# The organizational self in everyday life – interaction in business relationships and organizational identities

*IMP Conference 2009, Marseille*

*Antonella La Rocca*

University of Lugano, Switzerland
E-mail address: antonella.la.rocca@lu.unisi.ch Tel.: +41(0)586664631

**Abstract**

The issue dealt with in this work-in-progress paper is the mutual attribution of identity in customer-supplier interaction in business networks. It departs from the assumption in the IMP stream of research that interaction outcomes are central to the formation of relationships. This work-in-progress paper is focused on the exploration of the relationship between interaction and organizational self (identity). We assume that "the meaning of both the event and the self is constructed by actors through social interaction, and the unit of analysis is not the individual but interacting persons" (Hare and Blumberg, 1988, p.14). In order to explore this issue we use a case study of a company operating in business to business context. Interactions among customer and supplier representatives are observed; observations are recorded and followed by in depth interviews with the interacting actors.

**Key-words:** identities, attribution, interaction, business relationships

## Introduction

One of the central assumptions in the IMP research tradition is that buyer – seller interactions are a central process in the development of business relationships

(Håkansson and Snehota, 1995, Ford et Al. 2003, Turnbull et Al. 1996). In turn, it is implied that the mutually attributed identities (pictures) impact on how the interaction unfolds and that is the main force driving the development of buyer seller relationships in industrial markets. There are, however, no studies we know of that explicitly address the issues of mutual attribution of identities in business relationships. This work is intended to contribute to fill in this gap. While even in the marketing literature in general there is a growing consciousness of the relevance of relationships (e.g. Vargo and Lush 2004, Palmatier et al. 2006, Tuli, Kohli & Bharandwaj, 2007) and the issue of relationship formation is brought to the forefront, the body of literature on the organizational identity does not seem to provide a conceptual framework useful to explain how identity emerges in market relationships and in the business network reality (Brown et al. 2006). A possible reason we see is that it considers the context of a company as largely homogeneous missing to take in to consideration the specificity of the interacting actors.

In this paper we first review the issue of interaction and identity in business relationships, then explore the organizational identity concept and discuss about how it has been approached in management literature and contrast it with the broader interactionism perspective on organizational identity (La Rocca A. and Snehota I., 2008). In the following part of the paper we review some other models based on interaction that lead to outline propositions regarding the process of identity construction/attribution. Then we present the results of a pilot case - conducted in a multinational company operating in business to business context - aiming at exploring these propositions.

**Interactions and identities: basic propositions**

One of the main findings of the IMP stream of research has been that in business markets relationships matter (Håkansson and Snehota, 1995). The idea is that a company is a nexus of relationships with customers, suppliers and others with which it interacts and which actually define its business. The importance of relationships is stands clear if one accepts that "it is in relationships that companies access, provide and exchange resources from, to and with others" (Håkansson and Snehota, 1995, p.38). This observation is increasingly recognized in management literature in general and in particular in marketing and strategy literature. Following the IMP (Industrial Marketing and Purchasing) perspective on business network, we assume that networked actors are influenced by and influence the network of which they are part. Organizing of the networks emerges in an explainable but not pre-determinable way by means of a system of interactions and interpretations. In fact, according to the IMP research on business networks, in which the unit of analysis are network relationship and their dynamics, networks evolve through the evolution of their relationships. It is suggested that the interpretation of Weick (1969) with regard to organizing applies in business networks where "activity structures emerge spontaneously, in the sense that various actors develop their own activities in reaction to how counterparts are performing theirs. Activity structures thus emerge over time as one's activities become modified, adapted and related to those of others" (Håkansson and Snehota 1995, p.53). But do relationships emerge and develop in a random way or is there some pattern in the evolution of the network structure? It seems that this process is not entirely random and that there is a hypothesis that explains behaviours in interaction through the concept of sensemaking. In fact, also Weick (1969) argues that, "the emergent pattern is then somehow rationalized; given a meaning that keeps the activity structure together".

Therefore the link between relationships – based on interactions (direct and/or mediated) - and identity is explained by the fact that enactment – defined as the process to which actors attempt to affect the interaction that take place between them and its outcomes - is a matter of social sensemaking. As a consequence reality is an "ongoing accomplishment that takes form when people make retrospective sense of the situations in which they find themselves and their creations" (Weick 1995, p.15) and it can be argued that a central process for social sensemaking is identity construction. The sensemaker is not a given entity rather he/she is "an ongoing puzzle undergoing continual redefinition…". This idea implies that depending on with whom one interacts a person presents "some self to others" – his identity – "trying to decide which self is appropriate". At the same time, depending on the self I'm presenting the "definition of what is 'out there' will also change" (Weick, 1995, p. 20).

A similar idea has been expressed by Goffman (1967) as he argued in his work on interaction that "the proper study of interaction is not the individual and his psychology, but rather the syntactical relations among the acts of different persons mutually present to one another" (Goffman, 1967, p. 2). If the point of departure is the interaction, the identity of an actor has to be conceived as a variable. So, alternatively, it might be fruitful to study actor's identity from the point of the interaction rather than taking as given the actor's identity. From this perspective identity is not a structural entity but it is continuously changing because, even if the actor does not [undertake]… any transformation, is the interaction itself that changes. Goffman expressed this idea using the word "moment": "no, then, men and their moments. Rather moments and their men" (Goffman, 1967, p. 3).

This paper intends to explore two propositions: the first that interactions form identity attribution and, the second, that identities attribution influences, in turn, customers-suppliers interactions. Why are these propositions relevant for marketing? If we assume that relationship is a constituent part of the wider network in which relationships are interconnected we understand why any change in the substance of the relationships affects the overall structure (Håkansson and Snehota, 1995, p. 40). Moments of interactions determine identity attribution and this perceived identity is responsible of eventual changes in the relationships and thus in the entire structure of the business network. It appears thus that the very process of mutual attribution of identities is central in the dynamics of markets, or business networks.

**Interaction in marketing behaviours**

The relevance of the interaction starts to be increasingly largely recognized by marketing scholars as importance of buyer-seller relationships is recognized not only in the b2b context (e.g. Palmatier et al. 2006) but also in services (e.g. Vargo and Lush 2004, Gronroos, 2007). Relationship marketing appears to have become a familiar notion in the mainstream marketing literature. The relationship approach sees at the centre of marketing customer processes rather than the products. While the exchange of a product is the core of transaction marketing, the core of the relationship marketing is the management of the interaction process. Therefore "interaction evolves as a concept which takes the place of the product concept" (Gronroos, 2007, p.152). This idea leads to propose that value is not something created by a firm and successively delivered to customers but it is the result of a "co-creation in interactions with customers" (Gronroos, 2007, p. 210). In fact, Gronroos (2007) does not accept the idea that there is brand (identity) once built, has to be offered on the market. Following his perspective, identity, that is inseparable from image, emerges from interactions and interactions are moments in which relationships are constructed. Brand identity is

simultaneously what an organization wants that its customer think about it and also what they think by themselves.

