



SCHOOL OF
ECONOMICS AND
MANAGEMENT

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The role of Alternative Food Networks for smaller farmers and food producers in Skåne

*A case study of the online retail platform of Mylla Matmarknad
and a selection of their producers*

By

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Abstract

In Sweden, the food and agricultural sector is highly concentrated, especially in the food refinement and retail sectors, with a few major actors holding significant market power. This concentration poses challenges for smaller agri-food companies in Skåne, Sweden. This thesis aims to in depth exploring the challenges smaller agri-food companies face today. The thesis employs a case study approach exploring the challenges and perceptions of a selected group of farmers or producers selling their products on the online retail platform Mylla Matmarknad an alternative food network (AFN). This thesis contributes to existing research on AFN's, by focusing on the perspectives of the farmers and producers a group that to some extent is underrepresented in the existing research. The farmers or producers state that Mylla operates in a way that is more compatible with their needs. For the producers or farmers maintaining a more direct communications with their consumers is essential in order for them to establishes more reliable consumer relations. In addition to this a more direct communication with the consumer is necessary in order to communicate the values of their products.

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1. Introduction

Food production systems are complex both at a national and international level. The agricultural sector is in need of transformative change to decrease its environment and climate impact. Today, agricultural activity within Sweden is estimated by *Naturvårdsverket* (Naturvårdsverket, 2024) to stand for 14% of the country's carbon dioxide emissions. Our food systems need to develop to operate more sustainably, there is a broad consensus on this among scholars and industry professionals. In Sweden the food and agricultural sector can be argued to be very concentrated, Olofsdotter et al. (2011) particularly the food-refinement and food-retailing sectors. Few actors have large market shares and thus significant market power. In addition to this, the Swedish food and agricultural industry faces competition from a global market. This is exhibited in the report by *Jordbruksverket* (Jordbruksverket, 2024), where it is presented that the Swedish imports of agricultural goods exceed the country's exports significantly in 2023, on average Sweden imports 70% more agricultural goods than the country exported (Jordbruksverket, 2023).

The Swedish government developed the country's first national strategy for the food industry and agricultural sector in 2017, with a focus on guiding the sector's work until 2030 (Region Skåne, Region Östergötland, Västra Götalandsregionen, 2019). Additionally, regional strategies have been implemented to further guide the current and future work within the sector. Both the national and regional strategies emphasize the need for innovation at all levels of the food production system to ensure financial and ecological sustainability, as well as commercial competitiveness.

1.1 Research Problem

Today, the Swedish agi-food (agricultural and food production industry) industry is in the food-refinement sector, and the food-retail sector is dominated by a relatively small number of larger companies. This leads to a market structure where a few actors in the market possess a larger share of market power. In contrast to the large concentration in the food-refinement sector and the food-retail sector, the farmer sector is characterised by having a larger number of independent producers, and thus a relatively low concentration (Olofsdotter et al. 2011). For farmers, smaller food producers, and smaller food businesses this is arguably a tricky landscape to navigate.

In addition to this, an EU investigation later complemented and confirmed by a national report by the Swedish government revealed that Sweden and three other EU countries up until 2021 completely lacked direct legislation regarding business-to-business relations within the food and agricultural sector (European Commission, 2016). The significance of this deficient legal framework is fully understood in the Swedish government's proposition in 2021 stating the legal changes that need to occur for Sweden to fulfil the EU requirements (Regerigen, 2021). The proposition includes a Blacklist stating what business-to-business trading practices that will be prohibited. All the ten points included in the Blacklist concern unfair trading practices imposed on the producers of agricultural products by the consumers of the agricultural goods, namely supermarkets and wholesale companies, again highlighting the power imbalance in the market. The law came into effect in November 2021. The realization of the law needs to be recognised as progress. Despite this, the issues the law addresses are still relevant and should be emphasised in this thesis. It can be argued that the previous absence of the legal framework that is now implemented has affected the structure of the market and business culture that we see today within the sector.

The high market concentration within the domestic agri-food sector and the pressure of international competition arguably limit the agency of farmers and small companies in the market. In response to the oligopolist-like market structure, some market innovations in the form of companies like *Bondens Skafferi*, *Mylla Matmarknad* and community-like initiatives like *Reko-Ringar* (food circles) could offer a solution to this issue. This thesis constitutes of an explorative case study looking at the experience held by the users (farmers and food producers) of one of these platforms, *Mylla Matmarknad*. The thesis will explore the experiences and perspectives of a selection of the users of *Mylla Matmarknad* to from this perspective evaluate the success of *Mylla Matmarknad* as a market innovation and alternative food network.

1.2 Aim and Scope

This thesis aims to contribute to the field of study called alternative food networks. The thesis aims to in dept explore the challenges smaller agri-food companies face in *Skåne* (Sweden) today and to understand what role alternative food networks like *Mylla Matmarknad* potentially can play for this group of farmers and producers. Smaller food producers can potentially play a significant role in the Swedish food system. Smaller agri-food companies can be argued to be essential actors in generating new knowledge and innovation and thus

contribute to developing a food production and agricultural sector that can adapt to changing conditions proactively.

RQ: What challenges are associated with establishing a locally sourced food platform, an alternative food network?

- *How is value generated to attract suppliers?*

This thesis focuses on a case study format of study small agri-food companies using the alternative food network *Mylla Matmarknad* based in *Skåne* (Sweden). Smaller and newer agri-food companies in Sweden arguably contribute to increased diversity and dynamics within the sector. They play an essential part in generating new knowledge and innovations with the potential to contribute to the sector's development. However, the high market concentration in the food-refinement and food-retail sectors limits the ability for new companies to enter and develop on their own conditions.

The food-retail sector, referring to supermarkets and wholesale companies, is dominated by a small number of companies, a situation that has been referred to as oligopolist-like. In this context, alternative food networks such as *Mylla Matmarknad*, *Bondenskafferi* and *Reko-Ringar* (food circles) can be considered market innovations offering alternative ways for producers and farmers to reach their consumers. This thesis is interested in though the accounts of users (farmers and food producers) of one of these platforms, *Mylla Matmarknad* generate an improved understanding of the value these new alternative food networks potentially provide for its users.

This thesis will be limited to exclusively gathering insights from a selection of four producers or farmers using the online retail platform *Mylla Matmarknad*. The research will be comprised of in-depth insights into the experiences and perspectives of the selected study subjects. The study will focus on reaching beyond the subjects' experience of using *Mylla*. Despite the limited selection of interview subjects, the thesis aims to, through its broader and in-debt approach, generate insights that can contribute to an improved understanding of the challenges and issues faced on the market today by companies alike, smaller and newer agri-food companies.

1.3 Relevance

The Swedish national statistics agency, *Statistiska Central Byrån*, (SCB) regularly releases reports and statistics on the performance and state of the Swedish production and consumption of food and agricultural goods. While these statistics provide a general understanding of the agri-food sector, they do not capture more specific issues within the industry. In 2022, SCB published a report on food sales in Sweden (Eklund, Nilsson, 2022), showing an 11% increase in food and non-alcoholic drink prices from the previous year. This trend has persisted from 2000 to 2022. Additionally, the report noted a 2.5% decrease in organic food sales and a 7.7% increase in private-label goods. These statistics suggest potential changes in food consumption patterns due to rising prices.

The statistics by SCB (Eklund, Nilsson, 2022) do not show how or where the Swedish people buy their food. Understanding how people consume their food is of interest for this thesis as it can indicate people's interest and willingness to consume their food in alternative ways or via alternative food networks. *Svensk Handel*'s report published in February of 2024 accounts for e-commerce indications the Swedish people's online consumption (Svensk Handel, 2024). According to the report, data was collected through online surveys targeting a random selection of respondents. The findings indicate that food is the fourth-largest group of consumer goods consumed by Swedish people online. The report also shows an increase in the consumption of food via online retailing from 2023 to 2024, with at least 15 % of respondents in 2024 reporting that they shop for food online, compared to 13 % in 2023.

One of these alternative food networks is *reko-ringar* or food circles. *reko-ringar* is a consumer and producer-led initiative for the establishment of an alternative food network that is argued to have originated in Finland in the 2010s (Korhonen, Muilu, 2021). Food circles were originally created to connect producers and consumers, allowing for the sale and consumption of local and organic foods. In 2016, the first reko-ring initiative was established in *Grästorps*, Sweden. According to an investigation by *Svenska Hushållnings-Sällskapet* (2021), by 2021, 220 food circles had been founded in various locations across Sweden, representing a significant increase in just 5 years. These food circles are organized through social media platforms, enabling direct communication between local food producers and interested consumers.

1.4 Background

The way our food system operates is today the subject of debate and criticism from farmers, industry professionals, citizens and politicians. The government, governmental agencies, and private agencies produce reports and reviews evaluating the Swedish food system, identifying issues they hope to address through the strategies they establish. Four strategy reports are reviewed for this paper, three of which are produced by governmental agencies; *Forskning och Innovationsrådet i Skåne* (Forskning och Innovationsrådet i Skåne, 2021), *Region Skåne, Region Östergötland, Västra Götalandsregionen* (Region Skåne, Region Östergötland, Västra Götalandsregionen, 2019), *Region Skåne* (Region Skåne, 2017), and one by the organisation *Sweden Food Arena*, Wikström, *Tejarps Förlag* (2020), all have some common points of interest. They all point out the following issues: lack of competent professionals within all layers of the sector, lack of attractiveness of the sector as a work environment, lack of innovation activity, and lack of competitiveness of the sector nationally and internationally. These factors are highly relevant to the Swedish food and agricultural industry's ability to transition towards more sustainable practices.

In the paper by Schmitt et al. (2017), the complexity of measuring and evaluating the sustainability performance of our food systems is discussed and analysed in a comparative case study looking at the performance of local and global foods. The paper by Schmitt et al. (2017) assesses the sustainability of the products studied using a performance-based approach that looks at five dimensions of sustainability: social, environmental, economic, health and ethics. The paper concludes that local foods rank the highest in terms of sustainability. According to the report, the main strength of local products was consistently: health, socio-economic dimensions, territory care related to biodiversity, animal welfare and governance or resilience (national self-sufficiency). In the paper by Knickel et al. (2009) the role of the farmer in generating innovation is argued to be essential and not recognised enough. The farmer is stated to be an essential factor in developing a food production and agricultural sector that can adapt to changing conditions in a proactive way. The findings of Knickel et al. (2009) in relation to Schmitt et al. can be argued to support the idea that there is a value in recognising local agents' role in driving large-scale change despite acting with special consideration to the local contextual framework.

To address the issues identified in the reports, all recognize that there is a need for increased dynamics within the food and agricultural sector. This includes more knowledge exchange

and collaboration between different actors and an increase in the diversity of the different types of actors within the sector. The Smart Mat report (Region Skåne, 2017) highlights the important role of smaller companies in generating new innovations compared to larger companies. Smaller companies are described as introducers of new product ideas, having a more direct connection to customers, and operating with increased dynamics.

