DEVELOPMENT OF GAPS IN BUYER-SELLER RELATIONSHIPS

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ABSTRACT
The purpose of this study is to increase understanding of gaps in buyer-seller relationships. Increasingly complex, fast changing, and dynamic business environments provide a rich research environment for analysing gaps in business relationships. Traditionally gaps have been examined from the static and single party perspective. However, dyadic buyer-seller relationships can be revealed, described, and analysed in new ways by viewing intraorganisational and interorganisational gaps longitudinally as chains of interactions in relationships and from the perspectives of several parties. The dynamic gaps of the relationships are described and analysed longitudinally from the perspective of gaps at the first time. The constructed framework of Leminen (1997a and 1997b) is used for analysing gaps in the relationships between a buyer and a seller as perceived by them.

Keywords: gap, high-technology, industrial marketing, interaction research, project, relationship, telecommunication industry, case

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2 The present study defines the gaps according to Leminen (1998): A gap refers to the difference between the perceived experiences by actors in a business relationship. A gap may exist in interorganisational and intraorganisational interfaces of business relationships. A gap is perceived by one or several actors or interpreted by a third party. A gap may exist dynamically in business relationships.
1. WHY GAPS ARE INTERESTING AND IMPORTANT

The phenomena related to gaps are interesting for managerial reasons as well as for theoretical reasons. For managerial reasons there is a need to understand buyer-seller relationships and their gaps because (a) in practice the gaps affect the development of projects and therefore also the development of buyer-seller relationships. Further, (b) gaps have economic significance for the studied companies as well as for the telecommunications industry in general. This means that a gap may cause direct or indirect economic difficulties to parties.¹ For a seller, a gap may cause loss of orders, additional costs, or even termination of relationships. For a buyer, a gap can be reflected in difficulties for their end customers, which is economic significance for the buyer.

For theoretical reasons the phenomenon of gap is interesting because within relationship marketing treats buyer-seller relationships in positive manner that lead to good results, and that there is co-operation between the buyer and the seller (see e.g. in Grönroos 1989, 1990, and 1994, and Morgan and Hunt 1994). However, Barnes (1995) and Grönroos (1996) state that developing relationships as a good thing with customers in all situations is far too simplistic and too broad assumption.

In addition, the interaction and network literature shows that co-operation can lead to tightening or weakening of buyer-seller relationships (see e.g. in Håkansson 1982 and 1987, and Håkansson and Johansson 1987). It has also been suggested that the buyer-seller relationships can be problematic, which can be destructive or constructive for the relationship (see e.g. in Gemuenden 1985, Deutsch 1969, 1990 and Assael 1969 as cited in Chapman 1994). It is important to study perceived differences between the buyer and the seller, because if there are difficulties within the relationships it can be assumed that difficulties are due to the fact that the
buyer and the seller perceive the phenomenon differently in the relationship, which may cause difficulties in the relationship. Moreover, the perception of buyer and seller may be different due to establishing, utilising, and changing points of view in the relationships. This indicates that (c) the discussion of relationship marketing approach should include not only the non-problematic co-operation but also problematic co-operation.

Further, (d) the concept of gap has been found useful for analysing a service provider and a consumer in the service management literature (e.g. in Zeithaml et al. 1990). The gaps have been developed within service marketing and management for describing gaps between service provider and consumer as well as gaps in the service provider. The author suggests that it would be interesting and promising to adapt the concept of gap from service marketing and management literature to increase understanding of the interorganisational business relationships. The concept of gap could assist in understanding better relationships and their difficulties as well as their management.

Moreover, (e) the present author suggests that by revealing and opening the gaps, understanding of buyer-seller relationships can be increased. The concept of gap is interesting and central for understanding interactions in a business-to-business relationship. This is due to the fact that the possible perceived differences in business relationships can be argued to be greater than those between the service provider and consumer. This is especially relevant when the number of dimensions such as actors and number of levels are increasing between and within the companies. In addition to this, there exist gaps all the time, and gaps can not be eliminated as Gemuenden (1985, p. 406) states that ‘Conflicts between the buyer and the seller

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1 This observation is based on the practical experiences of the author.
cannot be "resolved" definitely once and for all; they have to be regulated and tolerated permanently.'