While Bagozzi (1975) proposed the idea of "marketing as exchange", placing the exchange concept as a key factor in understanding the role of marketing, the metaphor that nowadays seems to be more effective in explaining the development of market relationships puts interaction as a key process in marketing (Ford & Hakansson 2006).

A similar idea has surfaced elsewhere. It can be found in economic sociology. In Fligstein (2001) it is possible to trace out again the relevance of social relationships and interactions. His point of departure, criticizing the neoclassical economics views of the functioning of the markets, is that markets are socially constructed. But where do social structures in markets come from? Fligstein argues that the main cause of the formation of social structures is the need of stabilization of the context of actors. Social structures thus emerge because firms search for stable interactions with competitors, suppliers, and workers and the role of relationships is fundamental, in fact "relationships define how the market works, what a given firm's place is, and how actors should interpret one another's actions" (Fligstein, 2001, p. 18). The actors appear thus not profit maximizers as argued by economic theory neither do they possess perfect information, they live in an unpredictable world where one never knows which actions will have which consequences. Since no actor can determine which behaviours will maximize profits, "the purpose of action in a given market is to create and maintain stable worlds within and across firms that allow firms to survive" (Fligstein, 1996 p. 658). But why do actors search to produce stable market? Because the effect of creating stable market is that "firms who takes one another into account in their behaviour are able to reproduce themselves on a period-to-period basis" (Fligstein, 2001, p. 18). An assumption of this idea, contrary to the anonymity of actors sustained by neoclassical economics, is that the creation of stable market is only possible if actors take one another into account in their behaviour. The same idea has been expressed by Rosa et Al. (1999) when they explored the origin and evolution of a product market and advance what they propose as socio-cognitive perspective on product markets. Referring to Fligstein (1996) and White (1981), they sustain that consumers and producers reduce complexity – "equivocal transactions" – stabilizing the market through sharing of "assumptions and frame of reference" (Rosa et Al., 1999, p.66).

## Interaction and behaviour in interaction

Kelley and Thibaut (1978) have dedicated particular attention on the ways the actors transform their "given matrix" of outcomes of interaction processes in which behavioural choices and outcomes are strongly controlled by factors external to the relationship – into an "effective matrix" in which outcomes "are considered in the contexts provided by the matrix patterns and by the past and future" (Kelley and Thibaut, 1978, p. 19). The idea is that the person is not satisfied with the "given matrix", he/she transform the interaction matrices introducing "[…] additional considerations, such as his outcomes in relation to those of his partner and the outcomes he can attain over a long time span". The actors act within the context of the given matrix seeing "what he can do with it – by planning, reevaluation and reconceptualization." (Kelley and Thibaut, 1978, p. 19). In discussing the transformation process – from given to effective matrix- they analyze the processes of attribution and self-representation. Given that each actor is usually both a self-presenter and an attributer, they argue that

self-presentation is determined by the structure of interdependent situations, in which he finds himself. In other words, outcomes don't come from some objectively given states but from a, in principle, unpredictably chain or actions and reactions.

In economics too we can find a related idea that has emerge in the critique of the concept of economic rationality by Kahneman and Tversky (1979). They have presented a critique of expected utility theory as a descriptive model of decision making under risk and have developed an alternative model named prospect theory. This model introduced the necessity to revise a common stream that sees the attribution of outcomes as a rational process and behaviours based thus on elaborations of the meaning. In fact they have demonstrated that people's preferences systematically violated the principle, declared by expected utility theory, that the utilities of outcomes are weighted by their probabilities (Kahneman and Tversky, 1979).

In Kelley's and Thibaut's words, "a person's outcomes will depend not only on his own transformation but on those of his partners [...] they [people] gain rewards and incur costs not only from their own and their partner's behaviour but also from the kind of person they are able to 'be' in the interaction and the kind of person they find the partner to be". (p. 325).

**Organizational identity concept**

That warrants turning to the growing and popular literature on organizational identity in literature on corporate communication where the identity concept seem to be playing a prominent role. How has the topic of organizational identity (and image) been treated in the existing literature on the topic. We can identify two streams of such research that approach the issue of organizational identity and image from two somewhat different positions. The first, what we call an internal approach, postulates that identity of an organization is the perceptions held or communicated by organizational members regarding the Central Enduring and Distinctive features of the organization they belong to. The organizational identity is typically taken by scholars to be a collective understanding held by the members of an organization of the features presumed to be central, permanent and that distinguish the organization from other organizations (Albert and Whetten, 1985). Scholars following this tradition (e.g Dutton and Dukerich, 1991) argued that the way organization members believe others view their organization is organizational image. The second, what we call external, uses the often the concept of Image to denote identity, and define it as the perception held by "outsiders" (Gioia et al. 2000). Fombrun (1996) – taking a more external approach – uses the concept of reputation to denote the collective judgments – held by outsiders – about actions and achievements of an organization. The reputation concept is close to the organizational identity concept since it is employed to "capture the set of corporate associations that individuals outside an organization believe are "Central Enduring and Distinctive" to the organization (e.g. Brown et al. 2006). Neither of these two streams of research deals explicitly with how identities are formed and offer thus only limited if we want to address the issue of mutual attribution of identities in interactive business relationships. We will therefore espouse in this paper the symbolic interactionism perspective that sees meanings as social products that "are formed in and through the defining activities of people as they interact" (Blumer, 1969, p. 5). Since we use the concept of identity where a large part of researchers use the image concept, we assume a position that has much more to share with interactionists rather than with other perspectives that we will discussed in the following paragraph. We will argue that the identity that really matters for the outcomes of an action in the market is

the attributed identity, in other words, that the main variable of the interaction outcome in a relationships and, therefore, of market outcomes is how a company is perceived – i.e. its attributed identity. This idea can be linked to the claim that the development of business relationships over time depends on the identity attribution that is formed in interaction. Consequently, if the meaning of things is formed in the context of social interaction, the attributed identity of an organization cannot be explained through an internal view neither through an external one, but only taking simultaneously both perspectives.

