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Kristof De Wulf Ghent, 4th of June 1999

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Executive Summary

According to some estimates (Reichheld 1996), US corporations now lose half of their customers in five years and disloyalty reduces corporate performance up to 50 percent. More than ever, it appears that transaction-oriented market approaches have large difficulties in finding an appropriate answer to contemporary market challenges. Under pressure of eroding repeat purchases and intensified competitive pressures in saturated markets, companies increasingly realize that such approaches are no longer sufficient. As a result, several authors underline the fact that - for reasons of efficiency and effectiveness - keeping existing customers deserves more attention than attracting new customers. Customer loyalty, the buzzword of the 1990s, has become a key business priority for most companies today.

Yet, extremely limited information is available on customer reasons for engaging in relationships with companies, on the nature of these relationships, or on their consequences. The basic questions of whether, why, and in which forms customers seek and value ongoing relationships with companies remain largely unanswered. Especially in a consumer retail environment, systematic research on relationship marketing is practically lacking. In their Harvard Business Review article, Fournier, Dobscha, and Mick (1998) recently stressed the crucial importance of undertaking research on buyer-seller relationships.

On the one hand, they indicate the increased opportunities that sellers have for enhancing buyerseller relationships.

"Relationship marketing is in vogue. Managers talk it up. Companies profess to do it in new and better ways every day. Academics extol its merits. And why not? The new, increasingly efficient ways that companies have of understanding and responding to customers' needs and preferences seemingly allow them to build more meaningful connections with consumers than ever before. These connections promise to benefit the bottom line by reducing costs and increasing revenues ... Companies may delight in learning more about their customers than ever before and in providing features and services to please every possible palate"

On the other hand, they warn companies for not listening to the true needs and wants of customers.

"Customers cope. They tolerate sales clerks who hound them with questions every time they buy a battery. They muddle through the plethora of products that line grocery store shelves. They deal with the glut of new features in their computers and cameras. They juggle the flood of invitations to participate in frequent buyer reward programs. Customer satisfaction rates in the United States are at an all-time low, while complaints, boycotts, and other expressions of consumer discontent rise ... Caught up in our enthusiasm for our information-gathering capabilities and for the potential opportunities that long-term engagements with customers hold, is it possible that we have forgotten that relationships take two?"

The objective of our study was to investigate whether the statements of Fournier, Dobscha, and Mick (1998) hold in a retail environment: are retailers actually capable of 'building connections' with consumers though increased efforts and which consumers are interested in these efforts? First, we measured the impact that retailers can have on enhancing their relationship with customers through increasing their efforts (referred to as seller relationship orientation). More specifically, the study was intended to provide retailers with insights on the relative importance of four types of relationship efforts: communication, differentiation, personalization, and rewarding. Knowing the effects of these efforts on the strength of buyer-seller relationships can provide retailers with powerful guidelines for fine-tuning their relationship marketing strategies. Second, we wanted to find out to which extent the strength of buyer-seller relationships is influenced by characteristics of the buyer. More specifically, we investigated whether the proneness of a customer to engage in relationships has an impact on the strength of the buyer-seller relationship (referred to as buyer relationship proneness). Identifying those buyers who are most prone to engage in relationships is expected to be beneficial to retailers as the efficiency of their marketing investments increases as a result of it. In order to accomplish these objectives, more than 1,700 face-to-face interviews were administered in three different countries (Belgium, the Netherlands, United States) for two different product categories (clothing and food). The main results of the study are outlined below.

First, our results stress the need for retailers to direct relationship efforts at regular customers above and beyond core product and service efforts. The four relationship efforts we distinguished - informing regular customers through direct communication media, treating and serving them differently than non-regular buyers, interacting with them in warm and personal ways, and rewarding them in return for their loyalty - pay off in terms of improved customer perceptions of retailer efforts and strengthened consumer-retailer relationships. However, only partial support was found for these results. Our conclusions did not hold for each country and for each product category examined. As today's retailers increasingly offer comparable merchandise, copy competitors' price promotions, share common distribution systems, and treat customers well in terms of services offered, they should direct more of their attention at developing and implementing such relationship efforts. Consequently, managers and employees need to be trained, motivated, and rewarded for making relationship efforts to regular customers. Our results especially demonstrated the crucial role of the personalization relationship effort and, as a result, of a retailer's employees who are in direct contact with customers. This confirms the important role of employees as 'part-time' marketers in enhancing customer relationships.