1.4.1 Conditions for Innovation

Dupriest et al. (2021), have investigated the condition and performance of innovation ecosystems within the region of *Skåne*, analysing their performance within the region's four areas of expertise, one being the food production and agricultural sector. The report addresses the lack of innovation within the sector, attributing it to the dominance of larger companies. Today, the region is dominated by bigger companies responsible for approximately 50 % of the whole industry turnover. While this is seen as problematic, the report also acknowledges their role in attracting necessary investments for research and development.

Dupriest et al. (2021) states that in *Skåne*, smaller companies and entrepreneurs play a crucial role in research and development. These new companies are skilled at creating innovative products and maintaining strong relationships between consumers and producers. Their work generates new knowledge and drives development for all. Here Dupriest et al. (2021) lift the problem of power imbalance and market shortcomings within the sector. Smaller companies carry higher risks in comparison to the bigger companies that, through diversification, can manage the risks related to realising new inventions.

In the paper by Germundsson and Norrman the issue of power dynamics and the role of the farmer as an entrepreneur is analysed further in a case study format (Germundsson & Norrman, 2023). In the paper, the authors confirm the significance of some of the issues identified in the report by Dupriest et al. (2021). Currently, producers bear the larger share of the risk involved in product development. Larger companies and food retailers (supermarket agents) have a lack of interest in meeting the requirements expressed by the producers to be necessary to decrease the risk involved in the innovation process. In addition, Dupriest et al. (2021) described the oligopolist-like position of food retailers such as supermarkets and wholesale companies in Sweden, together with the power imbalance, creates a gatekeeping-like situation for smaller companies to realise their ideas and enter the market.

The lack of supporting structures and regulations directly addressing these issues is partly to blame for the current situation according to Dupriest et al. (2021). Germundsson and Norrman (2023) argue that national policies and regulations have a passive role in encouraging progressive system changes and sustainable development. They also claim that existing policies and regulations are not developed with essential insights from actors such as farmers, highlighting an imbalance in the sector. It is suggested that a new policy and regulatory framework is needed to improve the position of both producers and consumers in terms of their ability to influence and be involved.

2. Theory and Previous Research

2.1 Theoretical Perspective

2.1.1 Innovation

In the paper by Sledzik (2013) the works of Schumpeter is described. Schumpeter is in the fields of entrepreneurship and innovation are arguably foundational for the understanding of the subject area and thus still of relevance today. Schumpeter (Sledzik, 2013) describes economic development as a historical process of structural change. Schumpeter describes these changes as the launching of new products, something that he explains to be the result of the invention of new methods of production and, finally, the creation of new markets.

Schumpeter (Sledzik, 2013) coined the term *Creative Destruction*, referring to that powerful innovations drive development in the way that they make the solutions of yesterday irrelevant for tomorrow.

The term *Creative Destruction* and Schumpeter's reasoning behind it highlight that there is no sentimentality in true innovation; innovation that leads to large-scale development results in the disruption of previous values and the creation of new values (Sledzik, 2013).

According to Schumpeter's (Sledzik, 2013) reasoning, innovation is necessary to achieve development. To allow for the disruptiveness of innovation to prevail, there is a need for dynamism and flexibility in the economic system. In his later works, Schumpeter (Sledzik, 2013) moves away from his previously more individualist perspective on how innovation is generated, where he highlights the single entrepreneur as the essential component. In his later

works, Schumpeter (Sledzik, 2013) instead argued for the importance of institution-based initiatives and the role of society in the creation and realisation of innovations.

One can argue that Schumpeter's (Sledzik, 2013) greatest contribution to the field of innovation and entrepreneurship studies is his coining of the term: *Creative Destruction*, which describes the potential impact innovation has on the economy. Schumpeter's reasoning contributes to the understanding of the role of innovation in the economy from a macro-level perspective. In contrast to Schumpeter's macro-level viewpoint, the economist Peter Drucker's contribution to the field could be argued to be more related to understanding innovation within the economy from a micro-level perspective (Peter F. Drucker, 1998).

Drucker contributes to debunking of the idea that innovation is generated by extraordinary individuals and is the result of a strike of genius (Peter F. Drucker, 1998). Drucker in contrast argues that innovation and entrepreneurship can be fostered through the creation of intentional processes. In Drucker's argument against the idea of the entrepreneur as an extraordinary individual, he reasons for the recognition that innovative ideas often come from unexpected sources. Continuing on this, Drucker expands this idea by stating that innovations often are the result of incongruities, changes in perception and new knowledge, and if fostered and recognised, can result in industry and market changes. Peter Drucker emphasises the knowledgeable agent and the understanding of the power found in intentionally constructed or designed processes, making him one of the greatest contributors to the field of management and organisational studies. Drucker's managerialist perspective highlights the importance of the interplay between intentional management, the fostering of a process and the inviting of the unexpected in the form of new knowledge and changes in perception, arguing that these can coexist.

2.1.2 Innovation and Context

The significance of innovations and their potential impact on economic development through entrepreneurial efforts is widely acknowledged by scholars and policymakers. Stimulating innovations on regional and national levels is of interest to policymakers and politicians, with the hope of facilitating economic growth. Autio et al. (2013), argue for recognising the importance of context in fostering successful entrepreneurship, referring to the intersection point between society and its institutions and the role of the entrepreneur in innovation-generating processes. They further explain context as a term referring to the surrounding

structure that policymakers manipulate to influence entrepreneurial activity. Autio et al. (2013) illustrate their conceptualisation of context in *Figure 1*.

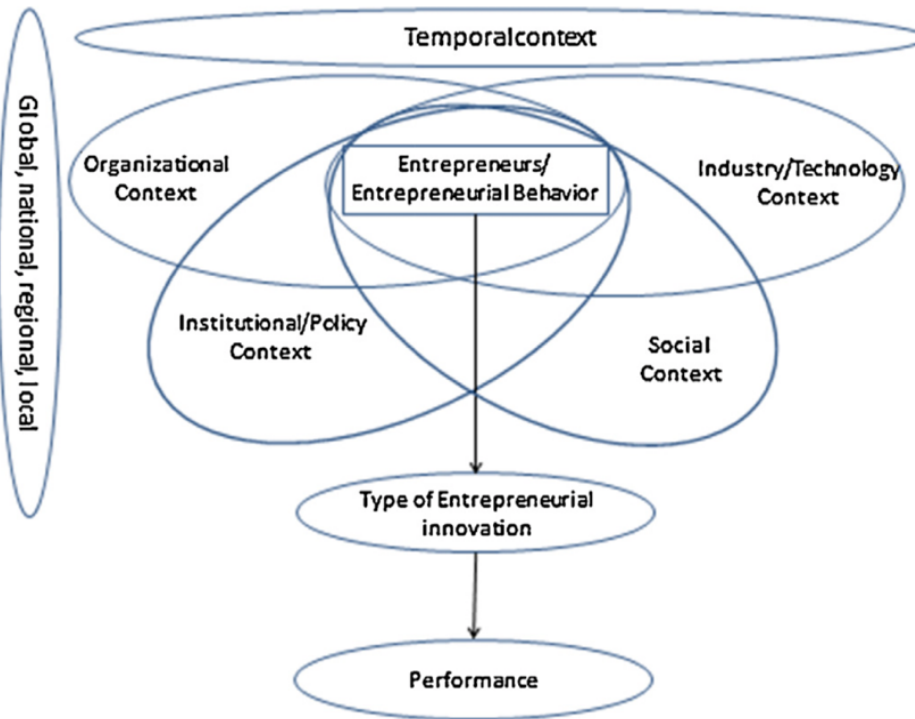


Figure 1: *Conceptualisation of context.* Source: Autio et al. (2013)

The paper discusses the concept of context, including institutions, temporal, industries, market, spatial, organisational, ownership, and government, and their interconnectedness (Autio et al., 2013). It emphasizes the importance of understanding how innovation processes are influenced by their surrounding context. The authors argue for a dynamic interplay between the surrounding context and the entrepreneur, highlighting the need to recognise the various forms and areas in which innovation can occur. They simplify two ways in which context can influence entrepreneurial innovation: entry behaviour and post-entry behaviour. Influence on *entry behaviour* is described as a selection effect, affecting the initiation of entrepreneurial innovations. The second, *post-entry effect*, refers to the influence of strategic choice and the continuation of entrepreneurial innovation.

In their work, Capaldo (2007), explores the importance of context but from a more micro-level perspective in comparison to Autio et al. (2013), looking at the role of inter-organisational relations. Capaldo (2007), discusses the importance of network dynamics for innovation capabilities and particularly the significance of firms acting as strategic centres.

Capaldo (2007), refers to well-functioning inter-organisational networks as knowledge-intensive alliance networks that contribute to dynamic exchange between the parties involved and are a source of competitive advantage. Intentionally establishing strategic inter-firm networks can, according to Capaldo (2007), provide firms with tangible and intangible resources, supporting their innovation capabilities and providing them with a comparative competitive advantage.

2.1.3 Understanding innovation within the agri-food sector

As a continuation of the insight gained from the paper by Autio et al. (2013), and by Capaldo (2007), the paper by Knickel et al. (2009), argues that it contributes to the conceptualisation of innovation processes specifically within the agricultural sector. In the paper, Knickel et al. (2009), argue that there has been a shift in the view of what role the food and agricultural sector should hold. In the paper, the authors argue that the agricultural sector, to a greater extent today, is regarded as carrying potential for contributing to continued rural development and diversification of the economy.

In the paper Knickel et al. (2009), recognise that the understanding of the environmental impact of the industry has partly contributed to the improved general understanding of the need to foster development within the sector, a view that is supported by the work of Braun et al. (2023). Beyond this, Knickel et al. (2009), emphasise that the value of recognising the importance of generating development within the sector is also the result of the understanding that the food and agricultural sector is deeply embedded in the social world and in the regional as well as the national cultural identity. In order to achieve the level of development required within the food and agricultural sector, Knickel et al. (2009), argue that there is a need to foster second-order innovations specifically.

Second-order innovation in agriculture challenges the status quo and proposes new solutions based on new assumptions. (Knickel et al., 2009). According to the authors, the perceptions of the role of agriculture and the farmer have changed, and today, encompasses caring for the environment, maintaining cultural landscapes, maintaining local biodiversity, and providing new rural services. This view is supported by Braun et al. (2023), who in their work, refer to an increased interest among policymakers in generating innovation within local food systems.

The food and agricultural sector's expanded role emphasizes the importance of understanding the surrounding context. The industry's diverse and interconnected issues create complex

knowledge networks. Braun et al. (2023), suggest that shorter geographical and social relations between value chain actors could help manage these networks. Braun et al. (2023), argue that firms or individuals who are responsible for the creation of such networks can be referred to as facilitators and innovation intermediaries. According to Braun et al. (2023), successful collaborations result in knowledge co-creation benefiting both parties.