Albert and Whetten (1985) were among the first to propose a definition of organizational identity. In their view organizational identity emerges from a socialization process in which the organization acquires or looses identity roles. In this process the identity emerges according to the degree of identity discrepancy perceived over time in relationships established with external constituencies: "organizational identity is formed by a process of ordered inter-organizational comparisons and reflections upon them over time" (Albert and Whetten 1985, p. 273). Albert and Whetten (1985) argue that identity captures the essential features of an organization. They suggest that organizational identity consists of those attributes that members feel are fundamental to (*central*) and uniquely descriptive of the organization (*distinctive*) and that persist within the organization over time (*enduring*). However the durability dimension of identity has been questioned by a number of studies (e.g. Gioia et Al. 2000; Hatch and Schultz 20002; Corley and Gioia 2004; Corley 2004; Dutton et al. 1994; Dutton and Dukerich 1991; Gioia and Chittipeddi 1991; Scott and Lane 2000) and organizational identity has been described with a more fluid nature. Gioia for example argued that this dimension - enduring - is an "illusion preserved for the purpose of appearing stable and consistent over time for internal and external consumption" (Gioia in Whetten and Godfrey, 1998, p. 24). In this paper we also doubt about the idea that an identity can be *distinctive* since this concept presumes a comparative process with an "others" that seems to be an indefinable entity.

Although scholars have recently begun offering empirical evidence that identity has a dynamic and flexible component, the attention has been focused on the relationship between strategic change and identity changes arguing for example that organizations can, and should, to some extent strategically change their identity (Gioia and Thomas, 1996) or that organizational identity can change during and after corporate spin-offs (Corley and Gioia, 2004). Therefore, in these researches, the explanation of dynamicity and flexibility is that identity is something relatively stable as long as there are no environmental or organizational factors intervening.

In this paper we question exactly this assumption of the endurance of organizational identity but also that of distinctiveness and centrality; we argue that there is strong variation between groups of people in these respects and – even more important to consider – there is variation among those groups of people. Therefore, taking departure from the interaction processes in relationships between businesses, we need a concept of organizational identity that gives much less importance to "shared values" and "common beliefs" but rather offers an approach to organizational identity in presence of "multiple voices". This concept should also considers identity not as a static representation of *central*, *enduring*, and *distinctive* aspects of a fixed organization - that can only be changed only when the organization itself undergoes a radical change - but rather a process activated in interaction with others. In other words we assume that identity is not a "given" entity but rather produced by interactions. A research stream that approaches the problem with a "multiple voices" - exploring identities processes through an interactive perspective - is certainly symbolic interactionism, whose main ideas are discussed in the following paragraph.

## Symbolic interactionism

Symbolic interactionism, an important research stream in sociology, has a long intellectual history, beginning with the German sociologist and economist Max Weber and the American philosopher George H. Mead, both of whom emphasized the subjective meaning of human behaviour, the social process and pragmatism. Blumer (1969, p. 2) affirm that symbolic interactionism is based on three simple promises that are related each other. The first says that "[…] human beings act toward things on the basis of the meanings that the things have for them". The second describes meaning as arising in the process of interaction between people saying that "the meaning of such things is derived from, or arises out of, the social interaction that one has with one's fellows". While the third underlines the role of interpretation: "[…] these meanings are handled in and modified through, an interpretative process used by the person in dealing with the things he encounters".

One of the important assumptions of symbolic interactionism is that the human society consists of people engaging in action. This picture of human society as action is related to another central issue of this perspective, meanly, social interaction. Social interaction plays an important role because it is the process that forms human conduct. In fact, interacting with one another, human beings have to take account of the respective actual and potential actions (Blumer, 1969). This implies that one's action depends from the social interaction in which one is involved: "the activities of others enter as a positive factors in the formation of their own conduct; in the face of the actions of others one may abandon an intention or purpose, revise it, check or suspend it, intensify it, or replace it" (Blumer 1969, p. 8). A related interesting position taken by symbolic interactionism regards the nature of objects: "[…] 'worlds' that exist for human beings and for their groups are composed of 'objects' and these objects are the product of symbolic interaction" (Blumer 1969, p. 8). Symbolic interactionism proposes to see oneself as an object and "like other objects, the self-object emerges from the process of social interaction in which other people are defining a person to himself […]" (Blumer 1969, p. 12). The idea that human being has a self is the key feature of Mead's analysis. According to Mead (1962): "the self is something which has a development; it is not initially there, at birth but arises in the process of social experience and activity, […] as a result of his relations to that process as a whole and to other individual within that process" (Mead, 1962 p. 135). For Mead the self is essentially a social structure, since people come to know who they are and who others are through the interaction with others, therefore is the "me" which is most linked to identity.

Symbolic interactionism has certainly been an influential force in social theory of the self. However a great contribution to the study of self in sociology was also given by an associated movement that fits well under the interactionist umbrella: the dramatism movement, whose main contribution was given by Erving Goffman. In "The Presentation of the Self in Everyday Life", as a symbolic interactionist of the dramaturgical tradition, Goffman employs the model of theatrical performance, to study the organization of social life and the production of the self. Goffman suggests that the person must somehow make sense of and interpret events encountered in everyday life, and this is what he calls the definition of the situation. In attempting to define the situation, actors go through a two-part process – first, they get information about the other people in the situation and, second, they give information about themselves. Because all participants in a situation project images, an overall definition of the situation emerges, but though the individual has a certain amount of liberty in the management of impressions, he/she is not completely free in deciding the images

of self to be conveyed since the personal identity is more result of how others frame their experience of with an individual. Goffman's dramaturgical metaphor of everyday life portrays the sense of the audience as a kind of performance, and the self as a process of enactment, meaning that a "correctly performed scene" leads the observers and the performer to impute a self to a performed character. The self, in other words, is a product of performance rather than a cause of it (Goffman, 1969 p. 252). In "The Presentation of the Self in Everyday Life", the main idea of sociological import is that the self is a social product. Goffman, not only affirms as the symbolic interactionists do, that the self is heavily influenced by the social relations with the significant others, but he affirms that the self is the image attributed to him by the audience: "...this self itself does not derive from its possessor, but from the whole scene of his action…" (Goffman, 1969 p. 252). Goffman's self is created and sustained through the everyday rituals of social interaction: the social encounter is the fundamental unit of analysis, and in the face-to-face encounter social selves are produced and reproduced. The self is not an entity which is stable over time, but a structural effect which is produced and reproduced during the rituals of everyday life.
Following this perspective first comes society and then the individual, and if the self is not inherent to the person but it is created from the social encounters, it is useless to look for it inside the individual. Trying to assess and interpret the self it is better to start working from the outside to the inside of the individual, rather than vice-versa.