Second, our results indicated that the effectiveness of relationship marketing strategies is not only determined by a retailer's approach to the market, but also for a very large part by the nature of this retailer's customers. Our results even show that a buyer's purchasing behavior is relatively more dependent on the proneness of this buyer to engage in relationships than on the efforts of the retailer. Consequently, retailers should not only focus at optimizing their efforts towards customers, but should equally pay attention to finding the right customers. In addition to the more traditional criteria of product-market segmentation such as market size, market growth, and expected market share, retailers need to be more sensitive to average levels of buyer relationship proneness in particular product-markets. Segmenting buyers according to levels of buyer relationship proneness is expected not only to affect share of market, but also expected share of customer as relationship

prone customers have a higher tendency to remain loyal to one store. Segmentation and communication based on buyer relationship proneness assists retailers in reducing waste of resources. Moreover, by collecting information on buyer relationship proneness, retailers can make a better assessment of which efforts they should direct at which customers. This has important implications for retailers as it might help them in defining market segments.

Third, our results underline that the same efforts of a retailer towards customers can result in higher levels of relationship satisfaction and relationship commitment in case these customers are more prone to engage in relationships. Dependent upon the level of a buyer's relationship proneness, retailers' strategies are more or less effective. Retailers should keep this in mind when targeting customers. Therefore, it could be beneficial for retailers to adjust their efforts according to levels of buyer relationship proneness. For example, customers who are less relationship prone might have less appreciation for customer loyalty cards or other expressions of retailers' efforts. Moreover, the impact of a retailer's efforts was found to be dependent upon the level of a buyer's product category involvement. Consumers who were more involved with the product category also revealed higher levels of relationship satisfaction and relationship commitment. As product category involvement may differ across market segments, our results imply that the effectiveness of relationship marketing strategies equally differs across market segments.

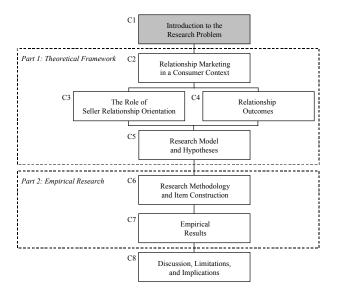
Fourth, retailers should be aware of the fact that the behavioral loyalty of their customers is dependent upon more factors than relationship commitment only. Behavioral loyalty towards a store can result from seller-related, buyer-related, and situational factors. While our results show that seller- and buyer-related factors have important, indirect influences on behavioral loyalty, situational variables such as distance to the store, competition, existence of a monopoly, and familiarity with a store apparently also play a crucial role in affecting behavioral loyalty. However, the direct effects of relationship commitment on behavioral loyalty were relatively larger in the clothing samples as opposed to the food samples. This might be an indication of the fact that habit and inertia play a more important role in food markets selling convenience goods than in clothing markets selling shopping goods. This result is a first step in investigating whether and why it is easier to build brand loyalty in some product categories than in others. It appears that building loyalty in a clothing environment is relatively more easy than in a food environment.

Concluding, our results demonstrate that the statements of Fournier, Dobscha, and Mick (1998) are too bold to be true in a retail environment. Customers do want to be approached by sellers as is evidenced by the positive impact that seller relationship orientation has on important parameters of relationship marketing success such as relationship satisfaction and relationship commitment. However, their warning for not considering the role of the buyer in affecting the nature of buyer-seller relationships is an important and a valid one. More than ever, it appears that retailers should take into consideration the characteristics of individual buyers in their relationship marketing strategies as is evidenced by the strong influence of buyer relationship proneness on the strength of buyer-seller relationships.

