EXCHANGE RELATIONSHIPS IN CONSUMER MARKETS?

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Abstract

Exchange situations can be of a transactional or relational nature. The current literature suggests that the marketing mix model be applied in consumer markets and relationship marketing models utilized in concentrated industrial sectors or service markets. This article aims at understanding if the assumptions, stated by the interaction and network approach, that precluded it from consumer markets, are still valid. These assumptions are discussed in the light of three additional aspects that where historically overlooked: the distance between the exchanging actors, the actors attitude towards exchange situations, and the evolution and changes occurring in the environment. The article concludes that the interaction and network approach can be applied to consumer markets. It tries to show that both paradigms coexist in all market situations, regardless of the product-service sold or customer served. It derives that managers need to understand the level of interaction that customers desire in each exchange situation in order to define the marketing paradigm to be utilised.
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Some of the actors will interact all of the time.
All of the actors will interact some of the time.
But, not all actors will interact all of the time.

INTRODUCTION

Marketing is about understanding, creating, and managing exchange situations between economic parties: manufacturers, service providers, various channel members, and end consumers. Exchange situations can be of a transaction, relationship or hybrid type (Pels, 1997).

Since the mid-1960s, the marketing management school (Möller and Wilson 1995) has dominated research in marketing. Kotler's (1996) classic textbook on marketing management can be used as an example of this school of thought. For them, exchanges are exchange transactions and the marketing mix approach is the predominant model.

In the late 70's and early 80's, the IMP group (e.g., Hakansson, 1982, Turnbull and Valla, 1986) and the Nordic School of Services1 (e.g., Grönroos and Gummesson, 1985) were the first to challenge this paradigm. A common denominator of these two schools of thought is that they analysed exchange relationships. They differ, though, on the subject they study: the IMP is centred on understanding how to manage partnerships and networks in industrial businesses, while the Nordic School of Services tries to understand how to manage and market services.

During the 90's most of the authors of both schools reached the conclusion that the 4 P's model2 was inadequate, that some kind of "post - marketing mix" was needed. They claim that the identified "anomalies" (Kuhn, 1970) cannot be assimilated into the current marketing paradigm. These authors suggest different solutions:

1 As well as the work conducted by Berry, Lynn, Shostack and Upah in 1983.
Some, such as Gummesson (1995), recommend a "paradigmatic shift in marketing", from transaction marketing towards relationship marketing. He suggests, in other words, to move the domain of marketing from exchange transactions to exchange relationships.

Others propose building categories (Grönroos, 1991, Glynn and Lehtinen, 1995, and most of the early IMP literature) in which both types of exchanges co-exist, but where each type of exchange is restricted to a particular product/services category (consumer goods vs. industrial goods vs. services), to specific types of markets (individual consumers vs. business or organisational customers) or to certain characteristics assumed to be intrinsically related to either of them (level of atomisation of the demand, frequency of exchange, etc.). These latter articles usually end up suggesting a clear classification of products, markets, exchange paradigms and marketing paradigms or theories. At one extreme, there is the end-user-consumer-goods market with the marketing mix approach based on a discrete-transaction exchange. At the other end, there is the marketing channel, service, and business to business market with the relationship/interaction-network approach based on a relationship exchange.

Both the shift and categorisation approaches are correct to the extent that the marketing mix model is too limited to deal with all type of exchanges. Moreover, the latter can lead to market myopia.

*The paradigm shift* approach mentioned above is based on Kuhn's (1970) second proposition. According to Kuhn a new paradigm emerges when it offers a better explanation of the phenomena under investigation. Indeed, Gummesson's definition of relationship marketing includes exchange transactions. This paper argues that exchange transactions and exchange relationships remain different types of exchanges based on different exchange paradigms (Pels, 1997). It is in this sense that the paper disagrees with the idea of a paradigm shift. Furthermore, this paper argues that in a complex context, such as the one faced at the end of this millennium, any solution based on an overall-unique model runs the risk of myopia.