2.1.4 Ecological and Social Embeddedness

According to Morris et al. (2011), the concept of embeddedness originates from economic sociology and refers to the interdependency of economic activity with its social context. It can be used to identify the impact of economic activity beyond monetary measurements and also to determine how the surrounding social context influences the economy.

In the paper by Morris et al. (2011), the concept of embeddedness is applied to the food and agricultural sector through the adaptation of the concept into Ecological Embeddedness. Ecological Embeddedness is described by Morris et al. (2011), as a way of conceptualising how the food and agricultural sector is influenced and influences its surrounding natural environment. The authors discuss the need to improve the definition of Ecological Embeddedness and how it potentially can be used as an evaluative tool for alternative food networks and production methods. Morris et al. (2011), assess multiple definitions, including spatial embeddedness and environmental embeddedness.

Spatial embeddedness, suggesting that the definition of the concept should be rooted in the understanding of the re-embeddedness of food production in a more local context (Morris et al. 2011). Environmental embeddedness argues that the concept must encompass ecologically beneficial production practices. Morris et al. (2011), also state that for embeddedness to be applied to the field there needs to be an interactive relationship, meaning that considerations of the ecological must shape the development and operation of alternative food networks or alternative food production methods.

In the paper Murdoch et al. (2000), the concept of embeddedness is applied to the field of food and agricultural studies. The authors argue, in line with Morris et al. (2011), that the concept of embeddedness needs to be used to evaluate the performance of the agri-food sector and to determine how to develop the sector further. Murdoch et al. (2000), argue that food production needs to be re-embedded into its local context to ensure that the quality of the end product is prioritised. Murdoch et al. (2000), argue using actor-network-theory that

places of production affect its linkages to other values, and in order to foster this, equal efforts need to be taken to encourage a re-embeddedness of supply chain activities.

For the approach of ecological embeddedness to be successful and subsequently the concept of it to be useful there needs to be recognition and legitimatisation of values in the elements behind it by consumers. The values in an ecologically embedded approach to food production must be communicated to the consumer and further on recognised to the extent that they become an element of the consumer purchasing decision. For this to be the case, the ecologically embedded approach needs to be regarded as value-generating in the sense that it, from the perspective of the consumers, is seen as something that results in an end product considered to have an added economic value.

2.2 Previous Research

2.2.1 Alternative Food Networks

The concept of Alternative food networks encompasses various alternative ways of organising supply chain activity within the food sector. Four papers by Hunter et al., Fonte (2008), Fuentes and Fuentes (2022), and Korhoe and Muilu (2021), will be used to define the characteristics of alternative food networks and the potential value they offer. The establishment of alternative food networks aims to create a service that is an alternative to conventional food systems, redistributing value to producers and consumers away from large companies and intermediaries. These networks strive to create a more interactive relationship between producers and consumers of agricultural or food goods.

Hunter et al. (2020), and Fonte (2008), argue that another essential characteristic of alternative food networks is that they aim to be more rooted in the surrounding local context. The localness of AFNs is confirmed by Fuentes and Fuentes (2022), to be an essential characteristic of AFNs. Fuentes and Fuentes (2022), state that shortening the physical and relational distance between producers and consumers is part of the aim of alternative food networks. Fonte (2008) develops the attribute of localness further by arguing that many AFNs were founded as a product of the debate seen today around re-localisation of food. Fonte (2008), defines re-localisation as an increase in the production and consumption of food

locally. The idea of re-localisation of food production and consumption is according to Fonte (2008), born out of the critiques of the current conventional food system.

It is also argued by Fonte as well as Hunter et al. that the idea of relocalisation is related to another characteristic of alternative food systems, namely their sustainability promise. This promise is based on the belief that local production and consumption of food can lead to more sustainable production methods and consumption habits. The sustainability promise of AFNs is further discussed in the paper by Fuentes and Fuentes (2022), where it is stated that the sustainability promise of AFNs is predominantly rooted in the deliberate small-scale local approach to production. In the paper, Fuentes and Fuentes (2022), recognise that the sustainability promise specifically has been the subject of criticism lately, arguing that there is lacking evidence for this claim. The subject of sustainability and local food production is discussed more in the *Background* section.

Fontes (2008), and Fuentes and Fuentes (2022), bring up an additional characteristic of alternative food networks argued by them to be of importance. Re-evaluation of the value of local knowledge. Local knowledge is according to Fontes (2008), and Fuentes and Fuentes (2022), by the members of AFNs generally recognised as an important resource in the management of agricultural and natural ecosystems. Fuentes and Fuentes (2022), further argue that there generally is an emphasis on the establishment of social dynamics and achieving social embeddedness as an important element of AFNs. This also relates to the aspect of localness and the desire to shorten the spatial as well as relational distance between producers and consumers. Fuentes and Fuentes (2022), argue that this is motivated by the idea that this interaction carries an inherent value and an opportunity for knowledge exchange between the parties.

2.2.2 The Potential Value of Alternative Food Networks

The potential value created by the establishment of different forms of alternative food networks can be identified and evaluated both from a consumer and or a producer's perspective. In the paper by Korhoe and Muilu (2021), the value of AFNs is discussed predominantly from a consumer perspective. In the paper Korhoe and Muilu (2021), conduct a comparative study in the context of Finland, looking at traditional food circles in comparison to the more recently established *reko-ringar* (*food circles*). Korhoe and Muilu (2021), describe the main difference between the two to be that traditional food circles are, in

general, more community-based and more likely community-bound in the sense that they operate on the engagement of volunteers in the local community. In contrast, *reko-ringar* are social media-based and thus do not require the same engagement of volunteers and often reach a bigger audience. Despite the difference between the two Korhoe and Muilu (2021), argue that the attractiveness to consumers of the two is similar if not the same.

According to Korhoe and Muilu (2021), the establishment of food circles can be considered the result of a consumer's interest in buying organic and locally produced foods. This is confirmed in the works by Hunter et al. (2020), Fonte (2008), and Fuentes and Fuentes (2022), as a foundational reason for the establishment of alternative food networks in general. Furthermore, Korhoe and Muilu (2021), state that AFNs or food circles, in particular, provide a functional way for consumers to purchase locally grown and organic foods. What is valued particularly highly by the consumers is the traceability of the origin of the food, the transparency achieved as a result of the short supply chain and the disregard of the middleman. In addition to this, consumers state that they value the face-to-face interaction that is achieved when conducting business directly via producer-to-consumer.

Beyond the benefits, Korhoe and Muilu (2021), in their study, also present some issues identified to be related to *reko-ringar* or food circles. These issues are, the risk of poor management of the communities, as they rely on the engagement of volunteers this is something that occurs (Korhoe & Muilu, 2021). Another issue that emerges is the issue of transportation, it is often required that consumers them-self pick up the produce at the location of the producers. This can lead to a lot of resources spent on collecting the produce, something that arguably goes against the sustainability promises of the networks.

3. Data

3.1 Primary Data Collection

For this thesis, the primary data used to analyse and discuss the research question was collected using semi-structured interviews. Interviewing is a common form of data collection in qualitative studies. The qualitative research interview is a structured conversation between

the interviewer and the interview subject, that has a purpose (Kvale S. 2014). The purpose of the qualitative research interview is for the researcher to collect information from the interview subject regarding an experience of interest to the researcher. In addition to collecting information regarding the interview subjects' experience, it is also of interest to the researcher to gain an understanding of the interviewee's perspectives and opinions on the issues of interest. The opinions and perceptions held by the interviewees are of interest as it is argued that they are the motivations and explanations behind the interviewee's actions.

In the book by Steinar Kvale (2014), he states that there are two contrasting ways of viewing the aim of the qualitative research interview (Kvale S. 2014). According to the first perspective the interview can be regarded as a way of uncovering pieces of information from the interview subject. These pieces are regarded as complete and unaffected by the interview situation in how they present themselves. Secondly, the interview is seen not as a process of uncovering facts but rather as discovering insights and perspectives. Here, the perception is that knowledge is created in the conversation between the two parties. This thesis will have an approach close to the second one. In this thesis, the interviews were conducted according to a semi-structured approach. The semi-structured interview means that going into the interview there are defined questions and topics that are intended to be addressed, but there is also room for flexibility, the order of the questions can change, and questions can be added or taken away as the interview proceeds. The point of the semi-structured approach is that it realises that the interviewer might not know beforehand exactly what they hope to retrieve from each interview and thus the flexibility in the semi-structured interview approach leaves room for the interviewee to influence the content of the conversation.

For this thesis interviews were conducted with the representatives from *Mylla Matmarknad*, and four other producers or farmers selling their products on the *Mylla* platform. The interviews were conducted using a semi-structured approach to gather rich and detailed answers from the interviewees. The semi-structured format enabled this by allowing the interviewees to give elaborate answers to the interview questions. Some of the four interviewed farmers or producers desire to remain anonymous and thus no interview subjects will be referred to any more specifically than, farmer (primary producer) or food producer (food refinement company). The interviews were conducted in Swedish, which was preferred by all interview subjects. Additionally, the interviews were conducted in two ways: via the phone or video call. Two interviews were conducted via video call and three via phone call;

all interviews were recorded (with the previous permission of the interviewees), and the researcher partly took notes during the interviews. It can be argued that there is a notable difference between conducting a conversation via video call or phone call and that these should be discussed, here it needs to be stated that the format of the interviews was the result of the choice of the interviewees, thus made with consideration their comfortability.

Each interview lasted approximately one hour. The interview consisted of questions on the following five themes, Sustainability (1), Innovation (2), Entrepreneurship (3), The region of *Skåne* (4), and Power Dynamics (5). The five topics were chosen as the result of the background research done for this thesis and are thought to allow for a broad and in-depth account of the interview suspects perspectives and experiences. Before the interview, the interviewees were sent a brief description of the content of the upcoming interview as well as the thesis at large. The first subject, *sustainability*, addressed the company's perception of sustainability regarding their work, their perception of the industry's view on sustainability and their experience of working with or without consideration to sustainability. The second topic, *innovation*, addresses the company's experience of creating the business idea, the origin story of the business idea, and the experience of finding its consumer group. For the third topic, entrepreneurship, the experience of realising the business idea into an established business was explored, as well as the continued experience of finding their place on the market and the significance of the different ways in which they reach their consumers. The fourth topic, *The region of Skåne*, addresses if the company has any region-specific insights or experiences of interest. The final and fifth topic: *Power Dynamics*, focuses on the company's experience of the current market structure within the food and agricultural sector, and their perceived ability to make an impact or influence the sector. All the interview questions are found in the appendix.

4. Method

4.1 Research Approach

The thesis will use a qualitative approach to study the research topic and question. The qualitative approach is chosen to gain in-depth insights into the research topic. Qualitative

research is interested in gathering data that allows for a deeper description and analysis of the research area in contrast to quantitative research, where the aim is to generate a broader conceptualisation of the data that allows for a greater generalisation of the findings.