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Chapter 1 Introduction to the Research Problem¹



1.1 Introduction

In contemporary marketing literature, there exists a general agreement about the value of relationship marketing² for both buyers and sellers³ (Berry 1983; Iacobucci and Ostrom 1996; Morgan and Hunt 1994; Sheth and Parvatiyar 1995a). Value from the perspective of a buyer is reflected by the specific buyer benefits that can result from close buyer-seller relationships⁴ (Dwyer, Schurr, and Oh 1987; Evans and Laskin 1994; Ganesan 1994; Goff et al. 1997; Gummesson 1987; Jüttner and Wehrli 1994; Reichheld 1993; Turnbull and Wilson 1989; Webster 1994). From a seller's perspective, relationship marketing is often suggested as a means for gaining competitive advantage in today's quickly evolving and highly competitive markets (Gwinner, Gremler, and Bitner 1998; Kahn 1998; Reichheld 1993; Sharma and Sheth 1997; Turnbull and Wilson 1989). Several scholars even consider the changing focus from successive, independent exchanges to relational exchanges as a true paradigm shift in marketing (Bendapudi and Berry 1997; Evans and Laskin 1994; Grönroos 1995; Morgan and Hunt 1994; Webster 1992; Weitz and Jap 1995).

In section 1.2, we first provide justifications for our study. In section 1.3, we outline our research problem and its resulting research questions. Section 1.4 describes the scope of the study. In section

1

This study is largely based on a joint research project with Odekerken-Schröder (1999). While Odekerken-Schröder (1999) emphasizes the role of the *buyer* in affecting buyer-seller relationships, this study focuses at the role of the *seller* in enhancing buyer-seller relationships. Any potential weaknesses are the author's sole responsibility.

For our definition of 'relationship marketing', see section 1.6.

In this study, a seller refers to a company as opposed to a salesperson.

For our definition of a 'buyer-seller relationship', see section 1.6.

1.5, we comment upon the major intended scientific and managerial contributions of this study. In section 1.6, we define the most important terms that are used in the study. Finally, section 1.7 gives a brief overview of the structure of the study.

1.2 Research Justification

In 1.2.1, we clarify that the topic of this study is considerably important for marketing science to be investigated. In 1.2.2, we indicate several shortcomings of existing research in the area of relationship marketing, reinforcing the need for our study.

1.2.1 Importance

Relationship marketing has undeniably been one of the major research topics examined in the marketing discipline during the 1990s (Möller and Halinen-Kaila 1998; Morgan and Hunt 1994; Sheth and Parvatiyar 1995a). Several scholars have highlighted the importance of enhancing customer relationships as a prerequisite for effective marketing (Kotler 1992; McCort 1994; Perrien and Ricard 1995; Shani and Chalasani 1992; Sharma and Sheth 1997; Zinkhan 1994). This importance is further evidenced by journals' special issues on relationship marketing and loyalty (European Journal of Marketing 1996; Industrial Marketing Management 1997; International Journal of Research in Marketing 1997; Journal of Marketing Management 1997; Journal of the Academy of Marketing Science 1995) and by high quality conferences targeted at this topic (American Marketing Association 1996-1997; Emory University Conferences 1993-1998). In addition, 'Understanding the customer experience' and 'Relationship Marketing' are respectively ranked as second and fourth research priorities in Marketing Science Institute's list of research priorities for 1998-2000.

Several authors recognize the increasing importance of investigating (1) relationships in consumer environments, (2) the role of seller relationship orientation⁵ in enhancing buyer-seller relationships, and (3) the role of buyer relationship proneness⁶ in affecting buyer-seller relationships. These three research opportunities are discussed next.

First, considerable proof has already been accumulated that relationship marketing is useful in industrial and channel contexts (Anderson and Narus 1984; Berry 1983; Bitner 1990; Crosby and Stephens 1987; Frazier and Antia 1995; Geyskens et al. 1996; Morgan 1991; Reichheld 1993). Recently, the value of relationship marketing is increasingly recognized in consumer markets (Fournier 1998; Gwinner, Gremler, and Bitner 1998; Iacobucci and Ostrom 1996; Schijns 1999). More and more, consumers want to be respected and approached as individuals (Beddoe 1995; Peppers and Rogers 1993; Petrison, Blattberg, and Wang 1993; Rapp and Collins 1990). Therefore, gathering and strategically using individual consumer information for purposes of enhancing relationships with them are considered to improve sellers' competitive positions in consumer

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While the term 'seller relationship orientation' is not used as such in literature, the ideas behind this construct are reflected in existing literature. For our definition of 'seller relationship orientation', see section 1.6.

