

**NOT YOUR AVERAGE CUP O'JOE:  
A Cultural Perspective on the Construction of Entrepreneurial Possibilities  
in the U.S. Specialty Coffee Segment, 1975-2016**

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**ABSTRACT**

This dissertation examines the construction of entrepreneurial possibilities, i.e., opportunities for entrepreneurial action (Lounsbury & Glynn, 2019: 37) in an institutional field. In particular, I conceptualize the field as a relational space (Wooten & Hoffman, 2008) made up of multiple actors and their identities, and set out to unpack the relational and cultural dynamics that shape what actors imagine and construe as possible. I conduct an historical ethnography (Vaughan, 2004) situated in the context of the U.S. specialty coffee segment. Building from a wealth of data, including archival, interview, and observational data, I trace the actions of a particular group within the field—roasters—and ask how, when, and why different sets of roasters spearheaded the assembly of new entrepreneurial possibilities in the field. My findings situate the actual construction of an entrepreneurial possibility as resulting from a two-part process involving: (1) the revealing of relational and cultural holes through field-level events, and (2) the bridging of these symbolic holes by actors in distinct field-level positions (e.g., insiders, outsiders, and ‘outsiders within’). Relational spaces referred to the symbolic void existing between actors who did not relate with one another (e.g., between farmers and roasters). Cultural spaces, or holes (Lizardo, 2014; Pachucki & Breiger, 2010; Vilhena et al., 2014 West, Evans & Bergstrom, 2014) referred to gaps or absences of shared meanings, tastes, or interests that led to impoverished relations between actors. As such, the dissertation offers insights on the cultural embeddedness of assembling entrepreneurial possibilities (e.g., Weber, Heinze, & DeSoucey, 2008) and especially, on the collective nature of revealing and seizing spaces of

opportunity. Importantly, my work complements current research examining the link between identity and the flexibility of new ventures (Zuzul & Tripsas, 2019) by showing how, early on, when the field was dominated by one type of actor (e.g., commercial roasters), the spaces of opportunity that opened up revealed essential differences regarding the identity component of ‘who we are.’ As the field evolved, the ‘who we are’ varied less, but differences regarding ‘what we do’ became central to the assembly of new entrepreneurial possibilities. Overall, the dissertation extends the reach of cultural entrepreneurship (Gehman & Soublière, 2017; Lounsbury, Gehman, & Ann Glynn, 2019b; Lounsbury & Glynn, 2001) by casting it as a lens that can deepen our understanding of multiple facets of the entrepreneurial process, especially of its early stages where so much of what entrepreneurs do is riddled with uncertainty.

**Keywords:** cultural entrepreneurship, entrepreneurial possibility, relational space, cultural hole

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## **Chapter I. INTRODUCTION**

In recent years, cultural entrepreneurship, or “the processes by which actors draw upon cultural resources (e.g., discourse, language, categories, logics, and other symbolic elements) to advance entrepreneurship or to facilitate organizational or institutional innovation” (Lounsbury & Glynn, 2019: 3), has offered a way to incorporate culture as a key element of entrepreneurial efforts in specific fields. With this cultural approach, scholars have put meaning at the center of entrepreneurial processes in a variety of settings, including the creation of new markets for cultural craft goods (Khaire, 2019), the elevation of grappa to a high-status liquor (Delmestri & Greenwood, 2015), the introduction of grass-fed beef as a viable market (Weber, Heinze & DeSoucey, 2008), and the legitimation of novel practices in Ontario fine wine (Hills, Voronov & Hinings, 2013). Their work has demonstrated that manipulating meanings is crucial to forming new ventures and to exerting change in an institutional field.

While insightful, this body of work has often taken for granted what lies at the inception of any entrepreneurial effort: the opportunities that entrepreneurs conceive that lead them to assemble resources, engage in meaning-making activities, and pursue novel ideas or practices. These entrepreneurial possibilities, defined as “opportunities to engage in entrepreneurial action” (Companys & McMullen, 2007: 303, cited in Lounsbury & Glynn, 2019: 37) constitute the seeds from which new goods or services, new organizational forms, or even new markets sprout. Within extant research on cultural entrepreneurship, “the critical act of entrepreneurship” has been portrayed as the assembly of cultural elements into narratives that seek to legitimate new ventures vis-à-vis relevant audiences (Lounsbury & Glynn, 2001: 14). This focus has shifted attention away from examining who defines the possibilities for entrepreneurial action in an institutional field, how these possibilities enable novel ideas or practices to emerge, and why and

when they come to exist in the first place. It may be that the critical act of entrepreneurship begins as entrepreneurs are searching for, accessing and deploying cultural resources to assemble a vision for the future. Even then, entrepreneurs are not acting in a vacuum; they are embedded in an “institutional infrastructure of producers, suppliers, distributors, consumers, and social practices” (Delmestri & Greenwood, 2016: 508) that both constrains and enables what is imaginable and worth pursuing. Moreover, taking into account the embedded nature of actors and their initiatives also reveals that entrepreneurial possibilities may involve, not just single individuals weaving ideas for new ventures out of available cultural resources, but broader sets of actors and communities, located both within and outside the field, interacting to conceptually differentiate and bound what would otherwise be homogeneous economic or cultural spaces (Jones, Maoret, Massa, & Svejenova, 2011).

Relatedly, entrepreneurial possibilities emerge over time. They are not “a one-time accomplishment” (Gehman & Soublière, 2017: 66), nor can they be reduced to a single episode of creation (Foss & Klein, 2012). They unfold through actors’ efforts to theorize novel ideas or practices (Strang & Meyer, 1992) and may be catalyzed when key events alter the social context in which entrepreneurs operate (Sewell, 1996). Yet, extant research seldom explores the embedded and processual nature of constructing entrepreneurial possibilities and how these, in turn, impact the cultural landscape in which they emerge.

This lacuna is not surprising for two interrelated reasons: First, the level of analysis employed in entrepreneurship research, even in work using a cultural lens, usually directs attention towards the entrepreneur or the venture (e.g., Dalpiaz, Rindova & Ravasi, 2016; Dalpiaz & Cavotta, 2019; Gegenhuber & Naderer, 2019) at the expense of examining the web of actors and interactions through which entrepreneurial possibilities emerge. Understanding

entrepreneurship as a collective phenomenon has the potential to unveil that, in addition to forming new business ventures and acquiring wealth, actors may also engage in entrepreneurial action to transform the fields in which they operate (Lounsbury, Gehman & Glynn, 2018), such as delineating a boundary between high-brow and low-brow culture (DiMaggio, 1986), gaining legitimacy for a new technology (Navis & Glynn, 2010), or transforming extant socio-economic practices into a profitable industry (Lounsbury, Ventresca & Hirsch, 2003). In fact, with respect to level of analysis, Lounsbury & Glynn (2019: 6) state: “The emergence of entrepreneurial possibilities that enable new kinds of ventures and initiatives is often best understood from the perspective of interaction and collective action in the context of institutional fields (Padgett & Powell, 2012; Schneiberg & Lounsbury, 2017; Seidel & Greve, 2017)” (Lounsbury & Glynn, 2019: 6).

Second, the research methodology in entrepreneurship studies rarely considers the history and context that shape entrepreneurs’ thinking and action, thus hampering our understanding of how and why possibilities emerge and change over time. And yet, conceptualizing entrepreneurship possibilities as culturally embedded requires a method that “deeply contextualize[s] the actors and processes analyzed” (Lounsbury & Glynn, 2019: 18), so as to be able to reconstruct the cultural and historical context in which entrepreneurial action takes place (Kirsch, Moeen & Wadhwani, 2005). It should also enable the researcher to take into account that entrepreneurial possibilities are seldom constructed *de novo*, but are intimately related to the possibilities that emerged in the past (e.g., Garud, Schildt & Lant, 2014). However, in organization studies, in general, achieving “parsimony and generality” in scholarly work has often disfavored methods that ensure more “accuracy or realism” (Glynn, Barr & Dacin, 2000: 726).

In this dissertation I ask: **How do entrepreneurial possibilities emerge in an institutional field over time?** Examining how entrepreneurial possibilities are constructed in an institutional field over time matters because, aside from unveiling the potential for new business opportunities, entrepreneurs' early efforts at meaning-making as they see and seize opportunities for action may shape the trajectory of a field in significant ways.

At the field level, entrepreneurial possibilities can be seen as intertwined with the broader sets of cultural resources (e.g., values, shared meanings, tastes, interests) available at a given time and place. However, such cultural materials are not simply out there in space; they are tied to the practices and patterned behaviors of particular sets of actors who make use of these resources in specific contexts (Lee & Lounsbury, 2015). As a result, analyses of how entrepreneurial possibilities come together requires paying attention to the various sets of actors interacting in a field, and examining why any one in particular may gain prominence and be influential in opening up new avenues for action.

Thus, to answer this question, I conduct an historical ethnography of the U.S. specialty coffee segment, from 1975-2016. In particular, I trace the efforts of a segment of coffee roasters to construct entrepreneurial possibilities around the notion of 'specialty coffee,' examining the contextual elements that constrained and enabled their action and that, ultimately, shaped what was imaginable at different points in time. Roasters constitute a critical link in coffee's value chain. They select and buy a raw material (coffee beans) and transform it into a finished product (what we, as consumers, associate with coffee). I focus on roasters because, even though multiple actors contributed in one way or another to the construction of 'specialty,' the actions of roasters largely changed the lay of the land. As such, focusing on roasters allowed me to examine how and why, despite the deep-rooted cultural conventions of the field and among the many

actors participating in it, a particular group rose to prominence in assembling new possibilities for entrepreneurial action and how their role changed relative to other actors in the field.

In my work I use Griswold's (2012) cultural diamond as an organizing framework that focuses my attention on four cultural elements that participate in the construction of entrepreneurial possibilities: the **producers** seeking to engage in entrepreneurial action (roasters), the **social world** in which these producers are embedded (the U.S. market), the **recipients** who are exposed to these possibilities (relevant audiences, including consumers), and the **cultural object** that embodies shared meanings (specialty coffee). In this way, I locate entrepreneurial possibilities at a collective level, rather than that of any individual entrepreneur. In doing so, my study answers calls to "situate[] entrepreneurs in a broader relational field of knowledge where entrepreneurial opportunities are conceptualized as cultural elements that get defined by networks of knowledge or cultural authorities" (Lounsbury & Glynn, 2019: 39).

My findings showed three distinct phases of entrepreneurial activity. Entrepreneurial possibilities emerged as particular events revealed relational spaces and cultural holes that catalyzed opportunities for action. In each phase, seizing these spaces of opportunity—and thus assembling an entrepreneurial possibility—involved the relational activity of bringing two positions closer together and the cultural activity of framing and re-framing coffee consumption along different dimensions. The materialization of different entrepreneurial possibilities impacted the trajectory of the field in different ways and transformed the cultural role of the roasters relative to the field. In this way, the dissertation casts the entrepreneurial process and, in particular, the construction of entrepreneurial possibilities, as social processes that are deeply embedded in a particular context and in the sets of actors that interact in a field (e.g., Sanders, 2007). Cultural holes, for instance, are meaningful relative to a specific configuration of actors

and with regard to a particular set of circumstances that reveal or hinder differences across shared meanings, tastes, and interests. My findings also shed new light on the links between entrepreneurial possibilities and two key dimensions of an entrepreneurial identity—the claim regarding ‘who we are’ and the claim regarding ‘what we do’ (Navis & Glynn, 2010). Early on, when the field was dominated by one type of actor, the spaces of opportunity in the field revealed essential differences regarding ‘who we are.’ As the field evolved, the ‘who we are’ varied less, but differences regarding ‘what we do’ became central.

The dissertation is organized as follows. In Chapter II, I offer the theoretical background of my study. I start by establishing the link between culture and the entrepreneurial process as captured by the notion of cultural entrepreneurship. I then provide a review of the often-overlooked process of constructing entrepreneurial possibilities, identifying the gap and motivation for its investigation. To fill-in the gaps, I review two key elements: institutional fields and entrepreneurial identities and practices. In the last section of this chapter, I present the cultural diamond as the organizing framework guide my analysis. In Chapter III, I present the research context, including a brief history of the evolution of the coffee industry prior to the emergence of specialty coffee. I then outline my data sources and methods of analysis. In Chapter IV, I present the findings, organized in three phases that emerged from my analysis. Finally, in Chapter V, I offer a discussion of my work, reviewing the motivation of the study, and offering a summary of findings, and the implications for theory and practice, as well as the limitations, directions for future research and conclusions.



## **Chapter II. THEORETICAL BACKGROUND**

The purpose of this dissertation is to shed light on the processes by which entrepreneurial possibilities emerge. To develop a theoretical background for this investigation, I first establish a connection between cultural analysis and entrepreneurship research, describing the emergence of a culturally-sensitive approach to entrepreneurship—“cultural entrepreneurship” writ large—which becomes the lens through which I analyze the construction of entrepreneurial possibilities. I then define the concept of entrepreneurial possibility and identify existing gaps in our understanding of how these get assembled. To further unpack this process of construction, I review two core concepts that undergird the proposed conceptualization of entrepreneurial possibilities: (1) institutional fields as relational spaces and (2) entrepreneurial identities and practices. I then present a tool for cultural analysis—the cultural diamond—that serves as the organizing framework of my study.

### **2.1 Culture and the entrepreneurial process**

In today’s globalized economy, entrepreneurship stands out as a central driver of growth and innovation. Its societal relevance is reflected in the exponential proliferation of entrepreneurship research and its development into a recognized academic field (Aldrich, 2012). Still, a look at the evolution of entrepreneurship research reveals that, despite the phenomenon’s multifaceted nature (Shepherd, Wennberg, Suddaby, & Wiklund, 2019 2019), studies often approach it from an economic angle that assumes a rational actor operating somewhat disconnected from the context that embeds his/her entrepreneurial efforts (Foss, Klein, & Bjørnskov, 2018). Admittedly, some scholars have sought to move away from such “person-centric” approaches to entrepreneurship (Eckhardt & Shane, 2010: 47) and, instead, focus on the

nexus of individual entrepreneurs and valuable opportunities (Venkataraman, 1997), However, the so-called “individual-opportunity nexus” (Shane & Eckhardt, 2003; Shane & Venkataraman, 2000) still portrays entrepreneurs as rational and self-interested actors (Lounsbury, Gehman & Glynn, 2019) confronted with the challenge of discovering or creating an opportunity (Alvarez, Barney, & Anderson, 2013 2013).

An alternative, albeit less travelled, trajectory for research on entrepreneurship follows the “cultural turn” of the social sciences and adopts a more interpretive approach to entrepreneurial processes (Weber & Dacin, 2011). Scholars moving along this path recognize the conceptual limitations of a rational choice model when accounting for the increasing complexity in which entrepreneurship unfolds and for the potential role that organizational and institutional dynamics may play (Foss, Klein, & Bjørnskov, 2018 2018). Here, a view of culture, not as a constraining force typically confined within a single organization (Schein, 1990), but as “a broad system anchored by values or overarching toolkits, within which [a number of] cultural manifestations [...] congeal, express, and diffuse commitments, ideas, and beliefs among actors” (Giorgi, Lockwood, & Glynn, 2015: 4) is key. Specifically, it affords a cultural approach to entrepreneurship that locates entrepreneurial processes in broader symbolic meaning systems that shape the behavior of actors in consequential ways (Friedland & Mohr, 2004). It recognizes that culture is fragmented (Thornton, Ocasio, & Lounsbury, 2012), and that actors may access and deploy its constitutive elements (e.g., meanings, practices, worldviews, vocabularies, etc.) for particular goals (Swidler, 1986). A cultural lens thus enables scholars to veer away from the assumption of a rational actor who engages in creative destruction (Schumpeter, 1934) and arbitrage (Kirzner, 1973) and, instead, surface the meaning-making activities that undergird entrepreneurial action (Lounsbury, Cornelissen, Granqvist & Grodal, 2019: 3).

This recognition of entrepreneurship as a fundamentally cultural, social process began to gain traction recently (Gehman & Soublière, 2017; Lounsbury, Cornelissen, Granqvist, & Grodal, 2019a; Lounsbury et al., 2019b; Lounsbury & Glynn, 2001; Lounsbury & Glynn, 2019; Wry, Lounsbury, & Glynn, 2011). Nonetheless, some of its roots can be traced back as far as Max Weber's (1905) work on the role of religious beliefs in engendering entrepreneurial activity. A more focused approach examining the mobilization of culture and its wide array of resources to shape markets, categories, and industries can be found in DiMaggio's (1982) study of the social construction of "high culture" in 19th century Boston. DiMaggio examined the processes whereby societal elites drew a distinction between popular forms of entertainment and "true art" (p. 35). This sacralization of culture through a particular organizational form—the corporate non-profit—enabled these elites to legitimize the distinction between the two types of culture and, in the process, preserve their own social status. DiMaggio referred to this process as "cultural entrepreneurship," a term he coined to emphasize the capacity of actors to build strong boundaries conducive to the production of meaning around specific types of cultural products.

In the nearly 40 years since DiMaggio's study, research in multiple arenas of organizational studies has extended this theorizing by focusing on the myriad ways in which interested actors leverage cultural materials for strategic purposes (Cattani, Dunbar, & Shapira, 2013; Delmestri & Greenwood, 2016; Hargadon & Douglas, 2001; Khaire & Wadhwani, 2010; Massa, Helms, Voronov, & Wang, 2016; Navis & Glynn, 2010; Rao, Monin, & Durand, 2003; Sine & Lee, 2009; Weber et al., 2008). Taken together, this work has demonstrated the link between culture and the evolution of fields across a number of different phenomena related to the construction of meaning, including the change of a product's status (Delmestri & Greenwood, 2016); the change in the categorization of a cultural genre (Khaire & Wadhwani, 2010); the

creation of a new market (Dalpiaz, Rindova, & Ravasi, 2016; Gurses & Ozcan, 2015; Hargadon & Bechky, 2006; Navis & Glynn, 2010; Sine & Lee, 2009); and the valorization of an existing set of production practices (Weber et al., 2008).

Importantly, in 2001, Lounsbury & Glynn (2001) brought new life to the concept of “cultural entrepreneurship” by situating it at the nexus of strategic and institutional perspectives on entrepreneurship. Specifically, the authors proposed that, “at the core of all entrepreneurial initiatives is a process of meaning-making (e.g., the telling of stories) that aims to construct an optimally or legitimately distinctive organizational identity in a focal institutional field” (Lounsbury & Glynn, 2019: 1). This view emphasized the processes by which actors assemble a compelling identity narrative from available cultural resources; in doing so, they advanced a focus on “deploying culture” (Gehman & Soublière, 2017: 65) as a means to legitimate a nascent venture (Glynn & Abzug, 2002; Martens, Jennings, & Jennings, 2007).

More recently, Lounsbury & Glynn (2019: 3) infused vitality once again into the concept of “cultural entrepreneurship” by broadening its scope to include “the processes by which actors draw upon cultural resources (e.g., discourse, language, categories, logics, and other symbolic elements) to advance entrepreneurship or to facilitate organizational or institutional innovation.” At the heart of this approach is a recognition of the myriad ways in which culture manifests itself as a constraining and enabling force. This refreshed view also has the potential to extend beyond the notion that entrepreneurship is restricted to the activity of start-ups and to highlight, instead, “how all forms of entrepreneurial action are fundamentally constituted by similar kinds of cultural processes” (Lounsbury & Glynn, 2019: 1).

Overall, within this approach, scholars have just begun to scratch the surface and, therefore, many areas are ripe for further investigation. In the following sections, I provide the

theoretical background for examining one of such areas: **the construction of entrepreneurial possibilities.**

## **2.2 Entrepreneurial possibilities: A cultural perspective**

The contribution of a cultural perspective to our understanding of the entrepreneurial process is undebatable. It brought the search for legitimacy as a central concern of entrepreneurs launching new ventures and it introduced storytelling as a key mechanism by which this is achieved (Lounsbury & Glynn, 2001). In doing so, cultural entrepreneurship offered a fresh perspective that expanded the role of entrepreneurs from calculating, self-interested arbitragers (e.g., Kirzner, 1973) to “skilled cultural operatives” (Lounsbury & Glynn, 2001: 559). The predominant focus in this body of work has been on legitimacy as a pivotal point of the process through which entrepreneurs acquire tangible and intangible resources for their new ventures (Aldrich & Fiol, 1994; Martens et al., 2007; Navis & Glynn, 2010; Zimmerman & Zeitz, 2002). The emphasis on legitimacy, however, directed scholarly attention away from another crucial facet of the entrepreneurial process: the construal of entrepreneurial possibilities.

Indeed, one of the initial concerns that entrepreneurs confront is to conceptualize goods or services that can be profitably brought into existence—what has been referred to as opportunities in the entrepreneurship literature (e.g., Venkataraman, 1997). However, as entrepreneurship scholars have recognized, there is a gap in our understanding of the processes of opportunity recognition and exploitation by entrepreneurs (Zahra, 2007). This may be due, in part, to the fact that, as McMullen, Plummer, and Acs (2007: 3) state: “a good portion of the research to date has focused on the discovery, exploitation, and consequences thereof without much attention to the nature and source of opportunity itself.” It may also be due to the lack of

broad consensus regarding what opportunities are and where they reside. One need not look beyond the array of definitions to witness the conceptual disagreement; for instance, an entrepreneurial opportunity has been defined as a project not yet in operation whereby a stock of resources is committed to a particular use for a considerable period of time (Casson & Wadeson, 2007); as the unintended consequences of human activity (Buenstorf, 2007); and as the remains of underexploited opportunities of other entrepreneurs (Plummer, Haynie, & Godesiabo, 2007), to name a few. It has also been suggested that opportunities simply entail what entrepreneurs start their endeavor with—namely, “the means available based on who they are, what they know, and whom they know” (Sarasvathy, 2001: 250). The variety of conceptualizations is symptomatic of long-standing debates in the entrepreneurship literature regarding whether opportunities are created or discovered and whether any one single actor is capable of identifying opportunities and thus changing the direction of an industry or market (McMullen, Plummer & Acs, 2007).

Cultural entrepreneurship, however, can shed new light on the processes by which opportunities emerge and get exploited by entrepreneurs. Following Compans and McMullen (2007: 303), Lounsbury & Glynn (2019) have begun to reframe the conversation by coining the term “entrepreneurial possibility” and positioning it outside of the discovery/creation debate. As such, entrepreneurial possibilities are defined as “opportunities to engage in entrepreneurial action” (Compans & McMullen, 2007: 303, cited in Lounsbury & Glynn, 2019: 37). Despite the newness of the term “entrepreneurial possibility,” scholars interested in cultural entrepreneurship have implicitly acknowledged that possibilities exist, particularly when describing the context in which new ventures later seek to attain legitimacy. For example, in her study of how cultural entrepreneurs use design as a vehicle for storytelling, Khairi (2019) investigates two craft-based

retailers in India and describes how each identified the possibility to create a market for Indian craft goods. In the two cases, the entrepreneurs are described as identifying a gap between two different social realities—on one side, Indian rural weavers and artisans producing goods of exceptional aesthetic value; on the other side, the market knowledge and access to customers needed to commercialize the weavers’ craft. In their study of the recategorization of grappa, Delmestri and Greenwood (2016) locate the seed of an entrepreneur’s efforts to elevate the meaning of grappa in the entrepreneur’s own personal distress regarding the liquor’s low status, even though the authors also identify the undercurrent of a broader movement that had been unfolding in Italy to rediscover and promote regional traditions. And Massa, Helms, Voronov and Wang (2016) point to two factors that motivated Ontario wineries to envision a possibility for cool climate wine production despite the region’s long-standing reputation for poor quality: the pressure of free trade agreements that ushered in global competition and the international success of small local wineries that had already incorporated standard fine winemaking practices. While these and other studies mention the existence of possibilities, most have not explored the actual construction of these possibilities, including who defines them, how and why.

There are two main gaps that can be addressed to enrich our understanding of how entrepreneurial possibilities get constructed. First, as previous research in cultural entrepreneurship has suggested, the work of entrepreneurs is “explicitly embedded in its resource environment” (Lounsbury & Glynn, 2019: 14), with the available stocks of cultural materials constraining and enabling how entrepreneurs construe their identities, including “who they are” and “what they do” (Navis & Glynn, 2010), to secure the flow of needed resources. Extending this logic to the act of envisioning possibilities highlights that what is imaginable and perceived as worth pursuing is also rooted in the broader societal, political, economic and cultural

environment. Some work has begun to move in this direction. For example, in a theory paper that elaborates on the relationship across scientific knowledge creation, entrepreneurial activity and economic growth, Sanders (2007) suggests that entrepreneurial possibilities may be thought of as constituted by different forms of knowledge (e.g., instrumental and fundamental) that are woven together by entrepreneurs who foresee their commercial potential. These forms of knowledge are themselves situated within broader communities and systems of meaning whose relative influence may ebb and flow over time. An important implication of the model is that, when scientific paradigm shifts occur, the raw materials with which possibilities are constructed change as well. In an empirical study, Dalpiaz et al. (2016) describe the efforts of the Italian manufacturer of household goods Alessi to assemble new possibilities for value creation by combining the logics of industrial manufacturing and cultural production. The authors show how three different entrepreneurial possibilities (industrialized fine art, embellished industrial products, products as tools and artworks) constructed at three different points in time were embedded in the rules of the game of extant communities of practices (e.g., industry, art). Studies like these have enriched our understanding of how entrepreneurs assemble entrepreneurial possibilities; however, these studies still attribute the actual assembly of a possibility to a heroic entrepreneur or organization, while falling short of theorizing the interplay of the institutional context and the actions of entrepreneurs.

Second, defining entrepreneurial possibilities in terms of opportunities to engage in action highlights their processual and contingent nature. In some cases, the existing set of actors in a field may constrain action from entrepreneurial ventures. For instance, the seed for satellite radio to emerge as “the next generation of broadcasting” was planted in 1990 when an entrepreneur petitioned the Federal Communications Commission to allocate frequency spectrum



for a new digital audio radio service; yet, this event spurred seven years of resistance from a trade association seeking to protect the commercial interests of traditional broadcasters (Navis & Glynn, 2010). In other cases, the set of actors that make up the field may inadvertently create spaces for theorizing new ideas. For example, in the Swiss watchmaking industry, an entrepreneurial possibility emerged after the introduction of Quartz technology prompted Swiss companies to redefine the value of mechanical watches (Raffaelli, 2018). Failing to account for how these spaces open up in an existing field risks portraying entrepreneurial possibilities as smooth constructions by “omnipotent and clairvoyant” entrepreneurs (Aldrich, 2011), and not as intertemporal processes that may be shaped by the way in which “the implicated actors, artifacts, and events unfold over time” (Gehman & Soublière, 2017: 66). In particular, events may render existing models ineffective (Griswold, 1994) and garner attention from and mobilize different field actors (Nigam & Ocasio, 2010).

In this dissertation, I therefore ask the following overarching research question: **How do entrepreneurial possibilities emerge in an institutional field over time?** This question is timely because, in an increasingly complex world, assembling new possibilities is a challenging process that requires breaking with deep-rooted beliefs and practices (e.g., Weber, Heinze & DeSoucey, 2008). And yet, in everyday practical examples—like the burgeoning number of ventures being built around the emergent principles of a shared economy (Rinne, 2019) or the anticipated expansion of recreational cannabis after its legalization in a handful of states (Adams, 2016)—we see entrepreneurial ventures overcoming such challenges and assembling entrepreneurial possibilities in a variety of institutional fields.

At the same time, these examples suggest that, when it comes to entrepreneurial action, “not anything is possible” (Lounsbury & Glynn, 2019: 40). And by extension, not anywhere and

not by anyone. There may be certain circumstances—disruptions in existing markets (Raffaelli, 2018), shifts in technological capabilities (Tripsas & Gavetti, 2000), changes in socio-economic conditions or regulations (Gurses & Ozcan, 2015)—that open up opportunities for action. Extant research has pointed to the nature of institutional and regulatory arrangements in a field (e.g., (e.g., Dobbin & Dowd, 1997; Gurses & Ozcan, 2015; Santos & Eisenhardt, 2009) as conditions that may prompt entrepreneurial action. But other streams of research indicate that cultural differences, reflected in the practices and behaviors of actors, may also precipitate action (Friedland & Alford, 1991; Thornton et al., 2012). In addition, different actors may be more or less equipped—in terms of motivation, knowledge, skills, etc.—to leverage specific possibilities. Established actors and new entrants may adhere to different sets of values (Friedland, 2013) and thus approach shifts and disruptions differently. Other actors—such as consumers and third parties—may be active or passive in making sense of new circumstances, thereby affecting what possibilities emerge (e.g., Weber, Heinze & DeSoucey, 2008).

To address these gaps, I conduct an historical ethnography (Vaughan, 2004) of the emergence of entrepreneurial possibilities in the U.S. specialty coffee industry, from 1975-2016. This is an ideal empirical setting for it allows me to observe a multiplicity of factors that came into view as distinct possibilities for action were crafted around the redefinition of coffee consumption. I follow Lounsbury & Glynn (2019: 38) in conceptualizing the construction of entrepreneurial possibilities at the field level, “situating actors (including entrepreneurs, potential entrepreneurs, and organizations) in a cultural space of possibilities that provide constraints as well as resources for the emergence and demise of what the entrepreneurship literature has referred to as ‘opportunities.’” Doing so allows me to address head on “the inescapably collective nature of cultural entrepreneurship” (Johnson, 2007: 100) and to recognize the

importance of context in understanding entrepreneurial processes. In this way, my work answers repeated calls by entrepreneurship scholars who have lamented the all too common reduction of the context that embeds entrepreneurship to a few summary statistics:

“Readers [of entrepreneurship papers] have no sense of what the researchers have observed, felt or thought... [T]heories are applied to sterile and highly sanitized settings, leaving a major gap in our understanding... Few entrepreneurship papers give us enough clues about the nature of their research settings and, instead, ask us to use our imagination to appreciate what has been done” (Zarah, 2007: 445).

In sum, the literature review reveals a strong need for empirical studies that uncover the process of how entrepreneurs embedded in particular social contexts collectively construct entrepreneurial possibilities. Extant studies have assumed that possibilities to engage in entrepreneurial action exist or have focused on the efforts of particular entrepreneurs to create opportunities. Hence, the time is ripe for investigating how the interplay of actors and environment catalyzes opportunities for entrepreneurial possibilities and action. I review two core concepts that undergird the conceptualization of entrepreneurial possibilities at the collective level: (1) institutional fields as relational spaces and (2) entrepreneurial identities and practices. I then present a tool for cultural analysis—the cultural diamond—that serves as the organizing framework.

### **2.3 Institutional fields**

The importance of the notion of “field” to institutional theory—both as a unit and as a level of analysis—is hardly debatable. Scholars have described it as “one of the cornerstones” of institutional theory (Zietsma, Groenewegen, Logue, & Hinings, 2017 : 2), as “the central

construct” to institutional analysis (Wooten & Hoffman, 2008: 56), and as “the fundamental unit of collective action in society” (Fligstein & McAdam, 2012) and McAdam, 2012: 9). It is also considered an “increasingly useful level of analysis” (Reay & Hinings, 2005: 351) and the most “cogent location in which to situate the interplay of institutional and organizational forces” (Anand & Watson, 2004: 59). In fact, Scott (2013: 181) asserts that, “no concept is more vitally connected to the agenda of institutional processes and organizations than that of [...] field.” In studies on cultural entrepreneurship, for instance, a field-level approach has enabled scholars to investigate the meaning-making processes through which actors strive to gain legitimacy (Navis & Glynn, 2010); or convert audiences into evangelists of novel practices (Massa et al., 2016); or construct a new category de novo (Jones, Maoret, Massa, & Svejnova, 2012), to name a few.

