

work-in-progress

Interaction Revisited

INTRODUCTION

The purpose of this paper is to encourage the industrial marketing researchers focusing on interaction theme again rather than relationship marketing study. Historically and theoretically, they are different themes and originated from different theoretical roots. Even though, interaction themes, recently, have been ignored. Many of researchers have discussed on relationship marketing management, and they emphasized that to build good relationship was the objective, even not, indicated cause of bad relationship results.

From IMP traditional point of view, there are no good and bad relationships because relationship is the result of buyer-seller interaction. Thus, good relationship should be regarded as the result of good interaction and bad relationship might be the result of bad interaction. Because every business is absolutely relationship (Blois, 1998, p.266).

Therefore, this paper encourages the IMP researcher to focus on interaction studies again. And, to achieve the purpose, the organization of this paper should be constructed by these three processes. The first one is to review IMP interaction framework. And to focus on a meaning of relationship in IMP framework must be reviewed in detail. The second one is to evacuate problem-solving marketing strategy framework, again (Håkansson, 1980, p.366). The problem-solving framework has provided the rigorous empirical hypotheses, but was seldom studied by both case studies and empirical survey. This framework can yield more rigid strategic insight rather than Porter's generic strategy framework. And the third one is to propose some idea for future (but very near) studies.

Although early IMP study was called interaction approach and many of them focused on interaction between seller and buyer, most of recent studies did not, rather relationship and relationship marketing. Traditionally, relationships were the general term for long term business exchange, but IMP interaction study rather focused on institutionalization and adaptations through interaction process. They are completely different. Thus, this paper asks why IMP study has been morphed from interaction to relationship, and suggests productive themes for future IMP study. Once this paper could have been

accepted among IMP community, IMP interaction studies might contribute its conference been vital and studies on industrial marketing and purchasing studies prospered again.

A PROBLEM AT THIS TIME

This paper notices that the recent problem in industrial marketing study is excess focuses on research in relationship marketing. Any relationship marketing studies rooted on variety of theories defined relationship as an aim, except service marketing. In service marketing, relationship was clearly defined as marketing tools (Berry, 1983, p.26). This paper regards that relationship is not marketing; it is the result from buyer-seller interaction (Cunningham, 1980, p.323). Of course, this paper agrees with findings of relationship marketing studies, namely, good relationship often results expected consequence, but good relationship shall require positive and active commitments to counterpart. That is none other than interaction.

As Ford and Håkansson (2006) suggested several themes on interaction remained, however, they were very conceptual and abstracted. Hence, there must be the tendency to focus on quicker-produced-theme for not only early carrier researchers, but also experienced professors, included me. Recent global standardization bulldozes to make academic diversifications flat: journal priority. I do not have any critique on journal priority, but methodological diversification must be kept in academic world. Therefore, conceptual and theoretical, even challengeable papers also should be written more. This paper would like to ask the IMP researchers focus on interaction theme again. Recent studies in IMP group have been somehow shifted to focus on relationship studies. This paper does not like to criticize, nor blame, for any specific works, thus I should avoid to cite the specific paper, but based on my experience for last decade, following general trend actually existed.

The general trend in research in industrial marketing has been to study on the relationship framework. Not only as several seminal works published in early 1990s from USA, but also IMP based researchers published an integral framework of relationship marketing. Among them, a work of Möller and Halinen (2000) has been cited more than 530 times as the benchmark paper. This citation number is astounding as this rigid and rigorous and narrow-focused academic paper. This can be regarded as an evidence which many researchers would like to define relationship marketing and to know what it was.

At least, one notable feature of their paper was that they included four different studies (i.e., business marketing, marketing channel, service marketing, and database marketing) into two types of relationship marketing by metatheoretical analysis: market- and network-based relationship marketing, respectively. Even though they indicated that these four themes had traditional issues (themes in this paper's meaning), they successfully characterized that any relationship could be divided into above two relationship traits. Furthermore, they suggested that intensity and nature of interaction should result relationship performance (Möller and Halinen, 2000, p.43). Therefore, this paper emphasizes that interaction framework should be revived.

PROBLEM-SOLVING MARKETING STRATEGIES AGAIN

Traditionally, IMP researchers comprehended relationship as the result of buyer-seller interaction. Interaction is defined as action and reaction patterns by buyer and seller. In industrial markets (business markets in recent term), buyer can identify its suppliers as sellers, for small number of them, from seller's point of view, vice versa.

Here, interaction patterns mean how much the seller can satisfy buyer's expectations (functional needs). From the buyer's point of view, the buying company expects seller for exclusive supplying cheaper price or high performance products. The former contributes buyer's profit increasing through cost decreasing. The latter contributes to increase revenues through product differentiation (Ford, 1980, p.340). To achieve them would be purchasing strategy. Figure 1 shows the buyer's aims, in terms of purchasing strategy and reaction of the seller as marketing strategy.