While the term 'buyer relationship proneness' is not used as such in literature, the ideas behind this construct are reflected in existing literature. For our definition of 'buyer relationship proneness', see section 1.6.

markets (De Bonis and Nucifora 1994; Fletcher, Wright, and Desai 1996; Hoekstra 1998; McCutcheon and Wang 1995; Nash 1993). It seems particularly vital for retail⁷ businesses to focus on enhancing relationships with consumers (Beatty et al. 1996; Berry and Gresham 1986; Ellis 1995; Gengler and Popkowski Leszcyc 1997; Macintosh and Lockshin 1997). As a result of intensifying competition and nonstop price promotions, retailers increasingly complain about declining loyalty of consumers. From a seller's perspective, relationship marketing strategies in retail are particularly relevant in the contemporary environment because they have the potential to reduce customer defection (Macintosh and Lockshin 1997). Consumers increasingly look for retailers who provide not only value in terms of acceptable prices and attractive assortments, but also in terms of relationship value⁸ (Arnold, Handelman, and Tigert 1996).

Second, several authors are starting to recognize that more research is needed in order to better understand the effects of a seller's efforts⁹ on buyers' attitudes towards and behaviors during their relationship with this seller (Barnes 1994; Dwyer, Schurr, and Oh 1987; Webster 1992). Despite sellers' apparent interests in these effects, there is little information available to them about how to design or implement profitable relationship strategies (Beatty et al. 1996).

Third, identifying those buyers who are most prone to engage in buyer-seller relationships is considered to yield important benefits to the seller given the considerable investments that are often needed for enhancing such relationships (Barnes 1995/1997; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996). Recently, several academics underline the importance of segmenting the market according to buyer relationship types. One of the criteria that can be used to classify buyers into relationship types is their level of relationship proneness (Bendapudi and Berry 1997; Evans and Laskin 1994; Gwinner, Gremler, and Bitner 1998; Sheth and Parvatiyar 1995b).

Consequently, a consumer's perception of the extent to which a seller directs efforts at his regular customers and this consumer's proneness to engage in buyer-seller relationships are the core topics investigated in this study.

1.2.2 Shortcomings of Existing Research

Given the widespread attention of academics as well as practitioners for relationship marketing (Dwyer, Schurr, and Oh 1987; Morgan and Hunt 1994; Nevin 1995), one would expect it to have a rich tradition of theory development, scale development, and empirical research. However, this is only partially true. In this section, we describe conceptual and empirical shortcomings of existing relationship marketing research.

1.2.2.1 <u>Conceptual Shortcomings</u>

There exists no general agreement between authors on a definition of relationship marketing (Blois 1995; Evans and Laskin 1994; Gummesson 1994; Perrien and Ricard 1995). Moreover, most

For our definition of a 'relationship effort', see section 1.6.

The terms 'retail' and 'consumer' are used interchangeably in this study.

For our definition of 'customer value', see section 1.6.

definitions in relationship marketing research tend to be broad, generic, or all-encompassing, which makes them less valuable for directing marketing practice and theory development. Furthermore, few attempts have been made to critically examine the applicability of existing relationship marketing constructs in a consumer context (e.g. Gruen 1995). Consequently, there is a need for (1) determining which relational constructs are most relevant in a consumer setting and for (2) providing more precise and directive definitions of these constructs in order to support empirical validation (Bagozzi 1995; Peterson 1995).

1.2.2.2 <u>Empirical Shortcomings</u>

First, while there exists a large body of knowledge on channel and industrial relationships, systematic empirical research on relationship marketing in a retail environment is practically lacking (Beatty et al. 1996; Gummesson 1995; Gwinner, Gremler, and Bitner 1998; Macintosh and Lockshin 1997; Shani and Chalasani 1992; Zinkhan 1994).