## *Researching interaction and identity: a case study*

### Building a model

Reviewing the literature on organizational identity, we have the impression that researchers dealing with corporate identity such as Albert & Whetten, have to large extent not been concerned with the process of identity construction. Yet we seem to have several streams of research in management and in other disciplines that appear to converge on the idea that the nature of the process by which identities emerge is linked to interaction. Therefore we are set to explore empirically some of the propositions outlined in this paper in order to contribute to fill this gap. We have planned to conduct a case study aiming at exploring how identities attribution takes place so as to identify the dimensions that permit to profile both interaction and identities attribution. The idea is to construct a model that captures the dimensions of the interactions that primarily influence the identity attribution process and which are the dimensions of the identity that are more influenced by the interactions. We believe that in such a study identity needs to be observed at an individual level (even if interaction) and this could raise the question of how to transpose the findings to an organizational level. Clearly, this is an interesting still open debate. The position we take here is that from the perspective of interaction any member of an organization interacting is an agent that represents to the counterpart the organization itself. The idea is that what it really matters in the formation of an identity attribution is what the counterpart is - or represents - in relation to what the actor is interested in.

The model to test should have as independent variable the interactions between business actors and as dependent variable the identities attribution. Consequently the two hypotheses will be formulated as following: *interactions form identity attribution* (*H1*) and *identities attribution influences, in turn, customers-suppliers interactions* (*H2*). What one can expect from this study is that the identities attribution is influenced by the interactions and that it is contextual to the situation and the actors involved in the

interaction, since what the counterpart is (its identity) for an actor is based on the interests the actor has toward the counterpart.

We expect to find variation and differences between the attributed identity among different actors and for the same actors over time, even in absence of relevant changes in the organization so that can be eliminate the "organizational change" aspect that is seen in the literature as a main factor influencing changes in organizational identity. The variability in time and the heterogeneity should be two indicators of the proposed process.

## A short portrait of the company

The multinational company chosen for the pilot case is a global market leader operating since 1923. It is organized into three globally operating business sectors: Laundry & Home Care, Cosmetics / Toiletries and Adhesive Technologies. The company, headquartered in Düsseldorf / Germany, has about 55,000 employees worldwide and counts among the most internationally aligned German-based companies in the global marketplace. The company Adhesive Technologies – the sector chosen for the case study - is the world market leader for adhesives, sealants and surface treatments with a worldwide presence in more than 125 countries. With a staff of 21,700 the company Adhesive Technologies generated sales of approximately 5.7 billion euros in 2007, 43% of the company sales

## Methodology

The sample of this case consists of 10 salespeople of the focal company and ten of its customers – all retailers in the Italian market - that have been selected by the marketing manager of the company following a criterion of turnover importance. The design of this pilot case is outlined in 3 phases: the pre-interaction moment, the post-interaction moment and the interaction itself.

The pre-interaction phase consists of an in depth interview with 10 salespeople of the focal company and an in depth interview with 10 customers of the focal company separately. The interview consisted of a semi structured questionnaire, which aimed at pointing out the following information: general information about the interviewee and the company and a relationship assessment (Ford et al. 2002). The history and current stage of the relationship, the level of involvement, the level of actors bonds, activity links and resource ties and the atmosphere of the relationships are the element explored in the relationship assessment part. The last part of the questionnaire was dedicated to the attributed identity that has been measured in terms of quality and organizational personality (Slaughter et al. 2004). Quality perceived by customers has been measured through the SERVQUAL model, a 22-item scale for measuring service quality along five dimensions: reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman et al. 1994). Instead salesmen have judged the quality of the customers in terms of 21 items that have been previously selected (through a focus group with the sales manager and salespeople of the company) as key factors for judging "good" customers.

In the post interaction phase both customers and salesmen have been interviewed separately immediately after their interaction. Since the aim of the post interaction moment was that of measuring again the attributed identity, the third part of the pre-interaction questionnaire has been submitted a second time. Questions about significant events occurred between the two interviews has been asked. A final part has been dedicated to an evaluation of what has been experienced during the

interaction: level of satisfaction, surprise, the evaluation about the "goodness" of the communication (level of conflict and time on your hands).

The interaction moment - the meeting between customer and salesman – has been observed and conversations have been recorded. The interaction moment has been recorded in order to explore how communication between customers and supplier takes place and most importantly to relate the typology/characteristics of an interaction with the finding in the attributed identities pre and post interaction. Attention has been put in finding diversities rather than similarities in the behaviours since we assume that it is the interaction itself that influences human actions and not vice versa.

Since the pre-interaction questionnaire has been submitted about 7-10 days before the date of the meeting the possibility that interviewees remembered the answers given to the previous questionnaire was very low. This short period between the first and second interview should also reduce the possibility that other external variables intervened. Such a design provide two kinds of relevant data that should contribute to a better understanding of the role of interaction in the identity attribution process: one is the observed interaction and the second is the experienced interaction. A question could rise about the choice of using the Servqual and the organizational personality constructs to measure the attributed identities. The simple explanation of such a choice is that we didn't find in the literature a useful construct that could measure what we intended to measure. At the same time it is not our aim to find a new or better construct, since our major result is to find supportive findings to the interaction role in this process.

**Findings**

The main results of the pilot case are reported in the following two tables. The variation in answers before and after interactions for the two aspects of identities attribution – organizational personality (table 1) and perceived quality (table 2) - have been counted for each of the ten customers (C1- C10) and for each of the salesmen (S-Supplier 1 to 10). The level of variability has been assessed considering 3 situations: 1) the situation where there is no difference between the value chosen for the items in the pre interaction moment and that chosen in the post interaction moment; 2) the situation where one point in the scale (regardless an increase or decrease at this level of data analysis) changed between pre and post and 3) the situation in which there is a variation of two point or more.

*Table 1*

| | | **n. of org. personality items changed /33 items** | | |
|---|---|---|---|---|
| | | no Diff. | Diff. =1 | Diff. ≥ 2 |
| customers | C1 | 12 | 18 | 3 |
| | C2 | 18 | 11 | 4 |
| | C3 | 12 | 16 | 5 |
| | C4 | 10 | 17 | 6 |
| | C5 | 23 | 5 | 5 |
| | C6 | 11 | 14 | 8 |
| | C7 | 12 | 18 | 3 |
| | C8 | 6 | 14 | 13 |
| | C9 | 11 | 17 | 5 |