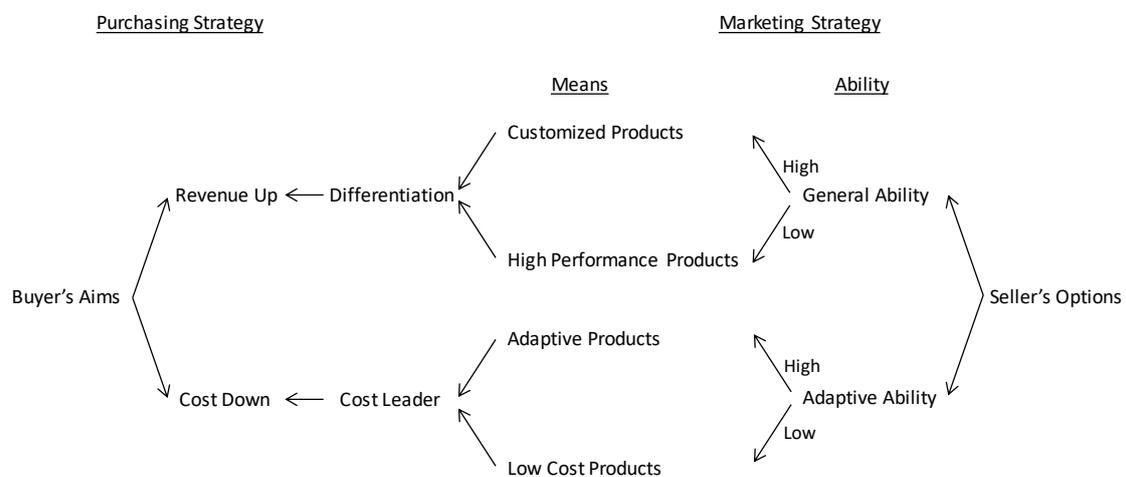


Figure 1. Interaction Patterns of Buyer-Seller Interaction

Buyer's purchasing strategy, then, influences seller's reactions. IMP framework describes that buyer's purchasing strategy will be achieved by sellers' marketing strategy. To contribute increasing buyer's revenue, in general, differentiation strategy should work (Porter, 1996, p.62). To achieve differentiation for the buying company (i.e., seller's customer), any selling company should develop products, give technical information, give status, give security and so on. To be able to utilize the selling company's total ability effectively, the buying company must have a full knowledge of the supplier as well as the supplier's having a good knowledge of the buying company's characteristics. Thus, the selling companies can be seen as external resource units which can be used in many different ways. The seller can be more or less able to meet different buyer's aims and it can also be more or less willing to offer its abilities. The offering which meets buyer's expectation is called, problem-solving ability (Håkansson, 1980, p.366).

In short, the buyer-seller relationship can be seen as the result of their interactions. Interaction is characterized by buyer's needs conditions and seller's problem-solving ability. The consequences of interaction do determine the buyer-seller relationship structure. One of them is short-term relationship, other is long-term. Or some of them is intimate relationship, another is hostile, for example. Thus, every business has a certain type of relationships. Most of relationship studies discuss on only long-term and intimate relationship between sellers and buyers. It is not the only the aim of marketing.

Problem-solving of IMP framework can discriminate the type of relationships. According to Håkansson (1980, p.366), problem-solving ability can be of greater or lesser extent and can also be of a general or adaptive character. The logic of adaptive character is derived as follows. Adaptive character, in IMP framework, refers to adjustment of seller's original product (and service) to buyer's wants and needs because sellers and buyers can recognize each other due to small number of participants in business markets (Cunningham, 1980, p.323). Based on problem-solving ability, seller can theoretically choose two options as marketing strategies. The first one is standardized strategy, or not-adaptation strategy. The second one is adaptation strategy to its customers. The former is called, general ability and the latter is called adaptive ability.

These two problem-solving abilities, general and adaptive, respectively, align with buyer's needs. Figure 2 shows two dimensions of customer's needs: general and specific needs, respectively. As to be the general problem solver, the seller should improve and accumulate its product development ability. In contrast, as to be the adaptive problem solver, the seller should improve its production and delivery flexibility. With none of those, the seller can survive to improve its low cost ability, in other word, operational efficiency (Ford et al., 2006, p.248). A specific strategy by seller company can be characterized by its position in the two dimensions.