Qualitative research often has an inductive view of the relationship between theory and research. This means that research is conducted with the intention to through it generate a theory or a theoretical framework (Clark T, et al. 2021). In practice, this means that the research is not done strictly to test or evaluate existing theories. Qualitative research based on an inductive perspective takes an abductive approach to research where data is gathered to generate an understanding of the social world and recognise the perceptions the studied subject has of their social world as important. The inductive perspective and abductive approach mean that there is a more dynamic relationship between exciting theory and research. The inductive perspective and the abductive approach also mean that the research design can be argued to be emergent, meaning that it may change throughout the research process. Thus, the research process changes as the researcher learns more about the topic. This thesis is based on an inductive perspective and with an abductive approach, meaning that existing theory and previous research on the topic will not be tested but rather used to understand the results of this research better.

4.2 Data analysis

For the processing of the data, notes taken during the interview by the researcher and the recording of the interview conversations were used to transcribe what was said during the interview. The notes taken during the interviews partly contain realisations or reflections by the researcher emerging during the interviews. The recordings were used to transcribe the full conversation between the interviewees and the researcher and were processed twice to ensure accuracy. As the interviews were conducted in Swedish, the interview material was translated into English during the transcription process. It must be recognised that in the process of translating from Swedish to English, some aspects of the original phrasing by the interviewees may be lost. The translation was conducted by the researcher as the researcher is a native Swedish speaker and a highly qualified English speaker.

For the data analysis, a grounded theory approach will be applied, more specifically a method that has been referred to as the Gioia Methodology (Gioia, et al., 2012). The book by Steinar Kvale (2014), was also be used to construct the methodological approach to the data analysis. The work by Kvale (2014), describes some of the approaches used in the Gioia methodology

and is thus used to improve the understanding of the Gioia et al. (2012), method and how to apply it in the context of this research. Grounded theory is described in Kvale's (2014) work as an explorative approach where the analysis of the interview material or data can be seen as a part of the process of theory development. In the analysis of the data, theoretical interpretations are developed. The Gioia et al. (2012), methodology, in particular, is designed to bring more rigour to the inductive research approach. At the foundation of the Gioia et al. (2012), methodology is the perception held by the researcher that the interview subjects should be regarded as knowledgeable agents. Knowledgeable agents who provide the researcher with primary data, allowing for the discovery of new concepts rather than affirmation of existing concepts. The perceptions held by the agents or, as referred to by Gioia et al. (2012), the sensemaking of the agents is central to the researcher.

For this thesis, the data will be analysed and processed according to the methodological approach described by Gioia et al. (2012). The process is structured as follows: initial processing of the data in the form of transcribing the interviews and organising the interview subjects' answers according to the interview questions and topics or as referred to by Kvale (2014), identifying the natural unit. The process is then followed by a first ordering of the data where the *1st order concepts* are identified. The 1st ordering of the data is then followed by a 2nd ordering of the data, here using the 1st ordering as the basis for this step. The 2nd ordering of the data is done to identify *2nd order themes* or, as referred to by Kvale (2014), *meaning-categorisation* and concentration. Lastly, the 1st ordering and 2nd ordering of the data lead to the production of *aggregate dimensions*, namely initial theoretical insights are here produced. The process of going from the 1st ordering of the data to the generating of aggregate dimensions is presented in an illustrative graphic model. At this stage of the analysis, other data sources are consulted to understand better and interpret the meaning of the findings of the research. Previous research material and existing literature are also used to judge if there is a novelty to the findings.

5. Results

In this section, the results from the study are presented. The data collected using the semi-structured interviews are presented below in two *Figures*, 2 and 3, according to the Gioia

methodology (Gioia, et al. 2012). In *Figures 2 and 3*, the data is categorised according to the five themes: Sustainability (1), Innovation (2), Entrepreneurship (3), The region of *Skåne* (4), and Power Dynamics (5), see the *Data* section, for explanation of the five themes. According to the Gioia methodology and the inductive approach of this research, the data received from the interviewees is beyond being the source of the content presented below; it is also what guides the format and how the results are presented. In *Figure 2*, 1st Order Concepts and 2nd Order Themes and aggregate dimensions constructed from the interview material obtained from the interview with *Mylla Matmarknad* are accounted for. In *Figure 3*, *1st Order Concepts* and *2nd Order Themes* are accounted for from the interview material obtained from the four interviews with four different representatives of the four different producers or farmers.

In the appendix, coats and complementary accounts from each interview is presented in five tables. The material presented below in *Figures 4, 5, 6, 7 and 8* was essential in the initial analysis of the data and thus laid the foundation for the material presented in *Figures 2 and 3*. In addition to this, some of the material presented below in *Figure 4, 5, 6, 7 and 8* may not be fully represented in *Figures 2 and 3*, this is particularly the case for the material presented in *Figure 8* as it is the combined material from all four interviewees

5.1 Structuring of the data

5.1.1 Gioia Methodology

1st Order concept, 2nd Order themes and Aggregate Dimensions

Figure 2 and 3 below present the semi-structured interview results according to the Gioia methodology (Gioia, et al., 2012). The data is presented under the structural headlines of, *1st Order Concept, 2nd Order Themes and Aggregate Dimensions* in the two *figures*. It is important to note here that a dynamic relationship exist between the emergent concepts and the theory. The idea behind this is that it acts as a recognition of the dynamic relationship between the reality studied and the theory applied to it, highlighting that the result is not definite. In addition, the model's dynamism is thought to reflect the importance of maintaining an interactive relationship between theory and practice. Recognising that the

interview subjects are knowledgeable agents as well as agents with the ability to assert an influence over the field of interest for this study.

The 1st order concepts are a concentration of the content found in the original answer given by the interview subjects. *Figure 2* contains the results from the interview with *Mylla Matmarknad*, the online retailing platform, which is the point of departure for this case study. *Figure 3* presents the results from the interviews with the four producers or farmers selling their products on the *Mylla Matmarknad* platform. In the case of *Figure 3* every 1st order concept is a concentration of the answers obtained from all 4 interviewees. The four producers or farmers in the study are treated as one group or type of actor, namely small-scale food producers. For the most part, the producers or farmers had similar answers to the questions posed to them thus supporting the choice of treating them as one group.

Mylla Matmarknad

1 st Order Concepts	2 nd Order Themes	Aggregate Dimension
Sustainability <ul style="list-style-type: none"> - Working towards a more sustainable operation of the own company - Creating conditions for others to in collaboration work more sustainably - Improve the conditions for local food production 	Facilitating own and others sustainability work	Collaboration
Sustainability <ul style="list-style-type: none"> - There is a consensus on what sustainable food is and should be - There is disagreement on how to actualise sustainable food production 	Conflicts when implementing sustainable practices	
Innovation <ul style="list-style-type: none"> - Creating a platform that works well for the producers using it - Establishing a new way of selling food - Creating a tool that allow the producers to not compromise on their alternative ways 	A platform that acts as a tool for producers	Facilitating
Innovation <ul style="list-style-type: none"> - The rise of food circles showed that there was a consumer interest - There is a consumer interest in local food a desire for transparency - The interest of consumers and producers were there, the technical solution was missing 	Establishing a new way of selling food	
Entrepreneurship <ul style="list-style-type: none"> - To enter as a new company in the food and agricultural industry is hard - Difficult to attract the capital investment needed - Continuing challenge to establish stable consumer relations 	Difficult to manage the high competition	Organisation
Entrepreneurship <ul style="list-style-type: none"> - View producers as users want to provide them with a service - Supply producers with assistance in marketing, communication, and transportation 	Providing different services for the producers	
The region <ul style="list-style-type: none"> - The number of producers in the region is beneficial - There is a large market in the region - Favourable conditions for a good relationship with the consumers who in have insights about the business 	High concentration of producers and consumers	Context
Power Dynamics <ul style="list-style-type: none"> - Causing debate and discussions, engaging producers, and consumers - Becoming a connection point for likeminded in and outside the industry 	Active participator in industry debates	Dynamism
Power Dynamics <ul style="list-style-type: none"> - There is a lack of diversity within the sector - There is a lack of competition in the market, the bigger companies' controls the sector 	Importance of diversity	
Power Dynamics <ul style="list-style-type: none"> - The lack of laws and regulations targeting industry specific issues have already shaped the structure and culture we see in the market today 	Development demands structural change	

Figure 2: Structuring of data, the interview material. Interview with Mylla Matmarknad

Producers and Farmers

Aggregate

1st Order Concepts

2nd Order Themes

Dimension

Sustainability <ul style="list-style-type: none"> - Sustainability is multifaceted and thus demands a holistic approach - Working sustainably means a care for all stages of the process leading up to the end-product 	Sustainability is multifaceted	Diversity
Sustainability <ul style="list-style-type: none"> - Most companies share the view on what sustainability is but merely on a superficial level - When it comes to actualizing a sustainable approach, disagreements arise - Economic interest often leads to compromises in the sustainability work 	Consensus prevails on a superficial level	
Innovation <ul style="list-style-type: none"> - The personal interest of the owners is foundational for the company - Desires to create a quality product and though that make an impact - Sustainability must be a holistic approach and thus be based on personal values that turn into a company philosophy 	Attention to detail from personal engagement	People
Innovation <ul style="list-style-type: none"> - The personal engagement attracts consumers - There is an interest among consumers for high quality products - It is a continuous challenge to find and keep costumers 	The unique qualities attract buyers	
Entrepreneurship <ul style="list-style-type: none"> - If you as a company is only selling your product via one channel that makes you vulnerable - The power dynamic between us as producers and the retailer or wholesale company is different at the different platforms - It is hard to compete with bigger companies 	Constantly balancing agency and risk	Position
Entrepreneurship <ul style="list-style-type: none"> - Mylla is a platform we want to exist on as it allows us to be seen together with like-minded companies - There is an intention behind Mylla that is not found elsewhere - On Mylla there is more of a community, and understanding for what we are trying to do and there is a knowledge exchange between users 	Existing on Mylla is advantageous	
The Region <ul style="list-style-type: none"> - There is a lot of knowledge in Skåne that creates favourable conditions for having a good relationship with the customer - There is a lot of passionate professionals in Skåne - Skåne is a region that is very active in the field 	Skåne is active within the field	Context
The region <ul style="list-style-type: none"> - Companies like Mylla bring diversity to Skåne, and the industry at large diversity provides dynamism - Mylla shakes things up, their alternative approach suggest that things could be done differently 	Diversity is favourable	
Power Dynamics <ul style="list-style-type: none"> - As a small company there is often a lot of risk involved in trying to make a difference by influencing others in the industry - To some extent yes everyone can make a difference and as smaller companies we need to be organised and take on battles together 	Collaboration is necessary to impact	Configuration
Power Dynamics <ul style="list-style-type: none"> - As a smaller company what is important to you is far from always recognised by supermarkets and wholesale companies - It is easy to lose ownership over your brand when the intermediaries take over the selling of your product - It can be difficult to communicate your values to the consumer something that is necessary for them to understand the value of your product 	Importance of owning the narrative	

Figure 3: Structuring of data, the interview material. Interview with food producers and farmers

6. Analysis and Findings

This section aims to present the analysis of the data generated, organised according to the structure that emerged from the empirical interpretation. It will include a more detailed description of the findings presented according to the Gioia Methodology under the *result* section. This section will arrange the findings according to the aggregate dimensions and their respective second-order themes that emerged from the initial data analysis process, the result of which is seen in *Figures 2 and 3*.

