

# *The Impact of Gender and Perceived Friendliness Stereotypes on Negotiation*

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**Abstract:** This study examines whether negotiators' stereotypical impressions of their negotiation counterparts based on friendliness and gender affect the negotiation process. A scenario-based questionnaire was used to measure differences in expected price, reservation point, and estimated seller's bottom line price among buyer participants, based on varying levels of seller gender and friendliness. The results indicate that seller friendliness significantly affects the three dependent variables: expected price, reservation point, and estimated seller's bottom-line price. Gender does not have a significant main effect on any of the dependent variables, and there is no interaction effect between the two independent variables. When negotiators hold a favorable stereotypical impression of their negotiation counterparts, they tend to have higher expectations for the negotiation in terms of price, reservation point, and estimated bottom line price compared to when they hold an unfavorable stereotypical impression.

## 1. Introduction

Negotiation is widely present in various aspects of social life and is the most commonly used and effective method for resolving conflicts. When two or more parties have different preferences but need to reach an agreement, they engage in negotiations<sup>[1]</sup>. However, there are no fixed rules to follow in negotiations.

There are two research approaches to negotiation: normative approach and descriptive approach. Normative theories explore how negotiations are conducted by perfectly rational individuals, without considering the behavior of imperfect individuals in real life situations. They focus on how negotiations would be conducted if individuals were sufficiently intelligent and perfectly rational. In addition to addressing how negotiations should be conducted, descriptive theories also aim to describe how individuals behave in real negotiations. Researchers in the descriptive approach seek to understand the role of individual differences, motivations, and cognitive models in decision-making, behavior, and negotiation outcomes<sup>[1,2]</sup>.

In the past decades, most social psychology research on negotiation has been based on behavioral decision theory and has focused on the negative effects of cognitive factors and processes. These studies explain various phenomena in the negotiation process using cognitive biases and reasoning

errors. In the past decade, the interaction between motivation and cognition has been incorporated into the research perspective of social cognition, leading to increased attention from researchers on the effects of motivation and emotions on negotiation behavior. Furthermore, the positive role of cognitive, motivational, and emotional factors in negotiation has also gained increasing attention<sup>[3]</sup>.

Among these studies, research on cognitive factors mainly describes how negotiators, as decision-makers, systematically make biased rational decisions. In complex negotiation situations, individuals have to process and manage a large amount of complex information. Although people aspire to behave rationally, their ability to achieve rationality is limited. Due to limited attention, information storage capacity, and information retrieval ability from memory, people rely on cognitive heuristics such as representativeness, availability, and anchoring in negotiations<sup>[4]</sup>, as well as cognitive shortcuts such as the framing effect<sup>[5]</sup> and existing knowledge structures (schemas) to enhance the speed and efficiency of information processing and decision-making. These cognitive strategies can easily lead to judgment biases but sometimes also facilitate judgment.

Stereotypes are relatively fixed notions or ideas about the characteristics and causes of a group of individuals, usually based on heuristic and non-analytical processing. Stereotypes can influence cognitive processing in social reasoning, leading people to make different assumptions and conclusions about the same behavior. Moreover, this reasoning process is automatic and not consciously controlled by individuals<sup>[6]</sup>. However, in order to improve the efficiency of predicting others' behavior, people tend to rely on schemas - stereotypical impressions of people - which can lead to cognitive biases in perceiving others. Negotiators often do not know the interests and possible behaviors of their opponents, but they actively speculate about their negotiation counterparts through selection, categorization, interpretation, and reference to past experiences<sup>[7]</sup>.