Consequently, (f) for the purpose of clarifying business relationships the present author aims to examine the buyer-seller relationships from the perspectives of gaps. Business-to-business relationships can be considered to consist of more interacting parties and more complex relationships than have been studied earlier in service business. By revealing and studying gaps in business relationships it is possible to open new viewpoints and increase understanding of gaps, previously studied in service settings. Leminen (1996a) suggests a conceptual model including actors, gaps, levels¹, and time. Based on the conceptual model by Leminen (1996b) he has described gaps between and within companies. Figure 1 presents the developed model of gaps between and within companies. The developed model combines the buyer, the seller, composite levels of relationship, gaps between the buyer and the seller as well as gaps within a company and in time.² Finally, a more detailed illustration of intra-organisational and inter-organisational interfaces are dealt with later by clarifying the levels in buyer-seller relationship in the theoretical approaches (e.g. in Leminen 1997a and 1997b).

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¹ The present study use level as synonym for composite levels of relationship.
² The quadrangle located on the left side of the figure illustrates the seller and the quadrangle located on the right side of the figure illustrates the buyer. Moreover, the buyer and the seller may be divided as to levels. Further, the environment surrounds all other levels. Next, the gaps are located between the companies and within the companies. The gaps between the companies i.e. interorganisational gaps are shown by horizontal bold arrows in Figure 1. The gaps within companies i.e. intraorganisational gaps are shown by vertical arrows in Figure 1. Time is described by the arrow at the bottom of Figure 1.
In addition to this, (g) there is the theoretical challenge to study the gaps from the buyer’s and the seller’s perspectives, because traditionally gaps have been studied from the single party perspective in the service marketing and management literature (see e.g. in Zeithaml et al. 1988). However, Håkansson (1982) states that a fuller understanding of industrial markets can only be achieved by studying buyers and sellers simultaneously. Further, the phenomenon of gap is also interesting because the theoretical discussion will receive more viewpoints by adapting perceived differences between the parties. Finally, several actors of both
parties are interacting simultaneously and the actors may represent different viewpoints on the interaction.

Next, (h) the dynamics of relationships are not fully understood in the existing literature on relationships (e.g. in Grönroos 1993, Halinen 1994, and Håkansson and Snehota 1995). This is even more relevant, in cases where the business relationships are very complex, or there are high-technology or system types of exchanges or these consist of intensive knowledge products. These observations indicate that it can be assumed that the dynamics of relationships are in the development stage. Dynamics of relationships is even more relevant when it becomes clear what types of gaps there exist and how gaps develop.

Moreover, (i) the models and frameworks of relationship development in the industrial sector and service sector, in which the lack of research knowledge concerning gaps, development of gaps, and gaps’ effects stands out more clearly (Leminen 1998). In the industrial sector and in the high-technology sector in particular, the lack of empirical research and theoretical models development of gaps in buyer-seller relationships focusing on the development of gaps in buyer-seller relationships has been pointed out (Leminen 1998). The theoretical discussion receives new, rich materials by understanding gaps in buyer-seller relationships in an industry where there exist a great number of gaps. Such the industry is a rapidly changing high-technology industry.

Finally, (j) the phenomenon of gap has not sufficiently been focused on business relationships, but has been implicitly discussed using concepts such as conflict, inconsistency, and critical incident. These will be presented in Chapter 2.
2. THE GAP PHENOMENON

The phenomenon of perceived differences has been discussed in previous theoretical approaches by using concepts such as an inconsistency, a critical incident, a conflict, and a gap. These concepts will be presented below and their relation to the present gap concept will be explained. This study selects the term gap to describe different types of phenomena of perceived differences in a short-term perspective and long-term perspective respectively. This is due to the fact that a gap is widely used concept in service marketing and management to describe perceived differences and because the term gap has not yet been explicitly used in a long-term perspective.