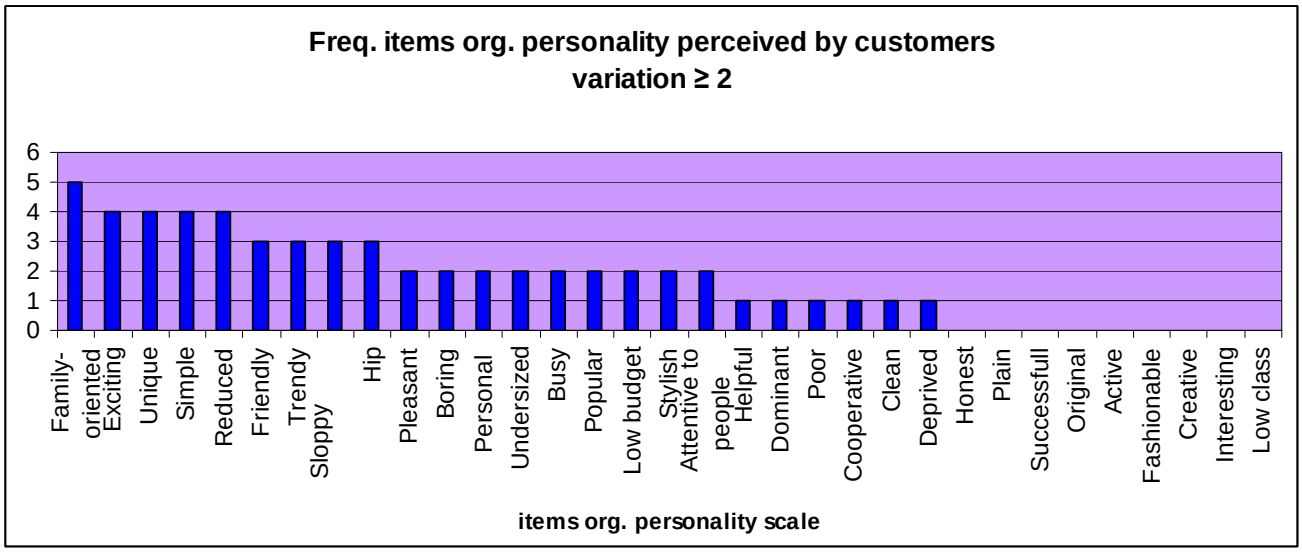
*Table 2*

| | | | | |
|---|---|---|---|---|
| | C10 | 18 | 10 | 5 |
| suppliers | S1 | 9 | 19 | 5 |
| | S2 | 10 | 15 | 8 |
| | S3 | 10 | 7 | 16 |
| | S4 | 14 | 15 | 4 |
| | S5 | 10 | 11 | 12 |
| | S6 | 11 | 15 | 7 |
| | S7 | 13 | 12 | 8 |
| | S8 | 13 | 10 | 10 |
| | S9 | 15 | 15 | 3 |
| | S10 | 8 | 18 | 7 |
| | tot | 246 | 277 | 137 |

| | | n. of quality items changed /21 items | | |
|---|---|---|---|---|
| | | no Diff. | Diff. =1 | Diff. ≥ 2 |
| customers | C1 | 11 | 9 | 1 |
| | C2 | 14 | 5 | 2 |
| | C3 | 7 | 10 | 4 |
| | C4 | 7 | 12 | 2 |
| | C5 | 11 | 6 | 4 |
| | C6 | 9 | 8 | 4 |
| | C7 | 6 | 9 | 6 |
| | C8 | 14 | 7 | 0 |
| | C9 | 16 | 6 | 1 |
| | C10 | 10 | 10 | 1 |
| suppliers | S1 | 10 | 6 | 5 |
| | S2 | 10 | 8 | 3 |
| | S3 | 6 | 6 | 9 |
| | S4 | 10 | 8 | 3 |
| | S5 | 5 | 9 | 7 |
| | S6 | 4 | 11 | 6 |
| | S7 | 10 | 8 | 3 |
| | S8 | 7 | 10 | 4 |
| | S9 | 12 | 8 | 1 |
| | S10 | 8 | 12 | 1 |
| | tot | 187 | 168 | 67 |

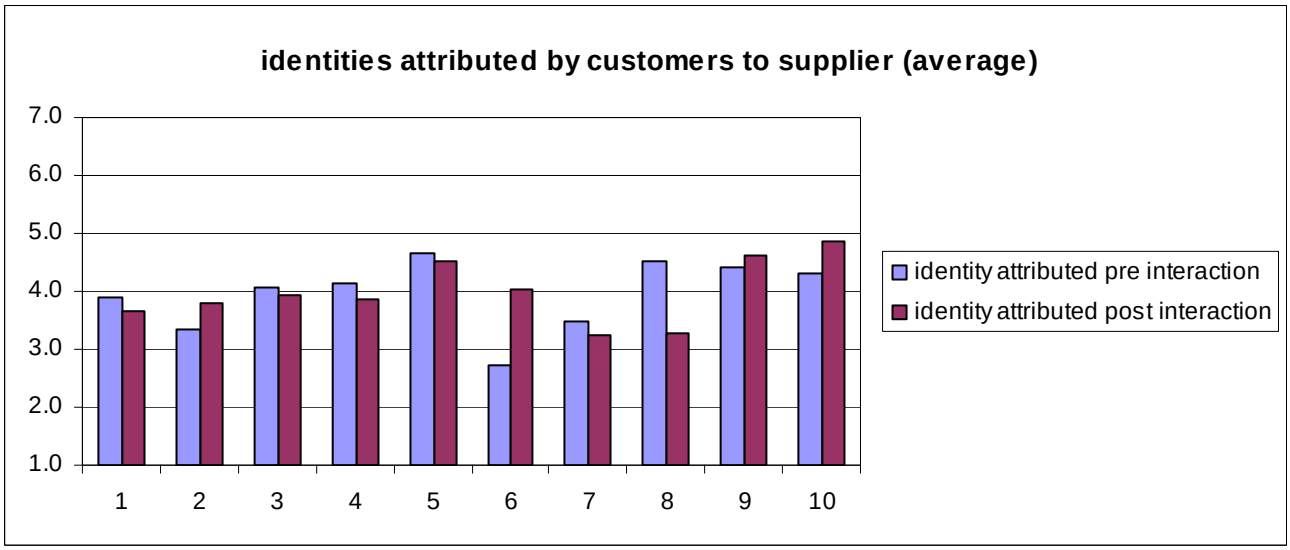
Considering the entire set of items asked for the organizational personality dimensions to all the 20 respondents, mainly 660 answers, we find that: 246 items received the same score in the pre interaction moment and in the post interaction, 277 items obtained one point of difference and 137 items (57 for customers and 80 salesmen) have undergone a change of two or more points. Only four of the twenty interviewees maintained their scores for more than 15 of the 33 items, which means that the other 16 respondents changed their scores for the majority of the items asked. For the perceived quality items we have a set of items equal to 422 divided as follow: 187 items received the same score before and after interaction, 168 items show a variability of one point and 67 items differ for 2 or more points. The following chart (1) shows the frequencies of the 57 items with the biggest change (difference ≥ 2) are distributed.