Despite its wide acceptance and centrality, the term is still “a work in progress... subject to criticism, amendment, and improvement” (Scott, 2013: 181). In organization theory alone, definitions of “field” abound. Early formulations sought to redirect scholarly attention to a domain that was often overlooked in explanations of organizational action—that in which “the organizational pattern or network within which [organizations] find themselves” (Warren, 1967: 397) largely shapes the actions and interactions they engage in. Importantly, this work examined why organizations possessing different goals, but coexisting in a geographic location, would nonetheless interact with one another to accomplish a particular task. Later on, DiMaggio and Powell (1983: 148) offered an influential conceptualization of the term “organizational field” that extended beyond geographic location and goals: in essence, an organizational field consists of “those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resources and product consumers, regulatory agencies, and other organizations that produce similar service or products.” Scott (1995) defined the field in more general terms as

“a community of organizations that partakes in a common meaning system and whose participants interact more frequently and fatefully with one another than with actors outside the field” (Scott, 1995: 207).

These early formulations stressed the potential for “sameness” in organizational action resulting from isomorphic dynamics. DiMaggio and Powell (1983), in particular, drew on network theory to explain why relevant relationships across organizations in a field occur—i.e., through connectedness. Fields were thus rendered as mere sites of conformity, containing a collective of organizations who adopted the appropriate actions prescribed by extant institutions (Meyer & Rowan, 1977; Zucker, 1977). In contrast, Hoffman (1999) introduced the notion of “issue fields” to highlight that “debate” and “competing interests,” rather than shared meaning systems, could explain emergence and change within a field. As such, “a field is formed around the issues that become important to the interest and objects of a specific collective of organizations. Issues define what the field is, making links that may not have previously been present” (Hoffman, 1999: 352). Hoffman’s view was consistent with a sociological approach to fields that conceptualized them as sites of contestation, best captured in the evocative image of a “field of struggles” (Bourdieu & Wacquant, 1992) whereby actors battle over a number of tangible and intangible resources.

More recently, however, scholars have suggested to move past the focus of fields as forming around proximity (Warren, 1967), market exchange (DiMaggio & Powell, 1983), or issues (Hoffman, 1999) and, instead, to view them as spaces for interrelation across a variety of actors. In this view, “fields must be seen, not as containers for the community of organizations, but instead as *relational spaces* that provide an organization with the opportunity to involve itself with other actors (Wooten, 2006; Emirbayer and Johnson, 2008)” (Wooten & Hoffman, 2008:

64). This focus on relationality requires a deep contextualization of the field that examines actors as “inseparable from the transactional contexts within which they are embedded” (Emirbayer, 1997: 287). It casts a light on how actors “develop collective understandings regarding matters that are consequential for organizational and field-level activities” (Wooten & Hoffman, 2008: 64), thus offering a more dynamic conceptualization—one in which fields can be sites of contestation and change, but also of possibilities. In doing so, it redirects scholarly attention to the way in which actors relate to one another, the meanings that emerge from these relationships and, especially, the positions and roles in which actors locate themselves as they engage with other actors in the field. This view also aligns with the more general notion of “institutional field” that has gained traction in recent years, as scholars have recognized that fields are institutionally defined and may include different types of actors and objects (Thornton, Ocasio, & Lounsbury, 2012).

In a way, emphasizing the relational dimension of fields brings us back to the roots of the term, both within and outside the social sciences. In the physical sciences, for instance, the notion of a field was first introduced to explain the behavior of an entity “not by its internal attributes but by its location in some physically or socially defined space” (Scott, 2013: 220). In the social sciences, the essence of field theory has been “the explanation of regularities in individual action by recourse to position vis-à-vis others” (Martin, 2003: 1).

The conceptualization of institutional fields as relational spaces is key to the study of how entrepreneurial possibilities get constructed. It not only situates entrepreneurs in a space where other entrepreneurs, potential entrepreneurs, dominant organizations, professional associations, and even consumers relate to one another, but also portrays this space as “the context that both constrains and enables the imagination of existing actors and potential entrepreneurs as well as

their efforts to theorize and assemble resources in the pursuit of entrepreneurial initiatives (Foss & Klein, 2012)” (Lounsbury & Glynn, 2019: 40). Here, it is recognized that actors may be connected or clustered together through various structural or cultural dimensions (e.g., network position, category membership, stories, status, power, etc.); more importantly, however, is the idea that the interactions of various actors embedded in a particular place and time result in “a system of interconnected options” (Lounsbury & Glynn, 2019: 39) from which entrepreneurial possibilities arise. Hence, while actors could potentially imagine an endless number of entrepreneurial possibilities in any given field, the emphasis on relationality suggests that this construction process is bounded and may shift over time as actors face ongoing struggles to create, maintain, or redefine their institutional position and identities within the field (Lounsbury & Glynn, 2019). As such, this approach has the potential to answer recent calls to examine how, in processes of cultural entrepreneurship (like the construction of entrepreneurial possibilities), “the actors involved may ebb and flow, or play fluid roles; [how] projects may encompass diverse and even discordant aspirations; and [how] artifacts and materiality may play a critical role in shaping these processes” (Gehman & Soublière, 2017: 66). Specifically, I ask: **How do changes in the relational spaces of a field shape the set of available options from which entrepreneurial possibilities arise?**

Examining changes in a relational space requires looking at the multiple sets of actors who occupy distinct positions in a field, and identifying how broader changes in the economic, political, social, and cultural spheres shape how actors relate with one another. It may be that relationships that were once mediated become more direct (e.g., Eyal, 2013); that actors who relate to one another informally find common ground and purposefully seek to engage in collective action (e.g., Weber Heinze & DeSoucey, 2008); or even that non-entrepreneurs enter

the field and change the nature of particular relationships that are vital for the construction of novel possibilities (e.g., Shah & Tripsas, 2007). For example, the entry of social activists who advocated for grass-fed beef to the field of beef production transformed, among other things, the nature of the relationships within and between communities of producers and consumers, thereby creating a space for alternative practices to flourish (Weber et al., 2008). Similarly, the relationships among extant actors in Alberta's healthcare sector had to be worked out over time after a reform initiative brought into view differences across actors' values and beliefs (Reay & Hinings, 2005). As these relationships change, what is unimaginable at one point in time may become part and parcel of the context at a later time.

To synthesize, situating entrepreneurs in the context of an institutional field casts a light on the macrofoundations of cultural entrepreneurship, prompting researchers to examine individual actors in relationship to other actors and to the broader cultural repertoire from which entrepreneurial possibilities are woven (Spillman, 2002: 7). In this dissertation, I anchor my investigation on roasters, tracing the changes in their position in relation to other actors within the broader institutional field over time. I investigate why these changes occurred and how they enabled different segments of roasters to construct entrepreneurial possibilities around a redefinition of coffee consumption.

## **2.4 Entrepreneurial identities and practices**

Since Lounsbury & Glynn's (2001) initial proposition, entrepreneurial identity, defined as "the constellation of claims around the founders, organization, and market opportunity of an entrepreneurial entity" (Navis & Glynn, 2011: 480) has been a core concept that illuminates the process of cultural entrepreneurship. Specifically, the authors suggest that at the heart of any



entrepreneurial endeavor lies the symbolic task of constructing an identity for the new venture—one that is both legitimate and distinctive within a given institutional field. In their proposition, this meaning-making activity materializes through two types of stories: one that emphasizes the strategic dimension of an organization by identifying a number of attributes (either of the founders or of the organization itself) that make it unique (Albert & Whetten, 1985), and one that emphasizes the relational dimension of an organization by positioning the new venture within a particular market, industry, category or field (e.g., Elsbach & Kramer, 1996; Navis & Glynn, 2010). These stories convey a set of claims that, if resonant with key audiences, allow the entrepreneurial organization to gain legitimacy and access to a variety of tangible and intangible resources (Martens, Jennings, and Jennings, 2007). Subsequent research at the intersection of entrepreneurship and organization studies has further evidenced the critical role that identity plays in shaping the trajectory of a nascent organization and the degree of flexibility to which it adapts to its environment (Zuzul & Tripsas, 2019).

For Lounsbury & Glynn (2001), the notion of entrepreneurial identity finds its roots in a particular view of organizational identity—one that directs the focus to the broader systems of meaning and institutional structures in which identities are embedded. This institutionally-oriented view stands in contradistinction to the prevailing theories of identity, which, for the most part, have placed the organization at the center of theorizing and emphasized the central, distinctive and enduring attributes that define its “essence” (Albert & Whetten, 1985). In this “essentialist” approach (Cerulo, 1997), researchers have examined both the particular attributes of identity as well as the processes that unfold as these attributes get defined. From this perspective, the central identity question—who are we as an organization?—is answered in a way that is “individualistic, unique, and idiosyncratic” (Glynn, 2008: 362) and consequential for

an organization's strategy (e.g., Dutton & Dukerich, 1991).

The institutional answer to that same identity question assumes that an actor's identity—whether an individual, an organization or an industry group—is understood in connection to other actors within an institutional field. That is, an institutional approach to identity “places the organization in a social space by naming the organization as being like some organizations and unlike others” (Corley et al., 2006: 87). From this vantage point, the content of an organization's identity focuses, not only on its unique attributes, but also on its membership in a collective entity (i.e., an industry grouping, a status ranking or an interest set) (Glynn, 2008).

In doing so, institutional scholars invite us to visualize organizations' identities as situated in a symbolic space, with each position reflecting a venture's similarity to, and difference from, other new ventures and organizations operating in the same sphere. This view thus underscores the interrelatedness of actors and suggests that broader collective identities shape what novel identity positions may be claimed, imagined or construed anew (Lounsbury & Glynn, 2019). In other words, at this macro-level, identity is “contextualized and inherently comparative” (Corley et al., 2006: 87). Hence, the focus on identity shifts, from locating it as occurring within an organization—whether among its members or between members and different stakeholders (Scott & Lane, 2000)—to occurring across organizations situated in a specific institutional environment (Cornelissen, Haslam, & Balmer, 2007). For example, a number of conceptual and empirical studies have investigated the processes by which organizations seek to align their identity to that of a recognized collective group (e.g., a market category) or to facilitate the creation of a new collective identity that reflects an organization's unique attributes in order to acquire resources (Aldrich & Fiol, 1994; Kennedy, 2008; Navis & Glynn, 2010). This work focuses, not on the meaning-making activities unfolding within specific

organizations, but on the interplay between such symbolic efforts and the context that embeds them.

For entrepreneurial ventures, in particular, the emphasis placed on the environment is important for it casts a light on the available repertoire of cultural resources that may be used in assembling an entrepreneurial identity (Navis & Glynn, 2010). These cultural resources convey, not only meanings, but also performance scripts that guide entrepreneurs and their budding enterprises about the appropriate strategies of action. Hence, in addition to the central question of “who we are” (as an entrepreneurial venture), an institutional approach to identity also brings into view claims regarding “what we do” (as a new venture in a given market context) (Navis & Glynn, 2011: 482). In sum, as Glynn (2008: 364) explains: “Institutions enable not only organizational claims of identity but also their enactment... [A]ction can be as much a part of identity dynamics as meaning, symbolism and strategizing.”

In this dissertation, the institutional approach to identity is central to the investigation of how entrepreneurial possibilities get constructed. In this early stage, entrepreneurs grapple with the tension of claiming novelty in a field that is populated by a number of different actors—be they longstanding organizations, other entrepreneurial ventures or professional associations—with distinct identity positions and characterized by deep-rooted meanings and practices (Heimstädt & Reischauer, 2019). In the field of coffee roasting, for example, independent roasters in the 1970s sought new entrepreneurial possibilities in a field populated by large corporations (e.g., Maxwell House, Folgers) and by multiple associations (e.g., the National Coffee Association, the Panamerican Coffee Bureau). Such environments appear to constrain the types of entrepreneurial identities and practices that can even be conceived as entrepreneurs seek new possibilities for action (Glynn & Abzug, 2002). And yet, institutional fields are not

bulletproof spaces that impede variation. Even though a number of socio-cultural influences and institutional structures (such as power relations, regulations, norms, etc.) may prompt entrepreneurial ventures to replicate extant meanings and practices, fields—as relational spaces (see section 2.3)—are nonetheless “complex and multi-textured in meaning” (Glynn, 2008: 358). In essence, rather than smooth surfaces, they are marked by cracks and crevices that make variation in identities possible (e.g., Dalpiaz & Cavotta, 2019; Delmestri & Greenwood, 2016; Garud, Lant, & Schildt, 2019; Weber et al., 2008). Building on work in cultural sociology and organization theory, Lounsbury & Glynn (2019) assert that it is in these relational spaces within a field where possibilities emerge:

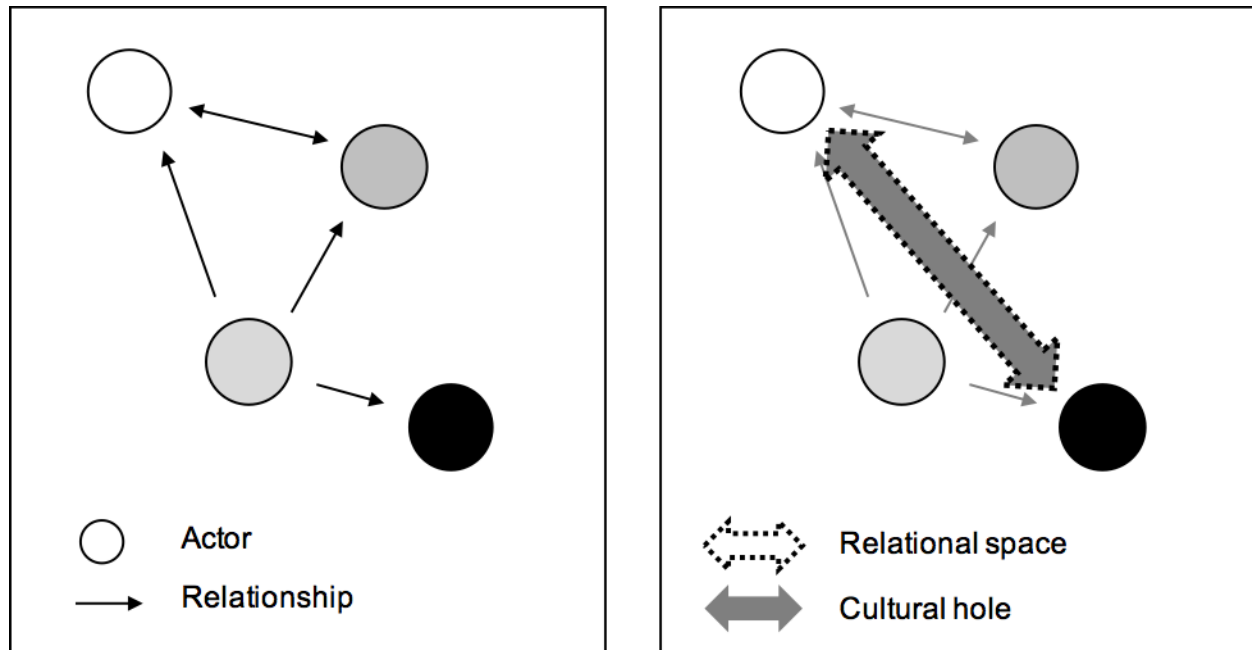
“Possibilities for entrepreneurial action exist at the interstices of distinct identity positions in and around institutional fields where novel entrepreneurial identities and practices may be constructed” (Lounsbury & Glynn, 2019: 39).

Cultural sociologists have referred to these symbolic spaces as “cultural holes” (Lizardo, 2014; Pachucki & Breiger, 2010), defined as “contingencies of meaning, practice, and discourse that enable social structure and structural holes” (Pachucki & Breiger, 2010: 206). In essence, cultural holes denote spaces that exist “not between other persons but between cultural worlds” (Lizardo, 2014: 395). In the context of entrepreneurial possibilities, the notion of a cultural hole points to the “lack of complete connections” (Pachucki & Breiger, 2010: 216) that may exist among the range of actors’ identities that are situated in a field, whether these refer to claims about ‘who we are’ or ‘what we do’ (Navis & Glynn, 2010). These patterned absences of relations constitute a symbolic vacuum where actors can assemble new meanings and practices with which to orient their entrepreneurial efforts. In other words, cultural holes are opportunities for theorizing novel identities or practices that give way to new forms of entrepreneurial action.

For example, technological platforms, such as *Uber* and *airbnb*, have transformed the relational spaces of many fields, connecting people who own valued assets (like cars and homes) with people who need access to those assets (Rosenberg, 2013). More importantly perhaps, these organizations filled in a latent cultural hole by surfacing the shared values that undergird these various forms of collaborative consumption, such as “liv[ing] light, wast[ing] less, protect[ing] the environment, creat[ing] and associat[ing] with a community of like-minded people... de-clutter[ing] and sav[ing] money” (Rosenberg, 2013).

Hence, as shown in Figure 2.4.1, a cultural hole is akin to a relational space between actors, but it specifically refers to the absence of “shared meanings, tastes, and interests [that] enable ties between individuals and institutions” (Vilhena, Foster, Rosvall, West, Evans & Bergstrom, 2014: 221). As such, cultural holes may open up cultural—or meaning-centric—rather than structural kinds of entrepreneurial possibilities. This portrays the actual construction of possibilities for action as a form of cultural bridging or bricolage (Lounsbury & Glynn, 2019) and the particular spaces as sites of cultural innovation (Griswold, 1994: 63).

Figure 2.4.1. Relational spaces and cultural holes within an institutional field



Interestingly, Pachucky & Breiger (2010) further argue that, in addition to differences of meaning, cultural holes may form due to differences in practices and in discourse. This suggests that, within an institutional field, cultural holes may catalyze entrepreneurial possibilities by bringing into view, not only differences regarding how actors construe “who they are” as entrepreneurial ventures (e.g., Anthony, Nelson, & Tripsas, 2016), but also differences regarding “what they do” in that particular field. This suggests that gaps in both meaning and action may be at the heart of revealing new possibilities for action; at the same time, leveraging such gaps in meaning and action may be at the heart of how actors find new synergies to materialize those possibilities.

Thus, while we know that identities are central in entrepreneurial processes, we know less about how the identity positions of actors in a field and the spaces in between these positions constrain and enable entrepreneurial action. I therefore ask, **how do changes in particular relational spaces predicated on shifts in the meaning of identity and practices of extant**

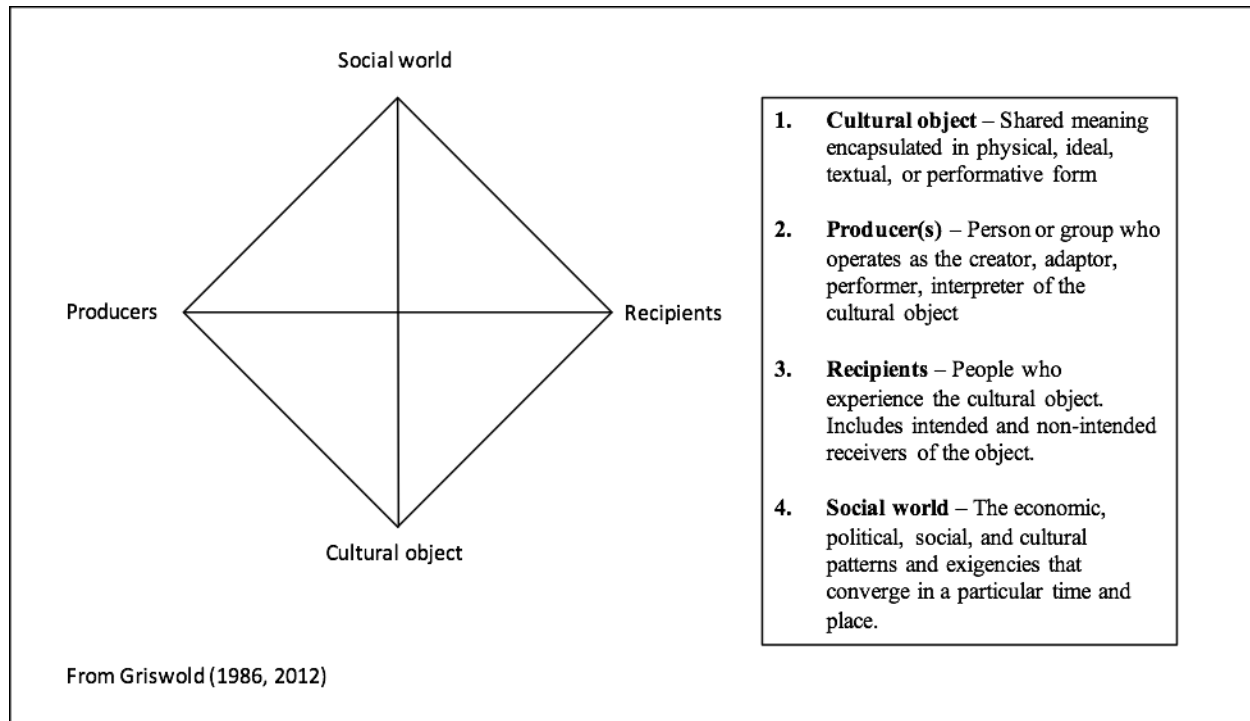
## **actors affect entrepreneurial possibilities?**

### **2.5 The cultural diamond: An organizing framework to study entrepreneurial possibilities**

To capture the conceptualization of a field as a socio-cultural, relational space where multiple cultural resources, organizational forms, and identities coexist (Lounsbury & Glynn, 2019: 35), in this dissertation I rely on a particular tool for cultural analysis: the cultural diamond (Griswold, 1986, 2012). In essence, the cultural diamond is “an accounting device” that aims to encourage a fuller understanding of culture (as manifested in specific objects) and its relation to the social world (Griswold, 2012: 16). To do so, the diamond graphically depicts meaning as resulting from the connections among four key elements: the cultural object (bottom), the producers of the cultural object (left), the recipients of the cultural object (right), and the social world (top). As shown in Figure 2.5.1, each of these elements is portrayed as the point of a diamond that is connected to every other element.

For the purpose of examining the construction of entrepreneurial possibilities, I use the cultural diamond to map the institutional field and its relational structure. The diamond is also useful in identifying cultural holes—places where the relationships or the connections between different sets of actors (e.g., producers, consumers, etc.) change. As such, the cultural diamond is a useful organizing framework that provides “[not] prescriptions of what to see,” but “directions along which to look” (Blumer, 1954). It allows researchers interested in the study of entrepreneurial possibilities around particular technologies, products or services to go beyond the entity’s functionality, and to cast a light on the shared meanings they may encapsulate (Griswold, 2012).

Figure 2.5.1. The cultural diamond



I now offer a brief description of each of the elements of the cultural diamond.

**Cultural object.** A cultural object is defined as “shared significance embodied in form” (Griswold, 1986: 5). It can be any physical, ideal, textual, or performative entity that evokes specific meanings shared by actors. Examples of cultural objects abound in management studies. In Glynn’s (2000) study of the 1996 strike of the Atlanta Symphony Orchestra, the orchestra’s musical performances constituted a cultural object. From a functional standpoint, a performance simply described the act of presenting a piece of music to an audience. Yet, from a cultural standpoint, a musical performance was the locus of much contestation. The musicians conceived of their musical performances as a symbol of artistic excellence, while the managers of the Orchestra saw them as equivalent to a marketable product. Similarly, small-scale local banks became a cultural object for community-driven banking professionals who saw them as safeguards of local autonomy and opposed to large-scale national banks, which were conceived



as symbols of economic-driven, universal values and standardization (Marquis & Lounsbury, 2007). A product's packaging (Delmestri & Greenwood, 2015), a company's name (Glynn & Abzug, 2002), an organization's portfolio of products (Rindova, Dalpiaz, & Ravasi, 2011) have all been studied as cultural objects that communicate meanings beyond their specific utility. As this body of work shows, it is only when objects enter the public arena—that is, when people and groups make claims about their meaning, and when these meanings become contested or reinforced—that objects can be thought of as cultural (Griswold, 2008). It is worth noting that identifying an entity as a cultural object is an analytical decision made by a researcher; it is not a quality of the object or form itself. Thus, using the concept of 'cultural object' as a lens, casts a light on the object and the history of social relations in which it has been embedded (Griswold, 1994: 69).

In my work, I conceive of coffee consumption as the cultural object around which entrepreneurial possibilities emerge. This suggests that shared meanings related to the central features of coffee consumption largely impact what constitutes an entrepreneurial possibility in this field at a particular point in time.

**Producers.** The key distinction that Griswold (1986, 2012) draws between a cultural and a natural object is that the former has producers. Whether these are brewers who produce beer following old traditions (Kroezen & Heugens, 2018), artists seeking to portray their work as 'modern' rather than 'folk' (Khaire & Wadhwani, 2010), entrepreneurs trying to elevate the status of a product category (Delmestri & Greenwood, 2015), or even securities analysts producing discourse around particular perspectives about a firm or industry (Giorgi & Weber, 2015), producers are cultural creators who adhere to particular sets of beliefs and practices as they infuse the object with meaning. Implicit in the framework of the cultural diamond is the idea that

producers never act alone; even by being aware of the actions of other producers, they collectively engender the shared meanings that turn any given product, service or form into a cultural object. Griswold (1994: 51) explains:

Cultural objects—a painting, a social movement, a prophecy, an idea, a blues song—are not simply created by an individual touched by genius or inspired by God. Instead, they are produced by people bound to other people, people who are working, celebrating, suffering, loving [...] In their cultural products, people represent their experiences of work, joy, pain, and love.

This is consistent with the idea that the construction of entrepreneurial possibilities is a collective endeavor that unfolds among actors situated in a particular environment. In my dissertation, the producers of cultural objects are the entrepreneurs seeking opportunities in a field, which highlights their role as cultural creators as they construct possibilities for action. For Griswold, this collective production has two sides: one that involves the interactions through which actors learn the norms and rules of a field and become producers; and one that involves the particular ways in which cultural producers are organized (e.g., the nature of the industry, distribution mechanisms, markets).

**Recipients.** The diamond also highlights the significance of those who ‘receive’ cultural objects —those who “hear, read, understand, think about, enact, participate in, and remember them” (Griswold, 2008: 15). This group of people may or may not correspond with the group that producers intend as an audience, and its composition may change over time. The graphic depiction of recipients as one of the elements of the cultural diamond reminds us that, by the very act of making sense of a product and enacting a set of meanings attached to that product, cultural recipients operate as “active meaning makers” (Griswold, 2008: 15). Hence, regardless

of the meanings that producers intend or promote, the final say of a cultural object's success is largely dependent on those who consume, appreciate, experience, and formulate meanings about the object (Griswold, 1994). In my investigation, this suggests that the entrepreneurial possibilities that materialize as new ventures may be contingent on the reception of specific audiences.

**Social world.** The fourth element of the cultural diamond prompts researchers to examine the “deeply laid mental tracks orienting the direction that industries take when they are being organized or re-organized” (Wherry, 2012: 4). It recognizes that neither the objects, the producers, or the recipients of a given field are “floating freely” but, instead, are situated in a particular context. Griswold's (1986, 1994, 2012) describes the ‘social world’ as involving the economic, political, social, and cultural patterns and exigencies that converge in a particular time and place.

In this dissertation, this element of the cultural diamond brings into view two types of dynamics, including broad societal changes that were gradually unfolding in the field, as well as punctuated events that precipitated specific changes in the field's relational and cultural space. That is, the social world casts a light on broad themes, like the emergence of a lifestyle-driven culture or the emergence of cultural consumption as a more personal reflection that extended beyond the setting under study. At the same time, it shows particular social, economic, and cultural events that catalyzed certain possibilities for action.

In light of this theoretical background guiding my analysis, the overarching research question I answer is: **How do entrepreneurial possibilities emerge in an institutional field over time?** More specifically, I address two interrelated questions:

(1) How do changes in the relational space of the field shape the set of available opportunities from which entrepreneurial possibilities arise?

(2) How do changes in particular relational spaces predicated on shifts in the meaning of identity and practices of extant actors affect entrepreneurial possibilities?

### **Chapter III. RESEARCH CONTEXT AND METHODS**

I conducted a historically-rich qualitative study of the evolution of specialty coffee in the U.S. from 1975 to 2016. This is an ideal setting to study the process of constructing entrepreneurial possibilities, not only because prior to the emergence of specialty, the coffee industry in general was on a steep decline in terms of consumption (Rindova & Fombrun, 2001), but also because over this 41-year period, the specialty segment reinvented itself multiple times through different paths of entrepreneurial action. In this section, I begin by describing the empirical setting and the historical context in which specialty coffee emerged. I then describe my data sources and my data analysis.

#### **3.1 Research context**

The emergence and transformation of the specialty coffee industry in the U.S. is an ideal setting to study the processes through which entrepreneurial possibilities get constructed in an institutional field. In this dissertation, I specifically examine the period between 1975 and 2016, in which the coffee industry saw the rise of a specialty segment that focused on quality and knowledge about the product and stood in stark contrast to the commercial segment and its focus on serving a mass-market with a standardized, branded product. I begin in the mid-1970s, when the term ‘specialty’ became more commonly used to describe “beans of the best flavor which are produced in special microclimates” (The Tea & Coffee Trade Journal, 1974). Although these beans *cupped*, or tasted, better, coffee brokers had typically dismissed them for these came in smaller lots that were more difficult to sell. According to coffee historians, in the mid-1970s, a few importers began to recognize that smaller roasters were favoring these “special” coffees and were willing to pay more for their higher quality (Ferguson, 2018). In my study, I trace the

efforts of this segment of coffee roasters to construct entrepreneurial possibilities around the notion of specialty coffee. I end my analysis in 2016, a year after coffee regained its status as the country's favorite beverage, beating soda by 20 percentage points (retrieved from the National Coffee Association on 12/2017).

Importantly, as shown in Figures 3.1.1 and 3.1.2, in this 41-year period the field of coffee as a whole changed dramatically. The declining pattern of consumption that had characterized commercial coffee for decades was reversed in the early 1990s, reaching 2.24 cups per day by 2000 and 3.1 cups per day by 2010 (Roseberry, 1996: 765). This period also saw the emergence and exponential growth of coffeehouses.<sup>1</sup> According to the Specialty Coffee Association of America (SCAA), in 1982 there were reportedly around 500 coffeehouses across the U.S.; by 1991, the number had more than tripled to 1650 coffeehouses; and by 2016, the number had reached 31,490 coffeehouses. In terms of revenues, the industry also experienced a reawakening in this 41-year period. Prior to 1982, revenues of the entire coffee industry amounted to US\$4.8 billion and they had lingered at this level for over a decade. By 2016, the industry reported revenues of over US\$75 billion. This unprecedented growth was largely fueled by the emergence of a specialty segment. Between 1992 and 2000, the revenues in the specialty segment alone jumped from US\$1.5 billion to \$6.6 billion, and by 2012, specialty had outpaced the commercial segment (sold mostly in supermarkets), reaching \$21.64 billion and representing 55% of the market. At the same time, consistent with extant research (Tripsas, 1997), the rise of new possibilities for specialty coffee roasters did not eradicate the commercial segment. In fact, it more than doubled its revenues (from \$8 billion to \$18 billion) between 2000 and 2012. By 2016, revenues in the specialty segment reached US\$42 billion and revenues in the commercial segment reached US\$33 billion.

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<sup>1</sup> Following the field's lexicon, in this dissertation I use the terms 'coffeehouse' and 'coffee shop' interchangeably.