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1 Including the Customer Services, the Customer Satisfaction, Customer Retention Programs, etc.
The categorisation approaches (figure 1) are valuable in so far that they recognise structural differences between exchange transaction and exchange relationship. However, the classification scheme must meet certain criteria to be truly robust (Hunt, 1976 and Brown and Fern, 1984). This paper questions the foundations of these classifications.

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(*) As well as Berry et al.

Figure 1: Classification of paradigms

- Liljander and Strandvik's (1995) bring together the work of the Nordic School of Services and the IMP group. Their work, together with that of others (e.g.: Brown, and Fern 1984), proves that the exchange paradigms are not strictly related to the type of product/service sold.

- The question yet to be addressed is whether exchange paradigms (and thus, marketing paradigms) are related to a specific type of markets.

In particular, I will discuss the validity of classifying, transaction and relationship exchanges (and marketing theories) according to whether the selling firm is operating in consumer or industrial markets. I chose the work of the IMP group because business markets are central to the work of these scholars. Moreover, the IMP conditions the application of exchange relationships to certain assumptions on the market place.
In the same manner as Liljander and Strandvik apply the findings from research on relationships within the IMP to consumer services, this paper aims at understanding the application of IMP's work to end-user consumer markets. The paper will first list I&NA's assumptions, next, it will analyse and reformulate these assumptions and finally suggest that I&NA can be applied to consumer markets, showing that both transaction and relationship exchanges may coexist in all markets regardless of the product-service sold or customer served.

The paper agrees with the suggestion by Liljander and Strandvik (1995) that the nature of relationships (and exchange paradigms in general) is determined by the commitment of both actors and by the bonds that exist between them. It follows that managers need to understand the level of interaction that customers desire in each exchange situation in order to define the applicable marketing model.

THE ASSUMPTIONS OF THE INTERACTION AND NETWORK APPROACH

The IMP literature can be organised into two groups. The first includes, works about the IMP assumptions. These concern when I&NA can be applied, that is, under what conditions exchanges are more likely to be of a relationship nature. The second group includes, works centred on the implications of those assumptions, that is the mechanisms, issues, problems and peculiarities through which such relationships arise and are managed.

In the late 70's and early 80's one of I&NA's strongest argument against the marketing management approach was that it had developed for (and from) consumer goods and that consequently the model implied strong assumptions about the marketplace. Some of these premises are: that the demand is atomistic; that buyers and sellers are independent actors; that the exchange situation is seen as a series of independent and discrete transactions, with sellers as the active actors in the exchange process and buyers as mainly passive. On

3 though end consumers are not explicitly ruled out (and in some cases they are expressly included) by the titles of their books it is a clear that it is centred on B to B marketing.

Interaction and network approach (hereinafter: I&NA) to be associated to the concept of exchange relationships.
this view, buyers respond to stimuli produced by the marketing mix signals of firms that provide competitive alternatives. (Möller and Wilson, 1995, Hakansson 1982).

The IMP authors felt that these characteristics didn't fit the business markets they were analysing. For them, the marketplace is limited by the number of actors (Hakansson 1982). Both actors being active parties and actors have long-term relationships (Hakansson 1982) embedded in broader networks (Hakansson and Snehota, 1995). In Hakansson and Shenota's (1990) words, "The propositions of the network model refer to situations and cases in which the environment of the organisations is of a concentrated and structured kind... As a result of an organisation's interactions and exchange processes with any of these, relationships develop that link the resources and activities of one party with those of another. The relationships are generally continuous over time, rather than being composed of discrete transactions".

