

## **CONVIVIALITY AND ITS IMPACT ON BUSINESS NETWORK: RESULTS FROM AN EXPLORATIVE ANALYSIS<sup>1</sup>**

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### *Abstract*

Entrepreneurial communities are social units that share values, experiences, emotions, rituals and traditions. In these communities, conviviality represents a socialization tool, which can naturally emerge and take shape to foster a sense of belonging through the development of social relations among its members. Conviviality also can be associated to the concept of “embeddedness”, since it creates the conditions to give off business relations embedded in social relations. Some Italian entrepreneurial associations have historically experimented the importance of convivial events. For this reason, drawing on a review of the literature and the case analysis of a Tuscan association of young entrepreneurs (Gruppo Giovani Imprenditori di Prato), we propose to investigate how conviviality impacts on social relations making them ideal social contexts to animate business relations.

*Keywords:* conviviality, social relationship, business relationship, networks, entrepreneurship, business association

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## INTRODUCTION

This paper will investigate the topics of conviviality. Although its interdisciplinary origins, it can contribute to generate, develop and reinforce social and business relations within an entrepreneurial community. We define an “entrepreneurial community” as a community that has a relevant role in the entrepreneurial processes involving its individual components. Tönnies (1957) underlines how a community is the result of human will and exists, therefore, only through the will of individuals to associate and to develop a sense of belonging. It is also described as a socio-territorial entity marked by the active presence of individuals and a population of firms situated in one naturally and historically bounded area; this entity is the result of an historical and social stratification involving people and entrepreneurs who share a homogenous system of views and values (Becattini, 1987). In these communities, conviviality is a socialization tool, which can naturally emerge and take shape to foster a sense of belonging through the development of social relations and thus informal individual relations among different members. According to Illich (1973), conviviality creates “free space” of collective interaction where people can exercise their right to autonomous action and, more generally, individual freedom, without being controlled. Thus, it seems to be a socialization tool that can be associated to “embeddedness” (Granovetter, 1985) by creating the conditions to give off the business relations that the social relations embed. The aim of our paper is to explore how conviviality impacts on social relations making them ideal social contexts to animate business relations. More specifically, we explore a local entrepreneurial association that is Gruppo Giovani Industriali di Prato (GGIP) as expression of a local entrepreneurial community by asking the following research questions: a) Which are the main convivial activities organized by GGIP? b) How do they affect social relations and their embedding business relations? c) Which are the impacts of the effects deriving from point b) on the business networks? The methodology is based on the case-analysis through ethnographic focus group (Frey and Fontana, 1991) involving the community directors and a substantial nucleus of entrepreneur-members. The first part of the paper deepens the concept of conviviality as tool for socialization, the forms it can assume and the role of the actors involved. In the second part, we illustrate the main results of our empirical research. Finally, we discuss them and we propose some final considerations.

## THEORETICAL APPROACH

### *Business relations, socialization and conviviality*

Even though conviviality and business networks appear conceptually distant topics, they have common connections. Business networks consist of a set of “tangible and intangible investments that comprise the connected relationships between more than two businesses” (Håkansson et al.

2009, p. 236). Their structure includes a set of actors, activities, links, resources, ties and bonds. Behind business relations within a business network, there are social relations and thus relations among individuals. Håkansson and Snehota (1995) specify that “the individuals involved in a business relationship tend to weave a web of personal relationships (p. 10). Ford et al. (2008) explaining the ARA model, consider interpersonal relations underling business relations as relevant components. They arise between individuals and if they are strong, they can be important for the “learning” and “teaching” of counterparts about opportunities and solutions, as pointed out in some of the studies of learning in relationships (Dahlquist 1998, Håkansson and Johanson 2001). In other IMP studies (Madureira, 2002), it emerges that social networks and thus “a set of connected interpersonal relationships” (Cook and Emerson 1978) involving foreign subsidiary managers underline business networks since their attendance is described as having a positive influence on the coordination of the business relationships. They facilitate information-exchange, assessment, negotiation and decision-making. The set of interpersonal relations is seen as the result of common socialization activities. In this regard, Håkansson and Snehota (1995) highlight that “the individuals inter-acting on behalf of their organizations in a business relationship take on other roles in other contexts. They take part in other relationships; belong to professional associations, are relatives, neighbours or schoolmates, have perhaps developed other types of personal relationships in other arenas, creating various social bonds in working places, social and sporting clubs, religious organizations and the like”(p.15). Thus, business relations include social relations that can be developed and animated by socializing. To the extent that *conviviality* is interpreted as a tool of socialization, it is just in this latter that it finds a possible tie with business relations. Now it becomes important to define better the term “conviviality”. It derives from the Latin “convivium” and often is translated as a banquet, that is, a meal shared by many, often as part of a ritual or ceremony. In historical accounts, convivial meetings combine aspects of friendship, unity and hospitality. Their consideration in managerial disciplines is quite new. Indeed, up to now the main contributions to the topic have come from the fields of sociology and anthropology. In scientific works belonging to these fields some researchers have explored conviviality as a mediator of cultural and tourist offerings (Lloyd, 2002, Maitland, 2008). Others have considered the politics of conviviality as one form of the “politics of the popular” that arises in contexts of rapid change, diversity and mobility (Williams and Stroud, 2013). Conviviality emerges as a feature of a new cultural food movement. It is associated both with sharing good food, which can in turn be linked to localism (the social, health and environmental benefits of local producers), and with romanticism (an idyllic rural lifestyle as an antidote to the time poverty of urban life) (Germov, William and Freij, 2010). Regardless of the different perspectives, conviviality is an important driver of social