Figure 3.1.1. The coffee industry in numbers

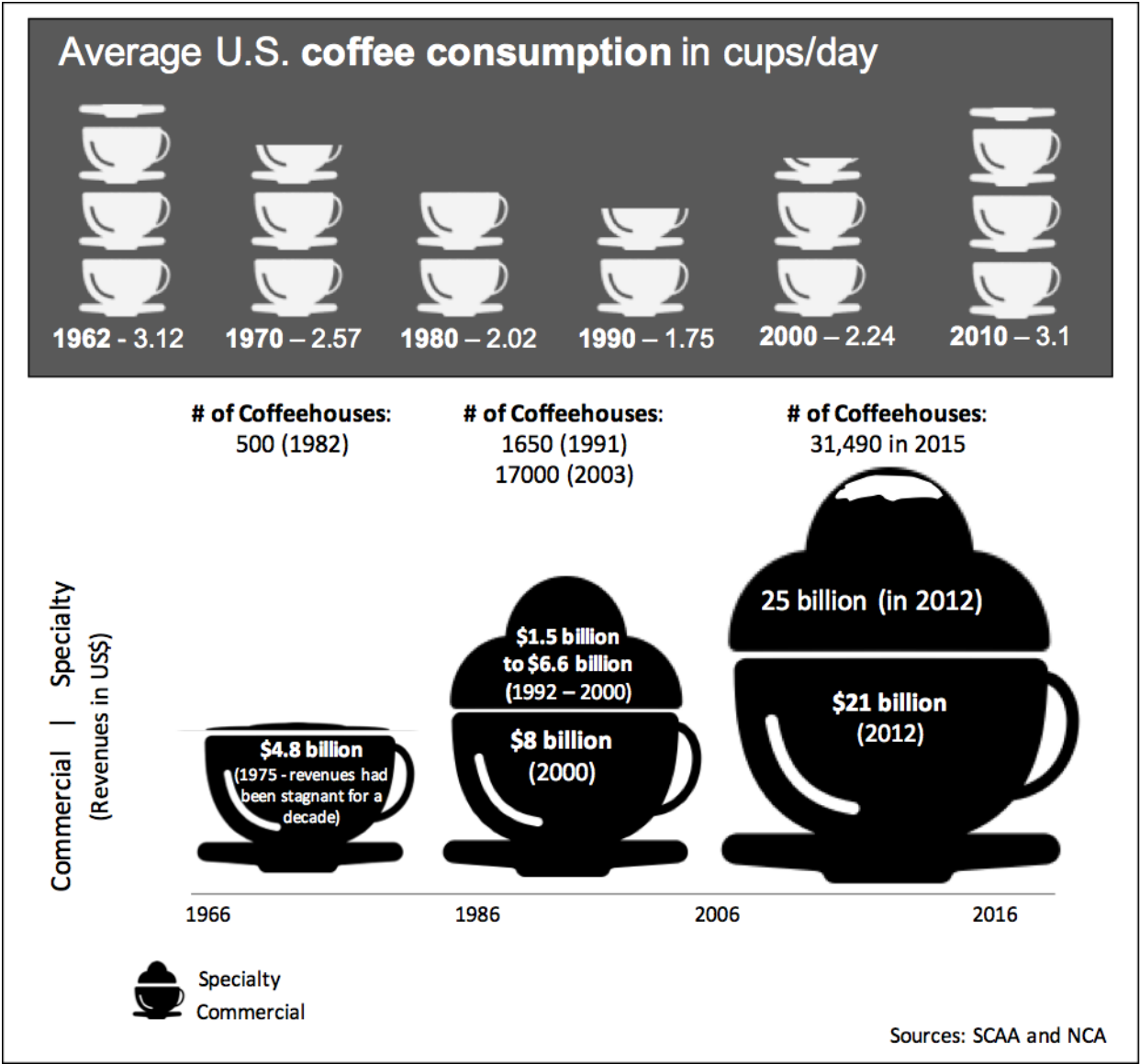
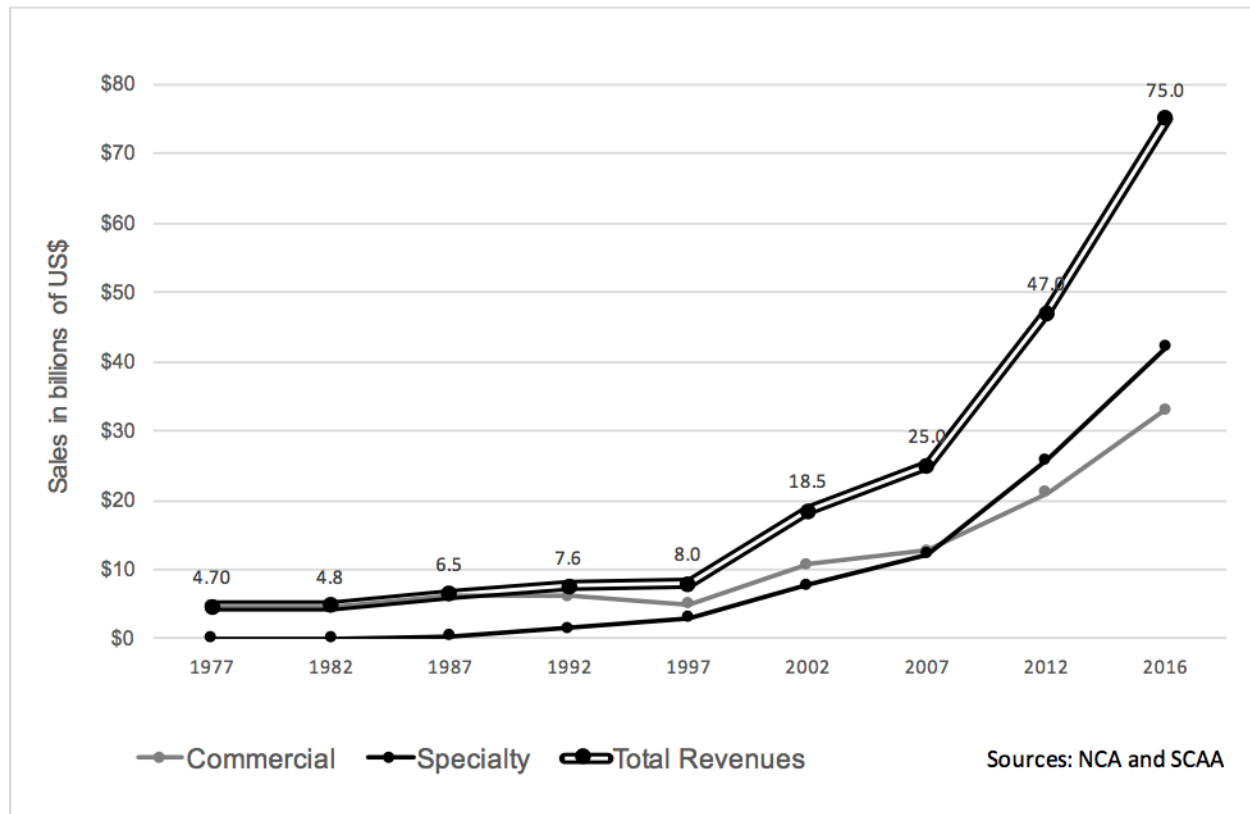


Figure 3.1.2. Revenues in the U.S. coffee industry, 1977 - 2016



I begin by offering a more detailed explanation of the actors and processes involved in moving coffee beans from farm to cup. I explain why I focus on a specific type of actor—roasters—and I then chronicle the state of the coffee industry prior to the emergence of the specialty coffee segment in the mid 1970s, highlighting coffee’s stance as a cultural product.

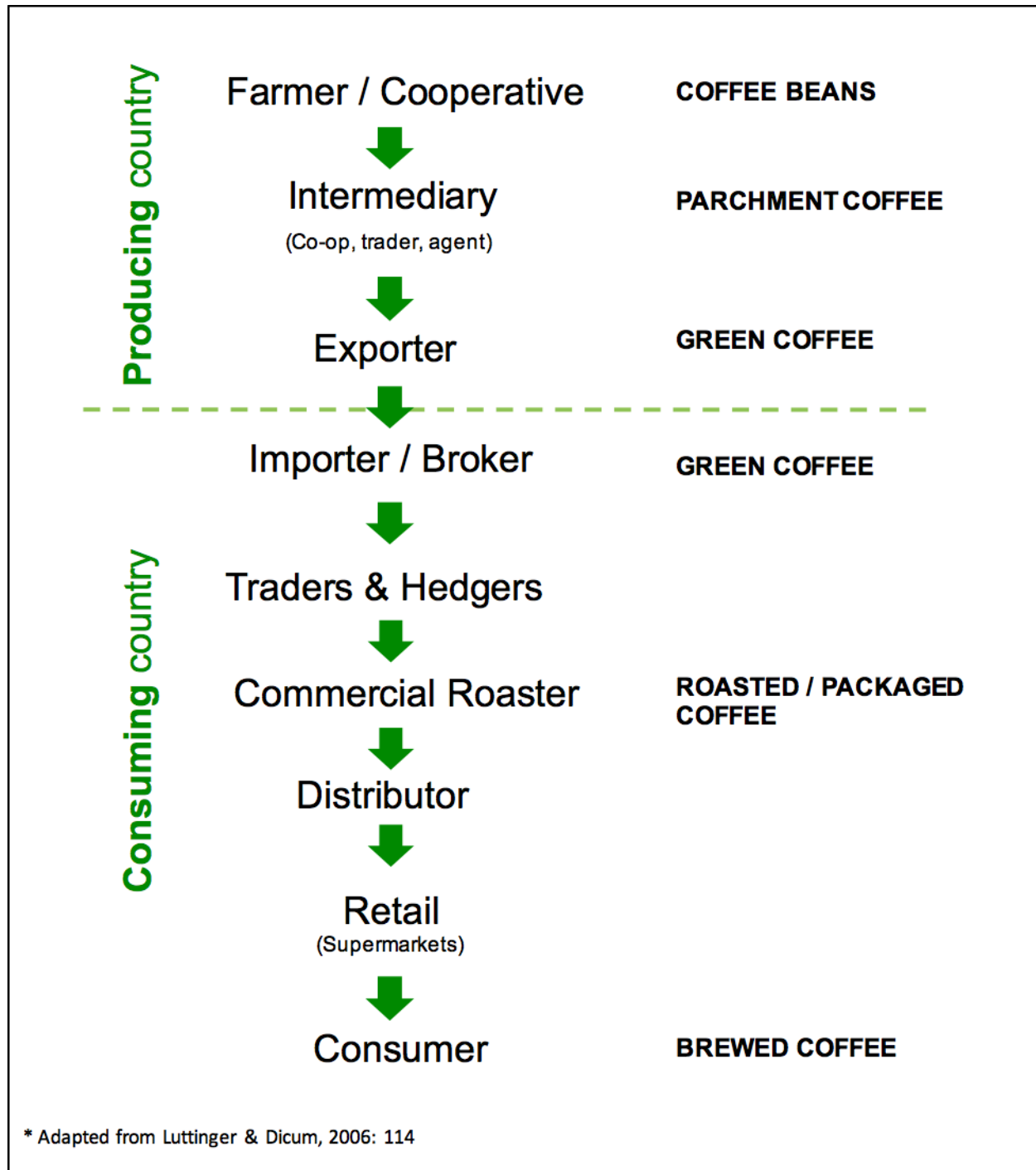
### **A coffee bean’s journey from farm to cup**

A roasted coffee bean is easily recognizable: oval shape, dark brown color and a crease along the middle. The bean is actually the seed of a fruit, called a coffee cherry, which is harvested usually once a year when its bright red or yellow color signal the peak of ripeness. Coffee beans are dried, roasted, ground, and then brewed to make the beverage we know as coffee.



In the U.S., the chain of actors that makes possible the journey of a coffee bean from farm to cup has traditionally embodied the characteristics of a commoditized market—a high volume of transactions; a pricing structure that is largely influenced by the predicted price of future, product-based financial derivatives; and product interchangeability (resulting from an assumed uniformity in quality across all producers). Whether a coffee bean’s journey originates in a small village in the Guatemalan Western highlands or in a modern Brazilian facility, the process is essentially the same: as shown in Figure 3.1.3, multiple actors in producing and consuming countries operate as the conduits between coffee as an unprocessed bean and coffee as a product of consumption. Within the commercial segment, coffee beans go through a series of hand-offs and exchanges that remain largely transactional and anonymous (i.e., the beans travel without being associated with any one actor in particular).

Figure 3.1.3. Commercial coffee's value chain



More specifically, a coffee bean's journey starts in a producing country (often referred to as "origin"), where farmers engage in various activities, including planting the coffee trees and harvesting the cherries. Coffee cherries are then brought to a coffee mill, where the pulp is removed and the beans are dried. Dried beans are referred to as *parchment coffee* because they are still enveloped by a parchment skin from the cherry. Traditionally, coffee mills are considered an intermediary that operates on an industrial scale, independent of the farmer. More recently, however, particular farms have begun to operate their own small mills. At the mill, beans are also graded and sorted by size and weight, and defective beans are removed. Milled coffee is referred to as *green coffee*, and is considered ready for export. Another set of intermediaries is then involved in importing the coffee to the consuming country. Roasting is a heat-based process that alters the chemical and physical properties of green coffee beans and turns them into fragrant, brown beans (*roasted coffee*) that can be ground and brewed. It is typically carried out in the consuming country because, once roasted, the beans' flavor can deteriorate in just a couple of weeks. Roasted beans are then distributed to retail outlets, as whole beans or ground coffee, and then turned into *brewed coffee* for consumption. In commercial coffee, the retail outlet is typically the supermarket.

Roasters, in particular, are a critical link in coffee's value chain. They select and buy beans from different origins and produce the flavor and aroma that we, as consumers, associate with coffee. As such, roasters constitute the linchpin between farmers in producing countries and customers in consuming countries. In this dissertation, I focus on the point of view of roasters for they were central in constructing entrepreneurial possibilities around the notion of specialty coffee. That is, even though multiple actors contributed in one way or another to its emergence, the movement towards specialty was largely spearheaded by roasters. In fact, most of the

founding members of The Specialty Coffee Association of America (which was created in 1982) were roasters. In the years that followed, only very few coffee brokers and non-roasting retailers of beans joined the association. Hence, focusing on roasters allowed me to examine how and why, despite the deep-rooted cultural conventions of the field and among the many actors participating in it, a particular group rose to prominence and assembled new possibilities for entrepreneurial action.

### **3.2 Evolution of commercial coffee, post WWII - mid-1970s**

Prior to the emergence of ‘specialty coffees’ in the mid-1970s, coffee roasters in the U.S. were immersed in a dwindling market (Tea & Coffee Trade Journal, 1976), marked by a steep decline in consumption and the increasing popularity of alternative beverages. In 1962, the average coffee consumption nationwide was 3.12 cups per day, but by 1971, the number had dropped to 2.5 cups (Roseberry, 1996: 765). A USDA report analyzing the factors influencing the deteriorating demand for coffee identified, first and foremost, its taste. Roasters were reportedly using lower quality coffee beans in their blends, which produced a bitter taste in the cup that “discouraged younger drinkers inclined to milder and sweeter tastes” (Lawrance, Phillips, Riffkin, & Saleh, 1977: 2). Consistent with this study, it was often said that young people “acquired a taste for coffee only after accepting it as one of the difficulties to be overcome in gaining adult status” (The Tea & Coffee Trade Journal, 1968: 15). The report also referenced young people’s changing lifestyle, which “encouraged quick and cool food and beverage breaks as opposed to complete breakfasts and full meals that include coffee” (Lawrance et al., 1977: 2). At the same time, sodas were rapidly becoming the beverage of choice and, perhaps surprisingly by today’s standards, increasingly seen as healthier than coffee (The Tea & Coffee Trade Journal,

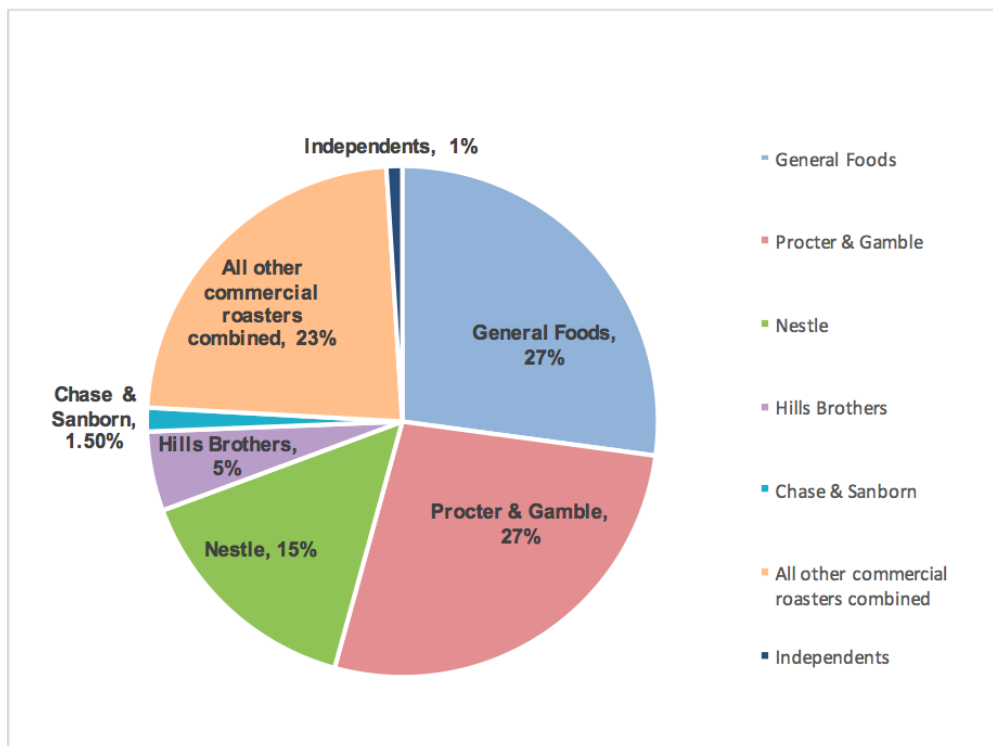
1968, 1976). Research continuously linked coffee drinking to heart disease, stunted growth in children and birth defects (Olshan, 2013).

The reasons for the slump in consumption also appeared to be related to coffee's deep-rooted cultural associations. For decades, coffee had evoked the image of "a democratic beverage... Not only [...] the drink of fashionable society, but [...] also a favorite beverage of the men and women who do the world's work, whether they toil with brain or brawn" (Ukers, 1935: Kindle Locations 109-112, emphasis added). Bottomless cups of weak coffee had been the staple of diners and homes across America, and taking a break for coffee had become a necessary ritual of the American labor force. In light of America's rising middle class, coffee consumption had become interwoven with images of "the working man, the lonely sailor on watch, the hard-working cop coming off his beat" (The Tea & Coffee Trade Journal, 1968: 15). As one media article asserted: "It was the fact that you needed coffee, not the brand that you bought, that said something about the person you were" (Reason Magazine, 2006). But in the late 1960s and early 1970s, the values espoused by younger generations in the U.S. shifted dramatically. These were consumers at the epicenter of a cultural and political revolution for whom the egalitarian associations of coffee had little resonance. In general, they "did not identify themselves with the groups who [had been] the backbone of the nation a few short years [back]" (The Tea & Coffee Trade Journal, 1968: 15).

This fragile state of the industry exerted great pressure on coffee roasters, turning the field into what historians describe as "a battle of titans" (Ferguson, 2018). Economies of scale allowed large corporations to establish themselves as powerful roasters and then acquire smaller neighborhood and city roasters. To offer a glimpse into the consolidation patterns that ensued, while in 1945 there were 1500 roasters in the U.S., by the end of the 1950s the number had

dropped to 850. This battle was fought in supermarket shelves where price and convenience—as opposed to quality—and standardization—as opposed to uniqueness—were the rules of the game. In this period, five large industrial conglomerates (all of which had significant stakes in other industries), including General Foods, Standard Brands, Folgers (eventually acquired by Procter & Gamble), Hills Brothers (eventually acquired by Nestle), and A&P (whose brand Chase & Sanborn was eventually acquired by Nestle), came to dominate the industry. They competed fiercely on the basis of pricing with nationally advertised brand names that offered the consumer more cups per pound and positioned coffee as a functional stimulant packaged in a can, rather than a culinary product to be enjoyed fresh. As shown in Figure 3.2.1, by the mid-1970s, General Foods, Procter & Gamble, Nestle, and Hills Brothers owned over 70% of market share.

Figure 3.2.1. Coffee roasters and their market share in the mid-1970s



In this period, however, roasters were not alone in their strict focus on the economic dimensions of coffee. Institutional actors operating in the field also emphasized the importance of increasing coffee consumption, but said very little about coffee's quality and taste. For instance, in the 1950s and 1960s, the National Coffee Association (NCA), the main trade association and lobbying group for the U.S. coffee industry, launched a number of advertising campaigns urging people at home to drink "*Just One More Cup* per day" (The Tea & Coffee Trade Journal, 1966). Similarly, throughout the 1950s, the Pan American Coffee Bureau (PACB), a supranational organization created in the 1930s by governments from Latin American producing countries, continuously ran generic advertising promotions aimed at stimulating demand to help producing countries manage oversupplies of green coffee (Junguito & Pizano, 1993).

Not surprisingly, then, in the late 1970's, experts described coffee as "a very mature industry, a commodity with very little added value and not an exciting product for the consumer." They urged roasters to engage in "substantial innovations," otherwise "consumption would continue to decline" (Tea & Coffee Trade Journal, 1994). At the time, however, innovation seemed to have a limited scope. For one thing, the trend among coffee roasters was to increasingly make the product "a little worse" and to sell it "a little cheaper" (Comment at the 1959 National Coffee Association convention, cited in Pendergrast, 2010: 235). At the same time, quality was difficult to measure. Roasters bought green coffee in bulk and combined different roasted coffees into blends—two practices that wiped away any distinction of quality. Moreover, the rigid supply chain of commercial coffee made it very difficult to create alliances or to learn more about the coffee itself. In addition, regardless of a roaster's interest in quality or

innovation, coffee's commerce was tied to the commodity exchange and the 'C Contract'—a futures contract for Arabica coffee beans that functions as the world's benchmark for coffee prices—which made the market extremely volatile and innovation extremely risky.

Taken together, a picture of the coffee industry in the mid-1970s would reveal: 1) a market driven by the economics of a commodity product, 2) a product whose taste is moving irreversibly from “safely middling to awful” (Pendergrast, 2010: 215), 3) a market dominated by a few, large roasters who sacrifice quality for the sake of price, and 4) younger generations with a different set of values shying away from the product. As such, the field seemed to hold very few opportunities for coffee roasters. Both culturally and economically, the beliefs and practices of the industry were moving away from quality and innovation and favoring a more commercial and undifferentiated approach to coffee where it was difficult, if not impossible, to compete with the leading conglomerates.

### **3.3 Data Sources**

Data sources included archival material, interviews, and observations that spanned multiple years of study. These are summarized in Table 3.3.1 and described below.



Table 3.3.1. Data sources

Data sources	Quantity
<b>ARCHIVAL</b>	
The Tea & Coffee Trade Journal (1975-2016)	127 editorials, 153 articles, 135 content pages, and 135 covers. I sampled issues every 4 years and, for each year, I included all 12 editorials, all 12 content pages, all 12 cover pages, and all articles referencing 'specialty'
Roast Magazine (2004-2016)	72 issues, including editorials, articles referencing the specialty segment, content and cover pages, published bi-monthly.
Newspaper articles (1984-2016)	689 articles, including 271 from The Wall Street Journal; 191 from The New York Times; 91 from The Washington Post; 86 from The Boston Globe; and 50 from USA Today. The first published article referencing "specialty coffee" dates January 7, 1984.
CoffeeReview.com (1997-2015)	4,473 names of roasted coffees reviewed by the website CoffeeReview.com from 1997 (when the website was launched) to 2016.
<b>INTERVIEWS</b>	
Farmers	4
Intermediaries	7
Roasters	31
Institutional	18
<b>OBSERVATIONS</b>	
Observations at multiple sites	200 hours of observations at various coffeehouses, roasteries, several tasting events, and two conferences organized by the Specialty Coffee Association, covering a wide variety of situations, like baristas preparing coffees with manual techniques, baristas and roasters participating in their annual competitions, farmers from producing countries presenting their coffees, roasters operating the roasting equipment, tasting for quality control, etc.

## *Archival*

The Tea & Coffee Trade Journal (1975-2016). One of the primary data sources consisted of archival material, including editorials, articles, and cover pages appearing in monthly issues of *The Tea & Coffee Trade Journal*, from 1975 to 2016. Founded in 1901, *The Tea & Coffee Trade Journal* is the coffee industry's longest standing publication, targeting a broad range of actors within the industry, including coffee roasters, packagers, importers, exporters, suppliers, and traders. As indicated by the journal's website, its content covers a wide range of topics, from reports on producing countries, logistics, and R&D, to company profiles, global trends and technologies. I collected a sample of 127 editorials, 153 articles, 135 content pages, and 135 covers, for the 41-year period I analyze. I sampled issues every 4 years and, for each year, I include all 12 editorials, all 12 content pages, all 12 cover pages, and all articles referencing "specialty." The journal had a brief hiatus in 1984 due to financial hardship; therefore, no issues were published from August to December. For reasons I was not able to identify, no issues were published from June to August 1988 either.

In the social sciences, the professional press has been used as a window into "mainstream thinking" (Zuckerman, 1998). In organization studies, Nelson and Irwin (2014), for instance, used journal articles from the library discipline to capture discourse that would be "reflective of the [] field as a whole" (p. 897). In this dissertation, the journals are used as a window into the broader context in which specialty coffee emerged and evolved. Editorials, for example, touch upon topical issues affecting the coffee industry as a whole; as such, they can reveal the economic, political, social, and cultural issues that shaped changes in the industry. The articles focusing on "specialty" provide a more specific way to track how the concept of specialty was constructed by industry actors over time. The content pages offer a glimpse into the themes that

were relevant for the field at each point in time. And finally, the cover pages present specific visual representations of coffee (e.g., as a beverage, as a bean, as a cherry) and thus offer a way to track changes in coffee's cultural associations.

Roast magazine (2004-2016). To supplement the broad coverage in *The Tea & Coffee Trade Journal* (focused on the entire coffee industry) with a more specialized journal, I collected issues of *Roast Magazine*, a bi-monthly magazine launched in 2004 that targets the specialty coffee roaster. Here, I also focused on the magazine's editorials, articles referencing the specialty segment, and cover pages, as a way to better understand the changes taking place in specialty coffee. I collected the 72 issues that were published in the period I study.

Newspaper articles. I also use a set of 689 articles, which totals more than 1500 pages of single-spaced text, resulting from a query of the concept "specialty coffee" via Factiva. This dataset includes: 271 articles from *The Wall Street Journal*; 191 articles from *The New York Times*; 91 articles from *The Washington Post*; 86 articles from *The Boston Globe*; and 50 articles from *USA Today*. These five newspapers provided the most regular coverage of the specialty segment; hence, they were the best source for tracking the state of the field at different points in time and the types of entrepreneurial action driving its evolution. Although the search query covered 1975 to 2016, the first published article referencing the concept "specialty coffee" dates January 7, 1984. This set of articles more specifically shows the rise and transformation of specialty coffee in the U.S. and highlights the shared meanings that come to define specialty in different periods.

CoffeeReview.com. Archival data also includes a list of the names of roasted coffees reviewed by the website CoffeeReview.com from 1997 to 2016. I begin in 1997 when the website is launched and the practice of tasting coffee and evaluating its quality begins to take

hold in the industry. This dataset is composed of 4,473 names of packaged roasted coffees. The names of roasted coffees capture focal symbolic attributes that roasters sought to convey at different points in time.

### ***Semi-structured interviews***

The other primary data source consists of semi-structured interviews with actors in the specialty coffee industry (n=60). Three types of actors were interviewed: (1) industry leaders (e.g., members of trade associations), (2) roasters, (3) other key actors, including growers, intermediaries, and consultants. The interviews lasted on average 60 minutes, with the shortest one lasting 30 minutes and the longest, two hours. The interview protocol (Appendix A) included two sections, one focused on the history of specialty coffee in the U.S., the other one focused on understanding the interviewee's trajectory within the industry. Hence, the first set of questions sought to unveil relevant events and major changes that had unfolded in the industry; the second set of questions focused on the interviewee's roles and how these had changed over time. All interviews were recorded and transcribed verbatim; 10 interviews (including two growers, four intermediaries, and four industry leaders) were conducted in Spanish, as requested by the interviewee, the rest were conducted in English. In addition, as I was conducting each interview, I took extensive notes and completed contact summary sheets for each one. Table 3.3.2 includes a detailed list of the interviewees.

Table 3.3.2. Semi-structured interviews conducted with actors of the specialty coffee segment (n=60 interviews)

Code	Interviewees	Title/position	Organizational description (+)
<b>Farming</b>			
F01*	Farming professional #1	Owner	Leading coffee estate from Latin America
F02	Farming professional #2	Commercialization Director	Leading coffee estate from Latin America
F03	Farming professional #3	Owner	Leading coffee estate from Latin America
F04*	Farming professional #4	VP	Leading coffee estate from Latin America
<b>Intermediation</b>			
I01*	Intermediation executive #1	President	Association of exporters in a producing country
I02*	Intermediation executive #2	Director	Association of exporters in a producing country
I03*	Intermediation executive #3	President	Association of exporters in a producing country
I04*	Intermediation executive #4	President	Association of exporters in a producing country
I05	Intermediation executive #5	Traceability manager	Importers of specialty coffee
I06	Intermediation executive #6	VP	Importers of specialty coffee
I07	Intermediation executive #7	President	Importers of specialty coffee
<b>Roasting</b>			
R01	Roasting professional #1	Buyer	Leading roasting company
R02	Roasting professional #2	Buyer	Leading roasting company
R03	Roasting professional #3	Director of Sustainability	Leading roasting company
R04	Roasting professional #4	Owner	Early specialty coffee roasting company
R05	Roasting professional #5	Owner	Early specialty coffee roasting company
R06	Roasting professional #6	Owner	Specialty coffee roasting company
R07	Roasting professional #7	Owner	Leading specialty coffee roasting company
R08	Roasting professional #8	Owner/former barista	Recognized roasting company
R09	Roasting professional #9	Former owner	Early specialty coffee roasting company
R10	Roasting professional #10	Manager	Specialty coffee roasting company
R11	Roasting professional #11	Owner	Specialty coffee roasting company
R12	Roasting professional #12	Former owner/buyer	Leading roasting company
R13	Roasting professional #13	CEO	Leading roasting company
R14	Roasting professional #14	Director	Commercial coffee roasting company
R15	Roasting professional #15	Owner	Early specialty coffee roasting company
R16	Roasting professional #16	Owner	Specialty coffee roasting company
R17	Roasting professional #17	Owner	Specialty coffee roasting company
R18	Roasting professional #18	Buyer	Leading roasting company
R19	Roasting professional #19	Roaster	Leading roasting company
R20	Roasting professional #20	President	Leading roasting company
R21	Roasting professional #21	Marketing manager	Leading roasting company
R22	Roasting professional #22	Manager	Retailer (coffeehouse) partnering with leading specialty roaster
R23	Roasting professional #23	Owner	Specialty coffee roasting company
R24	Roasting professional #24	Owner	Specialty coffee roasting company
R25	Roasting professional #25	Owner	Specialty coffee roasting company
R26	Roasting professional #26	Owner	Specialty coffee roasting company
R27	Roasting professional #27	Roaster	Specialty coffee roasting company
R28	Roasting professional #28	Roaster	Specialty coffee roasting company
R29	Roasting professional #29	Roaster	Specialty coffee roasting company
R30	Roasting professional #30	Roaster	Specialty coffee roasting company
R31	Roasting professional #31	Owner	Specialty coffee roasting company

(+) Organizations are U.S.-based unless otherwise indicated

(\*) Interview conducted in Spanish at interviewee's request

Code	Interviewees	Title/position	Organizational description (+)
<b>Institutional</b>			
IN01*	Institutional actor #1	President	National coffee association representing farmers in producing country
IN02*	Institutional actor #2	Director	National coffee association representing farmers in producing country
IN03	Institutional actor #3	Former president/founder	Specialty Coffee Association of America
IN04	Institutional actor #4	Former president/founder	Specialty Coffee Association of America
IN05	Institutional actor #5	Director	Specialty Coffee Association
IN06	Institutional actor #6	Founder	Consulting company for the Specialty Coffee community
IN07*	Institutional actor #7	Director	National coffee association representing farmers in producing country
IN08	Institutional actor #8	Manager	Consulting company for the Specialty Coffee community
IN09	Institutional actor #9	Manager	Specialty Coffee Association of America
IN10	Institutional actor #10	Founder	Consulting company for the Specialty Coffee community
IN11	Institutional actor #11	Director	Organizer of coffee auctions
IN12	Institutional actor #12	Director	Leading independent third-party certifier
IN13*	Institutional actor #13	Director	Organizer of coffee auctions
IN14	Institutional actor #14	Founder	Consulting company for the Specialty Coffee community
IN15	Institutional actor #15	Founder	Coffee buying guide
IN16	Institutional actor #16	President	Consulting company for the Specialty Coffee community
IN17	Institutional actor #17	President	Specialty Coffee Association
IN18	Institutional actor #18	Publisher	Roast Magazine

(+) Organizations are U.S.-based unless otherwise indicated

(\*) Interview conducted in Spanish at interviewee's request

## ***Observations***

I conducted approximately 200 hours of observations at various coffeehouses, two roasteries, several tasting events, and two conferences organized by the Specialty Coffee Association. My observations covered a wide variety of situations, like baristas preparing coffees with manual techniques, baristas and roasters participating in their annual competitions, farmers from producing countries presenting their coffees, roasters operating the roasting equipment, tasting for quality control, etc. I documented my observations with extensive notes and took photographs whenever possible. These observations helped me to better understand the intricacies of the context, and to further clarify parts of a coffee's journey from farm to cup.