Interaction and network approaches describe an inconsistency. Ford et al. (1986, p. 29) refer to 'inconsistency to ambiguity or lack of clarity in interaction.' The authors (p. 30) state that interaction can be 'inconsistent over time or there can be inconsistency between different interactions with the same partner undertaken by different personnel.' The present study shares the view of Ford et al. that there can exist interpersonal and intertemporal inconsistency. In other words the inconsistency describes interpersonal inconsistency between two companies from a single company point of view and intertemporal inconsistency due to the dynamic nature of interaction. Next, authors refer that every interaction is interpreted from at least two sides. However, the present study considers that a gap as a different concept than inconsistency because (a) the present study views gaps either from a single company view or several companies views. A gap may also exist between companies and within single companies. The present study examines interactions the three types of gaps in more detail in Chapter 3. Further, Ford et al. (1986, p. 29) suggest that a company
consists of individuals and subgroups involved in the interactions of the company. This means that an inconsistency is understood between different subgroups and individuals. However, (b) the present study proposes that a gap exist either between intraorganisational and interorganisational interfaces\(^2\). In addition to this, (c) Ford et al. (1986, p. 29) refer to 'inconsistency in both intentions and interpretations'. This can be understood differently that (i) inconsistencies exist within intentions and (ii) within interpretations, it can also be understood that (iii) inconsistency exist between intentions and interpretations. Further, authors' ambiguity refer to the intentions or interpretations. However, (c) the present study understands that an inconsistency refers to intended inconsistency in both intentions and interpretations, but a gap refer to difference between the perceived experiences not any intended gap. Further, Ford et al. (1986, p. 35) suggest that 'There is a parallel between inconsistency, and what is referred in the intraorganisational context as "sequential attention to goals by Cyerth and March 1963".' This means that inconsistency is seen as differences in reaching goals. (c) As described earlier, the present study defines, that the gap is difference between perceived experiences... not differences in reaching goals. The present study shares the view of Ford et al. (1986) that companies may have common and conflict interests. In addition to this, (d) Ford et. al (1986, p. 30) reveal an interaction by proposing that inconsistency is more concerned with the implementation of interaction. The present study views that a gap concerns with the effect as well as implementation of interaction. Finally, (e) as Ford et al. (1986, p. 34, 35) describe interpersonal inconsistency: 'Some individuals will be

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\(^1\) By short term is understood that the gap is related only to a part of the relationship, such as act and episode, and by long term is understood that the gap is related more longitudinally than to merely certain points in the entire buyer-seller relationships.

\(^2\) This study refers to the interface in meaning of composite levels of buyer-seller relationship on intraorganisational and interorganisational (please see composite levels in Figure 1)
more committed to interactions with a particular company than will others. Similarity, individuals may approach interaction on the basis of their own personal interests rather than those of the company' However, gaps may also exist between equally committed as well as more committed individuals. On the other hand, the present study assumes that an individual person represents the companies' viewpoints of the relationship level they perform at.

Roos and Strandvik (1996, p. 7) define a critical incident as 'An interaction incident which the customer perceives or remembers as unusually positive or negative when asked about them.' A gap can be argued resulting in a critical incident. Moreover, a critical incident may lead to a gap. However, a gap may exist even if a critical incident does not exist. Further, studies of critical incidents in the service marketing and management literature have focused on the perceptions of the buyer (e.g. in Edvarsson 1988 and Olsen 1996) or the perception of the seller (e.g. in Bitner et al. 1989, 1990, and 1994). In addition, a gap is a wider concept than a critical incident because gap can perceived by both the buyer and the seller in the relationships (i.e. companies). A gap can perceived by several actors within the buyer and the seller. Next, a gap can also be interpreted as such by a third party.

Furthermore, a critical incident focuses on the short-term perspective of relationships. This means critical incidents (acts) in episodes (e.g. in Bitner et al. 1989, 1990, and 1994), and critical incidents in the process of episodes (e.g. in Edvarsson 1988, Olsen (1992 and 1996), and Liljander and Strandvik 1994). Liljander and Strandvik (1994) extend the concept to critical episodes in relationships, i.e. a long-term perspective of relationships. Roos and Strandvik (1996) thus extend the discussion of critical incidents to the switching from one relationship to another. Finally, the phenomenon of gap is here focused on studying both the short-term and the long-term perspective of relationships, as well as the underlying
processes in the interaction between and within the buyer with the surrounding environment.

Raven and Kruglanski (1970, p. 70 as cited in Gaski 1984) define a conflict as 'tension between two or more social entities (individuals, groups, or larger organizations) which arise from incompatible of actual or desired responses.' A gap can also be argued as resulting in a conflict. Thus this study sees the conflict as a result or consequence of a gap. Moreover, a conflict may lead to a gap. A gap may also exist even if there does not exist a conflict. In addition, perceived differences can lead to the result that buyer's and seller's perceptions are in opposition. This may due the fact to that a gap can be latent, if the buyer and the seller perceive differently but do not act on it, but even if the gap has become conscious it has not yet led to the existence of a conflict (Ghauri and Johanson 1979, Reve and Stern 1979, Ghauri 1982, Schul et al. 1983, Eliashberg and Michie 1984, Gaski 1984, and Chapman 1994). In addition, co-operation between the buyer and the seller may come into existence which bridges over the gap. Perceived differences take place between or within the companies, which may lead to conflict. However, the impacts of a conflict can be destructive or constructive (Deutsch 1969, and 1990 and Assael 1969 in Chapman 1994). Thus, a conflict is seen as negative but the gap may be negative as well as positive.

