Building the legitimacy of business networks through certification: The development of differentiated relationships

Competitive paper

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Abstract

In this paper we analyze how legitimacy allows us to develop differentiated relationships in business networks. Our central argument is that the building of legitimacy in business networks through certification needs the development of what we call differentiated relationships, based on the use of governance mechanisms. Mainly theoretical, our communication develops the argument through a critical review of literature. We use the organizational legitimacy (Elsbach, 1994) and institutional theories (DiMaggio and Powell, 1983) approach to explain how business networks can adopt and manage legitimacy. We exploit also the economic theory (Brousseau and Raynaud, 2006) and social theory of agency (Westphal and Zajac, 1998) to explain the adoption of specific governance mechanisms (Provan and Kenis, 2007) that legitimate business networks.
We apply our question to a specific third party certification market: the fair trade market.
We show that to build legitimacy in business networks it is necessary to use and manage governance mechanisms in the best way. These actions lead to establish differentiated relationships in business networks between all of the partners involving third party certifiers.

Keywords: legitimacy, relationships, certification, networks

INTRODUCTION

Business markets have seen an increased importance of different kinds of value that are nowadays necessary to legitimate the offer (i. e. values concerning ethics, environment, safety, social concerns etc.). The main consequence for business practice is a rapid development of third party certification which has modified in depth the structure and roles of business networks (Hatanaka and al. 2005; Renart, 2005). From this trend several questions arise. First of all what kind of relationships and, more broadly, what kind of governance mechanisms are necessary to be developed, both within and outside business networks, in order to create legitimacy? How should we deal with the position of these new partners (the third party certifiers) in relation to the other business network partners such as customers, suppliers, competitors? What types of links are to be developed by business networks with the certification markets? Our central argument is that the building of legitimacy of business networks through certification needs the development of what we call differentiated relationships, based on the central element: governance mechanism. Mainly theoretical, our communication develops the argument through a critical review of literature. We will illustrate this question with the specific example of a specific third party certification market: a fair trade market. To analyze this question, it is necessary to understand the real content of the notion of legitimacy in general and in relation to organizational theory.

So we use previous research on organizational legitimacy (Elsbach, 1994) and institutional theories (DiMaggio and Powell, 1983) to explain how business networks can adopt and manage legitimacy. We exploit also economic theory (Brousseau and Raynaud, 2006) and social theory of agency (Westphal and Zajac, 1998) to explain the adoption of specific governance mechanisms (Provan and Kenis, 2007) that legitimate the networks. Indeed, the mechanisms of governance reveal specific properties reflected by their embeddedness and their situation. Stemming from our conceptualization and proposals, we illustrate the building of legitimacy of business networks through specific governance mechanism with third party certifiers at the heart of the system.

We organize the paper to different parts. In the first part we present the importance of legitimacy in business networks. In the second part we explain how to manage legitimacy in business networks. We stress the importance of the governance mechanisms within and outside business networks. In the third part we analyze the concept of legitimacy on a certification market showing the relationships between the third party certifiers and other partners (customers, suppliers).

We conclude our work by showing the impact of governance mechanisms to build legitimacy in business networks and to establish differentiated relationships between partners.

THE IMPORTANCE OF LEGITIMACY IN BUSINESS NETWORKS

First of all the notion of legitimacy is found mainly in social and political literature. Also sociological and marketing literature enable to understand the interest of the legitimacy concept in inter organizational network and business markets.

In a general context, the process of legitimacy appears when problems of credibility arise in organizations and markets. Organizations can have divergence about social norms but they retain legitimacy. Sometimes an organization cannot be sure about a legitimacy of another organization, consequently it is difficult to join this organization and exchange with it in a business network. For example, a certification is conditioned by the payment of cash, and there is no monitoring, no verification of technical or economical capabilities before obtaining this certification (Sine et al. 2007). That way the question of inter organizational relationship legitimacy in a network arises. So our interest is to assess the impact of legitimacy in inter organizational networks and in which the way these relationships have to be considered as differentiated. What is legitimacy and how can business networks reach legitimacy to conform to institutional and/or market expectations?

For Suchman (1995: 574), "legitimacy is a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions". It is sometimes used to maintain social structures (Burger and Luckmann, 1966).