Currently, there are many studies on the role of stereotypes of negotiation counterparts in negotiation, particularly focusing on gender. Women tend to perceive their opponents as similar to themselves, while men tend to perceive their opponents as different, especially in terms of race<sup>[8]</sup>. Gilkey and Greenhalgh measured negotiators' gender role orientations and found that negotiators with a female role orientation were more empathetic in negotiations than those with a male role orientation<sup>[9]</sup>. Negotiators sometimes also have stereotypical cognitive perceptions of themselves<sup>[10]</sup>, which can also affect negotiation behavior and outcomes. When positive stereotypes of one's own gender are activated, negotiators tend to behave in line with those stereotypes, while negative stereotypes lead to opposite behavior, regardless of whether it is suitable for the negotiation context. In specific situations, stereotypes can promote negotiations. When it is known that stereotypical female behavior (such as expressing ideas clearly, good listening skills, understanding the other party's feelings, etc.) can improve negotiation efficiency, both male and female negotiators are more likely to engage in corresponding behavior and display more cooperation, leading to higher integrative negotiation profits<sup>[11]</sup>.

Furthermore, it seems that there are differences in self-construction between men and women. Social psychologists Cross and Madson proposed that men belong to the independent self-construction type, while women belong to the interdependent self-construction type<sup>[12]</sup>. Therefore, most men define themselves by focusing on their own preferences and goals, paying little attention to whether their behavior affects others around them. They are more interested in seeking instrumental rather than intimate interpersonal relationships and establish fewer intimate connections with others. On the other hand, most women define themselves based on their connections with others, considering interpersonal relationships as an inseparable part of themselves. They evaluate their actions based on the impact they have on others, and their important life goal is to establish and maintain strong interpersonal relationships.

Babcock and Lashever observed the performance of men and women in work negotiations in a study<sup>[13]</sup>. Based on interview results, they classified participants into two categories: those who saw

negotiations as a means to achieve more benefits and those who saw negotiations as a means to increase others' acceptance of themselves. There is limited research on whether negotiators exhibit different negotiation behaviors based on the gender of their negotiation counterparts. Among those classified as seeking "benefits," 72% were men and 28% were women, while among those classified as seeking "acceptance," only 29% were men and 71% were women. This clearly indicates that men are more likely to see the instrumental side of negotiations, while women are more likely to see the interpersonal aspect and prioritize concerns about interpersonal relationships. Women often worry more about actively competing and potentially threatening interpersonal relationships because the destruction of interpersonal relationships has a greater impact and more serious consequences for women. Research has shown that if a person has an interdependent self-construction, their self-esteem is usually based on good interpersonal relationships. When their interpersonal relationships are threatened, individuals with an independent self-construction are less likely to be harmed in terms of self-esteem. This hypothesis has been supported by numerous studies. Another study found that women believe there is a significant connection between their "connectedness" with others and their self-esteem, while men do not see any relationship between the two.

Based on the aforementioned studies, it can be seen that there are significant differences between women and men in negotiations, and many participants hold stereotypes about gender roles in general and their own gender roles. However, there is currently limited research on whether negotiators form stereotypes based on the gender of their negotiation counterparts and how these stereotypes affect their negotiation behavior.

In addition, people's perceptions and influences regarding their negotiation counterparts are often influenced by relevance. In negotiations, relevance refers to the similarity between the two parties, the attractiveness of the opponent, and the traits that negotiators attribute to their counterparts, such as intelligence, sociability, professional knowledge, skills, abilities, cooperativeness, competitiveness, etc.<sup>[7]</sup> In situations of conflicting interests, people rely on stereotype information to predict their opponents' competitive tendencies and base their response strategies on these predictions. For example, people tend to interpret ambiguous behavior from opponents majoring in business as competitive behavior consistent with stereotypes, and they predict that these opponents are more likely to compete. This leads individuals to choose competition more easily<sup>[14]</sup>.

Perception of negotiation counterparts also includes attributions and predictions about their behavior. Taylor and Crocker argue that negotiators' perception of their negotiation counterparts is influenced by schemas stored in memory<sup>[15]</sup>. Negotiators tend to label their counterparts with a series of trait-like characteristics<sup>[1]</sup>. The attribution of the counterpart's behavior is an important factor in determining one's own response. Although studies have found that whether negotiators make concessions depends largely on their economic background rather than personality traits, negotiators often fail to realize or fully recognize this, attributing the counterpart's lack of concession to their competitive nature and thus affecting their negotiation behavior. People also tend to overlook the constraints of the negotiation context and overestimate the counterpart's anxiety and dishonesty levels<sup>[2,7]</sup>. Morris, Larrick, and Su summarized that although negotiation behavior is largely determined by one's position in the negotiation, negotiators initially use the counterpart's cooperativeness and ease of interaction as well as other personality traits to explain their behavior<sup>[16]</sup>.