The aim of this thesis, and thus also a focal point of this analysis, is to account for the experiences and perspectives held by the interview subjects, to in-depth create and understanding of their point of view or sensemaking. The analysis categorises the interviewees experiences and sensemaking into the five themes derived from the aggregate dimensions and uses theory to interpret and develop an understanding of their sensemaking. The results generated from this *Findings and Analysis* section will be discussed in the *Discussion and Conclusions* section of the thesis.

The findings will be organised into two parts, one focusing on the content obtained from the interview with *Mylla Matmarknad, Interview 2*, and the other focusing on the material obtained from the interviews with the producers or farmers, *Interview 1, Interview 3, Interview 4, and Interview 5*. As the thesis is conducted from an inductive perspective and gradually develops into a more abductive engagement with theory, the interviewees' reasoning is central to the analysis. The empirics will thus guide the analysis in the sense that it will decide what should be regarded as important.

6.1 Interview Mylla Matmarknad

6.1.1 Collaboration

2nd Order themes:

Facilitating own and others' sustainability work

Conflicts when implementing sustainable practices

Mylla (interview 2) perceives that it can be difficult for a smaller company to realise its ambitions of a more sustainable approach. *Mylla* hopes that existing on a platform like *Mylla Matmarknad* together with other like-minded producers will ease some of these issues. “*Collaboration*” here refers to the aspiration towards a non-hierarchical relationship between the producers and *Mylla* (the retailer and middleman). *Mylla* attempts to use this collaborative approach to the relationship with the producers in order to create a platform that works well for the producers using it and operates according to their needs.

Mylla states that their view of sustainability comes from their experiences as producers themselves. To them, sustainability is multifaceted in the sense that it encompasses social, economic, and environmental sustainability. For them, as a smaller company, to realise this view on what a sustainable approach to food production should be, they must do so holistically and attempt to care for all aspects of sustainability. According to *Mylla*, this requires a lot of personal engagement and often demands that you devise a solution to put theory into practice. Communicating the value of a product created from such a careful process to consumers and bigger companies that you often in some way need to cooperate with can be very difficult. And if the value of the quality product you have crafted is not recognised by the people who can make your product available to consumers, that’s a big issue.

Mylla's approach to their work involves collaborating with producers to structure their platform. This aligns with Drucker's idea of fostering innovation through intentional processes, which includes exchanging knowledge and inviting new perspectives (Peter F. Drucker, 1998). *Mylla's* statements show that they, in alignment with Drucker's (1998), reasoning, recognise both parties as knowledgeable agents. Knickel et al. also acknowledge the existence of complex knowledge networks in the industry and emphasise the importance of engaging different parties within this network in order to generate innovative ideas (Knickel et al., 2009).

6.1.2 Facilitating

2nd Order themes:

A platform that acts as a tool for producers

Establishing a new way of selling food

As a small producer or farmer, one often has to work with different middlemen, retailers or wholesale companies to reach enough consumers and thus become profitable as a company. *Mylla* states that in their experience, unfortunately, working with these middlemen often in the form of larger established companies pushes you as a smaller company to compromise on your carefully chosen alternative approach. “*Facilitating*” here refers to helping forward an action or process. *Myllas’s* intention behind their platform is, therefore, to serve in a facilitating role for the producers using it, mitigating the problems associated with other middlemen who supposedly help the producers reach their consumers.

Myllas self-stated intention of serving a facilitating role for the consumers aligns with the work by Hunter et al. (2020), Fonte (2008), Fuentes and Fuentes (2022), and Korhoe and Muilu (2021), where they all identify the idea of creating a service for the producers is an foundational motivation behind the establishment of AFN’s. The authors also state that the idea behind this is that it allows for a redistribution of value away from the middleman to the producers and consumers.

Beyond *Myllas* personal experience as a producer of the issues related to being a smaller agri-food company with an alternative approach to food production, the rise of food circles or *reko-ringar* (food circles) showed *Mylla* that in addition to the producer’s need, there was a consumer interest in local food and alternative food networks. Consumers and producers were interested; only the technical solution was according to *Mylla* missing. The *Mylla Matmarknad* platform thus tries to be this technical solution and aims to act as a tool for the producers and consumers, thus establishing a new way of selling food.

The idea that the *Mylla* platform is a technical solution solving a previous inconvenience experienced by producers and consumers speaks for *Mylla* as a market innovation, according to the reasoning by Drucker (1998) and Schumpeter (Sledzik, 2013). In their work on *reko-ringar* (food circles) Korhoe and Muilu (2021), recognise this as a characteristic of AFNs, they strive to create a functional way for consumers and producers to interact, but arguably, *Mylla* has further developed the operation of this and thus innovated the concept (Korhoe & Muilu, 2021).

6.1.3 Organisation

2nd Order themes:

Difficult to manage the high competition

Providing different services for the producers

According to Mylla, everything when you are a small company is very resource-demanding. When the process of creating a carefully crafted end product requires so much engagement, other essential aspects of the business risk suffering from a lack of the same attention.

“Organisation” here refers to creating a unity where there is a purposeful synergetic exchange between the parties involved. Establishing a manageable approach to the business as a whole means that more energy can be devoted to the crafting of the end product.

Organisation via Mylla comes in the form of a set of services provided by the *Mylla Matmarknad* platform to the producers using it. These services include assistance with marketing, storytelling, customer service, customer communication, and transportation. According to *Mylla*, the goal is to help producers reach their consumers more effectively as well as efficiently. For consumers, *Mylla* tries to solve the issue of local and small-scale food production, often by customers being associated with inconvenience and inaccessibility. *Mylla* hopes this consequently helps the producers manage the high competition and some of the difficulties associated with entering and trying to become established as an agri-food company.

The idea of Mylla becoming a tool that solves the problem of AFNs according to them being associated with inconvenience and inaccessibility, something that is partly recognised in the work by Korheo and Muilu (2021), but argues again for the idea behind Mylla to be innovative, Drucker (1998), Schumpeter (Sledzik, 2013). Beyond this, Mylla's description of the issues traditionally associated with working with middlemen in the sector and their ambition to provide a solution to this could be argued to be an ambition to challenge the status quo within the sector and propose a solution based on what referred to by Knickel et al. (2009), new assumptions.

6.1.4 Context

2nd Order themes:

High concentration of producers and consumers

For the business *Mylla Matmarknad*, the number of producers based in the region is beneficial. There is a relatively large variety of good producers in the region, this has been fundamental to the establishment of the Mylla platform. In addition, there is a relatively large market in *Skåne* and a relatively high concentration of consumers. Beyond this, there is a lot of knowledge in the region, among producers and other industry professionals, as well as universities or other research centres, which leads to the perception that there is a lot of activity in the region within the field. *Context* here refers to the surrounding societal and professional knowledge-environment and market-structure.

This aligns with the reasoning of Knickel et al. (2009), and Autio et al.(2013), who argue for the importance of acknowledging the complex knowledge networks surrounding the sector. Schumpeter (Sledzik, 2013), and Drucker (1998), also argue for the value of this recognition for the success of innovations as contributors to large-scale development.

According to *Mylla*, what is particularly striking about the region is that in general, consumers have a lot of insights about the agri-food sector, which creates a favourable condition for them to have a good relationship with their consumers. *Mylla's* view of the consumers as knowledgeable agents could be argued to be an expression of an understanding of what Drucker's (1998), states as the importance of recognising the value of unexpected sources of innovation.

6.1.6 Dynamism

2nd Order themes:

Active participation in industry debates

Importance of diversity

Development demands structural change

Mylla perceives the agri-food sector to be very concentrated today, dominated by a few companies with an abundant ability to affect the sector's development. According to *Mylla*, the lack of ability for various actors to assert an influence over the sector's development is disadvantageous for the sector at large. *Dynamism* here refers the desired effect of greater diversity, which is thought to improve each actor's ability to assert and influence.

From *Mylla's* perspective, the parties that suffer the most from this power clustering are the individual producers, farmers. Both producers and consumers should have an improved ability to affect the development within the sector. *Mylla* believes that changes need to occur in order to enable this but also states that in their view, power to influence can be found as a group of producers and consumers expressing their view. The changes that need to occur, according to *Mylla*, are structural, regulatory, and legal changes, as well as changes in business culture and consumer behaviour. The lack of laws and regulations targeting industry-specific issues has already shaped the structure and culture that *Mylla* see in the market today. *Mylla* has experienced cases, for example, regarding the installation of prohibition of unfair trading practices (Regerigen, 2021), (European Commission, 2016), where smaller companies wanted to report an incident concerning a violation of the law but didn't dare to declare the name of the company responsible as they were still dependent on the cooperation with the company in question.

Mylla's expression of a desire for diversity, which is believed to create more dynamism within the sector, is supported by Schumpeter's ideas (Sledzik, 2013). Schumpeter argues that the economic system needs dynamism and flexibility for innovations to be generated and established. To achieve this, Schumpeter argues that institution-based initiatives are necessary.

6.2 Interview Producers or Farmers

6.2.1 Diversity

2nd Order themes:

Sustainability is multifaceted

Consensus prevails on a superficial level

According to the interviewees, sustainability is multifaceted in the sense that it encompasses multiple aspects of the company practice and a diversity of perceptions of how to actualise it through their work. “*Diversity*” here refers to multiple perspectives and views held by industry professionals as their understanding of how to work sustainably. According to the interviewees, working sustainably means caring for all stages of the process up until the end product and thus has to be grounded in the company values and philosophy.

When it comes to actualising a vision of a sustainable approach, many considerations must be considered and taken. The answer to how to put theory, company values and philosophy into practice is not given. Sometimes, realising a vision means compromising on things that may generate economic value or value in the form of brand image. The producers state that, for example, different certifications developed to be used as quality markers may be superficial due to them being developed according to the interests of larger companies. Thus, according to some producers, adapting the company's approach to the requirements of these certifications could force a company to compromise on its sustainability, health, or quality practice. According to the producers, this also exemplifies that most conflicts within the industry related to sustainability concern not how to perceive sustainability but how to actualise sustainability.

The producers' broad conceptualisation of sustainability, which emphasises the importance of evaluating their accomplishments using more than just economic values, is interesting. The producer's reasoning, to some extent, aligns with the Morris et al., (2011), work and their reasoning around ecological and social embeddedness. The producer's reasoning also agrees with the work by Morris et al., (2011), in that it describes an interactive relationship between the producer's sustainability work and the surrounding context, which also aligns with Drucker's reasoning (Peter F. Drucker, 1998).