relationships and therefore of socialization. This emerges from the thought of Ivan Illich (1973) who considers a convivial community as a free community that gives rise to social relationship as result of free individual transpositions. In this way, conviviality can also foster individual creativity by contributing to the reduction in regulation, standardization, dependence, and abuses of power. It leaves ample space for revealing personal and real intentions and thus, it becomes a conductor of meaning and a translator of intentionality among individuals. Only recently managerial studies have tried to investigate the phenomenon of conviviality in business relations. In particular, we point out the work of Guercini and Ranfagni (2016) who deepen the characteristics of conviviality within entrepreneurial community. This research shows that conviviality can involve not two but a group of individuals, it promotes rituals rooted in the pleasure of being together, and consists in formally organized meetings. It is therefore a collective, ritual and formal phenomenon. Members participate in the convivial meetings periodically; they respect the associated ritual practices, recount their experiences, discuss the present and future and reveal their feelings. Conviviality is a socialization tool for developing entrepreneurial communities and thus, to foster relationships between companies allowing individuals involved to transfer their potentialities, while preserving their independence and freedom. We wonder how conviviality, as an obvious means of a free socialization in entrepreneurial communities and thus of generation of social relations, acts on business relations and more particularly on the business network. Ultimately, this is an aim of our paper. In order to fulfil this aim, we believe relevant to deepen the relationships that exist between social and business networks and then investigate the role of bridge that conviviality can play between them.

### ***Conviviality, embeddedness and the relation between social and business networks***

Socialization fosters trust in interpersonal relations by generating embeddedness that a state of interpenetration between social and business relations. Introduced by Granovetter (1985), the concept of *embeddedness* stands to indicate just how far social relations include, and hence animate business relations. It refers to “the fact that economic action and outcomes, like all social action and outcomes, are affected by actor’s dyadic relations and by the structure of the overall network of relations” (Granovetter, 1992, p. 33). As Lohr (1962) affirms, “friendships and longstanding personal connections affect business connections everywhere”. Business relations and social relations have a strong connection: the first ones can be embedded in the second ones. Of course, we do not exclude that social relations can emerge from business contexts, but the embeddedness of business relations in social relations open new perspectives about the role of social ties in business relationships. Social relations can foster business relations or can make them more fluid. In this

regard, Macaulay explains that “even where the parties have a detailed and carefully planned agreement which indicate what is to happen if, say, the seller fails to deliver on time, often they will never refer to the agreement but will negotiate a solution when the problem arises as if there never had been any original contract” (Macaulay 1963, p.61). Besides, we have to consider that as social relations are the result of the evolution of interpersonal relationships, the emerging business relations therefore appear as socially and historically constructed. IMP scholars draw the same considerations by having the companies as landmark of their studies. As anticipated in the previous section, according to them social networks are an essential component of business networks and the web of personal relations underling business relations “appears to be a condition for the development of inter-organizational ties between any two companies” (Håkansson and Snehota, 1995 p.10). Thus, social relations coexist with business relations and act as mediators of business. Some studies point out that personal contacts reveal their effectiveness if used as indispensable mechanisms for favouring business exchanges compromised by cultural distances between different countries (Cunningham and Homse, 1986). In particular, Björkmann and Kock (1995) demonstrate that the development of social relationships is a prerequisite to enter into some emerging markets, such as the Chinese, and to be successful in making business within them. The main condition for creating contamination between social and business networks and thus embeddedness, is trust between individuals. For sociologists, trust is not the result of the so-called “generalized morality” (Granovetter, 1985, p.489), but instead stems from personal relations. For managerial scholars trust makes it so that “one party's belief that its needs will be fulfilled in the future by actions undertaken by the other party” (Anderson and Weitz, 1989, p. 312). According to them, trust can be enhanced by commitment that leads to an “exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it” (Morgan and Hunt, 1994, p.23). A driver of trust and commitment within social relations lies in the occasions of socialization that becomes a tacit force of the embeddednes. Lohr (1962) explains how trust arises from individual interactions detailing that “the after-hours sessions in the bars and nightclubs are where the vital personal contacts are established and nurtured slowly. Once these ties are set, they are not easily undone”. IMP researches instead of focalizing on socialization as driver of embeddedness have mainly explored the concept of embeddedness as driver of business networks evolution. More specifically, they have used embeddedness to interpret business network dynamics (Halinen and Törnross, 1998; Sandberg, 2003; Welch and Wilkinson, 2004). Assuming that social relations are bearers of knowledge and contacts, the embedded business relations that follow enable to: a) access to new business networks, and b) affect its own position (Mattsson, 1985) in the participated business networks. After all, each actor is engaged in many exchange relationships with other