As demonstrated by previous studies conducted by Babcock and Lashever, and Cross and Madson, negotiators encompass both independence self-constructors and dependence self-constructors<sup>[12,13]</sup>. The objectives of negotiators involve both "interest-based" and "acceptance-based" categories. Therefore, the friendliness of the negotiating counterpart becomes crucial in negotiations for negotiators who are dependence self-constructors and prioritize "acceptance-based" objectives.

In negotiations, there is another factor to consider-social motives, which refer to individuals' preferences in outcome distribution between themselves and their opponents. These motives

generally include altruism, competition, individualism, and cooperative motives<sup>[17]</sup>. Many studies on negotiations, conflicts, and social dilemmas adopt a more general dichotomy - egoistic and prosocial motives<sup>[18]</sup>. Therefore, besides the motive for personal gain, there is also a prosocial motive present in negotiation processes. Does the trait of the negotiating opponent affect the extent to which negotiators display prosocial motives during negotiations?

This study aims to explore the impact of negotiators' stereotypes of the gender and friendliness of negotiating opponents on negotiations.

Based on previous studies mentioned above, we assume that, when negotiators as buyers form a friend stereotype of their negotiation counterparts, the negotiators' expectations for the optimal price, reservation point, and estimation of the counterpart's bottom line are higher compared to situations where an unfriend stereotype is formed. This is because, firstly, as mentioned in the introduction, there are prosocial motives<sup>[18]</sup>, dependency self-construal<sup>[15]</sup>, and the "acceptability" purpose of negotiation<sup>[13]</sup> in negotiation. People tend to interpret ambiguous behaviors of opponents in business majors as competitive behaviors consistent with stereotypes, predicting that they are more likely to compete, making it easier for people to choose competition<sup>[14]</sup>. Negotiation counterparts who display friendly behavior are more likely to make negotiators perceive goals beyond individual gains and form good interpersonal relationships. Thus, negotiators consider the counterpart's position, raising their expected price and reservation point. Secondly, it is possible that a friendly stereotypical impression creates the labeling effect described by Thompson<sup>[7]</sup>, leading negotiators to perceive opponents as more honest. Consequently, negotiators perceive the opponent's self-interest behavior as relatively less unfriendly compared to opponents with an unfriendly impression, resulting in a higher estimated bottom line for friendly negotiation counterparts. Thirdly, for unfriendly negotiation counterparts, negotiators may perceive greater difficulty in negotiation, thus setting lower expected prices and reservation points, providing themselves with more negotiation space.

Furthermore, we assume that when negotiating with a female counterpart, the expected optimal price, reservation point, and estimated counterpart's bottom-line price of the negotiating buyer are all significantly lower compared to when negotiating with a male counterpart. This is because, as mentioned earlier, people perceive women as being more affable, placing greater emphasis on interpersonal relationships, and more likely to associate interpersonal relationships with self-esteem<sup>[13]</sup>. Based on this, it is possible for individuals to believe that female sellers are more inclined to offer a lower and more favorable price to buyers due to their consideration of interpersonal relationships.

## 2. Methods

This study aims to investigate whether negotiators' stereotypes of the friendliness and gender of negotiating opponents affect the negotiation process by measuring subjects' expected price, reservation point, and estimation of the opponent's bottom line.

The study adopts a 2 (stereotype of negotiating opponent: friendly, unfriendly) x 2 between-subjects design (gender of negotiating opponent: male, female) in the negotiation scenario design. The dependent variables are the expected price, reservation point, and estimation of the seller's bottom line for subjects acting as buyers.