"Legitimacy is socially constructed in that it reflects congruence between the behaviors of the legitimated entity and the shared (or assumedly shared) beliefs of some social group; thus, legitimacy is dependent on a collective audience, yet independent of particular observers" (Suchman, 1995: 574). For this author an organization may move away from individual's values yet retain legitimacy because the deviation draws no public disapproval. Social entrepreneurs create frames based on legitimacy and by mobilizing their resources. These entrepreneurs focus on a pre-existing cultural menu" (Meyer and Rowan 1977) and "construct new cognitive models and formal structures" via a method of "bricolage" (Douglas 1986). So legitimacy leads an organization to follow social norms (Schuman, 1995; Scott, 1995, 2001).

These definitions express that legitimacy implies social aspects and that is linked to the relationships between individuals.

On the other hand, researchers built classifications of the different kinds of legitimacy. By focusing on previous works, Suchman (1995) identified three types of legitimacy: pragmatic legitimacy, moral legitimacy and cognitive legitimacy.

Pragmatic legitimacy is focused on self-interested calculations of persons who are directly in relation with an organization. Often, this immediacy involves direct exchanges between organization and its audience (persons). However, it can also involve broader political, economic, or social interdependencies, in which organizational action nonetheless visibly affects the audience's well-being (Suchman (1995: 578).

Using Aldrich and Fiol (1994), Suchman (1995: 579) presented moral legitimacy as a positive normative evaluation of the organization and its activities. By comparing pragmatic legitimacy to moral legitimacy, Suchman (1995) noted that moral legitimacy did not rely on judgments about whether a given activity benefits the evaluator, but rather on judgments about whether the activity is "the right thing to do". Consequently these judgments, in turn, usually reflect beliefs about whether the activity effectively promotes societal welfare, as defined by the audience's socially constructed value system. The judgments are different according to the type of moral legitimacy. Suchman (1995: 579-581) distinguished four types of moral legitimacy: consequential legitimacy, procedural legitimacy, structural legitimacy and personal legitimacy. In consequential legitimacy, organizations should be judged by what they accomplish, consumer judgments of quality. Procedural legitimacy allows organizations to acquire moral legitimacy by embracing socially accepted techniques and procedures. In a context of structural legitimacy, audiences see the organization as valuable and worthy of support because its structural characteristics locate it within a morally favored taxonomic category. Personal legitimacy relies on the charisma of individual organizational leaders.

The last type of legitimacy in Suchman's classification is a cognitive legitimacy which may involve either affirmative backing for an organization or mere acceptance of the organization as necessary or inevitable based on some taken-for-granted cultural account (Suchman, 1995: 582).

In sum up, Suchman (1995) cleared about two forms of legitimacy: strategic legitimating actions and institutional processes. Strategic legitimating actions consist for organizations to manipulate and to deploy evocative symbols in order to garner societal support. Strategic legitimating actions include ceremonially adopting legitimated formal structures or obtaining endorsements from central institutional actors. Institutional processes that rise above the actions of any single organization and affect entire sectors, or forms of organizations. Institutional process concerns also sector level processes that include increasing density (i.e. accessibility) and integration into existing legal instructions that make organizational forms seem more natural and taken for arranged.

Berger and Luckmann (1966: 93) introduced a 'cognitive' and a 'normative' form of legitimacy. According to these authors, if the institutions are to survive, they need ways of convincing new adherents that the meaning embodied by the institution is relevant to these newcomers. Seeing the relevance of an institution convinces newcomers to internalize what others had previously externalized. They explain that this is true even if individuals are exposed to complex institutional orders (overlapping or contradictory institutions or institutional elements). Indeed, individuals 'know' their world is a consistent whole; their 'knowledge' is used to invent a comprehensive logic to justify their place in these institutional orders. Thus establishing a cycle where individuals are led to define the world of meaning (the reality) within which they perceive themselves to exist.

Berger and Luckmann (1966) argue that with respect to both institutions and symbolic universes, maintenance of these social structures falls to the process of legitimization. Consequently the process of legitimization begins when a 'problem' first arises.

We notice that legitimacy can improve relationships in a network but in some ways it can be a source of problems (conflicts). Legitimacy is linked to behaviors of the organizations members and it affects how the members understand this organization. So, legitimacy must include evaluative and cognitive dimensions to establish good relationships. In the next part, we will analyze how to adopt and to manage legitimacy in business networks.