actors; all these relationships define the position of the actor in the network. The development of new relationships, through personal contacts, can change the network position and thus, influence how individual business actors in the network are related to one another in terms of their function, role and identity. According to Halinen and Törnroos (1998), business network dynamics is due to other types of embeddedness that they describe in addition to the social embeddedness. They include the temporal, spatial, market and technological embeddedness. Doing this, the authors explore much more some structural components incorporated in business relations even though the study-cases they propose show how the resulting network evolution may be also be affected by the social relations that underline each different embeddedness. Contacts inherited from the past can act as factor to activate new relations as well as cultural distance may influence existing business interactions. These effects can be due to the social relations developed among individuals behind companies they belong. Then, since business relations are embedded in a specific market defined in terms of products/services offered and customers achieved, changes in these latter can impact on them. Besides, business relations are incorporated in technological systems whose level of adaptability favours their maintenance and expansion. Welch and Wilkinson (2004) deepen a particular embeddedness that also Halinen and Törnroos (1998) explore: it is the political embeddedness. This type of embeddedness has a high social content since based on interpersonal relations. These involve political actors such as bureaucrats, government members, interest groups (Hadjikhani and Håkansson, 1996) who can “help form or change the business network with which they are connected through facilitating or disruptive activities” (Welch and Wilkinson, 2004, p. 218). Now, before illustrating our empirical analysis and its results, we proceed to present the research methodologies we have adopted together with the research questions we have tried to answer.

## **RESEARCH METHODOLOGY AND OBJECTIVES**

Our study is based on a case study (Yin, 2009) of an entrepreneurial community based in Prato, Italy, an important area for the Italian fashion system that is related to an association of young entrepreneurs that we will call GGIP (Gruppo Giovani Imprenditori Prato). GGIP was founded in 1965 and includes about sixty entrepreneurs operating in textiles and clothing. Its aim is to promote an entrepreneurial culture among young entrepreneurs by organizing convivial initiatives set on innovative bases. In order to analyse conviviality in business relationships within the GGIP, we have organized a focus group (Krueger and Casey, 2009) which was attended by the President and six members of the Association. The focus group has allowed to explore the phenomenon under

study through the interaction among the participants and thus, to capture opinions and comments resulting from a collective confrontation.

The topics discussed during the focus groups were as follows:

- (A) History, composition, convivial activities of the Association;
- (B) The conviviality as a bridge between social and business relationships;
- (C) The convivial relations and their impact on business networks.

After a warming phase aimed to know in more detail the convivial activities organized by the Association and the perception of them by the participants, we have investigated through the narration of convivial experiences, how social relations developed during convivial occasions relate to business relationships. In other words, the focus of the analysis has shifted on the relation between conviviality as an instrument of socialization and the embeddedness. Then, in the last part of the group discussion, we have explored how the embeddedness might impact on business networks and then on the network position held within them. In doing this, we made use of projective tests designed to facilitate interaction together with spontaneity and depth of the information produced. The focus group lasted for about 1 hours and 30 minutes. All the resulting discussions were recorded, then transcribed and analyzed by the authors. The articulation of the focus group's protocol intends to match the information needs of our research whose objectives are as follows: (1) expanding the knowledge of convivial tools; (2) deepening how the conviviality (as means of socialization) impacts on embeddedness and (3) exploring how embeddedness affects business relations within business networks. This analysis is only apparently exploratory. Actually, it is contextualized in a research process initiated by at least two years that has given rise to specific publications on the role of conviviality in entrepreneurial communities (Guercini and Ranfagni, 2016). The study that now we propose is part of this process. Before presenting our results, we consider useful to highlight that the authors have professional contacts with the members of the GGIP, which also institutionally collaborates with our University.