It is important to understand why the IMP literature omitted analysing whether I&NA could also be applied to consumer markets. Some justification for this omission may be found in the professional priorities of the earlier proponents of this approach. The first academic works (e.g. Hakansson, 1982, Turnbull and Valla, 1986, Ford, 1990) dealt with its theoretical development and with the empirical foundation for industrial and B to B cases. This allowed these authors to enrich I&NA with additional concepts and vocabulary, as well as, to redefine of various marketing actions and constructs. As a result, I&NA emerged as a new framework for the understanding of the business market phenomena. However, there are also theoretical reasons for this change of focus towards industrial or business markets. It is on these that the paper will centre its attention. As indicated the main assumptions of the IMP’s work were that I&NA:

1- can only be applied to companies, as opposed to individual buyers.

\footnote{As well as the Nordic School of Services' and the service literature at large (Berry, etc...)}. 580
2- the number of actors has to be limited, and it doesn't apply to atomistic markets.

3- both actors need to be active parties, instead of an active seller and a passive buyer.

Later on, as each assumption is examined it will become clear that the reasons for reformulating them derive from different origins:

- **the distance between the exchanging actors**: the marketing management school deals with producers of consumer goods trying to understand end-user markets which normally buy from third parties (figure 2). I&NA, on the other hand, deals with direct customers and uses a dyadic approach (figure 3). The producers of consumer of goods were simply too far away from the end user of these goods for the firms to understand and manage exchanges with marketing tools other than the traditional segmentation, positioning and the mix approach. Similarly, producers of industrial goods and services were too close to their customers and so they were unable to find the traditional tools useful.

![Figure 2: Marketing Mix Approach](image-url)
the evolution and changes occurring in the environment: Norman and Ramirez (1987) suggest that changes occurring in the world of business (WOB) will impact and induce changes in the world of management (WOM). Some of the changes this article wants to point out are: the new information technology (IT), the developing role of resellers, the new service dimension of the offer propositions, the fragmentation of mass markets, and increasing global competition.

the actor's exchange paradigm: as stated in the previous paragraph, the context always affects the actors' behaviour. Consequently the value perception sought and offered evolve with the changing environment. However, the way the context is describes is theory dependent (Möller and Wilson, 1995). In other words, some actors seem to face exchanges with an adversial-short-term-independent approach, while others have a more co-operative-long-term perspective. The dialectic dependence between context and the interpretation of the context, together with the actor's value perception influences the actor's choice of exchange paradigm (Pels, 1997). I&NA literature (e.g., Ford, 1990) describes active actors, yet its explanations of the actor's engagement in the interaction lay in external elements, such as, the structure of the market, the product's complex technology, etc.
A REVISION OF I&NA’S ASSUMPTIONS

This section will review I&NA’s main theoretical assumptions and make a case for applying I&NA in some exchanges in consumer markets. In other words, we’ll try to answer the question when can relationships develop.

It is important to remember that, most IMP models have a common set of constructs: commitment, trust, cooperation, mutuality, investments, interdependence, power imbalance, performance satisfaction, comparison level of alternatives, adaptation, shared technology and bonds.

Assumption about actors: individuals Vs organisations

The assumption is about the actors studied by the authors of the interaction and network approach. As mentioned in the introduction, this approach was developed as an alternative model to the traditional approach of consumer marketing mix. In which actors are individuals. As it will be shown, some authors strongly believe in associating relationships to a specific type of actor while others don’t.

Traditionally, the use of I&NA was limited to explaining markets where the products sold were industrial goods and the interacting parties were firms (Hakansson, 1982). While several publications (e.g. Ford, 1990) tended to abandon the "industrial goods" dependency and move to a wider area of application, the core idea remained that the focus actors had to be organisations. In Thorelli's (1986) words "The term network in this article refers to two or more organisations involved in long-term relationships", and again as Möller and Wilson (1995) say "The term networks refers to exchange relationships between multiple firms that are interacting with each other". Yet, if we change the word organisation or firm is for the generic term actors we introduce no major modification.

Actors, as defined by Hakansson (1987) "can be individuals, a group of persons, a division within a company, a company, or a group of companies constituting a coalition". It is important to notice that Hakansson refers to individual within an organisation.

