

PREFACE

Relationships of individuals and groups among three-plus firms represent the cornerstone concept in business-to-business (B2B) contexts. The three-plus firms include manufacturer–supplier to manufacturer–customer to distributor–customer, and facilitators (e.g., transportation and management consulting firms). The common thread of the five chapters in this volume is that making sense and achieving deep knowledge of three-plus B2B relationships are necessary antecedents for achieving high operating effectiveness, high (on-time) efficiency, and sustaining profits for each firm in these relationships. As the titles of the five chapters imply, reading the volume provides deep insights into the specifics of how high performing three-plus B2B relationships influences these three major objectives of the firm:

- the impact of national culture on Western industrial buyer-seller relational process models
- developing Guanxi relations
- the development of industrial buyer-seller relations in a Chinese context
- adaptation in business contexts: working Triadic relationships
- how do managers see it? capturing practitioner theories via network pictures

If you want to learn about how executives interact and how they get things done (and overcome interfirm obstacles) within three-plus firm relationships, this volume is especially meets these objectives. This preface offers a quick scan of a few of several valuable lessons that each chapter offers.

THE IMPACT OF NATIONAL CULTURE ON WESTERN INDUSTRIAL BUYER-SELLER RELATIONAL PROCESS MODELS

In the first chapter, Anna Kaunonen compares the dynamics in states of relationships between industrial marketers and buyers. She develops a

five-stage classification for industrial buyer-seller relationships: pre-relationship stage, attraction stage, formation stage, expansion stage, and ending stage. The pre-relationship stage is such that the buyer and seller do not yet interact with each other, but they may be aware of the existence of the other. During the attraction stage, either the buyer or the seller contacts the prospective business partner in order to begin discussions on possible collaboration, sales, or purchase. The relational actors establish the operation of the relationships during the formation stage. The customs developed during the formation stage become the standard during the expansion stage. During the ending stage, termination is begun by one or both actors.

A key lesson learned from Kaunonen's treatise: an industrial buyer-seller relationship may face a quiet period during which either the buyer or the seller has no need to conduct business with the other. Even so, this does not mean that the relationship has ended, but instead the firm representatives may meet, for example, at trade fairs and attend each other's events. However, a significant amount of resources are not allocated to the relationship during that period, that is, the state is not one of growth. The actors remain attracted to each other and the relationship has not institutionalized, because of which the state cannot be the decline state or the constant or static state, respectively. Neither is the relationship facing problems, that is, the state is not a troubled one. The state cannot only be an end state as the parties remain committed to the relationship and see a future for the relationship.

DEVELOPING GUANXI RELATIONS

In the second chapter, Anna Kaunonen describes the development of guanxi in the context of Chinese-Finnish relationship dynamics. This study is valuable in particular because of its descriptions of guanxi at both the individual and organizational level, that is, relationships between organizations and the representatives of these companies.

Key lessons Kaunonen covers in the second chapter include the following perspective. Westerners who aim to develop relations with Chinese counterparts need to take into consideration three paradoxes. First, both advantages and disadvantages in developing strong interpersonal ties exist, that is to say, one might gain better access to information and guanxi members, but simultaneously one faces constraints for the future regarding, for example, one's resources. Second, no clear set of rules exists, which one should follow when trying to develop intercultural and interpersonal relations with the

Chinese. Some firm representatives want to follow traditional guanxi-based rules, while others might want to follow a Western or a hybrid form of rules. Contextual factors, such as network members, the network formation, and resource access, guide the interactions. One needs to be ready to adapt one's behavior and mindset based on the changing situation. Third, the closer the relationship between the parties, the less innovative and more complicated the relationship is.

THE DEVELOPMENT OF INDUSTRIAL BUYER-SELLER RELATIONS IN A CHINESE CONTEXT

In the third chapter, Anna Kaunonen raises and answers the question, how do industrial buyer-seller relationships develop in a Chinese context? The third chapter provides great depth in learning the intricacies in executing guanxi acts within Chinese relationships. While unique some parallels do exist between East and West in such relationship building and maintenance acts.