## **RESULTS**

### ***The role of conviviality in the GGIP activity***

The GGIP is an association among young entrepreneurs active in the city and in the province of Prato and was born with the aim of supporting the Local Industrial Association (an association of representatives of companies operating in the territory, connected to the national business union Confindustria). As pointed out by one of the participants in the focus group “First of all it is an

association of persons and not an association of companies. And this is the main difference between the Local Industrial Association and the Group of Young Entrepreneurs”.

The GGIP is made up of about 60 members and by admission of one of the person interviewed “It is an important number, but perhaps lower than the number that the city could express in consideration of the existing business structure. However, they are a lot compared to other Tuscan groups; GGIP is the largest group after the GGI of Florence, but for sure it is the best organized”.

Among the members of the association, a significant portion constantly and actively participates in the proposed initiatives: “There are about forty members who participate actively, but among these forty there are some who cannot attend a certain date, others who participate more often, and some others that participate rarely”.

From the organizational point of view, the association is led by a President and a Governing Council including from 1 to 4 vice-presidents. As pointed out by the outgoing President of GGIP, “the statute does not provide the granting of specific powers to the members of the board but in my office, I created two committees: the first one has the assignment of managing communication and the other one has the assignment of managing training activities. This allows us to involve those who are out of the board and make them participate. An association works when people participate”. As in any association “The Presidency and the Executive Board are those that define policies and strategies to be pursued”.

Focus group participants highlighted flexibility and the need of innovation of GGIP compared to the Local Industrial Union. “The Youth Group is the critical soul of the Industrial Union. It's the part that should bring some new elements within a more institutionalized group that does a very important job at the district level, especially in the case of Prato. Young entrepreneurs should seek to bring new elements to the discussion”.

The mission of the GGIP is to “develop and promote an entrepreneurial culture among young people. This means making education within the group of members. For this reason it is necessary to find some interesting ideas to use in their own company and their job”.

The activity of the GGIP is not only directed to its members but also to the city: “And then we do a social activity, especially directed to the city: for example speaking to school students, organizing some conferences or business meetings. Often, these activities are open to the city. This gives the opportunity to the association to communicate its point of view on various issues”. Alongside the training initiatives primarily addressed to the members, the GGIP is committed to promoting different kind of convivial activities in order to facilitate and develop social relationships among its members. As pointed out by one of focus group participants, the convivial activity is seen as



complementary and integrative compared to training: “This is an association that was founded within Confindustria therefore, it still has to have a training objective relating to the creation and development of knowledge in business management and beyond. If we only organize convivial activities, we run the risk of dismissing the role of the association itself”.

Despite that the GGIP not formally attributes a major role to convivial activities, interviewees still emphasize its importance: “The convivial side of the initiatives is always present. Regardless of the ‘Christmas Dinner’ and ‘Summer Dinner’ we try to do more and, on the other hand there are also social occasions that should come as a result of activity” ... “In all this is evident how the informal part, the convivial part, is fundamental”.

These activities appear to be organized very accurately and they present all the characteristics identified in the work of Guercini and Ranfagni (2016): they are collective, formal and ritual events.

They are collective because they are always addressed to all members of the association, sometimes even to other people, and participation is generally extensive. They are formal as they are clearly defined in specific formats which are given a name, such as 'Job and Food', 'Speak Easy' or the more traditional ‘Christmas Summer Dinner’ and ‘Summer Dinner’. As pointed out by one person interviewed: “A particularly successful format that has been used for many years by the GGIP is called ‘Job and Food’. It is a meeting with a famous guest, in 90% of cases coming from a different world from the industrial one, and that, through contamination of ideas, tries to propose interesting reflection which may also involve the way in which each of us does business” ... “In the past we met entrepreneurs, such as the CEO of GROM, which proposed a different business model for the production and sale of homemade ice cream, or the Anti-mafia Commissioner Pierluigi Vigna, who talked about criminal enterprise, explaining how it was organized and how this organization could be reflected within the enterprise. We also hosted Michelangelo Pistoletto, one of the greatest living artists of contemporary Italian art” ... “In the last years we met: Felice Limosani, who is a strategic corporate communicator, digital story-teller, and his speech was very interesting; the grandson of Adriano Olivetti, who spoke of social enterprise; and Marco Tardelli, FIFA 1982 world champion who told us about how a sports team is organized. The last meeting that we organized, had as guest Edoardo Nesi, the writer, who told us about his book and how the Prato district has changed during the years”.

‘Job and Food’ is not the only business convivial format pioneered by GGIP. As noted by another focus group participant: “We had meetings that are called ‘Speak Easy’ in which we invite a consultant, a character, for example we invited the art gallerist Moretti, to tell us informally about his experience”.

