

THE ROLE OF PERSPECTIVE-TAKING IN THE UNDERSTANDING OF COOPERATION AND RELATIONSHIP MARKETING

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Abstract

Relationship marketing has established itself as one of the main pursuits in marketing. Various viewpoints have been proposed seeking to explicate relationship marketing. This paper focuses on the role of perspective-taking as an overlooked aspect of relationship marketing. It suggests that cooperation in relationship marketing requires the marketer to undertake a process that involves understanding the perspective of partners by realistically imagining their point of view. Grounded in aptitude theory a perspective-taking approach that incorporates both a perspective-taking *ability* and a perspective-taking *propensity* is tested in a model that also considers the impact of trust and commitment on cooperation. Data is collected from a sample of managers of manufacturing firms. Results supporting the role of perspective-taking are reported. Conclusions are drawn, limitations are noted and opportunities for further research are indicated.

Introduction

Relationship marketing focuses on the development and cultivation of longer-term profitable and mutually beneficial relationships among parties in an exchange. This construct has received increasing attention in the marketing literature and the original commitment-trust theory by [Morgan and Hunt \(1994\)](#) has resulted in numerous follow-up studies. A basic premise of relationship marketing is that this can only be built via cooperation between the parties. Cooperation and relationship marketing have been further elaborated and investigated within alternative theoretical frameworks (e.g., [Ganesan, 1994](#); [Palmatier et al., 2006](#); [Siguaw, Simpson and Baker, 1998](#)). However, an overlooked aspect in relationship marketing concerns the role of perspective-taking in fostering cooperation. Despite the intuitive appeal of perspective-taking in understanding relationships and marketing generally, it has received scant attention in the management and marketing literature (e.g. [Duan and Hill, 1996](#); [Parker and Axtell, 2001](#)).

A perspective-taking stance allows a firm to potentially build stronger cooperation with its partners. This paper commences by reviewing the relationship marketing literature, highlighting the role of cooperation as a key outcome as well as the relevance of trust and commitment in the various approaches that have been adopted in deepening the understanding of relationship marketing. To fruitfully explore the role of perspective-taking in a relationship marketing context, perspective-taking is defined and distinguished from its related concept of empathy. The paper proceeds to conceptualize perspective-taking within an aptitude theory framework and highlights the role of both perspective-taking *ability* and perspective-taking *propensity* that together enhance the possibility of cooperation. A model is proposed that in addition to trust and commitment incorporates also perspective-taking ability and perspective-taking propensity. This model is tested among a sample of managers of manufacturing firms. Results supporting the additional role that a perspective-taking approach can provide are reported, conclusions are drawn, limitations are noted and opportunities for further research are indicated.

Relationship marketing and cooperation

With the development of a marketing concept that envisages meeting the needs of targeted customers rather than simply the profit aspirations of the firm, it became clear that an alternative to the 4Ps' paradigm was needed. Increasingly, consumer marketers have emphasized relationship marketing; an approach long recognized in industrial marketing (e.g., [Håkansson,](#)

1982) and in services marketing (e.g., Berry and Parasuraman, 1991). The seminal article by [Morgan and Hunt \(1994\)](#) proposed that commitment and trust are key constructs underlying relationship marketing. Using social exchange theory ([Cook and Emerson, 1978](#)) as a basis, Morgan and Hunt argue and provide empirical support that commitment and trust are both crucial in fostering cooperation between sellers and buyers. This stream of research has witnessed numerous follow-up studies that have considered various antecedents, moderators and mediators as well as other outcomes besides cooperation as evidenced in the meta analysis by [Palmatier et al. \(2006\)](#).

However, other theoretical approaches sought to provide alternatives to the commitment-trust view and to explaining cooperation. The dependence perspective ([Hibbard, Kumar and Stern, 2001](#)), also utilizing social exchange theory, emphasizes partners' interdependence and dependence asymmetry as key alternative focal constructs to commitment-trust. Commitment and trust are envisaged as antecedents that increase interdependence between sellers and buyers strengthening the relationship and avoiding the destructive actions of dependence asymmetry. An alternative conceptualisation made use of transactional cost theory ([Williamson, 1975](#)) focusing on relationship specific investments (RSI) by either the seller or a buyer. These RSI are specific to a relationship and not easily recoverable. Thus as partners increase their RSI they become more dependent and less prone to switching ([Ganesan, 1994](#)). In such a scenario commitment and trust strengthen RSI but rather than sustain a relationship, opportunistic behaviour enhances relationship conflict. Relational exchange theory ([Kaufmann and Dant, 1992](#)) with an emphasis on relational norms has also been proposed as an alternative theoretical framework. In the situation of an ongoing relationship the partners are seen as coming to rely on shared expectations occurring during transactional exchange. These relational norms encompass solidarity, mutuality and flexibility that enable cooperation ([Siguaw, Simpson and Baker, 1998](#)) allowing the partnership to be nurtured and sustained. Again, in these models both commitment and trust are envisaged as antecedent variables to relational norms.