## ***Other sources***

In addition, I collected a variety of materials—books, reports, articles from major U.S.

Magazines (e.g., Forbes, Times, The New Yorker), videos, and documentaries—to sharpen my understanding of the evolution of the field. For illustrative purposes, I also conducted a search on the websites of leading specialty roasters (such as Intelligentsia, Stumptown, Blue Bottle, Starbucks, and Peet’s) to compare how different types of roasters showcase their coffees. Furthermore, I collected Starbucks’s press releases from 1992 (when the company goes public) to 2016 (when the study ends) to understand the company’s partnerships and how they change over time.

### **3.4 Data Analysis**

My study of the evolution of specialty coffee constitutes an historical ethnography (Vaughan, 2004). I leverage a variety of data sources that reveal “how people in another time and place made sense of things” (Vaughan, 2004: 321) in order to reconstruct the cultural and historical context that shaped the trajectory of an industry. This methodology is consistent with an increasing interest among organizational scholars in examining historical settings and sources to account for the emergence and evolution of industries (Kirsch, Moeen, & Wadhwani, 2014: 217). In my case, the content of the archival data, semi-structured interviews and observations allowed me to examine how specialty coffee emerged as a cultural object and how it transformed over time. The use of multiple sources also allowed me to triangulate data (Creswell, 2003), such that the set of theorized relationships could be evaluated through multiple lenses. This methodology required ongoing iteration among data collection, analysis, and extant theory in order to generate insights (Eisenhardt, Graebner, & Sonenshein, 2016 2016; Gehman & Soublière, 2017; Langley, 1999). My analytical process was iterative in nature, taking place in three key steps.

### ***1) Developing a thick description that integrates multiple sources of data***

I began my analysis by engaging in a careful read of the main archival materials, including journal editorials and articles, newspaper articles, and transcripts and notes from an initial set of interviews. I developed a preliminary thematic coding scheme to aid me in the organization of the data. As part of this first step, I created a timeline of key events, identifying turning points in the history of the field; a list of key actors and institutions; and a thick description of how events unfolded over time (Geertz, 1973; Langley, 1999). A key objective in this step was to remain close to the point of view of roaster, whom I had identified as central in the creation of entrepreneurial possibilities around the notion of specialty coffee over time. As (Sewell, 2005: 320) states:

“The central questions about any social action, institution, or event are, first, its meaning to those who experience it and, second, its place in the changing frameworks that make meanings decipherable both to those whom we study and to ourselves. The central challenge for researchers is to reconstruct those meanings and experiences in a form simultaneously true to the ever-changing world being studied and graspable by the researcher’s audience” (Sewell, 2005: 320).

The goal of adequately reconstructing the cultural and historical context shaping the actors’ understandings and actions led me to engage in what Kirsch, Moeen and Wadhwani (2005: 229) describe as “read[ing] historical evidence from the past ‘forward.’” That is, I sought to understand a variety of events in ways that did not rule out alternative lines of action, but to acknowledge that these were all possibilities for those experiencing the events and making sense of the future of their industry.

The data strongly directed my attention towards the idea that none of the roasters had



single-handedly envisioned an opportunity in specialty coffee, but that a number of factors had come into play. I thus relied on the cultural diamond (Griswold, 1986, 2012) to account for these various elements and to examine the relationships across them. Reexamining the data, I found that the nature of entrepreneurial activity in specialty coffee had changed over time, suggesting different phases within the 41-year period. This prompted me to collect additional interviews and to focus my subsequent analyses not only on how the shifts across phases occurred, but also why and with what consequence to the field.

## ***2) Unpacking the processes of constructing new possibilities for action***

In step 2, I adopted a “temporal bracketing” technique (Langley, 1999: 120), decomposing the thick description into three distinct phases that I then used as units of analysis to compare the dynamics of assembling possibilities for action. I then open-coded the data within each phase, asking how and why different types of actors followed particular lines of action, what enabled and constrained their action, and how their actions impacted the field. To manage my codes, files, and related analyses, I used two softwares, NVivo 10 and Excel. Then, following Eisenhardt (1989), I compared the codes generated within and across phases to identify salient empirical themes. Building on the insights I had developed up to this point and on existing literature, I refined my thematic coding scheme (included in Appendix B). As is common in qualitative research, coding was an iterative process that required a back-and-forth between theory and data (Glaser & Strauss, 1967; Strauss & Corbin, 1998). As I developed new insights and refined my ideas, some codes were eliminated, and others created or adjusted as needed (Locke, 2001; Strauss & Corbin, 1998).

I complemented this analysis with a focused thematic coding of cover pages of *The Tea & Coffee Trade Journal* and *Roast Magazine* (included in Appendix C), which further supported the

idea that important cultural changes affecting the meaning of coffee were unfolding in the field. As I honed my analysis on the role of roasters and their entrepreneurial action, I analyzed three additional subsets of data. First, I traced frequency of mentions of the word ‘roast’ (or any related form—e.g., roaster, roasting, roastmaster, etc.) in a sample of content pages of *The Tea & Coffee Trade Journal* and *Roast Magazine* to get a sense of how central they were for the field as a whole. Second, I analyzed the changes in length of the names of roasted coffees appearing on the website CoffeeReview.com, which allowed me to illustrate change in roasters’ efforts to signal the focal attributes of coffee, particularly in the last phase I studied. I provide a sample of my analysis (see Appendix D) showing the length of the 10 best and 10 worst rated coffees in the dataset. Third, I examined the partnerships generated by the leading roaster in the field (Starbucks) from the moment it went public to further illustrate the nature of entrepreneurial action, particularly in the second phase I studied (see Appendix E).

Drawing on these various insights and themes, I revised theories of entrepreneurial opportunities and cultural entrepreneurship and proceeded to develop higher-order, conceptual categories (Eisenhardt, 1989; Gioia, Corley, & Hamilton, 2013).

### ***3) Examining the relationships across categories***

In the last step of data analysis, I sought to explain how categories related to one another and why (Whetten, 1989). This involved a process of conceptual reduction (Locke, 2001), whereby I surfaced the underlying uniformity across my theoretical categories and their properties and continued to more explicitly formulate the connections across the set of higher-level concepts.

## **Chapter IV. CONSTRUCTING ENTREPRENEURIAL POSSIBILITIES IN THE U.S. SPECIALTY COFFEE SEGMENT (1975-2016)**

### **Overview**

In examining the emergence and evolution of specialty coffee in the U.S., I observed three distinct phases during which actors assembled different entrepreneurial possibilities around the redefinition of coffee consumption (i.e., as an erudite activity, as a lifestyle experience, as the cultural appreciation of a story of stewardship). Different field-level events helped to catalyze these varying constructions by revealing relational spaces and cultural holes in-between the identity positions of existing actors in the field. This enabled different groups of roasters holding different positions within the field (i.e., both insiders and outsiders) to engage in entrepreneurial action and thus shape the central features of specialty coffee. Importantly, pursuing each of these entrepreneurial possibilities impacted the field in ways that changed its trajectory.

To organize my analyses and findings, I present my observations and synthesize their evolution in Table 4.1. The table offers a picture of three phases in specialty coffee, relative to the state of coffee post-World War II, casting a light on the dynamics that shaped which entrepreneurial possibilities were construed.

Table 4.1. Roasters' Construction of Entrepreneurial Possibilities in Specialty Coffee, 1975-2016


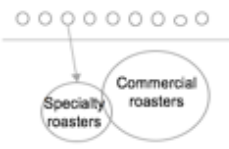

	pre-Specialty (WWII-mid 1970s)	PHASES in SPECIALTY COFFEE		
		1975-1992	1992-2000	2000-2016
<b>Roasters' constructed entrepreneurial possibilities in redefining coffee consumption</b>	Coffee consumption as a social tradition	Coffee consumption as an erudite activity (largely occurs inside the home)	Coffee consumption as a personalized lifestyle experience (largely occurs outside the home)	Coffee consumption as a cultural appreciation of a story of stewardship (both inside and outside the home)
<b>Events that revealed interstitial spaces of opportunity</b>	<b>Industrialization:</b> Preferences for convenience and price	<b>Natural disaster:</b> Brazilian black frost increases prices which threaten the standing of coffee as the All-American Beverage.	<b>Expansion of market:</b> Starbucks' IPO signals a break with the traditional local roaster model and the shift from a bean to a beverage industry	<b>Crisis in supply chain raw materials:</b> Pricing crisis and bean shortages in producing countries threatens the future of specialty coffee.
<b>Impact on roasters</b>	Commercial roasters (large corporations) expand nationally, primarily in conjunction with commercially-oriented producing countries	Commercial roasters ill-equipped to restore coffee's place in the American imaginary and new opportunities for independent roasters	Independent roasters ill-equipped to shift to a beverage business and entrance of new kinds of roasters	Coffee chains ill-equipped to address the crisis and to secure a future for specialty coffee and emerging role for hobbyists
<b>Roasters' position in institutional field</b>	Commercial roasters as dominant actors	Independent roasters as marginal insiders (e.g., family businesses)	Independent roasters as outsiders to industry (e.g., other professionals)	Independent roasters as outsiders within the industry (e.g., hobbyists)
				
<b>Roasters' entrepreneurial action</b>	<b>Manufacturers:</b> Prioritize quantity over quality	<b>Custodians:</b> preserve traditional practices, educate the consumer, develop a vocabulary for quality	<b>Retailers:</b> offer an experiential opportunity to consumers	<b>Cultural authorities:</b> transform the nature of the relationships across key actors of the supply chain, objectivize quality, articulate stories of stewardship
<b>Changes in specialty coffee</b>	Specialty is non-existent. Quality is conveyed through branding; differentiation is between good and bad coffee.	Specialty is defined in terms of possessing geographic identification of the source (e.g. Sumatra, Kona, Guatemala) and sold primarily as whole beans	Specialty is defined in terms of the experience at the point of consumption and sold primarily as trendy, flavored beverages	Specialty is measured as high scores on a scale and evaluated in terms of "pure" coffee
<b>Impact of pursuing the entrepreneurial possibility on the field</b>	Emphasizes uniformity and standardization across roasters	Draws a boundary between commercial and specialty. Makes the role of the roaster central to the field.	Expands the specialty segment to the masses. Raises questions about the values underlying specialty. Attracts the attention of social and environmental causes.	Authenticates the content of "specialty," embedding it in a new relational system (from growers to baristas) and in stories that narrate the bean's journey from farm to cup

Table 4.2 shows, again, the three phases of entrepreneurial activity identified in specialty coffee, but notes the main shifts that occurred within the field in terms of the creation of associations, publications, and conferences and industry events.

Table 4.2. Shifts in Specialty Coffee Industry as New Entrepreneurial Possibilities Emerge

PHASES in SPECIALTY COFFEE				
	1975-1992	1992-2000	2000-2016	
Roasters' constructed entrepreneurial possibilities in redefining coffee consumption	⇒			
	⇒			
	⇒			
	⇒			
	Coffee consumption as a ritualized practice (largely occurs inside the home)	Coffee consumption as a personalized lifestyle experience (largely occurs outside the home)	Coffee consumption as a cultural appreciation of a story of stewardship (both inside and outside the home)	
<b>Shifts in Industry</b>				
<b>Associations</b>	1982: Creation of the Specialty Coffee Association of America (SCAA)	1996: The Specialty Coffee Institute is formed  2000: Creation of the Roasters' Guild	2017: SCAA and SCAEurope merge to form the SCA	
<b>Influential publications</b>	1976: Coffee: A Guide to Buying, Brewing, and Enjoying, by Kenneth Davids, is published	1995: The Joy of Coffee: The Essential Guide to Buying, Brewing, and Enjoying, by Corby Kummer, is published	1997: CoffeeReview launches a monthly review of selected roasted coffees, by Kenneth Davids	2016: The Coffee Taster's Flavor Wheel is updated and a new Sensory Lexicon is released
	1980: Column focused on specialty begins to appear in The Tea & Coffee Trade Journal.	1995: Fresh Cup magazine is launched, focusing on coffeehouse retail.	Late 1990s: Creation of online groups (like alt.coffee, coffeegeek)	
	1984: The Coffee Cupper's Handbook, by Ted Lingle, is published	1995: The Coffee Brewing Handbook, by Ted Lingle, is published to promote excellence in beverage preparation	2004: Roast magazine is published	
		1995: Coffee Taster's Flavor Wheel is published	2009: Media coverage of specialty coffee appears in specialized columns/sections (e.g., Oliver Strand's column for The New York Times; The Boston Globe's "Double Shot" section; Melissa Allison's column for	
<b>Conferences / industry events</b>	Late 1970s: Informal meetings at the Fancy Food Shows	1989 onward: SCAA begins to hold yearly conferences aimed at education	1999: First Cup of Excellence, followed by auction (first time coffee is publicly sold outside of the C market)	
			2000: First Roasters' Guild Retreat	

#### 4.1 Phase 1: Constructing coffee consumption as an erudite activity, mid-1970s – early 1990s

... Here is an *unorthodox* solution: Do not worry about increasing the volume of coffee consumption, but treat coffee as a beautiful, romantic, noble product, and coffee-drinking as a ritual...

(The Tea & Coffee Trade Journal, 1976, emphasis added)

##### *Constructing an entrepreneurial possibility: coffee consumption as an erudite activity*

Starting in the mid-1970s, independent roasters, such as Gillies Coffee in New York City, Thanksgiving Coffee in Fort Bragg, California, and Green Mountain Coffee Roasters in Waterbury, Vermont, envisioned a new take on coffee consumption—one that sought to bring coffee “back to its roots” (Interview IN05). These roasters began to assemble an entrepreneurial possibility around the idea of taking the rather ordinary act of preparing and drinking coffee and turning it into an erudite activity that required skill and knowledge. This view sought to reintroduce a long-forgotten understanding of coffee as, not just a social tradition, but as something to be enjoyed. As one of the founders of these early independent roasters explained: “For us, coffee wasn’t just a way to get a jolt at home, we saw it as a culinary product” (Interview IN04).

Therefore, independent roasters replaced the emphasis that commercial roasters placed on convenience with an emphasis on taste. Instead of a detached “just-add-water” approach to coffee (typical of commercial canned varieties), they proposed that consumers acquire knowledge about selecting the right coffee beans and skills for grinding and brewing at home; they also urged consumers to dedicate space for equipment and to spend time and effort in carrying out this process (Burros, 1984).

Hence, even though the term “specialty” had not been formalized yet, independent roasters theorized a stark difference between their coffee and that of commercial roasters:

“There’s a new beverage in America. It’s black, with a deep amber glow and an intoxicating aroma. Its cousin, a brew with a greenish complexion and sour disposition, has enjoyed a long reign on supermarket shelves and TV screens across America. Both the emerging beverage and its ubiquitous relative are known by the name of *coffee*. [The former is] the beverage America is falling in love with: “gourmet coffee” to some, “specialty coffee” to others, and “whole-bean coffee” to those who insist on the most objective definition” (Castle, 1991: 1).

To understand the work and vision of independent roasters regarding coffee consumption, it is important to look back at the relational spaces—the sets of relations with other roasters, dominant organizations, professional associations, and consumers—in which they were embedded and the key events that revealed possibilities for action.

### ***Revealing a relational space of opportunity***

In the mid-1970s, most of the actors participating in the field of coffee were “focused on the business of coffee, not on the coffee itself” (Interview IN10). The food conglomerates that dominated the market through their national brands (General Foods with Maxwell House, Procter & Gamble with Folgers, Nestle with Tasters’ Choice, and Hills Brothers with its own brand) were engaged in what the media referred to as “coffee wars,” battles over market share based on advertising, price cutting and cents-off coupons. Supermarkets, the main distribution channel for commercial coffee, leveraged these price-driven battles among roasters and used coffee as a “loss leader,” an item sold at or below cost, in order to bring people into the store (Talbot, 2004: 52). As such, these two central positions in the field represented a space where actions were drive by a relentless drive to gain an increasing share of the consumer’s wallet, but there was no actual connection or direct relationship with the consumer.

Then one event shook the coffee industry worldwide and precipitated the recognition of

this space—i.e., connecting directly with the consumer—as an opportunity for action. In July of 1975, a cold wave of subarctic temperatures struck Brazil—the world’s largest producer of coffee—wiping out over 90% of the country’s coffee production (Rohter, 1979). This event (the so-called Brazilian “black frost”) drove the C contract—the international price reference for green coffee—to an historical all-time high. The effects of this natural disaster were immediately felt in the U.S., where the anticipated drop in supply prompted the main coffee roasters to raise the price of ground coffee by \$0.20/pound (Pendergrast, 2010). The impact of the Brazilian black frost was not just economic. As prices continued to climb in the following months, the belief that Latin American politicians were engaging in a “Machiavellian manipulation” of coffee prices soon spread (Pendergrast, 2010: 291).

For many consumers across the nation, the matter became very personal. In numerous cities across the nation and with the support of supermarkets, consumers boycotted coffee to protest the surging prices. In Congressional hearings held to investigate whether producing countries were taking advantage of the American consumer, letters from consumers lamented the days when “a cup of coffee could make the difference between misery and pleasure” (Pendergrast, 2010: 292). While coffee prices eventually stabilized, consumers were reportedly abandoning coffee as part of their morning routine. The downward drift of coffee consumption thus continued and, in 1976, U.S. soda consumption surpassed that of coffee for the first time in history (Nielsen & Popkin, 2004). Symbolically, this suggested that coffee had lost its centuries-old stance as the All-American beverage (Mathews, 1994).

Despite the need for action to reverse this somber outlook, commercial roasters and their price-based model appeared ill-equipped to open up new possibilities for coffee. Rather than shift their approach to relate to consumers more directly, commercial roasters stuck to their



original strategies of “hiding behind their blends” (Interview IN05). In the wake of the Brazilian frost, the leading commercial roasters began to package coffee in “13-ounce pounds” as a way to maintain the same price for less product. In their advertising campaigns, many urged housewives to use only one tablespoon of coffee per cup (instead of two) as a means to use their coffee more efficiently (The Tea & Coffee Trade Journal, 1980: 13). Hence, rather than look for ways to salvage coffee’s place in the American imagination, commercial roasters and their price-based practices inadvertently created the image of coffee as a “poor old stodgy” beverage (The Tea & Coffee Trade Journal, 1988).

Other actors seemed equally at a loss for solving this problem, mostly because they were all focused on increasing consumption. For example, the National Coffee Association (NCA)—the leading trade association for the U.S. coffee industry—led a nationwide advertising campaign aimed at increasing consumption among young people. The Office Coffee Service trade, which referred to companies that supplied businesses with coffee, utensils and machinery, focused on increasing consumption by making coffee readily available at the workplace. And most of the innovative possibilities discussed in the trade’s main journal involved some modified version of coffee—i.e., instant, synthetic, or decaf. Hence, even though “everyone seemed to be concerned about the state of the industry, no one knew what to do” (Interview IN03).

Independent roasters, however, resisted this idea that coffee had been thrust down a path of “irreversible degradation in quality” (Interview IN05). Many recognized that localized and subtle movements were beginning to unfold across the U.S. channeling people into engaging more directly with the food they consumed and into experimenting with better options (Interview IN04). Hence, a space of opportunity to connect more directly with consumers opened up, as much through the actions of independent roasters as through the inactions of commercial

roasters. This was a space where quality was not to be sacrificed for the sake of price, and freshness was to be revered more than convenience.

***Leveraging the position of marginal insiders within the field***

Independent roasters were in an ideal position to fill in that space. Many were multigenerational family businesses that had survived the bulldozing effect of industry consolidation and the rise of national brands. Known collectively as the “small trade,” these were geographically-bounded roasters (typically serving a city or a region) whose scale of operations set them apart from the large commercial roasters that dominated the field and defined the key metrics of the industry. As one coffee historian explained:

“As far as the coffee traders of the day were concerned, these [independent] roasters were anomalies and throwbacks, odd-ducks in a world full of fat geese roasters that ate containers of coffee for breakfast. Shipping anything in containers was only a decade old at that point, but the steel box had quickly become a metric in coffee since the coffee world was dominated by a handful of large roasters—four of whom owned 70% of the market—who thought of margins in fractions of a cent and sometimes in fractions of lost cents” (Ferguson, 2018).

Being ‘marginal insiders’ in the field was key. *Marginal* meant that independent roasters were not immersed in the coffee wars of the large commercial roasters and their actions did not appear threatening to the leading roasters. *Insiders* meant that, as family businesses, they possessed specialized knowledge of practices and standards that preceded the large manufacturers’ push-down on quality. In fact, independent roasters made a clear distinction between what they did and what the major commercial roasters did. They sold whole beans, as opposed to canned or instant coffee, and remained “close to the coffee,” meticulously focusing

on the activities of sourcing, roasting, and blending (Interview R04). They represented an “old-style approach” to the trade that viewed coffee’s taste as intimately linked to its place of origin and to its proper preparation at home (Interview R04). Thus, even though “nobody talked about ‘specialty’ back then,” the small trade was often associated with “good coffee” (Interview IN04). In addition, many of these roasters had connections to Europe’s traditional coffee culture, which was seen as far more developed than that of the U.S., and wanted to honor and replicate it in American urban pockets. Alfred Peet, for instance, who is considered today the “grandfather of specialty coffee,” opened the first Peet’s coffee store in 1966, in Berkeley, California, where he roasted coffee in a very particular, dark style that he had learned from his family in the Netherlands. Don Schoenholt, who (at the date of publication) runs Gillies Coffee (founded in 1840) in New York, inherited the company and its strict standards for quality from his father. Martin Diedrich, who in 1985 opened Diedrich coffee in Orange County, California, saw his passion for coffee deeply rooted in his German heritage. His grandmother and father had both owned coffee plantations in Latin America and had taught him to appreciate the subtleties of coffee. Joel Schapira, who ran The Flavor Cup in New York City, carried on the legacy of his grandfather who had initiated a roasting company in the early 1900s.

Importantly, many of these roasters also attended two yearly conferences, known as the Fancy Food Shows, which brought together food artisans, purveyors, importers and entrepreneurs from a variety of specialty food industries (like cheese, chocolate, etc.). These events allowed independent roasters to come in contact with one another and to develop a network outside of commercial coffee where people shared an interest in “bring[ing] craft, care and joy to the distinctive foods they [sold].”<sup>2</sup> Through these meetings, many became more aware

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<sup>2</sup> Retrieved from [specialtyfood.com](http://specialtyfood.com)

that European foods, for example, were gaining a particular appeal as specialty products. French and Italian cheeses, which had only been sold in ethnic markets, had become more available, and specialty food stores were turning up in major cities. Large department stores, like Macy's and Bloomingdale's had set up divisions dedicated to fine foods, and specialty stores (like Balducci's in New York) had begun to appear along the two coasts (Interview R05). In places like California and Colorado, consumers were showing an increased interest in the value of craftsmanship, and this was spreading into food and beverage too (Interview R04).

In the wake of the Brazilian frost, independent roasters came to see a clear overlap between these ideas and their interest in “bring[ing] back the romance of the origin, the fascinating journey of a coffee bean, and the complexity of getting a good cup of coffee well executed” (Interview IN05). As one of the early specialty roasters commented:

“We wanted to understand what seemed to be funneling people into looking for better and more interesting products, because we had a sense that there was a much larger movement in food going on at that time. It was ordained by other things that were happening in the American economy and socially in the United States, and we knew coffee could be part of this movement” (Interview IN04).

In particular, they began to talk more formally about how to leverage these broader social dynamics and food trends and make their voice be heard in the industry. To start, they approached the National Coffee Association and proposed a series of initiatives regarding the creation of standards for quality, but the NCA was so immersed in negotiating quotas for coffee, that “we all knew it would never give us a platform from which we could explain our views to the coffee consumer” (Interview IN03). As a result, in 1982, amidst the continued fear of large

corporations completely taking over the market, a group of 42 independent roasters came together and formed the Specialty Coffee Association of America (SCAA). During the SCAA inauguration, the then co-president Donald Schoenholt asserted:

“Our industry has the opportunity to stem the downward drift by paying attention to an industry phenomenon which has been labeled alternately ‘specialty’ or ‘gourmet’ bean coffees: the preparation and sale of whole beans blended, ground, and bagged right in front of the customer. It is an effort to bring the coffee business back to its roots” (Pendergrast, 2010: 307).

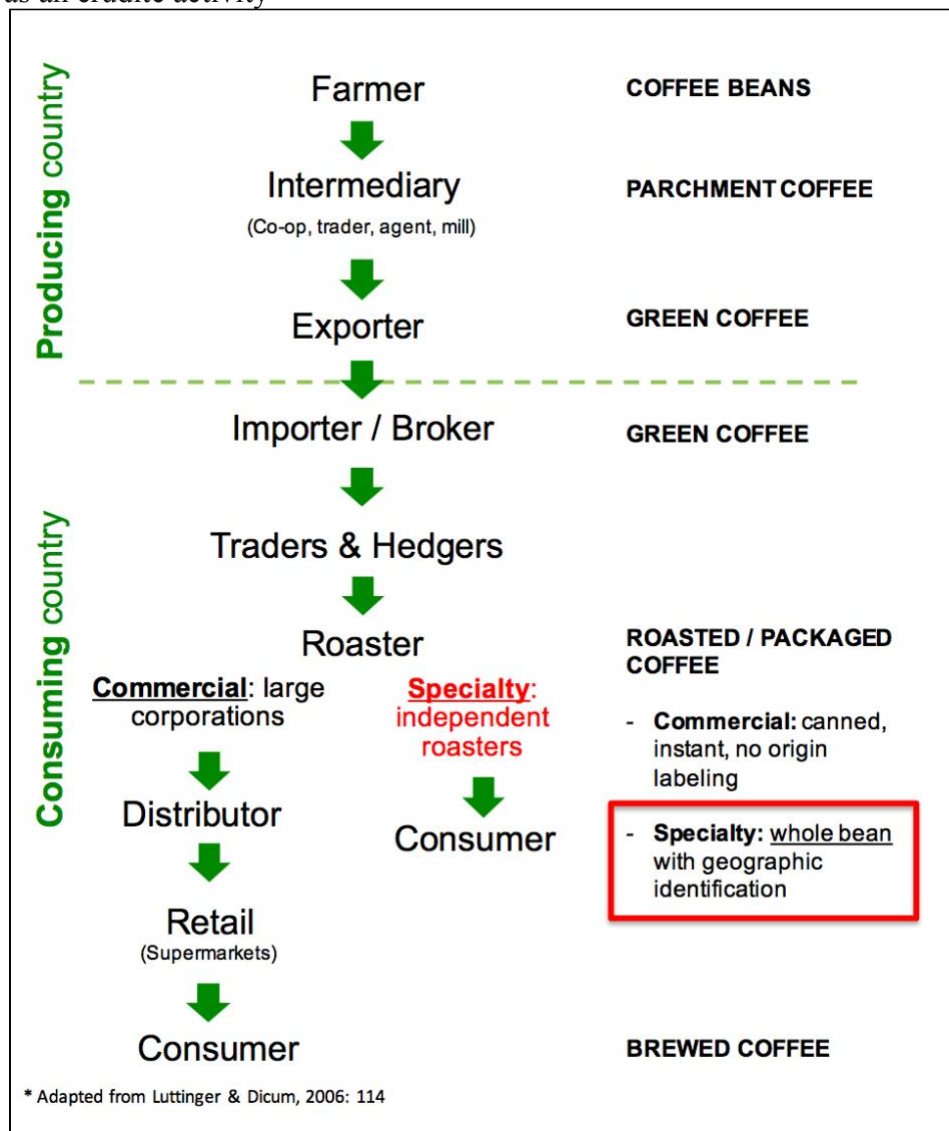
In this way, independent roasters formalized their efforts to safeguard the local roaster model as a repository of the knowledge and quality-related practices associated with good coffee (Interview IN04). Under the SCAA, specialty roasters became a significant presence in the industry. Over the course of 12 years, membership in the SCAA jumped from less than 300 in the late 1980s to more than 1,000 in 1992. Similarly, while sales of commercial coffees remained stagnant in the period between the mid-1970s to the early 1990s, retail sales of specialty coffees more than tripled, reaching \$650 million by 1991 (Sharif, 1991).

### ***Roasters' entrepreneurial actions - filling a cultural hole around taste***

As shown in Figure 4.1.1, specialty roasters sought to claim the relational space that separated roasters and consumers by eliminating the traditional distribution channels of commercial coffee and thus reaching the consumer directly. Nonetheless, simply establishing a relationship with consumers was not enough to construct an entrepreneurial possibility: “A lot of people who weren’t used to drinking sweet clean coffee, and they were used to Robustas, would say, ‘Geez, it doesn’t taste strong enough!, I don’t like it, it’s too mild’ ... They just didn’t know what good coffee was” (Interview IN10). Even if consumers wanted a more interesting,

“gourmet” food experience, the independent-turned-specialty roasters were confronted with a vast cultural hole around taste preferences. For the average American, “if it did not taste bitter, it was not good coffee” (Interview IN10). Thus, to transform coffee consumption into an erudite activity, specialty roasters engaged in a number of entrepreneurial actions that sought to fill this cultural hole by, first, reviving a more romanticized image of coffee and, second, creating clear boundaries between commercial and specialty.

Figure 4.1.1. Changes in the field’s key relationships during the construal of coffee consumption as an erudite activity



For specialty roasters, the romanticized image of coffee was a way of evoking “a coffee renaissance of sorts” (Zonana, 1988); a more authentic or “purist” approach to the trade (Interview IN05); “a way of handling coffee that most people didn’t know or remember” (Interview IN04). To this end, the whole-bean stores became a much more central element of their model. Interviewees recalled the stores as “a site to see” that replicated the local retail spaces of bygone days (Interview R04), reminiscent of a time when neighborhood coffee roasters were the most common form in food retail (Interview IN04). One specialty roaster described his flagship store in Greenwich Village as a reproduction of “a 19th century apothecary shop, with oak floors, oak walls, hand carved shelving, antique ceiling fixtures, and filled with dry grocery stuff, different kinds of beans, different kinds of coffee, different kinds of tea, and tea pots, coffee pots, and honey and penny candies” (Interview IN04). Roasting typically occurred inside the store and the offerings were “like a trip around the world” (Houtman, 2016), with references to coffee’s multiple countries of origin.