In addition to those discussed above, the GGIP organizes other convivial initiatives that aim to strengthen relations among the members of the group. As pointed out by one of the participants: “For example, we organize some company visits. We identify some productive excellence and we go to visit them all together in order to understand, to find some ideas to replicate. Recently we went to Ferrari in Maranello and in other production facilities”.

The convivial activities analyzed above are also characterized by a strong rituality. Both in respect of the format (eg. In the case of the 'Job and Food', we had a meeting with a person of interest followed by a drink or dinner) and for the repetition of events. From this point of view, the GGIP organizes such initiatives every year but without following a fixed frequency of appointments, emphasizing the quality of meetings rather than mere quantity. As noted by one of the participants with reference to the format Job and Food: “Usually we organize a couple per year. Sometimes we have made four, sometimes only one. It also depends on the opportunities that arise”. The attention to the quality of the initiatives is extremely felt by members of the GGI of Prato: “We try to organize non-boring activities. The idea is that the participant can always find good reasons why he has to come and participate. If we organize events that could be made at the University, most ordinary, or actions which could be promoted by senior representatives, this would eliminate the role of the GGIP” ... “When we invite artists or someone who is not well known, we know that we will not have the participation that we would expect, because sometimes the name is used to call attention. But we’ve always decided to privilege the level of quality of the meetings”.

### ***Conviviality, social relations and business relations***

The members attend with great interest the GGIP initiatives, especially those of convivial nature, that are considered fundamental for the creation and development of social relations among participants: “For example in the ‘Job and Food’ format, after job there is always food. The idea is to stay and have a drink after the meeting, during which people can talk about what they have heard in the previous speech. This situation lets social relations grow”. For this reason these convivial activities are often experienced almost as a pretext to maintain relationships with other members: “The Job and Food or other events, are often seen as an excuse to share the company of one another”.

For the interviewees, the social relationship that is established between the members of GGIP itself constitutes a satisfactory result and is perceived as an opportunity for enrichment primarily on a personal level. As observed by one focus group participants: “I think any event that is done should be used as a stimulus to give an open mind, a stimulus to think and to reflect on certain things. This is the first thing”. In confirmation of the above, another participant highlighted that: “The first value

that is acquired from any meeting, convivial or not, oriented to training or other, is this exchange of experiences and then a training and personal growth”. Particularly interesting is the claim of a third participant, which draws attention to the importance attributed to social relations developed under the GGIP in order to achieve personal and professional growth: “I have not attended college, but here I learned how to be an entrepreneur. Until the day before I came here, I was a person who worked in a company, maybe today I start to feel as I were an entrepreneur. I brought within the company so many things that I have learned here, and here I realized that these could be really important”.

The opportunity to interact with others who have similar characteristics in terms of age, profession, problems faced in the former companies, regardless of the sector in which they operate, is the main benefit that members of GGIP appreciate and seek in training convivial initiatives. In this regard one of the focus group interlocutors stressed that: “Personally I think that the most important element of participation in the initiatives is a confrontation with people more or less of your age who therefore tend to have a similar view to yours, and that, for better or worse, they are facing more or less similar issues related to the life of the company, even if they are related to different sectors”. This thought is shared by another person, according to which: “The first thing is the exchange of views, because I think it is not easy today to find peers who daily have your same issues, or live your business experiences. It is a rare thing. Then, surely you can talk to people who are not closed in a company within four walls. Talking with them is like opening a window on the world. These are people who travel a lot ... who therefore have an overview from which you can benefit from consequence”. Another aspect that encourages socialization is the use of a common communication style: “And then we speak the same language ...”.

The central role played by convivial initiatives for the activation and development of social relations between members of GGIP is clearly recognized: “In the end, the most important aspect is not what can be said around a table rather than at the side of an event, but that which is transmitted by osmosis, through non-formal links established over the course of the organized activities. To know the views of others, other people's experiences, gained both in the professional sphere and in private life”.

About the success drivers for the organization of convivial social activities, the participants in the focus group identified several issues, including the quality of the topics, considered in terms of modernity and innovation, the exclusivity of the interlocutors and the informality of the initiatives.

About the importance attributed to the quality of initiatives, one of the participants stressed that: “This group has got a good reputation. If a person expects that promoted meetings are of good

quality, even though he does not know the subject matter, probably he will take part, because he expects something positive and interesting”. Aspects that seem to affect the perception of the quality of social events and thus promote maximum participation of the GGIP members, are their contemporaneity and innovation: “From the point of view of contemporaneity, the topic must be current than it is happening in the social and business environment ..., and then must be new, so it must not have been treated too often in other contexts, otherwise members of the association will not be interested in the initiative”. An opinion similar to the above is expressed by another participant, according to which: “The fact that organized events are able to break with tradition is what I've always sought in the group, because the traditional training events can also be found elsewhere”.