*Chart 1*




A second analysis has been made in order to see if there is reasonable support to the idea that there are differences in the perception of the supplier –the focal company- dependently on with whom the customer interacts. In the following charts we have a picture that shows certain variability among the different customers on what they think about the organizational personality and the perceived quality of the focal company. Chart 2 represents the average found for the organizational personality dimension for each customer. Even if calculating an average for a dimension like this is nonsense, it becomes useful if we look at this data only in terms of variation among different actors and variation for the same actor but pre and post interaction. Two observations can be done looking at this chart. First, there is a certain variation on average among different customers regarding the perception of the focal personality. Second, there is little difference on average pre and post interaction except for case 6 and 8, where the average after interaction increased for customer 6 and decrease for customer 8.

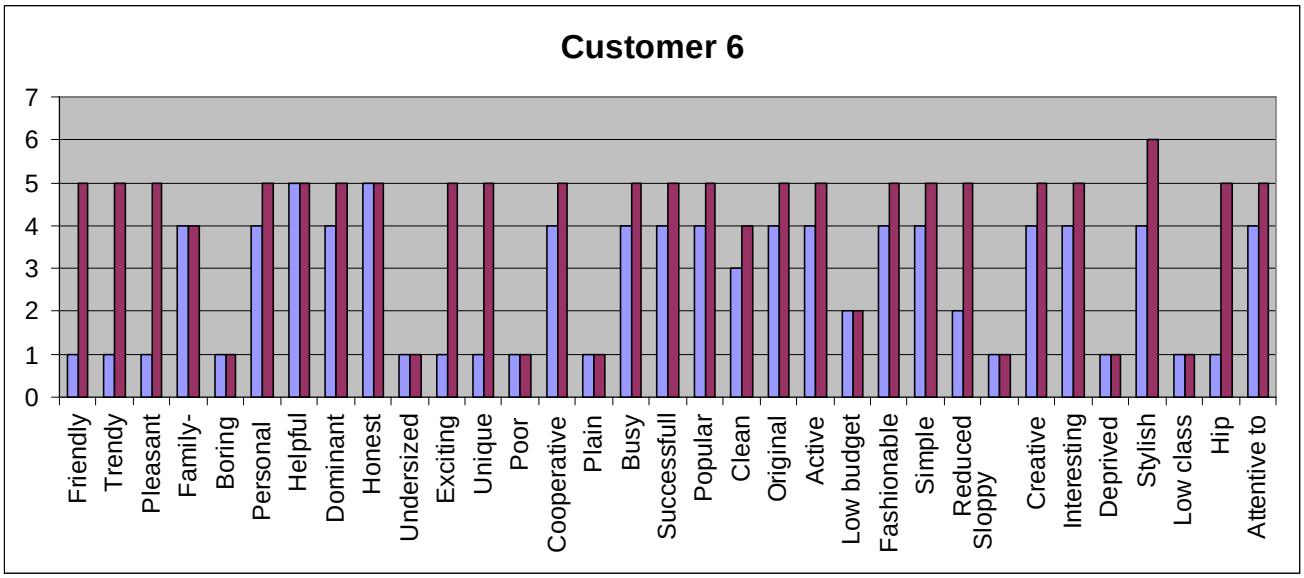
*Chart 2*



Relevant questions looking at this chart are: has been there something particular during the interaction of customer 6 and 8 with salespeople? And which items have undergone the major difference?

The following two charts (3 and 4) show in details answers of customer 6 and 8 pre and post interaction. Customer 6 changed positively all the items associated with positive meaning (friendly, trendy, pleasant, exciting, unique, reduced, stylish, and hip) except for one item: "reduced".

*Chart 3*



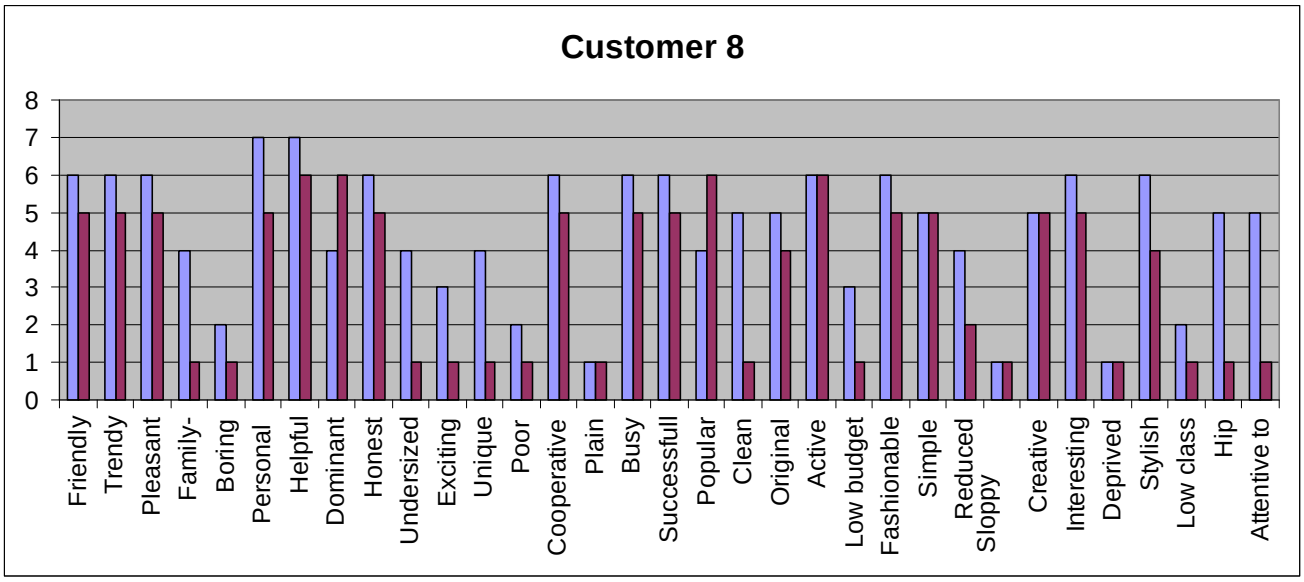

According to our observations and the transcripts of the communication between customer 6 and salesman 6, we note that this meeting was characterized by an intense positive interaction of 26 minutes, where the following topics emerged:

1) Discussion about a request made by the customer for a postponement of payment;
2) Discussion about a request made by the customer for reducing the minimum quantity per order;
3) Customer informed its supplier on a marketing promotion – regarding a large stock product - on the company website;
4) Discussion about the economic situation (comparison with the results of 2008);
5) Salesman presents the two new products with "green" characteristics.

