



University of Bradford eThesis

This thesis is hosted in [Bradford Scholars](#) – The University of Bradford Open Access repository. Visit the repository for full metadata or to contact the repository team



© University of Bradford. This work is licenced for reuse under a [Creative Commons Licence](#).

Title

**Modelling Relationship Quality in a Business-to-Business
Marketing Context:
The Jordanian Banks and their Online SME Customers**

By

**Muhammed S. Alnsour
B.Sc., MBA**

**A Thesis Submitted for the Degree of
Doctor of Philosophy**

**University of Bradford
School of Management**

2009



MAKING KNOWLEDGE WORK

Abstract

This study provides an understanding on how Relationship Quality is conceptualised in business-to-business marketing relationships. It investigates the relationships of Jordanian Banks with their small and medium sized enterprise (SMEs) customers in terms of Commitment, Satisfaction, Trust, Communication, Transparency, Understanding, and Cooperation. It examines the antecedents and outcomes of the quality of corporate customer relationships by developing a conceptual model which empirically tests this relationship.

This research builds and validates a research model based on the literature survey and uses a mixed methods approach. Qualitative data were gathered through in-depth interviews to achieve the goal of refining the initial research model. The second stage is a quantitative empirical study that uses a questionnaire and tests the empirical model generated in the first stage. This integration of methods provides a more complete view of this emerging area of marketing theory.

Using Structural Equation Modelling; research findings support the use of a second-order relationship quality construct consisting of Trust, Commitment, and Satisfaction as a direct outcome of a relationship and is named “Attitudinal Loyalty”. Antecedents including; Transparency, Communication, Understanding and Cooperation were found to have a positive impact on relational outcome in a business-to-business context in Jordan. The importance of Transparency emerged as one of the most significant determinants of Relationship Quality, which is considered to be a new finding and not common among previous studies. Communication appears to make the biggest contribution overall and have direct and indirect relationships with other variables. It is therefore a major source of success in a business relationship.

This research has several implications for the theory and practice. An important issue is the affects on change management. It requires the establishment of business communications to strengthen existing relationships and to form new ones. This implies developing an interactive approach with other parties. This study gives the banking industry an insight for developing their marketing strategy. It also provides a tool to assess the portfolio of relationships, which helps in targeting specific customers. Furthermore, Transparency in the flow of information imposes cultural change.

Studying the Jordanian market can help to provide an insight into an emerging economy. Several qualitative findings showed that the relationship between banks and their small and medium enterprises is interesting. All this enriches and adds to the originality of this work and contributes to existing theory by investigating how relationships between partners can be enhanced.

KEYWORDS: Marketing Relationship Quality, Business to Business relationships, Small and Medium Enterprises, Banking, Transparency, Jordan

Acknowledgements

To the Almighty God “ALLAH” Who have granted me all these graces to fulfil this work and who blessed and supported me all my life I extend my heartfelt thanks.

I would like to express my sincere gratitude to my supervisors, James Wallace and Nelarine Cornelius for their continuous support and guidance all the time.

This work would not have been possible without the support of my sponsors “Al-Balqa ’ Applied University” who believed in me and generously supported me during my study.

Last but not least, my deepest gratitude goes to my family for all the support and love they offered. I am indebted to my father and mother, Suleiman Alnsour and Nofeh Dabbas and to my wife Ahlam, who shared with me all the burdens, anxieties, and pleasures of this thesis and for taking care of our beautiful son, Suleiman, while I am away. Thank you son for being patient and for all the pleasure you brought when you came to this life.

Table of Contents

Abstract.....	V
Acknowledgements.....	VI
Table of Contents	VII
List of Figures	X
List of Tables	XI
List of Abbreviations.....	XIII
1 Introduction & Background.....	1
1.1 Introduction	1
1.2 Research Problem.....	3
1.3 Purpose of the study and research objectives.....	5
1.4 Justification of the research.....	6
1.5 Background and Focus of the study	8
1.5.1 Jordanian Banking Industry	9
1.5.2 Quality of Relationships.....	10
1.5.3 SMEs Relational Capability.....	11
1.5.4 Internet usage by SMEs	12
1.5.5 Relationships with online customers.....	13
1.6 Stages of the research process.....	13
1.7 Overview of the thesis.....	14
1.8 Conclusion	17
2 Literature Review.....	18
2.1 Introduction	18
2.2 Relationship marketing	19
2.2.1 SME-Banks relationship	23
2.2.2 Relationship quality	27
2.2.3 Attitudinal loyalty	33
2.3 B2B online relationships	38
2.3.1 Online marketing communications	41
2.3.2 Online banking	43
2.4 Summary findings and the knowledge gap	45
2.5 Research questions	47
2.6 Theoretical framework for Bank/SME relationship.....	47
2.7 Conclusions	49

3	Methodology and Research Design	51
3.1	Introduction	51
3.2	Background	52
3.3	The Mixed Methods Approach Justified.....	53
3.4	Research Design.....	54
3.4.1	Qualitative stage.....	55
3.4.2	Quantitative stage.....	57
3.5	Ethical Considerations	59
3.6	Conclusions	60
4	Qualitative Research.....	61
4.1	Introduction	61
4.2	Qualitative methodology.....	64
4.2.1	The Interviews.....	65
4.2.2	Justification for the qualitative interviews	66
4.2.3	Interviewing Process	67
4.2.4	Data Analysis	69
4.3	General Findings	70
4.3.1	Internet usage among Jordanian Banks.....	71
4.3.2	Target customers for Internet marketing.....	72
4.3.3	Factors affecting the Internet Usage in Jordan.....	73
4.3.4	Barriers to Internet usage among businesses	76
4.4	Contextual Findings	78
4.4.1	Banks – SME’s Relationship	79
4.4.2	Relationship Quality Constructs	82
4.4.3	Internet effect on relationships.....	87
4.4.4	Comparing alternative means of communication	89
4.5	Discussion of qualitative findings.....	91
4.6	Conclusion	93
5	Research Model & Hypotheses	95
5.1	Introduction	95
5.2	A model for Relationship Quality	96
5.3	Stages of Model Development.....	97
5.3.1	Variables in the Research Model	97
5.3.2	Research Hypotheses	100
5.4	The Proposed Model	107
5.5	The Alternative Model	108
5.6	Conclusions	112
6	Quantitative Research	113
6.1	Introduction	113
6.2	Quantitative Methodology	114
6.2.1	Questionnaire Design and Administration.....	115
6.2.2	Sampling Design	119

6.2.3	Sample Representativeness	120
6.2.4	Data Handling	123
6.2.5	Criteria for Good Measurement	125
6.2.6	Analysis Techniques	126
6.2.7	Structural Equation Modelling.....	128
6.3	Analysis of survey data	130
6.3.1	Reliability Analysis Results	131
6.3.2	Exploratory Factor Analysis	131
6.3.3	Assessment of normality	133
6.3.4	Evaluation of the Structural Equation Model using SmartPLS	134
6.3.5	The second-order model.....	142
6.4	Conclusions	146
7	Discussion, Conclusions & Implications	148
7.1	Introduction	148
7.2	Discussion of Findings	149
7.3	Research Conclusions	157
7.4	Research Implications	163
7.5	Research Limitations.....	165
7.5.1	Questionnaire Translation	165
7.5.2	Sampling Issues.....	165
7.5.3	One-sided Qualitative Study	166
7.5.4	Common Method Bias	167
7.5.5	External Validity	168
7.6	Further Research	168
7.7	Conclusion	169
	REFERENCES.....	170
	APPENDICES	190

List of Figures

Figure 1.1 Stages of the research process	14
Figure 2.1 Theoretical framework of the research	49
Figure 3.1 Sequential mixed methods design (QUAL – QUAN)	55
Figure 4.1 Factors affecting Internet usage.....	74
Figure 5.1: Conceptual Model.....	97
Figure 5.2: Proposed model	108
Figure 5.3: The alternative model	109
Figure 6.1 Distribution of SMEs by Size	122
Figure 6.2 Distribution of SMEs by Sector.....	123
Figure 6.3 Research Model	140
Figure 6.4 2 nd Order Model.....	144

List of Tables

Table 2. 1: Relationship Quality Constructs	33
Table 4.1 Key Interviewees in Stage One (Jordanian Commercial Banks).....	63
Table 4.2 Banks in Jordan.....	68
Table 4.3 Summary of main themes arising from general findings.....	78
Table 4.4: Relationship Quality Construct Chosen by Interviewees	82
Table 6.1 Inconsistencies in the conceptualisations of RQ constructs	110
Table 6.2 Sources of Scale Items used in the Questionnaire	118
Table 6.3 Sectors of the SMEs in the research sample	120
Table 6.4 Number of Employees in the SMEs.....	121
Table 6.5 Assessing internal consistency.....	131
Table 6.6 Item-Total Correlations.....	131
Table 6.7 Factor Loadings for Exploratory Factor Analysis.....	132
Table 6.8 Assessment of normality	134
Table 6.9 Loadings of manifest variables onto latent variables.....	136
Table 6.10 Average Variance Extracted [AVE], Composite reliability [CR].....	137
Table 6.11 Cross correlations between latent variables and square root	138
Table 6.12 Hypotheses, Path coefficients [], and Bootstrap t-values.....	140
Table 6.13 Total Effects of Paths in the research model.....	141
Table 6.14 Rejected Hypotheses	142
Table 6.15 Loadings of manifest variables onto separate constructs and Attitudinal Loyalty	143
Table 6.16 Hypotheses, Path coefficients [], and Bootstrap t-values (2 nd Order Model)	144
Table 6.17 Total Effects of Paths in the 2 nd order model.....	145
Table 6.18 Rejected Hypotheses in 2 nd order model.....	146

List of Abbreviations

CRM	Customer Relationship Management
IMP	Industrial Marketing and Purchasing Group
IT	Information Technology
CEO	Chief Executive Officer
SEM	Structural Equation Modelling
VOIP	Voice over Internet Protocol
Ftp	File Transfer Protocol
RQ	Relationship Quality
RM	Relationship Marketing
PLS	Partial Least Squares
SMEs	Small and Medium Sized Enterprises
B2B	Business to Business
B2C	Business to Consumer
LV's	Latent Variables

Introduction & Background

1.1 Introduction

Relationship marketing (RM) has experienced an explosive growth in the past decade both in business practice and academic research (2006). The (RM) literature is a rich documentation of marketing practice away from the focus of the mainstream marketing literature on mass-markets (MITUSSIS et al., 2006) and was proposed as a solution to some of the problems faced by mass marketers (DWYER et al., 1987). Relationship marketing has a clear emphasis on the importance of developing qualitative, long-term supportive relationships with existing customers and presumes that energy and resources are better spent on existing customers (customer retention) than on attempting to attract new ones (MACMILLAN et al., 2005).

Long-term relationships with customers are essential to acquire and maintain a competitive edge in service organizations such as the banking industry (IZQUIERDO et al., 2005). Here effective relationships are most critical when the environment is dynamic and uncertain, particularly if customers are relatively unfamiliar with a service that is complex, customized, and is delivered over a continuous stream of transactions (CROSBY et al., 1990).

In this respect Relationship Quality (RQ) has become a central construct in the relationship marketing literature, and can determine the probability of continued exchange between buyers and sellers (WOO and ENNEW, 2004). However, there is a lack of consensus about the dimensions that make up Relationship Quality and whether it is influenced by online transactions that can alter the dynamics of relationships. This may be most apparent in a business to business context where hard pressed, small companies may struggle to relate to their service providers and financial stakeholders in a meaningful way, particularly in countries that have a developing economy like Jordan (where this research is done).

In general the effects of relationship marketing are mediated by one or more of the relational constructs of 'Trust', 'Commitment', 'Satisfaction', and/or 'Relationship Quality', and the literature offers a wide range of antecedents for these relational mediators although researchers disagree about which best captures the characteristics of a meaningful relational exchange (PALMATIER et al., 2006). Moreover much previous research has concentrated on relationships in a Business to Consumer (B-to-C) context or focused on Business to Business (B-to-B) relationships in large companies with considerable resources and expertise, based in countries with developed economies.

1.2 Research Problem

The limited financial resources of Small and Medium Enterprises in Jordan affect their strategic choices in developing strong relationships with customers as well as their financial sponsors, yet it is these small companies that form the ‘backbone’ for growth in industry and commerce for this country. These companies are faced with two main barriers for progress: Firstly, their lack of financial resources means that they rely heavily on borrowing from banks that, in turn, are often reluctant to lend them money, so that the relationship between SMEs and Jordanian Banks becomes problematic making it of particular interest for this research.

Secondly, these SMEs tend to prefer personal contacts with their financial providers; yet these personalised relationships have the potential of becoming lost or distracted if banks prefer ‘online’ rather than traditional ‘face to face’ relationships. In other words although both SME customers and banks may be able to recognise the advantages of new, interactive online relationships, there are real problems arising from issues of ‘mistrust’, an apparent lack of ‘commitment’, ‘dissatisfaction’, and poor perceptions about ‘Relationship Quality’ on both sides of the relationship. In this respect it is important to gain a fuller understanding of the situation in order to examine ways in which barriers to on-line relationships can be overcome, if banks and customers are to make better use of opportunities provided by new technological communications.

The problem is compounded at another level since commercial Banks in the Arab world are more prone to lend to larger enterprises, SMEs require a completely different approach from these ‘rival’ large companies. Because of their limited resources and expertise they need specific competencies, techniques and tools (SMALL & MEDIUM ENTERPRISES CENTER, 2007). However many banks in Jordan are beginning to

recognize the profitability of lending to small and medium enterprises and are taking steps to build their SME banking businesses.

Yet the Jordanian banking sector is traditionally reluctant to lend money needed for the financing of SMEs new investments because of a perceived lack of collateral. To offset this problem the Jordanian Government has set up a loan guarantee scheme (EJADA, 2007), despite this, access to finance in Jordan remains underdeveloped, loans are expensive and when they are available, the cost of this capital is high, and banks have a tendency to treat their SME customers as if they are private individuals rather than businesses. In a similar vein Ghassan Nuqul of the Nuqul Group, reported that the single biggest obstacle to his company's ability to grow "is the banking sector's inability to do project-based lending" (JORDANIAN MINISTRY OF PLANNING & INTERNATIONAL COOPERATION, 2007).

On the other hand, from a marketing perspective it becomes clear that Jordanian banks will need to approach their SME customers in a different way from the traditional marketing practice that they use for larger businesses (MORIARTY et al., 2008). Small firms appear to prefer interactive marketing and move from a transaction-based practice to develop a 'conversation' with other parties (ZONTANOS and ANDERSON, 2004). They specialize in interactions and prefer personal contacts with their providers, rather than impersonal marketing or mass promotion. Although they are increasingly using the Internet, not all of them are able to make best use of this technology (O'TOOLE, 2003). Overall the relationship between Jordanian Banks and their SMEs customers is an important area for research since a lack of understanding, poor communications and differences in practice has led to a barrier in development for finance, industry and country, which highlights the need for a customer relationship approach.

In order to achieve marketing success, Jordanian banks need to create loyal SME customers base (REICHHELD, 1996). Loyalty is important in maintaining a long term relationship and is considered as a direct outcome of relationship marketing (HENNIG-THURAU et al., 2002). Once customers are loyal they will engaged in enduring relationships with the provider (LIANG et al., 2009). These long-term relationships minimise risks and costs since loyal customers are cheaper to serve (ARNOTT and BRIDGEWATER, 2002) and they can create a substantial entry barrier to competitors (PAGE and LEPKOWSKA-WHITE, 2002). Loyalty is the result of built up of “attitudinal loyalty” consisting of Commitment, Trust, and Satisfaction (Cannière et al., 2009). Attitudinal loyalty creates strong and stable relationships, reduces opportunism, and generates positive word of mouth (SANZO et al., 2007).

1.3 Purpose of the study and research objectives

Knowing that the indicators of quality vary depending on the specific context of each study's (ULAGA and EGGERT, 2006). This research revisits the relationship marketing theory and investigates the different dimensions of Relationship Quality in the context of Jordanian business-to-business relationships between banks and their online SME customers. The overall Aim of this research is to demonstrate how Relationship Quality can be assessed and how it can influence feelings of customer loyalty in the business-to-business context. The key objectives of this research are:

1. To qualitatively inspect issues related to the internet usage in the Jordanian Banks and SMEs and how this online setting may affect the indicators of relationship quality.
2. To understand the antecedents (Communication, Transparency, Understanding, Cooperation) and outcomes (Commitment, Satisfaction, Trust) of Relationship Quality and how they interact in a Bank- SME relational exchange.
3. To investigate the appropriateness of conceptualizing “Attitudinal Loyalty” as a second-order relationship quality construct consisting of trust, commitment, satisfaction.

4. To develop and test a conceptual model for studying the quality of relationships in the specific study context.

1.4 Justification of the research

Studying the Jordanian market can help to understand online practice, barriers and opportunities for banks and SMEs, and draw some inferences about an emerging economy. There is relatively little work in this field, and Jordan represents a suitable test bed for this research since it is currently experiencing a major rebirth in the field of information technology and the use of the Internet, with considerable government support. As a result, internet usage in Jordan has expanded exponentially since the beginning of this millennium.

Moreover, a focus on the banking industry and SMEs addresses a research gap about the role culture plays in online practice. For example CHASTON and BAKER (1998) observe that that further cross-border research is needed in order to determine whether culture has an effect. This reinforces the choice of Jordan as a case study for B2B on-line practice since it will provide an insight into the cultural aspects of relationship marketing and how they can affect the quality of relationships for banks and their SMEs customers in an Internet environment. In this respect the work can provide a useful guide for international and regional banks from outside who have the intention of establishing relationships with Jordanian SME companies or are willing even to establish practices inside Jordan.

Another dimension that adds uniqueness and importance to this research is the emphasis on Small and Medium Enterprises, Jordanian banks are currently targeting their corporate customers online, these form one of six target sectors that benefit from the technological advances in their relationships and dealings with these banks. The other

five sectors are 'students and university graduates, high net-worth customers, foreign customers, tourists and Jordanians working abroad.

There is an agreement on the multi-dimensionality of Relationship Quality as a concept similar to service quality and product quality. However, there is a conflict among researcher on what the dimensions (constructs) of relationship quality are. Literature suggests a wide number of constructs and there is an argument that the inclusion of any of these depends on the research context.

In order to address the aims and objectives of this research the first exploratory stage will investigate current practice of internet usage by banks and SME customers, (objective 1); the antecedents and outcomes of this practice on relationship quality, (objective 2); the importance of trust, commitment and satisfaction (objective 3); be followed by a quantitative, confirmatory stage (objective 4) since much of the research in the area of relationship marketing is still considered to be exploratory (SHETH, 2002). Because a limited numbers of researchers have applied quantitative techniques in the relationship marketing research field, this represents another gap in the literature on relationship quality in this field.

Moreover, this research intends to contribute to existing theory by investigating the dynamic and relatively unexplored relationship between two important players in the emerging economy of Jordan in terms of banks and their SME customers and how the quality of this relationship can be enhanced online. To this end the study aims to identify and test a set of important indicators for assessing the quality of these business relationships from-a small business context that adds to the uniqueness of this research.

Furthermore, although some previous research has examined the dynamics of effective relationships online (RAO and PERRY, 2003, KEATING et al., 2003) most of these studies

have been conducted in the UK, US, Europe and Australia, and with 'offline' customers (LIANG et al., 2008). Also, few studies have explored the determinants of Relationship Quality in the business to business context (NDUBISI, 2006), and most previous research have investigated the concept of loyalty in a business to consumer (B2C), service marketing context rather than from a business to business (B2B) perspective (RAUYRUEN and MILLER, 2007).

One more gap that this research will try to bridge is based on WALTER et al. (2003, p. 160) belief that customer satisfaction, trust and commitment are describing Relationship Quality from the customer's point of view. This research believes that a model of Relationship Quality needs to describe both viewpoints of relationship partners; hence it examines aspects of relationship quality that are highly appreciated by the service provider as well. This will be done through qualitative interviewing with experts from Jordanian banks.

In short, this work will address these four conceptual gaps in the relationship marketing literature and provide a fuller understanding about how the determinants of relationship quality can achieve customer attitudinal loyalty in B2B context for Jordanian banks and their SME online customers.

1.5 Background and Focus of the study

This section provides background information about different areas related to the study. It discusses the several aspects of the research context to pave the way toward understanding the main issues related to this research.

1.5.1 Jordanian Banking Industry

Constrained by the size of the economy, the Jordanian banking system will remain relatively small (WAHBA and MOHIELDIN, 1998). Nevertheless, the Jordanian banking industry is one of the fastest growing industries in the Middle-East. The Jordanian banking sector is important to the local economy, contributing an estimated 20% to the Jordanian GDP. A free market economic policy led to the emergence of diverse types of banks competing freely in the market (DWAIRI et al., 2007). This booming industry has developed distinctly in terms of electronic services and operations, information technology and communications that led to the introduction of new banking services.

All of this is reflected on the financial performance of many Jordanian banks that moved up in the list of top banks and financial institutions in the Middle East region (Association of Banks in Jordan, 2009). The banking sector is one of the most important sectors in the Jordanian economy. Privately owned banks provide capital for industry, construction, and trade. The banks are also the most heavily traded securities on the Amman Financial Market (AFM) (AL-SHAMMARI and SALIMI, 1998). Therefore, studies about Jordanian banking industry are important from the point of view of investors, creditors, researcher and the government.

The Jordan government issues charters to banks to help them lend to their customers. Banks are expected to supply adequate credit to businesses and consumers and to price credit reasonably and competitively. Loans support growth of businesses and jobs offered. Despite the benefits, lending is quiet risky and loans can become uncollectible due to mismanagement, illegal manipulation, misguided lending policies or an expected economic downturn (SIAM, 2007). Banks in Jordan are learning to become conservative in their lending due to past experiences of other banks that have become bankrupt.

1.5.2 Quality of Relationships

The term “Relationship Quality” was coined by researchers to describe business relationships (ULAGA and EGGERT, 2006). Relationship Quality, like service quality and product quality, is a multi-dimensional concept (WOO and ENNEW, 2004). Among the earliest researchers to identify and empirically examine dimensions of Relationship Quality were Crosby et al. (1990). Relationship Quality, as an outcome of relationships, is very common among studies on relationship marketing research (DE WULF et al., 2001).

A number of authors view quality as a central determinant and a crucial factor in building relationship success in marketing (Rauyruen and Miller, 2007, Hennig-Thurau et al., 2001, Naude and Buttle, 2000, Ulaga and Eggert, 2006). Quality is recognized as a central construct in the relationship marketing literature (WOO and ENNEW, 2004) and considered to be an overall measure of the strength of a business relationship (GARBARINO and JOHNSON, 1999, ROSEN and SURPRENANT, 1998). Accordingly, in this study, Relationship Quality has been chosen to reflect business relationships between banks and SMEs.

Despite the salience of Relationship Quality as a higher order construct depicting firm-customer relationships, limited research has been conducted, and many issues still remain to be explored in terms of firm-customer Relationship Quality (LEACH, 2009). This study examines the association of the elements of relationship marketing quality with overall firm-customer Relationship Quality, and assesses the effect of adopting Internet technology on the quality of the relationships.

1.5.3 SMEs Relational Capability

Marketing is “an evolving philosophy” (CHASTON, 2000) and a key aspect of this evolution is the study of its relationship to management paradigms. Coviello (2001) argues that the practice of marketing in SMEs can be further distinguished into four types: transaction, database, interaction and network marketing. Interaction and network marketing rely on informality in developing markets and marketing communications, which is in the heart of relationship marketing.

The theoretical developments of market orientation, sectoral approaches, and the development of relationships all contribute to the shift that is taking place from the classical transactional approach in marketing theory to marketing networks and relationship marketing (WILSON and STOKES, 2004). The simplicity of the marketing mix and the ‘4Ps’ imposes some constraints on marketing research causing marketing theory to suffer (GRÖNROOS, 1997). Marketing is a multi-faceted social process with many aspects. The social nature of marketing makes marketing relationships an interesting and important area for study. All these factors have pushed toward a more relational approach to marketing.

Due to the limited customer base, restricted marketing ability, and the lack of formalized planning of lots of small companies, it is very difficult for them to use transaction marketing techniques such as the ‘4Ps’ or market segmentation (ZONTANOS and ANDERSON, 2004). The resources of a given firm are reflected in the firm’s choice of marketing approach – transactional or social. Transactional marketing is more focused on the short term transactions with customers while relational is more concerned with creating long-term relationships. Due to the relatively limited resources of many small and medium firms, they may be obliged to give marketing a lower

priority the other functions. Traditional marketing is perceived as expensive and is regarded by many as something for larger firms.

Relationship marketing is therefore far more important from the viewpoint of smaller firms especially due to inadequate financial resources, which limits their ability to adopt more expensive marketing techniques.

1.5.4 Internet usage by SMEs

Due to the realised marketing benefits of the Internet, more and more companies are adapting to this technology. There are two different views regarding the impact of firm size on the level of sophistication of the use of the Internet (ARNOTT and BRIDGEWATER, 2002). The first view is that small firms will make more sophisticated use of the Internet than larger firms because the Internet reduces the importance of scale economies and overcome geographical disadvantages, and smaller firms are more entrepreneurial, which speeds up the adoption and improves the learning process. The second view is linked with the empirical evidence that resources play an important role in determining Internet usage. SMEs often have limited resources (MOEN et al., 2008) leaving them at a relative disadvantage and with a higher perceived risk than larger companies.

Small firms have adopted the Internet but have not universally managed to extract competitive value from it (O'TOOLE, 2003). One important influential factor in the adoption of e-business is concerned with not losing competitive position (WAGNER et al., 2003). SMEs are adopting e-commerce as a defensive reaction to the activities of other firms in order not to be left behind and to respond to competitive pressure (DANIEL and WILSON, 2002). The benefits of using the Internet in SMEs are numerous. One example is doing research online, which was once the privilege only of larger

organizations (NANCARROW et al., 2001). Nonetheless, the Internet is bridging the gap between SMEs and larger firms by making it possible for small business to gain access to an information infrastructure larger than that owned by any major corporation and allowing them to communicate as widely as any large corporation (POON and SWATMAN, 1997).

1.5.5 Relationships with online customers

When personal service capabilities are combined with electronic data processing capabilities, possibilities for relationship customization are considerable (BERRY and PARASURAMAN, 1991). The importance of the World Wide Web in this context is a result of a set of characteristics that enable relationship customization: constant availability of information, interactivity, efficient transfer of information, individuality, and integration of communication and transaction (BAUER et al., 2002).

The Internet and information technology are changing the course and even the definition of relationship marketing (SHETH, 2002). In fact, continuity of contact with existing customers was enabled by information technology and customer relationship management (CRM) has developed with the availability of new technologies and their connectivity (BALLANTYNE, 2000). The interactivity of the Internet makes it a particularly useful tool in the building and management of relations. Electronic relations are created when companies and customers interact via the Internet.

1.6 Stages of the research process

Figure 1.1 illustrates the different stages of the research process. The problem was defined in this chapter.

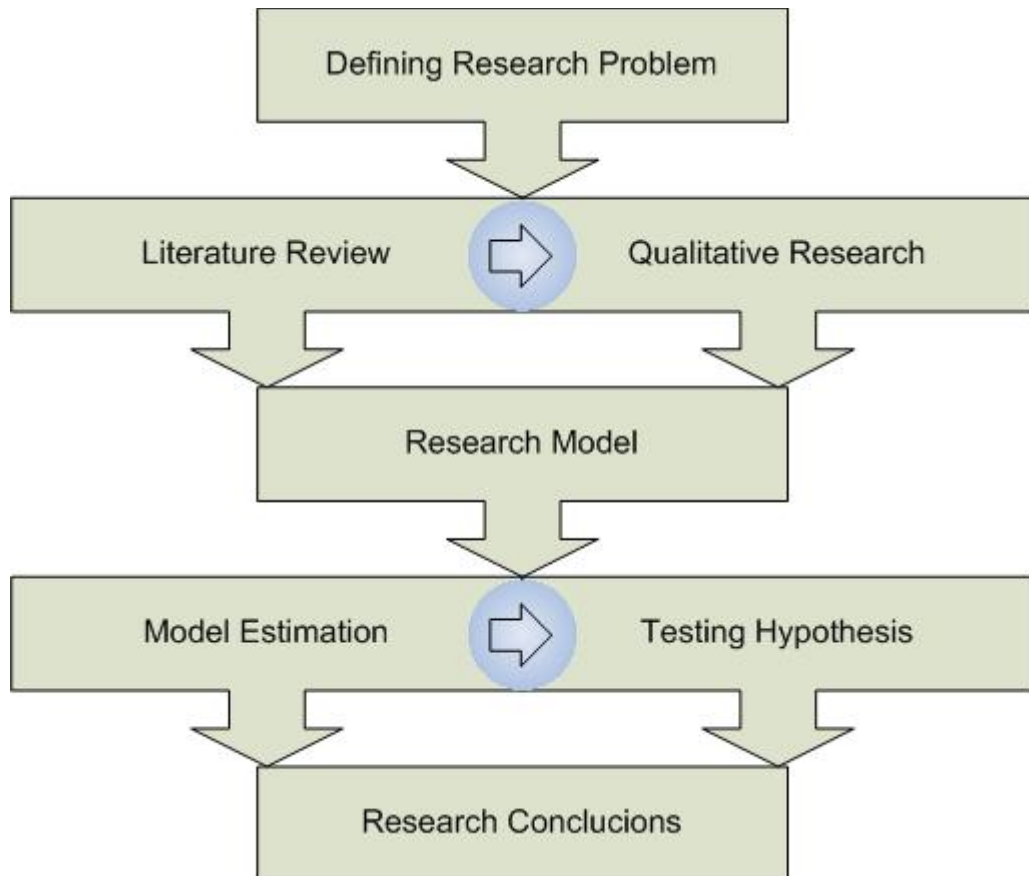


Figure 1.1 Stages of the research process

1.7 Overview of the thesis

Chapter 1 Introduction and Background

This chapter provides a brief overview of the research. It introduced the Research Problem. It also discussed why this research is important. Background discussion of issues related to the research context was offered leading to the identification of the research problem and study objectives, and how this contributes to the body of knowledge.

Chapter 2 Literature Review

A critical review of the theory and research and previous research. This chapter presents some of the diversified literature associated with the area of research. It

provided a critique of the research underpinnings. This is fundamental in the development of a theoretical framework of the research. Concepts and debates in the field of relationship marketing were presented and gaps in the literature are identified. This chapter also sets the ground for the development of the research's theoretical framework and questions.

Chapter 3 Methodology and Research Design

This chapter discussed highly the methodology of this research and presents the approach, strategy, methods and procedures adopted to carry out this research. It discusses the stages of research undertaken and how the data were acquired and analyzed. The research used a mixed methods approach. The first qualitative stage collected data using interviews; it is a theory building stage that requires the generation of knowledge both important by itself and is needed for empirical testing during the second stage. The second stage used a questionnaire, this stage developed a research model and hypotheses ready for empirical testing.

Chapter 4 Qualitative Research

Chapter four covers the first exploratory qualitative stage of data collection which feeds into the development and refinement of the research model. The chapter discusses the methods used for collecting and analysing qualitative data; it also reports the findings from the in-depth interviews and clarifies issues related to the Jordanian Banks-SMEs relationship.

Content analysis was used to analyze these interviews. The qualitative information collected helped in building theory about business to business relationships with

online customers (SMEs).

Chapter 5 Research Model and Hypothesis

This chapter integrates theory and qualitative findings together to develop a high level conceptual model for quality of business to business marketing relationships. The model is organised around how antecedents of Relationship Quality affects relational outcome. The chapter explains how the research model was developed. The development of the research model went through a number of stages; studying literatures, selecting variables/ constructs, identifying linkages and justifying these linkages.

Chapter 6 Quantitative Research

Chapter six starts with a representation and justification of the methods used in this stage of research then resumes discussing the validation of the research model and testing its hypotheses. It provides an evaluation of main and rival structural models using Partial Least Squares Structural Equation Modelling and compares both models in terms of explanatory power.

This chapter and the previous one developed and validated a novel Relationship Quality model based on the extant literature and qualitative research. The research model quantified the specific relationships amongst relationship constructs and identified the additional importance of transparency in achieving business-to-business Relationship Quality with online customers.

Chapter 7 Discussion, Conclusion and Implications

Chapter 7 provides a discussion of the findings from previous chapters; it links these findings to the literature and discusses how they answered the research questions. It highlights the contribution of this research and places it in the context of previous studies. This chapter also draws together conclusions from the study and their theoretical and managerial implications and presents the limitations of the research and potential directions for future research.

1.8 Conclusion

This chapter presented a brief overview of the research and, and a concise outline of its background and context. The research problem and objectives were outlined, followed by brief discussion a description of the research issues. Finally an overview of the thesis chapters and a summary of each chapter were included.

Literature Review

2.1 Introduction

This chapter presents a critique of the literature which underpins the research conducted. The main relevant area of interest is relationship marketing literature. This chapter is fundamental in laying the ground for the theoretical framework of the research.

This review is organized around two primary parts. The first part discusses the development and definition of the relationship marketing to create a background understanding of how RM is different from the main stream marketing. It also discusses two related concepts to RM; the concept of Relationship Quality which is considered as the immediate and main outcome for marketing relationships and “Attitudinal Loyalty” which is considered to be one of the ultimate goals of RQ. The Second part discusses the SME-Bank relationships in an online marketing context and two of its major concerns in the B2B relational exchange; online marketing communications and online banking

2.2 Relationship marketing

Two areas within research and theory development in marketing and management have caught the interest of scholars in Northern Europe over the past few decades (GUMMESSON, 1996). The first is services marketing and its extension into service management and service quality. The second is the network approach to industrial marketing and the contributions from the Industrial Marketing and Purchasing Group (IMP).

A number of factors have led to the change of focus from traditional ways of doing marketing (e.g. marketing mix) to the re-emergence of relationship marketing. This change in mainstream marketing was influenced by the growing globalisation of markets, importance of customer retention, market economies and customer relationship economics, as well as rapid technological progress (GRÖNROOS, 1994). Changes in the values appreciated by societies increased the need for a more differentiated needs and behaviours (BAUER et al., 2002). Marketing activities are no longer focused primarily on increasing market shares in terms of a mass marketing based on single transactions.

Relationship marketing emerged from within the fields of service marketing and industrial marketing (GRÖNROOS, 1994). Leonard Berry was the first to coin the term “Relationship Marketing” in 1983. The traditional view of marketing as a function of planning and executing a marketing mix may not be perfectly true in a service context (GRÖNROOS, 1990a) where marketing is based upon relationships.

Grönroos (2000) explained how service marketing gave rise to the concept of relationship marketing. Services are direct offerings to the end users with a direct record of transactions over time (SHETH, 2002) where there is no separation between production, delivery, and consumption. Therefore, the buyer-seller interaction must be considered as part of marketing’s obligations. This task can only be fulfilled through developing a relationship with the customer. This is something that traditional marketing concepts have omitted or ignored.

Industrial Marketing and Purchasing Swedish Group (IMP) conducted the first large scale study into dyadic relationships (Healy et al., 2001). This study evolved later to become one of the three main schools of thought in relationship marketing besides Nordic school and the Anglo-Australian approach to relationship marketing (PALMER et al., 2005). Industrial relationships were almost always of a long term nature. Long term buyer-seller relationships are important due to the contractual nature of industrial relationships, where lots of additional services are offered. Industrial selling includes repairs, servicing, maintenance, delivery, product development, installation, training, etc. Performing these tasks necessitates a close seller-buyer connection (GRÖNROOS, 1990b).

The concept of relationship marketing is a “new-old” concept that evolved over time with business itself (BALLANTYNE, 2000). The concept stresses the continuity of contact

with existing customers. Enabled by information technology it can find a way around middlemen. According to Christopher et al. (1991) relationship marketing goes back to the basics of customer retention in an effort to achieve satisfaction. Consequently, some of the marketing concepts need to be modified to suit the “relational” approach to marketing.

Relationship marketing is of interest to both marketing practitioners and academics. Some researchers including Grönroos (1994) considers RM as a paradigm shift from traditional marketing while others like Gummesson, (1996) questioned this and stresses that it is only a new name for an old concept. Relationship marketing, based on the latter interpretation, is seen as an addition to mainstream marketing management with a slight change of emphasis. According to Gummesson (1994) the function of relationship marketing is to find ways to attract customers and keep them. The more sophisticated the equipment and techniques of relationships marketing are, the more likely that companies will be able to keep their customers.

According to Sheth (2002) the popularity of relationship marketing in the 1980s and 1990s was came as a result of three prior antecedents. First, **the energy crisis** in the 1970s raised the costs of raw materials causing competition to intensify. Customer retention became a necessity and relational exchange emerged. Second, the **emergence of services marketing**, the rise in service-based industries, increased the importance of service as an integral part of the product offering (PALMER et al., 2005). Third, **supplier partnering** emerged aiming at increasing share of each account’s business to fewer suppliers, which resulted in sole source relationships. Internal marketing became a crucial relationship marketing strategy, where employees are seen as inside customers (TOIVO, 1996).

There have been changes in the pattern of demand and an increase in the importance of service as an integral part of the product offering (PALMER et al., 2005). The reasons behind these developments include; the decline of traditional mass marketing techniques, the appearance of discriminating and demanding customers, saturation of mature markets, decreasing differentiation leading to price becoming the main focal point, new solutions and products being introduced as a result of technological developments and the changing nature of markets due to intensive competition.

Harker (1999) argues that a general definition of relationship marketing should be composed of four integral parts. First, it promotes shared understanding between separate streams of research. Second, it integrates these streams into a whole. Third, a definition represents the core of an idea and its key concepts. Finally, a definition would help answering the fundamental question, what is relationship marketing. Gummesson (1998) looks at relationship marketing broadly as a set of relationships, networks and interactions. The most important relationship of marketing is the one between a supplier and a customer. Networks are sets of relationships, and in the relationships, the parties enter into interaction with each other.

Relationship marketing includes all marketing activities aimed at establishing, developing, and maintaining successful relational exchanges by achieving the objectives of the parties involved at a profit” (RAO and PERRY, 2002). According to this definition, the profitability of relationships is one of the key goals of marketing and is achieved by a mutual exchange and fulfilment of promises (KAJ et al., 1994).

Palmer (1997) provides a conceptualisation on three levels of relationship marketing. **At a tactical level**, RM is a sales promotion tool that aims at developing many short-term loyalty schemes. Those were often opportunistic and expensive creating loyalty to the

incentive rather than to the supplier. **At a more strategic level**, RM seeks to bond customers through legal, economic, technological, geographical and time bonds. Relationships will demonstrate greater endurance if bonding is achieved through mutually rewarding co-operation, mutual dependence and shared risk. **At a more philosophical level**, RM goes to the heart of the marketing philosophy by integrating customer orientation, competitor orientation and inter-functional co-ordination as key features of a relationship marketing philosophy.

To sum up, Relationship Marketing has caught lots of attention from researchers. Its re-emergence is a response to pitfalls in traditional marketing. RM considers interactions between partners as part of marketing's obligations that can only be fulfilled through developing a close relationship with the customer. Services marketing and industrial marketing influenced RM due to closeness and long-term nature of relationships in these fields.

Customer retention is central to RM; retention can be pursued through establishing and maintaining quality relationship that ultimately achieves loyalty. RM is directly linked to concepts of Relationship Quality (RQ) and Loyalty. Relationship Quality is the main outcome of Relationship Marketing and Loyalty is the ultimate goal of Relationship Quality. The following sections discuss the distinctive relationship between banks and SMEs and explain concepts of Relationship Quality and Attitudinal Loyalty and their relationship to Relationship Marketing literature in more details.