Dwyer, Schurr and Oh (1987) take a different position. They state "Arndt correctly emphasised the prominence of exchange relationships in industrial and institutional
markets, but the notion of relationship management may also apply to consumer markets"; and later on "we attempt to offer a model that has sufficient generality to cover both interfirm and consumer relationships". Grönroos (1996) also stresses the importance of developing "trustworthy relationships with customers, supplier, distributors, etc.". The questions to be addressed are: why should organisations be the exclusive actors of exchange relationships? Why consider the exchange situations where the actors are individuals only as exchange transactions?

To answer them, it is necessary to analyse three types of dyads:

- **The producer-consumer dyads (when the reseller exists).** In this case, the producer sees the consumers as belonging to a market segment (or microsegment) and tries to increase brand loyalty. Berry and Parasuraman (1991, 1993) amongst others (McKenna, 1991, Sheth and Parvatiyar, 1995, Gruen and Ferguson, 1996, Shoemaker and Bowen, 1996, Hess, 1996, Moriaty, Gronstedt and Duncan, 1996, Cumby and Barnes, 1996) would include this type of exchange within the realm of relationship marketing. Many authors of the Nordic School of Services and of the IMP (e.g. Liljander and Strandvik, 1995) would argue that, in terms of evaluating the nature of relationships, brand royalty and commitment to a relationship are different concepts. As Webster (1994) writes "differentiation creates preferences and preferences leads to repeated transactions... however, we do not characterise a series of transactions as a relationship ... most consumer goods customers do not know the marketer. You can't have a relationship with some one you don't know".

- **The producer-reseller dyads,** occupy most of the I&NA and channel relationship literature. Webster (1994) has an interesting remark: "even in long-term buyer-seller relationships some were essentially adversaries, managed by the transaction-oriented rules of the competitive market". Also Jackson (1985) reports a case in which an industrial buyer wants to establish relationships and the potential counterpart doesn't. These counter examples help understand that I&NA is not a function of the type of actor, but of the actors’ perception, attitude (Webster, 1994) and exchange paradigm (Pels, 1997).
The reseller-consumer or producer-consumer (when reseller doesn't exist) dyad. In these cases direct contact between actors is also possible.

Webster gives many examples of consumer markets where the "relationship is characterised by a strong connection, that is ongoing and has multiple dimensions, ... implies a degree of interdependence and trust, ... entails mutual expectations and obligations, ... and are of sufficient duration to be referred to as long-term relationships" (Webster, 1994). Dwyer, Schurr & Oh, (1987) conclude that "both business and consumer marketing benefit from attention to conditions that foster relational bonds leading to reliable repeat business".

Anderson and Narus (1991), propose a framework in six stage to differentiate between customers with whom to build relationships from those with whom a firm should have a more distant interaction. Cumby and Barnes (1996), warn that "the probability of a relationship evolving from a series of transactions depends on the customer's view of the interaction". Garbarino and Johnson (1996) give evidence that long term relationships and transaction exchanges may coexist in a consumer service setting.

Liljander and Strandvik (1995) analyse how the aspects that characterise an industrial relationship apply to a relationship between a service provider and an end-user customer. They also present an interesting classification of different type of relationship dyads based on the level of commitment of the two parties (service firm and end customer).

Sheth and Parvatiyar (1995) state that "it is estimated that as often as 90 percent of the time, consumers go to the same supermarket or the same shopping mall to purchase products and services". This brings up the subject of store royalty. The concept of store royalty points towards the strength, in the network, of the channel member's position with regards to the end customer.

A first conclusion of these quotes is that, at a dyadic level, relationships with consumers are likely to develop. A second point is that not all consumers want to get involved in relationships, finally, consumers may be interested in developing relationships with some actors and not with others.
The discussion of this assumption shows that in all three dyads relationships may or may not develop, quite independently of the type of actors involved.