6.2.2 People

2nd Order themes:

Attention to detail from personal engagement

The unique qualities attract buyers

All interviewees describe the motivations behind the creation of the company values and the establishment of the company's approach as the result of the personal ideals and interests held by the founders of the company. "People" here refers to the role of personal engagement in forming the process responsible for the end product. According to the interviewees, this personal engagement and involvement have directly guided the work responsible for what the company is today. This commitment is something that must be nurtured, especially when new people enter into the company. As all of the companies featured are small and relatively new, communicating the company values and philosophy to new employees has been manageable.

The interviewees perceive this personal engagement as essential for creating what they refer to as a high-quality product. Some interviewees even refer to the process behind the creation of the products as a craft, a food craft. According to their experience, it is also this engagement and its result, quality, that attracts consumers. Consumers are interested in a high-quality product, and it is easier to trust that this is what they will receive if the company tries to communicate transparently with the consumer. Despite this, according to the interviewees, it is a continuous challenge to keep and attract consumers; they depend on more direct contact with the consumers to communicate the company values and the qualities of the products.

The producers' focus on personal engagement in their work relates to Morris et al.'s concept of embeddedness (Morris et al., 2011). The emphasis aligns with the idea of finding value in social engagement on a personal level and with regard to the local context. The reasoning of the producers and the way they refer to their work as a food craft to some extent aligns with the work of Knickel et al. (2009), and their argument that there has been a shift in the view of what role the agricultural sector could play and should hold. Continuing on this the producer's description of the importance of more direct communication between them and the consumers relates to Fautes and Fautes (2022), statement that one of the foundational motivations behind the establishment of alternative food networks is the desire to shorten the physical and relational distance between producers and consumers.

6.2.3 Position

2nd Order themes:

Constantly balancing agency and risk

Existing on Mylla is advantageous

Most of the interviewees stated that it is important to recognise that they are young companies and that it takes time before one establishes oneself in the market and in relation to consumers. All interviewees state that, to some extent, finding customers and establishing customer relations, particularly in the beginning, involved contacting people directly. Initially, they had to participate in events and contexts in which it would be favourable for the brand to be associated with. “*Position*” here refers to the company’s position in relation to others, competitors or collaborators, whether favourable or unfavourable. As, or if, one wants to grow, it almost always becomes necessary to work with bigger companies in the form of supermarkets or wholesale companies; without those channels, not enough customers will be reached. Managing the relations with customers and collaborators is resource-demanding but necessary. Some producers have actively avoided working with larger companies, supermarkets or wholesale companies. In these cases, they don’t find it rewarding enough, both in terms of value per unit sold and in terms of other exchanges between the parties.

When working with different parties, all interviewees state that what sets these collaborations apart is often that there is a difference in the power dynamic between them and the collaborator. When you are a small company, you have very little leverage in relation to bigger companies when negotiating the terms of an exchange; this means that one often has to agree to conditions that might not be ideal. But for most, the difference between different collaborators, such as alternative and conventional food networks, is that the former does not always understand the product they are presented with, and thus, pricing can be difficult to get right, according to the interviewees. Another factor stated to be of importance by the interviewees is that it is advantageous to exist on a platform like *Mylla*. Because here your product is seen among other carefully selected products, the value and qualities of the product and the company is here more clearly communicated to the consumers.

The producers state that collaborating with different actors is necessary to some extent, but issues arise as not all actors understand their products or their values. This relates to Knickel's work, where it is argued that the perception of the role of the agricultural sector has or has to changed and broadened, in order to recognise the sector’s embeddedness in its surrounding social and environmental context, supported by the reasonings of Moris (2011), an Knickel et al., (2009). The experience of the interviewees suggests that their more holistic approach to the crafting of the product may not be recognised as valuable by all actors within the sector.

When this is the case for an actor that has the ability to make the product available to consumers, this can become a case of, as referred to by Autio et al.(2013), an influence on entry behaviour, a selection effect.

6.2.4 Context

2nd Order themes:

Skåne is active within the field

Diversity is favourable

There are many people working within the agri-food sector in the Region of Skåne; this translates to the interviewees as the perception of an active region within the field. According to the interviewees, this means that there is a lot of knowledge and resources within the region. “*Context*” here refers to the surrounding societal and professional knowledge environment and market structure.

Myllas's description of the experience of the influence of the context aligns with Knickel et al. (2009), and Autio et al. (2013), arguing for the importance of acknowledging the surrounding complex knowledge networks. Schumpeter and Drucker also argue for the value of recognition of this (Sledzik, 2013), (Peter F. Drucker, 1998).

The interviewees experience this knowledge and these resources in the form of different forums and collaborative contexts in which one can be a part. The interviewees also state that the *Skåne* customers stand out in the sense that they, in general, have a lot of insight about the industry, making it easier to communicate the company value and product qualities to them. In addition to this, there is a lot of competition within *Skåne* that is something that has to be managed by the companies. However, there is also, according to the interviews, a lack of diversity within the region. A few big companies dominate in terms of market share and influence over the sector. Beyond the forums and collaborative context one can be a part of as a young company, there are different forms of support that one can receive from the region or more locally. Unfortunately, these are often resource-demanding to apply for as a smaller company and not always very helpful in their format.

6.2.5 Configuration

2nd Order themes:

Collaboration is necessary to impact

Importance of owning the narrative

As a smaller company, there is often a lot of risk involved in trying to make a difference by influencing others in the industry. One still needs to be someone with whom others want to collaborate. But at the same time, it is necessary to try to inform the market and its different actors within it about your perspective as a smaller producer and your struggles.

“*Configuration*” here refers to the relative disposition or arrangement of different actors in relation to each other.

As a smaller company, the collaborations one has with bigger companies are necessary and, in many ways, good, but often what is important to you as a smaller company is, according to the interviewees, far from always recognised by supermarkets and wholesale companies. It's easy to lose ownership over your product when the intermediaries take over the selling of the product and thus the interaction with the consumers. Some of the interviewees state that it is important to be organised and take on battles together with other producers. Here, *Mylla* fills a role according to the interviewees; they are vocal about the issues within the sector and actively try to be a part of the debate.

The issues brought up by the interviewees aligns with what the papers by Hunter et al. (2020), Fonte (2008), Fuentes and Fuentes (2022), and Korhoe and Muilu (2021), together identify as the motivations behind the establishment for alternative food networks. Arguably, the most foundational motivation that also aligns with the statements by the producers above is the desire for shortening the physical and relational distance between producers and consumers.

7. Discussion and Conclusion

This section will discuss the findings of the thesis in relation to the research question and the associated sub-research question. In order to answer the research question, the performance of *Mylla* as an alternative food system will be evaluated using the statements of the producers and the literature. This is to identify if *Mylla*, as suggested by the research question, can be regarded as an alternative food network and how it performs as such. Regarding this, the literature will be used to identify the characteristics of alternative food networks, determine if there are any challenges associated with the types of AFNs described in the literature, and determine if *Mylla* offers a solution to these issues.

RQ: What challenges are associated with establishing a locally sourced food platform, an alternative food network?

- *How is value generated to attract suppliers?*

The theory discussed in the earlier part of the thesis was identified as relevant to the research question and the aim of the study. Beyond answering the research question, the literature will be used to develop the study's learnings. Implications from those learning will then be developed both for practice and for future studies of similar problem.

7.1 Mylla Matmarknad as an Alternative Food Network

RQ: What challenges are associated with establishing a locally sourced food platform, an alternative food network?

Evaluating *Myllas* performance as an alternative food network using the literature presented under the section *Theory* and *previous research*, but also using the statements by the producers. When describing the characteristics of AFN, the author of the four papers referred to in this thesis, Hunter et al., Fonte (2008), Fuentes and Fuentes (2022), and Korhoe and Muilu (2021), particularly refers to *reko-ringar (food circles)*, when exemplifying what an AFN is in practice. *Mylla* must be concluded to be quite different from food circles, but still,

according to the statements by the producers, it operates in alternative ways. The four papers together identify six characteristics defining alternative food networks.

1. Establishment with the aim of contrasting conventional food networks or systems
2. Alternative way of organising supply chain activity
3. Redistributing value to consumers and producers
4. Interactive relationship between consumer and producer
5. Sustainability promise
6. Localness, embedded in the local context

All six characteristics are brought up by all interviewees. According to the interviewees, *Mylla* stands out in the way that it operates. *Mylla* creates an alternative way for the producers to reach their consumers. *Myllas'* approach included more flexibility in the relationship between them and the producers, thus giving the producers more agency than in collaboration with other, more conventional food networks. The services provided by *Mylla*, such as marketing through story-selling, allow the producers to have a more interactive relationship with the consumers, allowing the producer to better communicate the values of their product and processes responsible for it to the consumers. For point three, the producers state that they have more influence on the prices of their products on the *Mylla* platform than other more conventional food networks. However, the producers state that *Mylla* is relatively young and thus, their sales in terms of volume are still not high enough to make a greater impact on their revenue.

The previous research on alternative food networks by Hunter et al., Fonte (2008), Fuentes and Fuentes (2022), and Korhoe and Muilu (2021), identify some issues generally associated with alternative food networks. Korhoe and Muilu (2021) particularly go into this in greater depth when reviewing the differences between traditional AFNSs and new AFNs, operating using social media platforms. The previous research identifies the following three issues to be associated with other forms of alternative food networks.

1. Poor management of the communities
2. Relies on the engagement of volunteers
3. Consumers responsible for transportation

All three issues are expressed in the interview with *Mylla* as something they wanted to provide a solution to when creating their platform. *Mylla*, in the interview, states that

alternative food networks, from the perspective of producers and consumers, have been associated with inconvenience and impracticality to a certain extent. Under the aggregate dimension of Organisation, there is an account by *Mylla* stating they have approached this issue with the desire to help the producers reach their consumers more effectively by providing the producers with certain services. These services are assistance with marketing, storytelling, customer service, customer communication, and transportation. The producers all state that they experience the way in which *Mylla* operates as good and suitable for them, but they all also conclude their sales in terms of volumes and revenue via the platform are not great enough to make a significant impact on their situation as companies.

Regarding the stamens by the producers and considering the literature accounts for what should be considered an alternative food system, it can be stated that *Mylla* can be regarded as an alternative food system, but *Mylla's* approach is different enough for it to be considered an innovation.

7.2 Discussions and analysis regarding the sub-research question

- *How is value generated to attract suppliers?*

Beyond the more practical services provided by *Mylla*, one of the greater values of the platform, according to the producers' or farmers' statements, is how it allows them to communicate well with their consumers. The producers state that communicating the value of their products and making the consumers understand how that value is the result of a careful production process is very challenging. However, succeeding in this communication is essential for the producer. According to the producer's or farmers' perspective, the quality of the product and the personal engagement that creates it is what attracts consumers. Consumers are interested in quality products, and here, smaller and locally based producers stand out in their delivery of that to consumers.