2.2.1 SME-Banks relationship

The relationship between banks and their SME clients received substantial attention over the years; the problematic nature of the relationship is documented from as far

back as the early 1970s. Recent reports from interested parties seem to suggest that this traditionally poor relationship has deteriorated even further (Ibbotson and Moran, 2003). This relationship becomes more problematic when SMEs are part of a relatively small and emerging economy.

The availability of external finance for small and medium enterprises (SMEs) is a topic of great importance to academics and policy makers around the world (Berger and Udell, 2006). SMEs tend to be more dependent upon internal finance or bank loans than larger companies (AUDRETSCH and ELSTON, 2002) since bank debt is a prime choice of financing SMEs in many parts of the globe including Jordan. However, the relationship between banks and SMEs is complicated and is often tensed.

However, this is not helped by the fact that many transition and emerging countries have inefficient financial markets. Typically, the lack of availability of equity and credit is a real problem for SMEs as well as micro enterprises (POHL CONSULTING & ASSOCIATES, 2007). However world demand for external financing and venture capital amongst new and growing SMEs has increased noticeably over the past ten years. Current estimates show that SMEs make up 98% of the total working enterprises in Jordan, and that financing through internal capital is insufficient to meet the present needs of many companies (JORDANIAN MINISTRY OF PLANNING & INTERNATIONAL COOPERATION, 2007). Consequently, Jordanian SMEs cannot realize their growth potential due to the insufficient access to external financing and lack of financial services (JORDAN AHLI BANK, 2007).

Small and local banks have been usually the core institutions providing finance to SMEs (Beck and Demirguc-Kunt, 2006). If the country's local banks will not lend to a small domestic firm, it is highly unlikely that foreign banks would (ACS et al., 1997). Recent

attention to the role of SMEs in economic development is driving banks to refocus on their small business clientele (BUTLER and DURKIN, 1998). There have been many attempts from Jordanian bankers to pay closer attention to financing small and medium-size enterprises (SMEs), they have expressed a strong interest in financing SMEs as they debate a blueprint about time-tested best practices in SME banking (THE JORDAN TIMES, 2007).

The practices discussed in the blueprint could if implemented immediately improve SME banking in Jordan. However, although the blueprint offers a practical guide developed by bankers for bankers, it does not address systemic issues, changes to the socioeconomic relationships between banks and SMEs and regulatory infrastructure or online banking. This research addresses some of the gaps in this blueprint by providing insights about the social aspects of the Banks-SMEs relationship and internet usage related issues.

The World Bank is committed to the development of the small and medium enterprise (SME) sector as a core element in its strategy to foster economic growth, employment and poverty alleviation (AYYAGARI et al., 2007). The increased interest from banks in their SME customers is a direct result of the pressure imposed by the Jordanian government to pay more attention to them SMEs in order to ensure sustainable development of the national economy and to create more jobs for Jordanians. Especially, if we keep in mind that Jordanian SMEs account for a huge percentage of the total number of Jordanian enterprises.

Much of governmental initiatives appear to overlook the importance of the apparent need by small business customers, based on what they experienced in the past, for a traditional, 'face-to face' personal relationship with their banking service providers. The fact that a number of Jordanian banks are owned and run by wealthy families,

relationships and personal friendships play a great role in granting loans especially to businesses owned by members or friends of these families (SIAM, 2007).

All these aspects make the relationship between Jordanian SMEs and Banks very important and distinct. SMEs are a unique segment with great potential that needs tailored and focused attention from banks. The fact that they account for a considerable percentage of the total number of companies makes them very important to almost every industry.

Due to the fact that most of the Jordanian economy is made up of SMEs, many of which face serious problems when attempting to finance their businesses makes it essential to understand both the kinds of relationships that are necessary and the quality of the relationship needed to advance and mature the role banking plays in the growth and development of SMEs, which in turn will be reflected in the health of the country's economy as a whole. The relationship between Jordanian banks and SMEs is basically an exchange relationship between two businesses partners which meaning that the business-to-business relational exchange context is the main influential aspect that characterises this relationship.

Areas of criticism in the small business/bank relationship included lack of discretion of local bank managers, lack of understanding of local industries' needs and the personal guarantees demanded of business owners (Bevan, 1978). According to Butler and Durkin (1998) it should not be surprising that small firms and banks find it difficult to develop good working relationships given their distinctly different characteristics and experiences. Bank is a "machine bureaucracy", wherein rules and regulations tend to replace managerial discretion. In contrast, the typical entrepreneurial SME is organic and informal. The gap between mutual expectations of both parties is a source of many

relationship difficulties. Each party should develop a deeper understanding of the others' fundamental characteristics, objectives and constraints, or else the mutual expectations are likely to be unrealistic, and their relationship consequently problematic

One potential strategy for overcoming and dealing with many of the problems in the SME-Bank relationship is the development and management of good working relationships between banks and their customers. Understanding this unique relationship is of potential interest to banks seeking to develop the SME segment of the market; to SME business owners seeking capital; and to academics who wants to identify factors of success in the relationships between banks and SME clients. The following section discusses how quality relationship can be achieved and what does this relationship comprise.

2.2.2 Relationship quality

The term "Relationship Quality" was coined to describe business relationships (ULAGA and EGGERT, 2006). Literature maintains that RQ is the main outcome of Relationship Marketing (DE WULF et al., 2001). It is a central determinant of relationship success in business marketing settings (HENNIG-THURAU et al., 2001) and is recognized as such in relationship marketing literature (WOO and ENNEW, 2004). It is considered as an overall measure of the strength of a relationship (GARBARINO and JOHNSON, 1999).

There is no real agreement on what this concept constitutes exactly, the concept was developed from theory and research in the field of relationship marketing (CROSBY et al., 1990, DWYER et al., 1987). The ultimate goal of the development of the concept of Relationship Quality is to strengthen already strong relationships and convert indifferent customers into loyal ones (BERRY and PARASURAMAN, 1991) .The succeeding section

scans the literature to give more understanding of the concept of Relationship Quality and how RQ is conceptualised in the literature, which is one of the main objectives of this research.

Relationship Quality refers to perceptions and evaluations of how well the relationship fulfils the partners' mutual expectations, predictions, goals, and desires (HA and JANG, 2009). Satisfactory past performance of a service provider signifies to customers that future performance will continue due to the high quality of their relationship.

Like service quality and product quality, Relationship Quality is a multi-dimensional concept (WOO and ENNEW, 2004). This multi-dimensionality is a source of great interest. CROSBY et al (1990) were probably the earliest to identify and empirically examine dimensions of Relationship Quality. They suggested that Relationship Quality consists of at least two dimensions; trust in the salesperson and satisfaction with the salesperson. Although their work was one of the earliest attempts to conceptualize Relationship Quality, it was criticized based on the generalisability of their approach since it was predominately based on customer-company relationships in the life insurance sector, where reduction of customer uncertainty is the main goal (HENNIG-THURAU and HANSEN, 2000).

Trust and commitment have been widely discussed in the literature (HENNIG-THAURU and KLEE, 1997). One of the first theories developed in this context was the commitment - trust theory that drew on the political economy paradigm, developed by (MORGAN and HUNT, 1994). This theory states that "Power is the central concept in network analysis" because its "mere existence" can "condition others" (THORELLI, 1986). This view contradicts Sherman's (1992) suggestion that roughly one-third of ventures such as strategic alliances are total failures.

Based on the commitment - trust theory developed by Morgan and Hunt (1994), contextual factors of relationship commitment and trust are central to successful relationship marketing. They are positioned as mediating variables between five important antecedents (i.e., relationship termination costs, relationship benefits, shared values, communication, and opportunistic behaviour) and five outcomes (i.e., acquiescence, propensity to leave, cooperation, functional conflict, and decision-making uncertainty). Commitment and trust are both important because they encourage marketers to: (1) preserve relationships by cooperating with partners, (2) resist attractive short-term alternatives, and (3) help partners be cautious about their own partners' opportunistic behaviours. Hence, commitment and trust, when presented together, lead directly to cooperative behaviours that promote efficiency, productivity, and effectiveness.

Previous research has discussed and tested the concept of Relationship Quality in various research contexts. Consequently, the definition and operationalisation of Relationship Quality differs from one research project to another. However, there is an agreement among authors that the concept of Relationship Quality is a higher order construct consisting of several distinct but related components or dimensions (RAUYRUEN and MILLER, 2007).

In order to understand the construct of Relationship Quality, it is necessary to think about both definitions of the aggregate construct and assessment of the dimensions that make up the construct (WONG and SOHAL, 2002). One of the possible reasons for the deficiency, according to HENNIG-THAURU and KLEE (1997), is that there is some kind of intuitive assumed understanding of what Relationship Quality is all about. This research

will investigate this intuitive understanding to come out with a more elaborate understanding of what are the dimensions of RQ in a business-to-business context.

A great number of Relationship Quality components have been suggested in the literature, these components vary depending on each study's specific context. The variables that have appeared most consistently in the literature (DAVIS, 2008) and are most frequently studied and empirically tested (RAUYRUEN and MILLER, 2007) are commitment, satisfaction, and trust. Relationship Quality is usually conceptualized in Literature as a higher-order construct composed of these three distinct constructs (ULAGA and EGGERT, 2006). According to WALTER et al. (2003, p. 160) “in a business-to-business context, we believe customer satisfaction, trust and commitment to be the essential constructs in order to describe what relationship quality is from the customer's point of view”. Hence, there is a need to assess what are the constructs that describe RQ from the viewpoint of the service provider. This is one thing that this research will try to achieve.

In addition to the three constructs already identified, discussed and studied in the literature, many authors have suggested other constructs, each of which are dependent on the specific context of their study. Following some of the other constructs that have been used in a B2B context will be presented.

Huntley (2006) argues that in a business to business context, relationship quality is evident by product quality, service quality, and price paid and the extent to which the relationship is considered as a partnership. Dorsch et al., (1998) considered RQ a higher-order construct that encompasses minimal opportunism, customer orientation, and ethical profile in addition to trust, commitment and satisfaction in the vendor supplier relations. Rauyruen and Miller (2007) suggested that perceived service quality

is suitable to the context of business-to-business markets. BÚRCA et al. (2004) the dimensions of Relationship Quality most commonly cited in the literature are commitment, cooperation, trust, communication, adaptation and culture.

FYNES et al. (2005) argued that a 'relational paradigm' has emerged from the various research streams. Synthesizing the streams, there are a number of constructs that are shared in the different models. These include trust, commitment, communication, power/dependence, adaptation and collaboration and these are suggested in the supply chain relationships. LAGES et al., (2005) built the (RELQUAL) scale to assess RQ between exporting and importing firms. RELQUAL comprises four dimensions: (1) amount of information sharing in the relationship, (2) communication quality of the relationship, (3) long-term relationship orientation and (4) satisfaction with the relationship.

To assess on-line RQ between the customer and the financial service provider LANG and COLGATE (2003) used five variables: commitment, trust, satisfaction, social bonding and conflict. RAO and PERRY (2003), in a similar context, , assessed the change in firms' relationships with banks with the introduction of Internet banking. They suggested two categories of bonds as the most important and relevant in an Internet environment. Those categories are: structural bonds (dependence, communication and coordination) and social bonds (trust, commitment, satisfaction and communication). They proposed that the communication variable fits into both categories of bonds in their model. RAO and PERRY (2002) considered the frequently used measures of quality like trust and commitment to be related to social bonds. Another important bond identified is structural bonds which involve economic or technological elements between firms and could include coordination and interdependency.

Most of the work undertaken in relationship marketing research appears to have been on social bonds. However, some research has identified the links between social bonds and technical bonds. RAO and PERRY (2003) stressed that social bonds are not more important than technical bonds and do not deserve to be researched in isolation. They consider social bonds as investments of time and energy to produce constructive social relationships between partners. while technical bonds requires the two companies to adapt to each other in an economic or structural way such as product or process adjustments (WILSON and MUMMALANENI, 1986). Referring to these bonds as “technical” is particularly appropriate for the process adjustments brought about by information technology (PERRY et al., 2002).

ROSEN and SURPRENANT (1998) suggested that studies adopt one or the other measure often without any discussion of the justification for the choice. This stresses further the need for a qualitative investigation to justify the choice of RQ constructs to be included in this research.

Table 2. 1 provides a summary of the constructs chosen for a number of studies in the literature (Detailed conceptualization of Relationship Quality from previous studies can be found in Appendix D).

These constructs are not totally exhaustive but they offer a wide range of studies in different contexts and classify them into two major categories, constructs used in a B2B context and others used in a B2C context. These constructs will be screened assessed to come out with the suitable constructs for the research context in a later stage.

Table 2. 1: Relationship Quality Constructs

RQ constructs in	
B2B context	B2C context
Trust	Trust
Satisfaction	Satisfaction
Commitment	Commitment
Understanding	Understanding
Cooperation	Cooperation
Communication	Benevolence
Coordination	Conflict
Opportunism	Effort
Adaptation	Honesty
Dependence	Social bonding
Ethical profile	Service quality
Power balance	Customer orientations
Sense of unity	Ethical orientation
Atmosphere	Relationship duration
Loyalty	Relationship value
Profit	Identification
Advocacy	Liking
Goal Congruity	Adaptation
Long-term orientation	
Anticipation of trouble	
Perceived service quality	
Amount of information sharing	

The discussion of the literature above stressed that the ultimate goal of RM is to strengthen relationships and to create loyal customers. The following section links inspects the concept of “Attitudinal Loyalty”, what does this concept constitutes and how it can be achieved in a given relationship. Attitudinal loyalty is a type of loyalty that is directly connected to the concepts of commitment, satisfaction and trust in a relationship.

2.2.3 Attitudinal loyalty

Different authors have suggested different measures for the outcomes of relationship marketing. Hennig-Thurau et al. (2002) suggested that all relationship marketing activities are eventually assessed on the basis of the overall profitability of the firm.

However, profitability is not the direct outcome of relationship marketing activities, which calls for conceptualising relationship marketing outcomes on a more solid level. Two key relationship marketing outcomes were suggested; customer loyalty and customer word-of-mouth communication.

Loyalty is important in maintaining a long term relationship. The development of close social relationships ultimately advances into what is known as "psychological loyalty", this is a form of loyalty that is contrary to self-interest (DURKIN and HOWCROFT, 2003). The concept of loyalty is directly linked to the emergence of Relationship Quality, where it is assumed that customer loyalty is mostly determined by a limited number of constructs reflecting the extent of relationship appropriateness from the customer's perspective (HENNIG-THURAU et al., 2002).

Based on the work of BERRY and PARASURAMAN (1991) relationship marketing can be practiced on one of three levels to foster loyalty. Level one is financial and relies on pricing incentives to develop customer loyalty. Level two is social and financial and emphasizes personal service, staying in touch, learning about wants and needs, and customizing the relationship. The final level involves providing services that are valuable and not readily available from other sources.

Firms want relationships with customers to ensure that profitability of customers to the company (HARRISON-WALKER and NEELEY, 2004). Therefore, long-term relationships can be partly explained by the firms' desire to minimize risks and costs associated with the relationship (SZMIGIN et al., 2005).

Literature and previous research maintains that loyal customers are cheaper to serve (ARNOTT and BRIDGEWATER, 2002). This helps in reducing a firm's marketing costs by

retaining the existing less expensive customers than getting new more expensive ones. Loyal customers are less likely to switch to competitors, they are typically less price-sensitive, and serve as an important source of positive word-of-mouth communications about the company. A loyal customer base can create a substantial entry barrier to competitors (PAGE and LEPKOWSKA-WHITE, 2002).

Loyalty is the result of built up of Attitudinal Loyalty (consisting of commitment, trust, and satisfaction), this form of loyalty leads to repeat investment intentions leading to loyal behaviour and, ultimately, to more profits (CANNIÈRE et al., 2009). Attitudinal Loyalty produces positive outcomes for organizations because it creates stronger and more stable relationships, reduces opportunism, and generates positive word of mouth (SANZO et al., 2007).

The three main components of Attitudinal Loyalty that describes Relationship Quality from the view point of customers in a relationship are now discussed in details:

Trust: It is most frequently cited in the literature and one of the most common constructs investigated in relationship marketing studies (SAMIEE and WALTERS, 2003). Trust is central to the development of successful service relationships in business-to-business markets and for the achievement of customer loyalty (RAUYRUEN and MILLER). In a business-to-customer environment, trust between parties is established very differently from business-to-business environments. In a business-to-customer context the relationship is often very short term and more transaction focused (BENNETT and BARKENSJO, 2005) unlike in business-to-business, where the relationships are of a long term.

ANDERSON and NARUS, (1990) defined trust in manufacturer-distributor relationships as a belief that the partner company will perform actions that will lead to positive outcomes, and that this partner will not take unanticipated actions that may result in negative outcomes for the firm. There is some sort of agreed consent that trust encompasses two essential elements: credibility; and benevolence (DONEY et al., 2007). Credibility requires the partner to be sincere, stand by its word, and to fulfil its promises and obligations. Benevolence requires being interested in the partners' welfare by not taking actions that would have a negative impact on him.

There is an emerging body of literature related to trust in e-commerce which is derived from traditional research on trust (PAPADOPOULOU et al., 2001). These studies contribute only partially due to the relative newness and complexity of this issue. Current literature in e-commerce offers very little insight about how trust is developed and maintained (NDUBISI and WAH, 2005). Trust plays an important role in electronic or traditional transactions, it is critical for establishing a long term business relationship, especially if partners are located in different places where rules and regulations vary, many partners often do not know each other and have less control over data while they are being transferred (ROY et al., 2001).

Commitment: Commitment is the force resulting from psychological attachment between partners (O'REILLY and CHATMAN, 1986). The continuation of commitment to the relationship is a result to the feeling that ending a relationship involves an economic or a social sacrifice or because maintaining this relationship is the only choice (FULLERTON, 2005). Commitment is a central construct in the relationship marketing literature (MORGAN and HUNT, 1994) and is an essential ingredient for successful long-

term relationships. It refers to assurance of relational continuity between exchange partners (Dwyer et al., 1987).

Commitment is a continuing desire to sustain a valued relationship (Garbarino and Johnson, 1999). It plays a significant role in inter-firm relationships and it is characterised by stability and sacrifice where members are willing to make temporary sacrifices to maintain their long-term stable relationship (Wu et al., 2004). According to Gundlach et al., (1995) commitment has three components (instrumental, attitudinal and temporal) where; First, commitment creates a self-interest stake in the relationship. Second, commitment suggests an ongoing intention to develop and maintain a stable long-term relationship. Third, commitment reveals consistency over time with all the inputs and attitudes brought to the relationship.

Commitment is defined as a continuing desire to maintain a valued relationship (Morgan and Hunt, 1994) meaning that commitment only exists when the relationship is considered important and when partners want this relationship to last indefinitely and are willing to work at maintaining it.

Satisfaction: Overall satisfaction can be distinguished from transaction customer satisfaction, it is cumulative and comprises satisfaction with specific products and services of the organization and satisfaction based on all experiences with the firm (Garbarino and Johnson, 1999). In fact, in a business context, it can be defined as a positive affective condition that results from a firm's assessment of the different aspects of its working relationship with another firm (Caceres and Paparoidamis, 2007). Cumulative satisfaction is a result of past experiences of a channel member with the outcomes of a relationship (Ganesan, 1994), it builds up across a series of transactions

between business partners and is a more essential indicator of the firm's past, current, and future performance (LAM et al., 2004).

Satisfaction is the key to achieving success in the complex and competitive market like banking industry. Trust and satisfaction are interrelated; a betrayal of trust by the supplier or the service provider can lead to customer dissatisfaction (NDUBISI and WAH, 2005). Lots of existing research tends to focus on satisfaction as one of the principal measures of relationship outcomes, one of the very measures which have traditionally been used to evaluate non-relationship outcomes (ROSEN and SURPRENANT, 1998).

Now that we know what is the direct desired outcome of a business relationship and how this can affect the quality and the length of business relationships. The rest of the chapter will discuss the effect that the online environment might have on business relationships before proceeding to the development of a theoretical framework for this research. The focus will be on two main areas of internet usage that are critical to the Bank-to-SME context; online communications and the online banking services.

2.3 B2B online relationships

The Internet is transforming marketing and trade (RAO et al., 2009). Many companies have found successful ways for advertising, marketing, and distributing their products and services online. Others are hesitant because they are afraid of being left far behind by the current online businesses (HERBIG and HALE, 1997). Lots of activities such as communicating, transacting, environmental scanning and collaborating with other organizations are now done through the Internet and the world-wide-web (BENNETT and BARKENSJO, 2005).

Companies should allow customers to control the timing and extent of buyer-seller interactions through the customization of products and services (HARRISON-WALKER and NEELEY, 2004). Electronic technology allows cost effective customized response (CHASTON and MANGLES, 2003). This is obvious in the orientation of lots of websites towards having more interactivity and support of relationships (SRIROJANANT and THIRKELL, 1998). The introduction of Internet to marketing brought solutions to some of the difficulties in customer relationship management, by providing one-to-one interactivity and customization (O'LEARY et al., 2004).

Marketing on an Internet environment involves building and maintaining customer relationships using online activities to assist the exchange of ideas, products, and services (NGAI, 2003). Internet marketing makes use of digital interactive technologies and information technology to fulfil the traditional practices of creating, communicating and delivering value to customers (GILMORE et al., 2007).

Technology is being used increasingly the business-to-business operations. It is of great importance to understand how relationships are affected by this tendency (JOHNS and PERROTT, 2008). The internet environment has changed and still changing the rules of traditional business (EID et al., 2002). The course and the definition of relationship marketing are changing accordingly (SHETH, 2002). The Internet is creating higher customer expectations and customers are expecting closer relationships (CHASTON and MANGLES, 2003). However, the emergence of the Internet does not change the need to establish strong customer relationships (HARRISON-WALKER and NEELEY, 2004). Businesses still need to attract customers, build trust, and create satisfaction. Firms interact with their customers to build committed relationships.

Internet-based relationships seem to be sufficiently different from traditional relationships and therefore require specialized attention (COLGATE et al., 2005). The Internet alters the customers' perspective of the benefits gained from that relationship. As a result of this, customers are transferring physical, tangible elements of a relationship into the intangible Internet environment. By doing this, they try to gain reassurance and strengthen the relationship. The Internet influences two types of bonds in a relationship. These are grouped into technical and social elements, or structural and social bonds (RAO and PERRY, 2003).

GEISLER (2001) indicated there is a need to examine the Web as a relationship marketing tool and not only just as an advertising medium. Based on this view, online visitors may be converted to purchasers or customers by ensuring that they can establish a dialogue with the company. The company must respond quickly to inquiries and in a professional manner.

From the above discussion we can say that Internet based technologies, including the Web, are affecting the dynamic process in which relationships between business partners are formulated. They allow more interactivity and provide more feedback to companies. The Internet can be considered a communication tool, an advertising tool, a Web publishing tool and even a database. It is also suggested that the Internet is appealing when used to develop and manage relationships.

The Internet can be used effectively in a business-to-business context (RAO and PERRY, 2003) and the assessment of the technology impact on relationship marketing has largely been restricted to industrial marketing (MCGOWAN et al., 2001). Business-to-business Internet marketing is concerned chiefly with communications and transactions conducted using Internet-based technologies. In the context of this research, business-

to-business Internet marketing consists of online marketing communications and online banking.

2.3.1 Online marketing communications

As Internet technologies became more common, they are being used at the expense of more traditional and personal forms of communication (HARRIGAN et al., 2008). The Internet is more than a marketplace for conducting transactions; it is a medium for communicating and interacting with customers and thus will affect the roles that marketing professionals play in their businesses (HEINEN, 1996). Organizations popularly use the Internet for two main purposes, sourcing information from websites and e-mail transmissions both internally within the organization and with the outside world (BARRY and MILNER, 2002).

An increasing number of companies use the Internet for marketing communications. There are international differences in how the Internet is used for marketing purposes (LAGROSEN, 2005). This calls for integrating marketing communications and to develop and build a database of customer information and transactions (HEINEN, 1996). Changes in organisational structure may be needed in order to accommodate this new way of doing business.

The Internet can be utilized as a niche instrument and a medium for highly customized contacts with existing and potential customers (GRÖNROOS et al., 2000). The Internet is a marketing communication media and a tool for direct marketing and relationship marketing. The relationship is built based on past experience and is developed over time using information collected through transactions with customers. This growing

knowledge leads to the customization/personalization of marketing communications (ROWLEY, 2004).

One main attraction of the Internet as a relational tool is the level of interactivity that can exist between a buyer and a seller (DURKIN and HOWCROFT, 2003). The Internet provides a new form for word-of mouth communication that enables people to seek advice and to discuss purchase suggestions. One of the appealing benefits of the Internet to service companies is the use of the Internet in two-way marketing communications (LAGROSEN, 2005).

Combining the global nature of the Internet with its communicative capabilities makes it a perfect medium for interactive marketing (PARK and JUN, 2003). This has helped in emphasising the information-based approach to marketing due to the interactive exchange of information, this can be a source of competitive advantage, quality and speed (BEECH et al., 2000).

Without customer-supplier information sharing, relationship marketing would be an extremely difficult process to manage (CHASTON and MANGLES, 2003). The degree and speed of communication enabled by the Internet makes it a synergistic component of an effectual database marketing strategy (O'LEARY et al., 2004). The Internet allows repeat real-time communications, and therefore there is strong link between the Internet functions and the implementation of customer relationship management (CRM) (SRIROJANANT and THIRKELL, 1998). The Internet is enabling businesses to interact with large numbers of customers, whilst still treating them individually (HARRISON-WALKER and NEELEY, 2004).

Lots of businesses are realizing the Internet as an essential communication tool. It is removing the biggest physical barrier to communication, namely, distance and helping companies to communicate with customers everywhere with the same cost and ease (KIANI, 1998). This removal of geographical and physical boundaries enables organizations far and wide to communicate with each other and to retrieve information quickly and easily (GATTIKER et al., 2000). Relationship creation occurs as interactions increase and both parties work together, and mutual value creation happens by working together in a way that is beneficial to both parties (ROWLEY, 2004).

2.3.2 Online banking

As a result of the growing use of the Internet globally, there has been an apparent increase in the use of the Internet for financial service transactions (IBBOTSON and MORAN, 2003). There are massive opportunities that the Internet has brought to the banking industry in recent years including the rise of pure online banks. Online banking has gained special attention in academic studies (PIKKARAINEN et al., 2004). Attractiveness to Internet banking is enhanced by the ability to conduct banking transactions anytime and anywhere, faster and with lower fees compared to using traditional bank branches (SAYAR and WOLFE, 2007).

The banking sector is an interesting case for service innovation (using the Web for commercial purposes through Internet banking). Internet banking allows for direct access to financial information and to undertake financial transactions with no need to go to the bank (ROTCHANAKITUMNUAI and SPEECE, 2003). Banking is no longer bound to time or geography. Customers are enjoying relatively easy access to their accounts 24/7.

There are a number of reasons which are fundamental for the development and diffusion of online banking (PIKKARAINEN et al., 2004). The internet offers a potential competitive advantage for banks, this advantage lies in the areas of cost reduction and more satisfaction of customer needs (BRADLEY and STEWART, 2003 , JARUWACHIRATHANAKUL and FINK, 2005). Encouraging customers to use the Internet for banking transactions can result in considerable operating costs savings (SATHYE, 1999). The Internet is the cheapest distribution channel for standardised bank operations, such as account management and funds transfer (POLASIK and WISNIEWSKI, 2009). Customer dissatisfaction with branch banking because of long queuing and poor customer service is an important reason for the rapid movement to electronic delivery (KARJALUOTO et al., 2002). The commitment of senior management was also found to be a driving force in the adoption and exploitation of technology (SHIELS et al., 2003).

Despite the many benefits that Internet banking provides to both banks and their customers; acceptance of this technology has not been equal in all parts of the world (KARJALUOTO et al., 2002). And even though the vast number of existing studies and the growing interest in the introduction and development of Internet banking, very little is known about the variables that truly determine the adoption of Internet Banking (HERNANDEZ and MAZZON, 2007). Acceptance and usage of online banking in Jordan is still considered to be low, the reasons and obstacles for the low usage will be discussed later in the qualitative investigation of this research as a partial fulfilment of the first objective of this research.

Until the late 1990s studies in electronic banking were focused on analyzing customers' perception of specific technologies such as direct banking, telephone banking and home

banking. Later descriptive and relational studies on Internet banking and its adoption started to grasp researchers' attention (HERNANDEZ and MAZZON, 2007).

2.4 Summary findings and the knowledge gap

The introductory chapter showed that there is a real problem existing in the relationship between Jordanian banks and their small and medium sized enterprise customers. Jordanian SMEs are highly dependent on banks for financial resource; banks lack the understanding of this unique segment resulted in mistrust and reluctantancy to lend to SMEs. This is creating a real problem to the whole Jordanian economy since these firms account for the vast majority of the companies. The government and International Monetary Fund are pushing toward a more understanding of the unique needs of this segment and for developing customised relationship with these firms. All of this calls for investigating this distinctive relationship and how it can be improved.

Based on the above, this research is developing a framework for studying how relationship quality, which is considered as the direct outcome of RM efforts in the literature, can be achieved in the context of Jordanian Banks-SMEs context. However, the study of the literature above showed that there are a number of important theoretical gaps that can be identified from the literature. First, there is a need for cross-border research to assess how the culture may effect the perceptions of the importance of different constructs in relationships quality and to understand the dynamics of effective relationships, especially that there is relatively little work about relationship quality in the context of emerging economies. Second, most of studies have been conducted in the context of offline customers (RAO and PERRY, 2003, KEATING et al., 2003, LIANG et al., 2008). There is very limited work that has been done in this area of research in the Middle East region, and particularly in Jordan. This research will give insightful

implications to the Jordanian Government about the nature of the relationship between banks and SMEs and how it can be developed further.

Third, there are abundance of studies in the literature that have explored the determinants of Relationship Quality in business to consumer context and not as much studies conducted in the business to business context (NDUBISI, 2006), not to mention that most previous research on loyalty also have investigated the concept in a B2C context as well (RAUYRUEN and MILLER, 2007). In contrast, this research is assessing a business to business unique relationship that has always been problematic and that requires a special attention because it affects a whole important sector of any economy.

Fourth, although researchers agree on the fact that Relationship Quality is a higher order construct consisting of several distinct but related components, there is a lack of consensus among researchers in the RM field about the construct that comprise the RQ concept (CROSBY et al., 1990, DWYER et al., 1987). The definition and operationalisation of Relationship Quality differs from one research project to another (RAUYRUEN and MILLER, 2007). This lack of consensus can be dealt with by classifying the literature into different categories to end up with constructs that were used for similar study contexts. These constructs will be screened further by discussing their importance with expert bankers.

Fifth, another important gap in the research is that the most commonly studied constructs of relationship quality, namely trust, commitment, and satisfaction are constructs that describe relationship quality from the customer's perspective, there is a need to assess constructs of Relationship Quality from the viewpoint of the service provider (WALTER et al., 2003). This gap can be fulfilled by exploring the opinions of service providers to know what constructs are considered to be important from their

viewpoint. This exploration will be done by interviewing experts representing different banks in the Jordanian banking sector.

2.5 Research questions

In order to address the research gaps identified from previous discussion of the literature, this research will attempt to tackle the three following questions which are directly linked to the research objectives already stated in the introduction chapter:

Q1. What are the constructs of Relationship Quality in the SME/Banks Relationship?

Q2. How are these constructs linked together?

Q3. Does the Internet have an effect on the importance of Relationship Quality constructs?

To answer these questions; a framework for studying Relationship Quality will be discussed next.

2.6 Theoretical framework for Bank/SME relationship

From the theoretical foundations laid both in introductory and literature chapters, this section develops a theoretical framework for SME-Bank relationship quality. In this framework, we hypothesize that achieving Relationship Quality is the answer to solving the problematic relationship between Banks and SME clients. This Relationship Quality is of a higher order nature consisting of a number of interrelating concepts that are to be fulfilled altogether to achieve excellence in a relationship. Three core concepts are identified from the literature and are considered to represent the concept of Relationship Quality from the perspective of the service receiver (the client) which is the SMEs in this research. Other aspects of relationship quality will represent the service provider's

viewpoint of what Relationship Quality is all about and will need qualitative investigation with Banks to determine them.

Figure 2.1 depicts the theoretical framework of the research, the constructs of relationship quality are divided into antecedents and outcomes, the outcome as discussed previously are the three constructs verified from the literature namely trust, commitment and satisfaction these are highly conceptualised as the higher order construct of “Attitudinal Loyalty” which represents Relationship Quality from the viewpoint of clients and are proposed as direct outcomes within the concept of Relationship Quality. This outcome and its three constructs describe relationship quality from the customer perspective (the receiver of the service). However, there are a set of other constructs that constitute relationship quality that determine RQ from the service providers perspective, these are expected to lead to the achievement of Attitudinal Loyalty.

The qualitative stage of the research, in which experts from banks are interviewed, will determine the antecedents in the research model. These will describe the important aspects of relationship quality from the perspective of service provider. Antecedents are depicted anonymously and will be considered in details in chapter five when the research model and its hypotheses are developed.

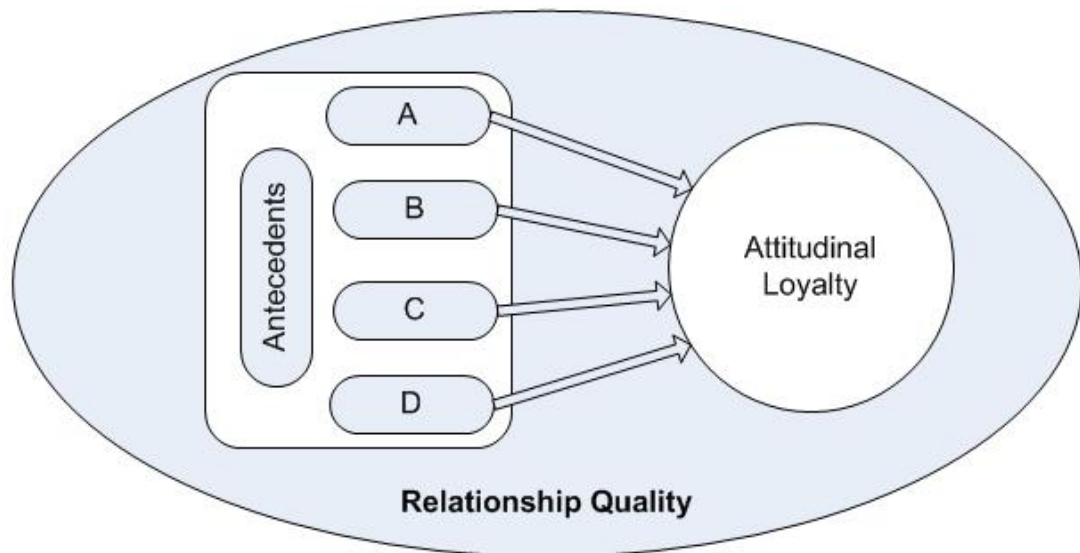


Figure 2.1 Theoretical framework of the research

2.7 Conclusions

This chapter presented some of the related diversified literature associated within the chosen area of research. Previous empirical study findings were presented along with concepts and debates in the field of relationship marketing, and specifically, Relationship Quality and its role in achieving loyalty in business to business relationships. Also issues concerned with business-to-business Internet usage are discussed and how these may affect relationships. The main two concerns discussed are online communications and online banking, both of which were discussed in detail in this chapter.

This chapter helped in drawing some important conclusions:

- The literature review helped in identifying five different gaps in previous literature. First, there is a lack of cross-border research. Second, most of previous studies have been conducted in the context of offline customers. Third, limited numbers of studies were conducted in the business to business context. Fourth, there is a lack of consensus about construct of Relationship Quality.

Fifth, commonly studied constructs of relationship quality describe relationship quality from the customer's perspective not the service provider.

- Relationship Quality is commonly chosen in literature as an immediate outcome of the relationships. It is a higher order construct consisting of several distinct but related components.
- Attitudinal Loyalty is an ultimate goal of Relationship Quality. Attitudinal Loyalty consists of the three constructs of Trust, Commitment, and Satisfaction.
- Constructs of Relationship Quality are contextual. They differ from one study setting to another. However, there are a number of constructs that are common among most studies.
- The relationship between Jordanian banks and SMEs is of a problematic nature and requires special attention to make it work. Enhancing the Quality of this Relationship is needed to make this relationship work.

Methodology and Research

Design

3.1 Introduction

This research uses a mixed method approach consisting of a two stage study design. In the first stage qualitative data are gathered through in-depth interviews in order to refine the initial research model. The first stage of the research design aims at developing a multidimensional scale to assess Relationship Quality based on the literature. The existing conceptualisations of relationship quality in the literature are considered and assessed in order to develop an alternative measurement for the research context.

The extensive study of the literature is conducted for the purpose of verifying the most frequent elements (constructs and variables) that constitute Relationship Quality and how these may be affected online. In-depth semi-structured interviews were conducted to further develop and refine the model.

The second stage tests the model generated in the first stage using a survey based on the literature review and qualitative investigation. In this stage, research hypotheses are produced and tested to produce generalisable results using the data collected. This integration of methods provides a more complete view especially when research is conducted in an emerging area of marketing theory.

3.2 Background

Methodology comprises the approach, strategy, methods and procedures adopted to conduct research (CHASTON and MANGLES, 2003). The choice between a quantitative and a qualitative methodology is of a concern to researchers. Some researchers are advocates of the use of only one type of methodology while others suggest that both types may sometimes be appropriate (SOBH and PERRY, 2006). Qualitative and quantitative techniques can be complementary, e.g. qualitative approaches can be used to test the reliability of quantitative approaches (CAHILL, 1996). One thing the researcher should bear in mind is that both methodologies are not mutually exclusive. Both have considerable differences in the overall form, focus, and emphasis of study (MALHOTRA, 1996).

Qualitative research is being widely used in both business and academic environments. Nonetheless, quantitative research is considered more scientific and as a result more superior to qualitative research (GUMMESSON, 2006). The majority of academic marketing research is quantitative, but that does not prohibit marketing practitioners

from performing much qualitative research. Both techniques have an important role to play in academic marketing (SOBH and PERRY, 2006). They aim for different goals; quantitative research tests theories using numbers and large samples, and qualitative researchers build theories using words and meanings in smaller samples (SOBH and PERRY, 2006). Theory generation is the outcome of a conceptual and qualitative process, while theory testing is associated with quantitative hypotheses testing (GUMMESSON, 2005).

3.3 The Mixed Methods Approach Justified

In order to balance the aim of undertaking empirical research with increased generalisability about a complex process or phenomena, a mixed method approach is used. A two-stage study design will be applied to achieve the goal of refining the literature-based initial model. Qualitative data will be gathered using in-depth interviews to help generate the research model. The main constructs of Marketing Relationship Quality will be identified in SMEs relationship with their banks. This will be empirically tested in a later stage.

Researchers are recognizing the value of integrative methods that combine quantitative and qualitative data as it is believed that an incomplete view would be obtained by relying on one method alone (DI POFI, 2002). There is a growing interest in mixing both approaches together. TASHAKKORI and CRESWELL (2007) broadly defined mixed methods as a research in which the data is collected, analysed and integrated with the findings to draw inferences using both qualitative and quantitative approaches or methods in one single study. The key notion in this mixing is the integration of both approaches, which this research is trying to achieve.

