing sales people are in a better position to make selections, because they visit the shops and talk to shop-owners face-to-face. However, due to the field CPO based reward system; the incentive to spend time and educate resellers is limited. As Christopher Olesen, the sales manager, describes it: “The guy out in the shop [the reseller] don’t know enough about the product, when the sales person has only been there for 10 minutes”. In the relationships between Natur-Energi and their external sales partners we see evidence of instrumentalism, control and power. For, instance, Natur-Energi checks up on the call-centre and monitors quality by reviewing tape recordings. It is also evident in the relationship to the freelance regional sales people and the resellers who both receive limited support from Natur-Energi.
The dilemma for Natur-Energi here is that on one hand, the CPO approach works for closing as many deals with shop-owners as possible but on the other hand it inhibits relationship building with carefully selected green-minded shop-owners. Thus, the underlying dilemma is between growth/acquisition and relationship building. This dilemma is also evident in the call centre aspect of the case. As of now, the relationship between Natur-Energi and the call centre is largely transactional and Natur-Energi feels that they must control and scrutinise to secure quality. However, by reproducing this one-way relationship, it will be difficult for the call centre to improve.

According to Kjellberg and Helgesson, (2007), while multiple and conflicting versions of the market can co-exist and compete with each other for supremacy (Azimont and Araujo, 2007), on another level these versions need to be at least partially reconciled for markets to work. It is clear that on some level the green energy market ‘works’. New green energy firms continue to be established, governments continue to incentivise growth in this area, and firms would seem to be reproducing classic views of the market in their attempts to grow and shape the market. However there would also seem to be some disfunctionality in this market, as evidenced in the tensions and emerging dilemmas between growth and integrity. We do not presume that these tensions are the cause of some essential dichotomy between the economy and the natural environment (although some would argue this case). What we can see from this case is that market actors, outwith the focal firm, seem to employ particular norms of how the green energy market should operate, and in particular what the exchange practices of firms in this market should be. In this sense this market carries much in common with that market form which Kjellberg and Helgesson, (2007) describe as ‘markets in transition’. Such markets are concerned with fundamentals such as ‘the rules of the game’ which remain unresolved and politicised. In this state of ambiguity there is arguably greater scope for diverging interpretations when ideas or technologies move through space and time. Evidence from the case suggests that the reseller kit, in the hands of different market actors, became something different and shaped the market in multiple and diverging ways. Those actors closer to the firm were able to manifest this device in line with the company ethos and vision. However this ethos and vision was in effect uniquely defined by Natur-Energi itself, a local resolution of the paradox between business growth and environmental integrity. Other actors directly involved in the mobilisation of the reseller-kit residing outwith the firm did not share in this vision and were therefore free to perform local interpretations of its role. This had unintended consequences for the firm including negative media coverage and an investigation by the Danish Energy Association.

In response to this Natur-Energi worked towards realigning the market practices. Since the research underlying the case description was conducted, Natur-Energi adjusted its way of selling green electricity. Following exposure in the media, Natur-Energi cancelled contracts with some of its external sales partners (including the call centre mentioned in the case). The reward system was also revised. In order to change the sales approach, sales people are now rewarded using a combination of minimum wage and sales provision. In late 2010, Natur-Energi was scrutinized by the Danish Energy Association. They concluded that Natur-Energi lived up to the industry standards regarding sales and customer transfer. This intervention and Natur-Energi’s attempt reshape norms governing their market practices through reshaping specific market based tools provides empirical evidence that market are not predetermined or stable entities but are ever-changing performances enacted, reproduced and shaped by the interplay of routines, activities and material devices.

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CONCLUSION

Green markets are not like other markets. In the face of radical unknowability regarding issues of climate change, the politicized and topical nature of debate on this issue, as well as the multiple and diverging actors explicitly involved in shaping this marketing (e.g. differing government departments with differing agendas, the media, business and environmental groups), small green firms attempt to grow their business. In this paper we have discussed one particular market-shaping device, i.e. a reseller kit as it moved through time and space (i.e. mobilised by different actors as to their own interpretation) in order to explore the multiple perspectives shaping the market. Our case identifies the challenges that can be faced, and in particular the unintended consequences when a particular device is taken up and interpreted in diverging ways. Building on Muniesa et al’s (2007) conceptualisation of a market device as a way of referring to the material and discursive assemblages that intervene in the construction of markets we consider the multiple and diverging interpretations of this device as it moved though time and space and tradeoffs this caused for the focal firm. This has important implications for our understanding of the emergence and development of green markets. In particular it sheds light on the tensions faced by firms as they walk the line between growth and environmental integrity. These often diverging perspectives on the environment have been much explored in the literature, most often as a duality between anthropocentrism, i.e. valuing nature because of material or physical benefits it can provide for humans and ecocentrism, that is, valuing nature for its own sake (Thompson and Barton, 1994). The market practice approach draws our attention to the multiplicity of green markets, and allows us to attribute them as ‘markets in transition’. Firms do not operate in a vacuum, but in their everyday market shaping practices are mobilising and translating re-presentations of that market; norms are developed over time and are enacted in specific exchange practices. Developing a keener understanding of the possible interpretative frameworks of actors within and outwith the firm would seem to be an important capability of the emerging green firm, which can be mobilised to either reproduce or transform market practices.

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