All of the interviewees argue that they have created a way of producing that results in a more sustainable, healthier, and higher-quality product (the truth of this claim is beyond the aim of this thesis). In their process of actualising this approach, they all state that they have

encountered difficulties in making collaborators understand the added value of their product and translating that into suitable economic value, this is according to the interviewees, not an issue experienced when working with *Mylla Matmarknad*. The statements by the interviewees align with Capaldo's reasoning (2007). Capaldo (2007), refers to well-functioning inter-organisational networks as knowledge-intensive alliance networks that encompasses a dynamic exchange between the parties involved. The collaboration, when successful, should provide both parties with with tangible and intangible resources, supporting their innovation capabilities and providing them with a comparative competitive advantage.

According to the interviewees, disagreements on how to put theory into practice are at the core of this issue. What is considered by the producers or farmers to be required to create a better end product may not be recognised as essential by others. Sometimes, according to the producers or farmers, this issue is seen in that retailers or wholesale companies want to market their product as a luxury good in contradiction to the producers. In contrast to this, *Mylla*, according to the producers, understands their product and values their perspective and knowledge. The producers existing on a platform like *Mylla* and other producers operating with an alternative approach affirm that their ways have an inherent added value and communicate this more clearly to the consumers. This reasoning by the interviewees aligns with Capaldo's (2007), arguing that successful network-like collaborations can act as strategic centres facilitating innovation through their relational capabilities where the evolved parties engage in a knowledge co-creation that is perceived by the consumers.

There is a conflict here that, arguably, when looking at it through the perspective of the literature on the role of context and embeddedness, rooted in different perceptions of what value is and should be within the sector. The producers, to varying extents, want to be a part of creating new standards uplifting new (or perhaps old) values as important for understanding what good food is, a view that aligns with the reasonings of Braun et al. (2022), on re-embeddedness and the importance of creating linkages to other values than purely economic. In contrast to this, the retailers or wholesale companies arguably just want to find a place for the product on their shelves. This difference in perspectives can create an issue as there, according to the producers, often is an uneven power dynamic between the different actors. Considering this and the statements by the producers, another value created by

Myllas way of operating that is attractive to the suppliers using it is the less hierarchal relationship between *Mylla* and their producers.

7.3 Insights beyond the research question

In the *Theory* section, Schumpeter (Sledzik, 2013), and Drucker (1998), argue for the power of innovation, stating that good innovations can have a disruptive effect on the market. According to their work, powerful innovation has the ability to disrupt previous values in their creation of new values. In their work, the disruptive effect described seems to be the result of the inherent value of the innovations in question. When reviewing the statements from the interviews with regard to this, the first realisation is that value in this context must be understood as something determined by the perception of producers, retailers or wholesale companies and consumers. The perspectives of these three agents can be seen in the statements by the interviewees, often conflict, and the significance of this varies according to who holds the most power to influence the market. According to the perception of the interviewees, the more powerful agents out of these are the retailers or wholesale companies. Without claiming that they, as producers or farmers, are powerless, the interviewees state that as the bigger companies hold the power in the market, it is their interest that determines the success of an innovation, thus in contrast to some assumptions of the literature (Peter F. Drucker, 1998), (Sledzik, 2013), not the inherent value carried by that innovation. As a result, it can be argued that regarding this context, the perception of innovations' disruptive nature is dependent on the assumption of perfect competition and thus is arguably truer from the perspective of bigger companies.

Beyond this, Schumpeter (2013), and Drucker's (1998), works also recognise the role of context in fostering and determining the success of innovations (Peter F. Drucker, 1998) (Sledzik, 2013). The works by Autio et al. (2013), Knickel et al. (2009), and Morris et al. (2011), confirm this and go deeper into the explanation of why, in particular for the agi-food sector. Scholars recognise multiple aspects of importance when attempting to affect the context so that it can foster innovations intentionally. Many of these aspects or factors determined by the theory and previous research to be of importance are confirmed by the statements of the interviews. The interviewees point out the importance of diversity both for the dynamism within the sector and for the quality of exchanges between different parties.

This is brought up in the literature as well, particularly by Schumpeter (Sledzik, 2013), Drucker's (1998), and Autio et al. (2013), where it is stated that there is a need for flexibility to allow ideas and influence to come from unexpected sources (Peter F. Drucker, 1998), (Sledzik, 2013). Flexibility is something that the interviewees, in particular, point out as a lacking aspect of the interaction between different parties today. Here, the interviewees state that one of the benefits of AFNs like *Mylla* is that they allow for more flexibility in the arrangement of the parties' exchange or collaboration.

In their work Knickel et al. (2009), argue that there has been a shift in the view of what the role of the agricultural sector has today. Recognising the complex knowledge networks that surround and interact with the agri-food sector. The interviewees state that they, to some extent, experience society's, in general, broader perception of the role and potential of the agricultural sector. Particularly, they state that customers, in general, are more knowledgeable today and judge the quality of a product based on its health impact, sustainability, and the localness of the production. However, according to the producers, the influence and ability to impact are still in the hands of middlemen, retailers, and wholesaler companies. These agents manage the relationship with the consumers, and perhaps the lack of direct interactions between consumers and producers hinders this exchange from having a greater impact on the development of the sector. Thus, there is a disregard for the potential of this interaction serving as an unexpected source of innovation.

7.4 Conclusion

This study aims to answer the following research question and sub-research question: *What challenges are associated with establishing a locally sourced food platform, an alternative food network? How is value generated to attract suppliers (producers using the platform)?* Beyond answering the research question, this study aims to explore the perspectives of smaller agri-food companies in depth to generate an understanding of the challenges faced by them. The research design chosen for this thesis was a case study format with a qualitative inductive approach progressing towards an abductive approach. As a result of the chosen method, the empirics or statements by the interviewees have been central to this thesis; it has determined what should be the focal points of the analysis and guided the interpretation of the literature used.

This thesis's main results are presented in figures 2 and 3, structured according to the Gioia Methodology (2013). *Figure 2* presents the following five aggregate dimensions: *Collaboration, Facilitating, Organisation, Context, and Dynamis*, derived from interviews with *Mylla Matmarknad*. *Figure 3* presents the following five aggregate dimensions: *Diversity, People, Position, Context, and Configuration*, derived from interviews with farmers or producers. The aggregate dimensions result from the interviewees' accounts of the challenges they face and how they, based on those insights, prefer things to operate.

Considering the results and analysis derived from the interviewees' statements and the theory used in this thesis, the following result should be considered the main takeaway from this study: the importance of creating dynamism within the sector. Furthermore, the role played by inter-firm collaborations should be considered an important contributor to flexibility and dynamism. In addition to this, the interviewees recognise the interaction between producers and consumers as an important but currently limited source of dynamism.

7.5 Further Research and Limitations

This section addresses what further research could be done on the subject of this thesis. In addition to this, this section states the limitations that this thesis holds. The thesis findings indicate a need for structural changes in the agri-food sector in Skåne, Sweden. The interviewees believe that the concentration of power within the sector is problematic as it limits the influence of a broader variety of actors. The lack of regulations addressing these structural issues hinders dynamism and flexibility within the sector.

It is of interest for further research to create a better understanding of how to, through policy implementation and regulations, control damaging behaviour within the sector in order to allow for flexibility. The controlling should hinder the clustering of power seen within the sector today from limiting a variety of actors within the sector to affect its development. This thesis has shown that in order to understand how to achieve this with the implementation of new policies and regulations, punishing damaging behaviour and creating a standard that has a proactive influence over the sector, smaller producers and farmers need to be engaged in the process or developing these policies and regulations. In addition to this, complementary research should be done in order to generate an understanding of how to improve the ability of producers or farmers to have a more direct engagement with consumers. A future study of similar research problems would benefit from including potential customers in the empirical

material. It would have been an interesting perspective to add to the study - how potential customers perceive the value offered by networks such as the one for which *Mylla* in this study is central.

The thesis has several limitations. Firstly, the number of interviewees was limited, affecting the reliability and diversity of insights. Additionally, the study's time limit led to each interviewee being interviewed only once, potentially hindering in-depth understanding. Furthermore, the study did not follow the subjects for a longer period, which could have provided valuable insights due to the seasonal nature of their work. Lastly, the fact that the study was conducted by a single researcher may have limited the capture of important details during interviews.

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Appendix A:

Interview questions for Mylla Matmarknad

Sustainability

1. What is sustainability for you who work in the food system in Sweden?
2. What would you say has shaped and influenced that view of sustainability?
3. Do you feel that you share that view with others in the industry?
4. What would you say is particularly challenging or difficult about sustainability in the food system?

Innovation

5. Can you describe your company's business concept?
6. What motivations and values are the basis for that business idea?
7. How was that idea born? If you don't have that story - how would you say it was communicated to you? How did you get to know it?
8. Why do you think that idea is needed – why does that idea continue to generate customers?
9. What role would you say sustainability plays in the creation of the business idea?
10. What role does sustainability play in the need for the business idea (i.e. why you have and create customers in the market)?

Entrepreneurship

11. If you helped start the company - how would you describe that experience?
12. Would you say that you found a space for yourself in the market? Or would you say you created your market?
13. In what different ways do you reach your customers today, and how has it changed since the beginning?
14. What role do you want to have in relation to your retailers?
15. What do you feel is the main reason why companies want to be on Mylla Mat's platform?
16. How would you say you create new customers today?
17. What is the biggest challenge for your future growth?

The region of Skåne

18. What is it like to be a smaller food company in Skåne?
19. Are the conditions for more sustainable food production and distribution different in Skåne?
20. What problems or challenges would you like to highlight?

21. How, more specifically, are these problems or challenges related to Mylla's business concept?
22. Are there unique conditions for Mylla's business idea in Skåne as a food market? If so, who are these?

Power dynamics

23. Agriculture and the food sector are complex. How do you see your role in the larger context?
24. Do you think that you have the opportunity to influence? In what ways?
25. How do you experience Region Skåne's collaboration initiative? [Do they know what this is?]
26. Several studies have shown that in some areas the food sector in Sweden is very concentrated. How do you experience this?

Appendix B:

Interview questions for Producers or Farmers

Sustainability

1. What is sustainability for you who work in the food system in Sweden?
2. What would you say has shaped and influenced that view of sustainability?
3. Do you feel that you share that view with others in the industry?
4. What would you say is particularly challenging or difficult about sustainability in the food system?

Innovation

5. Can you describe your company's business concept?
6. What motivations and values are the basis for that business idea?
7. How was that idea born? If you don't have that story - how would you say it was communicated to you? How did you get to know it?
8. Why do you think that idea is needed – why does that idea continue to generate customers?
9. What role would you say sustainability plays in the creation of the business idea?
10. What role does sustainability play in the need for the business idea (i.e. why you have and create customers in the market)?