Conducting empirical research in an emerging area of marketing theory is always difficult (CHASTON and MANGLES, 2003). The use of qualitative methods is proper when the aim is to study complex processes (LINDGREEN et al., 2006). The qualitative investigation of issues related to Jordanian SMEs-Banks relationship builds a base for the empirical research in the second stage.

Both quantitative and qualitative techniques can be inappropriate to the research goal at certain times, or only appropriate in certain portions of a research project (CAHILL, 1996). The goal of the research determines the suitability of one approach over the other. Although quantitative techniques may be used to measure “reality” quite accurately, they often lack the descriptive materials that gives life to the information. The two methods could produce complementary or different findings about the same phenomena.

Together quantitative methods and qualitative methods can answer questions that otherwise are not easily answered and both together can provide a single, well-integrated picture of the situation (SOBH and PERRY, 2006) and captures a broader view of the organization (DI POFI, 2002). Interpretations can be supported through triangulation, which is achieved by supporting any claim with multiple evidence (LINDGREEN, 2001). To achieve triangulation of the data this research will compare and contrast the information collected from banks and SMEs in both stages of the research in order to explain dissimilarity (HAWKE and HEFFERNAN, 2006). The both stages of research design will be discussed next.

3.4 Research Design

This study uses a sequential mixed methods design. It follows a (QUAL QUAN) sequence in which the researcher starts collecting qualitative data and analyse them to

understand the relatively unexplored aspects of the research area, the results are then used to design the succeeding quantitative stage (TASHAKKORI and TEDDLIE, 1998). The purpose of using mixed methods is development of the research model, sequential designs are appropriate for development purposes because development involves using the methods sequentially where the findings from the first method inform the use of the second method (ONWUEGBUZIE and COLLINS, 2007). Figure 3.1 depicts the sequence of the research design.



Figure 3.1 Sequential mixed methods design (QUAL - QUAN)

The study design consists of two main stages; both of them used different tools and techniques for data collection and analysis. The data collection methods and analysis techniques for both stages will be discussed briefly next.

3.4.1 Qualitative stage

The qualitative stage of this research uses depth interviews to collect the data and content analysis to analyse them. Both will be discussed next.

3.4.1.1 Depth Interviews

An in-depth interview can be defined as “a personal interview which uses extensive probing to get a single respondent to talk freely and to express detailed beliefs and feelings on a topic” (WEBB, 1995, p. 121).

One advantage of in depth interviews is that it allows for respondents to speak freely and the interviewer to explore deeply the topics without interruption (ROBSON, 2002). This research involves interviewing managers from different levels in the first stage of

research, “managers are more likely to agree to be interviewed, rather than complete a questionnaire” especially when: sensitive data are to be obtained, there are a large number of questions to be asked, the questions are complex and open ended, and the sequence and logic of questioning may vary from one interview to another (SAUNDERS et al., 2000, p. 248)

The main criticism of individual depth interviews is that they do not benefit from the advantages of interaction with other respondents (ROBSON, 2002).

3.4.1.2 Content Analysis

Content analysis is defined as “a research technique for the objective, systematic and quantitative description of the manifest content of communication” (BERELSON, 1952, p. 55).

Some of the advantages of content analysis according to NEUMAN (2006) is that it focuses on interpreting the meaning of the content of the material without manipulating the data, it can expose messages in the text that are hard to interpret during normal observation and thereby able to process symbolic forms, and it can cope with large volumes of data or textual material and it can do that in an effective and relatively rapid manner. In addition to these two advantages MCMILLAN (2000) identified another two primary advantages; content analysis is unobtrusive and it accepts unstructured material

The major two disadvantages of content analysis according to ROBSON (2002) is that the documents available (from interviews) for analysis may be limited or partial, and as with other non-experimental approaches, it is rather difficult to assess causal relationships from these documents

3.4.2 Quantitative stage

The quantitative stage of this research uses a questionnaire to collect the data and Partial Least Squares Structural Equation Modelling (PLS SEM) to analyse them. Both will be discussed next

3.4.2.1 Questionnaires

A questionnaire is defined as a collection of questions used to obtain information from members of a sample or population where all research participants are asked the same questions in order to obtain comparable data (GAY and AIRASIAN, 2000).

Some of the advantages of the questionnaire survey is that the questionnaire include that they provide great anonymity for the respondent questionnaires, they are quick, inexpensive and require less skills than the interviews, they provide an easy way to obtain standardised data enabling responses to be easily coded and they are simple to replicate so are beneficial for future research (SEKARAN, 1992).

Serious disadvantages of the questionnaire approach according to MEYER (1967, p. 305) are that “the samples are usually limited and biased (because of the relatively high cost of the technique or because only certain types of individuals may be willing to answer the questions); and the respondents may answer what they consider proper or what they think the answer should be rather than what the actual facts are” .

Structural Equation Modelling using Partial Least Squares (PLS) will be used to analyse the research model and will be using the quantitative data collected via questionnaires. SEM-PLS will be discussed in more details in chapter six.

3.4.2.2 Partial Least Squares

Partial least squares is a second generation class of multivariate analysis techniques for modelling association between blocks of observed variables by means of latent variables (WOLD, 1982).

“Wold’s method of partial least squares avoids many of the restrictive assumptions underlying maximum likelihood techniques and ensures against improper solutions and factor indeterminacy” (FORNELL and BOOKSTEIN, 1982, p. 440). PLS offers the advantage of exact definition of component scores because it estimates the latent variables as exact linear combinations of the observed measures (ANDERSON and GERBING, 1988).

Other advantages according to PIROUZ (2006) include; being distributional free approach that can be applied to small sample, it handles range of variables: nominal, ordinal, continuous, it is robust despite data noise and missing data, it handles multicollinearity in latent variables (LV’s), it allows for reflective and formative LV’s, and its ability to model multiple dependent and independent variables

Unfortunately, unlike covariance based approaches, there is no proper overall goodness-of-fit measures exist for models estimated using PLS (HULLAND, 1999). PLS is a limited-information estimation method, therefore a bootstrap or jackknife procedures are essential to obtain estimates of the standard errors of the parameter estimates (Anderson and Gerbing, 1988). IT is difficult to interpret loadings of independent latent variables in PLS and the distributional properties of estimates are not known (PIROUZ, 2006).

3.5 Ethical Considerations

Ethical issues are important all through the research process. The full consideration of ethical issues in research helps in protecting interests of both researchers and participants. There are four basic ethical principles that should be considered when planning a research project (SWEET and HALLIDAY, 2004):

Respect for persons; treating them as autonomous agents and protecting persons with diminished autonomy. The participants should be self-sufficient, autonomous, and act voluntarily with understanding. Privacy, confidentiality and anonymity are rooted in this ethical principle.

Beneficence is the maximization of anticipated benefits and minimization of possible harms. If predicted societal benefits are sufficient and the rights of subjects have been protected, certain risks to subjects may be justified in a certain studies.

Justice is characterized by being fair, equitable, and appropriate in the treatment of participants. It requires that the researcher should fairly choose subjects regardless of substantial benefits to be realized by purposive selection.

Confidentiality and informed consent; participants should be informed about the broad nature of the study and it should be made clear that nobody is obliged to participate. Confidentiality should be guaranteed for respondents who agree to participate. Respect for autonomy is important when considering informed consent. In order to protect the **privacy** of the subjects, a distinction of what is public and what is private should be made (JONES, 1994) and nothing that makes it possible to trace information back to the participant should be kept for long or kept unprotected (SEKARAN, 1992).

The researcher tried to maintain objectivity all through the research and kept in mind that the whole research is directly linked to researcher integrity. The final product of the research is the presentation of its findings. Findings are presented honestly and fully. Credit is given to all sources used in this research. The research findings will be presented while keeping in mind the researcher responsibility of protecting research subjects' interests.

3.6 Conclusions

This chapter discussed the methodology of this research as well as the advantages and disadvantages of the intended methods and techniques. The research is using a mixed methods approach. As a first step qualitative data is collected using interviews, all the issues related to the interviewing process and handling of the qualitative data will be discussed in more detail in the coming chapter.

The methods that will be used in the second stage of the research were also discussed briefly in this chapter. The process of questionnaire development and distribution to collect data needed for quantitative testing of the research model will be discussed later in chapter six. The sampling procedure, population, sampling frame, and sampling unit, representativeness of the sample will all be discussed also as well as the analysis of the survey data and the appraisal of the research model.

Qualitative Research

4.1 Introduction

This chapter provides insights of the key issues related to the research context. It reports the methods and findings of the in-depth interviews and clarifies issues related to Jordanian Banks-SMEs relationship. The aim is to identify and map out how SMEs are being addresses in their relationship with banks, first, as corporate or individual customers and secondly, whether they are viewed in the light of B2B or B2C contexts.

The interviews were coded manually by subdividing the data into categories, each of these categorise answers a question, explores the research context or gives an insight about the research problem, codes were attached to phrases, sentences or whole paragraphs in the interviews manuscripts, content analysis of qualitative data seeks to reduce the data into manageable categories and highlight main parts that will help in drawing conclusions.

The qualitative information provides new insights into the behaviours and attitudes of Jordanian banks toward the use of the Internet to manage business relationships. The interviews helped in understanding the constructs that captures Relationship Quality in the Banks-SME context. Studying relationships in the Jordanian context is relatively new. Therefore, qualitative research is used to help explore the topic in depth with experts who happen to have an in depth knowledge in the field.

Qualitative research allows for flexibility in gathering information. These interviews provided both general and specific knowledge about Internet use and relationships in Jordanian banks and SMEs. Accordingly, the chapter is divided into two main sections; general and contextual. General findings explore issues related to Internet usage in Jordan. Contextual findings address the relationship between Jordanian Banks and SMEs. Table 4.1 lists key interviewees who participated in this stage of the research:

Table 4.1 Key Interviewees in Stage One (Jordanian Commercial Banks)

NO.	Institution	Educational background	Current position	Years of Experience	Age
A	Jordan Kuwait bank	B.A	Executive manager for Public relations	35	60
B	Arab Bank	B.A	Direct Banking Manager	11	32
C	Societe Generale Bank of Jordan	MBA	Senior Relationship Manager	11	31
D	Capital Bank	BA Economics	Marketing & Business Development Manager	6	28
E	ABC bank	B.A	Marketing manager	8	30
F	Bank of Jordan	MBA	Head of Retail Banking	19	42
G	Jordan Ahli Bank	B.A	Product development manager	11	31
		B.A	Web Master	1	24
H	Housing Bank	B.A	Distribution Channel Manager	22	44
		B.A/ MIS	Website Officer / Marketing Department	2	24
I	Arab Jordan Investment bank	Master in marketing	Marketing director	17	39

4.2 Qualitative methodology

An exploratory qualitative study was undertaken in order to develop a clearer understanding of background issues relating to the research problem as well as enabling the development of a research model and hypotheses for empirical testing in the next (quantitative) stage of the research. Exploratory studies are performed to clarify ambiguity. They allow the researcher the opportunity to investigate by examining more readily available sources before doing a detailed survey (ZIKMUND, 2000). Further, exploratory studies are useful in other ways, such as obtaining a good understanding of the research problem; advancing knowledge through good theory building; and generating hypotheses (SEKARAN, 1992). Exploratory research has a flexible design that attempts to understand what is happening, seeks new insights, asks questions, shed new lights, and generates ideas and hypotheses for future research (ROBSON, 2002).

Qualitative methods have no strict, exact definition in any of the social sciences. One of the most used accounts is that of Maanen (1979), who asserts that qualitative methods cover a wide selection of interpretive techniques that seek to describe, decode, translate, and understand the meaning, not the frequency, of certain phenomena in the social world. In qualitative research the researcher needs to attempt to reduce the distance between theory and data and between context and action.

For Maanen (1979), qualitative methods represent a mixture of the rational, serendipitous and intuition in which the personal experiences of the researcher are often inputs that should be understood and analyzed as data. Different business disciplines have commonly used qualitative research, as the primary, indeed sole, basis for study and data collection, and for clarification of research findings.

One frequently mentioned prime justification for using qualitative methods in marketing is the use of it as preliminary research prior to a quantitative study (CAHILL, 1996). Indeed, Gilmore and Carson (1996) discuss at length the many advantages provided by qualitative research methods throughout the entire research process. In an **early exploratory stage of research** qualitative methods help the researcher to understand the topic due to their open-ended, undetermined nature which allows the researcher to explore the field. **During the development of the research design** qualitative methods provide a relatively flexible plan of action that evolves with the increased knowledge. **Throughout the study** qualitative methods aid the understanding of the whole context and provide an open, flexible, practical and helpful way to study complexity.

As mentioned earlier, theory generation is often associated with qualitative research. Thus, the use of qualitative methodology in the first stage of the research can be justified based on the nature of the data to be collected and the goal of collecting such data. It is a theory building stage that requires the generation of an extensive amount of knowledge which is both important by itself and is needed for empirical testing during the second stage. The following sections will discuss how the interviews were planned, conducted, and interpreted as well as qualitative data collection and analysis, interviewing process.

4.2.1 The Interviews

Interviews can provide high quality data, but they can be time consuming (BARNES, 2001). This research uses techniques inspired by convergent interviewing. DICK (1998) describes convergent interviewing as being an action research technique for collecting qualitative information about attitudes and beliefs through the use of interviews, RAO and PERRY (2003) describes it as an in-depth interviewing technique that uses a

structured process for analysing data. Convergent interviewing is suitable for exploratory, inductive research. Interviews can be extremely precious when the researcher is in some doubt about the information to be collected. Also convergent interviewing can help the researcher to decide what questions to ask in the survey, if he intends to use surveys to collect information (DICK, 1998).

A series of in-depth interviews were carried out with experts in Jordanian banks. Some of the issues raised in previous interviews were discussed in later ones in order to reach agreements between the interviewees, or to explain the disagreements between them (RAO and PERRY, 2003).

4.2.2 Justification for the qualitative interviews

Banks were chosen for the qualitative interviewing in this research and the feedback from the investigation was then used as a basis for the questionnaire developed in the second stage of the research. There are three reasons justifying this choice. These are discussed next.

First, and according to the resource dependency theory; the firm's perception of its dependence relative to its partner determines the extent to which a firm will have influence over or be influenced by that partner. The higher the dependence the higher is the level of perceived vulnerability (SVENSSON, 2004). powerful partner can create more favourable terms of trade for itself (BATT, 2003).

In resource dependence theory, the member in the distribution channel that controls resources needed by other channel members acquires power and exert influence over other members to explain behavioural and economic outcomes of exchange (Andaleeb, 1996). Dependence increases when the outcomes from the relationship are better than the outcomes available from alternative relationships (Batt, 2003). In theory, this should

enable banks to highly influence the behaviour of their SMEs customers and to control the relationship.

The other two reasons for choosing banks for qualitative investigation are related to two gaps in the literature. As mentioned earlier, in a business-to-business context, satisfaction, trust and commitment are the essential constructs to describe what relationship quality is from the customer's point of view (WALTER et al., 2003). In order to capture a fuller picture of the concept of relationship quality, there is a need include the constructs that describe RQ from the viewpoint of the service provider (the banks).

The third reason is based on the work of ROSEN and SURPRENANT (1998), specifically, that many authors adopt one or more measures of RQ without any discussion of the justification for the choice. In order to justify the choice of RQ constructs included, an exploratory qualitative investigation was undertaken in order to justify the choice of constructs to be used in the research model.

In summary, based on the discussion above, there are three important reasons justifying the need for a qualitative investigation of the relationship from the view point of the Jordanian banks. First, they are the dominant partner and there is a need to capture how this influences their understanding of a relationship. Second, we already know from the literature what aspects of RQ are important from the viewpoint of the customer (SMEs). Third, there is a need to justify the choice of RQ constructs included in this study.

4.2.3 Interviewing Process

The Jordanian banking sector consists of 22 banking institutions, thirteen Jordanian commercial banks, two Islamic banks, and branches of seven foreign banks. Table 4.2 provides a listing of Jordanian banks.

Table 4.2 Banks in Jordan

Types of Bank	Names
Jordanian Commercial Banks	Arab Bank PLC Arab Banking Corporation (Jordan) Arab Jordan Investment Bank Bank of Jordan PLC Cairo Amman Bank Capital Bank of Jordan Jordan Commercial Bank Jordan Investment and Finance Bank Jordan Kuwait Bank Jordan Ahli Bank PLC Societe Generale Bank of Jordan The Housing Bank for Trade and Finance Union Bank for Trade & Finance
Islamic Banks	Islamic International Arab Bank PLC Jordan Islamic Bank for Finance and Investment
Branches for Foreign Banks	Standard Chartered Egyptian Arab Land Bank HSBC Bank Middle East Citibank Rafidain Bank National Bank of Kuwait Banque Audi Blom Bank

All Jordanian banks were contacted as well as branches for international banks operating in Jordan. Respondents were sent a formal letter asking them to cooperate with the researcher while the researcher was still in the UK (see appendices). Follow up e-mails was sent to respondents as soon as the researcher went to Jordan to do field research. Some of the banks replied positively and showed their interest in cooperating.

Appointments were made with the banks. An indicative list of the questions were sent via e-mail to each respondent to establish a common understanding of the issues to be discussed and the kind of information required for this research. Phone calls were made with the rest of the banks who did not respond to both the initial mail correspondence and the e-mail contacts. Key respondents were identified by the banks, after sending them the list of the topics to be raised in the interviews.

Ten different Jordanian banks showed interest in participating in the study. Most of the branches of foreign banks refused to participate, since participation in such surveys is against their corporate policy. People from nine different banks were interviewed. The people interviewed were marketing directors, managers and executives as well as senior relationship managers and direct banking managers. The diversity of the respondents resulted in varied responses and helped in achieving a more rounded understanding of the issues. Some of the interviews were conducted with people with technical backgrounds from the IT departments.

4.2.4 Data Analysis

Qualitative data can be analyzed and interpreted both qualitatively and quantitatively. (COVIELLO, 2005). In this research qualitative data will be interpreted qualitatively.

Content analysis is a research tool that focuses on the actual content and internal features of a text and is used to determine the presence of certain words or concepts within that text (BERELSON, 1952). Researchers quantify and analyze the meanings and relationships of concepts (and related constructs), then draw conclusions about the messages within the texts. To conduct a content analysis, the text is coded or broken down into manageable categories on a variety of levels and then examined using one of content analysis' basic methods: conceptual analysis or relational analysis.

In content analysis, the researcher classifies the key ideas in a written communication, such as an interview, by analyzing words. Content analysis is a systematic research method for analyzing textual information in a standardized way that allows making conclusions about that information. It classifies textual information into much fewer content categories.

The data were collected using in-depth interviewing. The interviews were transcribed and then analyzed using content analysis. The content analysis approach used to analyse the interviews is based on the work of (KRIPPENDORF, 1982, BAXTER, 1991) comprises a number of steps:

- Identifying content
- Coding: The basic unit of analysis is the interviews that were conducted with the respondents from the banks. These interviews were of different lengths, ranging from 1 hour to almost 2 hours in some instances.
- Categorizing: The data collected was then categorized into several categories, each category answers one of the research questions.
- Classifying: Respondents' opinions can be easily and unambiguously assigned to the appropriate categories at this stage.
- Comparing; Responses under each category were then compared together, controversial opinions were presented and discussed.
- Concluding; Theoretical conclusions were drawn in this stage. The conclusion stage is very important and is considered to be the highest level of content analysis.

This stage helped in understanding issues related to the research problem and helped to refine the research model. The development of the research model and the phases that it went through (until it became testable) will be discussed later in Chapter Five.

4.3 General Findings

Experts from Jordanian Banks were asked a set of probing questions related to their experience and perceptions about the Internet use, these questions are provided in the appendices. The information appears to be detailed but they are appropriate for

investigating the research problem and represent the initial empirical investigation of the issues involved in the theoretical framework and the research problem. Overall this has helped to develop an understanding of the factors that influence the usage and implementation of the Internet by banks in Jordan, as well as identifying SMEs as one group that is targeted using the Internet.

4.3.1 Internet usage among Jordanian Banks

Jordanian banks are now constantly adopting and using technological advances. They are growingly realising the benefits that the internet can bring to the way they do business. As indicated by one of the respondents:

“It is only in the past few years that additional focus has begun on enhancing the way banks use the Internet for marketing purposes, as opposed to using it for communications” (RESPONDENT-B).

Consequently, and as indicated by another respondent:

“Jordanian banks recognise beneficial aspects of the Internet and its attractiveness to service providers” (RESPONDENT-F).

Among other qualities that Jordanian banks are realising, convenience and cost effectiveness. Both factors are critical in the popularity of any channel. Convenience for both service providers and customers is an attractive trait of the Internet. This is indicated by the following comment by one of the respondents:

“Customers do not have to move physically from one provider to another to assess products or gather information, therefore using the online services helps in reducing the traffic in the bank branches”(RESPONDENT-B).

However, cost is still a big issue for many banks. A number of the respondents raised the issue of cost of adapting and applying the internet in banking operations. For example one respondent discussed some of the costs that can be incurred from using the internet:

“Cost is either direct cost beard through purchasing and installing newly developed hardware and software or indirect costs (i.e. training the employees, adapting bank’s processes to the Internet)” (RESPONDENT-C)

Despite this cost, many respondents think that this is only in the short run and things will tend to differ with time:

“These are some of the costs that are expected in the short run. However, cost and process efficiencies will be gained in the long-run” (RESPONDENT-B).

4.3.2 Target customers for Internet marketing

The interviewees identified segments of customer who are targeted using the Internet marketing communications; these include the following groups:

- Students and university graduates. *“Younger people and educated ones are more into technology, they accept and adapt better to technology” (RESPONDENT-E).* Education level has an effect on the usage of the Internet. Previous experience show that *“younger customers may switch easily to another bank; loyalty is a less important issue for them” (RESPONDENT-B).*
- High net worth customers. *“These are middle and upper income people, mainly professionals, utilize the Internet to do their own work. High net worth customers produce most business making them the most profitable customers” (RESPONDENT-F).*

- Foreign Customers and Jordanians working abroad. Customers from abroad prefer online means of doing business. *“Issues of fraudulent and money laundry are hindering the establishment of a pure online based relationship” (RESPONDENT-A).*
- Tourists. Especially from Arab Gulf countries who are among the most important target customers for online business. *“This customer segment is usually interested in buying real estate and making investments in Jordan, they will usually search for banks online to facilitate their financial transactions” (RESPONDENT-D).*
- Corporate customers including SMEs. Banks can sell to them through cross selling to corporate firms’ employees. *“Lots of corporate customers already use the Internet in their daily lives for several purposes which makes them extra ready to adapt using the Internet for banking purposes as well” (RESPONDENT-C).*

4.3.3 Factors affecting the Internet Usage in Jordan

Marketers need to educate people to accept technology and makes it easy for them to do by tackling their fears of insecurity. This requires a change in the way managers and employees think. One respondent discussed his own bank experience in creating customer awareness. According to this respondent who works for the Jordan Kuwait Bank:

“We promoted the use of the Internet to our customers through investing in establishing a cyber branch. This branch has ATM machines, money exchange machines, kiosks and Internet terminals where people can check e-mails and browse the Internet for free. This

branch created awareness and promoted the bank's range of products and its image as bank with a technological edge" (RESPONDENT-A).

Respondents indicated a number of factors that favour the use of the Internet. These are depicted in Figure 4.1 and discussed below:

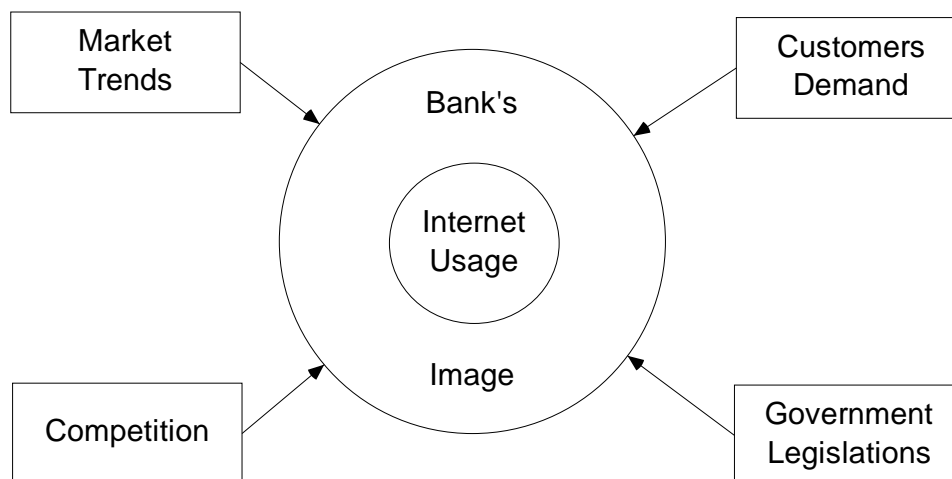


Figure 4.1 Factors affecting Internet usage

Market Trends

It was suggested that banks need to cope up with technology because trends in the market are pushing toward this change, as indicated by one respondent:

"Trends in the Jordanian market are in favour of innovations and technology usage"
(RESPONDENT-F).

This is why many bankers think that a change is required, this is indicated in

"If our bank fails to keep up with technological changes in the market; we are at a greater risk of losing the newly introduced marketing opportunities" (RESPONDENT-B).

Customers' Demand

Growing customers' demands are the driving force behind the popularity of online means of doing business. This was stressed by a number of the respondents and is indicated by the words of the following respondents:

“A reasonable number of both individual and corporate customers support using the Internet for banking purposes” (RESPONDENT-B). “These customer segments must not be left without being served otherwise banks may end up losing important market segments (e.g. the youth)”(RESPONDENT-H).

Competitive Market & Competition Offering

Intense competition among banks is a major influence in the development of their strategies. Banks are competing head to head; failing to match the competitor's offer can cause some banks to lag behind the leaders in the market. Importance of competition is shown by the words of the following two respondents:

“There is a pressure from rival banks in the Jordanian banking industry toward this change” (RESPONDENT-D). “Competition is intense and banks should do everything they can to stay competitive” (RESPONDENT-F).

Government Legislations

The Jordanian government is playing an important role in advancing the use of technology in the daily lives of Jordanian companies. Interviewees showed that Jordanian bankers are aware of the role the movement playing:

“The new legislations in Jordan favour the use and acceptance of doing business online. The government is promoting e-government initiatives and trying to regulate issues related to the Internet” (RESPONDENT-B). “These are contributing to the promotion of a whole culture that accepts online activities and comes with an

orientation towards educating people to use the Internet” (RESPONDENT-C). “The Jordanian government is changing the country into a technological hub that aims to streamline government procedures and make information and services available to citizens on the Internet” (RESPONDENT-F).

Bank’s Image

Internet usage is reflected on the technological image that customers have in their minds of a certain Banks. *“Banks are enhancing their image by associating the bank with its desire to be a bank with an innovative edge” (RESPONDENT-A); “a bank that adapts to technology in order to advance ways of doing business” (RESPONDENT-D).*

4.3.4 Barriers to Internet usage among businesses

Despite the benefits of the Internet, and the internal and external pressures towards using it; a number of obstacles face business users in Jordan:

Cost: Initial set up costs for using the Internet are still considered to be relatively expensive, especially for small companies. *“Businesses in Jordan are very competitive and the profit margins are very low” (RESPONDENT-C).* Corporate customers are very cautious when it comes to cost; they avoid being early adopters, when prices are still considerably high.

Law & Regulations: Despite government efforts to develop an e-law, one respondent commented:

“The legal protection from fraudulent actions on the Internet is still immature; Jordan is still in need for a proper legal system governing Internet issues” (RESPONDENT-B).

More than one governmental committee is working on developing new set of laws related to doing business online. For example, online signature is not yet accepted based

on central bank of Jordan's regulations. Anything that requires a signature should be documented.

Behavioural and Cultural Aspects: The important issues of trust and perceived security are major issues. *"Customers have security related concerns and some of them have no trust at all in doing business online" (RESPONDENT-A).* *"There are concerns about issues like hacking, fraud, and theft" (RESPONDENT-F).* Security over the Internet remains a big issue contributing to resistance of business customers to fully accept business online.

Businesses Internal Culture & Policies: Procedures may result in some resistance to use the Internet. *"Resistance to technological advances by many is still an obstacle in many Jordanian businesses" (RESPONDENT-E).* Consequently, *"in many cases e-mail communications are still perceived as being not formal" (RESPONDENT-B).*

Lack of Infrastructure/Technical Barriers: Jordan is in need of a well established national telecommunications infrastructure;

"Problems associated with the Internet Service Providers' ability to provide good service is a major concern for bankers" (RESPONDENT-C).

Most users depend on dial-up connections using landline phone. With all these difficulties and barriers, it is obvious that investing in online banking and e-commerce by Jordanian businesses is perceived as risk taking.

Table 4.3 below summarises the main themes that arises from the discussion of the general findings.

Table 4.3 Summary of main themes arising from general findings

Target customers for Internet marketing	<ul style="list-style-type: none"> • Students and university graduates • High net worth customers • Foreign Customers and Jordanians working abroad • Tourists • Corporate customers including SMEs
Factors affecting the Internet Usage	<ul style="list-style-type: none"> • Market Trends • Customers' Demand • Competitive Market & Competition Offering • Government Legislations • Bank's Image
Barriers to Internet Usage	<ul style="list-style-type: none"> • Cost • Law & Regulations • Behavioural and Cultural Aspects • Businesses Internal Culture & Policies • Lack of Infrastructure/Technical Barriers

4.4 Contextual Findings

The findings in the previous section stressed the fact that SMEs is one of the customer segments that are accepting and using the Internet. Experts from the Jordanian banking industry were asked a further set of questions related to their own experience with small and medium enterprises to form knowledge about this interesting segment and provide a context-based framework for the research.

Interviews generated further understanding to the one achieved by studying the literature about the Internet's impact on relationships through providing insights on how banks assess Relationship Quality with SME customers and which relationship constructs are more suitable for this study, and the perceived effect of Internet usage on Relationship Quality with SMEs.

4.4.1 Banks – SME's Relationship

“Traditionally lots of banks are not segment driven, rather they are product driven, the concept of segmentation and market niches is still considered to be relatively new for many of them” (RESPONDENT-B).

Many banks in Jordan tend to group their customers into two major groups, corporate and retail. They think of SMEs as being in the middle and sharing common characteristics with both segments”. SMEs are classified further based on their work volume in order to be understood and better served.

There is no agreed definition among Jordanian banks of what is an SME. Each bank has a different set of criteria for classifying SMEs. Even governmental bodies and none for profit organisation dealing with SMEs have no agreed definition of them. This is another problem that makes dealing with an SME customer unique. The following suggested by one respondent as some of the criteria used by banks to define corporate customers; *“turnover of sales; total equity; number of employees; risk ratings and eligibility for credit; and work volume” (RESPONDENT-E).*

The government is trying to change bankers' attitudes and understanding of the importance of SMEs to the Jordanian economy; consequently, banks are becoming more open to relationships with this market segment. This was indicated by one of the respondents:

“Economic reforms imposed by the government and the pressure from the International Monetary Fund to develop the SME forced banks to realise the potentials of this huge segment” (RESPONDENT-A).

SMEs can be a profitable market segment for banks if they are understood and served in a tailored manner. However,

“A lack of past cooperation dealing with SMEs has resulted in misunderstanding between both parties and banks became reluctant to do business with them” (RESPONDENT-B).

Some banks still treat and categorise many of the SMEs as an individual customer, especially when it comes to giving credit. *“Only 15% of the total credit is given to the small and medium enterprises” (RESPONDENT-A).* Therefore, SMEs struggle for capital and it is increasingly difficult for them to stay within the constraints of self-financing. Nonetheless, they are still required to offer lots of guarantees to their banks in order to be granted loans and be in a long term relationship with their banks.

Lately, banks are adapting new strategies and evolving their marketing activities to focus on important SMEs as one of the important segments of their clients. This helps banks in understanding and better classifying the various segments. One of the needs identified for SMEs is online banking services, and banks are progressing in providing suitable solutions that meet their needs.

“In order to better serve SMEs, the bank should have a pool of specialized relationship managers who classify SMEs and serve them based on their needs, these managers should be supported by a full range of alternative channels” (RESPONDENT-B).

Another suggestion is *“to create specialized bank stations that are fully responsible for managing the whole relationship with SMEs” (RESPONDENT-F).* The fact that online communications are provided, with a professional level of service, helps managers who, in many instances, have lots of centralized power and are therefore extremely busy.

“SMEs are among the customer segments that are decently accepting and utilizing the Internet at a faster pace than individual customers” (RESPONDENT-B). Despite the fact that personal contact is still preferable to other means of communication, there is an on-

going cultural change within the whole society. This is supported by Jordanian banks belief that corporate customers (including SMEs) are more into using technology than individual customers. *“Financial capabilities of the businesses, the encouraging legislative environment, and the effect of the new generation of younger managers all play a great role in this trend” (RESPONDENT-A).*

The Internet applications that are mostly used by SME’s are information search, two-way internal and external communications, and online banking. *“Lots of SME’s are also benefiting from the Internet to manage their banking accounts” (RESPONDENT-F).* This all depends on the management style which affects the decision to do business online and affects the degree of Internet usage. This is indicated by more than one of the respondents:

“The use of the Internet depends on the personality and level of education of the manager” (RESPONDENT-C). *“Well educated open-minded SME managers will lead their firms toward adapting technological advancements” (RESPONDENT-A).*

Accordingly, SMEs can be generally classified into two types: ones that are led by a well educated, technology knowledgeable manager, who is open to technological advances, and very traditional managers, who stick to old ways of doing business and do not adapt electronic means at all.

To sum up, many banks in Jordan do not fully understand the needs of their SME customers; they are classified as businesses sometimes and as individuals at other times. This lack of understanding resulted in diminished cooperation which led to mistrust eventually. Government is pushing banks to be more open towards SMEs. To achieve this, banks are hiring and training specialised relationship managers who are trying to rebuild trust and are committing their selves to satisfying their SME customers’ needs.

4.4.2 Relationship Quality Constructs

Respondents suggested a number of factors that are critical in building relationships. These are also can be easily highlighted in the language they use. The respondents identified a number of different constructs, extracted from the business-to-business relationship marketing literature, based on their suitability to the Jordanian Banks-SMEs relationship. The constructs more frequently chosen were: trust, commitment, satisfaction, communication, understanding and cooperation (Table 4.4). Another construct widely suggested by interviewees is Transparency.

Table 4.4: Relationship Quality Construct Chosen by Interviewees

Constructs	Respondents
Trust	All the interviewees
Commitment	A, B, C, E, G
Satisfaction	A, B, C, D, E, F
Communication	A, B, C, D, E, F, G, H
Cooperation	A, C, E, G, I
Understanding	A, B, C, D, F

Trust:

Trust is frequently mentioned in the words of the interviewees, many banks stressed how important trust is in the relational exchange and particularly in the banking industry.

“There is a trust crisis between Jordanian banks and SMEs due to the lack of shared information and understanding about SMEs” (RESPONDENT-F).

On one hand, this can be worsened when technology is used; *“lots of customers do not trust the technology due to the perceived lack of security in an online environment in one hand”* (RESPONDENT-E). On the other hand, *“the use of the Internet increases the amount of information that can be shared among all parties. This can help banks to know more about their SME customers and re-establish trust again with them”* (RESPONDENT-C).

Commitment:

Respondents suggested a wide number of techniques to assess and achieve customer commitment:

“Commitment can be assessed by monitoring the growth in relations, the augmentation in credit portfolios, and the increase in the usage of private banking services, this growth will be a direct result of the increased number of businesses that commit themselves to using the wide range of services in their course of doing business with the bank” (RESPONDENT-C).

“Customers’ feeling of commitment towards the bank can be enhanced by offering diverse range of products and high quality services through a highly trained proactive customer service team that uses efficient delivery channels” (RESPONDENT-B). the online environment does not essentially effect customers’ commitment to the bank since *“commitment is developed offline when customers deals with the bank on a daily basis; you can not become less committed to the bank if you are committed offline. However, customers’ commitment to online services can be a sign of an increased commitment to using the wide range of banks’ services”* (RESPONDENT-D).

Satisfaction:

Satisfaction was continuously mentioned as an important factor in the relationship between Jordanian banks and SMEs by most of the interviewees:

“The key in assessing the quality of relationships with business customers is satisfaction, we should have satisfied customers if we wish to maintain a healthy business relationship” (RESPONDENT-G).

Respondents suggested a number of ways on which satisfaction can be maintained and monitored:

“Banks need to continuously assess the quality of service provided to keep it at a satisfactory level for customers” (RESPONDENT-C). “In order to assess how satisfied the customers are; *“banks should keep track of exit accounts (customers leaving the bank) using lost customer analyses and by monitoring customer rotation” (RESPONDENT-G).*

They should also *“implement customer satisfaction systems and use quality assurance techniques” (RESPONDENT-E).* The internet can help in achieving satisfaction; *“benefits of the Internet contribute to achieving customer satisfaction in the long run as well as enabling channel diversification and increasing volume of the work” (RESPONDENT-F).*

Communication:

Almost all of the respondents mentioned communication as being the main important aspect in building a quality relationship:

“The perceived quality of the communications is a very important aspect of a relationship. Quality can be affected by well trained staff and their ability to handle complaints” (RESPONDENT-E).

Two-way communication ensures constant feedback between partners which is essential in order to assess and build relationships. *“Using Customer Relationship Management (CRM) software’s can achieve this and result in more personalized relationship with every single customer” (RESPONDENT-D)*. Also, *“establishing an effective call centre helps in keeping regular contact with the service provider and enhances interactivity” (RESPONDENT-E)*.

The Internet achieves a better reach and can enable the bank to communicate with a wider audience in different geographical locations. It can be accessed 24/7 and is almost always available which makes it a great medium to keep regular contact with customers. *“The Internet can achieve faster, more constant & reliable communications. These qualities, as well as easier accessibility to information, can lead to better quality relationships in an e-business environment” (RESPONDENT-B)*. Customers can search the Internet for information and consider options whenever the need to do so and *“all this can be done in the privacy of their own homes or offices” (RESPONDENT-H)*. All this can help in *“identifying new opportunities associated with the increased use of the Internet among various demographics, particularly the youth” (RESPONDENT-G)*.

Cooperation:

Banks suggested the use of informal communication as a source of cooperative behaviour between banks and SMEs:

“Banks should aim at organizing and attending social activities that bring banks and SMEs together, these will enable informal communications that can results in a more cooperative relationship between partners which eventually leads to achieving mutual trust” (RESPONDENT-E).

“Constant on-site visits from relationship managers and staff to their SME customers can have a great influence on word-of-mouth communications and mutual cooperation” (RESPONDENT-F).

“In order to achieve cooperation banks should study their SME customers’ behaviours and listen to them carefully, encourage their feedback, and monitor their complaints, the interactive nature of the Internet can help in achieving these purposes which ultimately results in attaining cooperation between partners” (RESPONDENT-D).

Understanding:

The two way communication nature of the Internet can result in a better understanding between the two parties. *“Achieving a common understanding between partners helps in realising the needs of customers which ultimately results in enhancing the banks ability to provide a superior and more customised service to SMEs” (RESPONDENT-E).*

“The shared understanding with SMEs is achieved through continuous interaction and constant sharing of information with them; these interactions are facilitated by the Internet” (RESPONDENT-H). The Internet can also be used efficiently to handle complaints, *“customers tend to provide more feedback online and can be more willing to share and discuss their own experiences with their service providers. They can be more elaborate and expressive over the Internet than by other means of communication” (RESPONDENT-F).*

Transparency:

One more construct, not from the list provided to interviewees, was mentioned frequently as being critical in measuring the quality of relationships: “Transparency”:

“Transparency is a very important determinant of Relationship Quality” (RESPONDENT-F). “Transparency comprises honesty and not hiding any information from customers (information sharing)” (RESPONDENT-D). Transparency is hardly mentioned in the literature of business relationships, but it is common in the study of personal relationships in a social context and involves hiding nothing from the other partner.