A gap can be like a difficulty or problem between actors, in which the actors perceive a phenomenon differently. In the service marketing and management literature a gap means a cognitive gap i.e. the difference between expectations and perceived experience within one person's or customers' thoughts (e.g. in Grönroos 1990a, Bitner 1990, Bolton and Drew 1991, Zeithaml et al. 1991, and Oliver 1993). For example, the concept of disconfirmation has been used in the service quality and customer satisfaction literature to describe the negative or positive gap between the expected and received service. More extensive descriptions of
disconfirmation can be found e.g. in Strandvik (1994) and Liljander (1995). Parasuraman et al. (1985) and Zeithaml et al. (1988) use Grönroos' (1982) model of the customer's evaluation of service quality to develop on a cognitive model, a gap analysis model, which concentrates on the expectations and experiences one person has. A gap means the difference between the expected and perceived experiences. A gap has been used in a short-term perspective.

The gap and its development between and within the buyer-seller relationships might have been seen indirectly with the help of concepts such as interface and processes in earlier studies. Gaps might have been seen indirectly by describing and revealing the intraorganisational interfaces of companies (e.g. in Grönroos 1990a and Rajala et al. 1997) and the interorganisational interfaces of companies (e.g. in Grönroos 1990a). Further, Grönroos 1990a points out that two or more internal functions may be directly involved with customers. He (p. 198-199) adds that 'it is vital that these parallel processes are co-ordinated and perceived by customers as one single process.' Furthermore, Rajala et al. (1997) show how high technology companies manage the interfaces between marketing units and argue that management of internal relationships between the different marketing units is important for successful management of customer relationships. Gaps might also have been seen indirectly by describing the development of buyer-seller relationships as processes over time in interaction and network approaches. This means for example factors aiding or hindering the development of close relationships (see e.g. in Ford 1980, Halinen 1994, and Alajoutsijärvi 1996). Further, the relationship marketing approach reveals and widens the process of identifying and establishing, maintaining, enhancing, and when necessary terminating relationships with customers and other stakeholders takes place (see e.g. in Landeros et al. 1995, Liljander and Strandvik 1995, Roos and Strandvik 1996, and Grönroos 1997). Next, project marketing approach views process through
critical success factors across the project life cycle (see e.g. in Pinto and Slevin (1987, 1988a, and 1988b), Pinto and Mantel 1990, and Ahmed 1993).

3. DEFINITION OF GAP

The present study proposes new points of view concerning gaps and develops further the definitions of gaps for understanding buyer-seller relationships. This makes the starting point different than what has been presented earlier in the gap analysis model by Parasuraman et al. (1985) and Zeithaml et al. (1988) and as stated previously in this study in the literature related to gaps. There are four main differences between previous definitions of gaps in the gap analysis model by Parasuraman et al. (1985) and Zeithaml et al. (1988) and definition of gap developed in this study (Leminen 1998).

Firstly, the gap analysis model of Parasuraman et al. (1985) and Zeithaml et al. (1988) e.g. in Liljander and Strandvik (1992a and 1992b) has been criticised. Many different types of expectations (or comparison standards) have been used to measure disconfirmation (e.g. in Liljander and Strandvik 1993). Further, research has shown that there are several problems in measuring expectations (e.g. in Strandvik 1994 and Liljander 1995). Customers may use one or more comparison standards making it difficult to determine which standard should be used in a particular study (e.g. in Liljander and Strandvik 1992a, Strandvik 1994, and Liljander 1995). Furthermore, it has repeatedly been shown that customer-perceived performance alone is a better predictor of both satisfaction and service

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1 The reference point is discussed indirectly in project marketing (e.g. in Freeman and Beale 1982, and Pinto and Mantel 1990) and in interaction and network approaches (e.g. in Kotsalo-Mustonen 1996) via comparison between success and failure.
FIGURE 2: Perceived gaps between the actors

quality than any measure of disconfirmation (e.g. in Strandvik 1994 and Liljander 1995). Moreover, the concept of gap is also problematic from the relationship perspective, which means that the referencepoints and expectations can be changed longitudinally. Expectations and experiences can be examined as a single "measurement". Studying gaps longitudinally means that the referencepoint is changing via learning, expectations, and the expectations are changed. Finally, the above discussion points to the need for viewing gaps of actors by using perceived differences.