The experience of purchasing coffee at a specialty roaster was, therefore, starkly different from the experience of purchasing canned coffee at the supermarket: “[T]here was activity, there was discussion, there was liveliness; people would ask about the differences between a Venezuelan Maracaibo and a Guatemalan Antigua, about Cuban coffee, Jamaican coffee, Kona coffee... Here, coffee was exciting” (Interview IN04). Many of these stores found pockets of consumers in their localities with whom the distinction of ‘specialty’ from mainstream coffee deeply resonated. For example, Peet’s Coffee & Tea developed a following within the diverse community of Berkeley. As described in an article in *The New York Times*: Peet’s connection with Berkeley’s students, and with the artists, writers and musicians of the city’s burgeoning bohemian scene created a counter-cultural vibe that, over time, gave way to a cult-like following

(Donker, 1999: 4). This socio-cultural aspect of Peet's was certainly not replicable with a can of Maxwell House on a supermarket shelf, which anticipated that specialty coffee could have "an important *raison d'être*" (Interview R12). Specialty stores and the whole bean coffees they sold in bulk "awakened something dead in the American psych; something mystical and down-home and warm, and fine" (Schoenholt, 1989). Even if you did not like coffee's taste, or thought it tasted "like ink" (Houtman, 2018), everything around you suggested this was "what coffee should be about" (Interview IN08).

Within the stores, roasters also trained their clerks to teach consumers the nuances that separated specialty from commercial, because "we fundamentally believed in the consumer's ability to distinguish good quality coffee from poor quality coffee" (Interview IN03). But this required time and effort. As one of the founders of the SCAA commented:

"For consumers, [learning about specialty coffee] was kind of like learning how to play music. If you just pick up a trumpet and blow air through it, you'll make a noise, but does that mean you can read music? Can you really use it? No, you have to be taught that. It was the same thing with coffee; you have to be taught what's good about coffee, because otherwise you might just not know" (Interview IN10).

Hence, even though most stores did not sell brewed coffee, only whole beans to be brewed at home, a key activity of specialty roasters was to give coffee away as samples: "We gave it away mostly so people could taste what we had, because we were asking them to pay twice as much as they would pay in the supermarket, so the difference really had to come down to taste" (Interview R09). At a specialty store, consumers could, therefore, see the actual roasting taking place behind the counter, smell the fragrance of fresh roasted coffee, and taste the difference. As one roaster asserted in a newspaper article: "If I can get you to try a pound, I've



got you!’” (VandeWater, 1988: 11A). In this way, specialty roasters developed strong local followings in the communities they served.

Over time, some specialty roasters began to differentiate themselves from commercial by selling flavored coffees—that is, roasted whole bean coffees with added flavors like chocolate, caramel, hazelnut, raspberries and cream, etc. (Robichaux, 1989). The most purists within the specialty field rejected this activity, saying that it undermined the flavor of the bean (Interview IN15). But it became a generally common way of “attract[ing] the people that weren’t drinking coffee in the first place... for whom [specialty coffee] was a little harder sell” (Interview IN10).

The creation of the SCAA was also critical in the conversion of non-coffee drinkers to specialty. Even though “there was much disagreement on how to form an association, what should be its objectives and purpose, and how it should be organized,” it gave “voice” to specialty roasters and began to weave elements of an erudite version of coffee in public discourse (Interview IN03). For the first time, citing sources from the SCAA, newspaper articles likened coffee to fine wine (Robichaux, 1989), discussed the “recent” consumer trend of grinding one’s own beans (Fabricant, 1989), and noted the altitudes at which the best coffees were grown (Trescott, 1992).

At the same time, the SCAA advanced a new language for quality that would clearly define a boundary between specialty and commercial. The early specialty roasters understood that “coffee was immersed in the language of the everyday—like a hot cup of Joe, strong enough to hold your spoon,” all of which hindered the possibility of opening up new avenues for coffee (Interview IN05). They realized that, even among coffee roasters, there was no language for quality. The only way to learn how to systematically taste coffee—a practice known as *cupping*—in order to assess its flavors and aromas was through apprenticeship: “Someone had to

let you in their cupping room, and they would give you an empirical guide to cupping, some of it not very good. And you'd leave with the same ignorance you'd started" (Interview IN03).

Quality in taste was conceived as "a binary scenario"—a pass or fail test—determined by the absence or presence of defects with no regards to the nuances of place (Interview IN05). As a result, "even people in the industry described bad coffee as bitter and good coffee as not bitter" (Interview IN03).

Through the efforts of one of its founders, Ted Lingle, the SCAA began to advocate for a systematic and replicable method to assess quality, not too dissimilar from the agronomic model of wine. Lingle's *The Coffee Cuppers Handbook*, first published in 1984, became the technical basis for specialty coffee and a central tool in the training of new coffee roasters. Other than the general description of cupping appearing in Ukers' 1935 book *All About Coffee*, not much had been written on systematic tasting. Lingle's work was the first effort to "transform the craft of cupping, based on experience and practice, into the science of cupping, based on coffee's physical chemistry" (Folmer, 2017: 182). A scientific framework allowed Lingle to define coffee's primary quality attributes as fragrance/aroma, flavor, aftertaste, acidity, and mouthfeel.

In sum, to transform coffee consumption into an erudite activity, specialty roasters sought to, not only relate to the consumer more directly than their commercial counterparts, but also to fill a cultural hole around the basis of taste. This was done symbolically, through the revival of a romanticized image of coffee that evoked authenticity and purity, and practically, through activities that instantiated the boundary separating commercial and specialty coffee.

### ***Emergent definition of specialty coffee***

Hence, specialty coffee emerged as a distinct cultural object, predicated on the belief that taste—not convenience—was king. Specifically, the label 'specialty' referred to both the

geographic identification of the beans' country of origin and to the particular, artisanal way of handling the beans (Interview IN04). Although the term was sometimes confounded with the overused term 'gourmet,' towards the early 1990s, specialty took hold within the industry. As one of the founders of the specialty movement explained in *The Tea & Coffee Trade Journal*:

“Specialty is the correct term of identification for beans of top flight character. It denotes a special height of quality, a coffee with distinctive merit in the bean, in the nose, and in the cup. Specialty coffee should be distinctly different from coffee sold as a commodity. It should be pure Arabica variety. It should be of the highest grades. A specialty may be a novelty as are flavored coffees and caffeine-added blends. All specialty beans should be produced with more than an alleged attention to production details” (Schoenholt, 1989).

Informally, the term also denoted that particular, romanticized atmosphere that was distinctive of the specialty store. As one roaster described:

“For us, specialty meant fresh roasted beans served up almost steamy from behind a counter by a fellow whose leathered hands were dirty with good roaster dirt. He wore an apron, and he was surrounded by old tin metal signs that spoke of Mara, Santo Domingo, Arabian Mocha, and Jamaica. Coffee was ground into the planks of the floor, and the odors were of coffee and must, and wood and machine oil” (Interview IN04)

### ***Impact of pursuing the entrepreneurial possibility on the field***

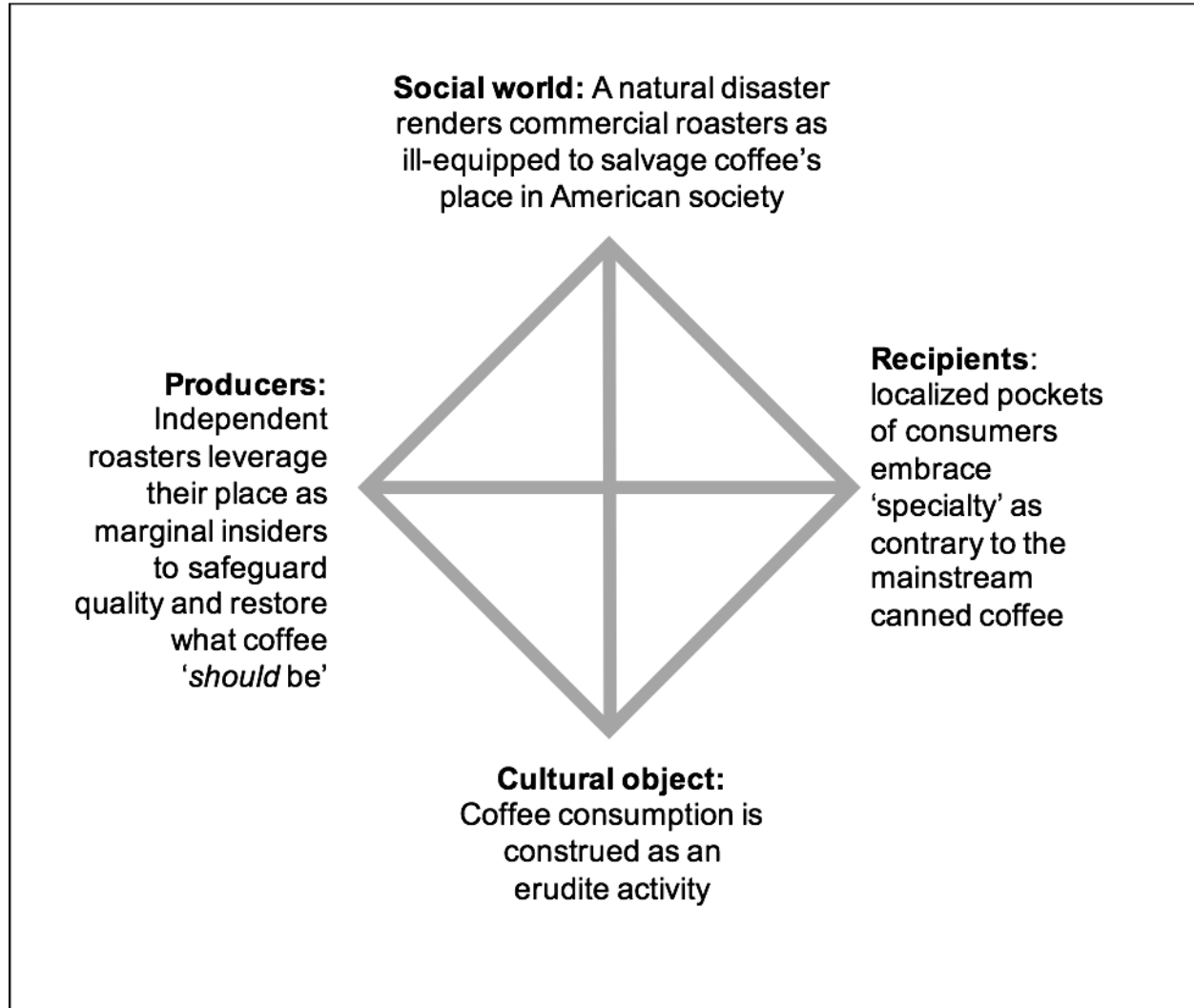
An important consequence of turning coffee consumption into an erudite activity was the resulting segmentation of the market in commercial and specialty. In reporting about the coffee industry, for instance, the media began to differentiate between large manufacturers and specialty roasters. In 1989, for example, *The Wall Street Journal* asserted that, “Sales at gourmet-coffee stores, often small, informal and quirky enterprises, are perking along like never before while

their corporate competitors are struggling in the supermarket” (Robichaux, 1989).

This entrepreneurial possibility also casted the role of the roaster as central to the field. That is, by safeguarding the local roaster model as the repository of knowledge and quality, specialty roasters moved away from the generalized view of roasters as manufacturers. Instead, specialty roasters became the custodians of quality in a world dominated by the branded canned coffee sold in supermarkets.

In sum, as shown in Figure 4.1.2, specialty coffee’s cultural diamond in the early 1990s would reveal: 1) a social world marked by a natural disaster that accelerated a downward push on quality in the industry, 2) the emergence of coffee consumption as an erudite activity, 3) independent roasters leveraging their place as marginal insiders in the field to safeguard quality, and 4) localized pockets of consumers embracing the notion of specialty as directly opposite to the mainstream canned coffee.

Figure 4.1.2. Specialty coffee's cultural diamond in the early 1990s



## 4.2 Phase 2: Constructing coffee consumption as a lifestyle experience, 1992 – 2000

*Suddenly, coffee is hot. And chic. Metropolitan Home magazine, arbiter of post-yuppie style, has spotted sleek new coffee bars splashed all over the map, and describes them as ‘the soda fountains of bygone days all grown up.’*  
(Brown & Cooper, 1992)

### ***Constructing an entrepreneurial possibility: coffee as a lifestyle experience***

In the mid-1990s, a number of specialty coffee roasters, such as Gloria Jean’s and Starbucks, assembled a new form of coffee consumption—one that emphasized the consumer’s experience in the act of consumption as opposed to the erudite activity of grinding and brewing coffee at home (The Tea & Coffee Trade Journal, 1992). These roasters constructed an entrepreneurial possibility around the idea of giving consumers “not just a product, but also an interesting place in which to consume the product” (Interview IN05). This required expanding the focus on taste—the dimension that drove the actions of independent roasters in the 1970s and 1980s—to incorporate concerns regarding consumers’ motivations and values (Interview IN04). As described in an article in *The Tea & Coffee Trade Journal*:

“There’s coffee, which is the past; and there’s a brand-new business that a lot of us are fumbling to understand that we’re calling specialty coffee... It has a whole other set of values. It has something to do with taste and flavor and higher quality. But it has a whole lot more to do with lifestyle and lifestyle values and perceptions of fashion, all the things that have driven a lot of the other beverage categories for a long time” (Tea & Coffee Trade Journal, 1994).

In doing so, this view juxtaposed traditional associations of coffee (e.g., as a vehicle for caffeine) with lifestyle markers underscoring a particular style of living. This juxtaposition, best captured in an article in *The Washington Post* as “the coffeehouse paradox,” constituted the essence of this new form of coffee consumption. It suggested that while coffee had traditionally

“raise[d] the pulse of the city,” the coffeehouse environment “encourage[d] - t[ought] - us to relax. Set a spell. Take your shoes off” (Brown & Cooper, 1992).

To grasp how a new wave of specialty roasters transformed coffee’s landscape, I turn to the roasters’ relational space of the early 1990s and to a key event that revealed a possible space for action.

### ***Revealing a relational space of opportunity***

Near the end of the 1980s, the newly-formed specialty segment had demonstrated that coffee need not be an impalatable drink, but one that could actually be enjoyed. The influence of specialty roasters was increasingly becoming evident in the field. Although “[b]uying for price ha[d] not faded one iota...even the meanest roasters [were] actively striv[ing] to at least give the appearance of being interested in higher values” (Schoenholt, 1985: 51). Commercial roasters were noting these changes in consumer attitudes and were leveraging some of these ideas in their portrayal of coffee as intimately linked to emotions and lifestyle. As described in *The Tea & Coffee Trade Journal*:

“We’re now seeing young people drinking coffee and having fun. The rather mature ladies such as Maxwell House’s Cora and Folgers’ Mrs. Olson have been retired to greener pastures and young bopping adults are seen slurping their way to coffee happiness. General Foods has come out with frolicking females discussing coffee’s sensual tastes, as well as other fine advertisements. Nestle began featuring real coffee achievers, sculptors and adventurers all enjoying the robust beverage after their activity” (Tea & Coffee Trade Journal, 1988: 107).

And yet, each of these actors had their own set of limitations to continue expanding the possibilities for coffee. The model of specialty roasters had transformed coffee consumption for a

segment of consumers, but its connection to a particular locality limited its scope. In advertising and distribution, commercial roasters reached the masses, but had become “too closely associated with mediocre coffee to attract new drinkers to a gourmet line” (Robichaux, 1989). In addition, both types of actors promoted a form of coffee consumption that still occurred at home.

A few voices in the industry were urging roasters to recognize that the very essence of the coffee business had changed: “Just as the railroads painfully learned they were not in the rail business but the transportation business, we must realize we are in the beverage business not the coffee business” (The Tea & Coffee Trade Journal, 04/1988: 10). Some initiatives were pointing in that direction. Throughout the 1980s, for example, and as a response to the Brazilian Black Frost, the International Coffee Organization (ICO)—the main intergovernmental organization that brings together governments from exporting and importing countries to tackle coffee’s biggest challenges—carried out a promotion campaign to rebuild consumption by exposing young consumers to coffee and prepared beverages like cappuccinos, lattes, and mochas. By the early 1990s, one initiative—the College Promotion Campus Task Force—had established coffeehouses in about 300 major campuses across the United States (Interview IN03). A few specialty roasters (like Starbucks and Peet’s) had also begun to sell coffee by the cup and espresso-based beverages, but their focus remained mostly on selling whole beans (Interview R09). It was estimated that even at a place like Peet’s store in Berkeley, brewed coffee only represented about 10% of sales (Farr, 2017). Nonetheless, through ICO’s program and the actions of specialty roasters, the emphasis on coffee as a beverage began to seep into the field (The Tea & Coffee Trade Journal, 1988: 13). Hence, at the level of the field, there were the large coffee manufacturers trying to connect coffee to lifestyle for the mass-market, there were local roasters educating pockets of consumers on taste, and there were institutional initiatives



promoting brewed coffee among young people in college campuses. These various positions gradually revealed a space for coffee to be sold as a beverage and coffee consumption to be construed as an experience for a large segment of the population.

In 1992, an unprecedented event took place within the specialty coffee segment, clearly outlining this space as an opportunity for action. Concretely, five years after its marketing officer Howard Schultz bought the company from the original founders, the specialty roaster Starbucks went public with an initial public offering at \$17 per share.<sup>3</sup> Starbucks' IPO was the first time a specialty roaster's stock traded in a public financial exchange. From a financial perspective, the IPO signaled that the company would have funding for an aggressive expansion nationwide. This implied a break with the core practices of operating regionally and developing strong local followings that had characterized the independent roasters of the 1970s and 1980s. Symbolically, the IPO also marked a clear break with the bean-based, local roaster model and anticipated a generalized shift towards a beverage-based, roaster-retailer model, which incorporated a coffeehouse space where to consume the coffee.

The transformation of a bean industry into a beverage industry revealed a space of opportunity for coffee consumption as constitutive of a way of life occurring outside of the home. This space related to commercial roasters in the sense that it promised to open specialty to the mass-market; it related to independent roasters in the sense that it promised a higher value for the consumer; and it related to large institutional initiatives in the sense that it relied on prepared beverages (e.g., cappuccinos, lattes, espressos) as a way to connect with younger consumers. And yet, those who had spearheaded the specialty movement now appeared ill-equipped to fill in this space. As custodians of quality, they had advocated that consumers learn the proper methods of selecting, grinding and brewing coffee beans; migrating to the preparation of trendy flavored

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<sup>3</sup> Retrieved from [starbucks.com](http://starbucks.com)

beverages was, therefore, practically “anathema to [their] values” (Interview IN04). A former president of the SCAA explained in *The Tea & Coffee Trade Journal*:

“[F]or the small to mid-size specialty roaster to promote [flavored beverages] is suicidal. Suicidal because steamed milk drinks and flavored coffees are not subtle, delicate, freshness-sensitive products with which a small roaster can do better than a large food company. They are drinks who are far less dependent on the quality of coffee used in their preparation, the skill applied in roasting, or the freshness of the coffee. To allow specialty coffee to be defined as a flavored coffee drink or a steamed milk drink is to obviate the importance of origin character, skill, and freshness, and virtually dooms the small roaster to unimportance at best but, more likely, irrelevance” (Castle, 1996: 30).

Nonetheless, this space of opportunity was soon populated by a new type of occupant that I describe below.

### ***Leveraging the position of outsiders to the field***

The new wave of specialty roasters that flooded the field after Starbucks’ IPO was very different from the one that initiated the movement. As described by one specialty roaster:

“In the 90’s what you saw [in the U.S.] was that the emergence of coffee chains, like Starbucks, raised and heightened the awareness of the category to entrepreneurs all over the country. So all of a sudden, you had a lot of very small businesses starting out in coffee, because of the awareness level that Starbucks had brought in” (Interview R13).

Indeed, many of the new specialty roaster-retailers in this phase were outsiders to the coffee industry led by entrepreneurs (usually professionals in other industries) who recognized that the specialty segment was the key driver of growth in the \$6.5 billion coffee industry. They entered the market, not to safeguard any higher values or esteemed practices (as roasters in the

1970s and 1980s had done), but recognizing that, in a socioeconomic environment where people had more disposable income, the perception of coffee as “an affordable luxury” was spreading fast (Thompson, 1995) (Thompson, 1995). As outsiders to the field, many had business acumen but no relevant knowledge about coffee. They had certainly not inherited family businesses nor had they connections to Europe’s coffee culture, but they found in the SCAA a place where to develop the necessary network to thrive as a specialty coffee operation (Interview IN05). For instance, as featured in a 1992 article in *The Washington Post*, none of the founders of the leading specialty roaster-retailer in Washington D.C. knew anything about coffee production, brewing or serving before starting their company. One was a flight attendant; another one, a public relations professional; and a third one worked for the purchasing division of a large hotel chain. And yet, as many others did, “[they] saw how the market was going, how people were getting out of the alcohol bar stages...The over-35 crowd was returning to coffee, this time with disposable income and fine-tuned tastes...not for the supermarket blends but for gourmet coffees” (Trescott, 1992: f01).

The rapid proliferation of this new wave of roaster-retailers and their coffeehouses was evident in the media. One article in *The Washington Post*, asserted that: “[T]he city has had time to cultivate almost as many coffee bars as law firms” (Arieff & Baldwin, 1994), while *The New York Times* claimed that, “[w]ith designer coffee bars on almost every corner, terms like ‘slim grande’ and ‘short latte’ have become regular staples of the city's lexicon” (Pogrebin, 1995). Others compared the growth of specialty roaster to that of fast-food retailers: “Numbers alone show [specialty coffee] is a trend, not a fad...Its attraction is its convenience...It’s a high-end fast food that is quite good and can be made quite easily and it's uncomplicated” (Mayer, 1992: e01). Coffeehouses introduced consumers to a variety of espresso-based beverages—from

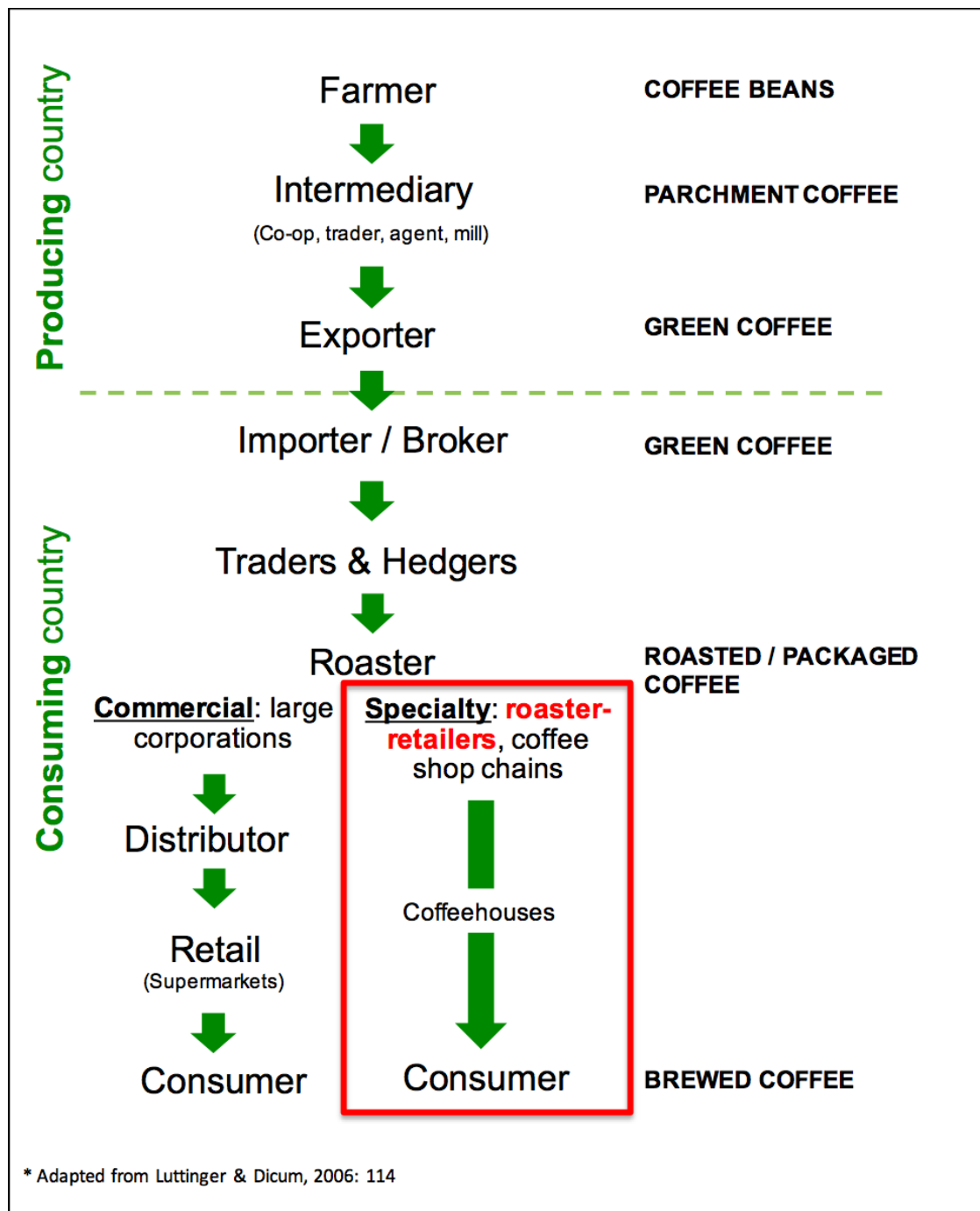
*cappuccinos* to *café au laits*— and to a variety of roasts. From having paid \$0.50 for refillable cups of coffee at diners, the coffee house consumer of the mid-1990s began to pay nearly \$3 for an espresso beverage (Brown & Cooper, 1992). The media even coined the term “coffee wars” once again, but this time it was not to describe the tension between Folgers and Maxwell House, but to describe the explosion of coffee retailers and the resulting dynamic of bigger actors snapping up smaller ones (e.g., Pressler, 1995; Reidy, 1994).

According to the SCAA, by 1995, there were at least 4,500 coffeehouses across the country and by 2000 the number reached 12,600. Thus, while in the late 1970s and early 1980s, specialty roasters had started out as scattered voices proselytizing ideas about quality and taste in coffee, in the 1990s the specialty segment became what *The New York Times* described as a “stampede” (Sharif, 1991) of businesses seeking to catch the wave of coffee retail.

### ***Roasters’ entrepreneurial action - filling a cultural hole around lifestyle***

As shown in Figure 4.2.1, the new wave of roaster-retailers sought to claim the relational space opening up at the intersection of a mass-market orientation, beverages, and quality, by offering a wide range of consumers prepared coffee beverages of higher quality and a place to consume them. Still, constructing an entrepreneurial possibility entailed more than just filling the space; it also entailed bridging the cultural hole separating the retail end of coffee from a type of consumer for whom consumption had become a reflection of lifestyle. If good coffee could be prepared at home, paying \$3 to consume it outside the home was contingent on a culturally meaningful experience. Thus, the new wave of specialty roaster-retailers sought to link coffee consumption with elements of lifestyle. To this end, they engaged in two types of actions: weaving other elements of culture into the consumption experience and drawing insights from retail spaces outside of coffee.

Figure 4.2.1. Changes in the field's key relationships during the construal of coffee consumption as a lifestyle experience

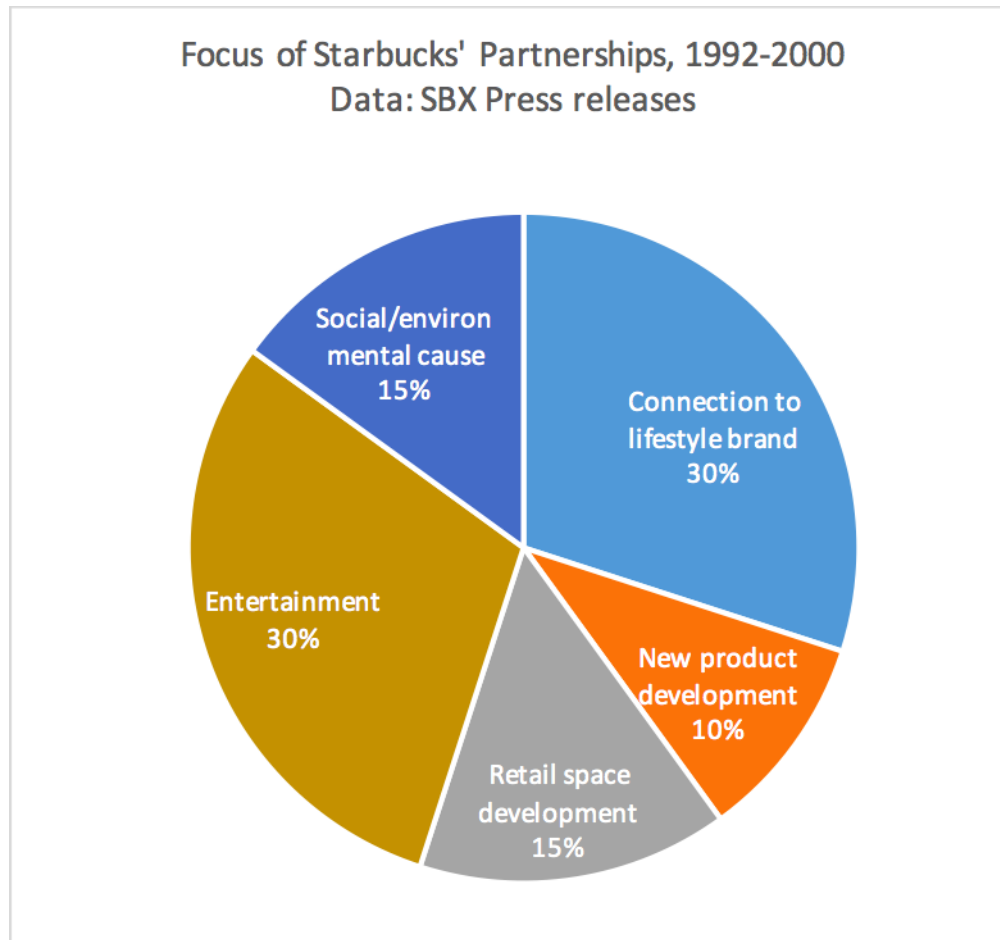


To different degrees, the new wave of roaster-retailers and coffeehouses began to incorporate other cultural elements in their spaces to enhance the consumption experience.

Things like music, ambience, food, and technology, which accompanied the act of visiting a coffeehouse, were integrated in a much more purposeful way to draw connections with consumers' lifestyles. In this way, coffeehouses came to fulfill an important socio-cultural role: "instead of a drink in a dark bar...people talk over coffee in an open, airy coffeehouse." (Sturdivant, 1990). The coffee beverage certainly tasted better than a cup of commercial coffee, but taste was less important than it had been for the early specialty roasters. Rather, "meeting at the local coffee house, sipping coffee and watching coffee being roasted with someone [became] romantic, like being part of a parade, or enjoying a waterfall or a fireplace" (Sturdivant, 1990).

In many cases, enhancing this cultural experience prompted roasters to look for partnerships with other brands. For example, as shown in Figure 4.2.2, an examination of Starbucks' partnerships in the period between 1992 and 2000 reveals that the company actively sought to associate coffee consumption with other forms of cultural consumption (e.g., music, news, film) and with existing lifestyle brands. It therefore partnered with entertainment names, like Oprah Winfrey and Sundance Channel, as well as with recognized brands, like Nordstrom, Barnes & Noble, and Sheraton Hotels. While these two types of partnerships constituted 55% of all partnerships in this period, only 15% of Starbucks' partnerships were concerned with social or environmental causes and no partnerships were associated with quality (See Appendix E for a list of Starbucks' partnerships in this period). Perhaps the most surprising partnership established by Starbucks in this period involved PepsiCo, given that sodas had once been the biggest enemy of the coffee industry, threatening coffee's disappearance in the American household. For Starbucks, however, Pepsi became a key ally to develop a cold read-to-drink coffee beverage, which allowed the company to adapt its product to the lifestyle of younger consumers.