4.4.3 Internet effect on relationships

There is a lot of debate about the effect that the Internet may have on shaping relationships;

The Internet can speed up the relationship building process. *“Creating an integrated bank website and updating customer databases helps in managing healthy relationships” (RESPONDENT-E).*

Using the Internet can also solve the problem of high volume of traffic in the branch only if the customers start preferring doing banking online. *“If the bank branches are too crowded with customers; cross selling opportunities can be lost. However, Internet can provide an interactive online chat services with account officers who can help in answering customers queries and offer them new services , banks can alternatively use banners on high traffic websites can also help in gaining chances to do this cross selling.” (RESPONDENT-F).*

In the extreme case of *“moving to a branchless bank that offers all services through the Internet and other technologies, this may result in losing many offline opportunities and customer retention could be affected due to the lack of physical interaction. Branchless banks are searching for alternative ways to grant back their customers” (RESPONDENT-B).*

The Internet can help in removing the geographical obstacle by enabling banks to reach *“Companies in far and distant areas (like development projects in deserts areas and or near to natural resources mines) can still keep regular relationship with their bank using the Internet”*(RESPONDENT-C).

However, and despite all these benefits that the internet can provide, most interviewees agreed upon the cautious use of the Internet and emphasized that a business relationship can not rely entirely on the use of the Internet;

“It is expected that using the Internet will enhance the ability to handle an increased volume of work with customers, but at the same time it may develop a relatively “unhealthy relationship”. This new kind of relationship probably needs more effort to manage” (RESPONDENT-B).

“Some customers are exclusively using Internet banking services; this minimal face-to-face interaction with customers may negatively impact relationships, although this can easily be mitigated with proper follow-ups, periodic visits/contact with customers and thorough analysis of customer behaviour” (RESPONDENT-B).

Some respondents advised the use of voice over Internet protocol (VOIP) which may solve lots of the pitfalls in communications over the Internet. *“A call to action option that links the customer directly to the bank whenever that customer needs to interact by voice while using the Internet will help in maintaining a healthy regular contact. Another more advanced option may be a video call that can achieve the face-to-face contact that some customers prefer from the convenience of their own homes”* (RESPONDENT-D).

Eye contact seems to have a great deal of importance in doing business, and has an increasing importance in societies like Jordan. *“By doing business online human factors*

can be lost such as the intuition of credit managers, who can know, based on their experience, whether customer are eligible for a credit or not” (RESPONDENT-C).

4.4.4 Comparing alternative means of communication

Respondents’ opinions varied regarding their customers favoured means of communication. Some believed that the use of Internet for communications is becoming a necessity and is achieving cost and process efficiencies. Others stressed that many business customers (managers or financial managers in companies) still prefer to go to the branch to apply for a loan or ask for a letter of credit to be issued.

“Culture plays an important role in that preference and Jordanian customers prefer face-to-face communications, they believe that it is the most trusted form of communication and many of them still want to discuss their needs and do business while having their morning coffee in the branch” (RESPONDENT-A).

This preference is supported by the fact that *“only 30-40% of corporate clients are using the provided e-banking services” (RESPONDENT-C).* Traditional alternative marketing channels like newspapers, television, and radio are still perceived by some banks to be much more useful and have higher reach in conveying marketing messages to the Jordanian market.

Despite concerns associated with perceived lack of security resulting in customers’ preferences for dealing directly with real people, customers still realize the different benefits of using Internet technology. The Internet is perceived by some as a way to *“create an added value to the service. However, it can backfire if not used properly or if technical problems occur that are not solved” (RESPONDENT-D).*

The Internet helps in achieving more geographical spread, expands the portfolio of customers, can be faster than other means of communications, can help in reducing the traffic inside the branches and can reduce the cost of serving some customer groups (A, B and F). *“Certain customer segments can be expensive to serve using traditional means and some are difficult to access. The Internet offers an alternative way to serve special niches and segments of customers that might be unreachable using alternative means of communications” (RESPONDENT-A).* It can also *“help people who have special needs, like those who are very busy or who might have a disability and are challenged to freely move” (RESPONDENT-B).*

The Internet is perceived by some as competing with other technological advances that are being exploited for business purposes. Thus, “online services should be differentiated from other services. Promoters have a duty of educating people about the potentials of the Internet and the range of services the Internet can offer. Providing a wider range of services might be a key thing to differentiate online services to currently available ones” (RESPONDENT-C).

“Automated Teller Machines (ATMs) are an alternative delivery channel, ATMs can offer almost everything that the Internet can provide and can even offer more services, like those related to physical cash such as withdrawals and deposits”. A number of interviewees (RESPONDENT-A, RESPONDENT-B, RESPONDENT-E) suggested that marketing through mobile phones can be a better option than Internet marketing due to: accessibility, price, availability and ease of use. Not everyone has Internet access, but most people have access to mobile phones.

4.5 Discussion of qualitative findings

From the findings above we can see that problems in understanding segments like SMEs can result in neglecting niches that are not really recognised using the traditional marketing mix. These segments should be identified and understood using a more relational approach to marketing. Small and medium enterprises, as customers, are one niche that is not entirely understood and served by Jordanian banks. As indicated by one of the interviewees *“we as banking service providers need to keep a good relationship with all our customers, we also should be able to identify them and look at them exceptionally” (RESPONDENT-F)*.

The Internet use in Jordan has increased intensely in the last eight years, and SME customers are realizing the potentials offered by the Internet. They are learning to manage their accounts online successfully, and the Internet is being perceived as a time and money saver. It eases the communication process and increases regular contact between different parties. For these reasons the Internet is becoming more and more useful for business customers.

“Banks are merely using basic Internet applications and are not taking advantage of the huge potentials that offered by advanced in Internet applications due to the limited number of online users” (RESPONDENT-B). Not to mention that the percentage of online users’ of banking services is still small. *“This makes banks reluctant to use the Internet since only a tiny percentage of the Jordanian business customers use online services frequently” (RESPONDENT-C)*.

A number of the interviewees suspected that whereas unique cultural aspects of relationships can have a negative impact on utilising technologies in managing relationships, age might play an important moderating role. *“The younger generation of*

SME managers are realizing the potential of the Internet and are regularly using it to manage their business relationships” (RESPONDENT-A).

Interviews raised concerns regarding the negative affect that the Internet might have on relationships if direct contact between parties is inadequate, this may result in a lack of knowledge about customers especially corporate customers like SMEs. Banks need to share sufficient information that enables them to develop and maintain relationships with their partners through applying knowledge management systems. This is also supported by the preference of many business customers in Jordan to keep their face-to-face offline relationships with banks. However, Respondents suggested that the Internet is an alternative channel that must be made available to those who may use it, although not everybody will.

“Multi-channel providers are perceived to provide a better service than the others” (RESPONDENT-F). The Internet is one alternative that should be exploited properly along with other channels. Also the Internet allows for better accessibility for a larger participating audience, and has the ability to offer convenient services to some segments who may find regular channels problematic (e.g.: disabled people). This may result in a higher reach and wider exposure to more customers. Through delivering a state of the art services banks can also become more competitive. The use of the Internet can reduce the time needed to manage SME relationships.

Banks are not only focusing on traditional banking channels but are also working to develop alternate channels to meet specific SMEs banking needs. This, among other factors, is helping in building and maintaining strong successful relationships with SME as well as with individual clients.

Most interviewees believe that the use of the Internet can generally help their relationship with their customers indicating that the Internet plays an important role in

customer relationship management. Offering convenient and easy access to routine transactions and enquiries adds value to the customer experience. It enhances satisfaction and allows front line staff to focus on service quality and relationship expansion (sales) activities. The Internet provides a convenient channel with round the clock banking service that can not only result in a higher satisfaction levels to customers and but may achieve cost efficiencies to the bank.

Despite all of the benefits of the Internet; Jordanian banks depend heavily on personal contacts with customers, individuals and businesses, because they still prefer to come to the bank to do business. They prefer a personalized relationship with an employee who knows them and serves them in the way they want. This is supported by the fact that some customers are computer and technology illiterate. Barriers to usage are mainly related to the backgrounds of the people who are in the position of decision making, such as top management. *“Customers may overcome their concerns when the online service does not involve actual cash, for example, they may check their account online but they will not make a transfer online or deposit cash through cash machines” (RESPONDENT-E).*

4.6 Conclusion

In brief, this chapter outlined the first stage of the research. The data collected using interview techniques were analyzed and discussed. This helped in drawing some conclusions and will further assist in developing the research model which is discussed in the next chapter, before proceeding to quantitative data collection and model testing. Based on the discussion provided in this chapter; some conclusions can be made:

- There are contradicting views regarding Internet use with SME customers. Some argue that it can be facilitator of the relationship while others indicate that it might result in developing an unfavourable relationship.
- Overall it was suggested that Jordanian business and individual customers still want to see and deal with actual people, and that the Internet is only supporting traditional means of doing business and not replacing them.
- There is a real problem in the relationship between Jordanian customers and SMEs due to the lack of Understanding, Cooperation and Transparency which resulted in a state of mistrust between both parties.
- Constructs for measuring the quality of Jordanian Bank-SME relationships were: trust, commitment, satisfaction, communication, transparency, understanding and cooperation. All of these are common in the B2B literature.
- The indicators of relationship quality are equally important in the online and offline context. There is a need to address these constructs in order to achieve quality in a business relationship in both contexts.

Research Model & Hypotheses

5.1 Introduction

After qualitative data are analysed, in this chapter we integrate theory and qualitative findings, to develop a high level conceptual model for measuring Relationship Quality in a business-to-business marketing relationships context. This chapter resumes the discussion of the theoretical framework that we started in chapter two. Constructs are developed and relationships between them are identified and hypothesised.

The primary interest of this research is the higher order construct of Relationship Quality. The aim is to study how constructs of Relationship Quality interact among themselves, these constructs are classified into antecedents (Communication, Cooperation, Transparency, and Understanding), interviews indicated that these are prerequisites in achieving customer loyalty which is a build of the outcomes of these antecedents (Attitudinal Loyalty: Trust, Commitment and Satisfaction).

5.2 A model for Relationship Quality

Having identified the important constructs in measuring Relationship Quality in the context of this study, it is theorised that Relationship Quality constructs can be divided into two main groups, outcomes and antecedents. Desirable outcomes of a relationship are conceptualised as a single construct referred to as “Attitudinal Loyalty” this is comprised of satisfaction, commitment, and trust.

The second set of constructs drives the outcome constructs (precursors or antecedents of the outcome constructs) and is referred to in this research as “relationship mutuality” constructs. Mutualism is the association of two organisations of different ideals, both of which derive benefits from the relationship. The initial conceptual framework is depicted in Figure 5.1.

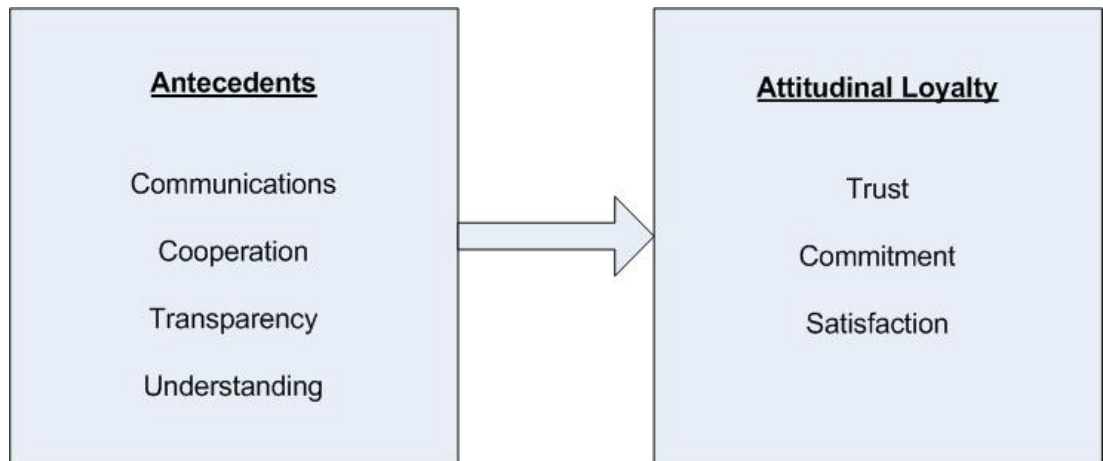


Figure 5.1: Conceptual Model

5.3 Stages of Model Development

A model is an embodiment of several theories, in order to develop a complete research model that captures the several theories; we must answer a number of essential questions (WHETTEN, 1989); these are discussed in the following paragraphs.

5.3.1 Variables in the Research Model

In order to develop a multidimensional scale to represent Relationship Quality, previous literature was considered to identify the different constructs / variables needed to explain Relationship Quality. These were classified, based on context (B2B vs. B2C), to eliminate variables identified in different contexts and that were clearly context specific.

In-depth semi-structured interviews helped in developing and refining the research propositions (LINDGREEN et al., 2000). From the pool of items generated, a subset of the constructs was selected based on the perceptions of the interviewees. This stage helped in verifying and conceptualizing the most frequent elements (constructs and variables) that constitute Relationship Quality for B2B SMEs. The constructs that were found critical and relevant: transparency, communication, understanding and cooperation, were selected to supplement the three most traditional constructs of Relationship

Quality already identified from the literature, namely: Trust, Commitment, and Satisfaction.

According to LEONIDOU et al. (2006b), the paradigmatic diversity concerned with formation of business relationships between selling and buying organizations has been largely responsible for generating vague and incoherent conceptualisation of buyer-seller relationships. Although attempts have been made to combine these paradigms, there is still no agreement on a commonly accepted convergence.

Crosby et al. (1990) were the earliest researchers to identify and empirically examine dimensions of Relationship Quality. They suggested that Relationship Quality consists of at least two dimensions: trust and satisfaction. PALMATIER et al.(2006) subsequently claimed that commitment, trust, and satisfaction offer the best assessment of relationship strength. Indeed, the qualitative in-depth interviews also stressed the importance of these three outcomes with communication; cooperation; understanding and transparency as determinants of Relationship Quality. Here, Trust, Commitment and Satisfaction are treated as the relational outcomes with the additional four constructs of (Communication, Cooperation, Transparency and Understanding) as antecedents or drivers in the relationship model

Trust, Commitment, and Satisfaction were discussed in the literature review chapter, now it is time to discuss the four other constructs of Communication, Cooperation, Transparency, and Understanding.

Communication: Communication establishes and maintains relationships. The importance of Communication is often acknowledged in the marketing literature and can be considered the most important element in successful exchange (LAGES et al., 2005). Willingness to share information is important when a firm chooses its partner(s). Communication can be defined as the sharing of meaningful and timely information

between firms, and this sharing can be formal or informal (FYNES et al., 2005). Communication is also important in resolving disagreements that may eventually happen between parties (BÚRCA et al., 2004).

Cooperation: From a business-to-business relationship perspective, cooperative behaviour includes the coordination of jointly undertaken tasks to pursue common goals and activities aimed at developing and maintaining the relationship (WOO and ENNEW, 2004).

It also refers to the level to which the work of buyer-seller relationships is coordinated (METCALF et al., 1992). It can be defined as being responsive about maintaining a two-way relationship, willingness to collaborate, promoting mutual interests, supporting the achievement of business objectives, and generates team spirit (Leonidou et al., 2006a). It is often assumed that organizations cooperate because they have to, not because they want to (DONALDSON and TOOLE, 2000).

Transparency: Superior relationship transparency is a potential source of competitive advantage (EGGERT and HELM, 2000). Transparency is expected to deliver value to the customer and to contribute to satisfaction through minimizing the customers need to constantly search for information and to test for better alternatives because they are already well informed. From the interviews conducted with banks, there is a heightened awareness of the need for transparency. Transparency is a key variable in the financial markets; it serves as a foundation for the confidence which is vital for the survival of banks (BONSÓN-PONTE et al., 2006). It is further described as being both a relational characteristic as well as an environmental condition for organizational processes (JAHANSOOZI, 2006). The concept of transparency is associated with being open and requires better disclosure and timely reporting of information (HAAT et al., 2008).

Understanding: Understanding is the keenness to appreciate and comprehend the situation, circumstances, conditions, and problems faced by a business partner regarding issues that have a direct or indirect impact on the operation of the relationship (LEONIDOU et al., 2006b). Common understanding is an ideal state or goal to which partners endeavour to achieve (JAATINEN and LAVIKKA, 2008). A deep understanding of customers needs is crucial in order to generate repeat sales. It also involves being more responsive to the requirements of your partner by developing long-term relationships that are flexible, timely, and open (Leonidou et al., 2006a).

5.3.2 Research Hypotheses

Having identified the set of variables involved in Relationship Quality, it is important to know how these construct/variables are related. Based on the discussion of the literature and the qualitative findings, this research identified seven constructs that are critical for a quality relationship. Interrelationships between these constructs have been empirically tested in several environments (B2B vs. B2C, large companies vs. SMEs, online vs. offline) and the seven constructs are commonly used in these contexts.

The literature is revisited in order to create a model which will be tested in a later to establish whether the interrelationships between constructs will hold true for the Jordanian SME-Banks context. Many of the hypotheses were previously tested empirically, and some of them are formulated based on theoretical contributions by other researchers. These are discussed below:

From a communication perspective, understanding is transparent in the sense that it is seeing through verbal or visual acts in an interaction (UCOK, 2006). Transparency is the complete and clear recording of reasons, judgments and decisions (TENNØY et al., 2006)

that is readily available to all parties. The concept of transparency relates to communication and understanding as a visible, observable achievement rather than a private, mental, hidden state (UCOK, 2006). Tennøy et al. (2006) found that communication and transparency improves bi-lateral decision making resulting in an improved relationship:

Shared understanding is the outcome of communication and is very important to relationship marketing (DUNCAN and MORIARTY, 1998). Communication in its original sense is the creation of a common understanding through shared meanings (Zineldin, 1998) experiences and knowledge (JAATINEN and LAVIKKA, 2008). This is an evolving process whereby communicative interaction enables meaningful shared understanding. Several exchanges of information over time may increase the level of mutual understanding, but complete understanding is unachievable (CAMPBELL, 1998):

H1: Communication positively related to Transparency

H2: Communication is positively related to Understanding

According to KOLLOCK (1998), the positive effects of communication on Cooperation is a robust finding in the literature. Cooperation increases significantly when individuals are able to communicate successfully. Shared knowledge is presumed to be important to building Cooperation (STEINHEIDER, 2000). Thus, Communication would have a significant effect on the level of Cooperation between the partners. Immediate communication would demonstrate more effectiveness in promoting Cooperation (JENSEN et al., 2000):

H3: Communication is positively related to Cooperation

Shared knowledge is the basis for communication and coordination since it is not possible to transfer information without a common understanding of terms and their implications. For efficient Cooperation, there is a need to reach a sufficient degree of shared knowledge which will lead to understanding (Steinheider, 2000). Cooperative norms discourage opportunism, build trust, facilitate Cooperation, and support joint problem solving, through creating comfort with behavioural patterns of the business partner (PAVLOU, 2002)

H4: Cooperation is positively related to Understanding

Uncertainty can be attributed to poor understanding of the specific roles of the parties involved and inadequate exchange of information (LEONIDOU et al., 2006a). A shared understanding is a prerequisite for transparency as transparency involves exchanging information using common language, meaning and standards at many levels (HOFSTEDE, 2003).

H5: Understanding is positively related to Transparency

When banks and SMEs cooperate, they tend to share more information, this information sharing boosts transparency. Organizations that had prior Cooperation in their relationship show more transparency to their partner (DIJK et al., 2003). Transparency is closely related to several issues in the management of netchains, among these issues are the horizontal and vertical Cooperation in value chains. Close vertical Cooperation is a powerful tool for improved transparency (THEUVSEN, 2004).

H6: Cooperation is positively related to Transparency

Collaborative communication may foster compliance between partners and this in turn influences the level of commitment in the relationship (Farrelly et al., 2003).

Channel/supply chain members will be motivated to commit to a relationship that is characterized by an open-sharing of information. Therefore, it is expected that communication will enhance commitment and integration of supply chain management (Wu et al., 2004). Two-way communication allows partners to participate in the relationship in a valued fashion, which in turn assists in securing commitment in the relationship (MOHR and SPEKMAN, 1994, MOHR et al., 1999)

H7: Communication is positively related to Commitment

Open communications between buyers and suppliers, either formally or informally play an integral role in industrial selling and relationship marketing. Support for the relationship between communication and trust can be drawn from the industrial marketing literature and relationship marketing literature (DWYER et al., 1987, METCALF et al., 1992, COOTE et al., 2003). A reliable communication system can enhance trust in a business relationship (Leonidou et al., 2006b), because partners involved in a business relationship can collaborate more efficiently and discuss thoroughly crucial topics of common interest. Open communications are a key antecedent of trust since they are a necessary means of developing and maintaining a shared understanding of the relationship and this will in turn preserve trust (DONEY et al., 2007).

H8: Communication is positively related to Trust

A shared understanding between relationship stakeholders is an important source leading to satisfaction (SELNES, 1998). One major source of the problematic nature of the relationship between banks and SMEs is that there is a lack of understanding of the needs of SME customers. It is believed that SMEs will end up more satisfied with the

relationship they have with their banks if banks are able to establish common grounds for understanding.

H9: Understanding is positively related to Satisfaction

Within a transparent business relationship, customers feel well informed about the relevant characteristics of the exchange process and its actors. Relationship transparency is expected to deliver value to the customer and to contribute to satisfaction as it minimizes the perceived need to constantly search for information and to test the market for better alternatives (EGGERT and HELM, 2000).

H10: Transparency is positively related to Satisfaction

One of the root causes for a lack of trust is a lack of understanding between partners (Akkermans et al., 2004). Communication is a fundamental part of the process of interaction and sense-making between relationship stakeholders. While contributing to the process of understanding, if understanding is achieved, ultimately increased trust and a strengthened relationship will occur (KUMAR and BECERRA-FERNANDEZ, 2007). Understanding the view point of the other party through acquiring information about them and showing empathy, reduces the distance in the relationship and gradually builds up trust creating more inter-personal interaction, friendly relations, and familiarity with the partner (LEONIDOU et al., 2006b). Social behaviours that are needed to build trust include fostering interpersonal relationship (social interaction), sharing information (open communications), and demonstrating an understanding and concern for the partner's needs (customer orientation.) (DONEY et al., 2007).

H11: Understanding is positively related to Trust

The more transparency there is the more trust and commitment is achieved (Akkermans et al., 2004). Transparency provides a number of outcomes that are beneficial for relationship building. As well as rebuilding trust, transparency is a relational condition that promotes commitment (JAHANSOOZI, 2007).

Low transparency leads to greater uncertainty and lower trust levels (PARKHE, 1998). Transparency increases trust by reducing uncertainty (BOSCH et al., 2005). Transparency reinforces dynamic interactions between partners' trust levels and the level of transparency that is in line with that trust level.

H12: Transparency is positively related to Commitment

H13: Transparency is positively related to Trust

Anderson and Narus (1990) found a close link between Cooperation and trust. They suggested a repetitious and incremental process in which Cooperation leads to trust. That past Cooperation between business partners is a necessary antecedent of present trust, trust in exchange relationships develops slowly over time and after a number of cooperative exchanges (SELNES, 1998). Trust in relationships often develops after a long-term history of (mutually satisfying) Cooperation between companies.

H14: Cooperation is positively related to Trust

For banks, customer satisfaction is essential to sustain long-term relationships (POON, 2008). Links between trust and satisfaction have typically been tested in marketing contexts. Trust in one's exchange partner reduces negative conflict and increases satisfaction which leads to building of long-term relationships (BRASHEAR et al., 2003). According to ANDALEEB (1996) when one party trusts another, an implicit belief of

security develops that the actions of that other party will result in positive outcomes or not result in negative outcomes. This evaluation leads to high satisfaction.

H15: Trust is positively related to Satisfaction

Relationship satisfaction and commitment lead to desirable relational outcomes like long-term orientation and a decreased tendency to terminate relationships (ABDUL-MUHMIN, 2005). Customer satisfaction contributes to good customer-organization relations and is related to the fundamentals of the relationship, namely trust and commitment (REXHA et al., 2003). Gustaffson et al. (2005) distinguish between satisfaction as being “backward looking” and commitment as being “forward looking” and both influence customer churn and retention.

The dominant view in the literature assumes satisfaction causes commitment (CURRIVAN, 1999). Consistent with the majority of findings, satisfaction has been modelled as an antecedent to commitment (BRASHEAR et al., 2003)

H16: Satisfaction is positively related to Commitment

Trust is defined as a willingness to rely on an exchange partner in whom one has confidence (ZINELDIN and JONSSON, 2000). It is a necessary condition for commitment and both are influential in the future of relationships (GARBARINO and JOHNSON, 1999). Relationship commitment exists when one partner makes maximum efforts to maintain long term relationship with the other partner (CACERES and PAPAROIDAMIS, 2007).

In order to be consistent with other relationship marketing research, trust is a necessary condition for commitment hence it is modelled as a precursor to commitment (MORGAN and HUNT, 1994, LACEY and MORGAN, 2009). Because commitment involves

potential vulnerability and sacrifice, it follows that stakeholders are unlikely to be committed unless trust already is already established:

H17: Trust is positively related to Commitment

Building a cooperative climate between sellers and buyers has a favourable effect on satisfaction (Leonidou et al., 2006b). Cooperation appears to lead to satisfaction because increased Cooperation eliminates negative feelings and increases the importance placed on the positive outcomes derived from this Cooperation (VIEIRA and SLONGO, 2006).

H18: Cooperation is positively related to Satisfaction

5.4 The Proposed Model

Figure 5.2 depict the proposed research model developed based on the hypotheses discussed above.

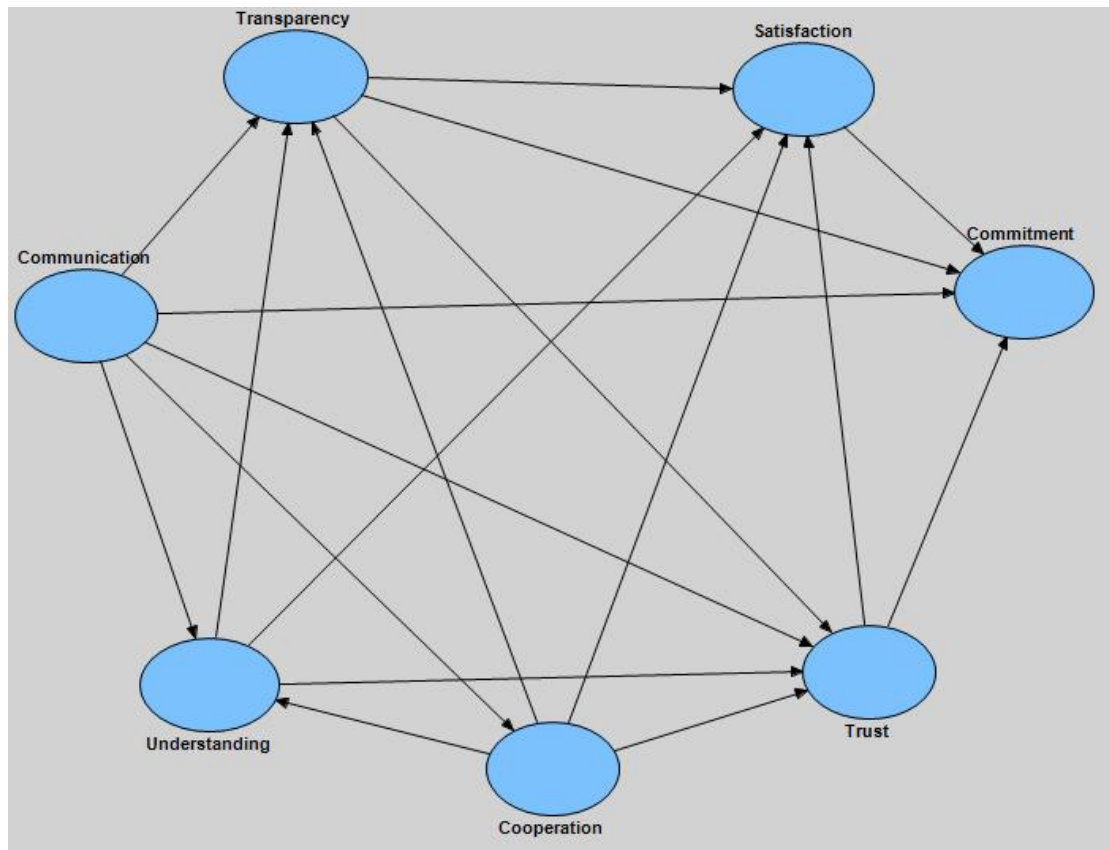


Figure 5.2: Proposed model

5.5 The Alternative Model

All constructs and paths included in the proposed research model are suggested in the literature. An alternative model will be developed and both proposed and alternative models will be tested to identify which model has better explanatory power (BOLLEN and LONG, 1992). The alternative model has the higher order construct of Attitudinal Loyalty which is composed of the three correlated constructs: Trust, Commitment and Satisfaction. A model with high explanatory power effectively protect against the harmful effects of multicollinearity if this multicollinearity between constructs is not severe (GREWAL et al., 2004).

Whilst there is an abundance of marketing research examining the outcomes of channel relationships, there is little consensus regarding the appropriate placement of these outcome variables relative to relationship structure and communication strategies.

Robicheaux and Coleman (1994) and Simpson and Mayo (1997) both proposed conceptual models for structuring channel relationships drawn primarily on the political-economy framework. Both models suggest that the consequences of a channel relationship (e.g., satisfaction, commitment, trust) arise from the interaction of certain structural antecedents (e.g., communication strategies, uncertainty) with relational structure.

Consistent with this approach, this research provides an alternative model for the study of B2B relationships that explores the interaction between antecedents of Commitment, Trust, and Satisfaction and outcomes of Communications, Transparency, Understanding and Cooperation. Figure 5.2 depicts this alternative model where Attitudinal Loyalty is depicted as a second order formative construct of Satisfaction, Commitment, and Trust.

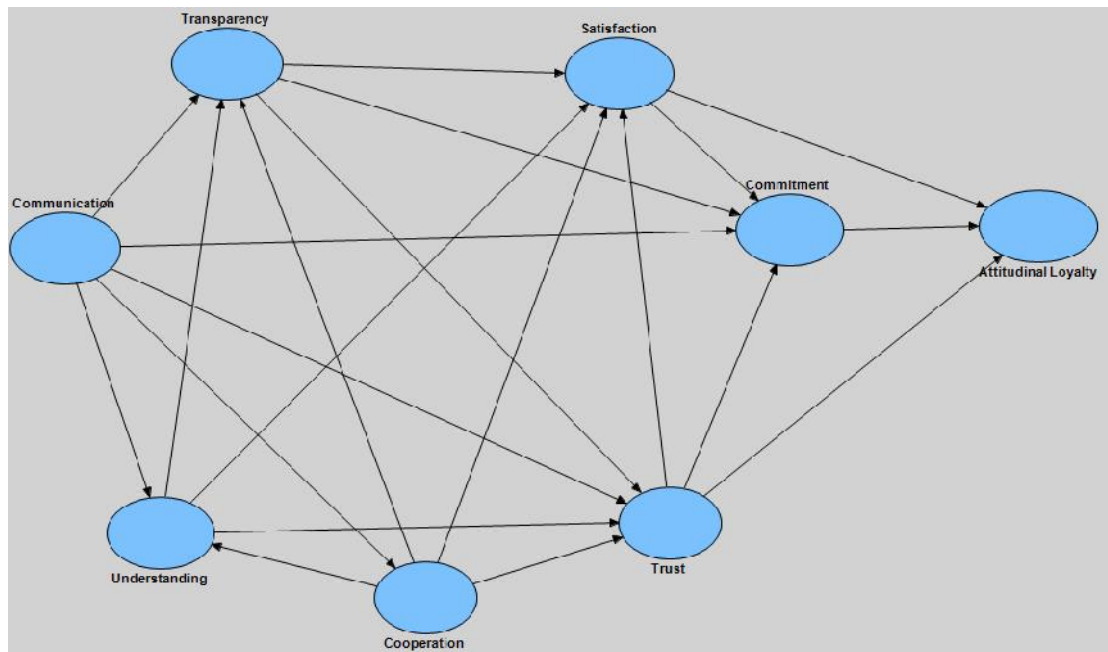


Figure 5.3: The alternative model

The Literature holds that trust, commitment, and loyalty are highly related constructs (Taylor et al., 2002). CANNIÈRE et al. (2009) noted inconsistencies in the conceptualization and measurement of these three constructs. Concepts of satisfaction,

trust, and commitment are global evaluations and often had a strong statistical relationships in previous studies (GARBARINO and JOHNSON, 1999). Relationship Quality and relationship satisfaction are frequently used as customer evaluation measures. The positive relationship between quality and satisfaction is well-established in the banking sector. However, the constructs have been found to be highly correlated and sometimes difficult to separate in a relationship perspective. In a long-term relationship perceived quality and customer satisfaction are likely to merge into an overall evaluation of relationship satisfaction (LEVERIN and LILJANDER, 2006).

In practice, researchers have not always clearly distinguished between the various components of perceived Relationship Quality. A conceptual confusion seems to exist in the respondent's mind when surveying about these constructs (CANNIÈRE et al., 2009). Consequently, RUST et al. (1995) suggest that the three constructs are interchangeable. Table 6.1 shows some examples in the literature where these constructs are not uniquely distinct and in other cases have been combined as a single construct.

Table 6.1 Inconsistencies in the conceptualisations of RQ constructs

(CROSBY et al., 1990)	combined satisfaction and trust in a single construct of Relationship Quality
(BOWEN and SHOEMAKER, 1998)	define commitment as the behavioural outcome of loyalty
(GARBARINO and JOHNSON, 1999)	define commitment as psychological attachment, loyalty, concern for future welfare, identification, and pride in being associated with the organization
(DE WULF et al., 2001)	Developed a single higher order construct of 'Relationship Quality, encompassing commitment, trust, and satisfaction.
(BALL et al., 2004)	Satisfaction and Relationship Quality are both partially explained by the antecedents of loyalty and constitute antecedents of loyalty themselves
(SAÑCHEZ-PEÑEZ and INIESTA-BONILLO, 2004)	Partly defined "felt commitment" as loyalty and satisfaction
(CANNIÈRE et al., 2009)	Combined the trust, commitment, and satisfaction in one general construct 'attitude toward the relationship'

Three extra hypotheses are produced based on the introduction of the alternative model:

BERRY and PARASURAMAN (1991) stresses the role that loyalty and satisfaction as critical factors in creating and sustaining long term marketing relationships. In order to achieve marketing success, companies need to create a loyal and satisfied customer base (REICHHELD, 1996). Satisfaction is critical in achieving loyalty. Once customers achieve satisfaction they demonstrate a willingness to build long-term relationships and the satisfaction with the provider increases (LIANG et al., 2009).

H19: Satisfaction is positively related to Attitudinal Loyalty

Commitment is positively related to loyalty and repeated purchase (CHUMPITAZ and PAPAROIDAMIS, 2004). It is argued that commitment to the supplier is a key driver of customer loyalty in service industries (FULLERTON, 2005).

H20: Commitment is positively related to Attitudinal Loyalty

To achieve customer loyalty, a company must first gain their trust (Rauyrueen and Miller, 2007). Trust has been a central concept in studies that aim to explain loyalty (Rios and Riquelme, 2008). This relationship between trust and loyalty is also supported in the trust-commitment theory (MORGAN and HUNT, 1994) . Trust has both direct effect on attitudinal loyalty and indirect effect through satisfaction (Chiou and Droge, 2006).

H21: Trust is positively related to Attitudinal Loyalty

In the coming chapter; both models will be analysed to asses the appropriateness of the second order model for Relationship Quality (Attitudinal Loyalty). Both models will be compared to find out the more parsimonious model that better fits the data.

5.6 Conclusions

This chapter has discussed how the primary theoretical framework derived from literature was developed into a research model. The variables in the model were identified and the linkages between them were derived from the literature leading to create hypotheses.

An alternative model was suggested, were three components of Relationship Quality lead to the formation of the higher order construct of Attitudinal Loyalty. These constructs are expected to be highly correlated.

Quantitative Research

6.1 Introduction

After developing the research models and hypotheses in the previous chapter, this chapter validates the research model and tests the associated hypotheses by fitting the model using Partial Least Squares Structural Equation Modelling (PLS-SEM). The chapter consists of two main sections. The first part details the quantitative methodology of the second stage of the research and explains its methods and the second part provides an analysis of the data and fits the research models developed in previous chapters.

6.2 Quantitative Methodology

Quantitative studies are an established approach to the study of industrial relationships (ANDERSON et al., 1994). Qualitative methods for the qualitative stage of the research were discussed earlier in chapter four. The methods related to the quantitative investigation for the second stage are discussed here and the discussion covers the two main issues related to methodology, namely: how the data was collected, and how it was analyzed? The following sections of the chapter describe and justify the hypotheses testing stage of the research design. Sampling, survey tool development and the measurement of variables are discussed next. Sample selection and the data analysis methods are justified as well in this chapter.

Testing of the research hypotheses that were developed in the previous chapter is described and the generalisability of the results discussed. Data collected in the form of loosely structured interviews in the first stage of the research are considered qualitative, whereas this second stage seeks to collect data in the form of precise measurements of variables and is referred to as quantitative (ELDABI et al., 2002). Quantitative research designs assume that human behaviour can be explained by social facts that can be investigated using the positivist deductive logic of the natural sciences (AMARATUNGA et al., 2002).

There are a variety of methods that can be used for data collection, in different settings, and from different sources (SEKARAN, 1992). Many are based on surveys of the relevant population and each survey method has advantages and disadvantages. Surveys are often appropriate for describing a large population, through getting reliable and reproducible answers to the same set of questions by all respondents (JANES, 2001). Data can be used for analysis, hypotheses testing and can ultimately achieve the goal of answering the research question(s). In the second stage of this

research data was collected using a field survey and analyzed using structural equation modelling.

6.2.1 Questionnaire Design and Administration

Good questionnaire design minimizes measurement error (SEKARAN, 1992). A number of issues should be addressed while preparing the questionnaire: objectives of the research, the population of respondents, the contact method and the length of the questionnaire. Issues of design like question purpose, content and wording, the language, types and forms of questions and the sequence of the questions should be considered during this stage.

According to SEKRAN (1992), there are three principles that should be followed in designing questionnaire. Firstly, principles of wording require that the language and wording of the questionnaire should be clear and meaningful to respondents. The sequence of the questions can facilitate the progression throughout and should be planned while considering the privacy of respondents. Secondly, principles of measurement include scales and scaling techniques used to measure concepts, and assessing the reliability and validity of the measure, these will be discussed in more detail in section (6.2.5) below. Thirdly, principles of appearance require a clear structure, good introduction, giving appropriate instructions to the respondent / participant and organizing the questions.

Self administered surveys can be distributed and returned via postal or electronic mail. They can be part of an experimental procedure, and/or delivered and picked up by hand at subjects' work places (JANES, 2001). In order to achieve a high response rate in a shorter period of time, the questionnaires were personally administered. The researcher chose to deliver them and collect them by hand. Self-administered surveys

are cheap and easy to administer; facilitate preserving confidentiality; can be completed at the respondent's convenience; and can be administered in a standard manner (LEUNG, 2008).