**The market structure assumption: fragmented Vs concentrated**

The I&NA’s literature strongly suggests that interaction is the result of a scarce number of alternatives and that concentrated markets can be described as a network of actors. Hakansson (1982) says that “The extent of buyer or seller concentration determines the number of alternatives available to any firm. This has a clear bearing on the pressure to interact with a certain counterpart within the market”. It is undeniable that if an actor operates in an concentrated environment it will be conditioned by its counterparts.

With regard to *level of concentration* or the number of actors of consumer markets, the question arises: Is the level of concentration of the market place an absolute or a relative term? How atomistic is the market from the reseller’s point of view?

- I&NA authors say nothing about atomistic contexts. There are two reasons for this, first, the I&NA studies industrial and/or business to business realities where the number of actors is relatively small; and second it assumes that individual consumers having multiple alternatives have no need or desire to interact (Möller and Wilson, 1995).

- the level of market concentration depends on who is defines the market place. From the producer’s point of view, the consumers’ market might seem much more atomistic and fragmented than from the resellers’ perspective. Hakansson and Johanson (1990) write “networks are unbounded, but the observer may set suitable boundaries. Different actors will draw different boundaries. They are the result of perspective, intentions and interpretations”.

With regard to the *type of connectedness* between actors I&NA believes that relationships are embedded in broader networks, rather than isolated entities. As Möller and Wilson (1995) says, “Network thinking represents the most novel conceptualisation about the nature of industrial markets and industries. .. The network perspective provides an
alternative and competing view to the economic-based theories of markets and industry organisation.... That is, the network approach is a shaping alternative theory of the context in which exchange relationships are initiated and consummated”. Therefore, when thinking in network terms one needs to relate to new ways of analysing actors and their environments. We need, a different understanding of markets.

There are multiple definitions of the term network. This article does not seek to identify an overall ideal comprehensive definition. Each different definition has focused on a different aspect of networks. Managers and academics must understand which definition, model, theory or approach will help them better understand the exchange situation they are analysing. One fire, ten stories. The aim of this paper is to add one more story or perspective.

So the question at this point is: from the producers’ point of view, should the network perspective be stretched out to the last dyad? To answer this question we must consider two factors.

- first, it is necessary to look briefly into what networking is all about. Networking means establishing one’s position in the net (Möller and Wilson, 1995). The marketing management’s role in the network approach is correspondingly the establishment, development, defence, and maintenance of network positions. This role is carried out through managing multiple resource relationships all the way from suppliers, through governmental agencies and other institutions, to distributions networks and final customers (Hakansson and Snehota, 1989).

A focal firm’s position in a network can be examined by analysing its relationships to other actors (Möller and Wilson, 1995). The concept of network position is critical because one of the salient properties of networks consists of the interdependencies between the different relationships. It is through relationships, that actors (firms and/or consumers (Dwyer, Schurr and Oh, 1987)) carry out activities (transformation acts, transaction acts, activity cycles (Hakansson, 1987)) and seek to control resources (anything that actors explicitly value (Anderson and Narus, 1998)). This interdependency allows the firm to develop distinct capabilities that condition its overall performance (Hakansson and Snehota, 1989). Networking can then be constructed as the focal firm’s
attempt to create access channels to sources of resources, competence and capabilities, and to manage these channels once created (Cunningham and Culligam, 1988).

The concepts of network horizon (Anderson and Narus, 1998), of network spaces Spencer and Vallá, 1989) and of ample boundary network (Krapfel and Pels, 1991), all denote how extended an actor’s view of the network should be. It is important to notice that all of the latter limit their analysis to industrial actors! Yet, an organisation’s performance is conditioned by the totality of the network (Hakansson and Snehota, 1989). It is therefore critical to avoid network myopia. It follows that in order to have a complete view of the network in which the firm is operating, the last dyad should be included in the network analysis.

- second, it is important to consider the changes occurring in terms of the offer proposition. Because the limits between products and services become blurred and the role of adding value gets distributed amongst the various actors in a “value constellation” Norman and Ramirez (1994), including the reseller-consumer dyad into the network analysis becomes critical. In other words, all the single dyads along the whole network become part of the final offer.