Subsequent approaches have recognized the role of commitment-trust theory but also seek to elaborate a richer model using interdependence and dependence asymmetry, relationship specific investments and relational norms. [Palmatier et al., \(2006\)](#) seeks to consolidate these four viewpoints to provide a Resource Based View model. All five models highlight the importance of both commitment and trust and seek to explain relational outcomes that include the key concept of cooperation. We argue that adopting a perspective-taking approach can provide further gain to the understanding of cooperation and relationship marketing. We therefore set out to provide a theoretical grounding for the conceptualisation of perspective-taking and identify perspective-taking *ability* and perspective-taking *propensity* as two key elements that can further explain cooperation.

Defining and conceptualizing perspective-taking

Perspective-taking and empathy are often used interchangeably. However, recent studies (e.g., [Eisenberg, Zhou, and Koller, 2001](#)) tend to reserve the term empathy for emotional responses and perspective-taking for cognitive responses. [Galinsky et al., \(2008\)](#) suggest clear evidence for differences between empathy and perspective-taking (e.g., [Davis, 1983](#); [Oswald, 1996](#)) and define perspective-taking as “a cognitive capacity to consider the world from other viewpoints” that permits anticipation of the behaviour and reaction of others ([Galinsky et al., 2008. p.378](#)). Empathy is viewed as “an other-focused emotional response that allows one person to affectively connect with another” ([Galinsky et al., 2008. p.378](#)).

We employ the work of Johnson (1975) and Gehlbach (2004) to provide a basis for conceptualizing and understanding perspective-taking. [Johnson \(1975\)](#) highlights the point that perspective-taking is primarily an *ability* that an individual has to a higher or lesser extent. This ability allows an individual to infer the thoughts or feelings of a target other, which in turn enables that individual to understand the reality of others. Johnson linked perspective-taking to the fostering of cooperation. [Gehlbach \(2004\)](#) considers the role of perspective-taking in conflict resolution in an educational context and argues that it is incomplete to consider perspective-taking simply as a cognitive ability. It is also necessary to consider the *propensity* to undertake perspective-taking. In addition, perspective-taking is a situational construct that needs to take into account not only aspects of cognitive ability and propensity but also the contextual characteristics of the situation ([Gehlbach, 2004](#)).