The questionnaire was designed to be quick and easy to complete. Sensitive questions were kept to a minimum. There was no nominated incentive for the respondents to answer the questionnaires except that the researcher promised them an executive summary of the results if they were interested in receiving one. The questionnaire explained why the study was important and promised confidentiality. A formal letter on the first page of the questionnaire enhanced the perception of legitimacy and objectivity (ZIKMUND, 2000).

The data was collected from four different geographical areas in Jordan. Respondents were given the option of calling the researcher when they had finished the questionnaire or to just waiting until the researcher came back and collected them.

The questionnaire was developed to provide measures for each of the identified Relationship Quality variables. The scale for measuring variables was developed from previous empirical research conducted in a similar context and was then translated from English into Arabic. Demographic data about the respondent and organization was also sought. A copy of the questionnaire can be found in the appendix ().

Questionnaire translation: Although literal translation is usually preferred it is not always meaningful. The preliminary translation is best done by somebody who is aware of both the overall objective of the questionnaire and the intent behind each question (Greco et al., 1987). The preliminary translation to Arabic was therefore carried out by the researcher who happens to be bilingual and familiar with both cultures.

Bilingual evaluators (Arab Doctoral Students) were given the original and translated forms to evaluate each of the translated items in terms of content, meaning, clarity of expression and comparability to the original item. All objections and suggestions for improvement were taken into consideration and the evaluation process was repeated until all the items were acceptable. The researcher randomized the order of both questionnaires by giving some respondents the Arabic version first then the English version after a few days of wash out, and others were given the English version first followed by the Arabic version of the questionnaire.

The researcher then used the cross-language equivalence technique, whereby both the translated and original forms of the questionnaire are administered to bilingual subjects. If the answers were the same for the original and translated versions, then the questions were considered equivalent. A high correlation between individual questions indicates cross-language equivalence. Pairs of questionnaires were compared and no substantial differences between each and every pair were found.

Sources of questionnaire items: Error! Not a valid bookmark self-reference. provides a listing of the sources of scale items that were used in the development of the questionnaire. Face validity of the questionnaire items was satisfactory according to experts from the viewpoint of academic staff in the University of Bradford and in agreement with available knowledge

Table 6.2 Sources of Scale Items used in the Questionnaire

Construct	Scale Items		Name of Source	Degree of Adaptation
	Questionnaire	Original Source		
Trust	<ul style="list-style-type: none"> - We feel that our bank has a high level of integrity. - We feel that we can trust our bank completely. - We feel that we can count on our bank to help us. 	<ul style="list-style-type: none"> - This customer has a high level of integrity. - We feel that we can trust this customer completely. - We feel that this customer can be counted on to help us. 	(FYNES et al., 2005)	Same questions were adapted, but the context was changed
Commitment	<ul style="list-style-type: none"> - We intend to maintain the relationship with our bank indefinitely. - The relationship our firm has with our bank deserves our firm's maximum efforts to maintain. - Our company is committed to our bank. 	<ul style="list-style-type: none"> - The relationship that we have with this customer is something we intend to maintain indefinitely. - The relationship that our firm has with this customer deserves our maximum effort to maintain. - The relationship that our firm has with this customer is something we are very committed to. 	(MORGAN and HUNT, 1994)	Same questions were adapted, but the context was changed
Satisfaction	<ul style="list-style-type: none"> - Our firm is satisfied with our bank's services. - When our firm experiences a difficult situation, our bank manages this in a satisfactory manner. - Our firm is satisfied with the interactions that we have had with our bank. - Our bank satisfies our firm's financial needs. 	<ul style="list-style-type: none"> - I am satisfied with the quality of Bank's services. - I am satisfied with Bank's bonus program. - When I have experienced unforeseen critical situation, the Bank has managed these in a satisfactory manner. - I am satisfied with the interactions that I have had with the Bank - The Bank satisfies my needs. - The Bank understands my needs 	(LEVERIN and LILJANDER, 2006)	Two questions were excluded, since banks have no bonus program and the other question is an understanding and not a satisfaction issue, other questions remained the same but was adjusted to context
Communication	<ul style="list-style-type: none"> - We have continuous interaction with our bank. - We communicate openly with our bank - We have extensive formal and informal communications with our bank. 	<ul style="list-style-type: none"> - The parties involved had continuous interaction during implementation of the strategy. - Team members openly communicated while implementing the strategy. 	(LAGES et al., 2005)	Same questions, similar context

Sources of Scale Items used in the Questionnaire (Continued)

Construct	Scale Items		Name of Source	Degree of Adaptation
	Questionnaire	Original Source		
	<ul style="list-style-type: none"> - Our needs were communicated clearly to our bank. 	<ul style="list-style-type: none"> - There was extensive formal and informal communication during implementation. - The strategy's objectives and goals were communicated clearly to involved and concerned parties. 		
Transparency	<ul style="list-style-type: none"> - We exchange relevant information with our bank on a regular basis. - Our bank is well aware of our firm's financial situation. - Our bank business processes are transparent 	<ul style="list-style-type: none"> - We exchange relevant information with our supplier on a regular basis. - We are well aware of our supplier's economic situation. - We are well aware of our supplier's organizational structure. - We are well aware of our supplier's technical abilities. - Our supplier's business processes appear to be transparent 	(Eggert and Helm, 2000)	Organizational structure and technical abilities are irrelevant in the context of this research, they were excluded
Cooperation	<ul style="list-style-type: none"> - Our bank works with us to achieve our goals. - Our bank cooperates closely with our firm. - Our bank co-operates extensively with us to provide mutual support. - Our bank co-operate extensively with us to achieve better quality. 		(WOO and ENNEW, 2004)	Similar context
Understanding	<ul style="list-style-type: none"> - In our relationship with our bank; we have a mutual understanding of our rights/obligations towards each other. - We can sense that our bank is sympathetic about our problems - There is a common understanding that there will be difficulties that may face the relationship with our bank. - Our bank understands the conditions under which our firm operates 	<ul style="list-style-type: none"> - mutual understanding of rights/obligations - sympathetic about problems - appreciation of relationship difficulties - understanding conditions of operation - understanding on any issue 	(LEONIDOU et al., 2006a)	Same questions, similar context

6.2.2 Sampling Design

Participants in the survey were determined carefully in order to obtain the needed information for the research. The population should be identified prior to selecting the sample needed to answer the research problem. Here, the population consisted of Jordanian SMEs that utilize the Internet to communicate and do business with banks.

There is no agreed definition of SMEs among different bodies that deal with this segment. This research adapts the Jordanian Ministry of Trade and Industry definition that defines SMEs as firms that employ 10-250 employees.

The Small and Medium Enterprises Centre at the Arab Academy for Banking and Financial Sciences in Jordan is a non-profit centre aiming at developing small and medium enterprises in the country. A list of 850 SMEs who were eligible for inclusion in the sample was provided by the centre and this formed the sampling frame from which the sample was then drawn.

The questionnaires were distributed in four geographical areas: Amman; Zarqa, Irbid; and Aqaba (50%, 20%, 20%, and 10% respectively). These percentages are consistent with the distribution of SMEs among these four regions. The questionnaires were addressed to the SME's CEO/owner with the option of returning it completed or notifying the researcher to collect it from their premises, since it is known that in most cases the owner/manager in an SME is the one who makes most decisions (BUTLER and DURKIN, 1998). The latter option enabled missing questions to be rectified and so increased completion numbers. A total of 383 responses were received. Of these, 47 were unusable resulting in 335 usable responses, a response rate of 39.4%. Of the completed responses, 277 were initial responders with 59 late responders who returned the questionnaire only in response to subsequent reminders.

6.2.3 Sample Representativeness

For a sample to be representative it should summarize all relevant information about the parent population contained in the sample. Demographic questions were asked to establish this representativeness by comparing the sample with the Jordanian population of SMEs in terms of business sector, size of their organisation (number of employee's), and years in business.

Table 6.3 shows the sample distribution among different business sectors. Slightly less than half (42%) of the companies are in the service sector with just over a quarter of these are manufacturing companies (93 SMEs). Other companies are fragmented among other sectors (wholesale and retail, construction...).

Table 6.3 Sectors of the SMEs in the research sample

Sector	Frequency	Percent
Manufacturing	93	28%
Services	141	42%
Wholesale and Retail	36	11%
Construction	24	7%
Others	41	12%
Total	335	100.0

Table 6.4 shows that the sample comprises (77.9%) small enterprises. Small enterprises are companies that employ 10 to 99 employees. Medium companies are companies that employ 100-250 employees. This is consistent with the Jordanian economy where small businesses outnumber medium-sized companies (JDSAR, 2006).

Table 6.4 Number of Employees in the SMEs

Size	Frequency	Percent
Small	261	77.9
Medium	74	22.1
Total	335	100.0

All non-demographic questions were measured using a 5-point Likert scale with Strongly Disagree (1) and Strongly Agree (5) as the extreme anchors. A neutral point was also present. Using late responders as surrogates for non-responders (HAIR et al., 2005), a series of Mann-Whitney statistical tests and F-tests were conducted on these data to establish if differences existed between the medians and variances, respectively, of the two distinct groups. No differences were observed at the 5% level of significance, and so the responders were considered to be consistent with non-responders. The complete data set was therefore used for all subsequent data analysis with all findings being considered as representative of the population.

The Jordanian department of statistics were contacted to obtain data about sizes and sectors, and the latest numbers published were provided based on the survey conducted in the year 2006 (JDSAR, 2006). The sample appears to be consistent with published demographics on the profile of SMEs according to sector and size. The size of the firms reflected by number of employees is depicted in Figure 6.1 and the distribution over the main four business sectors are exhibited in Figure 6.2. The comparative bar charts in both figures show that it is evident that the properties of both the population and the sample are consistent.

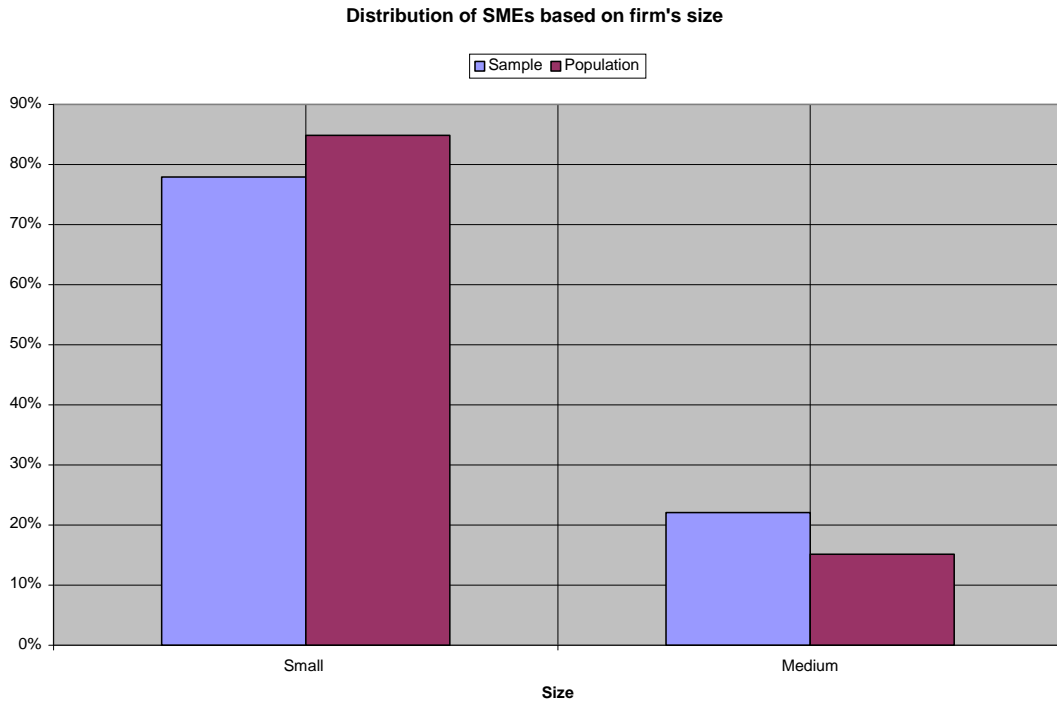


Figure 6.1 Distribution of SMEs by Size

A sample is considered to be representative if it adequately reflects the properties of interest of the parent population. After establishing that the sample reflects the properties of the population of Jordanian SMEs in terms of size and sectors; a series of Kruskal-Wallis tests were conducted to establish if differences existed between the medians for business sectors and size in the parent population and the chosen sample. Again, no differences were observed at the 5% level of significance, and so the final sample was considered, overall, as being representative of SMEs in Jordan.

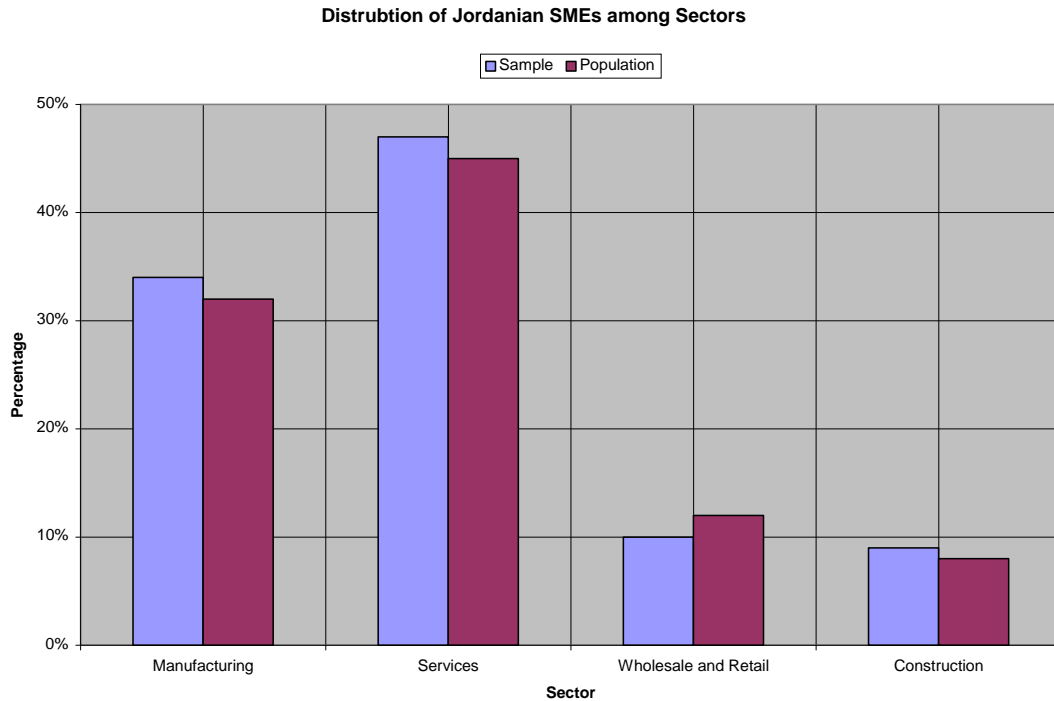


Figure 6.2 Distribution of SMEs by Sector

6.2.4 Data Handling

This section describes the cleaning and screening of the data, data preparation and coding, and the treatment of missing data. Details of fitting the first order SEM and alternative second order model to the data and the analyses of the respective measurement and structural models are presented in the second part of this chapter where the data is analysed.

The data were coded, transcribed, cleaned, and entered into SPSS to create a data set of the research data. Codes were assigned to different questions in the questionnaire. Raw data went through an iterative process of editing to ensure usability for the research.

Methods generally used by researchers for dealing with missing data include: use of complete data only; deleting selected cases or variables; data imputation; and model-

based approaches (BROWN and KROS, 2003). *Imputation methods* are methods of filling in missing values by attributing them to other available data or with data derived from statistical inference. Commonly used imputation methods include: case substitution; mean substitution; hot deck imputation; cold deck imputation; regression imputation; Expectation Maximisation and multiple imputation. *Mean substitution* was used in this research; mean substitution is a popular, robust and widely used imputation method for replacing missing data. Missing values were estimated using the mean of the recorded or available values from completed cases and these were then substituted for the missing items. The main advantage is ease of implementation and ability to provide all cases with complete information that lead to accurate results although it can increase type 1 errors due to a reduction in estimated standard errors in extreme cases.

SPSS was used in this research to check for outlier responses and missing data. All the missing data for our data set was missing completely at random (MCAR) and less than 1.53% and so can be considered to be suitable for this imputation approach. Blank responses were mostly due to respondents being uncertain about how to answer the specific question(s) and not because they were either unwilling to cooperate or not serious with the survey given the obvious considerations to answers provided elsewhere in the questionnaire.

Some respondents refused to participate in the research leading to the possibility of self selection bias that occurs when people who feel strongly about the subject are more likely to respond to the questionnaire than others who are indifferent.

6.2.5 Criteria for Good Measurement

The two major criteria for testing the quality of measures are validity and reliability (SEKARAN, 1992). A questionnaire should accurately and consistently measure what it is supposed to measure, i.e., it should be valid and reliable.

Reliability can be defined as the degree to which the measure used in the research yields consistent results. When the outcome of the measuring process is reproducible, the measuring instrument is reliable (ZIKMUND, 2000). Reliability refers to the demonstration that the operations and procedures of the research inquiry can be repeated by other researchers who then achieve similar findings, that is, the extent of findings can be replicated, assuming that techniques and procedures remain consistent.

Validity is concerned with the accuracy of measurement, that is, the ability of the measuring scale or instrument to measure what it is intended to measure (ZIKMUND, 2000). Validity tests how well an instrument that is developed measures the particular concept it is supposed to measure (SEKARAN, 1992).

Construct validity is defined as the extent of correspondence between constructs and their measures (PETER, 1981), it establishes appropriate operational measures for theoretical concepts being researched. Researchers need to avoid making subjective judgments during the periods of research design and data collection to enhance construct validity.

Internal validity establishes cause-and-effect relationships, the emphasis being on constructing an internally valid research process. The researcher does not only highlight major patterns of similarities and differences between respondents' experiences or beliefs but also tries to identify what components are significant for those examined patterns, and what mechanisms produced them.

External validity is the extrapolation of particular research findings beyond the immediate form of inquiry to the general. While quantitative research, for example, uses surveys which aim at achieving external validity, quantitative research rely on analytical generalisation, whereby particular findings are generalised to some broader theory.

Discriminant validity refers to the “degree to which measures of theoretically unrelated constructs do not correlate highly with one another” (PARASURAMAN et al., 1993, p.142). There is strong evidence in the literature that the constructs of Relationships Quality especially the Attitudinal Loyalty constructs of Trust, commitment, and Satisfaction are expected to be theoretically related. As previously mentioned in the literature, Relationships Quality has been described as a model comprising first order and higher order construct components (RAUYRUEN and MILLER, 2007). The discriminant validity for this model was demonstrated for each variable by comparing its square root of AVE for each variable to the correlation coefficient between that variable and the remaining latent constructs (FORNELL and LARCKER, 1981).

6.2.6 Analysis Techniques

There are two main groups of statistics useful for analysis; descriptive statistics such as frequencies, percentages, and means are used to describe and summarize information about a sample (ZIKMUND, 2000) and inferential statistics, such as correlations, which are used to examine how variables relate to each other (SEKARAN, 1992).

Descriptive statistics were used to assess the sample representativeness by comparing sample measures with those of the population. The techniques used in this research included Mann-Whitney statistical tests and F-tests. These were used to establish if differences existed between the medians and variances of sample and population. Also,

Kruskal-Wallis tests were used to establish if differences existed between the medians for business sectors and size in the parent population and the chosen sample.

Item-to-total correlations were also used to assess the constructs of the research models to ensure the internal consistency of the scales. Individual item reliability is assessed using loadings or simple correlations of the measures with their respective latent construct. Factor analysis was used to describe the variability among the manifest variables and to ensure that the questions asked in the questionnaire relate uniquely to the constructs they were designed to measure, and that these proposed constructs were sufficient. The normality of the different measures was also assessed by calculating kurtosis and skewness values for the indicators.

To ensure that the indicators relate to the constructs that they were designed to measure, an exploratory factor analysis was carried out. Factor analysis uses the variability among observed variables and optimisation to reduce the number of variables by representing the data in terms of a reduced number of unobserved variables (constructs).

Structural Equation Modelling (SEM) was used for analyzing the research models, the SmartPLS 2.0M3 software was chosen for this (RINGLE et al., 2005). The previous chapter showed that constructs of Relationship Quality are suggested to be highly correlated from the literature. This may lead for some items to can load highly on other latent variables. The normal practice is that researchers attempt to simplify SEMs and make them more parsimonious by dropping items that exhibit high cross loadings onto other latent variables to purify the instrument and reduce the larger number of measurement items into a smaller number of factors (CHURCHILL, 1979). The fact that some items load substantially on more than one factor raises difficulties of interpretation. The normal practice in marketing research has been to discard these

variables since they do not uniquely reflect a single construct. This also removes what can be considered to be redundant information that is already represented in the model adequately by the remaining correlated components.

However, with the introduction of structural equation modelling tools such as PLS, researchers argue against purifying measures and treating an instrument more holistically, stressing that not reducing the number of measurements in the data set leads to a more robust testing of hypothesis. Moreover, removal of cross-loading items may harm the overall goal of producing a predictive integrated model with strong measures of the underlying latent constructs (STRAUB et al., 2004, LEE and HOOLEY, 2005). This is why SEM PLS will be used in analysing the research model and is discussed in details in the following section of this chapter.

6.2.7 Structural Equation Modelling

In this section we provide a justification for the use of structural equation modelling (SEM); the technique that was chosen to validate the research model and associated hypotheses. Field survey research employing key informant reports and structural equation modelling is well accepted by marketing academics. Structural equation modelling has grown to be an established element of the methodological repertoire of marketing researchers (Baumgartner and Homburg, 1996).

SEM using PLS was used to validate the model and test its hypotheses. Structural equation modelling provides an instrument that considers measurement quality while testing the hypotheses. SEM allows the researcher to separate the explained variance in the measures for a latent variable methods from the error variance (PERRY et al., 2002). The models developed for this research consist of multiple dependence relationships,

making structural equation modelling an appropriate approach for the data analysis and hypotheses testing.

PLS regression is an alternative to Ordinary Least Squares (OLS) regression. The structural equations in PLS are estimated by a series of OLS multiple regressions in which the latent variables are replaced by their estimates (TENENHAUS et al., 2005). The main features that make SEM attractiveness for data analysis is that SEM makes it easy to investigate comprehensive theoretical frameworks in which the effects of constructs are spread across multiple layers of variables via direct, indirect, or bi-directional paths of influence (BAUMGARTNER and HOMBURG, 1996).

Descriptive research does not establish associations between marketing variables (ZIKMUND, 2000); explanatory research validates cause and affect relationships among variables, while confirmatory research provides verification of cause-effect relationships. SEM is a confirmatory technique that is used to decide whether a certain model is valid (WONG and SOHAL, 2002). It provides explanation of the pattern of a series of inter-related dependence relationships simultaneously between a set of latent (unobserved) constructs, each measured by one or more manifest (observed) variables.

The primary objective of SEM with PLS is the minimization of errors in all endogenous constructs. The degree to which this objective have been accomplished is determined by examining the R^2 values for the dependent (endogenous) constructs (HULLAND, 1999).

SEM using PLS deals with multiple regressions and produce a reliable results with small samples, missing values, or when multicollinearity is present. It is very popular in the natural sciences where there are problems with a high number of correlated variables and a limited number of observations. Its use in marketing has been more limited although such data often has similar properties (PIROUZ, 2006). PLS is the most

appropriate SEM approach when looking at predictive applications and theory building, which is what this research is trying to do (GEFEN et al., 2000).

The SEM model reflects the relationships between the latent variables through the paths in the model. Establishing the significance of a path is consequently equivalent to validating the corresponding hypothesis. Variables and relationships between them reflected in the research model were drawn from the literature review and from analysis of the qualitative data. The quantification of a latent variable is an indirect procedure; it is based on the measurement of partial indicators. The ultimate aim is to obtain an absolute or relative approximation to the real value of the latent variable (LAUTRE and FERNÁNDEZ, 2004).

Unlike SEM using the covariance based maximum likelihood method, the component based PLS approach is a distribution-free approach to regression and path modelling, which is not limited by the lack of multivariate normality (LOHMÖLLER, 1989). The assessment of skewness and kurtosis in this research showed that there are substantial departures from normality for the latent variables in the model, making the use of PLS appropriate because of this distribution free assumptions (CASSEL et al., 1999).

6.3 Analysis of survey data

Individual item reliability is assessed using loadings or simple correlations of the measures with their respective construct. To assess the internal consistency of constructs in the research model, Item to Total Correlations (ITC) was calculated to identify indicators with low values. Values of 0.7 or more show an acceptable association between the individual item and its corresponding construct (Hulland, 1999). Items with ITC below 0.5 should be excluded. George and Mallery (2003, p.231) provide rules of thumb in the following Table 6.5:

Table 6.5 Assessing internal consistency

.9	Excellent	.6	Questionable
.8	Good	.5	Poor
.7	Acceptable	< .5	Unacceptable

6.3.1 Reliability Analysis Results

ITC values for the indicators (manifest variables) of each construct are exhibited in Table 6.6. All variables have an acceptable level of correlation demonstrating acceptable internal consistency of each of these individual items:

Table 6.6 Item-Total Correlations

Item	ITC	Item	ITC
TRUST1	.780	COMU3	.734
TRUST2	.846	COMU4	.699
TRUST3	.774	TRANS1	.790
COMIT1	.788	TRANS2	.721
COMIT2	.903	TRANS3	.780
COMIT3	.849	COOP1	.833
SATS1	.811	COOP2	.801
SATS2	.897	COOP3	.755
SATS3	.885	UNDR1	.777
SATS4	.791	UNDR2	.848
COMU1	.704	UNDR3	.804
COMU2	.776	UNDR4	.805

6.3.2 Exploratory Factor Analysis

The results of the exploratory factor analysis (Table 6.7) show that measurement items load onto the appropriate number of theoretical factors with all manifest variables mapping naturally onto their designated constructs demonstrating acceptable internal reliability of a all of the seven theoretical constructs in the research model.

Table 6.7 Factor Loadings for Exploratory Factor Analysis

	Trust	Commitment	Satisfaction	Communication	Transparency	Cooperation	Understanding
TRUST1	.782	.280	.217	.162	.236	.245	.099
TRUST2	.703	.154	.423	.209	.178	.113	.306
TRUST3	.512	.360	.319	.134	.276	.201	.406
COMIT1	.291	.674	.307	.252	.263	.137	.094
COMIT2	.222	.693	.492	.192	.179	.120	.263
COMIT3	.195	.691	.382	.281	.210	.166	.280
SATS1	.265	.340	.725	.248	.105	.096	.133
SATS2	.207	.233	.770	.148	.309	.164	.248
SATS3	.346	.327	.720	.233	.213	.150	.175
SATS4	.101	.160	.725	.125	.317	.296	.288
COMU1	.389	.172	.274	.693	.173	.063	.212
COMU2	.041	.144	.138	.629	.307	.269	.462
COMU3	.193	.220	.162	.657	.145	.326	.280
COMU4	.025	.224	.207	.617	.085	.248	.401
TRANS1	.307	.130	.307	.289	.753	.166	.100
TRANS2	.295	.324	.197	.045	.629	.017	.467
TRANS3	.094	.223	.327	.190	.720	.263	.230
COOP1	.093	.186	.145	.223	.223	.739	.381
COOP2	.143	.278	.184	.326	.195	.544	.520
COOP3	.256	.041	.238	.223	.093	.782	.278
UNDR1	.204	.242	.260	.282	.145	.235	.649
UNDR2	.216	-.040	.300	.238	.158	.272	.755
UNDR3	.105	.194	.075	.231	.109	.183	.835
UNDR4	.118	.167	.269	.283	.244	.323	.654

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

As a rule of thumb, a measurement item loads adequately if its loading coefficient is above .60 and does not load adequately if the coefficient is below .40 (HAIR et al., 2005). Table 6.7 shows that all indicators load highly on their theoretically assigned

factor with loading coefficients above 0.60 except for (COOP2), the loading value for this indicator being 0.544.

6.3.3 Assessment of normality

Not all the data collected and used for analysis are distributed normally. In most marketing studies, data are likely to be distributed non-normally (BONTIS et al., 2007). The distribution becomes an issue only when a researcher needs to use a statistical test/procedure that requires data to follow a particular distribution.

The covariance based Maximum likelihood technique for structural equation modelling requires the data to follow a multivariate normal distribution. In the AMOS software package in particular, violation of this distributive requirement can be accommodated using the Asymptotically Distribution Free (ADF), however ADF has an important limitation in that it requires a large sample size (BYRNE, 2001). As discussed earlier, this is not the case for the component based SEM techniques like PLS.

Assessment of normality for the data is presented in Table 6.8. Looking at the kurtosis and skewness values we can see that there appears to be numerous departures from normality. The critical ratio absolute values for the factor loading or variance are significant if greater than 1.96 (BYRNE, 2001). As there are several violations for the sample data, we have considerable evidence that multivariate normal distributional assumption is not satisfied. The PLS technique was therefore used in this study due to the lack of normality for the data and because the sample size is relatively small for the use of ADF.

Table 6.8 Assessment of normality

Variable	skew	c.r.	kurtosis	c.r.
COMU1	-1.127	-8.420	1.273	4.756
COMU2	-1.021	-7.629	1.007	3.761
COMU3	-1.549	-11.576	3.322	12.411
COMU4	-1.144	-8.550	1.648	6.157
UNDR1	-1.330	-9.934	1.605	5.995
UNDR2	-.771	-5.762	-.174	-.649
UNDR3	-.954	-7.126	.387	1.447
UNDR4	-.951	-7.104	.463	1.728
COOP1	-.811	-6.061	.213	.797
COOP2	-1.135	-8.481	1.314	4.908
COOP3	-1.178	-8.804	1.682	6.282
COMIT3	-1.400	-10.461	2.299	8.588
COMIT2	-1.255	-9.379	1.536	5.739
COMIT1	-1.376	-10.283	1.599	5.973
SATS4	-1.020	-7.624	.546	2.040
SATS3	-1.256	-9.388	1.797	6.714
SATS2	-1.054	-7.872	.663	2.479
SATS1	-1.230	-9.190	1.399	5.226
TRUST1	-1.637	-12.233	2.779	10.382
TRUST2	-1.172	-8.758	.828	3.094
TRUST3	-1.388	-10.371	1.661	6.206
TRANS3	-1.192	-8.909	1.077	4.023
TRANS2	-.885	-6.616	-.131	-.488
TRANS1	-1.356	-10.129	1.223	4.568

6.3.4 Evaluation of the Structural Equation Model using SmartPLS

Each of the latent variables was measured using a set of indicators that are believed to reflect the value of that variable.

Performing a Confirmatory Factor Analysis in PLS requires that the indicators are loaded onto their latent constructs explicitly in the model. Then, the pre-specified model fit is examined to assess its convergent and discriminant validities. The factorial validity assesses whether the pattern of loadings of the measurement items matches the anticipated factors based on theory (Gefen and Straub, 2005).

The Partial least square (PLS) method was then used to test the structural model and validate the hypotheses (CHIN, 1998). The two phase approach advocated by HULLAND (1999), building on the original suggestion of ANDERSON and GERBING (1988) was followed, whereby the measurement model was fitted and internal consistency reliability, convergent validity and discriminate validity for the indicator variables on their latent variables was checked against typical benchmark values.

6.3.4.1 Measurement model

This section reports the results of fitting full first-order structural model to the data. The maximized measures of scale reliability for all constructs were acceptable, ranging from moderate to good. Confirmatory factor analysis in PLS is achieved by verifying that the Average Variance Extracted (AVE) of each of the constructs in the research model has a value higher than each of the correlations with the other constructs (FORNELL and LARCKER, 1981, GEFEN et al., 2000).

All indicators load onto their respective latent variables more strongly than they do on alternative latent variables. Many of the loadings are excessively high with values being at, or above, 0.8. These loadings are exhibited in Table 6.9. The weakest loading of an indicator into its designated construct is 0.829 for (COMU4) onto perceived Communication. This is substantially in excess of 0.7 advocated by HULLAND (1999) as a lower bound, and greater than its next highest loading of 0.66 onto perceived Understanding. All other loadings for indicators onto their respective predicated latent variables are equal or in excess of 0.837.

Table 6.9 Loadings of manifest variables onto latent variables for Relationship Quality

	Commitment	Communication	Cooperation	Satisfaction	Transparency	Trust	Understanding
COMIT1	0.896	0.581	0.505	0.684	0.643	0.638	0.510
COMIT2	0.962	0.631	0.566	0.809	0.664	0.718	0.612
COMIT3	0.939	0.692	0.608	0.757	0.669	0.721	0.628
COMU1	0.635	0.837	0.560	0.612	0.565	0.650	0.586
COMU2	0.540	0.884	0.722	0.544	0.613	0.540	0.723
COMU3	0.588	0.857	0.657	0.554	0.539	0.563	0.669
COMU4	0.562	0.829	0.632	0.512	0.495	0.497	0.660
COOP1	0.528	0.664	0.927	0.531	0.557	0.543	0.692
COOP2	0.628	0.766	0.923	0.613	0.617	0.646	0.800
COOP3	0.471	0.620	0.880	0.546	0.500	0.558	0.653
SATS1	0.728	0.574	0.508	0.894	0.574	0.674	0.507
SATS2	0.732	0.589	0.574	0.945	0.713	0.709	0.622
SATS3	0.803	0.633	0.563	0.941	0.684	0.764	0.603
SATS4	0.683	0.589	0.632	0.879	0.687	0.642	0.624
TRANS1	0.612	0.602	0.535	0.670	0.910	0.656	0.534
TRANS2	0.647	0.550	0.520	0.622	0.876	0.674	0.643
TRANS3	0.640	0.598	0.604	0.665	0.905	0.608	0.587
TRUST1	0.643	0.537	0.538	0.626	0.623	0.894	0.497
TRUST2	0.664	0.617	0.560	0.728	0.644	0.934	0.608
TRUST3	0.723	0.645	0.653	0.728	0.699	0.907	0.666
UNDR1	0.621	0.707	0.693	0.617	0.613	0.622	0.878
UNDR2	0.503	0.679	0.717	0.586	0.580	0.588	0.916
UNDR3	0.516	0.653	0.661	0.454	0.511	0.508	0.883
UNDR4	0.597	0.726	0.750	0.631	0.631	0.603	0.898

The correlation analysis between the constructs of Relationship Quality reveals that they are highly associated. This is not surprising in this area of marketing research as discussed in the previous chapter when the second order model is introduced. The fact that some items load substantially on more than one factor raises difficulties of interpretation. The normal practice in marketing research has been to discard these

variables since they do not uniquely reflect a single construct unless there is a strong theoretical justification for keeping them in any model. What these significant and substantial cross-loadings demonstrate is that constructs are strongly correlated with each other in the model (LEE and HOOLEY, 2005).

Variable reliability reflects how well the variable measures the primary latent trait and is the squared multiple correlation for the observed variable. This is typically measured by the average variance extracted and is considered high if at or above 0.5 (FORNELL and LARCKER, 1981), moderate if between 0.3 and 0.5 and poor if at or below 0.3 for this research (HOLMES-SMITH, 2001).

In Table 6.10, the average variance extracted [AVE] for the variables is seen to range from 0.726, for communication, to 0.870, for commitment, all well in excess of 0.5, as recommended by FORNELL and LARCKER (1981), further demonstrating good convergent validity.

Table 6.10 Average Variance Extracted [AVE], Composite reliability [CR] and R² values for the latent variables

	AVE	Composite Reliability	R ²	Cronbachs Alpha
Commitment	0.870	0.953	0.717	0.925
Communication	0.726	0.914	-	0.874
Cooperation	0.828	0.935	0.571	0.897
Satisfaction	0.837	0.954	0.648	0.935
Transparency	0.805	0.925	0.488	0.878
Trust	0.831	0.937	0.599	0.899
Understanding	0.799	0.941	0.698	0.916

Cronbach's alpha ranges between 0 and 1. The closer it is to 1 the greater the internal consistency of the items in the scale to their respective constructs, indicating good internal consistency reliability. Discriminant validity is shown when the measurement

items load highly on their theoretically assigned latent variable and not highly on other latent variables. The square root of AVE for each construct should be larger than any correlation the construct has with the other latent constructs (FORNELL and LARCKER, 1981). Discriminate validity is shown for each variable by inspection of the square root of AVE [$\sqrt{\text{AVE}}$] in Table 6.11. Here, $\sqrt{\text{AVE}}$ for each of the latent variables is greater than the correlation of the variable with any other variable. Thus the high cross loadings do not imply that there is poor discriminant validity, it implies that the different constructs are highly correlated. Communication which happens to have the lowest $\sqrt{\text{AVE}}$ value, is greater than the largest correlation between any of the other variables, further demonstrating good discriminant validity.

Table 6.11 Cross correlations between latent variables and square root of average variance extracted [$\sqrt{\text{AVE}}$] on diagonal.

	Commitment	Communication	Cooperation	Satisfaction	Transparency	Trust	Understanding
Commitment	0.933						
Communication	0.682	0.852					
Cooperation	0.601	0.756	0.910				
Satisfaction	0.806	0.652	0.621	0.915			
Transparency	0.706	0.651	0.616	0.727	0.897		
Trust	0.744	0.660	0.643	0.764	0.720	0.912	
Understanding	0.628	0.775	0.791	0.644	0.656	0.651	0.894

Finally, all composite Reliability values (Table 6.10) are in excess of 0.900 indicating very high levels of reliability (HAIR et al., 2005). Moreover, the three main output variables in the Relationship Quality model, namely, trust, commitment, and satisfaction have R^2 values of 0.599, 0.717 and 0.648 respectively. These are high values, representing the proportion of variability in the latent variables accounted for by

the measurement model. The remaining R^2 values for the other constructs of Relationship Quality are: 0.488 for transparency, 0.698 for understanding and 0.571 for cooperation, further confirming that the Relationship Quality model provides a very good fit to the data. Communication is an extraneous variable and thus has no associated R^2 value. We therefore have compelling evidence that the measurement model is reliable, valid and distinct.

6.3.4.2 Structural Model and hypotheses testing

The structural path model was appraised by testing the significance of Bootstrap statistics for each of the path coefficients. The research hypotheses with associated standardized path coefficient values are exhibited in (Figure 6.3) and Table 6.12. From the Bootstrap t-statistics, most paths have highly significant values at the $\alpha=0.05$ level. We therefore have strong evidence from these data that the model is valid most of the hypotheses being confirmed.

From Table 6.12 and Figure 6.3, we can see that transparency has a direct positive and substantial effect on trust and satisfaction which leads to mediated effects on commitment. There is a further effect from trust to commitment, mediated by satisfaction. Intermediated effect from Satisfaction is also supplemented by a mediated effect from Trust to Commitment. These demonstrate the importance of transparency as an important construct in the study of Relationship Quality with a total effect on commitment of 0.428.