Therefore, should producers consider consumers as indirect actors? Aren’t ECR and EDI ways of: exchanging resources, adapting, increasing commitment and developing trust?

It can be concluded that the network analysis must be extended to the last dyad. Reshuffling Thorelli’s words networks are not tight or loose, but rather the different parts of the network will be tighter or looser.

The actors’ attitude-behaviour assumption: passive Vs active

I&NA declares that both actors need to be active parties (Hakansson, 1982) instead of an active seller and a passive buyer, as described in the traditional marketing literature. Moller and Wilson (1995), describe “consumer markets as dominantly passive mainly responding to the one-side marketing mix signals of selling firms”, and as Ford (1990)
This article would like to question the statement that active actors are strictly related to business environments. There are two emerging elements that lead to believe that interaction may develop further in consumer markets.

- the first element is related to the end user's attitude and behaviour. For example, Sheth and Parvatiyar's (1995) article on why consumers engage in relational market behaviour concludes that relationships, in consumer markets, go beyond repeat purchase behaviour. Garbarino and Johnson's (1996) study on relational subscribers vs. transactional nonsubscribers of a repertory theatre company in US, have revealed that buyers seek both exchange transactions and exchange relationships. This allows to conclude that some end users do want to take an active role.

- the second element concerns changes in technology which now allow firms to respond to the various requests from consumers. As Regis McKenna (1991) states, "in a world of mass manufacturing, the counterpart was mass marketing. In a world of flexible manufacturing, the counterpart is flexible marketing" and he believes that there is a new marketing which has as its main objective to "create and sustain a relationship between the company and the customer". At the same time, though, IT companies can create a feedback loop - a dialogue between sellers and buyers -.

Thus, it can be assumed that the desire to interact is not restricted to business actors. In the past it was probably more a matter of the firms not having the tools to manage numerous interactive actors. Also, maybe some consumers were passive and reactive because they had no other way of expressing themselves. Now consumers can choose whether to interact or not. Hence, the point is no longer whether interaction may occur between firms and consumers, rather, we must try to understand different types of interactions that might take place.

* depending on the quantity (number), quality (intensity) and type (closeness to the core activity of the parties involved) of interaction between the position or members [19].
CONCLUSIONS

As each assumption was examined it became clear that the reasons for invalidating them derived from different origins. In some occasions, the cause is the suggested change in focus from the producer-consumer to the various seller-buyer dyads that occur along the network. In others, environmental changes have occurred which require reconsideration of the earlier arguments. Finally, arguments are also drawn from other theories and schools of thought outside the IMP group.

The article would like to suggest a review of the list of assumptions, stated in the introduction, for the application of the I&NA:

- it was said that I&NA could only be applied to companies (Hakansson and Snehota, 1995), as opposed to individual buyers. It has been proven that actor can be both individuals and/or companies. It has been discussed that long term relationships with consumers may develop, but are the result of the interacting parties’ choice.

- it was declared that the number of actors had to be limited (Hakansson, 1982) and didn’t apply to atomistic markets. It has been shown that the degree of concentration is not an absolute objective measure but relative according to the actors reading of the marketplace. It was argumented that relationships are embedded in broader networks, rather than being isolated entities (Hakansson and Snehota, 1995). It has been explained that it is fundamental for the firm to seek to include consumers in their network analysis in order to avoid network myopia. However, the sections of the network that include consumers might be tighter, looser and even overlapping.

- it was stated that both actors need to be active parties (Hakansson, 1992) instead of an active seller and a passive and responsive buyer. It has been established that probably the passiveness of consumers was more related to the lack of possibility to interact than to a natural desire to be passive. It was also declared that not all actors always desire to interact with their counterparts.

The paper shows that from a theoretical point of view the interaction and network approach can be applied to both business and consumer markets.
SUGGESTIONS FOR FUTURE RESEARCH

This conclusion brings up a new series of questions, not only in the area of understanding but also in the field of creating and managing exchange situations at large.