Secondly, the gap analysis model by Parasuraman et al. (1985) and Zeithaml et al. (1988) reveals buyer-seller relationship by describing the buyer as an entity and divides the seller into managers and personnel. The gaps between the companies are discussed on the managerial level in the gap analysis model. However, the present study extends the discussion of
gaps by stating that gaps may exist both in intraorganisational and interorganisational interfaces. Further, there might also exist other interfaces between and within the buyer and the seller in addition to these described in the gap analysis model. Furthermore, by understanding the buyer-seller relationships, the interaction and network approaches suggest the necessity to study interactions within the company, between companies, and within the network. Moreover, revealing and describing these interfaces between and within the companies and in the related environment would increase the understanding of gaps and this way the understanding of buyer-seller relationships. Finally, the developed definition of gap of the present study extends the discussion of gaps into the intraorganisational and interorganisational interfaces of business relationships.

Thirdly, the gap analysis model by Parasuraman et al. (1985) and Zeithaml et al. (1988) views perceived gaps of one actor within service marketing and management literature. There may also exist other kinds of gaps, when the interaction between the buyer and the seller is revealed. Therefore, the present study extends the interpretations of gaps into three different types of gaps. A type I gap exists when one or several actors perceive the same phenomena of gaps, but other actors do not. A bold, circled number one denotes first type of gap in Figure 2. An example of the gap is that actor(s) indicate a gap as ‘It has been difficult to get the necessary information during this phase.’ An actor(s) indicates an informational gap. Further, the type I gap of gap extends the definition of a gap, because there can be more than one actor, who perceives differences in the intraorganisational or interorganisational interfaces. Moreover, it is assumed that an actor perceives differences between the actors, if the actor indicates so even if the perception of another actor is not known. Finally, the present study views the type I gap as describing critical incidents based
on the definition of critical incidents that one customer perceives an incident as unusually positive or negative when asked about them.

A type II gap refers to two actors giving contradictory perceptions of a phenomenon. A bold, circled number two denotes the second type of gap in Figure 2. The actors may exist within a single company or in separate companies. An example of this type of gap is when one actor remarks that 'it should have been done with more proper planning in this phase' but another actor replies that 'more proper planning would not have helped at all.' There exists a planning gap between these actors. Further, the expected services might change over the time, and there are many other phenomena which affect the change of the expected services. In addition, previous studies have examined gaps perceived by one single actor. In contrast, the present study defines the gap when several actors perceive the difference in the intraorganisational or interorganisational interfaces. Furthermore, the present study views that the type II gap as referring to inconsistency, because at least two actors within a single company give contradictory perceptions of a phenomenon. Finally, the present study views the type II gap as denoting conflict based on referring the definition of conflict that tension arises between two or more entities.

A type III gap is identified when a third party interprets gaps based on evidence indirectly indicating the phenomenon of gap. A third party can be a consultant, an author, or an outside observer. The author is a third party in the present study. Further, a gap might exist even if an actor does not recognise it at all. This means that neither of the actors have recognised nor indicated a gap prior to the interpretation of the author. An example of this kind of gap is when the author indicates that the actors planned to do specific things but had not realised them. The author interprets a planning gap in this situation. Based on the above there is a need for type III gap category, in which the author perceives the difference between the perceived experiences by actors in the intraorganisational or
interorganisational interfaces. A bold, circled number three describes the third type of gap in Figure 2. This means that difficulties might appear when more than one actor perceives interactions differently. Moreover, this may mean that there can exist gaps, which the third party describes based on indirectly indicating of third parties. Furthermore, the developed definition of gap extends the three different types of gaps, which may consist of the actions and thoughts of several actors\(^1\). Finally, this means that the gaps can be interpreted by one or several actors, or a third party. The actors can be within the buyer and/or the seller.