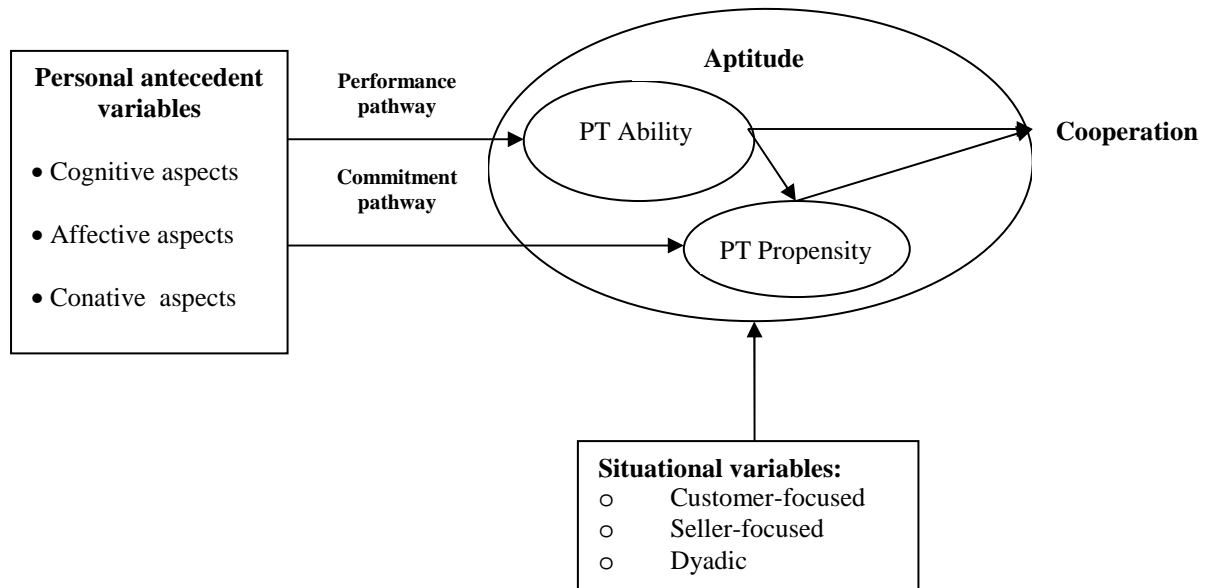
Perspective-taking as a multi-dimensional situational construct can be suitably conceptualized using an aptitude framework where perspective-taking is considered as an aptitude complex ([Snow, 1978](#)). Aptitudes have been proposed in an educational context and are defined as “the degree of readiness to perform well in a particular situation or in a fixed domain” ([Corno et al., 2002](#), p3). Aptitudes are central to all human endeavours and signify some aspect of the present state of an individual that precedes and prepares for some future action in some particular situation ([Corno and Snow, 1986](#)). Snow expanded the definition of aptitude beyond the conventional cognitive-based strategies and abilities. With this much wider view of aptitude, Snow’s “aptitude-complexes” theory seeks to account for the interaction between an individual’s personal aptitudes (e.g. experience, motivation, ability and knowledge) and situational demands. As such it incorporates not only cognitive and affective aspects but also conative attributes of persons that predict success in specified endeavours ([Corno and Snow, 1986](#)). Aptitudes develop along a ‘performance pathway’ that encompasses the cognitive elements, and a ‘commitment pathway’ that captures the affective and conative aspects ([Snow, Corno and Jackson, 1996](#)). Moreover, situational variables may affect how the cognitive and motivational resources interact. This makes it necessary to acknowledge that aptitudes occur within a ‘problem space’ or context ([Gehlbach, 2004](#)). Over time, these dynamic relationships may change as new aptitudes are applied, the tasks altered or the context modified. Below we examine perspective-taking as an aptitude complex within the ‘problem space’ of relationship marketing.

Perspective-taking as an aptitude in a relationship marketing context

When viewed as an aptitude, perspective-taking consists of the *ability* to understand how a situation appears to another person (*PT ability* in Figure 1) and the *propensity* to put this ability to use (*PT propensity* in Figure 1). [Gehlbach \(2004\)](#) argues that it is incomplete to consider perspective-taking simply as *ability* (e.g. [Davis, 1994](#)) without considering the *propensity* to undertake the perspective-taking. These two factors form an individual’s personal aptitude for perspective-taking and function within a particular situation or context.

Cooperation takes place when two parties work together to achieve mutual goals. In such circumstances an understanding and appreciation of the other party’s point of view is fundamental for the relationship to be successful and long-term. A firm’s ability to engage in cooperation is dependent on its key personnel being in a position to understand and appreciate the perspective of the other party. The perspective-taking approach primarily adopted by senior managers and key personnel determines the firm’s ability to understand the other party and subsequently to cooperate with it. The perspective-taking aptitude of these personnel is influenced by two sets of factors termed personal antecedent variables and situational variables. The dynamic interactions among these various elements appear in Figure 1.

Figure 1: Perspective-taking aptitude complex in a relationship marketing context



Personal antecedent factors are shown as consisting of cognitive and affective aspects relating to the individual that respectively correspond to a performance and a commitment pathway. The cognitive aspects include the individual's intelligence or cognitive level, the cognitive strategy adopted, as well as the cognitive style by which an individual learns to organize, filter, transfer and process information about the environment in which he or she is embedded. The affective aspects include the individual's motivation to act and his or her emotional regulation capability in situations that are often emotionally charged ([Gehlbach, 2004](#)).