As Jan Johanson once stated “Much of what is fascinating in research are the new questions which pop during the work and often obscure the original questions and their answers. It is seldom the answers which are interesting, but better and more precise questions”

First, does marketing need a new paradigm?
The paper is trying to show that the market place is a complex environment. Academics and managers in marketing should not be discussing whether marketing is about exchange transactions or exchange relationships. Marketing is about both. The challenge of the future will be to understand that in the same product/service industry, firms will be competing using different conceptual paradigms. Consequently, it will be necessary to analyse the alternative exchange situations from various points of view in order to understand and manage them successfully. Of course, firms operating in very extreme situations, will have less of a choice in terms of what paradigm they believe will produce better results. In other words, where a firm finds itself in the continuum is more the result of the actors’ exchange paradigm and the environment and less the result of the product-service typology sold or customer served.

Second, how to manage consumers markets from an Interaction and Network Approach?
By suggesting to move the focus of attention from the producer-consumer to the seller-buyer dyads along the whole “value constellation”, the question arises of how to manage such a network or series of overlapping networks. It is clear that dealing with such “large” networks seems almost an impossible task to carry out. Let’s remember that the first articles that discussed networks instead of dyads also had the feeling of an overwhelming task and many papers closed with a large section on future research topics. The challenge, at that time, was to bring together marketing theory, the theory of industrial organisation, social exchange theory and organisational theory.

Now, the game needs to be opened further. As Möller and Wilson (1995) point out “It is easy to recognise that a pluralistic approach is needed for achieving a comprehensive
understanding of relational exchange behaviour. The economic perspective cannot
penetrate the social aspects of exchange; the resource dependency theory does not explain
the cognitive aspects of organisational learning; the social exchange theory does not cover
the market and transaction- specific factors addressed by transaction-cost economics.
Each approach provides a partial view of the phenomenon”.
Some questions that still need answers are; is the environmental context objectively
structured as markets, networks and hierarchies or, do the actors’ perception and attitude
define it subjectively? Are markets really markets in the traditional economic sense of the
word? Haven’t IT, the service dimension of the offer and the developing role of resellers
changed the market place in such a way that, in some fields, today we have something
that looks much more like a series of overlapping networks? How can producers use the
I&NA to reach consumers in a more competitive manner? From a producers point of
view, are consumers potential direct actors or indirect actors?
Third, how are relationships defined in consumer markets?
The article stumbled into this subject that today finds authors in different positions.
Interaction involves bilateral sets of costs and benefits (Dwyer, Schurr and Oh, 1987) and
not all consumers are willing to invest in close relationships. Strandvik and Liljander
(1944) state that a relationship is as strong as perceived by the customer. Webster (1992),
Sheth and Paratiyar (1995) and Bagozzi (1995) try to understand the factors that lead
consumers to seek out and value on going relationships with brands, manufacturers and
relationships differently. In many cases the distinction between what is considered a
relationship depends on whether the author is considering behavioural or attitudinal
aspects.
With regards to this point some questions are: now that it is possible to database-direct
mail consumers, does it mean that all consumers desire to establish relationships with
their supplier? Isn’t this technology-allows-me-to-do approach totally production
oriented? What role do the new technological advances play in developing interaction?
Why do/would consumers establish relationships with suppliers? Why is junk mail called
junk mail? Are relationships a matter of attitude? Should relationship variables be
interlinked with the classical 4 P’s? If so, how? What level of interaction is required in order to consider a particular exchange situation a transaction or the beginning of a relationship? Should attitudinal or behavioural aspects define what is to be considered a relationship?

Some of these questions are starting to be addressed (e.g. Liljander and Strandvik, 1995, Sheth and Parvatiyar, 1995, Webster, 1994, Garbarino and Johnson, 1996, Bagozzi, 1995), but on the whole it can be said that both from a theoretical and empirical point of view consumer marketing is the blind spot of the interaction and network approach.
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