Covered topics innovation and the adoption of a cross-sectoral approach in their analysis, end up affecting the business decision. As observed by one respondent: “We talked about sustainability two years ago with Pistoletto and after some time the Union of Industrialists of Prato promoted the detox agreement with companies in the district. We talked about communication with Limosani, story teller and digital marketer, and now, regardless from someone who had already done it, many of us are focusing on the development of this area in our businesses”.

Another element that fosters the attractiveness of the activities organized is the exclusivity of the interlocutors with whom the members of GGIP can interact. Very often, in fact, some of the guests participating as speakers to social events are famous persons, persons prominent in their fields of activity, which would be difficult to find in other contexts: “It matters a lot the uniqueness of the person who comes to speak. Sometimes there are occasions on which I did everything to participate because I said to myself: when I get such a chance again?”.

The informality of the convivial initiatives that are promoted by GGIP, helps to make them live to the participants as a time of training and personal development, but lived with lightness and almost as a diversion: “Participating in these activities has always given me the feeling to recharge batteries. I experience it as an opportunity to re-oxygenate the brain and take a moment for me, perhaps to talk about something that it is not only related with my business operations”.

Another focus group participant focuses on the importance of informality of communication used in the activities of GGIP, which differs significantly from that which is generally used in the initiatives of the Union of Industrialists (senior): “I think the point of strength is communication within the group, which is optimal. A communication less institutional than that adopted in the activities promoted by the Union of Industrialists, but that takes advantage of the network of the latter”.

A last but not less important driver of success of social activities, is represented by the presence of a leader or a cohesive group of people who are able to engage others. Without this, it becomes difficult to create shared convivial events and consequently start the process of socialization. In this respect, one of focus group participants stressed that: “As a group we are very good at keeping the relationship, however, there is always the need of someone who acts as a stimulus to the group to promote convivial activities”; another interviewee adds that: “As in all companies, as long as there is one person that drives the group, this goes on, but if this person is not there, it becomes difficult to continue to stay together”.

The occasion of ‘confrontation’ and ‘personal development’ discussed above, leads to the development of social relations that may represent a favorable environment to the growth of other types of relationships, such as business. According to one of our interlocutors in fact: “The idea is to have a drink during which maybe we talk about what emerged during the previous speech. This situation can arise more complex relationships. Much depends on the trust that is established. Activities involving the group offer the opportunity to know each other better. From this situation you can think of making the next step, developing business relationships and activities”.

Although the mission of the GGIP does not consider as a goal the establishment of friendly relations among participants, these bonds are still the result of shared initiatives and experiences. As pointed out by one interviewee, in fact: “This is not intended as an association of friends; however the GGIP also works well for this reason, because we have developed some really important relationships. I say this with pride, as it sets us apart from other Tuscan associations that we face”.

The bond that has been created goes far beyond the mere knowledge or the pleasure of spending time together, but reaches a deeper level. The trust that is established among various parties also derives from an attitude not opportunistically taken by the various participants, and this makes them more willing to opening to others, it creates a sort of free port from the outside world in which the members can feel welcomed. As stated by one of the interlocutors, in fact: “I think there is an affinity among us. I would not go off topic, however, when I'm with them, I feel very understood, however at times in my business I feel a little alone”.

What is clear is that the interviewees recognize in the GGIP something more than a simple association. They consider themselves like a real community of people who share common values and experiences, and together face the challenges of their profession but also of their lives. In this regard, one of the focus group participants annotated: “The community is made up of people, the association is made up of rules. To belong to the community you must share its values, to become members you have to accept its rules”.

### ***The importance of convivial relations in developing business networks***

The circular causation that connects the existence of social relations with the potential development of business relations, is well understood by members of GGIP. One of them points out that: “The first value that is acquired from any meeting, regardless of whether or not convivial, education-oriented or otherwise, is this exchange of experiences and then a training and personal growth, as before said by my colleague. From this situation, can be developed more easily some deeper relationships that may extend to business”.

Regarding this aspect, beyond the effective concretization of business relationships among members of GGIP, there is a generally positive attitude towards the development of the latter. As observed by one of the participants: “If I have established a relationship of esteem and friendship with another member of the group and in the future I wanted to promote a project that required a combination of mine and his skills, surely I would try to work with him, why? Because I had the opportunity to appreciate him in the past and I've already assessed his skills and values”. The availability of the GGIP members to establish business relationships with each other is confirmed by another caller: “I think that sharing, today, it is also important in business strategy. XXX and I, for example, we are somehow competitors ... we make more or less the same product but we also think about doing something together. So far we have never done anything together but maybe in the future we will succeed ... there is the idea to get together to optimize our businesses. Today, fortunately, among companies of our territory we find less distrust in sharing information about business”.