Fourth, the gap analysis model by Parasuraman et al. (1985) and Zeithaml et al. (1988) is static, a one-point model in the service marketing and management. The dynamic nature of gap is mentioned only in some rare examples, such as in the discussion of inconsistency and critical incidents, but the gaps are explicitly studied only at certain points of buyer-seller relationships. Moreover, as the gaps are studied at a specific moment, it has not been assumed that there is a history behind the gaps, nor has it been explained that gaps are developing from the past to the future (e.g. in Zeithaml et al 1988). In fact, Grönroos 1993 (p. 61) states that \textit{... a dynamic model of how service quality is perceived has to be developed}.

Furthermore, from the buyer-seller relationship perspective, it is interesting to study how the gaps are developing, from a perspective in which the focus on gaps is in the interaction process rather than in the kinds of gaps that exist at a given point of the interaction. In sum, these observations demonstrate the need for viewing gaps from a dynamic relationship perspective.

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\(^1\) The cognition can consist of action, emotion, and thought (see e.g. in Peter and Olson 1996). The present study does not handle emotions between and within the companies because until now research within buyer-seller relationships has not studied emotions much and the present study follows the same tradition.
4. DEVELOPING OF GAPS

The phenomenon of developing of gap might have be seen indirectly with the help of concepts such as conflict, co-operation, inconsistency, interface, as well as development of activities between and within the companies in the earlier research. However, the developing of intraorganisational, interorganisational, and environment gaps are described from the perspective of gaps at the first time in the present study.\(^1\) Eight ways for developing gaps are found in three cases (Leminen 1998).

The multiple-case studies were selected to produce contrasting results for predictable reasons by describing the new and interesting research area the gaps would be reveal more in this way. Further, the three cases were selected to show contrasting results, because the cases represented different types of projects, different types of desired goals, different types of buyers, and results in the selection frame of the projects. This means in the present study by selecting three different types of extreme case examples to increase understanding of analysing gaps between the buyer and the seller. However, the three cases showed literal replication instead of contrasting resulting. Case 1 described a success in a pilot project with an existing buyer. This project type represented an existing pilot project buyer-seller relationships between an existing buyer and a seller in the telecommunication industry. Further, the first project case was selected to a further evaluation because this project type is considered as a new one and quite rare in a telecommunication industry but it is becoming increasingly

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\(^1\) The intraorganisational gap stands for the intraorganisational gaps of the buyer, or the intraorganisational gaps of the seller. The interorganisational gap stands for the gap between the buyer and the seller. The environment gap stands for the gap related to the environment surrounding the buyer and the seller. It is interpreted that the contextual gap is equal to environment gap, although the contextual gap is between the third party, and the buyer, or the seller.
important. Furthermore, the combination of success and the pilot project with an existing buyer was selected in order to see possible other ways of handling the buyer-seller relationships than in the existing conventional buyer-seller relationships and that way enriching the phenomenon of gaps.

Case 2 described a success in a traditional project with a new buyer. The second project case was selected to a further evaluation because this project type represents new buyer-seller relationships between a new buyer and a seller in the telecommunication industry. This was not entirely true because the buyer has some experience of the telecommunication industry, but such a project was entirely new to them. Further, this project type is also interesting because the project type is considered as a new one in the telecommunication industry. Moreover, the project type was quite rare but becoming more common because the changed legislation of the telecommunication enables new players to enter the telecommunication industry. In addition, it is important to understand the characters of the relationships between the seller and the new buyers. Furthermore, the combination of the success, and traditional project with a new buyer is selected in order to see possible other ways of handling the buyer-seller relationships than in the existing conventional buyer-seller relationships, and that way enriching the phenomenon of gaps.

Finally the case 3 described a failure in a traditional project with an existing buyer. The third project case was selected to an evaluation because the traditional projects with the existing buyer represent the most common type of the project. Further, the project type represented existing conventional buyer-seller relationships between an existing buyer and a seller in the telecommunication industry. Furthermore, this project type was interesting, because it was considered as a failure, which reveals an

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1 This means that the first project case describes the existing buyer-seller relationships, in which new hardware and software of third parties are used, of which the development of technology enables.
interesting research area. This is due that within the combination of failure and traditional project it is enriching the phenomenon of gap.