*Hypothesis 1:* Under the same conditions, negotiators who form a friendly stereotype of their negotiating opponents will have significantly higher estimations of the expected optimal price, reservation point, and the opponent's bottom line compared to negotiators who form an unfriendly stereotype of their opponents.

*Hypothesis 2:* Under the same conditions, negotiators who negotiate with female opponents as buyers will have significantly lower estimations of the expected optimal price, reservation point, and the opponent's bottom line compared to negotiators who negotiate with male opponents.

## 2.1 Participants

136 students from Wuhan University, including 82 males and 54 females, with an average age of  $21.29 \pm 1.33$ . The participants were randomly assigned to four groups, with 35 participants in each group.

## 2.2 Experimental Materials

The scenarios described a negotiation situation where students intended to purchase sunglasses and negotiate with the shop owner. The background was that the students had visited the shop before and selected a pair of sunglasses priced at 150 Yuan, and their purpose of visiting the shop was to buy them at a suitable price. However, when they entered the shop, another customer was paying and asking about the maintenance of sunglasses. The materials differed only in the description of the gender and friendliness of the shop owner. In the friendly group, the shop owner was described as setting aside the book and enthusiastically answering the previous customer's questions, while in the unfriendly group, the shop owner was described as playing on the computer and impatiently answering the previous customer's questions. Considering that some participants may associate the scenario with the inability to negotiate in malls or specialty stores, a special note was added at the end of the materials stating, "Negotiation is possible in this shop."

Since the experimental materials were self-designed, to ensure that they could indeed induce stereotypes of friendliness or unfriendliness towards the shop owner, 20 participants who did not participate in the formal experiment were selected to rate the materials regarding the friendliness level of the shop owner on a 7-point scale (1 representing very friendly and 7 representing very unfriendly). The results showed that the average rating for materials intended to induce a stereotype of friendliness was  $6.15 \pm 0.67$ , while the average rating for materials intended to induce a stereotype of unfriendliness was  $2.05 \pm 0.89$ . A t-test on the mean differences between the two groups and the midpoint of 4 showed significant differences for both groups,  $t_1(19) = 14.333$ ,  $p < 0.001$ ,  $t_2(19) = -9.831$ ,  $p < 0.001$ . A paired-sample t-test revealed a significant difference in scores between the two groups,  $t(19) = 14.173$ ,  $p < 0.001$ .

## 3. Results

A total of 136 participants' data were collected. After excluding data from participants who did not answer seriously and extreme data beyond three standard deviations, a total of 131 participants' data entered the final data analysis. Among them, there were 33 participants in the male-unfriendly seller group, 33 participants in the female-unfriendly seller group, 32 participants in the male-friendly seller group, and 33 participants in the female-friendly seller group. Some participants only filled in two out of the three variables, but since the three dependent variables do not affect each other, as long as these data are not beyond three standard deviations, they are retained. Therefore, in the end, there were 130 sample points for the expected price, 130 sample for the reservation point, and 129 sample for the estimation of the seller's bottom price. Based on previous studies by Major and Kona<sup>[19]</sup>, it has been found that compared to males, females have lower expectations for negotiation. Therefore, the influence of participants' gender on the expected price, reservation point, and estimation of the seller's bottom price was examined. However, the results of the analysis of variance showed that the influence of participants' gender on their estimation of the three types of prices did not reach statistical significance. In this study, there is no evidence to suggest that participants of different genders have differences in their expectations for negotiation, reservation points, and estimation of the seller's bottom price.