Entrepreneurship

11. If you took part in starting the company - how would you describe that experience?
12. Would you say that you found a space for yourself in the market? Or would you say you created your market?
13. In what different ways do you reach your customers today, and how has it changed since the beginning?
14. What role does Mylla Mat play in your company?
15. Are you available on other platforms, retailers, and distribution channels?
16. What are the essential differences between these platforms/resellers/distribution channels?

The region of Skåne

17. What is it like to be a smaller food company in Skåne?
18. Are the conditions for more sustainable food production and distribution different in Skåne?

19. What problems or challenges would you like to highlight?
20. Would you say that some of these problems are related to Mylla's role and function?
21. What role and function would you say Mylla fulfils in the food system in Skåne?

Power dynamics

22. How do you see your role in the larger context?
23. Do you think that you have the opportunity to influence? In what ways?
24. How do you experience Region Skåne's collaboration initiative? [Do they know what this is?]
25. Several studies have shown that in some areas the food sector in Sweden is very concentrated. How do you experience this?

Appendix C:

Complementary accounts from Interviews

Interview Material

Interview 1: Producer or farmer

Topic	<i>Interviewee 1</i>
Sustainability	<p><i>“Sustainability is something we as a company continuously have to work towards achieving”</i>. The personal interests and views of the owners are at the core of the company’s philosophy on sustainability. <i>“To some extent, I think that personal passion is required for maintaining attention to the details in the long run”</i>. We believe this is the difference between smaller and bigger companies, it’s easier to cherish individual passions in a smaller company structure.</p>
Innovation	<p>The company’s idea is centered around sustainability with a focus on quality and animal welfare. <i>“We want to contribute to the local community, we constantly try to find a balance between cherishing what’s there, in the form of knowledge and the natural environment, and trying to develop new ways”</i>. Sustainability and animal welfare do not always align, we have thus had to trust our view and make decisions based on that.</p>
Entrepreneurship	<p><i>As a company with an alternative approach, it is important to have a direct dialogue with consumers, this is often at the risk of being lost when working with middlemen</i>. We exist on many different platforms. Diversity is important to maintain control and manage your risk as a smaller company. Mylla is a platform that is positively different from many others, but still, they are small and thus their impact is not fully experienced by us yet.</p>
The Region of Skåne	<p>The customers in Skåne have a different relationship to the local context. <i>“People from the region in general have more knowledge and insights into food and food production which makes it easier to communicate our values to them”</i>. The impact of Mylla is related to this, there is more knowledge exchange between us as users of the platform and better communication opportunities with the consumers. <i>“At the Mylla platform, we have more control over our narrative”</i>. But Mylla is still very small and thus so is their impact.</p>
Power Dynamics	<p>The ability to make an impact is very limited in a smaller company. <i>“One way to improve our control or agency and manage our risks is by selling our product via many different channels, then we are not as vulnerable to the individual demands of different retailers or wholesale companies”</i>. The lack of regulations has shaped the culture and norms seen on the market today. It is going to be difficult to change this.</p>

Interview 2: Mylla Matmarknad

Topic	<i>Interviewee 2</i>
Sustainability	<p>Focusing on creating a quality product and achieving that through a small-scale approach is a more expensive form of production. Mylla exemplifies this through the retelling of their personal experience as producers. As a producer, it is challenging to communicate that the higher price of the <u>end product</u> is the result of the higher quality. <i>“Often one is met with resistance from retailers and wholesale companies not prepared to pay for the added value”</i>. According to Mylla this example also highlights another challenge, the different perspectives on what sustainability is held by companies of different sizes, making collaboration difficult sometimes.</p>
Innovation	<p>The idea behind the company came from the challenges faced as a producer. The creators of Mylla realised that to continue to work with food production without being forced to compromise on their values they needed to do something. Mylla saw the direct-to-consumer trend within other sectors as something that had the opportunity to be applied to the food sector.</p>
Entrepreneurship	<p>Starting Mylla Matmarknad has been very challenging. To enter as a new company in the food sector is in general hard. The competition within the industry is high and it is thus challenging to attract the necessary capital and establish a loyal customer base. <i>“Mylla was founded in 2019, so we are still relatively young, and perhaps we launched during particularly challenging times”</i>.</p>
The Region of Skåne	<p>The region of Skåne has some favourable attributes. <i>“There are a lot of producers in the <u>region</u> which is favourable, there is also a relatively large market in Skåne, this is a good combination”</i>. According to Myllas perception that the average consumer in Skåne is relatively knowledgeable this is favourable as it makes it easier to communicate our values as a company to our consumers. There is in general a lot of activity within the field in Skåne, a lot of people working with food and thus there is a lot of knowledge exchange.</p>
Power Dynamics	<p><i>“The lack of competition is problematic; it is not healthy for the sector and is particularly damaging to consumers and producers”</i>. As a small company, you are painfully aware of how small you are and how limited your ability is to have an impact. At Mylla we believe that when we work together, collaborating as a group of producers we improve our ability to make a difference. <i>“That’s why we actively participate in the debate, we want to stir things up in the hopes of shedding light on issues but also attract the attention of like-minded”</i>.</p>

Interview 3: Producer or farmer

Topic	<i>Interviewee 3</i>
Sustainability	<p><i>“Would not say that sustainability is central to the company. Our focus is on creating a healthy product, here ecology often enters by accident as sustainability and health often is connected”</i>. We do not think that sustainability is what attracts our consumers, rather think people are interested in buying it because of its health qualities.</p>
Innovation	<p>The company was the result of a personal interest. <i>“We had a very untraditional approach to starting a business and focused very little on the economic realities”</i>. <i>“We did not need the company to succeed as a business and thus it has grown slowly”</i>. The slow growth has perhaps allowed us as a company to keep the more personal approach and not compromise on our values. <i>“Creating a healthy product demands a simple approach, actively avoiding using what is not necessary”</i>. It is essential then to have transparent communication with the consumers to communicate the quality of the product.</p>
Entrepreneurship	<p><i>“Starting the company was a fun and playful process for the most part, we were not a real company until 2020 so we had a lot of freedom”</i>. When starting the company there was a lot of interest in products like ours but not that many options in the market. Accidentally we entered the market at a very good time. In the beginning platforms like Mylla, more alternative ways for selling food were very important. <i>“They allow for more flexibility which is helpful when you are a small company”</i>. In addition to this exciting on platforms like Mylla is beneficial for our brand image.</p>
The Region of Skåne	<p>There are a lot of people within the region who work within the food sector and industry. <i>“Our perception is that the region is very active within the field and that there is a lot of passionate and engaged professionals”</i>. As a result of this, there are a lot of initiatives for collaboration and a lot of support that one can receive. Unfortunately, it is often very resource-demanding for a smaller company to try to use the support that is offered in the region.</p>
Power Dynamics	<p>Conflicts can emerge when working with bigger retailers and wholesale companies. <i>“Often you as a smaller company have to comply with their demands, it is hard to negotiate when you are very small”</i>. Despite this, we have not experienced that many issues. This might be because we have a relatively desirable product, but there are not that many competitors on the market, which puts us in a good place.</p>

Interview 4: Producer or farmer

Topic	<i>Interviewee 4</i>
Sustainability	<p>Sustainability in its broader sense is foundational for the company. Having a sustainable approach means caring equally for all the steps in the process towards the <u>end product</u>. <i>“In the end, we want to create a healthy product for our consumers”</i>.</p>
Innovation	<p>Our product was discovered or created in collaboration with a professional chef who is now a part of the company. <i>“The product is versatile and healthy which is our main selling point”</i>. Communicating the company values and the qualities of the product can be tricky. Some qualities of the product may be valued highly by some consumers and misunderstood by others.</p>
Entrepreneurship	<p>Starting the company has been fun but very challenging. The main challenges are that a few large companies dominate the sector and that within the food industry, you are working with very small margins, meaning that as a company, you need to sell high volumes <u>in order to</u> make a profit. Now we sell our product via a wholesale company. <i>“This means that we reach more customers, but it has its issues, to some extent, we lose control over the pricing of our product and the communication with our consumers”</i>. <u>Mylla</u> is different from other platforms in the sense that when working with them, we can maintain our agency and keep control of the pricing and communication with consumers. <i>“We sell our product best our self, in terms of volume of sales and with regards to pricing and communication with consumers”</i>.</p>
The Region of Skåne	<p>The company is based in more than one region, but their production takes place in Skåne. <i>“Would not say that we have noticed any dramatic regional differences”</i>. What is unique about Skåne might be that there are so many people in the region who work with food; as a result, there is a lot of knowledge and support available.</p>
Power Dynamics	<p><i>“The food sector is very affected by the oligopolist-like structure seen at the market level.”</i> The few large companies that dominate the industry control how the sector develops and, through that, where the investments go. <i>“For example, “food tech” is the current buzzword, and thus, all money goes towards that.”</i></p>

Interview 5: Producer or farmer

Topic	<i>Interviewee 5</i>
Sustainability	Sustainability is at the foundation of the company's practice. But as a small company, one also <u>has to</u> recognise that one is faced with many economic limitations. <i>"I try not to own too much equipment; instead, I borrow from others and lend to others."</i>
Innovation	Referring to the business as a food craft, this means attention to detail that results in higher quality and small-scale production. <i>"It is a very competitive business, and in order to not compromise on the company's foundational values, other sacrifices need to be made". Working in the food business was quite accidental, but I have previous experiences as an entrepreneur so having my own business was nothing new; I knew I enjoyed it and the freedom that comes with it"</i> .
Entrepreneurship	Have marketed the product as a delicacy and thus mainly sold the product via more selective stores, smaller farmer markets, farmer shops and via the Mylla platforms since its founding. <i>"This has perhaps not resulted in the highest sale volumes but allows me to take a higher price for each product unit and makes it easier to communicate the quality of the product to the consumers"</i> . The product <u>have</u> been sold via Mylla since the founding of the platform; Myllas approach is designed with respect to the needs of the producers, and this makes a difference. Have also sold the product via <u>reko-ringar</u> , which has similar benefits to Mylla; producers have full agency and control over communication with consumers.
The Region of Skåne	<i>"Fantastic region to be based in when working with food"</i> . There is a lot of activity within the sector in the region, many interesting organisations and companies are based in the region. This is inspiring <u>and also</u> allows for a great exchange of knowledge. At the same time there is a lot of completion within the region this is a challenge to manage.
Power Dynamics	<i>"The company has a small-scale approach and does not intend to do anything other. Still, we face the completion of others. For example, the private label goods negatively affect people's expectations of price, and we can't really do much to affect that"</i> . But still, <u>It's</u> politics and organisations that always take a long time. If you want to make an impact, you <u>have to</u> work for it and support organisations that drive your interests. It takes time, but one <u>has to</u> get involved and take the opportunities that exist to influence. Commit and spend time on it.