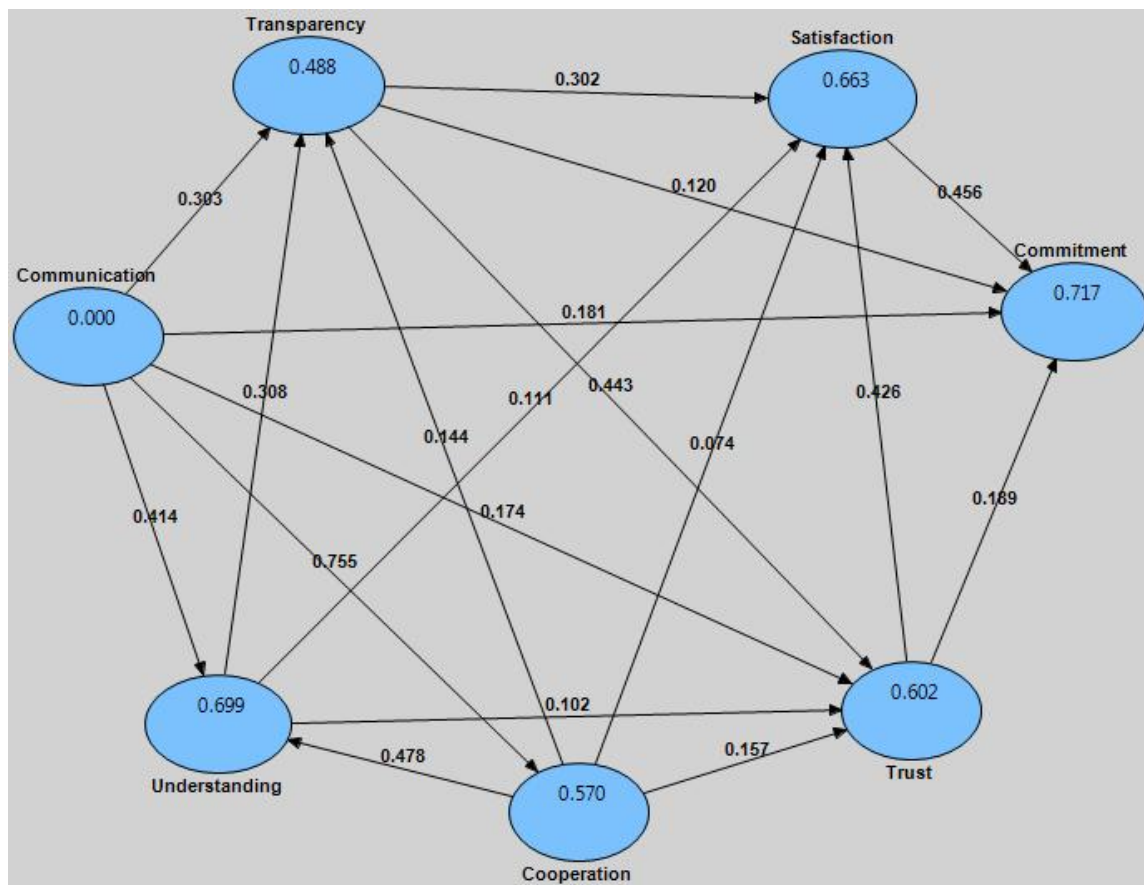


Figure 6.3 Research Model

Table 6.12 Hypotheses, Path coefficients [], and Bootstrap t-values

Hypotheses	Direct Effects	Beta	SE	t-value
H7	Communication → Commitment	0.181	0.063	2.879
H3	Communication → Cooperation	0.755	0.033	22.921
H1	Communication → Transparency	0.303	0.104	2.925
H8	Communication → Trust	0.174	0.075	2.321
H2	Communication → Understanding	0.414	0.067	6.173
H6	Cooperation → Transparency	0.144	0.088	1.645
H14	Cooperation → Trust	0.157	0.072	2.174
H4	Cooperation → Understanding	0.478	0.067	7.088
H16	Satisfaction → Commitment	0.456	0.084	5.418
H12	Transparency → Commitment	0.120	0.065	1.842
H10	Transparency → Satisfaction	0.302	0.087	3.482
H13	Transparency → Trust	0.443	0.070	6.315
H17	Trust → Commitment	0.189	0.090	2.097
H15	Trust → Satisfaction	0.426	0.078	5.484
H5	Understanding → Transparency	0.308	0.097	3.176

Communication appears to make the biggest contribution overall (Table 6.13) with total effects due to direct and indirect action in excess of 0.6 on all of the other latent variables in the research model. It is therefore a major contributor and a starting point in achieving success in Jordanian bank-SME relationships. Communication affects directly and strongly; Cooperation, Understanding, and Transparency. It also directly affects, to a lesser extent, Trust and Commitment, and is linked indirectly to all relationship quality constructs including Satisfaction.

Table 6.13 Total Effects of Paths in the research model

Total Effects		Beta	SE	t-value
Communication	Commitment	0.667	0.053	12.490
Communication	Cooperation	0.755	0.033	22.921
Communication	Satisfaction	0.620	0.050	12.345
Communication	Transparency	0.651	0.043	15.113
Communication	Trust	0.661	0.048	13.908
Communication	Understanding	0.775	0.028	27.429
Cooperation	Commitment	0.261	0.064	4.103
Cooperation	Satisfaction	0.358	0.091	3.924
Cooperation	Transparency	0.291	0.096	3.043
Cooperation	Trust	0.335	0.089	3.786
Cooperation	Understanding	0.478	0.067	7.088
Satisfaction	Commitment	0.456	0.084	5.418
Transparency	Commitment	0.428	0.093	4.581
Transparency	Satisfaction	0.491	0.097	5.050
Transparency	Trust	0.443	0.070	6.315
Trust	Commitment	0.384	0.092	4.170
Trust	Satisfaction	0.427	0.078	5.484
Understanding	Commitment	0.221	0.054	4.139
Understanding	Satisfaction	0.305	0.079	3.885
Understanding	Transparency	0.308	0.097	3.176
Understanding	Trust	0.238	0.081	2.951

The following three hypotheses were rejected because the paths are not significant at the 0.05 level; although H9 and H11 are significant at the 0.07 level which indicates that they are weakly supported (Table 6.14):

Table 6.14 Rejected Hypotheses

Hypotheses	Non-significant Path	Beta	SE	t-value
H18	Cooperation Satisfaction	0.074	0.070	1.059
H9	Understanding Satisfaction	0.111	0.075	1.486
H11	Understanding Trust	0.102	0.067	1.518

6.3.5 The second-order model

The discussion in the previous chapter revealed that the constructs of Trust, Commitment, and Satisfaction have often been shown to have strong statistical relationships in previous studies. A conceptual confusion seems to exist regarding these constructs and there is no clear distinguishing between these various components of perceived Relationship Quality. This is why an alternative competing model has been suggested as an alternative to the model discussed previously. This model has the higher order construct of Attitudinal Loyalty which is composed of the three correlated constructs: Trust, Commitment and Satisfaction.

The SEM Partial Least Squares method was used to test the structural model and validate the hypotheses. This section reports the results of fitting the second order model to the data. The maximized measures of scale reliability for all constructs were acceptable. All indicators load onto their respective latent variables more strongly than they do for alternative latent variables.

These loadings are exhibited in Table 6.15, here the manifest variables load onto the second order Attitudinal Loyalty construct highly and comparable to those for the

separate constructs. Attitudinal Loyalty is a formative second order construct comprised of Trust, Commitment and Satisfaction. The loadings for Attitudinal Loyalty as represented by the corresponding path coefficients are all substantial and of near equal weighting.

Table 6.15 Loadings of manifest variables onto separate constructs and Attitudinal Loyalty

Construct		Attitudinal Loyalty	Separate Constructs
Commitment	COMIT1	0.798	0.897
	COMIT2	0.900	0.962
	COMIT3	0.870	0.938
Satisfaction	SATS1	0.846	0.894
	SATS2	0.880	0.945
	SATS3	0.919	0.940
	SATS4	0.813	0.879
Trust	TRUST1	0.768	0.895
	TRUST2	0.831	0.934
	TRUST3	0.842	0.906

The second-order structural model was appraised in a similar way to the original research model by testing the significance of Bootstrap statistics for each of the path coefficients. R2 values were also inspected to assess the predictive power of the resulting model. The research hypotheses with associated standardized path coefficient values are exhibited in Figure 6.4 and Table 6.16.

Attitudinal Loyalty is a consequence of the weighted sum of the Latent Variables (LVs) of Trust, Commitment and Satisfaction and not a reflection of them. As a consequence it is depicted as a formative LV. However, as there are known linear dependencies between Trust, Commitment and Satisfaction, there could be a slight problem with multicollinearity between these three variables. There is a debate on whether using a formative measurement is really necessary. DIAMANTOPOULOS et al. (2008) feels that,

despite its various shortcomings, formative measurement is attractive alternative to reflective measurement based on conceptual grounds, there is a need for further theoretical and methodological research to resolve this debate.

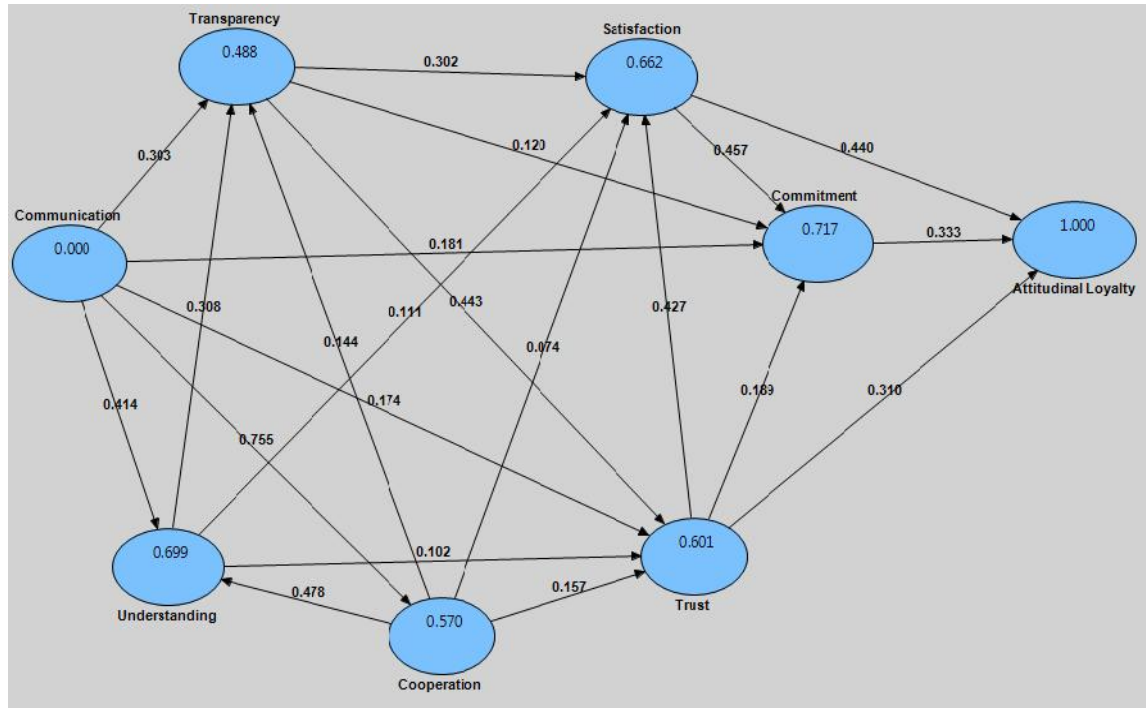


Figure 6.4 2nd Order Model

Table 6.16 Hypotheses, Path coefficients [], and Bootstrap t-values (2nd Order Model)

Hypotheses	Direct Effects	Beta	SE	t-value
H20	Commitment Attitudinal Loyalty	0.333	0.007	47.662
H7	Communication Commitment	0.180	0.064	2.825
H3	Communication Cooperation	0.755	0.034	21.976
H1	Communication Transparency	0.303	0.103	2.922
H8	Communication Trust	0.174	0.078	2.229
H2	Communication Understanding	0.414	0.067	6.169
H18	Cooperation Satisfaction	0.073	0.075	0.979
H6	Cooperation Transparency	0.143	0.084	1.694
H14	Cooperation Trust	0.157	0.071	2.190
H4	Cooperation Understanding	0.477	0.067	7.069
H19	Satisfaction Attitudinal Loyalty	0.440	0.010	42.349
H16	Satisfaction Commitment	0.456	0.089	5.114
H12	Transparency Commitment	0.120	0.063	1.899

H10	Transparency	Satisfaction	0.301	0.089	3.363
H13	Transparency	Trust	0.443	0.071	6.231
H21	Trust	Attitudinal Loyalty	0.310	0.007	39.961
H17	Trust	Commitment	0.188	0.088	2.124
H15	Trust	Satisfaction	0.426	0.076	5.571
H9	Understanding	Satisfaction	0.110	0.078	1.409
H5	Understanding	Transparency	0.307	0.103	2.985
H11	Understanding	Trust	0.101	0.072	1.401

Table 6.17 shows that Communication still make the biggest contribution overall and is still the major contributor and starting point in achieving success in Jordanian bank-SME relationships. There is an intermediate effect from Communication, Cooperation, Understanding and Transparency on the second order construct of Attitudinal Loyalty. This confirms that these four constructs are precursors and important players in achieving Trust, Commitment and Satisfaction in a business relationship.

Table 6.17 Total Effects of Paths in the 2nd order model

Total Effects	Beta	SE	t-value
Commitment Attitudinal Loyalty	0.333	0.007	47.662
Communication Attitudinal Loyalty	0.700	0.048	14.719
Communication Commitment	0.667	0.054	12.397
Communication Cooperation	0.755	0.034	21.977
Communication -> Satisfaction	0.620	0.050	12.323
Communication Transparency	0.651	0.044	14.712
Communication -> Trust	0.660	0.046	14.360
Communication Understanding	0.775	0.027	28.773
Cooperation Attitudinal Loyalty	0.348	0.083	4.219
Cooperation Commitment	0.261	0.061	4.288
Cooperation Satisfaction	0.357	0.092	3.869
Cooperation Transparency	0.291	0.091	3.196
Cooperation Trust	0.335	0.087	3.864
Cooperation Understanding	0.478	0.068	7.069
Satisfaction Attitudinal Loyalty	0.593	0.034	17.318
Satisfaction Commitment	0.457	0.089	5.114

Transparency	Attitudinal Loyalty	0.496	0.090	5.536
Transparency	Commitment	0.428	0.094	4.556
Transparency	Satisfaction	0.491	0.102	4.803
Transparency	Trust	0.443	0.071	6.231
Trust	Attitudinal Loyalty	0.626	0.057	11.060
Trust	Commitment	0.383	0.087	4.385
Trust	Satisfaction	0.427	0.077	5.572
Understanding	Attitudinal Loyalty	0.282	0.076	3.725
Understanding	Commitment	0.221	0.057	3.854
Understanding	Satisfaction	0.305	0.084	3.647
Understanding	Transparency	0.308	0.103	2.985
Understanding	Trust	0.238	0.087	2.745

The following three hypotheses were rejected because the paths are not significant at the 0.05 level (Table 6.18 Table 6.14):

Table 6.18 Rejected Hypotheses in 2nd order model

Hypotheses	Non-significant Path	Beta	SE	t-value
H18	Cooperation Satisfaction	0.074	0.076	0.979
H9	Understanding Satisfaction	0.111	0.079	1.410
H11	Understanding Trust	0.102	0.073	1.401

6.4 Conclusions

This chapter has discussed the methodology of the second quantitative stage of the research and presented the results of the quantitative data analysis. In summary, some hypotheses were supported and others were rejected. The partial least squares analysis showed that the measurement model is reliable, valid and distinct. Data were analysed using SPSS and SmartPLS software. The model and hypotheses were tested using PLS SEM, a justification for the use of Partial Least Squares and the related issues of reliability and validity were also discussed. The results will be discussed in the coming chapter as well as a discussion of.

This chapter and the previous one developed and validated a novel Relationship Quality model based on the extant literature and qualitative research. Overall, this research has found that Relationship Quality in a SMEs-Banks relationship can be modelled using seven constructs (antecedents and outcomes). This research used these seven different constructs for the measurements of Relationship Quality. In addition to the most frequently used constructs of: trust, commitment, and satisfaction, this research uses: transparency, communication, understanding and cooperation.

The analysis of the second order model revealed that Attitudinal Loyalty is a consequence of Trust, Commitment and Satisfaction. This indicates that achieving Relationship Quality can ultimately lead to achieving customer loyalty. The loyal customers will be cheaper to serve and can create an entry barrier to other competing banks.

This chapter established transparency as an important construct of Relationship Quality and validated the claims of the qualitative interviewees' suggestion of Transparency as a critical factor in the study of Banks-SMEs relationships. Transparency affects Trust, Commitment and Satisfaction either directly or indirectly and through the total effects. Communication was found to be the key contributor to a Relationship Quality and affects all of the other constructs.

Discussion, Conclusions & Implications

7.1 Introduction

Building relationships with customers requires an intensive effort by firms and it is clear that a diverse range of techniques have been used by different organisations with their business customers to achieve this purpose. The review of the literature has revealed that the study of Relationship Quality has predictably evolved over the past decades, with many academic studies presenting different sets of constructs in its measurement.

Thus, Relationship Quality has emerged as a complex, multi-dimensional concept with many influencing factors. This study presented a view of the development and interaction of factors impacting customer relationships from the perspective of business customers. The research findings will help banks to make better decisions about how to intensify relationships with their business customers by giving them an understanding of the driving forces that can lead to achieving the ultimate goal of Relationship Quality which is to strengthen already strong relationships and convert indifferent customers into loyal ones.

The previous chapters provided a systematic sequence of model development stages that led to the conclusions and implications in this final chapter. Some of the findings were already discussed in each of the previous chapters. This chapter highlights and integrate these findings together. Conclusions are made about the research objectives of this research with recommendations for further investigation and development. The results are compared and contrasted with some of the previous work in the field; evidence was obtained that supported many of the earlier findings and established and evolving theories of business to business relationships and provides some new interesting insights. This chapter also discusses the theoretical and practical implications of this study, the research limitations, and offers directions of future research.

7.2 Discussion of Findings

The findings of this research confirm and extend some of the previous findings reported in the literature. The main finding that can be drawn from this research is that in successful Jordanian B2B relationships, increasing levels of Communication, Understanding, Cooperation and Transparency will ultimately lead to achieving better customer loyalty by increasing levels of Trust, Satisfaction and Commitment in the relationship which gradually build Attitudinal Loyalty.

The research has developed and validated a novel model based on the extant literature, qualitative in-depth interviews and a comprehensive questionnaire based survey of the SMEs in Jordan. This process involved the development and validation of a number of hypotheses. This model was extended by introducing a second order model construct to represent Attitudinal Loyalty as a formative outcome variable. This was then shown to be a consequence of weighted inputs from Trust, Commitment and Satisfaction and this also reflects the reported relationships between these Relationship Quality constructs.

The development of the research model went through number of stages: Studying literatures, developing a high level conceptual model, refinement of the model through using qualitative data, and finally validation of the model through quantitative testing. This model provided new insights about the study of Relationship Quality. One main contribution is the fact that the model integrates three classic constructs commonly used to assess Relationship Quality with other important but least used constructs (i.e. Transparency). Four additional constructs were identified and integrated in the model; these represent the banks viewpoint of important constructs needed to achieve Relationship Quality.

The analysis in the previous chapter showed strong evidence that research model is valid with most of the hypotheses being confirmed. The model was formulated to reflect the relationships between latent variables. Each of the latent variables was measured using a set of partial indicators that are believed to reflect the value of that variable.

Partial least squares (PLS) structural equation model was used to validate the hypotheses. The analysis showed that all indicators load onto their respective latent variables more strongly than they do on alternative latent variables. The average variance extracted for the variables demonstrated good convergence. Discriminate

validity is greater than the correlation of the variable with any other variable. All composite Reliability values indicated very high levels of reliability.

Moreover, the latent variables in the Relationship Quality model have high R^2 values, representing the proportion of variability in the latent variables accounted for by the measurement model. These values confirmed that the model provides a very good fit to our data. Therefore, the analysis provided compelling evidence that the measurement model is reliable, valid and distinct.

However, as there are known linear dependencies between Trust, Commitment and Satisfaction, there could be a slight problem with multicollinearity between these three variables. The discussion provided in previous chapters revealed that earlier work in the field showed that these constructs are highly related with strong statistical relationships and they there are inconsistencies in the conceptualization and measurement of these constructs. There is a clear conceptual confusion regarding Relationship Quality constructs. Researchers have not always clearly distinguished between the various components of perceived Relationship Quality and some suggested that many constructs can be interchangeable.

The literature holds that banks and their SME clients' relationship has always been of a poor nature. This relationship is even more challenging in Jordan's relatively small and emerging economy where SMEs perceive that the banks are unwilling to provide sufficient credit and financial support when required. SMEs cannot survive without external financing, making them highly dependent on their financial service providers.

This poor relationship, in part, is due to source of this is the lack of understanding about SMEs by the banks, as the qualitative investigation revealed. For example, many Jordanian banks have a problem classifying SMEs, considering them to be in a category

in between corporate and individual customer. The lack of previous Cooperation between both parties lead to the misunderstanding and helped in deepening the mistrust between the partners.

As indicated by HARRISON-WALKER and NEELEY (2004), the advances in technology and the Internet do not change the basic need of a firm to establish strong customer relationships. The qualitative stage showed that the Internet is perceived to enhance relationships. Nevertheless, communicating solely online can develop an unhealthy relationship due to minimal personal contact. This new kind of relationship probably needs more effort to manage. The Internet cannot stand alone in managing and strengthening relationships; service providers should exploit the Internet properly along with other channels to achieve better communication with customers. Internet is an alternative to traditional channels that must be made available to those who may use it, although not everybody will.

Communications are very important for the success of business-to-business relationships (LAGES et al., 2005). It is a major source of success in a relationship and appears to make the biggest contribution overall in achieving quality with total effects due to direct and indirect action on most of the other constructs. Communication positively affects Cooperation, Understanding, and Transparency as well as the three outcomes of Relationship Quality (Trust Commitment and Satisfaction). The high effect of Communication on Loyalty is also both direct and indirect.

Communication with customers is essential to relationship marketing. Good communication affects all aspects of the relationship. Consequently, direct impacts from Communication on Trust, Satisfaction, and Commitment were considered. Communication is an exogenous variable in the research model that directly and indirectly affects constructs of Attitudinal Loyalty. This is a similar approach the one

assumed by authors like (Ball et al., 2004) and (Andersen, 2005). To achieve Loyalty; customers must be involved in the two way interactive marketing communications, which in turn affects the formation of positive market relationships.

Transparency was highlighted as a major factor in achieving Relationship Quality during the interviews with the banks and was considered to be critical in the study of relationships. It was suggested that Transparency comprises honesty and information sharing between partners. The study of Transparency in relationships is considered to be relatively new (EGGERT and HELM, 2003). Relationship Transparency is not thoroughly conceptualised in the literature and this is this presented an important challenge to this research, not to mention that there isn't much empirical research that investigated its role within a relationship marketing strategy in previous research (EGGERT and HELM, 2003).

Transparency becomes essential were Trust is absent. There is strong evidence that there is a Trust crisis in the relationship between Jordanian banks and their SME customers. The literature maintains that Transparency becomes very important when Trust suffers; this is consistent with findings from the qualitative interviews. JAHANSOOZI (2006, 2007) suggests that Trust erodes over time due to crises and Transparency then becomes an essential characteristic in the relational exchange. The level of Trust increases as organizational Transparency increases. When there is a state of mistrust in a relationship, Transparency is a required condition for rebuilding Trust and Commitment in the relationship. In addition to rebuilding Trust, Transparency can promote Commitment.

Transparency proved itself to be a vital component of central importance in the study of B2B relationships. The empirical test of the developed model found that Transparency has a direct positive and substantial effect on the combined second order construct of

Attitudinal Loyalty. Furthermore, Cooperation and Understanding significant effect on Loyalty; mediated by Transparency. This all demonstrates the importance of Transparency and the reason for its inclusion as one of the components of Relationship Quality.

By examining previous studies on Relationship Quality we can see that the definition and operationalisation differs from one research project to another due to contextual assumptions (WONG and SOHAL, 2002). The contextual constructs depend on the stage of the relationships of interest. Constructs of relationship can be divided into social and structural. The social bonds are common among most studies while the technical bonds differ from one context to another.

Many constructs have been studied repeatedly and were found to provide a good and consistent measurement within a more complex Relationship Quality model. The three main frequently studied constructs are: Commitment, Trust and Satisfaction (RAUYRUEN and MILLER, 2007, DAVIS, 2008). Many studies, including this research, expanded these three by adding more contextual constructs based on accompanying qualitative investigations. The model developed in this study quantified the specific relationships amongst these constructs and identified the additional importance of structural bonds in achieving Relationship Quality in the business-to-business context.

Small and medium sized enterprises are very important to the Jordanian economy; they account for a large percentage of all companies in Jordan and are a distinct segment with unique needs that require special attention from banks. SMEs can be highly profitable if their needs are fully understood. This research included the construct of Understanding in the study which is a relatively neglected construct by researchers of buyer-seller relationships. Understanding is essentially important, especially if

customers happen to be in a huge overlooked segment, such as small and medium sized enterprises (LEONIDOU et al., 2006b).

Based on the interviews with Jordanian banks and suggestions in the literature, Cooperation was introduced in the research model as being a prerequisite of Trust. This contradicts the way Cooperation is modelled in Commitment-Trust theory of relationship marketing; MORGAN and HUNT (1994) propose that Cooperation is a direct outcome of Commitment and Trust and that it promotes success in a marketing relationship. This is justified on the basis that Cooperation is a future outcome to the present Commitment and Trust.

However, and according to ANDERSON and NARUS (1990), customers perceptions of Trust in a relationship reflect their present perceptions whereas the perceived Communication and Cooperation refer to their past experience. When SMEs report on Cooperation, they implicitly considered past Cooperation based on their previous experiences with their banks. Consequently, past Cooperation is a necessary antecedent of present Trust. RUYTER et al. (2001) also models Cooperation as an antecedent of Trust and defines it as the coordinated actions taken by partners to achieve mutual outcomes over time (i.e. Trust). And this is consistent with the findings of this research.

The researchers have verified a large number of constructs and combinations of these constructs as representing Relationship Quality. Although there it is an agreement that Relationship Quality is a higher order construct consisting of several distinct but related components or dimensions (RAUYRUEN and MILLER, 2007), there is no definite consensus among researchers on what are these components are. This is supported by the conclusion of (WOO and ENNEW, 2004) that there is a lack of consensus about the dimensions of Relationship Quality. One possible reason for this dearth is the assumed

intuitive understanding of what Relationship Quality is “all about” (HENNIG-THAURU and KLEE, 1997).

The interviews revealed that there is a Trust crisis between Jordanian banks and SMEs due to the lack of shared information and understanding about SMEs, which can be worsened when technology is used. This poor relationship between banks-SMEs is established in the literature and in different countries (IBBOTSON and MORAN, 2003, BUTLER and DURKIN, 1998). Customers’ feeling of Commitment towards the bank is developed offline and can be enhanced, to a certain extent, by offering a wide range of banking services online. Customers’ needs should be satisfied in order to maintain a healthy business relationship, and this Satisfaction should be monitored regularly. Two-way communication ensures constant feedback between partners which is essential in building and maintaining a quality relationship.

The Internet enables and facilitates better and regular contact with customers (GRÖNROOS, 2000). However, it can result in a problematic relationship due to the minimal personal contact with customers. Constant Communication enhances cooperative behaviour between banks and SMEs and encourages their interactive nature (JENSEN et al., 2000). This continuous interaction leads to a better understanding between the two parties (CAMPBELL, 1998) and can be facilitated using the Internet. Transparency encourages honesty and promotes a culture of information sharing between partners.

Although Transparency is not commonly used in the study of relationships quality, uncertainty is (PARKHE, 1998, BOSCH et al., 2005). Transparency as a hypothetical construct is clearly connected to uncertainty and the state of being informed signifies certainty (EGGERT and HELM, 2003). Uncertainty refers to the organization’s inability to anticipate or predict the future of its relationship with another due to problems in

acquiring adequate, relevant, and timely information (LEONIDOU et al., 2006a). Transparency and communication both stress open and constant information exchange between partners which increases Trust and reduces uncertainty in a business relationship (BOSCH et al., 2005).

7.3 Research Conclusions

As mentioned earlier, studying the Jordanian market can help in drawing some conclusion about an emerging economy. Nonetheless, it can also provide new insights about Relationship Quality in a business to business context. This section summarizes the contributions of this thesis by comparing the results to the objectives of the research and some of the literature reviewed previously. Each objective is stated followed by an explanation of how the thesis has addressed this objective.

To qualitatively inspect issues related to Jordanian SMEs, being the online customers of the Banks and how this online setting may affect the indicators of Relationship Quality.

This research collected and analysed data from Jordanian banks that led to a preliminary understanding of issues related to Internet usage in the bank-SME relational exchange and how this might affect different aspects of the relationship. The findings stressed the fact that Jordanian SMEs are among the customer segments that are readily accepting and utilizing the Internet, and are doing so at a faster pace than individual customers. Despite the fact that personal contact is still preferred to other means of Communication (POON and SWATMAN, 1997), there is an on-going cultural change within the whole society.

Small and medium enterprises, as customers, form a unique niche that is not entirely understood and served by banks. This calls for a more relational approach by the Jordanian banks in dealing with this segment. Many banks think of SMEs as being in

the middle and sharing common characteristics with both individual and corporate customers. Banks classify SMEs further into sub categories based on their size and the volume of work they produce in order to be understood and better served. In order to better serve SMEs, interviews indicated that banks should have a pool of specialized relationship managers who classify SMEs and serve them based on their needs.

There are a number of factors that interviewees thought would make banks more keen to use the Internet: Market Trends, Customers' Demand, Competitive Market and Competition Offering, Government Legislations, Bank's Image. However, there are a number of barriers that affect this usage: Cost, Law and Regulations, Behavioural and Cultural Aspects, Banks' Internal Culture and Policies, and Lack of Infrastructure/Technical Barriers.

The Internet speeds up the relationship building process. However, the Internet does not change the need to build and maintain a healthy relationship with customers. Indicators of Relationship Quality are equally important whether dealing with offline or online customers. The constructs chosen for the study were: Trust, Commitment, Satisfaction, Communication, Understanding, Cooperation and Transparency. Transparency is the construct that the interview stressed as being of considerable importance when dealing with online customers. However, the literature supports its equal importance in the offline context as well.

To understand the antecedents (Communication, Transparency, Understanding, Cooperation) and outcomes (Commitment, Satisfaction, Trust) of Relationship Quality and how they interact in a Bank- SME relational exchange.

This research identified how the set of variables are related and these relationships were presented graphically. The critical study of the literature and the qualitative interviewing

enabled the identification of important variables of Relationship Quality. These were then classified to antecedents and outcomes based on the extant literature.

The reported relationship outcomes in the literature are relationship Satisfaction, Trust, and relationship Commitment (Odekerken-Schröder et al., 2003). Trust is a very important outcome of interaction in a business relationship and is significantly dependent on communication (Olkkonen et al., 2000). Another outcome resulting from the positive assessment of a relationship with a certain partner is Satisfaction. Satisfaction leads to relationship continuance which is an indicator of Commitment (Fontenot and Wilson, 1997).

The literature offers a wide range of antecedents for the relational constructs of Trust, Commitment, relationship Satisfaction, and/or Relationship Quality and researchers differ about which are the best antecedents to capture the characteristics of a relational exchange (Palmatier et al., 2006). In this research the literature and qualitative investigation showed that there are four different important antecedents of the relational outcomes, these are communication, Cooperation, understanding, and Transparency.

The use of these four antecedents is supported in previous research, the following are just some of the examples: relationship Transparency is expected to deliver value to the customers and to contribute to Satisfaction (Eggert and Helm, 2000). Communication is an explicit manifestation of Trust and Commitment (Mohr and Spekman, 1994). That past Cooperation between business partners is a necessary antecedent of present Trust (Anderson and Narus, 1990). The more Transparency the more Trust and Commitment is achieved (Akkermans et al., 2004). Understanding the other party reduces distance in the relationship and gradually builds up Trust (LEONIDOU et al., 2006b). A shared understanding between relationship stakeholders is an important source of Satisfaction (Selnes, 1998).

To investigate the appropriateness of conceptualizing “Attitudinal Loyalty” as a second-order Relationship Quality construct consisting of Trust, Commitment, Satisfaction.

The discussion of the previous literature and the structural equation modelling results support the use of a second-order Relationship Quality construct consisting of Trust, Commitment, and Satisfaction. Loyalty is considered to be a key outcome of relationship marketing activities and is directly linked with the emergence of Relationship Quality (HENNIG-THURAU et al., 2002). This result is supported in the literature; according to RAUYRUEN and MILLER (2007), most of the Relationship Quality research provides these three primary dimensions: Trust, Commitment and Satisfaction as dimensions of Loyalty.

There is a conceptual confusion regarding Trust, Commitment, and Satisfaction and researchers do not seem to clearly distinguish in practice between these three (CROSBY et al., 1990, GARBARINO and JOHNSON, 1999, DE WULF et al., 2001, BALL et al., 2004, SA´NCHÉZ-PE´REZ and INIESTA-BONILLO, 2004, CANNIÈRE et al., 2009). Consequently, some researchers suggest that the three constructs are interchangeable (Rust et al. 1995).

There are numerous relationships among the key constructs characterizing business-to-business relationships, with different degrees of strength. These constructs can be dependent variables in some relations and independent variables in others. This is consistent with results achieved by (CANNIÈRE et al., 2009) who states that in relationship research responses to questions related to Attitudinal Loyalty (i.e. Commitment, Trust, and Satisfaction) may be strongly correlated to the extent that the research is only measuring a general construct ‘attitude toward the relationship’, hence the introduction of the second order construct in the alternative model. Hence, a second order construct was introduced in the alternative model.

There is increasing acceptance of the idea that the ultimate objective of customer Satisfaction should be customer Loyalty (SIVADAS and BAKER-PREWITT, 2000). Whilst, the relationship between Satisfaction and Loyalty appears to be intuitive, many researchers have attempted to formally confirm this in their research (ANDERSON and SRINIVASAN, 2003).

According to BENNETT and RUNDLE-THIELE (2002) it is common to use the term Loyalty in the marketing literature interchangeably with its operational definition to refer to: repeat purchase, preference, Commitment, retention, and allegiance. Attitudinal Loyalty to a firm becomes similar to Commitment in relational exchange when brand attitude becomes central to the repurchase decision (MORGAN and HUNT, 1994, FOSTER and CADOGAN, 2000). Trust-based Commitment supports both; behavioural Loyalty which is commonly measured in the marketplace and Attitudinal Loyalty that goes beyond to comprise beliefs, feelings, and intentions (STORY and HESS, 2006).

Past research discussed the link between Trust and customer Loyalty. Trust plays a central role in strengthening both behavioural and Attitudinal Loyalty which influences marketing outcomes (GOMMANS et al., 2001). Trust is central to the development of successful service relationships in B2B markets and for the achievement of customer Loyalty. Understanding the nature and importance of Trust and its contribution to Loyalty will have a major impact on how B2B relationships are developed and managed. (Rauyruen and Miller, 2007).

To develop a conceptual model for studying the quality of relationships in the specific study context.

This research has integrated theory and qualitative findings together to develop a high level conceptual model for measuring quality of business to business marketing relationships. This chapter defines the concepts and identifies causal relationships between them which are presented as hypotheses. The process started by identifying factors variables/ constructs/ concepts that logically should be considered as part of the explanation of the phenomena of interest. In-depth semi-structured interviews were used to develop and refine the research propositions. Then relationships between variables in the model were identified. Finally, a model was proposed by combining the different propositions identified from the literature and interviews. An alternative model was also developed by combining the outcomes of channel relationships in one single second order formative construct. This alternative model identifies antecedents (Communications, Transparency, Understanding and Cooperation) and outcomes (Commitment, Trust, and Satisfaction) of a relationship and studies the interaction between them. The combined consequences of the outcomes being represented by a second order construct.

There are a number of major contributions related to the development of the Relationship Quality Model resulting from this research. First, the inclusion of Transparency as one of the important factors in the study of Relationship Quality; this was suggested by the qualitative investigation and supported by the statistical analysis. Second, splitting Relationship Quality constructs into antecedents (Understanding, Cooperation, Communication and Transparency) and consequences (Trust, Commitment and Satisfaction). The interaction between these is what achieves the quality in a business relationship.

7.4 Research Implications

If Relationship Quality is to be meaningful from a managerial perspective there is a need to understand its implications from the firm's perspective in order to achieve the desired quality. The research findings and contributions have several implications for theory and practice. This study can be of interest to researchers, SMEs owners, bankers, and policy makers.

As indicated in the first introductory chapter of this research; the Jordanian Government is initiating and supporting schemes to finance the SMEs. These are part of an economic reform effort imposed by the International Monetary Fund. SMEs constitute the largest number of Jordanian companies and a major source in achieving sustainability of the Jordanian economy as a whole. This research helps policy makers to understand this segment and how loyalty can be achieved.

This research has implications for managers operating in an uncertain business environment that promotes insecurity (Internet, SME's), which can hinder the development of healthy business relationships. Consequently, managers need to minimize uncertainty in relationships through the acquisition of information about their partners and the environment within which they operate. Information should flow between the two parties through good communication chances aided by the Internet. This flow of information can be critical during the initial stages of the relationship, due to the limited past experiential knowledge about the partner and the partner's operating environment (LEONIDOU and KALEKA, 1998).

The process of adopting new technologies generally involves a great deal of change (EID et al., 2002, CHASTON and MANGLES, 2003, SHETH, 2002). An important issue for researchers and managers alike is the implications of utilizing new technologies and the effect on change management. Researchers need to study this effect and develop a study

model for it. Managers need to anticipate the changes and adapt strategies that enable them to cope with change and minimize any negative consequences. This would suggest that managers need to implement and monitor relationship marketing programmes.

One other important implication is linked to the establishment and importance of business communications and their central role in strengthening already existing relationships and forming new ones. This implies that organizations need to design and develop integrated communications programmes and train their employees to develop interactivity with other parties. It is only the right mix of communication tools and the correct match of these tools with consumers that gives power to marketing communication (Stewart, 1996).

Transparency in the flow of information may impose culture changes in the way that organization relationships are founded, and this requires continuous exchange of information on a regular basis. Organizations need to be aware of that and adjust their personnel capabilities and communications accordingly.

This research provides a useful guidance for international and regional banks that have the intention of establishing online relationships with Jordanian SME companies or are willing to establish practices inside Jordan. It gives banks insights for developing their marketing strategy and insights on how to segment their market and target these distinct segments. Banks need to show understanding of all of their customers in order to achieve a quality relationship.

Another practical implication is related to the idea that relationships necessarily involve specific investments. This research offers a model to measure the quality of relationships. A bank can weigh the investment in relationships to the outcomes, which is the quality achieved in a relationship, and see if it wants to keep or terminate any of

its relationships with its SME customers. This research provides a tool to judge the banks' portfolio of relationships and help them increase their customer loyalty by addressing antecedents of Relationship Quality.

7.5 Research Limitations

This discussion of the findings above provided some new insights. However, these findings should be viewed in light of the following limitations.

7.5.1 Questionnaire Translation

One limitation is related to the fact that the survey tool was translated from English to Arabic. Had the questionnaire been administered in English this would restrict subjects to those who are fluent in English.

To solve the translation problem the questionnaire was tested for cross-language equivalence. In future, backward translation by professional translators may be used, but even then there are some translators who can make sense out of a poor translation when back-translating and some have a tendency to retain the grammatical structure of Arabic language making the questions easy to back-translate but difficult for subjects to answer.

7.5.2 Sampling Issues

Two main issues related to sampling are important concerns in this research. First, this study excludes non-users of the online services. Second, many SMEs chose not to cooperate in the study (representativeness).