RELATIONSHIPS IN BUSINESS NETWORKS: HOW TO ADOPT AND TO MANAGE LEGITIMACY?

In this part, we deal with the development of governance mechanisms within and outside business networks in order to create and manage legitimacy.

According to Elsbach (1994), legitimacy can represent a way to avoid or reduce competition effects, and governance mechanisms help organizations to apply legitimacy principles. This author proposes to integrate individuals' use of different forms of accounts (impression about the management) to the organization's maintenance to endorse these characteristics. Elsbach (1994) demonstrated the capacity of governance mechanisms for the organizations to communicate their efforts about legitimacy the conception of which is absent in institutional theorists contribution. What kinds of governance mechanisms are necessary to create and manage legitimacy?

The adoption of governance mechanisms to legitimate business networks is related to some factors: resources mobilized in the relationships and habituation of the individuals.

In a sociopolitical conception, legitimacy is linked to resources and potential founders that affected decision. Facing the challenge, organizations mobilize different sets of resources (Hannan & Freeman, 1977) and their size determines what kinds of resources they can acquire (Carroll, 1985, Hannan and Freeman, 1977). In this context, legitimacy is represented through agreement with norms and regulations (Hannan, Carroll, Dundon, and Torres, 1995: 523).

Legitimacy in networks is based on agreements, norms and rules (Hannan and al, 1995; Hannan and Freeman, 1984; 1977) between the partners in the relationships.

Regarding habituation, Berger and Luckmann (1966: 93) stressed that when two or more people interact, habituation of their actions is inevitable. They noticed that the standardization of habituation implies a common comprehension of the goals, phases, and forms of action are necessary. They suggested the performance of specific roles that consist in the specialization of knowledge for roles and that implies a social distribution of knowledge, and the distinction between specialized knowledge and general knowledge.

Berger and Luckmann (1966) showed that habituation helps to predict the future, embeds meaning in actions, simplifies the decision-making responsibilities in life, and releases resources for other ends. Thus, the standardization of certain habituated actions or institutions symbolizes the need for people to control or predict the actions of others, even if no overt sanction regime exists.

DiMaggio and Powell (1983: 150), proposed three mechanisms to standardize habituations externalized by previous participants in the organization (or the originators): coercive processes, mimetic processes and normative processes.

Coercive processes involve the exertion of formal or informal direct authority by one actor on another. Mimetic processes are driven by the changing organization, often in circumstances of uncertainty, ritualistic behavior, or cost savings. Finally, the educational and networking aspects of professionalization primarily drive the authors' third isomorphic mechanism, the normative process. By identifying three types of governance mechanisms to legitimate an organization, DiMaggio and Powell (1983), express the distinction between causes and effects relevant to the organizational research context.

On the other hand, Sine and al. (2007: 580-581) analyzed the role of the legal system to legitimate an organization. Indeed, legitimacy is viewed as related to the legal system because it can facilitate the diffusion of formalized personnel procedures (Weber, 1947; Tolbert and Zucker, 1983). So legitimacy can impact organizational structures and policies.

Economic theory (Brousseau and Raynaud, 2006) and social theory of agency (Westphal and Zajac, 1998) serve also to explain the adoption of specific governance mechanisms (Provan and Kenis, 2007) that legitimate the networks.

Provan and Kenis (2007); following Suchman, explain that legitimacy is critical for maintaining the status and viability of networks. They raise an important question: the distinction between the legitimacy of networks and the legitimacy in networks. Let us distinguish the two levels. For these authors, "a key concern for any governance mechanisms is to develop internal legitimacy among participants (…). If participants do not see interactions and coordinated efforts as being a legitimate way of conducting business, with potential benefit from these interactions (either social or economic), then the network is likely to exist in name only with little real commitment by participants to network-level goals and outcomes." (Provan and Kenis, 2007:15). In other words, internal legitimacy refers to the way individuals internalize common values and norms related to a specific network.

But a network has also to meet another category of expectations: the ones of external partners such as customers, stakeholders, governments and so on. In being responsive to external expectations, which could be very heterogeneous, network governance builds up its external legitimacy. Provan and Kenis identify one major problem for legitimacy in relation to governance issues: the potential tension between internal and external legitimacy. In many cases, the needs of individuals "are not always compatible with the broader external legitimacy needs of the network as a whole". At the end, the authors emphasize that "the tension is in part between individualistic versus collectivistic legitimacy concerns, and in part between a focus on building internal network interactions versus building the credibility of the network to outsiders". (Provan and Kenis, 2007:16).