Salesman did not give an answer about request 1 and 2, but he gave the impression of a positive answer for the customer. Salesman reacted in a positive way regarding the promotion activated autonomously by the customer, putting the attention on the shelf life of the product. The meeting proceeded with an overview of the company turnover and the situation of their main competitors and clients of the company. The salesman closed the meeting with one of the aim of the meeting, mainly the presentation of two new products, which have the performance of the old ones but without risk warning, also called green products. Customer hailed the news and declared its interest in order the new products.

The situation of customer 8 is more complex. The respondent decreased 8 items with a positive meaning (family-oriented, personal, exciting, unique, clean, stylish, hip, and attentive to people), decreased 3 items with negative meaning – "undersized", "low budget" and "reduced" - and increased two items: "dominant" and "popular".

*Chart 4*



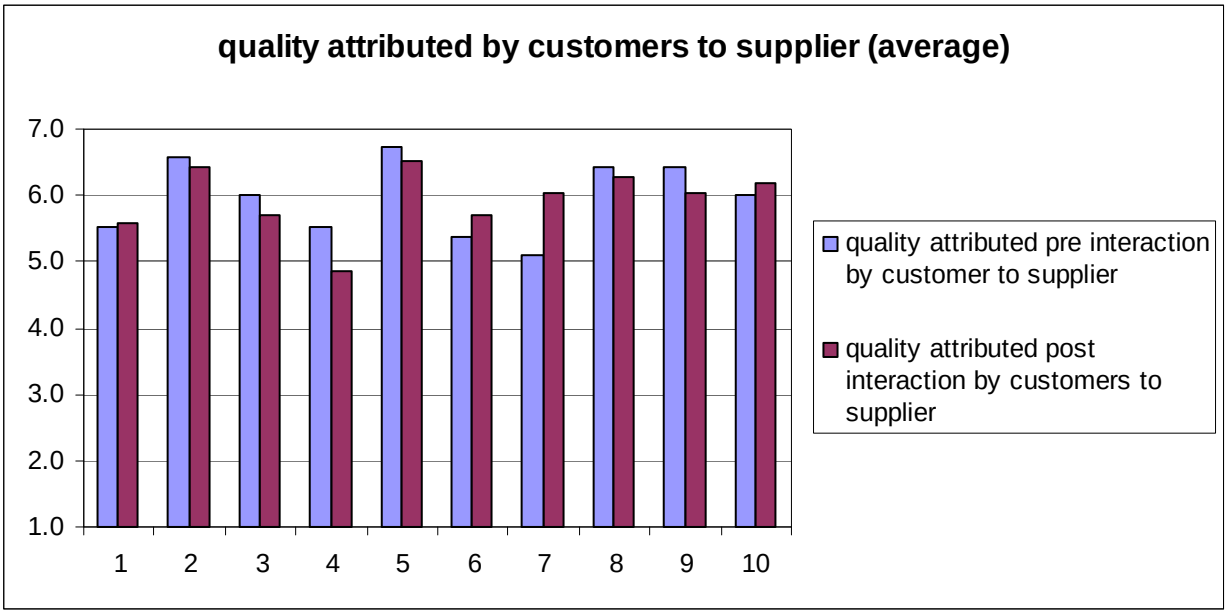

According to our observations and the transcripts of the communication between customer 8 and salesman 8, we note that this meeting was characterized by an intense interaction of one hour where the following topics emerged:

1) discussion about a new potential customer visited by the salesmen of the focal company in order to understand the potential applications and the entity of the product usage;
2) Discussion about the economic situation (comparison with the results of 2008) and how the customer faces the crisis moment: "since it is impossible to increase or maintain the volume of the last year, we try to promote more product than before";
3) The salesman makes an offer about a product that the focal company should dispose of because it is becoming illegal for toxicological reasons.
4) The salesman presents the two new products with "green" characteristics.
5) The salesman asks to the customer an opinion about a new potential application in the sector in which the customer operates.

The meeting started with a discussion of 30 minutes about the strategy of acquiring this new customer which has a large potential of usage of one particular product of the company. Salesman and customer exchange reciprocally the information they have about this client and discuss possible scenarios and pricing policy. Salesman cited the fact that in a first moment the hypothesis was to follow directly the client without including the retailer, but in a second moment they decided to give this client to the customer 8. At the end of this confrontation, they overview the reciprocal economic situation, where the salesman appreciated the results made by the customer.
The third topic is opened by the salesman who made an offering that the customer didn't accept explaining that "it is a product with too small market". Salesmen continue with the presentation of the new green products. He concluded asking a consultancy to the customer for an application that he is following by a direct customer of which the salesman gave the contact also to the customer suggesting him to send an offer related to their core products. The customer appreciated and the meeting stopped.

Finally, let's come back to the second dimension related to the attributed identity, the quality. Comparing chart 2 with chart 5, it seems that values related to personality are more variable among the different respondents than the averages regarding quality; however they present certain heterogeneity. Instead the values assigned pre and post interaction for each customer are quite similar.

*Chart 5*




## Conclusion and limits

The literature review reported in this paper showed us that several scholars not only in management and marketing (Gronroos 2007, Fligstein 1996, 2001, Kahneman and Tversky 1979, Thibaut and Kelley 1978), starting from different research agendas and questions, arrived to similar conclusions that outcomes (in our case attribution of identity) come from interaction processes and to the extent they flow from interaction they reflect the process of identity attribution between the interacting parties.

This work-in-progress paper provides a first exploration of our propositions giving support to the hypothesis that identities attribution is influenced by the interactions and that it is contextual to the situation and the actors involved in the interaction. In fact a clear indication of variability has emerged in terms of organizational personality among the group of customers that support the heterogeneity hypothesis. The heterogeneity hypothesis seems to have support also for the perceived quality dimension. Instead variability in time - concerning quality - presents certain stability.

Concerning the role of interaction we cannot yet infer any conclusion, but we have noted that in both the cases with major variation the type of interaction was characterized by intensity and long duration. However in depth analysis for all the other interactions has to be done to be sure that this is really an aspect of differentiation.

Although the model described above seems to us a plausible way to explore this topic, some limits and difficulties should be taken in to consideration. One of the most difficult aspects of such a study – but also one of the most challenging - is the analysis of the interactions. At this phase we have just described the topic of discussions and the primary actions-reactions of the actors, but it will be more interesting when we will analyze the differences among them in order to understand if the type of interaction has an impact on the attributed identities.