Developments of gaps are marked by the bold capital letters in Table 1. Leminen (1998) shows that (A) the intraorganisational gap leads another intraorganisational gap, (B) the intraorganisational gaps lead to the interorganisational gaps, (C) the interorganisational gaps lead to the intraorganisational gaps, (D) the interorganisational gaps lead other interorganisational gaps, (E) the interorganisational gap leads to the environment gap, (F) the environment gaps lead to the intraorganisational gaps, (G) the environment gaps lead to the interorganisational gaps, and (H) the environment gaps lead other environment gaps.

### TABLE 1: Development of gaps in the cases

<table>
<thead>
<tr>
<th>time t1</th>
<th>Intraorganisational gap (Intraorganisational gaps of the buyer and the seller)</th>
<th>Interorganisational gap (Gaps between the companies)</th>
<th>Environment gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Case 3</td>
<td>B</td>
<td>Not Found</td>
</tr>
<tr>
<td>B</td>
<td>Case 1, Case 2, Case 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Case 2, Case 3</td>
<td>D</td>
<td>E</td>
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<tr>
<td>D</td>
<td>Case 1, Case 2, Case 3</td>
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<tr>
<td>E</td>
<td>Case 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Case 3</td>
<td>G</td>
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<tr>
<td>G</td>
<td>Case 1, Case 2</td>
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<tr>
<td>H</td>
<td>Case 1, Case 2</td>
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</tr>
</tbody>
</table>

The character A describes *How gaps are developing within the companies?* in the typology of developing the gaps (see Table 1.). The character D describes *How gaps are developing between the companies?* in the typology of developing the gaps (see Table 1.). The characters B, C, E, F, G, and H describe *How gaps developing between and within the*
companies are related to each other and to environment? in the typology of developing the gaps (see Table 1.)

Some examples for eight different ways of development of gaps are described in more detail. The description starts from the development of the intraorganisational gap to the interorganisational gap (B), which exist in Case 1, Case 2, and Case 3 (see Figure 3).

The developments of the intraorganisational gap to the interorganisational gap are described on several examples in the cases. However, one example for the development of intraorganisational gap to the interorganisational gap, informational gap between companies in Case 1 is presented. This means that there was misunderstanding between the buyer and seller. It is not informed within the buyer that the system is test, moreover the seller did not have enough time to repair it found errors. This lead that the misleading information regarding the status of system was told

![Diagram of development of the intraorganisational gap to the interorganisational gap](image)

**FIGURE 3: Development of the intraorganisational gap to the interorganisational gap**

to the buyer. It is interesting to see that there exist wide examples for the development of the intraorganisational gaps to the interorganisational gaps
in Case 1, Case 2, and Case 3. The development of gaps takes place in all the phases of the cases as well as between the different phases.

The description continues to the development of the environment gap to the interorganisational gap (G), which exist in Case 1 and Case 2 (see Figure 4).

One example of the development of environment gap to the interorganisational gap is described. This example describes the development of planning gap in Case 2. The buyer had continuous discussion concerning the right to be the telecommunication operator with the telecommunication authority. Further, the buyer did not receive all the necessary rights to the public telecommunication network, which almost terminated the entire project between the buyer and the seller. Moreover, the change of rights to the public telecommunication networks occurred the changes of plans, which leads to the planning gap between the companies.
On the other hand, the buyer negotiated during the entire execution phase of the best possible solutions for rooms for the exchanges and their connections to the network with suppliers. Furthermore, negotiation took place because of the connection suppliers could not accept that the other suppliers would do installation work in their locations. This led to that the buyer receives own rooms for the exchanges. Finally, this meant that double or even triple work in the specific phases of the project to the seller. It is interesting to see the development of the environment gap to the interorganisational gap i.e. the direct influence on the project by the supplier 1 in Case 1, and by the suppliers, and the telecommunication authority in Case 2. It is also interesting to see that the developments of the environment gap to the interorganisational gap are related to the several actors. The developments of such environment gap to the interorganisational gap in Case 2 are not seen in Case 1, and Case 3, because those operators have already discussed the issues concerning the rights of the operator or their network connections.

5. SUMMARY

The present study increases the understanding of buyer-seller relationships by analysing gaps in the relationships between a buyer and a seller as perceived by them in a rapidly changing high-technology environment. Further, focusing on the intraorganisational and interorganisational gaps, the study proposes a gap and its development as a new conceptualisation in business-to-business market settings. Finally, the present study broadens understanding of interaction in the buyer-seller relationships by describing eight different ways i.e. patterns of development for gaps in which the intrarorganisational gaps, the interorganisational gaps, and environment gaps lead to each other.
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