The perception of interacting with interlocutors who do not take a purely opportunistic behavior, promotes the willingness to establish business relationships. For example one of the participants noted that: “... I'm sure that if I call him, he gives me some friendly advice and will not act as a supplier”. This aspect seems to be so important as to bring out in the members of GGIP a sort of repulsion towards those who approach the group with the primary objective of doing business: “If someone comes in the GGIP thinking of doing business and gaining the trust the other, he is wrong. Because we believe that those who come here to distribute business cards is not welcome”.

From the discussion clearly comes up that focus group participants consider important the existence of a strong social relationship for the development of business among members of GGIP: “It all comes down to the value of trust like said before ... the knowledge that grows up within the group does not arise into the business, it arises before at a personal level, creating trust, so it becomes easier to cooperate, compared to what would happen with another company with which you are working, but maybe whose relationship established is just professional and not personal”.

The existing social relationship represents an amplifier of the commitment of the GGIP members in order to activate business relations with other members of the same group: “If I have to do business with a person I know, I will pay more attention than usual because I'm afraid to disappoint him. There is also a personal relationship between us so I want to be sure not to make mistakes”.

As well as in ideal and/or potential terms, the development of social relations among GGIP members also had concrete effects in terms of creating business relationships among them. Such relationships can be distinguished with respect to the roles played by the participants, the intensity of the relationship established among the various actors and the scope (the group internal or external) of business relationship.

Referring to the roles played by members of the GGIP in a business relationship, a possibility that may occur is that two members may be connected by a vertical relationship inside the supply chain (eg. supplier-customer). This type of relationship involves only members of the same group, and is characterized by an average depth of the relationship among participants. This is the case recalled by one of the respondents, according to which: “It happened to me to ask XXX if he was able to do for me some lab tests, or to ask YYY if he could provide me with other services or, more simply, to ask one of the GGIP members a reference about another person”. The same kind of relationship is recalled by another interlocutor: “Some members of GGIP are also my suppliers. For example there is a member of the group that deals with telecommunications. He insisted he has never proposed its services, then one day I called him and I said: why don't you come visit me? and afterwards I became his client”.

Greater complexity characterizes the initiatives involving two or more members of GGIP in the joint development of new business. In this case the strength of the relationship among parties is stronger and requires a higher level of mutual trust and the assumption of a higher risk of relationship: “In the past there have been several cases where two or more GGIP members created a new business together, different from the one in which each of them was committed in the past”. Another the focus group participant also emphasizes that: “Within the Union of Industrialists of Prato there is an association that promotes financing of business ideas. Thanks to this initiative, I and another GGIP member are partners in two other businesses”.

The established business relationships cannot be limited to GGIP members, but may be extended to business network of each of them. For example, the trust developed through social relationship leads GGIP members to consult their colleagues to gather information about potential suppliers. In this case, the fiduciary relationship reveals a social power of the group (which manifests itself in the form of referent power and information power) against the individual member. This results in a

reduction of transaction costs (social but also economic) for potential buyers. As observed by one of focus groups participants: “Whether to collect information about a service rather than on a person or a business, before looking up in the Yellow Pages, I ask the other members of the group. Especially if the information regards activities that I do not usually treat”.

In the same way, business network of each of GGIP members could be available to others to facilitate the development of their company in terms of sales volumes. Sharing, or even reporting of possible buyers for the products offered by other members of the GGIP, involves an assumption of considerable responsibility for the one who shares his contacts. Doing so may contribute to the growth of the company owned by one of the group members, but at the same time it threatens the social and economic relationship previously established with ‘transferred’ customer.

This is why the quality of social relationship between presenter and presented assumes a fundamental importance. An example of a business relationship established according to this model has been well reported by one of our interlocutors: “If I look back on my experience, for example, when I decided to start up my own business, three years ago, some GGIP or Union of Industrials members (eg. clothes manufacturers, knitting mills) shared with me several sales contacts ... The fact that many customers had been presented to me by people who had already worked with them, and that these same people had spent good words about me, definitely facilitated me the establishment of business relations with them”.

## DISCUSSIONS

The case presented in this paper describes an experience where conviviality becomes a tool for the community and for individuals who compose it, enabling the achievement of some "results" and assuming certain "characteristics". In addition to having their own structure, community networks have operational mechanisms among which conviviality can play an important role.