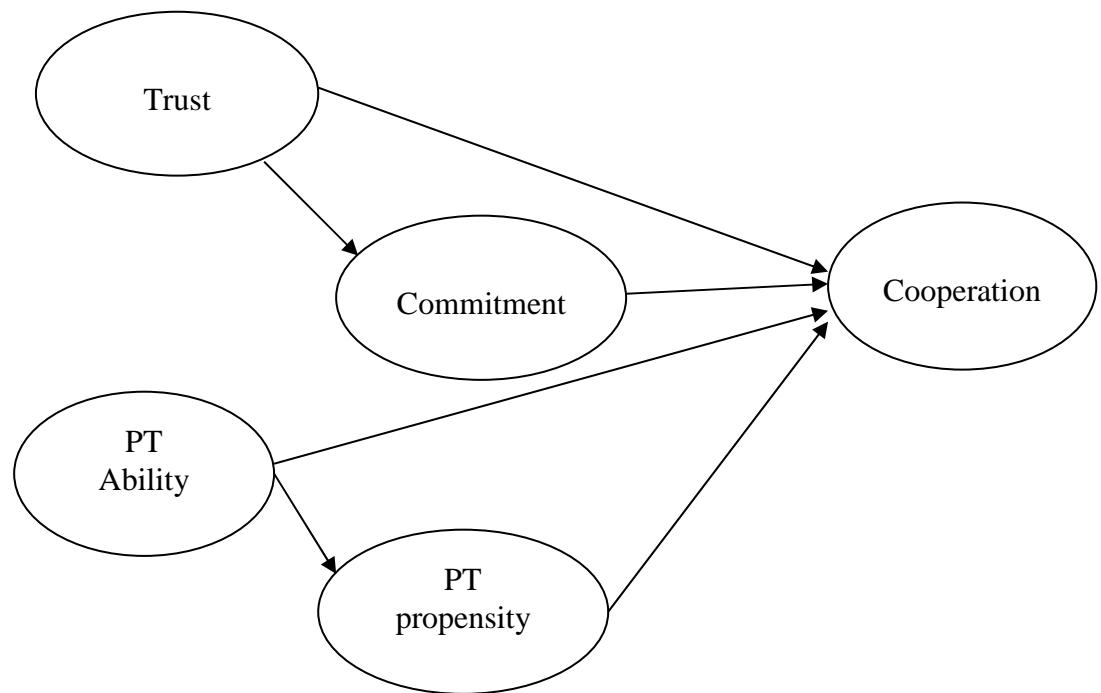
Research model and methodology

The influential work by [Morgan and Hunt \(1994\)](#) envisages commitment as a mediating variable in the link between trust and cooperation. We adopt this model and consider an *additional* mediated relationship where cooperation results not just from trust and commitment but also from the effect of perspective-taking ability mediated by perspective-taking propensity.

To test the research model outlined in Figure 2, measures for each of the constructs were identified. To measure the constructs for trust and commitment the same instruments used by [Morgan and Hunt \(1994\)](#) were adopted. Cooperation was measured using the nine-item scale originally developed by Childers, Rukert and Boush (1984) with items amended to reflect the degree of cooperation existing between a service provider and its customers. Perspective-taking propensity was measured by the subscale of the Interpersonal Reactivity Index consisting of seven items ([Davis, 1980; 1983](#)). Measuring perspective-taking ability required devising an experimental methodology adapted from [Ligneau-Hervé and Mullet \(2005\)](#) in which participants are presented with simple vignettes relating to the purchasing of clothing and are required to make judgments from the viewpoint of hypothetical others.

Access to participants was gained with the cooperation of a service entity that provided details of its manufacturing customers. All buyers were individually contacted by the researchers and asked whether they would participate in the study that would involve face-to-face interviews lasting approximately one hour. From the total number of customers 78 agreed to participate. Participants were all male, senior managers and their average age was 44.2 (SD=11.0).

Figure 2: Model incorporating the effect of perspective-taking on cooperation



Results

Cronbach alpha for trust, commitment, cooperation and perspective-taking propensity exceed the threshold .7 level (Nunnally, 1967). Despite a relatively small sample, a principle components factor analysis using an oblimin rotation performed on the data for the four instruments showed the items of the different constructs loading separately providing support for convergent and discriminant validity.

By considering perspective-taking ability as a latent variable, a Latent Class Model was fitted using the Expectation - Maximization algorithm (Dempster et al., 1977; Hartley, 1958; McLachlan and Krishnan, 1997). Posterior probabilities were computed using Bayes' Theorem and a respondent was allocated to the segment with highest posterior probability. The two segment solution grouped respondents into two categories representing: low and medium-high perspective-taking ability. An independent sample test was used to compare the mean cooperation scores across the two categories of perspective-taking ability. Results indicated that the mean cooperation scores for the perspective-taking ability categories differ significantly (M Low ability, 14, =37.4 SD 11.1; M medium-high ability, 64, =44.0, SD 7.9; $t = 2.65$; $p < .01$). This provided evidence that participants in the low perspective-taking ability group tend to have lower mean cooperation scores than their counterparts in the moderate-high perspective-taking ability group. Pearson correlation was used to measure the relationship between the cooperation scores and the scores for the predictor variables of trust, commitment and perspective-taking propensity. This provided results that ranged from .27 to .72 that were statistically significant indicating positive relationships between cooperation, trust, commitment and perspective-taking propensity.