Figure 4.2.2. Starbucks' partnerships, 1992-2000



In addition, the new wave of specialty roaster-retailers and coffeehouses sought to draw insights from food retail spaces with a longer tradition in tending to the consumers' experience. Indeed, the preparation of espresso-based beverages had changed the model of the business: "It created an interplay between customers and baristas in the store; it shaped how the stores were laid out, and it raised questions about what the focal points should be" (Interview IN05). In order to turn coffee consumption into a lifestyle experience, these kinds of retail issues had to be sorted out, the way fast food outlets had done it for a long time. As evidenced in interviews and in newspaper articles from this period, the new wave of actors thus focused more on staging the in-store experience, including elements such as the stores' interior design, the cups, the menus, the

music, etc., recognizing that, when buying an espresso or latte, people did not just want a beverage, they wanted “a performance” (The Tea & Coffee Trade Journal, 2004).

Sorting retail issues involved experimenting with different templates and figuring out what worked best for the coffeehouse experience. As one industry consultant explained:

“[In the mid 1990s], some of the ideas that we were struggling with had nothing to do with coffee, but with the design for coffee stores. I remember that in the early 1990s we would continually ask the question: How does McDonalds do it? How does Burger King do it? If it was a fast food type, you’d have to get them in, have the tables in the front, have the counter in the back where the kitchen would be, and be able to have enough different food items so that the stores can be a destination. [...] [I]f you set it up like it’s a cafeteria, the person places the order, they go down walking in front of the bakery case, walk in front of the espresso machine, then at the end of the counter, they have the cash register. So we were asking: is that the right approach for coffee? Or should there be different stations, and you just stand in one spot, you place your order and the person behind the counter goes and gets everything” (Interview R25).

Nonetheless, this emphasis on the consumer experience generated resistance among some actors in the field. Early participants of the specialty movement, for example, recall how common it was in this era for marketing goals to take precedence over what they deemed was “appropriate” and good practice in coffee (Interview R26). In many of the new wave of roaster-retailers, for instance, the tasks associated with crafting a good cup of coffee—including sourcing, roasting, and brewing coffee—were “a kind of sensory fluff ball of information, as opposed to something scientific... It was more people spinning yarns from a marketing viewpoint as opposed to actually measuring and doing things properly” (Interview IN17). In



particular, the roasters who had initiated the specialty movement became concerned that their efforts to preserve old traditions in coffee would be overpowered by the market ideas they had originally aimed to offset. In an article in *The Tea & Coffee Trade Journal*, the first co-president of the SCAA recognized the great strides of specialty coffee, but warned his fellow roasters of the risks ahead. He remarked,

“Market share, and money, the byproducts of achievement in our society, have come to specialty coffee’s practitioners. But our beloved coffees are representative, remember, of virtues higher than Market Share, and that other impostor. It was this same Market Share, and money stuff that got the old coffee industry in such bad straights to begin with in the age of our fathers” (Schoenholt, 1992).

In sum, to link coffee consumption to a particular kind of experience—both in terms of meaning and its instantiation in practice—the new wave of actors that entered the field throughout the 1990s sought to fill a cultural hole around the basis of lifestyle. This was done through the incorporation of elements of culture to the in-store experience, as well as through the purposeful borrowing of insights from retail spaces outside of coffee. In this way, the new wave of actors became retailers of lifestyle in a world where consumers were increasingly eager to integrate consumption into their way of life. As one representative of a leading roaster-retailer said in a published interview: In a coffeehouse, “[y]ou can chat with friends, join in heated discussions or read in solitude. You can study, sketch or write. You can listen to music or hear poetry recited. You can play cards, checkers, backgammon or chess... a coffeehouse is ‘the ideal place for people who want to be alone but need company for it’” (Toops, 1996: 24).

### ***Changes in the definition of specialty coffee***

In this phase, the specialty segment, which had once represented the niche, craft-driven

approach to coffee, became a fast-growing, consumer-focused market. The coffee house phenomenon expanded well beyond any one single company or city. With this expansion, the label ‘specialty’ came to signify, as reported in *The Wall Street Journal*, “a way of life, suggesting leisure rather than study and entertainment rather than work” (Singh, 2002). Quality, according to coffee experts, was conveyed by “mimicking the idea of a European café. There was very little focus on the craft of roasting, or on any understanding of what really makes coffee good. It was an era where many would talk about the country of origin of a coffee, but mostly as a marketing name” (Interview R31).

These changes in the very essence of the notion of specialty were best captured in a 1998 article by the specialties editor of *The Tea & Coffee Trade Journal*:

“It was during the turbulent time [of the sixties and seventies] that the pioneers of specialty coffee were first thinking about coffee as a vehicle to carry their personal message of integrity, individuality, independence, and craft to their communities... The definition of specialty coffee is changing... Our ranks have swelled, been thinned, and filled again with specialty coffee businesses which are in significant ways different kinds of businesses than those of the movement’s founders... None of this is bad by itself. But things have changed... Specialty coffee, in my youth, was just ‘good coffee.’ ... Today, ‘specialty coffee’ most often means a beverage of flavored coffee in a 12 oz. container to go. Enough said. Things change” (Schoenholt, 1998).

The new specialty roasters of the 1990s shifted the locus of attention away from the bean and its preparation at home and towards various aspects of the experience of consuming coffee outside the home. Through the notion of specialty, these roasters appropriated elements of lifestyle and grouped them in a package for which they could serve as retailers.

### ***Impact of pursuing the entrepreneurial possibility on the field***

As this entrepreneurial possibility materialized, coffeehouses became “a cultural presence” that transcended the coffee they served (FastCompany.com, 2014). They became “the place to go after the movie... [or] after work...Coffee was a part of it, but it [was] more the atmosphere” (Reeves, 1992). A look at specialty coffee’s numbers in this phase suggests that, indeed, specialty had gained an important place in American consumerism. Between 1992 and 2000, revenues in this segment skyrocketed, from less than \$1 billion to \$6.6 billion.

However, becoming interwoven in America’s cultural milieu did not come without a backlash. As the specialty coffee segment became broader and reached the masses, many within the industry considered it had also “...lost its way, forsaking the source of the bean for the social experience of drinking coffee. Coffee shops had become big businesses, luring consumers to a brick-and-mortar shop to drink their favorite coffee beverage” (craftbeveragejobs.com, 04/17/2016). Large coffee chains, in particular, were increasingly seen “as corporate instead of quirky” (Horovitz, 1998: 1B). Starbucks, for instance, once considered an icon of hipness, became the equivalent of McDonald’s: “They started as symbols of a lifestyle, you might say a pure lifestyle...But when you get big and make a lot of money, you lose the personal touch. Then people love to hate you” (Wilmsen, 1998: A1).

The exponential growth of the specialty segment also began to attract activists and other actors who saw in coffee the materialization of complex social, political, and environmental issues (Interview IN05). Movements like Fair Trade, Rainforest Alliance, Bird-Friendly, etc. gained a foothold in the market of ideas, rendering coffee, in general, a fertile ground for ideational debates. One article in *The New York Times* captured this ideational expansion:

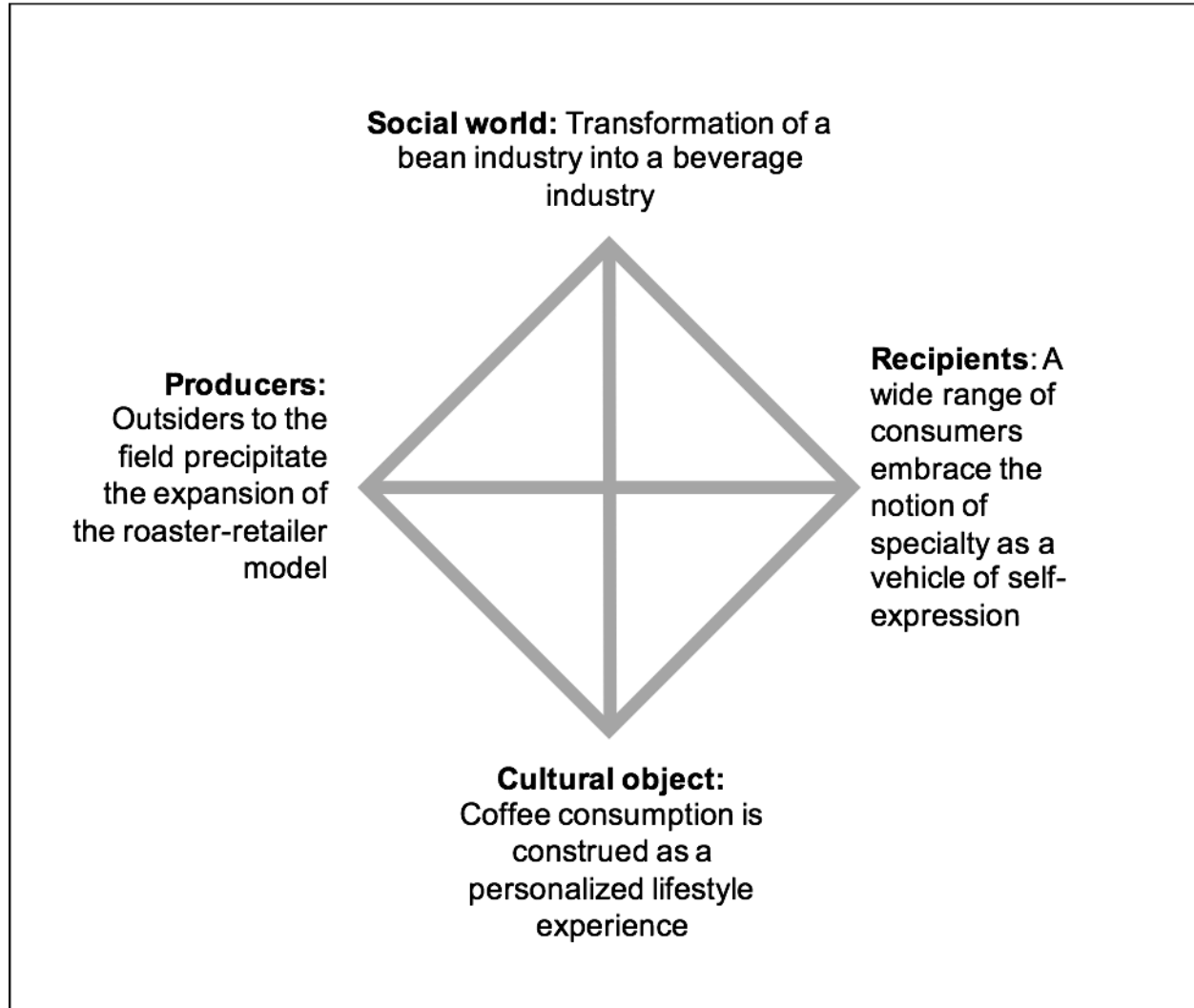
“And now gourmet coffee has been invaded by social, political and environmental

themes, with terms like ‘organic,’ ‘fair trade,’ bird-friendly,’ ‘shade tree’ and the catch-all ‘sustainable’ filtering into coffee bars. Following the example of dolphin-safe tuna and child-labor-free clothing, coffee has become the next frontier of conscientious consumerism” (Bray, 1999).

Importantly, this new set of ideological and value-based issues brought a number of questions to the forefront of the field—i.e., Does a particular coffee help the environment? Are farmers better off? Are animal species protected? (Interview IN15). It also colored the consumers’ experience, as it became increasingly common that “wrapped up in your payment for the product was the idea that you had done something good for somebody” (Interview R31).

In sum, as shown in Figure 4.2.3, specialty coffee’s cultural diamond in the early 1990s would reveal: 1) a social world marked by the transformation of a bean industry into a beverage industry; 2) the transformation of coffee consumption as a personalized lifestyle experience; 3) outsiders to the field precipitate the expansion of the roaster-retailer model; and 4) consumers embracing the notion of specialty as a manifestation of lifestyle.

Figure 4.2.3. Specialty coffee's cultural diamond in the early 2000s



### **4.3 Phase 3: Constructing coffee consumption as the cultural appreciation of stewardship, 2000-2016**

*Starbucks may have put an entire adult population through Coffee University...  
But third-wave coffee shops—and their cuppings—are the graduate schools.*  
(The New York Times, 2008)

#### ***Constructing an entrepreneurial possibility: coffee as a story of stewardship***

At the turn of the century, specialty roasters such as Intelligentsia Coffee in Chicago and Counter Culture Coffee in North Carolina, theorized a new way of construing coffee consumption—one that emphasized the appreciation of a coffee’s story as opposed to the lifestyle experience that prepared beverages had come to signify. These roasters constructed an entrepreneurial possibility around the idea of giving consumers, not just a cup of coffee, but a story of that coffee’s journey from farm to cup. This involved, once again, a different understanding of coffee. It required a recognition of the interconnectedness of all the actors in coffee’s supply chain and of how each actor contributes to the nuanced flavors of coffee (Interview R31). It required deepening the understanding of taste—the dimension that drove the actions of independent roasters in the 1970s and 1980s—and exploring ways to potentiate it in the cup. As described in article in *The New York Times*, in this view, coffee became:

“...this magical thing, a culinary network that connects farmers in developing countries to craft roasters here to drinkers in homes and coffee shops all over the world” (Strand, 2012).

Hence, this approach brought the focus back to the bean and raised an appreciation for all those involved in its stewardship by recognizing that all the actors in coffee’s supply chain “were trying to tell their story... and [that] a product like coffee could not be sold without one” (Interview R31). To unveil how this new wave of specialty roasters transformed coffee’s landscape once again, I examine the roasters’ embeddedness in a relational space in the early

2000s and a key event that revealed a possible space for action.

### ***Revealing a relational space of opportunity***

Towards the end of the 1990s, specialty coffee had, indeed, become “a cultural presence,” with coffee being one among the many elements that constituted the consumption experience (FastCompany.com, 2014). The leading specialty roaster-retailers (Starbucks, in particular) had become chains of coffeehouses with strategically-located roasting facilities across the nation, and smaller roaster-retailers and coffeehouses continued to pop-up on every corner of U.S. cities and towns. These two positions within the field of specialty coffee (i.e., specialty chains and smaller roaster-retailers and coffeehouses) represented a space where actions were largely focused on the front-stage of the business, i.e., on the consumer’s experience. Even the conferences organized by the Specialty Coffee Association of America were now geared towards the consumer experience: “[I]t was all about ‘coffee jewelry’ and flavor syrups...cups, spoons, lighting—all the things that create the ambience in a coffeehouse...” (Interview R28). Magazines, like *Fresh Cup*, and a number of books on brewing had come to reinforce the importance of the retail end of the field. Nonetheless, the social and environmental movements that had sprung in the late 1990s were increasingly directing people’s attention to the back-stage of coffee, namely, the farmers in producing countries who cultivated and harvested the beans that filled American cups. Although since the mid-1970s, specialty roasters had emphasized the value of knowing a coffee’s country of origin, the particular position of the farmer had remained largely out of sight for the U.S. consumer.

Between 2000 and 2001, a crisis in the supply chain of coffee raised questions about the future of the specialty segment and revealed the relational space between consumers and farmers as an opportunity for action. Specifically, the C-Contract—the international reference price for

green coffee—plummeted 63% in the commodity exchange, reaching an historic low in 2001, at less than 45 cents per pound.<sup>4</sup> In the media, the price crash was referred to as “the worst crisis in [the industry’s] history” (Smith, 2003). According to industry experts, it had been caused, in large, part, by Vietnam’s re-entry into the coffee world, which had flooded the market with low-quality, cheap Robusta beans (Smith, 2003). The new price level was forcing many farmers across a number of producing countries to abandon their farms or switch to alternative crops because they could not cover the costs of production (Osorio, 2002). As such, this event unveiled the dire situation of farmers and the potential disappearance of the coveted high-quality Arabica beans.

Although there had been other dips in coffee’s global prices, this one in particular revealed the stark contrast between the two ends of coffee’s value chain. While coffeehouses mushroomed across the U.S., producing countries were immersed in what the U.S. Congress described as “a humanitarian crisis among the world’s subsistence coffee farmers” (McLaughlin, 2002). The disparity between consuming and producing countries was all the more significant given that, at the time, consumers’ relationship to food, particularly that of newer generations, was changing. Locavore movements, like the farm-to-table movement, were promoting the idea of sourcing fresh ingredients from local food producers, turning farmers’ markets into a popular phenomenon (Schoenfeld, 2011). Consumer choices were thus becoming a reflection of personal values and worldviews. In the world of specialty coffee, these ideas translated into an “awareness of farms being important” in satisfying Americans’ coffee fix (Interview R12).

And yet, the price crash of the early 2000s and the crisis it unleashed in producing countries was a call for concerted action, but the specialty segment as a whole appeared ill-equipped to alleviate the situation. The massive scale of production of some of the leading

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<sup>4</sup> Retrieved from the International Coffee Organization ([ico.org](http://ico.org))



specialty chains—especially Starbucks—made it practically impossible for them to get directly involved with farmers in producing countries (Interview IN08). At the same time, specialty roasters, roaster-retailers, and coffeehouses in general had little involvement with farmers because, in this phase, “there wasn’t a lot of in-depth discussion about coffee production at the farm level and how that would be relevant to the taste in the cup” (Interview R31). The social and environmental movement promoted certifications that promised higher wages for farmers and environmentally-friendly practices, but many of the early specialty roasters also warned that such labels tended to reduce complex issues to “misleading sound bites” (Knox & Huffaker, 1997). Thus, through their inability to connect directly with farmers, these different positions revealed a relational space that span the two ends of coffee’s value chain—farmers and consumers. For a new wave of specialty roasters, this relational space opened up opportunities to connect directly with farmers and to serve as the linchpin that connects farmers to consumers.

### ***Leveraging the position of ‘outsiders within’ the institutional field***

Parallel to the coffee crisis of the early 2000s, a new group gained prominence within the specialty coffee trade: coffee hobbyists and enthusiasts. I define coffee hobbyists and enthusiasts as those who were passionate about crafting a perfect cup of coffee and were actively seeking to become more knowledgeable about all facets of coffee production. Unlike other actors in the field, they had not inherited an interest in coffee through family businesses, nor were they part of any kind of movement advocating for better wages for coffee farmers. But they were not disconnected from coffee either; they had ties to the world of coffee, usually from having worked as baristas or roasters in one of the many roasting operations and coffeehouses that proliferated in the 1990s, or from having turned into enthusiasts or *aficionados* of coffee through these types of shops. As such, they were ‘outsiders within’ the field: outsiders to all the major roasters

dominating the specialty segment, but existing inside—or within—the field, given all the specialized knowledge they possessed about coffee. One specialty roaster explained:

“As the late 90’s came around, you had a bunch of people who were really into coffee and who had studied coffee throughout the 90’s. You had people who had worked in Seattle and Portland and really learned coffee at a different level. So places like Starbucks had really introduced all these people to this higher quality coffee experience. But many also began to feel like there was another level of how coffee could be experienced and that is really what emerged in the late 90’s and early 2000s” (Interview R13).

Hobbyists were fascinated by the technical aspects of coffee quality throughout the various stages of harvesting, processing, roasting, brewing and extraction. Many had learned the basics of coffee as customers or employees of extant businesses, but believed that “[t]he dirty little secret of most roaster-retailers and independent coffee shops [was] that they [didn’t] know how or [didn’t] care to serve high-quality coffee,” in part because the more commercial features of retail, like “furnishing their shops with comfy chairs and knowing the names of their customers’ dogs” had become all that mattered in the specialty world (Cho, 2009: B03). In contrast, enthusiasts wanted to have more in-depth discussions about every aspect of coffee—from its chemistry, to farm-level practices, all the way to brewing methods—in order to bring coffee to the next level. They thus spent an enormous amount of time researching and experimenting with coffee, something that rarely occurred in the more established coffee roasters and retailers, given that experimentation typically involved failures and failures typically involved waste (Interview R26).

In the early 2000’s, the network of hobbyists and enthusiasts became more visible when they began posting questions and entering discussions with like-minded individuals on internet

bulletin boards and discussion groups, such as [coffeegeek.com](http://coffeegeek.com), [alt.coffee](http://alt.coffee), and [coffeekid.com](http://coffeekid.com). These various online communities became “the gold standard of coffee knowledge,” a place where one could “sort out fact from fiction” with regards to good coffee (Interview R31). All this activity fueled a different approach to coffee within the specialty segment, one that embraced research, science, and technology as a way to address complex issues like ensuring quality and sustainability. Many of these enthusiasts who had learned about coffee throughout the 1990s eventually opened up their own roasting operations. For some, the experience of having worked in various capacities (barista, roaster, manager) prompted them to start their own companies. For others, it was a gradual affair that started with home-roasting coffee for themselves and their friends, then selling their coffees in farmers’ markets, and then opening up their own roasting venture.

For instance, Duane Sorenson was introduced to the coffee industry in the 1990s during his college years, when he worked in various cafes, including Peet’s Coffee & Tea. While at Peet’s, he got to know and learn from Peet’s renowned roastmaster Doug Welsh. Sorenson explains his own motivation to set up the now-prominent Stumptown Coffee Roasters as a result of having worked as a roastmaster himself for a company that had become price-sensitive. In a published interview in *Time* magazine, he asserted: “They wanted to buy okay coffee for cheap. So I said, ‘Fuck you, I’m starting my own company’” (Time magazine, 2010). In another interview for *Entrepreneur* magazine, Sorenson referred to a refined appreciation of coffee as driving his interest to start a new roasting company: “Coffee is as complex and beautiful as the finest wines in the world, but the majority of coffee being served and brewed is rubbish... It was the right thing to do, for coffee, my community, my customers and my employees” (Entrepreneur, 2011). In contrast, self-proclaimed “coffee lunatic” and musician James Freeman

never worked for a specialty roaster; but he started to roast his own coffee and to sell it at farmers' markets in the early 2000s. He was reportedly "weary of the grande eggnog latte and double skim pumpkin-pie macchiato" offered in some of the most popular coffee shops in the U.S. (Entrepreneur, 2014). Eventually, Freeman founded Blue Bottle Coffee and vowed to "only sell coffee that's less than 48 hours out of the roaster, so (customers) may enjoy coffee at its peak of flavor" (retrieved from [Bluebottlecoffee.com](http://Bluebottlecoffee.com) on 12/2017).

The conversion of coffee hobbyists and enthusiasts into roasters underlies the rise of the micro-roaster concept. Micro-roasters are companies that roast smaller—often micro—volumes of green coffee (fewer than 100,000 pounds of coffee each year),<sup>5</sup> and are highly committed to quality and experimentation. It is estimated that, between 2000 and 2013, the number of specialty coffee retailers more than doubled, from 12,600 to 29,300. Of this total, 45% were chains or franchises, while 55% were independent, defined as having three or fewer locations. Experts estimate that 5%-10% of the total number of retailers were micro-roasters (Interview IN18).

In sum, as 'outsiders within,' hobbyists and coffee enthusiasts fueled an interest in research and experimentation as ways to better understand how to craft a perfect cup. For them, each step of a coffee's journey, from the moment a bean variety was selected and cultivated to the moment a roasted coffee was brewed and served, was worth studying. As some of these enthusiasts became roasters themselves, their experimentation began to change some of the existing conventions of the specialty world.

### ***Roasters' entrepreneurial action - filling a cultural hole around stewardship***

As shown in Figure 4.3.1, this new wave of micro-roasters sought to connect the space separating farmers and consumers by establishing direct relationships, not only with the latter,

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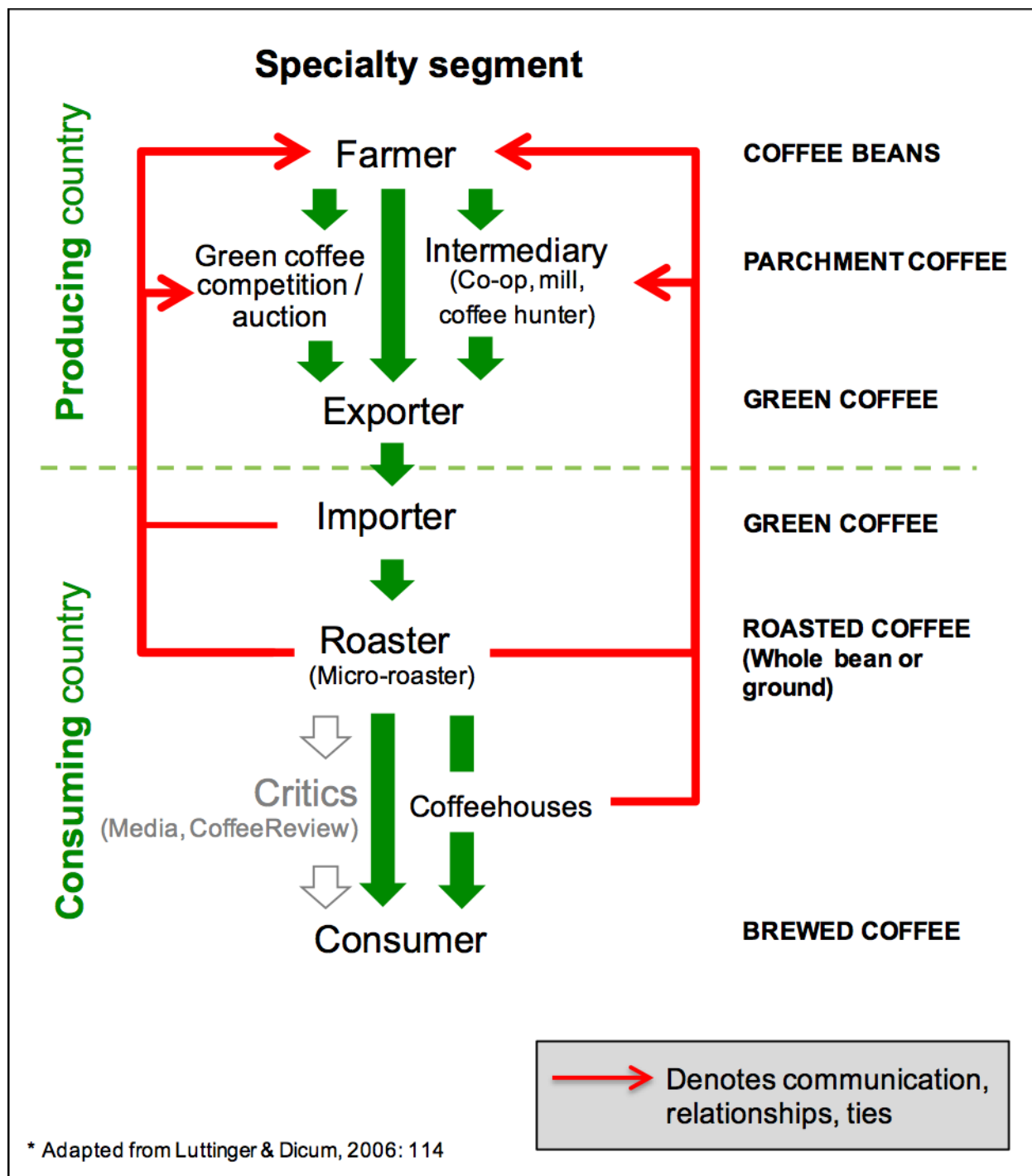
<sup>5</sup> Retrieved from Roast magazine

but also with the former. However, assembling new possibilities for entrepreneurial action within this space also required bridging the cultural hole that separated the worlds of the farmer and the consumer. A member of the Roasters' Guild explained this opportunity:

“What people began to see in roasting is that you have this origin story, this coffee that has been picked out for its unique qualities. These are important to you or tell some sort of story and you, as a roaster, have the opportunity to be the translator of that origin story, of that uniqueness of the coffee, to the consumer” (Interview R23).

For micro-roasters, by changing the nature of the relationships with actors positioned at the two ends of coffee's value chain, coffee could become “less connected with the pedestrian, industrious, every man kind of drink, and more connected to the luxurious, noble beverage it could be” (Interview R12). To this end, they engaged in a number of actions that, first, deepened their own contribution to a coffee's journey; second, broke with established conventions mediating how they related to farmers; third, created value for aspects of coffee that had not been visible to the consumer before. In doing so, micro-roasters gradually transformed the act of consumption into an act of appreciating the story of stewardship through which coffee traveled from farm to cup. The entrepreneurial actions undertaken in this era paralleled in some ways the effort of the early specialty roasters. Certainly, both reacted to the field's visible drift towards the more commercial aspects of specialty. However, while the early specialty roasters had turned to the past, focusing on preserving old traditions and reviving a romanticized version of coffee, micro-roasters turned to the future, focusing on experimentation and questioning why relational and cultural holes among different actors existed in the first place.

Figure 4.3.1. Changes in the field's key relationships during the construal of coffee consumption as the cultural appreciation of a story of stewardship



First, micro-roasters sought to deepen their understanding of how roasting shaped the

stewardship of coffee from farm to cup. Up to that point, the field's generalized focus on the consumer experience had resulted in very little education for roasters: "We were searching for knowledge, education, answers to our questions, things that, you know, we read in books and didn't quite agree with" (Interview R28). The very few classes that were available for roasters were usually taught by suppliers of roasting technology, creating a situation in which "the trainer was also trying to sell you their products" (Interview R28). Plus, it became evident that most of the improvements and technical upgrades in roasting machines had been largely focused on volume, not quality, so the education available did not really match the burgeoning interest in refining the craft of roasting (Interview R27).

With the support of the SCAA, a group of specialty roasters, including micro-roasters, independents, and roaster-retailers, came together to create the Roasters Guild, an exclusive platform for people who were fully dedicated to roasting. Through this platform, a full curriculum was developed for different levels of mastery in roasting. Regardless of anyone's expertise, the series of courses began with lessons on botany and countries of origin, to gain a full understanding of coffee prior to learning about the intricacies of roasting (Interview R26). In this way, micro-roasters sought to recoil from the rampant commercialism they saw unfolding in the field and direct the field to a more pure, aesthetic view of coffee.

Second, micro-roasters like Intelligentsia Coffee, Counter Culture, and Stumptown Coffee Roasters, began to purposefully break certain conventions that had kept roasters from relating to farmers directly for decades. For instance, when it came to sourcing coffees, the previous generation of roasters had bought coffee "at the cupping table—we called our importers and we asked them about their inventory and they prepared a few samples for us" (Interview IN05). This new generation of micro-roasters began to buy coffees at the farm, traveling to origin

to engage directly with the farmer and to learn firsthand about the drivers of quality. This did not happen overnight. But their pursuit of the perfect cup of coffee, their desire to experiment with coffees from different farms, harvested on different weeks or different days of the week, made them realize they were “standing on the wrong side of the counter, that there were hundreds and thousands of coffees out there and they never got to see them...[T]he only way to look behind the curtain was to go to origin where coffee was grown” (Weissman, 2008: 23). Over time, “going to source, seeing coffee on a tree, learning how coffee is produced and understanding the challenges that farmers face at origin” became a “rite of passage” for the new wave of specialty roasters (Interview IN05). Importantly, the crisis of the 2000s had made farmers in producing countries more receptive to this new type of roaster showing up at their doorstep to learn about harvesting and processing: “At the time of the crisis, farmers were very interested in doing whatever it took to sell their coffee to you. They were very accommodating and very open to some guy getting there on a bus saying ‘I want to sell your coffee,’ which, they wouldn’t have necessarily been a few years before, when prices were high and everyone was looking for the big actors, the big coffee chains, and the multinationals” (Interview R12).

To distinguish this approach to coffee, which emphasized the interconnectedness of the value chain, micro-roasters coined terms like Direct Trade or Relationship Coffee. Both of these concepts alluded to an effort to shorten the distance between roasters and farmers; these terms also contrasted with third-party certifications, like FairTrade, which largely attributed quality to the labor or environmental conditions in which a particular coffee was produced. As described in one article in *The New York Times*:

“Direct trade—which also means intensive communication between the buyer and the grower -- stands in stark contrast to the old (but still prevalent) model, in which



international conglomerates buy coffee by the steamer ship, through brokers, for the lowest price the commodity market will bear. It also represents, at least for many in the specialty coffee world, an improvement on labels like Fair Trade, bird-friendly or organic. Such labels relate to how the coffee is grown and may persuade consumers to pay a little extra for their beans, but offer no assurance about flavor or quality. Direct-trade coffee companies, on the other hand, see ecologically sound agriculture and prices above even the Fair Trade premium both as sound business practices and as a route to better-tasting coffee” (Meehan, 2007).