Even if governance mechanisms facilitate the implementation of legitimacy in the organizations, they can imply negative consequences that must be considered. Indeed rules can cause other tensions to persist and the tension reproduces another rule (Gouldner, 1954). Also, the different legitimacy management strategies become codified and repetitive, so individuals will become more pessimistic in their interpretations of firm activities. To remain credible, organizations must constantly change and evolve their legitimacy activities (Schuman, 1995).

LEGITIMACY ON A CERTIFICATION MARKET: DEVELOPMENT OF DIFFERENCIATED RELATIONSHIPS IN BUSINESS NETWORKS

In the third part we explain the importance of the certification process to gain legitimacy on a certification market and we show characteristics of the relationships between the third party certifiers and others partners (producers, suppliers, non-governmental organizations, customers). Then we present the case of certification on a fair trade market.

Using Schuman (1995) classification on legitimacy, Sine, David and Mitsuhashi (2007: 578) analyze strategic legitimating action that corresponds to the obtainment of external certification. Unlike the previous researches on certification that focuses on the information it provides about individual or organizational quality (Spence, 1974), certification is represented by Sine and al. (2007) in a context of regulation. Certification is defined certification as "a process in which a central institutional actor with authority or status formally acknowledges that a venture meets a particular standard" (Sine and al. 2007: 578).

Sine and al. (2007) concentrated on legitimating impact of certification. They showed that value of a certification not based only on the ability to procure information (information that is unavailable elsewhere) but on its quality respecting some rules. So certification must confer legitimacy benefits.

Indeed, legitimacy of business networks in a certification context is based on governance mechanisms such as agreements, norms and rules (Hannan and al, 1995); on a standardization of habituation and specification of roles (Berger and Luckmann, 1966); by the application of formal and informal pressure of some organizations to respect working conditions, productions of producers (DiMaggio and Powell, 1983). This system enables to control relationships between all of the partners in a network. Thus organization (specially nascent or new entrepreneur) has a greater chance of success in the business if it obtains a formal certification from an authorized institutional actor (Sine and al. 2007: 587).

But the positive impact of the firm certification on its legitimacy depends on contingent factors (for example sector legitimacy). Indeed "the effects of certifications at the organizational level are contingent on these larger and sector-level processes: Certifications have a greater impact in the face of events that decrease the overall legitimacy of a sector and a smaller effect when a sector is characterized by greater legitimacy" (Sine and al. 2007: 590). So these authors concluded that regarding the negative press certification is more helpful for nascent entrepreneurs and less helpful in positive press situation.

Other researches put the accent on third-party certifiers and the relationships between partners in a network (Hanataka and al. 2005) to obtain legitimacy. These authors focused their analysis on the role and implications for three key stakeholder groups. They showed that some partners such as supermarket chains, producers, consumers and non-governmental organizations (NGOs) are implied in a certification process to build their legitimacy in the network. In consequence government policy and international development assistance programs have an important role to play in enhancing the capacity of small holders to succeed in meeting the challenges of third party certification (Hanataka and al. 2005: 366).

Third-party certifiers (TPCs) represent private or public organizations that are responsible for accessing, evaluating, and certifying safety and quality claims based on a particular set of standards and compliance methods. TPCs reorganize, transform and discipline people and things throughout the supply chain, with differential social and economic implications for various participants. TPCs verify supplier compliance of systems, processes, and products for both private and public standards that concern food safety (Hanataka and al. 2005: 355). So, TPCs are at the heart of the certification process and they exchanges with suppliers, retailers and NGOs.