Using a factorial analysis of variance, it was found that participants' stereotypical impressions of

seller friendliness significantly influenced their expected price, reservation point, and estimated seller's bottom line. The main effects were significant for expected price,  $F(1,127) = 4.126, p < 0.05$ , reservation point,  $F(1,127) = 9.985, p < 0.01$ , and opponent's bottom line,  $F(1,126) = 4.472, p < 0.05$ . However, the seller's gender did not reach a significant level in influencing participants' expected price, reservation point, and estimated seller's bottom line. The F values for expected price  $F(1,127) = 0.129, p = 0.720$ ; reservation point  $F(1,127) = 0.411, p = 0.522$ ; opponent's bottom line  $F(1,126) = 0.739, p = 0.392$ . The interaction effect between stereotypical impressions of seller friendliness and seller's gender did not reach a significant level in influencing participants' expected price, reservation point, and estimated seller's bottom line (see Table 1).

Table 1: Means and SD of expected prices, reservation points, and estimates of bottom line in different conditions.

Example column 1	Gender of Seller	Friend Seller	Unfriend Seller
Expected Prices	Male	88.16±4.63	81.13±4.63
	Female	89.76±4.48	78.18±4.48
Reservation Points	Male	114.16±4.69	103.16±4.69
	Female	115.30±4.54	97.73±4.54
Estimates of the Seller's Bottom Line	Male	79.84±5.23	68.07±5.23
	Female	76.21±5.07	63.03±5.07

#### 4. Discussion

Based on the above results, the hypothesis was partly supported, indicating that whether the seller leaves a friendly stereotypical impression on the buyer affects the buyer's expected price, reservation point, and estimated seller's bottom line. Furthermore, it was observed that when buyers form a friendly stereotypical impression of the seller, their expected price, reservation point, and estimated seller's bottom line are higher compared to when they form an unfriendly stereotypical impression of the seller.

Leaving a friendly impression on negotiation counterparts is crucial in the negotiation process. When the seller leaves a friendly impression on the buyer, the buyer's three prices are higher than in the unfriendly impression group. When these three prices increase, it is evident that it is beneficial for the seller. This is because when the buyer's reservation point and expected price increase, they are closer to the seller's optimal price, making it easier for the seller to obtain more profit in the negotiation. Similarly, when the buyer's estimated seller's bottom-line increases, the concessions made by the seller will also increase, which is also advantageous for the seller to gain benefits.

Moreover, since leaving a friendly impression on negotiation counterparts can lead to greater benefits in negotiations, this study can provide negotiation strategies for negotiators in practice. In the past, some negotiators viewed negotiation as a competitive game focused on power and personal victory, leading to distrust, hostility, negative perceptions of others, and the use of persuasive arguments, threats, intimidation, and coercive power to achieve their goals<sup>[20]</sup>. Perhaps such approaches are not effective, and negotiators could create a more enthusiastic and friendly negotiation atmosphere, actively listening and understanding the counterpart's position, which may lead to more effective negotiations.

Hypothesis 2 was not supported, indicating that the gender of negotiation counterparts does not influence negotiators' expected price, reservation point, and estimated opponent's bottom line. There may be two reasons for this. Firstly, although many studies have shown the role of gender stereotypes in negotiations<sup>[8,10,11]</sup>, this influence may only exist in terms of negotiators' own gender, indirectly affecting negotiators' behavior in negotiations. The gender of negotiation counterparts may not

directly influence negotiators' behavior. Another possibility is that the experimental materials used in this study only mentioned "the store owner is male (or female)" without providing a detailed description of gender characteristics, lacking vividness, and failing to evoke gender stereotypes in participants.

Therefore, this study has several limitations that need to be overcome in future research. As analyzed for Hypothesis 2, the vividness of experimental materials needs to be further enhanced to analyze the role of gender stereotypes in negotiation counterparts. Additionally, most negotiation studies use simulated negotiations, and although scenario questionnaires can partly reflect the situation, they are not real negotiations and their ecological validity is questionable. Hence, future research should adopt methods of simulated negotiations to test the conclusions obtained in this study.

## 5. Conclusion

This study demonstrates that negotiators' formation of a friendly stereotypical impression of negotiation counterparts leads to higher expected prices, reservation points, and estimated opponent's bottom line compared to when an unfriendly stereotypical impression is formed. The gender of negotiation counterparts does not influence negotiators' negotiation behavior.

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