Efforts to break with the cultural conventions that had historically separated the producing and the consuming ends of coffee’s value chain began to unfold on other fronts as well. In 1999, for instance, a number of micro-roasters were invited to Brazil to be part of a panel of international judges in a competition of green coffees. The event, organized by a non-profit called The Alliance for Coffee Excellence, consisted of a rigorous double blind cupping process through which local and international judges evaluated and ranked coffees from different farms. This was followed by an online auction of the winning coffees. The goal of the event was to “identify the highest quality coffees” of Brazil, a country that had traditionally been associated with quality for the mass-market segment (retrieved from [allianceforcoffeexcellence.org](http://allianceforcoffeexcellence.org) on 10/2017). The competition, which eventually came to be known as The Cup of Excellence (CoE), marked a before-and-after in specialty coffee. For the first time, farmers and their coffees were brought out from anonymity with respect to the roasters, and roasters and their preferences were made visible with respect to the farmers. According to an article published in *The Tea & Coffee Trade Journal*,

“No longer might Brazil's exemplary coffee disappear into the mountains of commercial

grade coffee to be shipped throughout the world with prices at or below the C contract.

No longer might a buyer who appreciates true Brazil quality face the difficult task of locating the individual farmer who was producing it” (Spindler, 2000: 16).

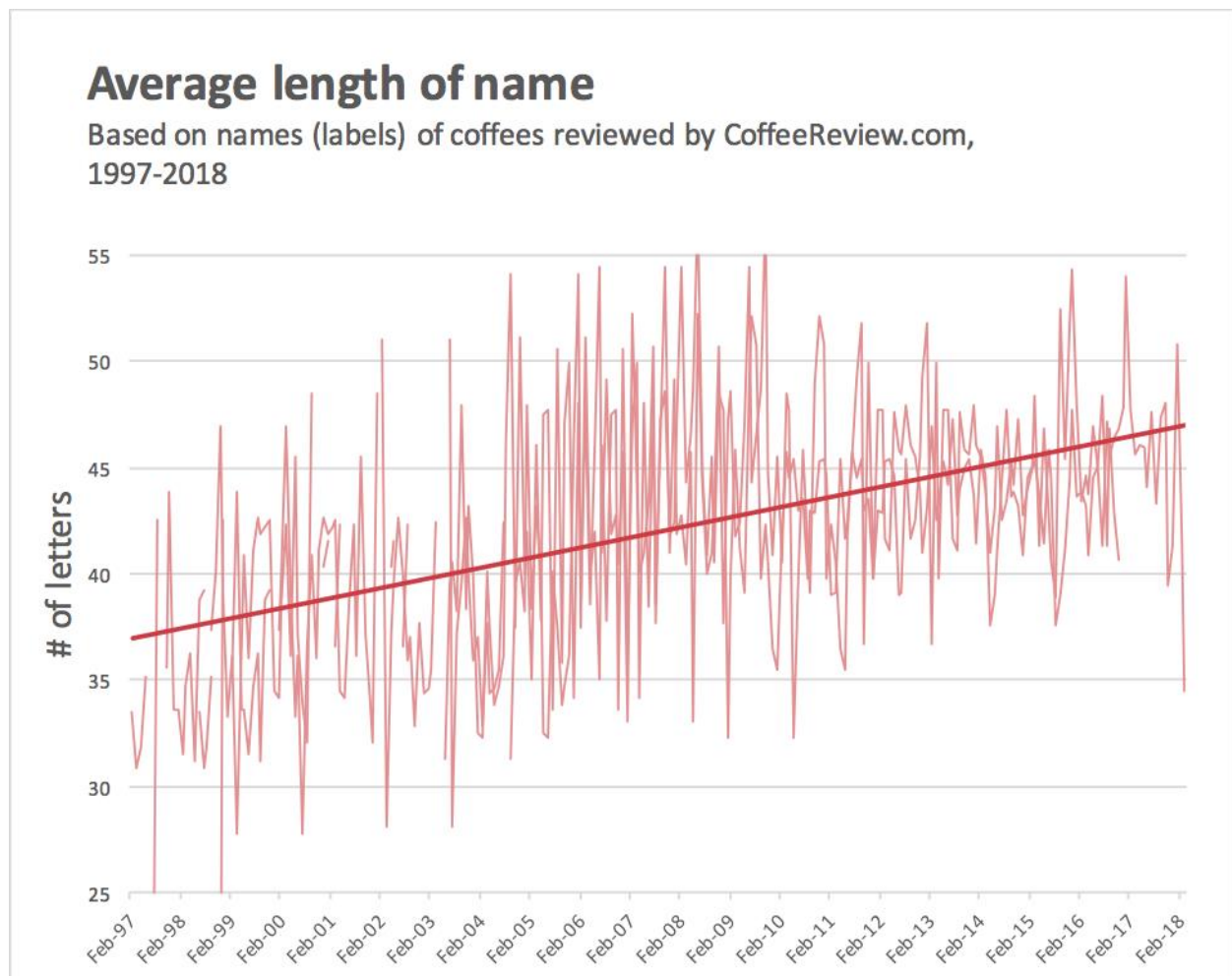
In that first competition in Brazil, the potential benefit of this relational space became evident. The top-ranking coffees sold at prices that were “unimaginable” at the time (Spindler, 2000), with the top price reaching \$2.65 per pound, twice as much as the referent C contract. In the second Cup of Excellence, held in Guatemala in 2001 (at the time when the global price for coffee had reached historic lows), the winning coffee earned an astonishing \$11 per pound, a twenty fold increase relative to the C contract. In the years that followed (and up to the date of publication), there have been over 140 Cup of Excellence competitions in more than a dozen countries. This event and similar competitions have continued to gain recognition and to generate unprecedented prices for the specialty segment. In 2018, for instance, a Panamanian coffee from the Geisha variety fetched a record price of \$803 per pound at auction, the highest price ever paid to date for green coffee.

In addition, by coming together as judges of the CoE, micro-roasters, along with other professionals in the field, advanced standards for commensurability that could be objectively replicated by various actors in the value chain. To this end, judges typically came together days before the competition and spend a considerable amount of time “calibrating” their sensory skills to develop a shared understanding of how to apply a set of criteria when evaluating coffees from a particular origin (Interview IN11).

Third, with regard to consumers, micro-roasters began to assemble stories of stewardship that would create value for aspects of coffee that, in the past, had not been visible to the consumer or relevant to his/her consumption experience, e.g., the type of bean variety, the

characteristics of a particular country or region, or the particular practices of the farmer. The idea behind the stories was simple: “The score of a coffee says something about its quality, but it is real people, with concrete stories that give meaning to the coffee” (Interview IN16). These stories were conveyed in various formats—i.e., on the websites of roasting companies to describe the background of a particular coffee; in discourse through the stories told by baristas to consumers; and even in the names appearing on the labels of packaged roasted coffees. For example, in 1997, the name of a package of specialty whole beans was ‘The Coffee Beanery-Beanery Blend,’ which referenced the name of the roaster (The Coffee Beanery) and the name of the coffee (Beanery Blend). By 2015, the names of packaged coffees had become longer in order to offer more information about the coffee’s chain of stewardship. The name ‘Dragonfly Coffee Roasters Yemen Port of Mokha Hayma Microlot’ included the name of the roaster (Dragonfly Coffee Roasters), the country of origin (Yemen), the name of the company that worked with the Yemenese farmers to elevate quality (Port of Mocha) and the name of the farm (Hayma). As shown in Figure 4.3.2, an analysis of the names of 4400 roasted coffees listed on the website CoffeeReview.com between 1997 and 2016, shows this trend towards longer names that capture the multiplicity of actors participating in a coffee’s journey. In this period, the average length of names increased 35%, from 33 to 46 letters. This suggests that, over time, specialty roasters began to weave in value into specialty coffee by incorporating more elements that reflected the interconnectedness of the chain of stewardship into its name. For the most part, the challenging and collaborative nature of bringing a coffee from farm to cup was an aspect that most consumers had not been exposed to.

Figure 4.3.2. Average length of name of roasted coffees appearing in CoffeeReview.com, 1997-2016



In general, micro-roasters assembled these stories out of elements of three core templates of quality in coffee: botany, provenance, and craftsmanship. This resulted in stories that are “very detailed and much more complicated than the old Starbucks’ ads... Coffee is not just tied to a place anymore, there are many more twists and turns in the narrative, just as there are in the actual work of sourcing coffee” (Interview R31). One barista exemplified the case in point,

“Nowadays, for every coffee I serve, I can tell you who the farmer is—so I can tell you it is Arturo Aguirre from Guatemala, his farm is in Huehuetenango, and his farm sits at 2000

meters above sea level and he is selling all these 15 different varieties, and we happen to have the *typica* variety that underwent a washed process. I can also tell you everything about how the coffee was roasted—and this roast was a medium to light roast profile and it was roasted for 15 minutes. And then I can tell you how I am brewing it, that I am using 18 grams of coffee and that I am going to brew it for 25 seconds and it is going to weight about 50 grams, and it is going to taste like this fruit, or this flower, or this food... so my job is now to make sure that I am doing justice to the coffee, because I am not the only one involved in this cup anymore” (Interview R22).

Through these story elements, roasters sought to create value for aspects of coffee that had not been visible to the consumer in previous phases. As shown in Table 4.3.1, a particular coffee on a specialty roaster’s website might describe how a farmer started cultivating a particular variety in his farm (botany), or how the land has unique characteristics that give coffee a distinct flavor (provenance), or how the particular way in which the farmer processes the coffee makes a difference in the cup (craftsmanship).

Table 4.3.1. Samples of coffee stories highlighting three core elements: botany, provenance, craftsmanship

Sample of coffee stories highlighting three core elements: botany, provenance, craftsmanship		
Company	Core element	Story (emphasis added)
Blue Bottle Coffee Roasters	Botany	In Ecuador, roses are everywhere; it's coffee that's rare. Mario Hervás knows. As a former rose farmer, he once grew one of the country's largest exports: cut flowers. When he turned to coffee farming, Mario was entering an historic industry that had long been in decline. But Mario was changing careers at a moment when coffee farmers were beginning to adopt specialty standards. <b>Dedicated to quality from the beginning, he planted Ecuadorian Typica, joining the small cadre of farms worldwide that still grow heirloom Typica.</b>
Stumptown Coffee Roasters	Provenance	Bebes Sero purchased his coffee plantation and wet mill 12 years ago, however it was originally planted in the 1960's. [...] <b>Bebes' plantation and wet mill is settled within the Eastern Highlands Province of Papua New Guinea near the town of Kainantu.</b> Bebes grows mostly Typica on his 38 hectare farm. <b>While there is a lot of shade cover on Bebes' farm, these trees are not fertilized or renovated and allowed to grow freely.</b> Something unique to Bebes' farm are the gullies he has dug between rows to manage rain run off. Walking through these low channels in the farm with the full, twisting branches overhead, the height and size of these mature trees is even more dramatic.
Intelligentsia Coffee Roasters	Craftsmanship	[...] Greenco's focus on experimentation and continuous improvement in wet milling and the subsequent drying process is instantly evident upon visiting its washing stations. Some of the tweaks are so small they are barely noticeable, such as trying different heights, angles, and cuts for the dams that control the water flow in the washing channels in order to better separate higher density from lower density seeds. Others are more substantial, like removing the post-fermentation soak from the wet milling process in an effort to reduce waste water or implementing full-scale yeast experiments at one of its washing stations. Regardless of the scope of its experimentation, Greenco is looking ever onward and forward toward improving quality and producing more vibrant coffees.

Source: Website of each specialty roaster

In addition, an important activity through which micro-roasters sought to foster an appreciation of the stewardship of the bean among consumers involved getting them to taste and compare different coffees. However, instead of giving away samples, as the early specialty roasters had done in the 1980s, micro-roasters hosted events called *cuppings*. Even though cupping had traditionally been a “professional-only activity performed by coffee buyers” when

sourcing green coffees, for consumers it was more like “a taste exploration, more like a wine tasting” (Wallace, 2008). Similar to the stories conveyed through websites and coffee names, cuppings created value by making salient aspects of coffee that an average consumer (without a trained palate) would not detect. Unlike stories, however, cuppings achieved this by offering consumers, not just a narrative, but also a sensory experience.

Both stories and cuppings resonated with a type of consumer for whom consumption had always been largely intertwined with particular values: “The millennial consumer grew up with a craft beer movement, a food movement, a fresh movement, a kind of back-to-local movement” (Interview R13). In a way, engaging intellectually and sensorially with coffee was no different (Park, 2019).

In sum, to construe coffee consumption as the cultural appreciation of a coffee’s story, micro-roasters sought to fill a cultural hole around the basis of stewardship. That is, they sought to create a common set of shared meanings that imbued the chain of actors connecting farmers and consumers with value. This was achieved through various types of action: first, by deepening the roasters’ own understanding of how they shaped coffee’s value chain; second, by breaking established conventions that had traditionally created a fault line between roasters and farmers; and third, by creating value for aspects of coffee that had not been salient to the consumer before.

### ***Changes in definition of specialty coffee***

The notion of coffee consumption as the cultural appreciation of a story of stewardship eventually prompted the specialty coffee community to revise the very definition of the term ‘specialty’. In the 1970s and 1980s, specialty had denoted the sale of whole beans from particular geographies; in the 1990s, the term had become associated—informally, at least—with the consumption of espresso beverages outside the home. In 2008, a column in the SCAA

newsletter, written by then director Ric Rhinehart, offered a more processual definition of ‘specialty,’ one that was consistent with the focus on the back-end of coffee’s value chain. In the text, Rhinehart conceived of specialty as materializing in a coffee’s “potential” (as an agricultural product), in its “preservation” (as it travels from origin to place of consumption), and in its “revelation” (as it is roasted and brewed): “...[I]n the broadest sense we define [specialty] as coffee that has met all the tests of survival encountered in the long journey from the coffee tree to the coffee cup” (Rhinehart, 2008).

Importantly, these tests of survival had to be measurable in the final taste of the coffee in the cup. As such, the SCAA came to define specialty in terms of coffees which score 80 points or above on a 100-point scale.<sup>6</sup>

### ***Impact of pursuing the entrepreneurial possibility on the field***

The materialization of this entrepreneurial possibility (i.e., of construing coffee consumption as the act of appreciating a story of stewardship) impacted the field in various ways. First, it transformed the role of the roasters relative to other actors in the field. From being cast as “machine operators” in the 1980s and 1990s (Interview R28), roasters became cultural authorities who understood, communicated with, and connected the two ends of coffee’s value chain. They bridged the relational space that had separated them from farmers for decades and then made the farmer’s story culturally meaningful for the consumer. That is, by construing a cup of coffee as “a story of its history... a story of nature during the time that coffee came into being” (Castle, 1996: 64), micro-roasters enabled a connection across actors that would otherwise have remained disconnected.

Consistent with this view, an analysis of mentions of the word ‘roast’ and other related words (e.g., roaster, roasting) in a sample of content pages of the industry’s leading journals

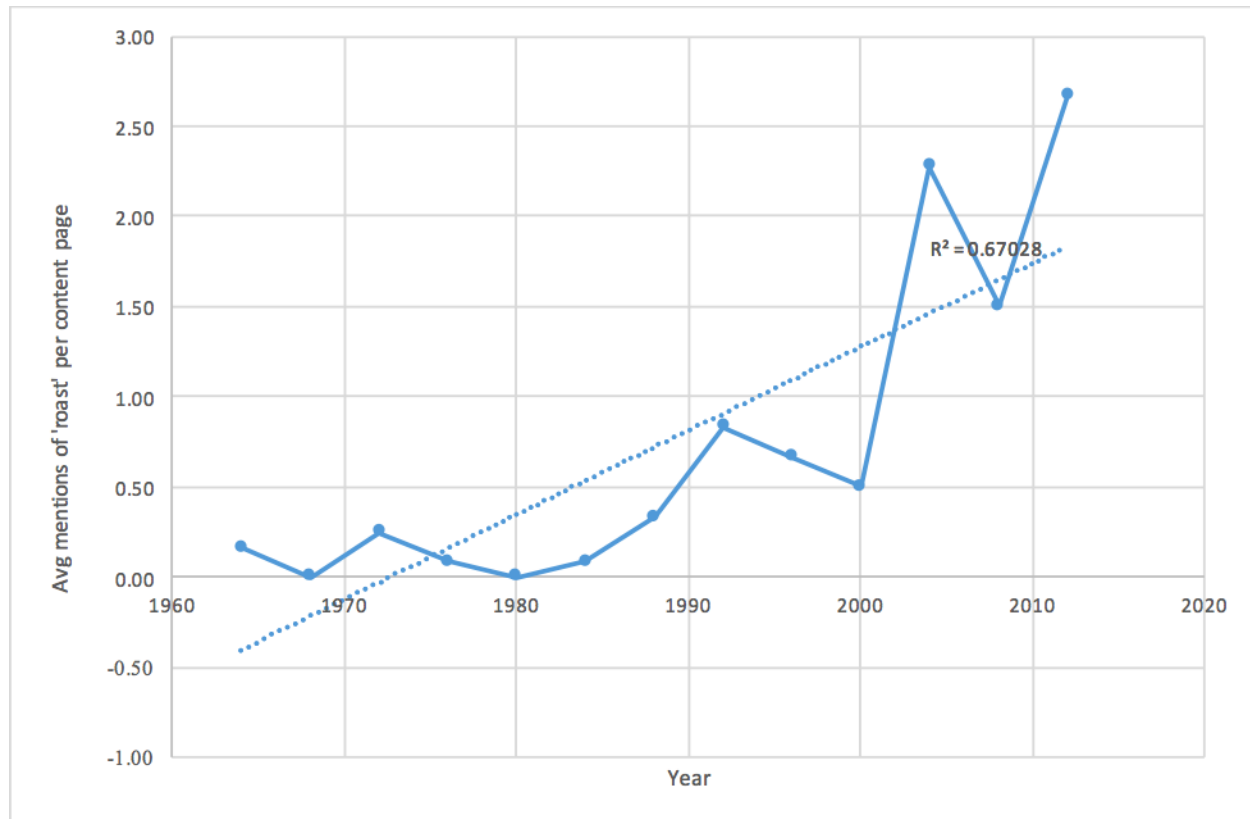
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<sup>6</sup> Retrieved from [scaa.org](http://scaa.org)



shows the increasing salience of the word over time. As shown in Figure 4.3.3, in 1980, for example, there were no mentions of roasters or roasting in the content page of the journal. This was a time in which the field was dominated by large commercial roasters and, therefore, the actual roasting occurred in the background as a manufacturing activity. Throughout the 1990s, when roaster-retailers and coffeehouses became more common, we see an increase in the number of mentions of the word 'roast.' Around this time, the roasting activity was done more purposefully, so as to create a diverse menu of coffees (e.g., French Roast, Italian Roast). In contrast, by 2012, there were, on average, 2.65 mentions of the word 'roast' per content page. By then, a segment of specialty roasters had been construing coffee consumption as the cultural appreciation of a story of stewardship for over a decade. Through this lens, roasters had become central connectors in the relational space between farmers and consumers and, therefore, received more coverage in the industry's leading publications. They were cultural authorities that brought together different cultural worlds. As one field actor explained: "Up until the early 2000s, people just thought about the end product, the beverage. But no one thought further back like, 'let's learn more about green coffee, let's learn how we can roast a better roast. But you could see this transition to a new space in coffee where roasters talked about about the farmers and the green coffee and looked for ways to be true to the coffee and make the roast better for the consumer'" (Interview IN18).

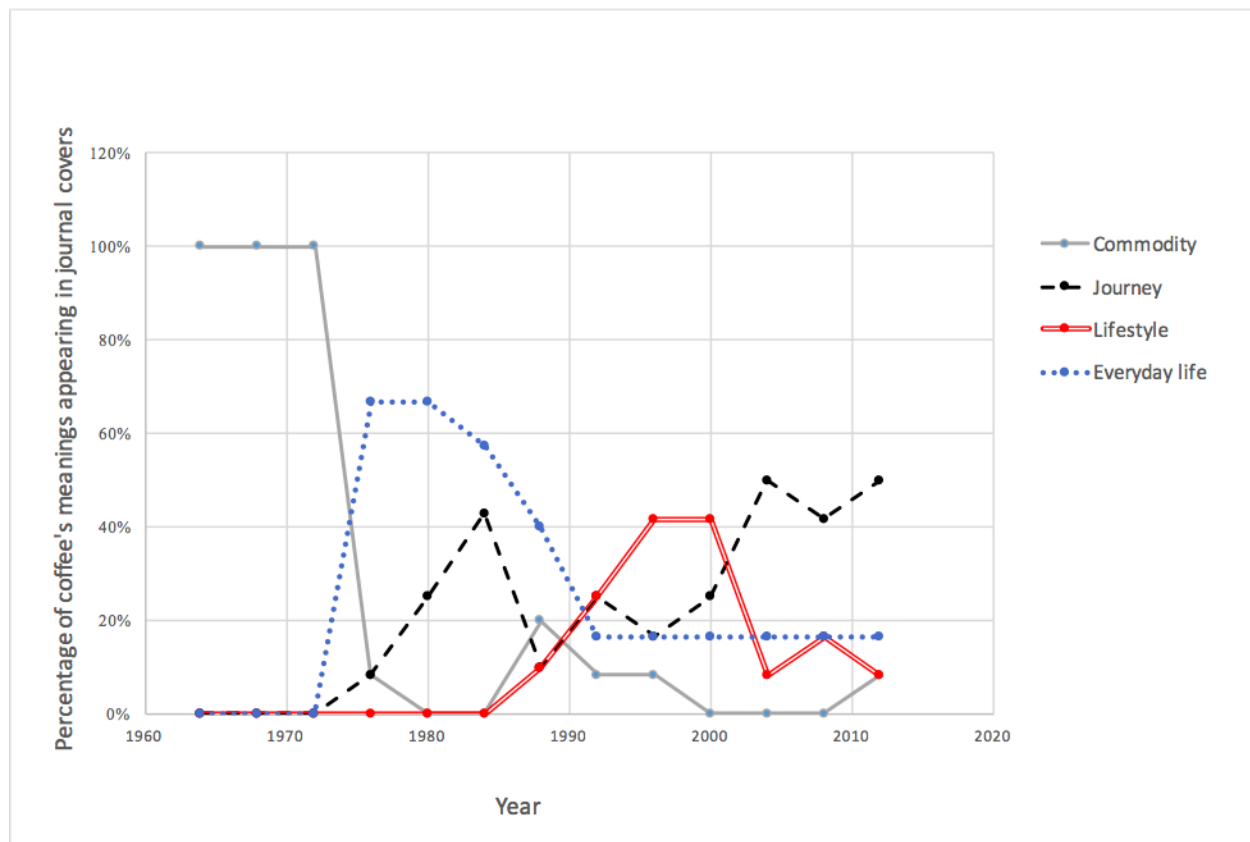
Figure 4.3.3. Frequency of mention of 'roast\*' in leading publications of the coffee industry



In line with the change in the roasters' role within the field, an analysis of visual representations of coffee in covers of *The Tea & Coffee Trade Journal* reveals a shift in the focal features used by a leading industry publication to construe coffee in general. As shown in Figure 4.3.4, prior to the mid-1970s, the covers consistently showed coffee as a commodity through images of the logistics involved in the process. Starting in the mid-1970s, coffee is predominantly shown as part of everyday life through images of cups of coffee in traditional work or home settings. Throughout the 1990s, the predominant representation of coffee shifted to convey an association with lifestyle. Images showed consumers engaged in some kind of activity or in a coffeehouse setting. Finally, starting in 2000, the covers increasingly show some aspect of a coffee's journey, including the people who participate in that journey (e.g., farmers harvesting

coffee cherries, roasters manipulating a machine).

Figure 4.3.4. Evolution of visual representations of coffee in covers of The Tea & Coffee Trade Journal, 1965-2012



Second, with regard to consumers, construing coffee consumption as the cultural appreciation of a story of stewardship authenticated the meaning of specialty by making it resonate with a generation of consumers for whom large consumer brands were completely devoid of meaning. One specialty roaster explained:

“[I]f you grew up in the 70’s, 80’s, and early 90’s you were about big brands—Pepsi, Coke, Walmart... But we’re working with this millennial consumer base now who grew up with Whole Foods and are the protagonists of some of the biggest changes in retail

that have happened in the past couple of decades: fresh matters, interesting food experiences matter... We had to make specialty matter, too” (Interview R13).

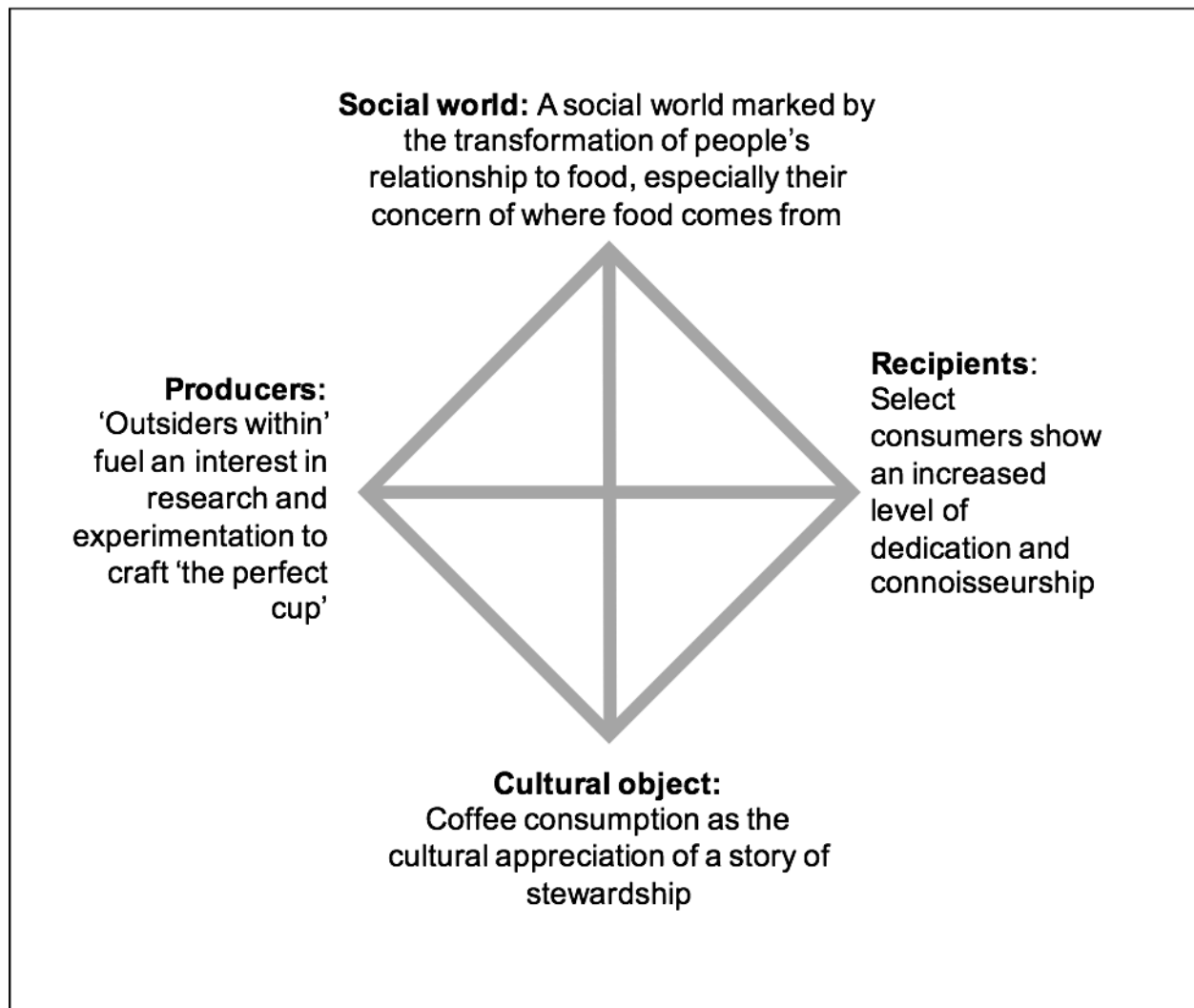
However, this approach to coffee left little room for detached consumers—those looking for the “no-nonsense everyday ritual” of getting a cup of coffee in the morning (Passy, 2019). Indeed, in a model centered on the theatrics of coffee, fast and easy signaled cheap and careless. A good cup of coffee now required “a wait of four minutes or more [because] it takes that long for a cup of coffee dripped through an hourglass-shaped carafe or for a ‘pour-over’ where baristas pour hot water over a filter of coffee into a single mug” (Chaker, 2016). Coffee critic Oliver Strand noted in an article in *The New York Times* how a \$1 cup was now perceived as “suspiciously cheap,” raising questions about whether “[the coffee] tastes bad, or its production does harm to the land and is unfair to laborers” (Strand, 2016).

Certainly, the consumer of this new wave of specialty—whom *The Wall Street Journal* described as “java obsessives” or “coffee nerds” (Park, 2019)—was willing to engage intellectually with coffee. But the required level of dedication and connoisseurship merited newspaper headlines. *The Wall Street Journal* asked, “How Long Would You (Happily) Wait for a Coffee?” (Chaker, 2016) and “Is Coffee More Complex Than Wine?” (Teague, 2015); while *The New York Times* questioned, “Has Coffee Gotten Too Fancy?” (Strand, 2017). These questions began to cast a light on the new challenge impinging upon the specialty community—that appealing to the masses had become “a sign of selling out and inauthenticity” (Strand, 2017). But was it? As a few scattered voices started to point out, “Good coffee ... should be brought to a broad audience, not just a ‘self-selecting group’ of epicures” (Strand, 2017).

In sum, as shown in Figure 4.3.5, specialty coffee’s cultural diamond in 2016 would reveal: 1) a social world marked by the transformation of people’s relationship to food,

especially through a concern of where food comes from; 2) the transformation of coffee consumption as the cultural appreciation of a story of stewardship; 3) ‘outsiders within’ the field fuel an interest in research and experimentation to craft ‘the perfect cup’; and 4) consumers showing an increased level of dedication and connoisseurship.

Figure 4.3.5. Specialty coffee’s cultural diamond circa 2016



## Chapter V. DISCUSSION AND CONTRIBUTIONS

### 5.1 Motivation

In this dissertation, I set out to explore the processes by which entrepreneurial possibilities, defined as “opportunities to engage in entrepreneurial action” (Companys & McMullen, 2007: 303, cited in Lounsbury & Glynn, 2019: 37), emerge and are exploited by entrepreneurs. Through the lens of “cultural entrepreneurship” (Lounsbury & Glynn, 2001, 2019; Lounsbury et al., 2019; Gehman & Soublière, 2017), my investigation sought to shed light on how this important facet of the entrepreneurial process (Venkataraman, 1997) is interwoven with the work of multiple actors and the broader systems of meaning that shape what is imaginable at a given time. I, therefore, sought to answer the following overarching research question: **How do entrepreneurial possibilities emerge in an institutional field over time?** Situating my research in the empirical context of the emergence and evolution of specialty coffee in the U.S. over four decades, I explored the embedded and processual nature of constructing entrepreneurial possibilities and investigated how these, in turn, impact the cultural landscape in which they emerge.