The reason behind excluding non-users of online services is that the study aimed at understanding the effect that an online environment might have on relationships in the study of Relationship Quality. However, the view of the non-users should be taken into

account in a future study in order to compare both groups. The responses received may not reflect those of non-responders, however, they were consistent with those of the late responders and so it is believed that this is not the case, especially as the questions were not of a controversial nature.

The collection from specific centres may bias the findings. The demographics of the participating SMEs appears to be consistent with the properties of the Jordanian population of SMEs so there is evidence that the responses received are representative and will not bias the findings. The sample reflects the properties of the population in terms of size and sectors and also geographical distribution across different districts within Jordan.

Representativeness was established statistically by testing for differences existed between in the medians for business sectors/size and those of the parent population. No significant differences were observed between the sample and the population at the 5% level and the final sample was considered representative of the Jordanian SMEs.

7.5.3 One-sided Qualitative Study

Both parties in a relationship might have different views on what is important in the relationship; a one-sided study of relationships only provides a partial picture. Researchers must study perceptions of both partners to understand the whole picture. The qualitative study determined the relevant Relationship Quality constructs based on the perceptions of the dominant partner in the relationship (banks). Important constructs used for assessing Relationship Quality from the customer's side were drawn from the relevant literature, the perceptions of SMEs were not assessed through qualitative interviewing.

However, this is not a serious flaw because all the constructs of Relationship Quality included in the study are derived from the relevant literature and were confirmed by the interviews. Not to mention that one gap in the literature is that the three commonly studies constructs of represent customer's side of Relationship Quality and there is a need to understand the important aspects of Relationship Quality from the perspective of the service provider.

In the future, a qualitative study of SMEs perceptions can help in achieving a fuller understanding and will give the research more insights and either confirm or dispute the banks' choice of Relationship Quality constructs.

7.5.4 Common Method Bias

One major source of Common Method Bias is the consistency motif or consistency effect (SCHWARZ et al., 2008). This occurs when respondents attempt to maintain consistency between their cognitions and attitudes. Consequently, respondents would try to appear consistent and rational in their responses, thereby imposing a bias on some of the relationships that otherwise would eventually not exist. As a result, some of the path coefficients may show relationships that might not exist, or some of the path coefficients are biased upwards. Common methods bias may inflate or deflate some observed relationships relative to the true relationships among constructs in the study (DOTY and GLICK, 1998).

According to DOTY and GLICK (1998), complexity and concreteness are critical in vulnerability to Common Method Bias. Specific (concrete) constructs, such as the number of employee absences, require little judgment which makes them less vulnerable to common methods bias. Abstract, general constructs, such as Satisfaction, require much more complex subjective judgments leaving them more susceptible to

methods bias. All of the constructs in the research model are general and abstract which may result in the strong associations between these constructs.

7.5.5 External Validity

“External validity considers whether or not the observed causal relationship should be generalised to and across different measures, persons, setting, and times” (CALDER et al., 1982, p. 240). This research was conducted in Jordan and may not have full External Validity. It also studies a one single relationship between two business partners (SMEs and Banks). However, since the Jordanian economy is a typical emerging economy, the findings may be relevant to similar economies.

This may limit the generalisability of the results of this research to other countries or across other business relationships between partners. This study may need to be replicated in different contexts to examine the difference in findings and to establish external validity.

7.6 Further Research

Future research should try to overcome the limitations of this research and try to examine whether the findings of this study are applicable in other contexts. There are many variants of electronic commerce between partners, mediated by the internet. The model was tested in a specific context. The model needs to undergo testing in multiple contexts. One suggestion is to test it using different technologies like mobile banking or using a different sample like large companies or in a certain sector, industry or a country.

Future research should further examine differences between small businesses and medium-sized business as two distinct separate groups. Differences by size should be examined since medium-sized businesses have lots of unrealized potential (Haynes et

al., 1998). This research strongly suggests that there might be enough differences between both groups to justify distinct research. A comparative analysis would shed additional light and help other parties (i.e. banks) in shaping and customizing their relationships with different parties.

The buyer-seller relationships are highly dynamic, they evolve over time, and this research has offered only a snapshot of them. There is a further need to carry out longitudinal research to observe changes in the elements comprising the relationship over time.

7.7 Conclusion

This chapter presented and identified main contributions that this research makes to the understanding of the research problem. It also provided a comparison of the findings with the previous literature and with the objectives of this research. Implications for theory and practice were then offered, followed by a discussion of the main limitations of the research. Finally, some work was suggested for further investigation in the future.

In brief, this research provides a structure for understanding the concept of Relationship Quality in the Jordanian SMEs-Banks setting. The framework was built from theory and empirical research to represent this process and provides a foundation for further research.

REFERENCES

- ABDUL-MUHMIN, A. G. (2005) Instrumental and interpersonal determinants of relationship satisfaction and commitment in industrial markets *Journal of Business Research*, 58, 619-628.
- ACS, Z. J., MORCK, R., SHAVER, J. M. & YEUNG, B. (1997) The Internationalization of Small and Medium-Sized Enterprises: A Policy Perspective *Small Business Economics*, 9, 7-20.
- AKKERMANS, H., BOGERD, P. & DOREMALEN, J. V. (2004) Travail, transparency and trust: A case study of computer-supported collaborative supply chain planning in high-tech electronics *European Journal of Operational Research*, 153, 445-456
- AL-SHAMMARI, M. & SALIMI, A. (1998) Modeling the operating efficiency of banks: a nonparametric methodology. *Logistics Information Management*, 11, 5-17.
- AMARATUNGA, D., BALDRY, D., SARSHAR, M. & NEWTON, R. (2002) Quantitative and qualitative research in the built environment: application of “mixed” research approach. *Work Study* 51 17-31
- ANDALEEB, S. S. (1996) An experimental investigation of satisfaction and commitment in marketing channels: The role of trust and dependence. *Journal of Retailing*, 72, 77-93.
- ANDERSEN, P. H. (2005) Relationship marketing and brand involvement of professionals through web-enhanced brand communities: the case of Coloplast. *Industrial Marketing Management*, 34, 285-297.
- ANDERSON, J. C. & GERBING, D. W. (1988) Structural Equation Modeling in Practice: A Review and Recommended Two-Step Approach. *Psychological Bulletin*, 103, 411-423.

- ANDERSON, J. C., HÅKANSSON, H. & JOHANSON, J. (1994) Dyadic Business Relationships within a Business Network Context *Journal of Marketing*, 58, 1-15
- ANDERSON, J. C. & NARUS, J. A. (1990) A Model of Distributor Firm and Manufacturer Firm Working Partnerships. *Journal of Marketing*, 54, 42-58.
- ANDERSON, R. E. & SRINIVASAN, S. S. (2003) E-Satisfaction and E-Loyalty: A Contingency Framework. *Psychology and Marketing*, 20, 123-138.
- ARNOTT, D. C. & BRIDGEWATER, S. (2002) Internet, interaction and implications for marketing. *Marketing intelligence & planning*, 20, 86-95.
- ASSOCIATION OF BANKS IN JORDAN (2009) Development of the Jordanian Banking Sector (2000-2008).
- AUDRETSCH, D. B. & ELSTON, J. A. (2002) Does firm size matter? Evidence on the impact of liquidity constraints on firm investment behavior in Germany. *International Journal of Industrial Organization*, 20, 1-17.
- AYYAGARI, M., BECK, T. & DEMIRGUC-KUNT, A. (2007) Small and Medium Enterprises Across the Globe *Small Business Economics*, 29, 415-434.
- BURCA, S. D., FYNES, B. & ROCHE, E. (2004) Evaluating Relationship Quality in a Business-to-Business Context. 25, 61.
- BALL, D., COELHO, P. S. & MACHÁS, A. (2004) The role of communication and trust in explaining customer loyalty. *European Journal of Marketing*, 38, 1272-1293.
- BALLANTYNE, D. (2000) Internal relationship marketing: a strategy for knowledge renewal. *The international journal of bank marketing*, 18, 274-286.
- BARNES, D. (2001) Research methods for the empirical investigation of the process of formation of operations strategy. *International Journal of Operations & Production Management*, 21, 1076-1095.
- BARRY, H. & MILNER, B. (2002) SMEs and electronic commerce: a departure from the traditional prioritisation of training? *Journal of European Industrial Training*, 26, 316-326.
- BATT, P. J. (2003) Examining the performance of the supply chain for potatoes in the Red River Delta using a pluralistic approach. *Supply Chain Management: An International Journal*, 8, 442-454.
- BAUER, H. H., GREYER, M. & LEACH, M. (2002) Building customer relations over the Internet. *Industrial Marketing Management*, 31, 155-163.
- BAUMGARTNER, H. & HOMBURG, C. (1996) Applications of structural equation modeling in marketing and consumer research: A review. *International Journal of Research in Marketing* 13, 139-161.
- BAXTER, L. A. (1991) *Content analysis. In: Montgomery, B.M., Duck, S. (Eds.), Studying Interpersonal Interaction.*, New York, London, The Guilford Press.
- BECK, T. & DEMIRGUC-KUNT, A. (2006) Small and medium-size enterprises: Access to finance as a growth constraint. *Journal of Banking & Finance*, 30, 2931-2943.

- BEECH, J., CHADWICK, S. & TAPP, A. (2000) Emerging trends in the use of the Internet - lessons from the football sector. *Qualitative Market Research: An International Journal*, 3, 38-46.
- BEJOU, D., WRAY, B. & INGRAM, T. N. (1996) Determinants of relationship quality: An artificial neural network analysis. *Journal of Business Research*, 36, 137-144.
- BENNETT, R. & BARKENSJO, A. (2003) Causes and consequences of donor perceptions of the quality of the relationship marketing activities of charitable organisations. *Journal of Targeting, Measurement and Analysis for Marketing*, 13, 122-140.
- BENNETT, R. & BARKENSJO, A. (2005) Relationship quality, relationship marketing, and client perceptions of the levels of service quality of charitable organisations. *International journal of service industry management*, 16, 81-106.
- BENNETT, R. & RUNDLE-THIELE, S. (2002) A comparison of attitudinal loyalty measurement approaches. *Journal of Brand Management*, 9, 193-209.
- BERELSON, B. (1952) *Content Analysis in Communication Research*, New York, Free Press.
- BERGER, A. N. & UDELL, G. F. (2006) A More Complete Conceptual Framework for SME Finance. *Journal of Banking & Finance*, 30, 2945-2966.
- BERRY, L. L. & PARASURAMAN, A. (1991) *Marketing Services: Competing Through Quality*, New York, The Free Press.
- BEVAN, T. H. (1978) British banks and small business. *The Banks and Small Business, The Institute of Bankers*. Cambridge Seminar , pp.31-45.
- BOLLEN, K. A. & LONG, J. S. (1992) *Testing Structural Models*, Newbury Park, CA., Sage Publications.
- BONSÓN-PONTE, E., ESCOBAR-RODRÍGUEZ, T. & FLORES-MUÑOZ, F. (2006) Online transparency of the banking sector. *Online Information Review*, 30, 714-730.
- BONTIS, N., BOOKER, L. D. & SERENKO, A. (2007) The mediating effect of organizational reputation on customer loyalty and service recommendation in the banking industry. *Management Decision*, 45, 1426-1445.
- BOSCH, A. L. M. V. D., JONG, M. D. T. D. & ELVING, W. J. L. (2005) How corporate visual identity supports reputation. *Corporate Communications: An International Journal*, 10, 108-116.
- BOWEN, J. T. & SHOEMAKER, S. (1998) LOYALTY: A STRATEGIC COMMITMENT. *Cornell Hotel and Restaurant Administration Quarterly*, 39, 12-25.
- BRADLEY, L. & STEWART, K. (2003) A Delphi study of Internet banking. *Marketing Intelligence & Planning*, 21 272-281
- BRASHEAR, T. G., BOLES, J. S., BELLENGER, D. N. & BROOKS, C. M. (2003) An empirical test of trust-building processes and outcomes in sales manager-salesperson relationships. *Academy of Marketing Science. Journal*, 31, 189-201.
- BROWN, M. L. & KROS, J. F. (2003) Data mining and the impact of missing data. *Industrial Management & Data Systems*, 103, 611-621.

- BÚRCA, S. D., FYNES, B. & ROCHE, E. (2004) Evaluating Relationship Quality in a Business-to-Business Context. *Irish Journal of Management*, 25, 61-76.
- BUTLER, P. & DURKIN, M. (1998) Relationship intermediaries: business advisers in the small firm-bank relationship. *International Journal of Bank Marketing*, 16, 32-38.
- BYRNE, B. M. (2001) *Structural Equation Modeling with Amos: Basic Concepts, Applications, and Programming* London, Taylor & Francis, Inc.
- CACERES, R. C. & PAPAROIDAMIS, N. G. (2007) Service quality, relationship satisfaction, trust, commitment and business-to-business loyalty. *European Journal of Marketing*, 41, 836-867.
- CAHILL, D. J. (1996) When to use qualitative methods: a new approach. *Marketing Intelligence & Planning*, 14 16-20
- CALDER, B. J., PHILLIPS, L. W. & TYBOUT, A. M. (1982) The Concept of External Validity. *Journal of Consumer Research*, 9, 240-244.
- CAMPBELL, J. A. (1998) Participation in videoconferenced meetings: user disposition and meeting context. *Information & Management*, 34, 329-338.
- CANNIÈRE, M. H. D., PELSMACKER, P. D. & GEUENS, M. (2009) Relationship Quality and Purchase Intention and Behavior: The Moderating Impact of Relationship Strength *Journal of Business and Psychology*.
- CASSEL, C., HACKL, P. & WESTLUND, A. H. (1999) Robustness of partial least-squares method for estimating latent variable quality structures. *Journal of Applied Statistics*, 26, 435-446.
- CHASTON, I. (2000) Relationship marketing and the orientation customers require of suppliers. *The Service Industries Journal*, 20, 147.
- CHASTON, I. & BAKER, S. (1998) Relationship influencers: determination of affect in the provision of advisory services to SME sector firms. *Journal of European Industrial Training*, 22, 249.
- CHASTON, I. & MANGLES, T. (2003) Relationship marketing in online business-to-business markets: A pilot investigation of small UK manufacturing firms. *European Journal of Marketing*, 37, 753-773.
- CHIN, W. W. (1998) The Partial Least Squares Approach to Structural Equation Modeling. In G. A. Marcoulides (Ed.), *Modern Methods for Business Research* Mahwah, NJ, Erlbaum Associates.
- CHIOU, J.-S. & DROGE, C. (2006) Service quality, trust, specific asset investment, and expertise: direct and indirect effects in a satisfaction-loyalty framework. *Journal of the Academy of Marketing Science*, 34 613-27.
- CHRISTOPHER, M., PAYNE, A. & BALLANTYNE, D. (1991) *Relationship Marketing*, Oxford, Butterworth-Heinemann.
- CHUMPITAZ, R. & PAPAROIDAMIS, N. G. (2004) Service quality and marketing performance in business-to-business markets: exploring the mediating role of client satisfaction. *Managing Service Quality*, 14, 235-248.
- CHURCHILL, G. A. J. (1979) Paradigm for developing better measures of marketing constructs. *Journal of Marketing Research*, 16, 64-73.

- COLGATE, M., BUCHANAN-OLIVER, M. & ELMSLY, R. (2005) Relationship benefits in an internet environment. *Managing service quality*, 15, 426-436.
- COLGATE, M. & SMITH, B. (2005) Relationships and the internet: The mediating role of a relationship banker. *Journal of Financial Services Marketing*, 10, 140-152.
- COOTE, L. V., FORREST, E. J. & TAM, T. W. (2003) An investigation into commitment in non-Western industrial marketing relationships. *Industrial Marketing Management*, 32, 595-604.
- COVIELLO, N., NICOLE E (2001) Contemporary marketing practices of consumer and business-to-business firms: how different are they? *The journal of business & industrial marketing*, 16, 382-400.
- COVIELLO, N. E. (2005) Integrating qualitative and quantitative techniques in network analysis. *Qualitative Market Research.*, 8, 39.
- CROSBY, L. A., EVANS, K. R. & COWLES, D. (1990) Relationship Quality in Services Selling: An Interpersonal Influence Perspective. *The Journal of marketing*, 54, 68-81.
- CURRIVAN, D. B. (1999) The Causal Order of Job Satisfaction and Organizational Commitment in Models of Employee Turnover. *Human Resource Management Review*, 9, 495-524.
- DANIEL, E. & WILSON, H. (2002) Adoption intentions and benefits realised: a study of e-commerce in UK SMEs. *Journal of Small Business and Enterprise Development*, 9, 331-348.
- DASH, S., BRUNING, E. & GUIN, K. K. (2006) The moderating effect of power distance on perceived interdependence and relationship quality in commercial banking: A cross-cultural comparison. *International Journal of Bank Marketing*, 24, 307-326.
- DAVIS, P. R. (2008) A relationship approach to construction supply chains. *Industrial Management & Data Systems*, 108, 310-327.
- DE WULF, K., ODEKERKEN-SCHRODER, G. & LACOBUCCI, D. (2001) Investments in consumer relationships: A cross-country and cross-industry exploration. *Journal of Marketing*, 65, 33-51.
- DI POFI, J. A. (2002) Organizational diagnostics: integrating qualitative and quantitative methodology. *Journal of Organizational Change Management*, 15 156-168
- DIAMANTOPOULOS, A., RIEFLER, P. & ROTH, K. P. (2008) Advancing formative measurement models. *Journal of Business Research*, 61, 1203-1218.
- DIJK, S. J. V., DUYSTERS, G. M. & BEULENS, A. J. M. (2003) Transparency dilemmas in strategic alliances. *KLICT*.
- DONALDSON, B. & TOOLE, T. O. (2000) Classifying relationship structures: relationship strength in industrial markets. *Journal of Business & Industrial Marketing*, 15, 491-506.
- DONEY, P. M., BARRY, J. M. & ABRATT, R. (2007) Trust determinants and outcomes in global B2B services. *European Journal of Marketing*, 41, 1096-1116.

- DORSCH, M. J., SWANSON, S. R. & KELLEY, S. W. (1998) The role of relationship quality in the stratification of vendors as perceived by customers. *Academy of Marketing Science. Journal*, 26, 128-143.
- DOTY, D. H. & GLICK, W. H. (1998) Common Methods Bias: Does Common Methods Variance Really Bias Results. *Organizational Research Methods*, 1, 374-406.
- DUNCAN, T. & MORIARTY, S. E. (1998) A communication-based marketing model for managing relationships. *journal of marketing*, 62, 1-13.
- DURKIN, M. G. & HOWCROFT, B. (2003) Relationship marketing in the banking sector: the impact of new technologies. *Marketing Intelligence & Planning*, 21, 61-71.
- DWAIRI, M., BHUIAN, S. N. & JURKUS, A. (2007) Revisiting the pioneering market orientation model in an emerging economy. *European Journal of Marketing*, 41, 713-721.
- DWYER, F. R., SCHURR, P. H. & OH, S. (1987) Developing Buyer-Seller Relationships. *The Journal of marketing*, 51, 11.
- EGGERT, A. & HELM, S. (2000) Relationship Transparency in Business Markets: A Conceptualisation and Empirical Investigation. *16th IMP-conference* Bath, U.K, Industrial Marketing and Purchasing Group.
- EGGERT, A. & HELM, S. (2003) Exploring the impact of relationship transparency on business relationships: A cross-sectional study among purchasing managers in Germany *Industrial Marketing Management*, 32, 101-108
- EID, R., TRUEMAN, M. & AHMED, A. M. (2002) A cross-industry review of B2B critical success factors. *Internet Research: Electronic Networking Applications and Policy*, 12, 110-123.
- ELDABI, T., IRANI, Z., PAUL, R. J. & LOVE, P. E. D. (2002) quantitative and qualitative decision-making methods in simulation modelling. *Management Decision*, 40, 64.
- FARRELLY, F., QUESTER, P. & MAVONDO, F. (2003) Collaborative communication in sponsor relations. *Corporate Communications: An International Journal*, 8, 128-138.
- FARRELLY, F. J. & QUESTER, P. G. (2005) Examining important relationship quality constructs of the focal sponsorship exchange. *Industrial marketing management*, 34, 211.
- FONTENOT, R. J. & WILSON, E. J. (1997) Relational exchange: A review of selected models for a prediction matrix of relationship activities. *Journal of Business Research*, 39, 5-12.
- FORNELL, C. & BOOKSTEIN, F. L. (1982) Two Structural Equation Models: LISREL and PLS Applied to Consumer Exit-Voice Theory. *Journal of Marketing Research*, XIX, 440-452.
- FORNELL, C. & LARCKER, D. F. (1981) Evaluating Structural Equation Models with Unobservable Variables and Measurement Error. *Journal of Marketing Research*, 56, 519-538.

- FOSTER, B. D. & CADOGAN, J. W. (2000) attitudinal loyalty to a firm is very similar to their concept of relationship commitment. *Marketing Intelligence & Planning*, 18, 185-199.
- FULLERTON, G. (2005) How commitment both enables and undermines marketing relationships. *European Journal of Marketing*, 39, 1372-1388.
- FYNES, B., VOSS, C. & BÚRCA, S. D. (2005) The impact of supply chain relationship quality on quality performance. *International Journal of Production Economics*, 96, 339-354.
- GANESAN, S. (1994) Determinants of long-term orientation in buyer-seller relationships. *Journal of Marketing*, 58, 1-20.
- GARBARINO, E. & JOHNSON, M. S. (1999) The different roles of satisfaction, trust, and commitment in customer relationships. *Journal of Marketing*, 63, 70.
- GATTIKER, U. E., PERLUSZ, S. & BOHMANN, K. (2000) Using the Internet for B2B activities: a review and future directions for research. *Internet Research: Electronic Networking Applications and Policy*, 10, 126-140
- GAY, L. & AIRASIAN, P. (2000) *Educational research: Competencies for analysis and application*, New Jersey, Upper Saddle, Prentice Hall.
- GEFEN, D. & STRAUB, D. (2005) A PRACTICAL GUIDE TO FACTORIAL VALIDITY USING PLS-GRAPH: TUTORIAL AND ANNOTATED EXAMPLE. *Communications of the Association for Information Systems*, 16, 91-109.
- GEFEN, D., STRAUB, D. W. & BOUDREAU, M.-C. (2000) Structural Equation Modelling Techniques and Regression: Guidelines for Research Practice. *Communications of the Association for Information Systems*, 7, 1-78.
- GEISLER, G. L. (2001) Building customer relationships online: the Web site designers' perspective. *The journal of consumer marketing*, 18, 488-502.
- GEORGE, D. & MALLERY, P. (2003) *SPSS for Windows step by step: A simple guide and reference*, Boston, Allyn & Bacon.
- GILMORE, A. & CARSON, D. (1996) "Integrative" qualitative methods in a services context. *Marketing Intelligence & Planning*, 14 21-26
- GILMORE, A., GALLAGHER, D. & HENRY, S. (2007) E-marketing and SMEs: operational lessons for the future. *European Business Review*, 19, 234-247.
- GOMMANS, M., KRISHNAN, K. S. & SCHEFFOLD, K. B. (2001) From Brand Loyalty to E-Loyalty: A Conceptual Framework. *Journal of Economic and Social Research*, 3, 43-58.
- GRECO, L. D., WALOP, W. & EASTRIDGE, L. (1987) Questionnaire Development. *Canadian Medical Association Journal*, 136, 817-818.
- GRÉGOIRE, Y. & FISHER, R. J. (2006) The effects of relationship quality on customer retaliation. 17, 31.
- GREWAL, R., COTE, J. A. & BAUMGARTNER, H. (2004) Multicollinearity and Measurement Error in Structural Equation Models: Implications for Theory Testing. *MARKETING SCIENCE*, 23, 519-529.

- GRÖNROOS, C. (1990a) Relationship Approach to Marketing in Service Contexts: The Marketing and Organizational Behavior Interface. *Journal of Business Research*, 20, 3.
- GRÖNROOS, C. (1990b) Service Management: A Management Focus for Service Competition. *International Journal of Service Industry Management*, 1, 0.
- GRÖNROOS, C. (1994) From marketing mix to relationship marketing: Towards a paradigm shift in marketing. *Management Decision*, 32, 4.
- GRÖNROOS, C. (1997) Keynote paper From marketing mix to relationship marketing - towards a paradigm shift in marketing. *Management Decision*, 35.
- GRÖNROOS, C. (2000) *Service management and marketing a customer relationship management approach*, Chichester :, Wiley,.
- GRÖNROOS, C., HEINONEN, F., ISONIEMI, K. & LINDHOLM, M. (2000) The NetOffer model: a case example from the virtual marketspace. *Management Decision*, 38, 243.
- GUMMESSON, E. (1996) Relationship marketing and imaginary organizations: a synthesis. *European Journal of Marketing*, 30.
- GUMMESSON, E. (1998) Productivity, quality and relationship marketing in service operations. *International journal of contemporary hospitality management*, 10, 4-15.
- GUMMESSON, E. (2005) Qualitative research in marketing: Road-map for a wilderness of complexity and unpredictability. *European journal of marketing*, 39, 309-327.
- GUMMESSON, E. (2006) Qualitative research in management: addressing complexity, context and persona. *Management Decision*, 44, 167-179
- GUNDLACH, G. T., ACHROL, R. S. & MENTZER, J. T. (1995) The structure of commitment in exchange. *Journal of Marketing*, 59, 78-93.
- GUSTAFSSON, A., JOHNSON, M. D. & ROOS, I. (2005) The Effects of Customer Satisfaction, Relationship Commitment Dimensions, and Triggers on Customer Retention. *Journal of Marketing*, 69, 210-218.
- HA, J. & JANG, S. S. (2009) Perceived justice in service recovery and behavioral intentions: The role of relationship quality. *International Journal of Hospitality Management*, 28, 319-327.
- HAAT, M. H. C., RAHMAN, R. A. & MAHENTHIRAN, S. (2008) Corporate governance, transparency and performance of Malaysian companies. *Managerial Auditing Journal*, 23, 744-778.
- HAIR, J. F., BLACK, B., BABIN, B., ANDERSON, R. E. & TATHAM, R. L. (2005) *Multivariate Data Analysis*, Upper Saddle River, NJ., Pearson Education Prentice-Hall,.
- HARKER, M. J. (1999) Relationship marketing defined? An examination of current relationship marketing definitions. *Marketing Intelligence &*, 17.
- HARRIGAN, P., RAMSEY, E. & IBBOTSON, P. (2008) e-CRM in SMEs: an exploratory study in Northern Ireland. *Marketing Intelligence & Planning*, 26, 385-404.

- HARRISON-WALKER, L. J. & NEELEY, S. E. (2004) CUSTOMER RELATIONSHIP BUILDING ON THE INTERNET IN B2B MARKETING: A PROPOSED TYPOLOGY. *Journal of Marketing Theory and Practice*, 12, 19.
- HAWKE, A. & HEFFERNAN, T. (2006) Interpersonal liking in lender-customer relationships in the Australian banking sector. *The international journal of bank marketing*, 24, 140-157.
- HAYNES, P. J., BECHERER, R. C. & HELMS, M. M. (1998) Small and mid-sized businesses and Internet use: unrealized potential? *Internet research*, 8, 229-235.
- HEALY, M., HASTINGS, K., BROWN, L. & GARDINER, M. (2001) The old, the new and the complicated - A trilogy of marketing relationships. *European journal of marketing*, 35, 182-193.
- HEINEN, J. (1996) Internet marketing practices. *Information Management & Computer Security*, 4, 7-14.
- HENNIG-THAURU, T. & KLEE, A. (1997) The Impact of Customer Satisfaction and Relationship Quality on Customer Retention: A Critical Reassessment and Model Development. *Psychology & marketing*, 14, 737.
- HENNIG-THURAU, T., GWINNER, K. P. & GREMLER, D. D. (2002) Understanding Relationship Marketing Outcomes: An Integration of Relational Benefits and Relationship Quality. *Journal of service research*, 4, 230.
- HENNIG-THURAU, T. & HANSEN, U. (2000) *Relationship Marketing: Competitive Advantage Through Customer Satisfaction and Customer Retention*, Berlin, New York, Springer.
- HENNIG-THURAU, T., LANGER, M. F. & HANSEN, U. (2001) Modeling and Managing Student Loyalty: An Approach Based on the Concept of Relationship Quality. *Journal of service research*, 3, 331.
- HERBIG, P. & HALE, B. (1997) Internet: the marketing challenge of the twentieth century. *Internet Research: Electronic Networking Applications and Policy*, 7, 95-100
- HERNANDEZ, J. M. C. & MAZZON, J. A. (2007) Adoption of internet banking: proposition and implementation of an integrated methodology approach. *International Journal of Bank Marketing*, 25, 72-88.
- HOFSTEDE, G. J. (2003) TRANSPARENCY IN NETCHAINS. *Proceedings EFITA2003 Conference*. Debrecen University, Hungary, Herdon and T. B. Wiwczaroski (editors).
- HOLMES-SMITH, P. (2001) Introduction to Structural Equation Modelling using LISREAL. Perth: ACSPRI-Winter training Program.
- HOPKINSON, G. C. & HOGARTH-SCOTT, S. (1999) Franchise relationship quality: micro-economic explanations. 33, 827.
- HULLAND, J. (1999) USE OF PARTIAL LEAST SQUARES (PLS) IN STRATEGIC MANAGEMENT RESEARCH: A REVIEW OF FOUR RECENT STUDIES. *Strategic Management Journal*, 20, 195-204.
- HUNTLEY, J. K. (2006) Conceptualization and measurement of relationship quality: Linking relationship quality to actual sales and recommendation intention. *Industrial marketing management*, 35, 703.

- IBBOTSON, P. & MORAN, L. (2003) E-banking and the SME/bank relationship in Northern Ireland. *International Journal of Bank Marketing*, 21, 94-103.
- IZQUIERDO, C. C., CILLÁN, J. G. & GUTIÉRREZ, S. S. M. (2005) The impact of customer relationship marketing on the firm performance: a Spanish case. *Journal of Services Marketing*, 19.
- JAATINEN, M. & LAVIKKA, R. (2008) Common understanding as a basis for coordination. *Corporate Communications: An International Journal*, 13, 147-167.
- JAHANSOOZI, J. (2006) Organization-stakeholder relationships: exploring trust and transparency. *Journal of Management Development*, 25, 942-955
- JAHANSOOZI, J. (2007) Organization–public relationships: An exploration of the Sunde Petroleum Operators Group. *Public Relations Review*, 33 398-406.
- JARUWACHIRATHANAKUL, B. & FINK, D. (2005) Internet banking adoption strategies for a developing country: the case of Thailand. *Internet Research*, 15, 295-311.
- JDSAR (2006) Jordanian Department of Statistics Annual Report (original in Arabic).
- JENSEN, C., FARNHAM, S. D., DRUCKER, S. M. & KOLLOCK, P. (2000) The Effect of Communication Modality on Cooperation in Online Environments. *Conference on Human Factors in Computing Systems* The Hague, The Netherlands Association of Computing Machinery.
- JOHNS, R. & PERROTT, B. (2008) The impact of internet banking on business-customer relationships (are you being self-served?). *International Journal of Bank Marketing*, 26, 465-482.
- JONES, R. A. (1994) The Ethics of Research in Cyberspace. *Internet research*, 4, 30-35.
- KAJ, S., STORBACKA, STRANDVIK, T. & GRONROOS, C. (1994) Managing customer relationships for profit: The dynamics of. *International journal of service industry management*, 5, 21.
- KARJALUOTO, H., MATTILA, M. & PENTO, T. (2002) Factors underlying attitude formation towards online banking in Finland. *International Journal of Bank Marketing*, 20 261-272
- KEATING, B., RUGIMBANA, R. & QUAZI, A. (2003) Differentiating between service quality and relationship quality in cyberspace. *Managing Service Quality*, 13, 217-233.
- KIANI, G. R. (1998) Marketing opportunities in the digital world. *Internet Research: Electronic Networking Applications and Policy*, 8 185-194
- KOLLOCK, P. (1998) SOCIAL DILEMMAS: The Anatomy of Cooperation. *Annual Review of Sociology*, 24, 183-214.
- KRIPPENDORF, K. (1982) *Content Analysis: An Introduction to its Methodology*, London, Sage.
- KUMAR, K. & BECERRA-FERNANDEZ, I. (2007) Interaction technology: Speech act based information technology support for building collaborative relationships and trust *Decision Support Systems*, 43, 584-606

- LACEY, R. & MORGAN, R. M. (2009) Customer advocacy and the impact of B2B loyalty programs. *Journal of Business & Industrial Marketing*, 24, 3-13.
- LAGACE, R. R., DAHLSTROM, R. & GASSENHEIMER, J. B. (1991) The Relevance of Ethical Salesperson Behavior on Relationship Quality: The Pharmaceutical Industry. 11, 39.
- LAGES, C., LAGES, C. R. & LAGES, L. F. (2005) The RELQUAL scale: a measure of relationship quality in export market ventures. *Journal of Business Research*, 58, 1040-1048.
- LAGROSEN, S. (2005) Effects of the internet on the marketing communication of service companies. *The journal of services marketing*, 19, 63-69.
- LAM, S. Y., SHANKAR, V., ERRAMILLI, M. K. & MURTHY, B. (2004) Customer Value, Satisfaction, Loyalty, and Switching Costs: An Illustration From a Business-to-Business Service Context. *Academy of Marketing Science. Journal*, 32, 293-312.
- LANG, B. & COLGATE, M. (2003) Relationship quality, on-line banking and the information technology gap. *International Journal of Bank Marketing*, 21, 29-37.
- LAUTRE, I. G. & FERNÁNDEZ, E. A. (2004) A methodology for measuring latent variables based on multiple factor analysis *Computational Statistics & Data Analysis*, 45, 505-517
- LEACH, M. (2009) Examining exchange relationships among high-tech firms in the evolving global economy. *Journal of Business & Industrial Marketing*, 24, 78-85.
- LEE, N. & HOOLEY, G. (2005) The evolution of “classical mythology” within marketing measure development. *European Journal of Marketing*, 39, 365-385.
- LEONIDOU, L. C., BARNES, B. R. & TALIAS, M. A. (2006a) Exporter-importer relationship quality: The inhibiting role of uncertainty, distance, and conflict. *Industrial Marketing Management*, 35, 576-588
- LEONIDOU, L. C. & KALEKA, A. A. (1998) Behavioural aspects of international buyer-seller relationships: their association with export involvement. *International Marketing Review*, 15, 373-397.
- LEONIDOU, L. C., PALIHAWADANA, D. & THEODOSIOU, M. (2006b) An integrated model of the behavioural dimensions of industrial buyer-seller relationships. *European Journal of Marketing*, 40.
- LEVERIN, A. & LILJANDER, V. (2006) Does relationship marketing improve customer relationship satisfaction and loyalty? *International Journal of Bank Marketing*, 24, 232-251.
- LIANG, C.-J., WANG, W.-H. & FARQUHAR, J. D. (2009) The influence of customer perceptions on financial performance in financial services. *International Journal of Bank Marketing*, 27, 129-149.
- LIANG, C., CHEN, H. & WANG, W. (2008) Does online relationship marketing enhance customer retention and cross-buying? *The Service Industries Journal*, 28, 769-74.

- LIN, C.-P. & DING, C. G. (2005) Opening the black box: Assessing the mediating mechanism of relationship quality and the moderating effects of prior experience in ISP service. *International Journal of Service Industry Management*, 16, 55.
- LINDGREEN, A. (2001) A framework for studying relationship marketing dyads. *Qualitative market research*, 4, 75-88.
- LINDGREEN, A., DAVIS, R., BRODIE, R. J. & BUCHANAN-OLIVER, M. (2000) Pluralism in contemporary marketing practices. *The international journal of bank marketing*, 18, 294-308.
- LINDGREEN, A., PALMER, R., VANHAMME, J. & WOUTERS, J. (2006) A relationship-management assessment tool: Questioning, identifying, and prioritizing critical aspects of customer relationships. *Industrial marketing management*, 35, 57.
- LOHMÖLLER, J.-B. (1989) *Latent Variable Path Modeling with Partial Least Squares*, New York, Springer-Verlag.
- MAANEN, J. V. (1979) Reclaiming Qualitative Methods for Organizational Research: A Preface. *Administrative Science Quarterly*, 24, 520-526.
- MACMILLAN, K., MONEY, K., MONEY, A. & DOWNING, S. (2005) Relationship marketing in the not-for-profit sector: an extension and application of the commitment-trust theory. *Journal of business research*, 58, 806.
- MALHOTRA, N. K. (1996) *Marketing research : an applied orientation*, Pearson Education.
- MCGOWAN, P., DURKIN, M. G., ALLEN, L., DOUGAN, C. & NIXON, S. (2001) Developing competencies in the entrepreneurial small firm for use of the Internet in the management of customer relationships. *Journal of European Industrial Training*, 25, 126-136.
- MCMILLAN, S. J. (2000) The Microscope and the Moving Target: The Challenge of Applying Content Analysis to The World Wide Web. *Journalism and Mass Communication Quarterly*, 77, 80-98.
- METCALF, L. E., FREAR, C. R. & KRISHNAN, R. (1992) Buyer-Seller Relationships: An Application of the IMP Interaction Model. *European Journal of Marketing*, 26, 27-46.
- MEYER, J. R. (1967) An Experiment in the Measurement of Business Motivation. *The Review of Economics and Statistics*, 49, 304-318.
- MITUSSIS, D., O'MALLEY, L. & PATTERSON, M. (2006) Mapping the re-engagement of CRM with relationship marketing. *European journal of marketing*, 40, 572-589.
- MOEN, Ø., MADSEN, T. K. & ASPELUND, A. (2008) The importance of the internet in international business-to-business markets. *International Marketing Review*, 25, 487-503.
- MOHR, J. & SPEKMAN, R. (1994) Characteristics of Partnership Success: Partnership Attributes, Communication Behavior, and Conflict Resolution Techniques. *Strategic Management Journal*, 15, 135-152.
- MOHR, J. J., FISHER, R. J. & NEVIN, J. R. (1999) Communicating for better channel relationships. *Marketing Management*, 8, 38-46.

- MORGAN, R. M. & HUNT, S. D. (1994) The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58, 20.
- MORIARTY, J., JONES, R. & ROWLEY, J. (2008) Marketing in small hotels: a qualitative study. *Marketing Intelligence & Planning*, 26, 293-315.
- NANCARROW, C., PALLISTER, J. & BRACE, I. (2001) A new research medium, new research populations and seven deadly sins for Internet researchers. *Qualitative Market Research: An International Journal*, 4, 136-149
- NAUDE, P. & BUTTLE, F. (2000) Assessing relationship quality. *Industrial Marketing Management*, 29, 351.
- NDUBISI, N. O. (2006) A structural equation modelling of the antecedents of relationship quality in the Malaysia banking sector. 11, 131.
- NDUBISI, N. O. & WAH, C. K. (2005) Factorial and discriminant analyses of the underpinnings of relationship marketing and customer satisfaction. *International Journal of Bank Marketing*, 23, 542-557.
- NEUMAN, W. L. (2006) *Social Research Methods - Qualitative and Quantitative Approaches (6th ed.)*, Boston, MA, Pearson.
- NGAI, E. W. T. (2003) Internet marketing research (1987-2000): a literature review and classification. *European Journal of Marketing*, 37, 24-49.
- O'LEARY, C., RAO, S. & PERRY, C. (2004) Improving customer relationship management through database/Internet marketing: A theory-building action research project. *European journal of marketing*, 38, 338-354.
- O'REILLY, C., III, & CHATMAN, J. (1986) Organizational Commitment and Psychological Attachment: The Effects of Compliance, Identification, and Internalization on Prosocial Behavior. *Journal of Applied Psychology*, 71, 492-500.
- O'TOOLE, T. (2003) E-relationships--emergence and the small firm. *Marketing intelligence & planning*, 21, 115.
- ODEKERKEN-SCHRÖDER, G., WULF, K. D. & SCHUMACHER, P. (2003) Strengthening outcomes of retailer–consumer relationships: The dual impact of relationship marketing tactics and consumer personality. *Journal of Business Research*, 56, 177-190.
- OLKKONEN, R., TIKKANEN, H. & ALAJOUTSIJÄRVI, K. (2000) The role of communication in business relationships and networks. *Management Decision*, 38, 403-409.
- ONWUEGBUZIE, A. J. & COLLINS, K. M. T. (2007) A Typology of Mixed Methods Sampling Designs in Social Science Research *The Qualitative Report*, 12 281-316
- PAGE, C. & LEPKOWSKA-WHITE, E. (2002) Web equity: A framework for building consumer value in online companies. *The Journal of Consumer Marketing*, 19, 231 (16 pages).
- PALMATIER, R. W., DANT, R. P., GREWAL, D. & EVANS, K. R. (2006) Factors Influencing the Effectiveness of Relationship Marketing: A Meta-Analysis. *Journal of Marketing*, 70, 136-153.