About the "results" achieved through the tool of conviviality, the case confirms that participants don't consider conviviality as a goal, although as something that is very pleasant. Interviewees still emphasize its importance: “The convivial side of the initiatives is always present. Regardless of the ‘Christmas Dinner’ and ‘Summer Dinner’ we try to do more and, on the other hand there are also social occasions that should come as a result of activity” ... “In all this is evident how the informal part, the convivial part, is fundamental”.

The results that emerge more clearly can be grouped at least into three main issues:

- a. conviviality and *social relations* between members of the group;
- b. conviviality and relations between the *group* and the *broader society* of which it is part;



c. conviviality and individual and collective *learning processes*.

Conviviality is not seen as an aim by the GGIP, but for its members it can become an important part of their personal experiences. “This situation lets social relations grow”, commented a focus group participant. For this reason these convivial activities are often experienced almost as a pretext to maintain relationships with other members: “The Job and Food or other events, are often seen as an excuse to share the company of one another”.

Conviviality is an essential ingredient in the creation of an environment that supports learning processes and contributes to the growth and legitimacy of the GGIP members in a broader context of economic, but also social and political, relations. This is valid in general for the associations, even though in the case investigated the convivial dimension assumes particular importance: the activity of the GGIP is not only directed to its members but also to the city, for example speaking to school students, organizing some conferences or business meetings. This gives the opportunity to the association to communicate its point of view on various issues.

Through conviviality, it is possible not only to learn notions, but also to develop deeper relationships and thus, learn from the others. What can you learn? Not only information, but also judgments and choices on specific topics, for example about market trends and competition. The continued attendance also leads to share the process by which such judgments are formed. As one interviewee remarked: “I have not attended college, but here I learned how to be an entrepreneur. Until the day before I came here, I was a person who worked in a company, maybe today I start to feel as I were an entrepreneur. I brought within the company so many things that I have learned here, and here I realized that these could be really important”.

As it is known, the formation of judgments is often based on heuristics that can lead to distortions (Tversky and Kahneman 1974; Kahneman 2011), but that, in many cases, can be effective (Gigerenzer 2007; Gigerenzer and Brighton 2009). So it is possible to know both the points of view that the others have on the topics discussed, both the methods used to deal with them, by sharing heuristic rules of evaluation and decision that are verified in a network of relationships and that can also be effective in a particular context (Guercini 2003; 2012).

The opportunity to interact with others who have similar characteristics in terms of age, profession, problems faced in the former companies, regardless of the sector in which they operate, is the main benefit that members of GGIP appreciate and seek in training convivial initiatives. If an approach followed by an individual is successful, listening to his experience makes his point of view as an object of imitation in the community. In other words, they share so many judgments and rules gained in the experience of community members, as the rules followed to define them.

Learning does not indicate mandatory rules and matures in an open environment where everyone can individually and collectively question them. At the same time, this kind of rules can give a support to deal with the uncertainty and complexity that business actors have to face.

About the "features" of the convivial mechanism emerging from the case under study, it results factors such as:

- a. The rituals related to the convivial processes;
- b. The impact of social relationships on business relationships.

The rituals lie so much in building convivial format that in the repetition of events. The ritual coexists with informality and the creating of roles that are partly defined (Chairman, Committee Coordinator), partly emerging (who stimulates) and partly external (guests).

Conviviality is activated by the search of a non-superficial hybridization. Conviviality is activated in relation to an event to strengthen the possibilities of a deeper knowledge of the guest speakers as special characters involved in the different meetings. The convivial knowledge implies much more than being a spectator to a meeting with speakers. You create a link, albeit weak, with the hosts; this is why you have shared food and ideas with them not only individually, but also as a group. The genesis of the conviviality relationships provides "strong ties" with (some of) the other components of the group; then it fosters "weak ties" with (the other components and with) the "external" guests in the convivial occasions.

The participants to the focus group agree on the fact that existing social relationship represents an amplifier of the commitment of the GGIP members in order to activate business relations with other members of the same group. The impact on business relations includes both "vertical" (buyer-supplier relationships) forms both the joint creation of new business.

## **CONCLUSIONS**

The current research is an attempt to explore the mechanisms of sharing generated by conviviality and their impact on social and business networks. The analysis we propose is part of an exploratory research that is focalized on the study of conviviality in different business communities located both in Italy both in other countries. Thus, our paper suffers from an ongoing research process that aims to investigate the impact of conviviality on the embeddedness and thus, how convivial relationships together with their rituals, exchange of knowledge and ties produced, affect business relationships. However, regardless of this wider analysis, it emerges that in the fragmented social context, conviviality may constitute an entrepreneurial resource of strategic nature. The

convivial meetings help to know the markets and to assume new reading keys of business issues. They become moments of a problem-solving sharing. For this reason, we propose to deepen their knowledge and the mechanisms that they can generate among participants not only at a social, but also at a business level.

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