My empirical investigation consisted of an historical ethnography (Vaughan, 2004) through which I reconstructed the cultural and historical context of the U.S. specialty coffee segment, from 1975-2016. I conceptualized the field of specialty coffee as a relational space populated by actors who hold different identity positions, defined by “who they are” and “what they do” (Navis & Glynn, 2010). Using a wealth of data, including semi-structured interviews and archival materials, as well as qualitative and quantitative analyses, I identified three distinct phases of entrepreneurial activity and, within each phase, and asked two specific questions: (1) **How do changes in the relational space of the field shape the set of available opportunities**

**from which entrepreneurial possibilities arise? (2) How do changes in particular spaces predicated on shifts in the meaning of identity and practices of extant actors in a field affect entrepreneurial possibilities?** That is, I considered how specific events revealed relational spaces of opportunity in-between existing actors, and how roasters occupying distinct positions within the field sought to fill-in those spaces through, different forms of entrepreneurial action that redefined the meaning of coffee consumption. In particular, I use the cultural diamond (Griswold, 1986, 2012) as an organizing framework that captures the conceptualization of a field as a socio-cultural, relational space where multiple cultural resources, organizational forms, and identities coexist (Lounsbury & Glynn, 2019: 35).

In this last chapter of the dissertation, I provide an overview of the findings, highlighting the key theoretical insights that emerged from the study and drawing out the connections across these. I then discuss the theoretical and practical implications of the study, considering both the limitations of my particular empirical design and identifying potential directions for future research.

## **5.2 Summary of findings**

The findings of this dissertation revealed three distinct phases of entrepreneurial activity. Throughout these phases, I focus on the actions of roasters, noting that this group consistently spearheaded the search for new entrepreneurial possibilities in the field of coffee. Within each phase, I describe how particular events revealed relational and cultural spaces that catalyzed opportunities for action. **Relational spaces** referred to the symbolic void existing among actors who did not relate with one another (e.g., between farmers and roasters). **Cultural spaces, or holes**, referred to gaps in shared meanings, tastes or interests that led to impoverished relations.

In each phase, seizing these spaces of opportunity—and thus assembling an entrepreneurial possibility—involved the relational activity of bringing two positions closer together and the cultural activity of framing and re-framing coffee consumption along different dimensions.

Below, I describe each phase in more detail.

Chapter IV, section 4.1 (Phase 1: Constructing coffee consumption as an erudite activity, mid-1970s – early 1990s), corresponds to the first phase of entrepreneurial activity I identified over the 41-year period of analysis. Here, I unearthed the efforts of a small and select group of independent roasters around the mid-1970s who constructed an entrepreneurial possibility around the notion of coffee consumption as an erudite activity requiring skill and knowledge. This view stood in stark contrast to the then-prevalent approach of commercial roasters, which conceived of coffee consumption as driven by convenience and the need for coffee's stimulant effect. This phase showed how a natural disaster catalyzed a relational and cultural space of opportunity. Specifically, the Brazilian Black Frost affected the crop of the world's leading producing nation, triggering a surge in the prices of coffee in the U.S. The effect, however, was not just economic. For a mass of outraged consumers, the surge in prices was very personal and crowned a list of reasons to stop drinking coffee (health, taste, diminishing quality, replaceable by sodas), all of which threatened the importance of coffee to the American household. Yet, instead of shifting gears, commercial roasters stuck to their price-driven strategy. The Black Frost and the inability of commercial roasters to devise new ways to relate to consumers outlined a clear opportunity for action.

Independent roasters who were marginal insiders in the coffee industry (marginal, because they were small relative to the dominant roasters and scattered along the two U.S. coasts; insiders, because many were family businesses that possessed a unique connection to the



industry's traditional beliefs and practices) seized the entrepreneurial possibility. Being marginal insiders enabled these roasters to act because, even when they formed an association to engage in joint action, the major commercial manufacturers never considered them a threat and, therefore, never tried to challenge their approach to coffee. With this newly opened space, independent roasters engaged in a number of actions to get close to the consumer and to bridge their cultural differences on the basis of taste. This was done symbolically, through the revival of a romanticized image of coffee that evoked authenticity and purity, and practically, through activities that delineated the boundary separating commercial and specialty coffee.

Chapter IV, section 4.2 (Phase 2: Constructing coffee consumption as a lifestyle experience, 1992 – 2000), corresponds to the second phase of entrepreneurial activity. In this period, I found that the transformation of a bean industry (that prioritized the sale of whole beans) into a beverage industry (that prioritized the sale of prepared coffee beverages) revealed an entrepreneurial possibility around the re-framing of coffee consumption as a personalized lifestyle experience. This approach required expanding the focus on taste and incorporating consumers' motivations, values and lifestyle preferences into the act of consumption. Theoretically, this phase showed how an event that signaled the potential economic expansion of the market (i.e., Starbucks' IPO) raised questions about whether the custodians of quality of the previous phase—the independent local roasters who had advocated for an erudite approach to coffee—could bridge a cultural hole around lifestyle. For these early specialty roasters, making the shift from selling whole beans to selling trendy flavored beverages that appealed to younger consumers was anathema to their values. Thus, the cultural shift to lifestyle opened up a space of opportunity for outsiders to the field to engage in entrepreneurial action and advance the roaster-retailer model—which combined a roasting operation and a coffeehouse environment. These

outsiders were, for the most part, professionals/entrepreneurs who had not worked previously in the coffee industry but were eager to catch the rising wave of specialty coffee. This new wave of actors was, in a way, better positioned than the early specialty roasters to look for answers for the kind of retail issues that fast food outlets, restaurants, and cafeterias, had dealt with for a long time (e.g., design of the shop, menus, music, lighting, seating arrangement, etc.). As such, they engaged in a number of actions to bundle up elements different elements of culture—including, what you are drinking, where you are drinking it, what you do while you are there, what you are listening to, etc.—into a package that conveyed a particular lifestyle.

Chapter IV, section 4.3 (Phase 3: Constructing coffee consumption as a cultural appreciation of stewardship, 2000-2016), corresponds to the third and last phase of entrepreneurial activity I examined in my analysis. In this period, I found that a group of hobbyists, defined as those who were passionate about crafting a perfect cup of coffee and were actively seeking to become more knowledgeable about all facets of coffee production, fueled the construction of coffee consumption as the cultural appreciation of a story of stewardship. They sought to bring back the emphasis that the early specialty roasters had placed on the bean, but complemented it with an emphasis on the multiple actors involved in transporting the coffee bean from farm to cup. From a theoretical standpoint, my analysis demonstrated how, in a world where people were increasingly interested in understanding where food came from, an economic crisis in the supply chain of coffee brought into view the profound gap separating the two ends of the chain: coffeehouses proliferating in consuming countries vs. farmers forced to abandon their livelihoods in producing countries. Once again, the event itself and the inability of extant actors to remedy the crisis, jointly revealed a relational and cultural space of opportunity to bring the two ends—farmers and consumers—closer together. In particular, a group of ‘outsiders within’

(e.g., hobbyists and enthusiasts, many of whom eventually became roasters themselves) seized this opportunity. They were outsiders because they were not part of any of the leading specialty chains; but they were insiders because many had worked within the coffee industry, as baristas, managers, or roasters in any one of the many roaster-retailers and coffeehouses that proliferated in the 1990s, or simply because they had become enthusiasts or *aficionados* of coffee by frequenting these shops. As such, they recognized that coffee could be taken to the next level of quality, particularly remaining close to the coffee and leveraging research, science, and technology. Many of these hobbyists and enthusiasts opened roasting operations themselves, propelling the micro-roaster model forward. As micro-roasters they were flexible enough to reach out to farmers and develop relations with them and knowledgeable enough to make the farmers' stories relevant for consumers. This was achieved through various types of action: first, by deepening the roasters' own understanding of how they shaped coffee's value chain; second, by breaking established conventions that had traditionally created a fault line between roasters and farmers; and third, by creating value for aspects of coffee that had not been salient to the consumer before.

By making comparisons across the three phases, the findings of this dissertation also show how the materialization of different entrepreneurial possibilities impacted the field in different ways. Early on, construing coffee consumption as an erudite activity segmented the field into a specialty and a commercial segment. Later, construing coffee consumption as a lifestyle experience allowed the concept of specialty to reach the mass market. In the third phase, construing coffee consumption as the cultural appreciation of a story of stewardship authenticated the meaning of specialty, making it resonant for a generation of consumers who grew up valuing the knowledge of where food comes from. Over time, the findings also reveal a

shifting role for roasters relative to the field. While in the 1970s and 1980s, specialty roasters were the custodians of quality, through the 1990s, the wave of roaster-retailers and coffeehouses became retailers of lifestyle. After 2000, the wave of micro-roasters became more akin to cultural authorities who understood and connected the two ends of coffee's value chain.

Taken together, my investigation of the coffee industry revealed that, rather than the act of a single, heroic entrepreneur, constructing entrepreneurial possibilities involved multiple actors coexisting and, in many ways, reacting to the actions (and inactions) of others. This dynamic across different social worlds both enabled and constrained what was imaginable at particular points in time. Importantly, the possibility to bridge these relational and cultural spaces was largely contingent on certain events revealing these spaces as ripe with opportunities for action. In addition, distinct positions in the relational field (e.g., as marginal insiders, outsiders, and 'outsiders within') gave different actors the wherewithal to bridge those spaces in culturally meaningful ways.

### **5.3 Implications for theory**

Taken together, the findings of this dissertation make several contributions to extant research, namely on the themes of cultural entrepreneurship, institutional fields, and entrepreneurial identities and practices.

#### ***Cultural entrepreneurship***

My findings extend the reach of cultural entrepreneurship by casting it as a lens that can deepen our understanding of multiple facets of the entrepreneurial process, especially of its early stages where so much of what entrepreneurs do is riddled with uncertainty. To date, the term 'cultural entrepreneurship' has been used, for the most part, to describe the activity of

storytelling through which entrepreneurs assemble an identity for their emergent organizations (Garud et al., 2019; Lounsbury & Glynn, 2001; Martens et al., 2007). Through such meaning-making activities, the argument goes, entrepreneurs seek to attain legitimacy in order to acquire needed resources. My work moves the notion of cultural entrepreneurship from a label to a lens through which to shed new light on the processes that unfold as actors wrestle with the task of assembling novelty within an institutionalized field—that is, on the processes involved in the construction of entrepreneurial possibilities. By using cultural entrepreneurship as a lens, I am able to bring into view different elements of a field (e.g., the social world, the types of producers operating in a field, the types of recipients, the meanings evoked by a given object) and to theorize changes across these as central ingredients to the process of opening up new avenues for action.

Hence, a central contribution of the findings stemming from this dissertation is to potentiate the notion of entrepreneurial possibility. While the most common term used colloquially and in scholarly work is that of ‘entrepreneurial opportunity,’ until very recently, this term had remained obscured and somewhat bogged down in an ontological debate regarding whether opportunities are created or discovered (Companys & McMullen, 2007). Lounsbury and Glynn (2019) recently discussed this dichotomy as futile and noted that a more generative way of framing the conversation is to examine opportunities, not as fully formed entities, but as possibilities to engage in entrepreneurial action.

My work builds on this insight and further explores when and how such possibilities arise, gain traction or fade away. In doing so, it depicts possibilities for action as modest projects that arise in particular combinations of circumstances, far less grandiose than the effects they may sometimes have. For instance, the independent roasters of the 1970s and 1980s did not set

out to create a new market segment within the coffee industry, nor did they think they could ever compete with the large commercial roasters. They first began to meet and exchange ideas motivated by the possibility to safeguard two dimensions that they considered were—and had always been—essential values of the coffee trade: the bean’s origin and the importance of freshness.

Relatedly, my work also broadens the scope of the term ‘entrepreneurial possibility’ by examining what makes possibilities for action ‘entrepreneurial.’ Current research has qualified opportunities as ‘entrepreneurial’ when they produce new relationships across means and ends and result in economic value (Shane & Venkataraman, 2000)—for example, when existing technologies are applied to new fields to produce novel goods or services. My findings expand this view by offering a cultural perspective that also considers means and ends as cultural materials. In this light, possibilities are ‘entrepreneurial’ when they produce new relationships between particular cultural resources (means)—such as stories, concepts, and practices—and new sets of values or ultimate goals (ends), potentially resulting in new meanings for particular entities (e.g., goods, services, categories, etc.). Going back to the example of the independent roasters in the 1970s, they produced an erudite view of coffee consumption that involved skill and knowledge. To do so, they took the ordinary activities of selecting beans, grinding, and brewing coffee (means) and wove them together as elements of a higher form of coffee consumption (ends). In addition, as a result of this more intellectual standing, specialty coffee could command higher prices relative to commercial coffees sold in supermarkets.

### ***Institutional fields***

In addition, in theorizing the construction of entrepreneurial possibilities at the field level, my work offers an approach to the phenomenon that has been rare in extant studies, mostly

because the process of creating or discovering opportunities was assumed to result from the efforts of a single actor. As is true of any study, the level of analysis is key for it “affects the conceptual framework, research methods, locus of interest, and, consequently, the full measure of a theoretical and empirical approach to a phenomenon” (Drazin, Glynn, & Kazanjian, 1999: 286).

In this dissertation, my study of entrepreneurial activity at the level of the field casts a light on the interactions among different types of actors and the symbolic positions each actor holds with regard to their identities, i.e., ‘who they are’ and ‘what they do’; these appear as vital elements to the emergence of novel ideas and/or practices. Thus, my work conceptualizes the field as a relational space made up of multiple actors and their identities and situates the actual construction of an entrepreneurial possibility as resulting from a two-part process involving: (1) the revealing of relational and cultural holes through field-level events, and (2) the bridging of these symbolic holes by actors in distinct field-level positions. The dual process of revealing and bridging relational and cultural holes ties specific possibilities to particular configurations whereby actors’ positions reflect different social worlds gravitating around particular sets of values, tastes, and interests.

My focus on cultural holes thus extends extant research that considers the influence of institutional factors in entrepreneurship (e.g., Gurses & Ozcan, 2015). In particular, this body of work has examined the role of regulatory voids, defined as the lack of institutional arrangements to support market activity, in triggering entrepreneurial activity. My analysis of three eras of specialty coffee shows that cultural voids that separate two distinct value spheres (e.g., the price-oriented, industrial sphere of large commercial roasters and the emergent “gourmet”-focused, erudite sphere of specialty foods in the U.S.) may also trigger entrepreneurial activity.

These voids were brought into view by certain events that rendered a particular set of values and schemas as ineffective to project the field into the future. In these spaces, new sets of actors leveraged their position in the field and devised new possibilities for action. For example, after Brazil's Black Frost and the skyrocketing prices that ensued, the field (dominated by large institutional actors and large commercial manufacturers) maintained its focus on increasing consumption and keeping prices low, even though it seemed that, with this cost-driven model, coffee would inevitably lose its place of importance to the American household. At the same time, a growing specialty food movement was unfolding across the U.S. linking tradition and knowledge with more interesting and elevated food experiences. In light of the commercial roasters' entrenched emphasis on price, a group of small-scale, independent roasters began to fill-in this hole by theorizing a more erudite form of consumption, one that required skill and knowledge related to taste and an appreciation of coffee's traditions.

### ***Entrepreneurial identities and practices***

Importantly, my findings shed new light on the links between entrepreneurial possibilities and two key dimensions of an entrepreneurial identity—the claim regarding 'who we are' and the claim regarding 'what we do' (Navis & Glynn, 2010). Early on, when the field was dominated by one type of actor, the spaces of opportunity in the field revealed essential differences regarding 'who we are.' For example, large commercial roasters were fundamentally different from those who claimed to be specialty roasters. As the field evolved, the 'who we are' varied less, but differences regarding 'what we do' became central. For instance, in the third era of specialty coffee I studied, a key element of differentiation across specialty roasters became whether buyers from roasting companies travelled to countries of origin to source their beans and whether they sought to develop a long-term relationship with particular farmers. At the point of retail, a key



element of differentiation became whether they used automatic or manual methods when brewing coffee for consumers. Hence, the types of relational spaces that precipitated entrepreneurial possibilities resulted from differences in both meaning and action.

By distinguishing between these two aspects of identity and their role in constructing new entrepreneurial possibilities, I also cast a light on the nature of expertise within a field. Recent work that explores how actors purposefully use cultural resources in a wide range of social processes in organizations and markets, implicitly portrays actors as cultural experts of particular domains (e.g., Glynn, 2019; Weber et al., 2008; Delmestri & Greenwood, 2016). For example, Delmestri & Greenwood (2015) portray Italian entrepreneur Giannola Nonnino as a cultural expert who leveraged high status cultural resources to transform the meaning of *grappa*, traditionally known as a coarse Italian spirit, into a high-end liqueur, comparable to cognac and whiskey. And Hargadon & Douglas (2001) portray Thomas Edison as a cultural expert who avidly used analogies to create a market for the nascent electricity industry. These and other examples suggest that part of assembling an entrepreneurial possibility entails leveraging an actor's expertise to claim a particular identity position in a field. For example, retail businesswoman Martha Stewart positioned herself as a cultural expert of lifestyle to claim an identity position around the concept of hip domesticity (Glynn, 2019). Nonetheless, recent conceptualizations of expertise invite us to consider it, not as residing within an actor, but as residing in a “network linking together objects, actors, techniques, devices, concepts, and institutional and spatial arrangements” (Eyal, 2013: 863).

Drawing on this idea, my findings suggest that, as a field evolves and actors continue to assemble new—perhaps more refined—possibilities for action, expertise becomes increasingly diffused across a network of actors, objects, and institutional arrangements. This is best

evidenced in the last phase of this study, whereby the new wave of specialty roasters shied away from established beliefs and practices and claims of expertise and, instead, sought to forge networks of their own. By connecting the various actors who contribute to a coffee's journey from farm to cup, these networks enabled the new specialty roasters to bypass the well-established conventions that retained coffee's stance as a commodity. These new relational systems thus authenticated the meaning of specialty coffee, making it resonant with stories of stewardship along coffee's value chain.

Finally, the historical approach taken in this dissertation allowed me to show the interconnectedness of entrepreneurial possibilities over time. That is, the materialization of one possibility in one era shaped the field in ways that seeded the conditions for the next possibility to arise. This offers nuance to the idea that entrepreneurs operate as skilled cultural operatives who mobilize cultural resources for particular purposes (Lounsbury & Glynn, 2001; Rao, 1994). My work shows that actors who are culturally skilled at one point in time, may well lose their capacity to mobilize ideas and resources in a subsequent era, and even help to open up spaces for others to do so.

In sum, taking together the findings of this dissertation, I come to view the process of constructing an entrepreneurial possibility in a particular field much like the process of assembling a puzzle whose pieces keep changing as actors put them together.

## **5.4 Implications for practice**

The findings of this dissertation also have important implications for management and entrepreneurship practice. First, my work suggests that the all-too-common representation of entrepreneurship as a horse (the idea), a jockey (the entrepreneur), and a track (the market), may

be misleading. It may be equally important to understand the racetrack itself and the configuration of horses and jockeys that are competing in the race for resources. This focus on the relationality across elements begins to reveal the deeply contextualized nature of opportunities and the importance of paying close attention to the ongoing interplay of context and action.

In addition, the study reinforces the idea that entrepreneurs and their ventures are differentiated not only by ‘who they are’ but also by ‘what they do.’ Hence, organizations operating in the same institutional sphere that share the fundamental vision of who they are, may well find different possibilities for action by reformulating the practices with which they create value in a field. It may well be in this process of reformulation that entrepreneurs create new relational systems and networks of expertise, which may, in turn, create lasting changes in the field.

Overall, my work offers a glimpse into the process by which an entrepreneur assembles strategies of action, or general ways of organizing action (Swidler, 1986: 277). As Swidler (1986) indicates, these are not built from scratch, one action at a time, optimizing the means to a given end. On the contrary, strategies of action are embedded in a particular field and spun out of what other actors in the field are doing (or not doing). Some prefabricated links may come from established conventions in the field and only some may be created anew.

## **5.5 Limitations, directions for future work, and conclusion**

As with any study, this dissertation is subject to limitations. I examined one industry that was considered mature early on and, from a strategic perspective, ripe for disruption. Although other fields might not exhibit the same kind of dynamics and catalyzing events, in a world that is

increasingly complex, the interplay of the social world with the actions of multiple sets of actors will necessarily render new possibilities for action—whether these are modest in scope or potential solutions to grand challenges (Gehman & Höllerer, 2019). The imposition of tariffs, increases in productivity, the introduction of a new technology, a social movement that seeks to counter social injustices, these are all unfolding events that may reveal spaces where particular sets of actors may find enough leeway to introduce novel ideas or practices. Therefore, even though my observations of the emergence of three distinct entrepreneurial possibilities corresponded to a particular field, I believe that the insights derived from my focus on the cultural dimension of the early stages of the entrepreneurial process are generalizable to an array of fields.

The above-mentioned limitation, however, suggests possibilities for future research. I believe that, in spite of the uniqueness of my research setting, my work has broader application. For organizational scholars, these ideas suggest that paying closer attention to the nature of cultural holes and the processes by which they are revealed and bridged within a field will allow us to better understand the role of particular cultural elements (e.g., norms, values, symbols, and practices) in enabling the construction of entrepreneurial possibilities. These processes of revealing and bridging could also be examined from the perspective of other actors in the field (e.g., incumbents) to understand how different identity positions affect the possibility of leveraging the opportunities offered by cultural holes. This would build on and complement recent work that examines the connection between identity of founders and the flexibility with which new ventures adapt to a nascent and changing environment (Zuzul & Tripsas, 2019). In addition, investigating the dynamics around cultural holes in a setting that allows the examination of how a single event plays out across different segments of an industry would

allow scholars to further unpack the interplay of context and action in assembling entrepreneurial possibilities.

In conclusion, the history of specialty coffee in the U.S. reveals, at once, the struggles and challenges of staying afloat in an industry that is susceptible to the effects of natural disasters and economic crises, and also the vibrancy and enthusiasm with which new possibilities are envisioned and built from the ground up. It is, at once, a story of battling market forces to safeguard a more authentic and traditional approach, as well as a story of experimenting and projecting a field into the future. It is the story of how actors create spaces in which a rather undistinguishable bean may come to be revered as a rare delicacy. It reveals much about the intricacies of the entrepreneurship process, but perhaps even more about the capacity for reinvention and creativity that is latent within a field.

## APPENDICES

### Appendix A. Interview protocol

Code: \_\_\_\_\_  
Date/Time: \_\_\_\_\_

Location: \_\_\_\_\_

**Introduction to the participant:** Hi, thank you for taking the time to participate in this study. I am a doctoral student at the Carroll School of Management in Boston College. I am conducting this research project to understand the evolution of the coffee industry, particularly the cultural dynamics that have made it possible for coffee to be appreciated as a specialty product. To do this I am conducting interviews with people who have experience in the specialty coffee industry, as actors of the coffee supply chain or as part of the industry more generally.

All the information you share during the interview will be confidential. I will not disclose your name to other interviewees and the findings will be reported anonymously. Your participation is completely voluntary and you may withdraw from the study at any point. The interview will last approximately 45 minutes.

Please read the IRB Consent Form carefully. If you decide to participate, we can proceed with the interview.

#### Historical overview

- In your experience, what were the most significant changes to occur in coffee in its recent history? Why do think these happened?
- In your experience, what have been some of the critical turning points for the industry?
- Before the emergence of specialty coffee, how would you describe the nature of the coffee industry? What were the predominant norms and values that regulated exchanges? What image did the industry have? What were the main rules and regulations in trading coffee?
- How would you describe the emergence of specialty coffee? Can you point to specific event(s) that was(were) vital to its emergence? Can you point to specific persons or organizations that were vital to its emergence?
- Who were the key figures leading this movement? How did they get people to be interested in this new idea? Was it demand driven? Supply-driven?
- What has been the role of the Specialty Coffee Association of America in this change?
- How do roasters in the specialty segment differentiate themselves from the commercial segment?
- Has the meaning of the term ‘specialty’ changed since its first appearance? What did it mean in the 1990s? What does it mean now?
- What were some of the enabling conditions that allowed specialty roasters to gain prominence?
- What do you think have been the most significant actions taken by roasters in the past to decades to advance consumers’ appreciation of coffee?
- How would you describe the community of specialty coffee? Has it changed over time? What are some of the challenges they faced in the beginning? Today?

- How would you describe the changes in the coffee supply chain since the emergence of specialty coffee? How do these various actors get coordinate? How has this coordination evolved over the past 25 years?

#### Roles

- How did you first get involved in the coffee industry? And in the specialty segment?
- Over the course of your career, what roles have you had related to the coffee industry? What is your level of involvement in the specialty coffee segment today?
- How has your particular job changed in the past few decades?
- What is your relationship with other actors in the coffee industry?
- How have you developed your own skills within specialty coffee?

#### Conclusion

We have reached the end on the interview. Is there anything else you think I should know about the industry? Are there other members of the specialty coffee industry with whom you think I should talk for the purpose of this study?

Before we conclude, I'd like to ask you some questions about yourself

- Age
- Nationality
- Education
- Gender (note)

Thank you for your time and for sharing your experiences with me. I truly appreciate it.

## Appendix B. Thematic coding scheme

Used to analyze archival materials (including journal editorials and articles) and semi-structured interviews

Code	Definition
<b>Entrepreneurial possibility</b>	<i>References to...</i>
- Possibility for action based on knowledge and skill regarding the product	Coffee consumption as an erudite activity requiring knowledge and skill
- Possibility for action based on the experience of using/consuming the product	Coffee consumption as an experience
- Possibility for action based on the cultural understanding of the product	Coffee consumption as the cultural appreciation of a story of stewardship
<b>Configuration of the SOCIAL WORLD</b>	
- Identity positions of actors populating the field	Claims by roasters and others regarding 'who we are' and 'what we do'
- Cultural holes	Gaps or absences in common culture, including shared values, meanings, tastes, and interests
- Catalyzing events	Events that bring into view cultural holes across actors in a field
<b>The PRODUCERS driving change</b>	
- Position in the institutional field	Position of roasters as outsiders, insiders, or outsiders-within, relative to other roasters in the field
- Producers' entrepreneurial action	Actions carried out by roasters that seek to establish new relationships between means and ends or to imbue existing relationships with new meanings
- Role in the institutional field	Role taken on by roasters as a result of the entrepreneurial action carried out in the field
<b>The RECIPIENTS of the cultural object</b>	
- Type of recipient	Intended or unintended groups or audiences reached by specialty coffee
- Recipients' interpretation of the cultural object	Meaning-making activities of recipients
<b>The CULTURAL OBJECT</b>	
- Definition	Statement referencing the meanings invoked by the cultural object
- Visual representation	Salient themes conveyed by visual representations (i.e., images) of the cultural object
- Key attributes	Features of specialty coffee that become more salient (relative to other features) as a result of a particular entrepreneurial action
<b>Impact on the field</b>	
- Cognitive	The materialization of a particular entrepreneurial possibility results in the segmentation/reunification of the market
- Economic	The materialization of a particular entrepreneurial possibility results in the expansion/contraction of the market
- Cultural	The materialization of a particular entrepreneurial possibility results in the generation of a new relational system



### Appendix C. Thematic coding scheme

Used to analyze cover pages of The Tea & Coffee Trade Journal, 1976-2016

Code	Definition
Representation of coffee as...	<i>Salient visual elements</i>
Commodity	Image emphasizes logistical aspects of coffee (e.g., cargo ships, bags of coffee beans in transport)
Everyday life	Image of a cup (whether it shows the coffee or not) in a traditional work or social setting (e.g., drinking with a friend or relative)
Lifestyle	Image emphasizes a distinct activity (e.g., skiing) or place of consumption. Coffee is shown as a prepared beverage.
Journey	Image emphasizes some stage of coffee's journey from farm to cup and the people that contribute to this process.

## Appendix D. Sample of roasted coffees names, length, and rating

Review rating		Name of roasted coffee	Review Date	Total length of name (# of characters)
1	52	Folgers Classic Roast Instant Coffee	Feb-11	35
2	60	Eight O'Clock Coffee Original Bean Coffee	May-97	40
3	63	Medalgia d'Oro Instant Espresso Coffee	Feb-11	37
4	65	Eight O'Clock Coffee Original Blend	Jun-03	34
5	65	Kraft Foods Maxwell House Master Blend	May-97	37
6	66	Yuban Premium Instant Coffee	Feb-11	27
7	67	Folgers Classic Roast	Oct-12	20
8	68	Lucky Stores Lady Lee Coffee	May-97	27
9	68	Café Godiva Special Roast	Feb-97	24
10	69	Maxwell House Original Instant Coffee	Feb-11	36

4708	96	Paradise Roasters Panama Hacienda La Esmeralda Gesha	Aug-07	51
4809	96	Paradise Roasters Colombia Tolima Reynel Perez Micro-Lot	Feb-07	55
4810	96	Torreo Coffee Roasters El Salvador Los Planes Pacamara	Dec-06	53
4811	97	JBC Coffee Roasters Ninety Plus Gesha Estates Limited Batch #227	Jul-17	63
4812	97	Dragonfly Coffee Roasters Yemen Port of Mokha Hayma Microlot	Feb-17	59
4813	97	Temple Coffee and Tea Panama La Esmeralda Geisha Bosque Natural	Dec-15	62
4814	97	Barrington Coffee Roasting Co. Perci Red Panama Gesha	Nov-12	52
4815	97	Wood-Fire Roasted Coffee Kenya Nyeri AB Gichatha-ini Signature Series	Nov-11	68
4816	97	Temple Coffee and Tea Guatemala Hunapu Antigua Bourbon	Sep-10	53
4817	97	Simon Hsieh's Aroma Roast Coffees Ethiopia Washed Yirgacheffe, Koke Grade 1	Nov-09	74

Source: CoffeeReview.com

## Appendix E. Starbucks' partnerships, 1992-2000

Starbucks partnerships, 1992-2000	Year	Goal of the partnership	Theme
Nordstrom	1993	provide coffee in store	Connection with lifestyle brand
Barnes & Noble	1993	provide coffee in store	Connection with lifestyle brand
Pepsi-Cola	1994	develop ready-to-drink coffee-based beverages	Product development
Sheraton	1994	supplier of coffee in Sheraton locations	Connection with lifestyle brand
Delta Airlines	1994	supplier of coffee in flights	Connection with lifestyle brand
Noah's New York Bagels	1995	joint stores adding value to the overall Starbucks	Retail space development
Capitol Records	1995	Experience by releasing up to four compact discs a year	Entertainment
Holland America Line	1995	supplier of coffee	Connection with lifestyle brand
Singer-songwriter Mary Chapin Carpenter	1995	raise awareness for CARE (international development and relief group) joint product development of DOUBLE BLACK STOUT(TM) -- a new beer for specialty coffee and beer lovers	Entertainment
Redhook Ale Brewery	1995	open Starbucks retail locations within existing and newly opened start-of-the-art Star Markets.	Product development
Star Markets	1995	dish up the most revolutionary line of coffee ice creams. These premium coffee ice creams will be distributed to leading grocery stores nationwide in the spring of 1996	Retail space development
Dreyer's Grand Ice Cream,	1995	developing technology to bring together coffee, community, and culture for our customers	Product development
Digital Dream	1996	broadcast "Double Shot from Starbucks" news bytes and entertainment live from Atlanta over the World Wide Web	Entertainment
SPIV, Turner Broadcasting Company Inc.'s first original on-line entertainment network	1996	launch a national promotional/marketing campaign that will enable independent film fans across the country to see	Entertainment
Sundance Channel	1996		Entertainment

		live highlights of the 1997 Sundance Film Festival in Starbucks locations	
Appropriate Technology International	1997	increasing the income of small-scale coffee producers by helping them to improve quality, add value to their product, and improve their access to more profitable markets while reducing pollution from coffee processing and preserving biodiversity	Social/environmental cause
Oprah Winfrey	1997	sell Oprah's (monthly) Book Club selection in its retail locations throughout the United States to raise awareness for literacy creating a new retail concept. Full-service banking, Starbucks coffee and products, efficient postal services, quality dry cleaning, copying and more	Entertainment
Wells Fargo	1997	develop Starbucks Coffee locations in under-served, inner-city urban neighborhoods throughout the United States	Retail space development
Johnson Development Corporation	1998	Distribution of Starbucks coffee to a wide variety of retail channels including grocery, drug, mass merchandising and club stores in the U.S.	Social/environmental cause
Kraft	1998	protect endangered rain forests and small farming communities in Mexico through a shade-grown coffee	Distribution
Conservation International	2000		Social/environmental cause

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