- PALMER, A., ADRIAN (1997) Defining relationship marketing: an international perspective. *Management decision*, 35, 319-321.
- PALMER, R., LINDGREEN, A. & VANHAMME, J. (2005) Relationship marketing: schools of thought and future research directions. *Marketing intelligence & planning*, 23, 313.
- PAPADOPOULOU, P., ANDREOU, A., KANELLIS, P. & MARTAKOS, D. (2001) Trust and relationship building in electronic commerce. *Internet research*, 11, 322-332.
- PARASURAMAN, A., BERRY, L. & ZEITHAML, V. (1993) More on Improving Service Quality Measurement. *Journal of Retailing*, 69, 140-147.
- PARK, C. & JUN, J.-K. (2003) A cross-cultural comparison of Internet buying behavior. *International Marketing Review*, 20, 534-553.
- PARKHE, A. (1998) Journal of World Business. *Understanding Trust in International Alliances*, 33, 219-240
- PAVLOU, P. A. (2002) Institution-based trust in interorganizational exchange relationships: the role of online B2B marketplaces on trust formation. *The Journal of Strategic Information Systems*, 11, 215-243
- PERRY, C., CAVAYE, A. & COOTE, L. (2002) Technical and social bonds within business-to-business relationships. *The Journal of Business & Industrial Marketing*, 17, 75-88.
- PETER, J. P. (1981) Construct Validity: A Review of Basic Issues and Marketing Practices. *Journal of Marketing Research* 18, 133-145.
- PIKKARAINEN, T., PIKKARAINEN, K., KARJALUOTO, H. & PAHNILA, S. (2004) Consumer acceptance of online banking: an extension of the technology acceptance model. *Internet Research*, 14, 224-235.
- POHL CONSULTING & ASSOCIATES (2007) SME Finance Institutions and Schemes.
- POLASIK, M. & WISNIEWSKI, T. P. (2009) Empirical analysis of internet banking adoption in Poland. *International Journal of Bank Marketing*, 27, 32-52.
- POON, S. & SWATMAN, P. M. C. (1997) Small business use of the Internet: findings from the Australian case studies. *International Marketing Review*, 14, 385-402.
- POON, W.-C. (2008) Users' adoption of e-banking services: the Malaysian perspective. *Journal of Business & Industrial Marketing*, 23, 59-69.
- RAO, S., GOLDSBY, T. J. & IYENGAR, D. (2009) The marketing and logistics efficacy of online sales channels. *International Journal of Physical Distribution & Logistics Management*, 39, 106-130.
- RAO, S. & PERRY, C. (2003) Convergent interviewing to build a theory in under-researched areas: principles and an example investigation of Internet usage in inter-firm relationships. *Qualitative market research*, 6, 236-247.
- RAO, S., SALLY & PERRY, C. (2002) Thinking about relationship marketing: Where are we now? *The journal of business & industrial marketing*, 17, 598.
- RAUYRUEN, P. & MILLER, K. E. (2007) Relationship quality as a predictor of B2B customer loyalty. *Journal of Business Research*, 60, 21-31.

- REICHHELD, F. (1996) *The Loyalty Effect*, Boston, MA., Harvard Business School Press.
- REXHA, N., KINGSHOTT, R. P. J. & AW, A. S. S. (2003) The impact of the relational plan on adoption of electronic banking. *Journal of Services Marketing*, 17, 53-67.
- RINGLE, C. M., WENDE, S. & WILL, A. (2005) SmartPLS 2.0 (beta). Hamburg, Germany, University of Hamburg.
- RIOS, R. E. & RIQUELME, H. E. (2008) Brand equity for online companies. *Marketing Intelligence & Planning*, 26, 719-742.
- ROBERTS, K., VARKI, S. & BRODIE, R. (2003) Measuring the quality of relationships in consumer services: an empirical study. *European Journal of Marketing*, 37, 169-196.
- ROBICHEAUX, R. A. & COLEMAN, J. E. (1994) The structure of marketing channel relationships *Journal of the Academy of Marketing Science*, 22, 38-51.
- ROBSON, C. (2002) *Real world research: A Resource for Social Scientists and Practitioner-researchers* Oxford, Blackwell Publishers.
- ROSEN, D. E. & SURPRENANT, C. (1998) Evaluating relationships: are satisfaction and quality enough? *International journal of service industry management*, 9, 103-125.
- ROTCHANAKITUMNUAI, S. & SPEECE, M. (2003) Barriers to Internet banking adoption: a qualitative study among corporate customers in Thailand. *International Journal of Bank Marketing*, 21, 312.
- ROWLEY, J. (2004) Just another channel? Marketing communications in e-business. *Marketing Intelligence & Planning*, 22, 24 (1 page).
- ROY, M. C., DEWIT, O. & AUBERT, B. A. (2001) The impact of interface usability on trust in Web retailers. *Internet research*, 11.
- RUST, R. T., ZAHORIK, A. J. & KEININGHAM, T. L. (1995) Return on Quality (ROQ): Making Service Quality Financially Accountable *Journal of Marketing*, 59 58-70.
- RUYTER, K. D., MOORMAN, L. & LEMMINK, J. (2001) Antecedents of Commitment and Trust in Customer–Supplier Relationships in High Technology Markets. *Industrial Marketing Management*, 30, 271-286
- SANCHEZ-PÉREZ, M. & INIESTA-BONILLO, M. A. A. (2004) Consumers Felt Commitment towards Retailers: Index Development and Validation. *Journal of Business and Psychology*, 19, 141-159.
- SAMIEE, S. & WALTERS, P. G. P. (2003) Relationship marketing in an international context: a literature review. *International business review*, 12, 193-214.
- SANZO, M. A. J., SANTOS, M. A. L. & VA'ZQUEZ, L. I. A. L. A. R. (2007) The effect of a buyer's market orientation on attitudinal loyalty toward a supplier: is dependence a moderator? *Supply Chain Management: An International Journal*, 12 267-283.
- SATHYE, M. (1999) Adoption of Internet banking by Australian consumers: an empirical investigation. *International Journal of Bank Marketing*, 17, 324-334.

- SAUNDERS, M., LEWIS, P. & THORNHILL, A. (2000) *Research methods for business students*, London, 2nd ed., Financial Times Prentice Hall.
- SAYAR, C. & WOLFE, S. (2007) Internet banking market performance: Turkey versus the UK. *International Journal of Bank Marketing*, 25 122-141
- SCHWARZ, A., SCHWARZ, C. & RIZZUTO, T. (2008) Examining the “Urban Legend” of Common Method Bias: Nine Common Errors and their Impact. *Proceedings of the 41st Hawaii International Conference on System Sciences*. Hawaii
- SEKARAN, U. (1992) *Research Methods for Business: A Skill Building Approach*, Singapore, John Wiley & Sons, Inc.
- SELNES, F. (1998) Antecedents and consequences of trust and satisfaction in buyer-seller relationships. *European Journal of Marketing*, 32, 305-322.
- SHAMDASANI, P. N. & BALAKRISHNAN, A. A. (2000) Determinants of relationship quality and loyalty in personalized services. 17, 399.
- SHETH, J. N. (2002) The future of relationship marketing. *Journal of Services Marketing*, 16.
- SHIELS, H., MCIVOR, R. & O'REILLY, D. (2003) Understanding the implications of ICT adoption: insights from SMEs. *Logistics Information Management*, 16, 312-326.
- SIAM, A. Z. (2007) Effects of Collateral Pledges in Reducing Credit Risks – Confronting Banks in Jordan, as Lending Institutions. *Journal of Social Sciences*, 3, 134-137.
- SIMPSON, J. T. & MAYO, D. T. (1997) Relationship Management: A Call for Fewer Influence Attempts? *Journal of Business Research*, 39, 209-218.
- SIVADAS, E. & BAKER-PREWITT, J. L. (2000) An examination of the relationship between service quality, customer satisfaction, and store loyalty. *International Journal of Retail & Distribution Management*, 28, 73-82.
- SOBH, R. & PERRY, C. (2006) Research design and data analysis in realism research. *European Journal of Marketing*, 40 1194-1209
- SRIROJANANT, S. & THIRKELL, P. C. (1998) Relationship Marketing and its Synergy with Web-based Technologies. *Journal of Market-Focused Management*, 3, 23-46.
- STEINHEIDER, B. (2000) Cooperation in Interdisciplinary R&D-Teams. *Proceedings of the ISATA*. Dublin, Ireland.
- STEWART, D. W. (1996) Market-back approach to the design of integrated communications programs: A change in paradigm and a focus on determinants of success *JOURNAL OF BUSINESS RESEARCH*, 37, 147-153
- STORY, J. & HESS, J. (2006) Segmenting customer-brand relations: beyond the personal relationship metaphor. *Journal of Consumer Marketing*, 23, 406-413.
- STRAUB, D., BOURDEAU, M.-C. & GEFEN, D. (2004) Validation Guidelines for IS Positivist Research. *Communications of the Association for Information Systems*, 14, 380-426.
- SVENSSON, G. (2004) Vulnerability in business relationships: the gap between dependence and trust. *Journal of Business & Industrial Marketing*, 19, 469-483.

- SWEET, D. G. & HALLIDAY, H. L. (2004) Applications to a research ethics committee. *Current paediatrics*, 14, 495.
- SZMIGIN, I., CANNING, L. & REPEL, A. E. (2005) Online community: enhancing the relationship marketing concept through customer bonding. *International Journal of Service Industry Management*, 16, 480 (17 pages).
- TASHAKKORI, A. & CRESWELL, J. W. (2007) The New Era of Mixed Methods. *Journal of Mixed Methods Research*, 1, 3-7.
- TASHAKKORI, A. & TEDDLIE, C. (1998) *Mixed methodology: Combining qualitative and quantitative approaches. Applied Social Research Methods Series (Vol. 46)*, Thousand Oaks, CA, Sage.
- TAYLOR, S. A., CELUCH, K. & GOODWIN, S. (2002) Technology Readiness in the e-Insurance Industry: An Exploratory Investigation and Development of an Agent Technology e-Consumption Model. *Journal of Insurance Issues*, 25, 142-165.
- TENENHAUS, M., VINZI, V. E., CHATELIN, Y.-M. & LAURO, C. (2005) PLS path modeling. *Computational Statistics & Data Analysis*, 48 159 - 205.
- TENNØY, A., KVÆRNER, J. & GJERSTAD, K. I. (2006) Uncertainty in environmental impact assessment predictions: the need for better communication and more transparency. *Impact Assessment and Project Appraisal*, 24, 45-56.
- THE JORDAN TIMES (2007) BLUEPRINT GUIDES JORDANIAN BANKS FOR FINANCING SMES -SMEs represent 98.5 per cent of the total firms in Jordan. Amman.
- THEUVSEN, L. (2004) Transparency in netchains as an organizational phenomenon: exploring the role of interdependencies. *Journal on Chain and Network Science*, 4 125-138.
- THORELLI, H. B. (1986) Networks: Between Markets and Hierarchies. *Strategic management journal*, 7, 37-51.
- TOIVO, S., AIJO (1996) The theoretical and philosophical underpinnings of relationship marketing: Environmental factors behind the changing marketing paradigm. *European journal of marketing*, 30, 8.
- UCOK, O. (2006) Transparency, communication and mindfulness. *The Journal of Management Development.*, 25, 1024.
- ULAGA, W. & EGGERT, A. (2006) Relationship value and relationship quality: Broadening the nomological network of business-to-business relationships. *European journal of marketing*, 40, 311.
- VIEIRA, V. A. & SLONGO, L. A. (2006) RELATIONSHIP MARKETING BETWEEN FRANCHISER AND FRANCHISEE: TWO PROPOSED MODELS. *Alcance - UNIVALI*, 13 311 - 328.
- WAGNER, B. A., FILLIS, I. & JOHANSSON, U. (2003) E-business and e-supply strategy in small and medium sized businesses (SMEs). *Supply Chain Management: An International Journal*, 8, 343-354.
- WAHBA, J. & MOHIELDIN, M. (1998) Liberalizing trade in financial services: The Uruguay Round and the Arab countries. *World Development*, 26, 1331-1348.

- WALTER, A., MULLER, T. A., HELFERT, G. & RITTER, T. (2003) Functions of industrial supplier relationships and their impact on relationship quality. *32*, 159.
- WEBB, J. R. (1995) *Understanding and Designing Marketing Research*, London, The Dryden Press.
- WHETTEN, D. A. (1989) What Constitutes a Theoretical Contribution? *Academy of Management Review*, *14*, 490-495.
- WILSON, D. T. (1995) An integrated model of buyer–seller relationships. *Journal of the Academy of Marketing Science*, *23*, 335-345.
- WILSON, D. T. & MUMMALANENI, V. (1986) Bonding and Commitment in Buyer-Seller Relationships: A Preliminary Conceptualisation. *Industrial Marketing & Purchasing*, *1*, 44-59.
- WILSON, N. C. & STOKES, D. (2004) Laments and serenades: relationship marketing and legitimation strategies for the cultural entrepreneur. *Qualitative market research*, *7*, 218-227.
- WOLD, H. (1982) *Systems under indirect observation using PLS*", in Fornell, E. (Eds), *A Second Generation of Multivariate Analysis: Volume 1. Methods*, Praeger, New York, NY, pp.325-47. .
- WONG, A. & SOHAL, A. (2002) An examination of the relationship between trust, commitment and relationship quality. *International Journal of Retail & Distribution Management*, *30*, 34.
- WOO, K.-S. & ENNEW, C. T. (2004) Business-to-business relationship quality: an IMP interaction-based conceptualization and measurement. *European Journal of Marketing*, *38*, 1252-1271.
- WU, W.-Y., CHIAG, C.-Y., AND, Y.-J. W. & TU, H.-J. (2004) The influencing factors of commitment and business integration on supply chain management. *Industrial Management & Data Systems*, *104* 322-333.
- ZIKMUND, W. G. (2000) *Business Research Methods*, Orlando, Florida, The Dryden Press, Harcourt College Publishers.
- ZINELDIN, M. & JONSSON, P. (2000) An examination of the main factors affecting trust/commitment in supplier-dealer relationships: an empirical study of the Swedish wood industry. *The TQM Magazine*, *12*, 245-266.
- ZINELDIN, M. A. (1998) Towards an ecological collaborative relationship management: A “co-opetive” perspective. *European Journal of Marketing*, *32*, 1138-1164.
- ZONTANOS, G. & ANDERSON, A. R. (2004) Relationships, marketing and small business: an exploration of links in theory and practice. *Qualitative market research*, *7*, 228-236.

APPENDICES

Letter for Jordanian Banks	A1
Interview Questions	B1
Survey Questionnaire.	C1
Conceptualization of Relationship Quality in the Literature	D1



Dear Sirs,

I am a doctoral student based at the Bradford University School of Management in the United Kingdom sponsored by Al-Balqa Applied University in Jordan researching the impact of the Internet on the Jordanian banking sector.

The major aims of my research are to investigate how Jordanian banks are adapting Internet technology for marketing purposes and how that may affect their relationship with their small and medium sized business customers. The findings of this research ultimately will be important in ensuring that Internet resources are implemented in a way to improved quality of service and relationships between the banking sector and business in Jordan, to the benefit of both stakeholders.

As part of the research, I would need to interview some key people in your organization, lasting no more than an hour, especially from the marketing and IT departments. If this is acceptable, I would be grateful if you could send me contact details of the interviewees, and I will then contact them to set up an appointment for an interview sometime in July/August 2007, when I will be in Jordan. Your participation is extremely valuable to this research and all data collected will be anonymous and treated confidentially according to the University of Bradford guidelines governing Ethics in Research.

I will be happy to provide you with an Executive Summary of the research results upon your request. If you require more information about this research project or wish to discuss it further, please contact me or my supervisors at the address below.

I thank you in anticipation of your support and co-operation and look forward to hearing from you with the appropriate information. I will be contacting you shortly to finalize arrangements.

Yours faithfully,

Muhammed S. Alnsour

Doctoral Researcher in Marketing

University of Bradford School of Management,

Emm Lane,

Bradford BD9 4JL

E-mail: M.S.Alnsour@bradford.ac.uk

Mobile: +962795504144

Supervisors: Dr Myfanwy Trueman: m.trueman@bradford.ac.uk;

Dr Rana Tassabehji: r.tassabehji@bradford.ac.uk



Business to Business Internet Adoption and Marketing Relationship Quality

Please answer the following questions:

1. Background information:

Personal:

Name	
Banks Name	
Education	
Current Position	
Age	
Years of Experience	

Are you involved with the use of internet for marketing purpose?

Yes	No
------------	-----------

Bank:

Does your bank utilize internet for marketing purposes?

APPENDIX - B

Yes	No
-----	----

For how long has your bank been utilizing the internet for marketing purposes?

Please tick the boxes on the left side: which of the following e-business activities (internet applications) does your bank engage in :

E-mailing and browsing.	
Exchange of information and information search.	
Using the banks website to display company information and advertise services.	
Using the internet to provide online banking services.	
Allowing the customers to manage their accounts and apply and buy online.	
Intra-company communication.	
submitting requests for proposals and receiving proposals	

Please indicate what other online activities that your bank engages in:

Do you think that you are fully utilizing the internet as a marketing channel and as a communication tool? If not Why not??

Who are your target customers for internet marketing?

Are you interested in targeting Small and Medium Enterprises (SME's) in your online- marketing activities?? Why/ Why not

2. Relationship Quality:

Please tick the box besides the constructs that are more appropriate as a determinant of the quality of Bank-SMEs relationships:

Trust	
Commitment	
Satisfaction	
Adaptation	
Communication	
Cooperation	
Benevolence	
Understanding	
Perceived Quality	
Power Balance	
Relationship Value	
Ethical Considerations	

APPENDIX - B

Please indicate what other construct of relationship quality are appropriate as an indicator of the quality of SMEs – Banks relationships:

How would you describe the quality of the relationship with your SME's customers?

--

How do you assess whether the banks relationships with its business customers are good and healthy or not?

--

How do you build a quality relationship?

--

3. Factors that affect the adoption of the internet

What are the main factors that affect the Bank's decision to adopt Internet technology?

What effect does the usage of the internet have on the quality of the relationship with your business (SME) customers?

--

How does using the internet hinder or enhance the quality of the banks relationship with SME customers?

Hinder:
Enhance:

APPENDIX - B

What are the main barriers that face the bank to adopt technology in general and the internet especially?

What are the perceived benefits of establishing an online marketing presence and offering online services?

In an e-business environment, how does communication influence relationship quality?

--

APPENDIX - B

(Please Tick Boxes) Using the internet, in compare with the traditional means of communication , is:

More	Less	
		Accurate
		Credible
		Relevant
		Reliable
		Timely
		Complete
		Adequate

4. Perceived effect of internet Adoption on Relationship Quality:

How do you perceive the affect of internet as a marketing communication tool on the quality of communication and information sharing with your business customers?

APPENDIX - B

Which structural and social elements of the relationship are more affected by the usage of Internet technology as an inter-firm communication tool and marketing channel?

Trust	
Commitment	
Satisfaction	
Adaptation	
Communication	
Cooperation	
Benevolence	
Understanding	
Perceived Service Quality	
Power Balance	
Relationship Value	
Ethical Considerations	
Others (please indicate)

What relational outcomes have been realized or expected as a result of B2B internet use?

5. Closing Questions:

What other questions could I have asked regarding this subject?

Who else could/should I talk to regarding this topic?

If I need to clarify any of the points, how can I come back to you (Please provide contact details for your preferred way of communication):

In Person	
By Telephone	
Via e-mail	

Thank You

Muhammed S. Alnsour
Doctoral Researcher in Marketing
University of Bradford School of Management,
Emm Lane,
Bradford BD9 4JL
E-mail: M.S.Alnsour@bradford.ac.uk

APPENDIX - C

Section A: Demographic Information

Please complete the following questions, or tick the appropriate statements:

1. How long has your firm has been in business for ----- years (please specify a number)
2. What is the size of your company by number of employees ----- (specify a number)
3. What is your annual turnover in US\$

A	Less than \$50,000	B	\$50,000 - \$299, 99	C	\$300,000 - \$499,999
D	\$500,000 - \$999,999	E	\$1million - \$5million	F	Other, please specify.....

4. Which industry sector is your firm considered to be part of?

A	Manufacturing	B	Health and community services	C	Tourism and recreation services
D	Construction	E	Financial and insurance services	F	Cafes and restaurants
G	Wholesale Trade	H	Communication services	I	Property services
J	Retail Trade	K	Personal services	L	Transport and storage services
M	Others, please state : -----				

Section B: Technology Profile

Please answer questions 5 and 6, using the following rating scale:

Always (every day)	Frequently (a few times a week)	Occasionally (about once a month)	Seldom (about once every 6 months)	Never
1	2	3	4	5

5. Which of the following technologies has your company implemented and how often are they used:

Our company has:		This technology is implemented		Frequency of use				
A	Intranet	Yes	No	1	2	3	4	5
B	Video conferencing facilities	Yes	No	1	2	3	4	5
C	Extranets with suppliers	Yes	No	1	2	3	4	5
D	Website enabling financial transactions	Yes	No	1	2	3	4	5
E	Extranet with customers	Yes	No	1	2	3	4	5
F	Information only Website	Yes	No	1	2	3	4	5
G	Wireless Networking	Yes	No	1	2	3	4	5
H	Others, please specify	Yes	No	1	2	3	4	5

APPENDIX - C

Please complete the following questions by ticking the appropriate answers:

6. What kind of Internet access does your organization have (you may tick more than one option) :

A	Internet (Dial-up)	B	Internet Broadband	C	DSL/ ADSL
D	Internet via mobile phone	E	No Internet	F	Other (please state)

7. If your company does not access the internet, indicate the main reason why not (tick only one answer)?

A	It is not available	B	We have no need for it	C	It is too expensive to implement
D	We do not have the skills in our company to use it			E	Other (please state).....

8. Do you think that mobile marketing is more effective than internet marketing?

A	Yes, please specify why
B	No, please specify why not

9. Please rank the following means of communication in terms of their effectiveness for your firm where 1= most effective and 5= not effective):

A	Letter	B	Telephone	C	Face-to-face	D	E-mail	E	Mobile technology
	1 2 3 4 5		1 2 3 4 5		1 2 3 4 5		1 2 3 4 5		1 2 3 4 5

10. How many banks do you use: (NB why have you removed no banks?)

A	Only one bank	B	More than one bank (please state how many)
---	---------------	---	--

11. What is the longest period over which you have been doing business with a single bank

A	Less than 1 year	B	1-3 years	C	3-5 years	D	5-10 years	E	More than 10 years
---	------------------	---	-----------	---	-----------	---	------------	---	--------------------

Thinking about the bank with which you have been a business customer the longest, please answer the questions in each of the following sections.

Section B: Relationship Quality

Please indicate the extent to which you agree with each of the following statements, using the rating scale below.

Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
1	2	3	4	5

13. Trust						
A	We feel that our bank has a high level of integrity.	1	2	3	4	5
B	We feel that we can trust our bank completely.	1	2	3	4	5
C	We feel that we can count on our bank to help us.	1	2	3	4	5
D	Our bank can always be counted on to do the right thing.	1	2	3	4	5
E	Based on past experience I can say that our bank is trustworthy	1	2	3	4	5
14. Transparency						
A	We exchange relevant information with our bank on a regular basis.	1	2	3	4	5
B	Our bank is well aware of our firm's financial situation.	1	2	3	4	5
C	Our bank releases information to the public, whether positive or negative in nature.	1	2	3	4	5
D	Our bank business processes are transparent	1	2	3	4	5
E	We inform our bank immediately once any financial problem arises	1	2	3	4	5
15. Commitment						
A	We intend to maintain the relationship with our bank indefinitely	1	2	3	4	5
B	The relationship our firm has with our bank deserves our firm's maximum efforts to maintain.	1	2	3	4	5
C	Our company is committed to our bank	1	2	3	4	5
D	Nothing would make us change our bank	1	2	3	4	5
E	We have been with our bank for a long time	1	2	3	4	5
16. Satisfaction						
A	Our firm is satisfied with our bank's services	1	2	3	4	5
B	When our firm experiences a difficult situation, our bank manages this in a satisfactory manner	1	2	3	4	5
C	Our firm is satisfied with the interactions that we have had with our bank	1	2	3	4	5
D	Our bank satisfies our firm's financial needs	1	2	3	4	5
E	Our bank satisfies our firms service needs	1	2	3	4	5
17. Communication						
A	We communicate openly with our bank	1	2	3	4	5
B	We have extensive formal and informal communications with our bank	1	2	3	4	5
C	Our needs were communicated clearly to our bank	1	2	3	4	5
D	We have continuous interaction with our bank	1	2	3	4	5
18. Cooperation						
A	Our bank works with us to achieve our goals	1	2	3	4	5
B	Our bank cooperates closely with our firm.	1	2	3	4	5
C	Our bank co-operates extensively with us to provide mutual support	1	2	3	4	5
D	Our bank co-operate extensively with us to achieve better quality	1	2	3	4	5

APPENDIX - C

19. Understanding						
A	In our relationship with our bank; we have a mutual understanding of our rights/obligations towards each other	1	2	3	4	5
B	We can sense that our bank is sympathetic about our problems	1	2	3	4	5
C	There is a common understanding that there will be difficulties that may face the relationship with our bank	1	2	3	4	5
D	Our bank understands the conditions under which our firm operates	1	2	3	4	5
E	Our bank understands our business	1	2	3	4	5
F	Our bank understands our needs	1	2	3	4	5

Please indicate the extent to which you agree with each of the following statements, using the rating scale below.

Strongly	Disagree	Neither Agree nor	Agree	Strongly Agree
1	2	3	4	5

Please note mobile technology in this instance means the use of mobile devices such as phones and PDAs (such as a blackberry) other than for communication by voice

20. Ease of Use						
A	Using the internet is easy for our firm	1	2	3	4	5
B	Our firm would find it easy to get the internet to do what we want it to do.	1	2	3	4	5
C	Using the internet to interact with my BANK would be clear and understandable.	1	2	3	4	5
D	I find the Internet flexible and can be easily used to achieve our firm's business objectives	1	2	3	4	5
E	It was easy for our firm to become skillful at using the internet	1	2	3	4	5
F	Overall, our firm would find it easy to use the internet for banking purposes	1	2	3	4	5
21. Usefulness						
A	Using internet enables our company to accomplish tasks more quickly.	1	2	3	4	5
B	Using the internet would improve job performance.	1	2	3	4	5
C	Using the internet in our business would increase our firm's productivity.	1	2	3	4	5
D	Using the internet would improve customer services	1	2	3	4	5
E	Using the internet would improve sales	1	2	3	4	5
F	Using the internet would enhance competitiveness	1	2	3	4	5
G	Using the internet enables for a better marketing	1	2	3	4	5
H	Our firm finds the internet useful as a tool to manage the relationship with our bank.	1	2	3	4	5

22. Security						
A	Our firm is confident that information sent/received over the internet with our bank will only reach the appropriate party.	1	2	3	4	5
B	Our firm is confident that inappropriate parties would not be able to view the confidential information sent/received by our bank using the Internet	1	2	3	4	5
C	Our firm is confident that inappropriate parties would not be able to access confidential information stored by our bank which we can access over the Internet	1	2	3	4	5
D	Our firm believes that information sent/received over the Internet will not be changed by inappropriate parties during a transaction.	1	2	3	4	5

To what extent do you use the following banking facilities using the rating scale below?

1= Always (every day) 2=frequently (a few times a week) 3=occasionally (about once a month) 4=Seldom (about once every 6 months) 5=Never

23. Internet Use		Using the Internet				
A	E-mailing our bank	1	2	3	4	5
B	Browsing our bank's website	1	2	3	4	5
C	Exchanging written information with our bank	1	2	3	4	5
D	Banking online (doing internet banking)	1	2	3	4	5
E	Sending / receiving marketing communications from the Bank	1	2	3	4	5

< Thank you for taking the time to help us with our research >

Table D 1 Conceptualization of Relationship Quality in the Literature

Researcher (s)	Objective (s)	Methodology	Context	Sampling	Dimensions of RQ
(CROSBY et al., 1990)	- Examine customers perception of the nature, consequences, and antecedents of Relationship Quality.	Survey Cross -sectional	Service selling in whole life insurance (Personal Relationship Marketing Context)	151 of insurance policy holders	Customer satisfaction Trust in the sales person
(LAGACE et al., 1991)	- Extending Relationship Quality (CROSBY et al., 1990) to include ethical salesperson behaviour.	Questionnaire	Sales in pharmaceutical industries	90 medical doctors	Customer satisfaction, Trust in the sales person, Ethics and expertise of the salesperson Duration and frequency of interaction Commitment Trust Cooperation Mutual goals Interdependence and power Performance satisfaction Comparison level of the alternatives Adaptation Non-retrievable investments Shared technology Summative constructs Structural bonds Social bonds
(WILSON, 1995)	- Integrate the knowledge gained from the empirical studies with the conceptual models of relationship development process. - Providing a model that argues that many of the variables are active at different stages and become latent in others.	Literature Review Conceptual Model Development	-	-	
(BEJOU et al., 1996)	- Review of Relationship Quality literature. - Presenting ANNA (artificial neural network analysis).	Telephone survey analyzed using ANNA technique	Financial Services	256 random adult members in households of four different cities	Sellers' expertise Sellers' ethical orientation Relationship duration Customer satisfaction, Trust and satisfaction, Customer and selling orientations Commitment, trust, overall quality perception
(HENNIG-THAURU and KLEE, 1997)	- Develop a conceptual foundation for investigating the customer retention process using	Model Development Theory Building	-	-	

Researcher (s)	Objective (s)	Methodology	Context	Sampling	Dimensions of RQ
(DORSCH et al., 1998)	<p>concepts of satisfaction and Relationship Quality.</p> <p>- Critical examination of a more comprehensive view of the customer's quality perception.</p> <p>- Examine the extent to which businesses use Relationship Quality perceptions to differentiate their qualified vendors</p>	Mail questionnaire	Vendor supplier relations	94 purchasing executives from a commercial mailing list of purchasing executives	Satisfaction Commitment Opportunism Customer orientation Ethical profile
(ROSEN and SURPRENANT, 1998)	<p>- To provide insight into potential methods to diagnose relationship health.</p> <p>- Assess relationships using satisfaction and quality as outcome measures.</p>	<p>Case study</p> <p>Telephone survey</p>	<p>Technological Product Businesses</p>	<p>161 suppliers of industrial equipment</p> <p>Consumer electronics manufacturers</p>	Satisfaction and quality
(HOPKINSON and HOGARTH-SCOTT, 1999)	- Examine the behavioural implications of the three main micro-economic explanations - resource constraint, agency theory and search cost theory - for franchising.	Theory Building	Contractual exchange (Franchising)	-	<p>Power balance</p> <p>Anticipation of trouble</p> <p>Sense of unity</p> <p>Presentation of costs and benefits</p>
(Naude and Buttle, 2000)	<p>- Assessing the quality of any relationship</p> <p>- Understanding how the various constructs would be traded off against each other in different relationship settings.</p>	Questionnaire	B2B (supply chain relationships in industrial , manufacturing and raw material companies)	40 middle to senior executives	<p>Trust</p> <p>Satisfaction</p> <p>Coordination</p> <p>Power</p> <p>Profit</p>
(SHAMDASANI and BALAKRISHNAN, 2000)	- Examine and better understand customers' interactions with service firms.	Questionnaire	Service encounter	Pre-study sample of 40 respondents	<p>Trust</p> <p>Satisfaction</p> <p>Loyalty</p> <p>Expertise</p>

Researcher (s)	Objective (s)	Methodology	Context	Sampling	Dimensions of RQ
(HENNIG-THURAU et al., 2001)	- Combine the growing body of knowledge on relationship marketing in the context of services with insights from more traditional educations research.	Mailed questionnaire	Service firms/ Education	325 self-administered questionnaire 5,994 students in German universities	Similarity Knowledge of customer Symbols and artefacts Communication Commitment Trust Service quality
(HENNIG-THURAU et al., 2002)	- Development of a model to integrate the research streams on relational benefits and Relationship Quality.	Quantitative survey	Service industries/ Education	336 students from a public university	Satisfaction Trust Commitment
(ROBERTS et al., 2003)	- Creation of a scale for measuring Relationship Quality regardless of service type.	Scale development/ empirical test (Exploratory / Confirmatory) Survey questionnaire	Service industry, B2C	Discussions with ten consumers 232 consumers randomly selected from the phonebook 35 charity donors	Trust in partners honesty Trust in partners benevolence Satisfaction commitment Conflict
(BENNETT and BARKENSJO, 2003)	- Investigation into the perceptions of the quality of charities' relationship marketing activities.	Model development followed by empirical testing Interviews and questionnaire	Charitable organizations		Relevance of message Interactive engagement Trust Benevolence Commitment
(KEATING et al., 2003)	- To explores and define the two related constructs of service quality and Relationship Quality.	Two-stage research design Qualitative online focus groups Quantitative online customer survey	B2B commerce, Retailing industries	E- Different consumer samples of Internet shoppers from a student population	Trust Value Effort Communication Cooperation Liking Understanding.

Researcher (s)	Objective (s)	Methodology	Context	Sampling	Dimensions of RQ
(LANG and COLGATE)	- To investigate the impact of IT in a relationship marketing context.	Hypotheses testing Quantitative Survey	Banking industry	1,346 consumers acquired from an electronic version of telephone books	Social bonding Commitment Satisfaction Trust Conflict
(WALTER et al., 2003)	- Provide a thorough conceptualization of Relationship Quality and its possible antecedents.	Empirical qualitative study Model testing mailed questionnaire	B2B vendor supplier relations	230 appropriate informants in German companies	Commitment Trust Customer satisfaction
(B URCA et al., 2004)	- To contribute further to a greater understanding of Relationship Quality in business markets.	Case Study of a single representative case perspective	B2B commerce in software industry	A single case using a leading multinational corporation in the software industry	Commitment Cooperation Trust Communication Adaptation Culture
(WOO and ENNEW, 2004)	- To provide alternative conceptualization of business-to-business Relationship Quality based on the well-established IMP interaction model.	Quantitative survey Questionnaire	B2B consumer services	273 senior government engineers from the staff list of Hong Kong Government	Cooperation Adaptation Atmosphere.
(COLGATE and SMITH, 2005)	- Examine relationships that primarily exist within a technology context compared to those that primarily exist in a traditional face-to-face context.	Questionnaires	Banking industry, Internet	1,166 Bank customers in New Zealand	Commitment/ advocacy Trust Satisfaction Loyalty
(LAGES et al.)	- To develop a measurement scale (the RELQUAL scale) to assess the degree of Relationship Quality between the exporting firm and the importer.	Combination of exploratory qualitative in-depth interviews, a review of the export marketing literature and survey pre-tests	International trade, B2B Exporter-Importer relationships.	111 British exporters	Amount of information sharing Communication quality Long-term orientation Satisfaction with the relationship.
(FARRELLY and QUESTER, 2005)	- To examine empirically the effects of trust and commitment on	Hypotheses testing In-depth interviews	Sponsorship in Australian	46 'protected' sponsor	Trust Commitment

Researcher (s)	Objective (s)	Methodology	Context	Sampling	Dimensions of RQ
	two critical relationship outcomes, namely, economic and non - economic satisfaction.	Self-administered mail survey	Football League	relationships in the AFL	Economic satisfaction Non-economic satisfaction
(FYNES et al., 2005)	- To consider whether or not it is possible to measure the multi-dimensional nature of Supply Chain (SC) relationships - To consider the effect of SC relationships on quality performance.	Mail survey	Supply chain, Electronics sector in the Republic of Ireland	200 manufacturing companies	Trust Adaptation Communication Dependence Commitment Co-operation
(BENNETT and BARKENSJO, 2005)	- To investigate linkages between the relationship marketing activities of charitable organizations. - To identify the specific relationship marketing functions that contribute most to the development of good relationships	Questionnaires and interviews	Charitable organizations with their beneficiaries.	Quant: 34 university employees 37 students Qual: 29 full interviews	Trust Benevolence Commitment
(LIN and DING, 2005)	- To examine empirically the mediating role of Relationship Quality in relational selling behaviour, network quality, service recovery, and loyalty, and the moderating role of prior IT experience in ISP service.	Field study using a survey methodology (cross-sectional)	B2C Servicing, Telecom customers in Taiwan, Chunghwa Telecom	339 ADSL customers of the largest ISP provider	Trust Satisfaction
(DASH et al., 2006)	- Examine the moderating effect of power distance on perceived interdependence and Relationship Quality.	Questionnaires	Cross-cultural Banking bank-corporate client relationship India and Canada	126 Canadian companies and 156 Indian companies	Trust Commitment
(HUNTLEY, 2006)	- Determine relational drivers of account profitability.	In-depth interviewing technique (Qualitative investigation) Telephone interview	Buyer- Seller relationships in technology intensive industries (B2B)	18 executives in different industries 203 Personal	Commitment Trust Profitable outcomes Goal Congruity

Researcher (s)	Objective (s)	Methodology	Context	Sampling	Dimensions of RQ
(GRÉGOIRE and FISHER, 2006)	- Examine the effects of Relationship Quality (RQ) on customers 'desires to retaliate after service failures.	Field study based on respondents' retrospective experiences	B2C services Retailers	phone interviews with customers 105 MBA students	Trust Satisfaction Commitment Identification
(LEONIDOU et al., 2006a)	- Examine the impact of uncertainty, distance, and conflict on key elements comprising the quality of the relationship.	Questionnaires	Exporting U.S. industrial exporters and their overseas customers	201 U.S.-based small and medium-sized manufacturers engaged in export activity	Adaptation Commitment, Communication, Cooperation Satisfaction Trust Understanding
(ULAGA and EGGERT, 2006)	- To include relationship value as a key constituent in buyer-seller relationships models. To explore its links with key constituents of Relationship Quality (i.e. commitment, satisfaction, and trust).	Two-stage research design In-depth-interviews Nation-wide mail survey	Buyer-seller relationships in US manufacturing companies	Ten senior-level purchasing managers 400 purchasing professionals.	Trust Commitment Satisfaction Relationship value
(RAUYRUEN and MILLER, 2007)	- To provide a picture of how Relationship Quality can influence customer loyalty in the business-to-business (B2B) context.	Mail survey and online survey	SMEs, B2B courier delivery service in Australia	306 SMEs	Trust Commitment Satisfaction Perceived service quality