Another aspect that should be faced is the bracketing of interactions between the actors. We have to take into consideration is that the identity that one attributes to

another does not only depend from the interaction in which both actors are currently involved, but also on the precedent actors' interactions and experiences that provide the clues actors use in the identity attribution process. Since precedent interactions are always different, clues will be different and will also influence differently. However, if we aim of the study is to find some empirical observations in support of the model proposed – that sees interactions as a main variable in the process of identity attribution - it is possible to focus on the process itself leaving out, consciously and assuming that it exists, the effect of precedent interactions.

Despite its limits such a study could offer some more insight into the interplay of interactions and identities. It may have implications for the way researchers and managers think on the identity management issue. If, in fact, identity emerges from or *in* interactions, the relevant issue becomes the management of the interactions or relationships rather the management of the identity, since there are so many attributed identities as there are interactions.

Further steps in this research have be done first in order to go deeper in to this 10 cases to point out a better categorization of what happened during the interactions and which are the variables around which a categorization could be done. Another interesting analysis will relate the observed interaction with the experienced interaction (e.g. the level of satisfaction about the meeting).

**References**

Albert, S. and Whetten, D. (1985), Organizational Identity. In *Research in Organizational Behavior*, Eds. Cummings, L. L. & Staw, B. M. Greenwich, CT: JAI Press, 7, 263-295.

Bagozzi, R. P. (1975), Marketing as exchange, *Journal of Marketing*, 39, 4. 32-39.

Blumer, H. (1969), Symbolic interactionism: Perspective and Method, Berkeley University of California Press.

Brown, T. J. et Al. (2006), Identity, intended Image, and Reputation: an interdisciplinary Framework and suggested terminology, *Academy of Marketing Science*, 34, 2.

Corley, K.G. (2004), Defined by our strategy or our culture? Hierarchical differences in perceptions of organizational identity and change, *Human Relations*. 57, 9, 1145-1177.

Corley, K. G. & Gioia, D. A. (2004), Identity ambiguity and change in the wake of a corporate spin-off, *Administrative Science Quarterly*, 49, 173-208.

Dutton, J. E. & Dukerich, J. M. (1991), Keeping an eye on the mirror: image and identity in organizational adaptation, *Academy of Management Journal*, 34: 517-554.

Dutton, J.E., Dukerich, J.M. & Harquail, C.V. (1994), Organizational image and member identification, *Administrative Science Quarterly*, 39, 2, 239–263.

Fligstein, N. (2001), The architecture of market, New Jersey: Princeton University Press.

Fligstein, N. (1996), Market as politics: a political-cultural approach to market institutions, *American Sociological Review*, 61, 4, 656-673.

Fombrun ,C. J. (1996), Reputation: Realizing value from the corporate image, Boston: Harvard Business School Press.

Ford D., Gadde, L.-E., Håkansson, H., Snehota, I. (2003) Managing Business Relationships, Cichester: Wiley.

Ford D. & Hakansson H., 2006, The Idea of Interaction, IMP Journal, vol 1, Issue 1

Gioia, D.A. & Chittipeddi, K. (1991), Sensemaking and Sensegiving in Strategic Change initiation, *Strategic Management Journal*, 12, 6, 443-448.

Gioia, D.A. & Thomas, J.B. (1996), Identity, image and issue interpretation: sensemaking during strategic change in academia, *Administrative Science Quarterly*, 41, 370-403.

Gioia, D. A. (1998), From Individual to Organizational Identity. In *Identity in organizations*, Eds Whetten, A. & Godfrey, P.C., London: Sage.

Gioia, D. A., Schultz, M., & Corley, K. G. (2000), Orgnaizational identity, image, and adaptive instability, *The Academy of Management Review*, 25,1, 63-82.

Gronroos, C. (2007), In Search of a New Logic for Marketing. Foundations of Contemporary Theory. Chichester, UK: John Wiley & Sons.

Goffman, E. (1959), The presentation of self in Everyday life, New York: Doubleday.

Gofmman, E. (1967), Interaction ritual, Garden City, NY: Anchor.

Gronroos, C. (2007), Service Management and Marketing. Customer Management in Service Competition, Chichester, UK: John Wiley & Co.

Hatch M.J. & Schultz M. (2002). The dynamics of organizational identity, Human Relations, 55, 8, 989-1018.

Hare and Blumberg (1988). Dramaturgical Analysis of social interaction, New York: Praeder.

Håkansson, H. & Snehota, I. (1995), Developing Relationship in Business Networks, London: Routledge.

Kahneman, D. & Tversky, A. (1979), Prospect theory: an analysis of decision under risk, *Econometrica*, 47, 263-291.

Kelley, H. H. & Thibaut, J. W. (1978), Interpersonal relations: a theory of interdependence, New York: John Wiley.

La Rocca A. and Snehota I, 2008, The formation of identities in customer-supplier relationships, presented at the IMP annual conference 2008, Uppsala

Palmatier R.W., Dant R.P., Grewal D., & Evans K.R. (2006), Factors Influencing the Effectiveness of Relationship Marketing: A Meta-Analysis, Journal of Marketing, vol. 70, pp.136-153.

Parasuraman A., Zeithaml V. A. & Berry L. (1994), Alternative scales for measuring service quality: A comparative assessment based on psychometric and diagnostic criteria, *Journal of Retailing*, Vol. 70, Iss. 3, p. 201 (30 pages).

Rosa, J. A., Porac, J. F., Runser-Spanjol, J. & Saxon M. S. (1999), Sociocognitive Dynamics in a product market, *Journal of marketing*, 63, 64-77.

Scott, S. G. & Lane V. R. (2000), Fluid, Structured and Distinctive? In search of a Definition of Organizational Identity, *Academy of Management Review*, 25, 1, 143-144.

Slaughter J. E., David C Mohr D. C., Zickar M. J., & Highhouse S. (2004), Personality Trait Inferences About Organizations: Development of a Measure and Assessment of Construct Validity, *Journal of Applied Psychology*, Vol. 89, Iss. 1; p. 85

Tuli, K. R., Kohli, A. K. and Bharadwaj, S. G. (2007), Rethinking Customer Solutions: From Product Bundless to Relational processes, *Journal of Marketing*, 71, 3, 1-17.

Turnbull, P., Ford, D. & Cunningham M. (1996), Interaction, relationships and networks in business markets: an evolving perspective, *Journal of Business & Industrial Marketing*, 11, 3/4, 44-62.

Vargo, S.L. & Lusch R.F., 2004, Evolving to a New Dominant Logic for Marketing, Journal of Marketing, Vol 68 pp. 1-17

Weick, K. E. (1995), Sensemaking in organization, Thousand Oaks, CA: Sage.

Weick, K. E. (1969), The social psychology of organizing, Reading, MA: Addison-Wesley.

White, H. C. (1981), Where do market come from?, *American Journal of sociology*, 87, 517-47.