In the relationship, suppliers must follow a set of principles to obtain certification: 1) To apply to a particular TPCs for certification. 2) The TPCs conduct a pre-assessment and documentation review of a supplier’s facilities and production operations. 3) The TPCs conduct field audits. 4) The TPCs issue a certification and allow the supplier to label its products as certified when conformity is verified. However, suppliers are responsible generally for meeting the costs of the audit (Hanataka and al. 2005: 357). The adoption of third party certification by suppliers is a way to gain and access to new markets (particularly for suppliers in developing countries). But the implementation of third party certification is sometimes difficult for small and medium suppliers in these countries because there are limitations to access information and to adapt to the obligation about standards established by retailers in develops countries. On the other hand, TPCs oblige farmers to implement a traceability system that help ensure that any food safety or quality problem can be traced back to its origin. Furthermore, TPCs assist farmers to improve product standards when there are not public agrifood standards (Hanataka and al. 2005: 360-363).

In the relation with retailers, third-party certifiers are in charge of the monitoring of standards. Thus retailers’ responsibility for policing the safety and quality of their products is minimized and the TPCs enable retailers to shift the costs of monitoring food safety and quality to suppliers. Also retailers can use third party certification as a marketing tool to communicate to consumers their standards by the use of labels and certification. So by guarantee a quality and safety of the products, the TPCs can lead to a reduced risk of product failure (Hanataka and al. 2005: 360).

NGOs and consumer (activists) encourage all of the partners in the relationship to adopt third party certification to promote worker rights and environmental protection. Indeed, NGOs help to promote alternative production and consumption systems that are more socially just and environmentally sustainable (certification systems for their social and environmental practices). Activists have as their objective to improve labor conditions and/or to institute more environmentally sound agricultural practices (Hanataka and al. 2005: 364-365).

To summarize, Hanataka and al. (2005) presented the certification as a means and a process for partners in the network to guarantee and to create trust in their product by providing information about the commodity and its production processes. This process is conducted by the TPCs that defines objectives and gives directives to respect economic, social and environmental rules on a market. Also the pressure of NGOs and consumers facilitates the respect of social and environmental norms. In this context, TPCs allow producers and retailers to demonstrate to their customers that the products respect the minimum standards.

We find this formalization in the process of the certification on a fair trade market.

Fair trade is a regulated market which aims to reduce disparities between North and South: “Fair trade is a trading partnership, based on dialogue, transparency and respect that seek greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers especially in the South. Fair trade organizations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade" (FINE[1], 2001). So, fair trade represents: "an alternative approach to conventional trade that aims to improve the livelihoods and well-being of small producers by improving their market access, strengthening their organizations, paying them a fair price, and providing continuity in trading relationships" (Giovannucci and Koekoek, 2003: 38). In this context, organizations aim to allow the production of fair trade products in developing countries and to sell this product in developed countries. This consists in balancing the business of fair trade products between actors in the North and in the South, to resolve difficulties related to the production and the marketing of the products and to protect the environment.

Fair trade was created by activists, nongovernmental organizations, and coffee-farmer cooperatives with the aim of providing cooperatives with better prices. These organizations were 'self-regulated' because they established their own norms and criteria and they were 'self-certified' because they had control over the processes of inspection (Carimentrand and Ballet, 2004 in Renard 2005: 422). Now the concept is extended on other sectors such as fruits (bananas) and clothing.

Fair trade is based on standardization of conditions of production, distribution and commercialization of products respecting certification norms (economic, social, and environmental norms). Indeed fair trade label is considered as a brand that guarantees social conditions: the direct purchase by consumers, a minimum price, and the long time relationships between producers and buyers and the respect for human rights (minimum social security, refusal of child labor, etc.). Environmental criteria are added to social criteria: decrease in the use of pesticides and artificial fertilizers, waste recycling, prevention of the water pollution. The brand represents one of the main resources in this market. For example in the sector of the fair trade bananas "Fairtrade[2]" represents a brand which conveys a fair trade concept and its image is recognized by consumers and distributors in the world: "*Some distributors accept only to sell their products when they are labeled Max Havelaar. It is the same reaction for some partners who say that if bananas or fruits are not labeled Max Havelaar we cannot sell them as Fairtrade* » (Interview with a representative of AgroFair, bananas company in France, June 2007). So to deliver a product to the client, owners of the brand (banana brand and fair trade brand) exchange with external partners to realize the transaction. In the following part, we will develop this relationship in a fair trade market.