A further task was to estimate collectively the quantitative effect of the predictor variables upon the cooperation score as the outcome variable. It is accepted that a single predictor could be rendered a very important contributor in explaining variations in the responses, but can be rendered unimportant in the presence of other predictors. To investigate this issue several Generalized Linear Models (GLM) were fitted to identify the most relevant predictors that explain the variations in the cooperation scores. An appropriate approach for assessing the contribution of each explanatory variable is to add these predictors sequentially in the model fit, recording the change in deviance after each fit. In this forward procedure, predictors that reduce the deviance by a large amount contribute significantly to improving the model fit. Results from the GLM are shown in Table 1a. Commitment is the best predictor of cooperation because its inclusion in the model fit produces the largest drop in deviance. It is followed by trust, perspective-taking propensity and perspective-taking ability. All variables when included as sole predictors in the model fit are significant ($p < .05$). The next step was to add the predictors sequentially in the model fit to analyze and assess their contribution collectively. The parsimonious model that results as shown in Table 1b explains 66.8% of the total variation in cooperation scores and consists of commitment, trust and perspective-taking propensity as significant main-effects but excludes perspective-taking ability. Therefore the effect of perspective-taking ability is being completely mediated via perspective-taking propensity. Table 1c indicates that cooperation is explained by the equation:

$$\text{Cooperation} = 3.57 + .62\text{Commitment} + .33\text{Trust} + .52\text{PT Propensity}.$$

Table 1a: Results from the General Linear Models

Predictor	Deviance	Change in Deviance	X	Degrees of Freedom	p-value
None	6074.8	/	/	/	/
Propensity	4758.3	1316.5	21.03	1, 76	0.00
Ability	5563.2	511.6	6.990	1, 76	0.01
Commitment	2939.5	3135.3	81.06	1, 76	0.00
Trust	3094.7	2980.1	73.19	1, 76	0.00

Table 1b: Results from sequential addition of variables

Predictor	Deviance	Change in Deviance	X	Degrees of Freedom	p-value
None	6074.8	/	/	/	/
Commitment	2939.5	3135.3	81.06	1, 76	0.00
Commitment+Trust	2307.8	631.7	20.53	1, 75	0.00
Commitment+Trust+Propensity	2020.0	287.8	10.54	1, 74	0.00
Commitment+Trust+Propensity+Ability	1999.5	20.48	0.748	1, 73	0.39

Table 1c: Predictors with parameter estimates

Predictor	Parameter estimate	Standard Error
Constant	3.56	3.876
Commitment	0.62	0.121
Trust	0.33	0.082
Propensity	0.52	0.161

Conclusion, limitations and future research

This research seeks to bring into play perspective-taking as an overlooked aspect in relationship marketing and makes the case for its relevance in a successful implementation of cooperation.

Grounded in aptitude theory, the proposed model of perspective-taking in a relationship marketing context can suggest various possibilities as to why managers can exhibit different levels of cooperation. Results from the Generalised Linear Models indicate a completely mediated model in the case of the effect of perspective-taking ability and perspective-taking propensity on cooperation with the effect of perspective-taking ability being completely mediated via perspective-taking propensity. Concurrently the effect on cooperation of commitment and trust is only partially mediated with both variables having an effect.

This research has a number of limitations. First, it is built on one relatively small sample and there is the need to replicate findings with larger samples. Second, the model considers a single cultural context and a specific industry. Further research could look at other sectors including the non-profit sector as well as different cultural contexts in different countries. Third, the model adopted is fairly simplistic and undoubtedly suffers from specification error: there are a multitude of antecedents, moderators and other outcomes that can be considered in a richer model. This notwithstanding, the investigated model points to an aspect of relationship marketing that appears to have been overlooked. In so doing, it opens up numerous avenues for further research that could investigate how perspective-taking ability and perspective-taking propensity interact with the various situational and personal antecedent variables in different contexts and industries.

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