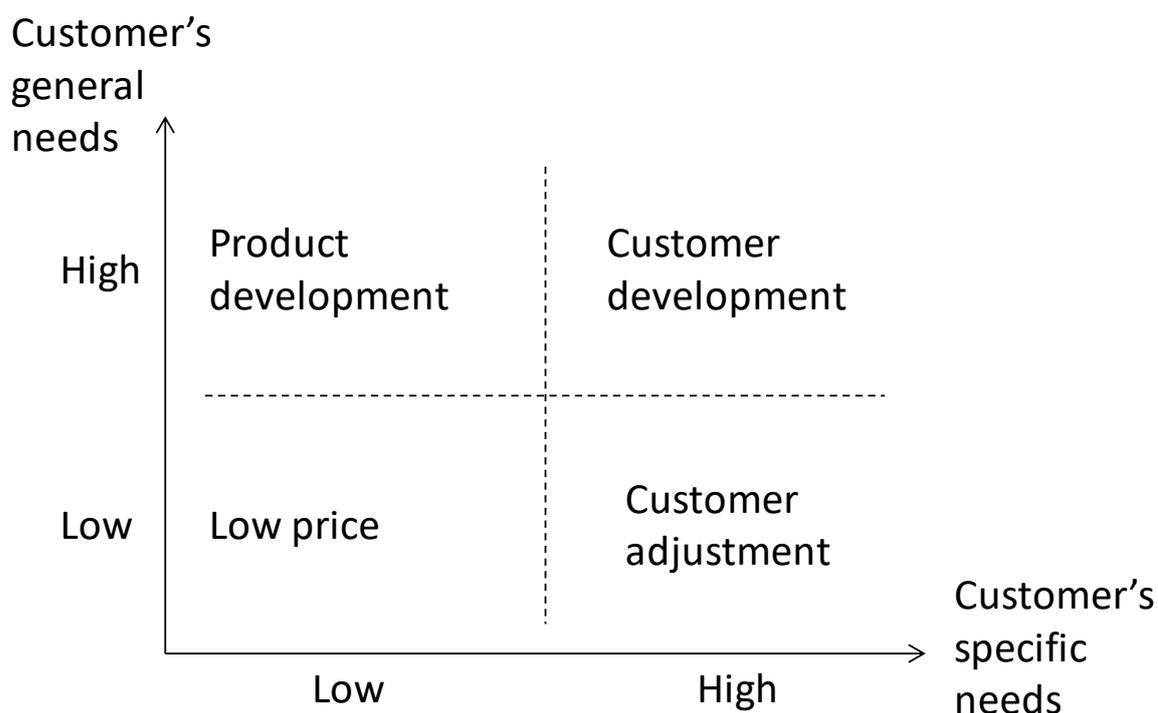


Figure 2. IMP Problem-Solving Framework
 (Source: Håkansson (ed.), 1982, Figure 6.2, pp. 386)

IMPLICATIONS FOR NEW RESEARCH

From elaborate introduction of previous oracles, there are mainly two suggestions for future researches as follows. Firstly, empirical survey should be done. Hypotheses has been done also, that is, does your company adjust your product to your primary customer?, for example. Factor analysis can confirm these two dimensions experientially. Statistical experts can direct more advanced technique. One method is to make assembled team with them. Secondly, as IMP research tradition showed, case study with problem-solving framework must be the another way. Indeed, as Håkansson (1980) done, case study with this framework produced affluent and rich information on

industrial marketing strategy. The theme how seller accumulated problem-solving ability must be important research. The question why competitor with high adaptive problem-solving ability cannot establish long-term relationship must be another important issue. Anyway, case study in IMP community should have theoretical framework, not trace conceptual framework with previous studies. This should be another theme of methodological issue as well.

Interaction research in business markets still can yield many original themes of industrial marketing (Håkansson and Östberg, 1975). And antecedents often had formulated research agenda on interaction in business markets (Håkansson (ed.), 1982), some theme had been noticed a lot, but others rarely had been done. This was happened by mainly two reasons. The first one was difficulty of setting research sites. Difficulty of empirical study is known every researcher, but as some researchers achieved, they became famous. The second one was a disregard interaction, rather relationship. However, relationship marketing had invaded business marketing study. As the evidence, industrial marketing or organizational buying behavior studies imperceptibly morphed the title to business marketing, b2b marketing, and relationship marketing. IMP researchers should be afraid of this invasion against research identity and originality.

Interaction study and relationship marketing are different, different from purposes, different from methodologies, different from required implications. Here, this paper shows two proposals. The first one requires research collaboration and an official research center as antecedents did. The latter requires interpretation for empirical study (including a case study) such as methodological procedures. We, IMP researchers, need to identify the best way to tell whether, in any given case, such an opportunity exists and is being followed. It is these efforts that we address ourselves in the hope that heightened understanding may help plan the seeds for a renewed commitment to managerial excellence as well as nature the encouraging developments already underway. If future efforts can only fulfill current promise, the next decades of IMP study will see a true renaissance of research community.

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