Producers are organized in order to be able to comply with the quality criteria public agencies that provide legal coverage for quality definitions and guarantee their veracity to consumers. And in some countries food product certification is shaped by public policy, for example in France the French standardization agency (AFNOR) was charged with standardization prior to certification. Thus under AFNOR norms, certification requires third-party intervention. (Renard 2005: 422). In a fair trade market, it is a certification organization FLO (Fairtrade labeling organization) that work with the fair trade association (Max Havelaar) producers, distributors and consumers to elaborate the standards.

For the consumers, fair trade is a guarantee that the product respects the condition of the fair trade market: the respect of the producers in developing countries, to share equitably the

[1] **FINE** is an informal association of the four main Fair trade networks: **F** (Fair trade Labelling Organizations: FLO), **I** (International Fair Trade Association represented now by World Fair Trade Organization: WFTO), **N** (Network of European Worldshops: NEWS) and **E** (European Fair Trade Association). It was created in 1998.

[2] Since 2008, a fair trade association Max Havelaar and its partners decide to use "Fairtrade" as a label and to represent the association (in the world).

price between producers and sellers in develop countries, the respect social of environmental norms.

Organizations in the fair trade market share common objectives: "*sometimes we have a common interest in the marketing, we can create promotion together, sometimes AgroFair is supplying retailers. It was important that we had a direct connection with the retailers*" (Interview with a representative of Agrofair, bananas Company in Netherlands, 2008). "*The interest is not only to buy and to resell, the interest is to have a common project, to accept the requirements that the customers can have"* (Interview with a representative of Az Méditerranée, ripeners company in France, 2008). To achieve the mission, standards and norms are instituted by partners in the relationship. Certifications rules, contracts, licenses, norms and cooperation allow apply these standards. To apply the rules, contractual relationships between all of the members are established to consider all the preoccupations of the partners (FLO, producers, consumers, distributors) These contracts integrate their objectives in a network: a better price for the producer, a negotiation agreement with distributors, the respect of the quality of the product and engage in solidarity and ethical action.

Nevertheless, the fair trade concept is confronted with the development of a lot of brands. To avoid competition among diverse fair trade labels and resulting consumer confusion, FLO decided to institutionalize the fair trade label. FLO developed a uniform international label named "Fairtrade Certification Mark" (CM). It is a means for FLO to protect the fair trade label again competitive alternatives and to obtain official recognition. Consequently this certification organization can be qualified as an independent certification organization under international norms (Renard 2005: 425).

CONCLUSION AND MANAGERIAL IMPLICATIONS

The firm feels pressure to conform to institutional expectations, and reacts by doing something to earn institutional legitimacy. Certification systems can help them to build trust between actors in the commodity chain by providing independent assurance that the end-product meets the appropriate process and product standards (Hatanaka and al. 2005: 365). Also government policy and international development assistance programs have an important role to play in enhancing the capacity of small holders to succeed in meeting the challenges. The development of third party certification can be a means to change and improve relationships in the business networks.

To have a positive impact of certification on organizational legitimacy, all of the partners in business networks must organize and center the relationships with third party certifiers. These actions consist in establishing and respecting standard rules and norms, to define the rules and obligations of each partner in the relationship (by certifiers). In respecting conditions of certification, partners (producers, retailers, and distributors) can create trust from consumers and legitimate their actions in the market. They can reduce their costs on a market. It is also necessary for a nascent entrepreneur to obtain a formal certification to have a greater chance of reaching operational start-up (Sine and al. 2007).

The fair trade is one of the markets where certification plays an importance to build legitimacy. Indeed in this market the significance of environmental issues increase through the success of some concepts ``green partnerships, green technologies, green products or processes``.

However the positive impact of certification in legitimacy depends on the size of the organization and the demand (such as the necessity of the certification in the sector), (Sine and al. 2007).

The coordination between all of the partners in the relationships is important to ensure to success. To reinforce and adapt to environmental conditions and consumer demand (using of new marketing strategy, new standards), all the partners on the fair trade market take some actions to reduce limits, to pursue their mission and create greater value. These actions can be completed by the negotiation of programs based on training, control and political decisions. That consists in changing the policies of the company: by reinforcing policies for training, to lay the foundations a code of conduct for transactions, to control employees by human resources, executives. To support current standards and contracts, partners must review some rules and norms; reduce constraints to apply norms, and adapt regulations and standards to diverse products. Finally, they have to verify if the price of the fair trade product is adapted to all the distributors on the market. In this context legitimacy become a way to gain a competitive advantage.

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