Kaunonen suggests the following take-aways from the four cases. Although the study has centers on China and guanxi, similar business thinking exists in, for example, Japan, Korea, and India. Such practices as gift giving and entertaining that are important for cultivating and maintaining guanxi are common in several other nations and business cultures as well as the notion of reciprocity. Networking is also important in the West and several Europeans and Northern Americans commonly use the concept of the "old boys" network. However, the operation of social relations, or guanxi, is unique to China because similar relational forms are nonexistent in the West. In addition, the role of guanxi in everyday life is special to the Chinese context. Guanxi is a science and art in which the actors carefully design their practices and processes.

ADAPTATION IN BUSINESS CONTEXTS: WORKING TRIADIC RELATIONSHIPS

In the fourth chapter, Anne-Maria Holma provides a comprehensive framework to analyze adaptation dynamics in triadic B2B relationship settings. Researchers may make more detailed analysis with the help of her

framework by studying the subprocesses, for example, (1) the progression of adaptation with its different phases, (2) the adaptation chains, and (3) the adaptation outcomes.

From an in-depth interpretative stance Holma proposes and confirms that the course an adaptation process takes is itself at least as important as its outcomes. The ups and downs and specifically the setbacks along the way were on the minds of the informants all the way through the process. For example, the actors' perceptions that they were treated unfairly, or that they were not listened to, gained more attention than the fact that the process ended up positively, and the adaptations were beneficial. The process itself may be a reason for deterioration of a relationship, even though the final outcomes of adaptation may be profitable and mutually agreed. Thus, the importance of involving all the firms, communicating and sharing information cannot be emphasized too much.

HOW DO MANAGERS SEE IT? CAPTURING PRACTITIONER THEORIES VIA NETWORK PICTURES

In the final chapter, Carla Ramos and David Ford have two objectives: to explore how practitioners actually perceive their business surroundings (i.e., what do practitioner theories look like) and to assess the extent of overlapping between academic theories and practitioner theories. To achieve these objectives, the Ramos and Ford use a dimensional network pictures model to analyze the network pictures of 49 top-level managers across seventeen companies from two very distinct contexts or networks: a product-based network and a project-based network. The study is breathtaking in providing emic and etic interpretations of the dynamics of actors and firms in B2B relationships.

Several of the findings in this study may surprise. For example, Ramos and Ford conclude that most individuals do not appear to be able or interested in stepping back and looking at the network to take into account their own as well as the perspective of other actors. Individuals are so embedded in their own reality and perceptions that they are not able to consider that other actors may see things (including their company) differently than they do, and by so doing, they may be missing out on opportunities or incurring unnecessary risks. For example, although networks do not have an objective center, in these analyses individuals

usually perceive themselves as being the center of everything. By not considering that other actors probably think differently, individuals' perceived objective center is one that may not actually exist or may take a different shape for the surrounding actors. This conclusion is one of several important lessons appearing in the fifth chapter.

CONCLUSION

Acquiring deep knowledge of B2B network relationships requires “direct research” (Mintzberg, 1979) whereby the researcher spends time extensively in the field – in real-life, natural contexts where these relationships form, grow, and die. Direct research includes “being there” – that is, the research moves into the context of the action in several instances of days, weeks, and months. Cross-sectional surveys ignore this methodological principal. The studies in Volume 20 do not.

Not relying solely on the verbal reports to the researcher that participants express is one of the key contributions of the studies in Volume 20. All the etic interpretations in the five chapters rely on multiple sources including interviews of executives in both pivotal and peripheral firms in the relationships – and direct observations of interactions in these relationships. Given the inherent problems with “telling more we can know” (Nisbett & Wilson, 1977) and less that we are aware unconsciously (Bargh & Chartrand, 1999) as well as questions on the metric meaning of Likert seven-point scaled responses, and issues relating to “self-generated validity” when answering a string of survey questions (Feldman & Lynch, 1988), the studies avoid the use of closed-end survey questions. Self-generated validity refers to the influence of expressing beliefs and/or emotions in answering questions early in a survey on answering the questions that follow.

The studies in Volume 20 support the valuable contributions of case study research (CSR) in generalizing to theory as well as to management practice. The editors of the volume very much appreciate the hard work and insightful contributions by the authors. The reader is invited to apply similar research methods and other CSR methods (see Woodside, 2013) in their studies for submission to future volumes in this series.

Arch G. Woodside
Roger Baxter
Editors

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