Second, while the value of relationship marketing has mainly been viewed from a seller's perspective, the buyer's perspective has been largely neglected (Barnes 1995/1997; Bendapudi and Berry 1997; Sheth and Parvatiyar 1995b). Since most definitions of relationship marketing stress the existence of advantages for both parties in a relationship, this is somewhat surprising (Berry 1995; Dwyer, Schurr, and Oh 1987; Grönroos 1990a; Shani and Chalasani 1992). Despite the lack of empirical attention, several academics recognize the importance of taking a buyer perspective in investigating relationships (Barnes 1994; Beatty et al. 1996; Bendapudi and Berry 1997; Bitner 1995; Christy, Oliver, and Penn 1996; Fournier 1998; Gruen 1995; Gwinner, Gremler, and Bitner 1998; Reichheld 1993; Sheth and Parvatiyar 1995b). The importance of the buyer's role is stressed by Sheth and Parvatiyar (1995b, p. 256) who stated that "the marketer's motivation to engage in relationship marketing is tempered by the consumers' motivation to reduce their choice set to be in relationship with a firm or a brand". In line with this, Dwyer, Schurr, and Oh (1987) stressed the importance of both sellers' and buyers' motivational investments in a relationship as determinants of relationship outcomes¹⁰. Also Fournier, Dobscha, and Mick (1998) remarked that marketers, in their enthusiasm to gather information from consumers, might have forgotten that relationships take two.

Third, traditional thinking focused on the implicit assumption that the dominant forces in a relationship are of a destructive nature as opposed to more constructive relationship thinking (Achrol 1997; Kalwani and Narayandas 1995). While previous research on relationship marketing mainly focused at constraint-based relationships¹¹ (Andaleeb 1996; Bendapudi and Berry 1997; Ganesan 1994; Geyskens et al. 1996; Johnson 1999; Morgan and Hunt 1994; Palmer 1995), there exists a lack of research on relationships resulting from more positive buyer motivations, referred to as dedication-based relationships.

Table 1-1 includes some quotes that support the justification of the current research.

In chapter three and appendix one, we discuss the difference between constraint- and dedication-based motivations to enhance buyer-seller relationships.

For our definition of a 'buyer-seller relationship outcome', see section 1.6.

Table 1-1: Quotes Supporting the Research Justification

Quotes		Re	References		
_	"Targeting profitable customers for relationship marketing involves study and analysis of loyalty- and defection-prone customers, searching for distinguishing patterns in why they stay or leave, what creates value for them and who they are"	_	Berry 1995, p. 239		
-	"What are the costs and benefits from the customer's perspective of staying in a service relationship?"	-	Bitner 1995, p. 250		
-	"Further research should also examine the reasons that people give for favouring high or low levels of store loyalty"	-	East et al. 1997, p. 412		
-	"Yet, no one has examined customer reasons for engaging in relationships with sellers (i.e., sales personnel), the nature of these relationships, or their consequences"	-	Ellis 1995, p. 4		
-	"Customers should be surveyed, by customer type, to determine which aspects of relationship marketing should be emphasized for them"	-	Evans and Laskin 1994, p. 451		
-	", the basic questions of whether, why, and in which forms consumers seek and value ongoing relationships remain largely unanswered"	-	Fournier 1998, p. 343		
-	" no systematic, empirical investigation has been published examining the benefits customers receive from being in a relationship"	-	Gwinner, Gremler, and Bitner 1998, p. 102		
-	" taking the consumer perspective, and understanding what motivates consumers to become loyal, is important"	-	Sheth and Parvatiyar 1995b, p. 256		
-	"There is a need for research on why customers stay loyal to a firm and what makes them leave the firm"	-	Strandvik and Liljander 1994, p. 26		
_	"In consumer goods marketing, research is needed to understand the factors that lead consumers to seek out and value ongoing relationships with brands, manufacturers, and resellers of various kinds"	-	Webster 1992, p. 14		

1.3 Research Problem and Research Questions

From the previous section, it has become clear that, despite conceptual and empirical research efforts addressed at a wide variety of relationship marketing issues, several areas for improvement can still be recognized. The research problem that is investigated in this study is especially focused at these areas. We examine the following research problem:

What are the antecedents of seller relationship orientation and what are the effects of seller relationship orientation and buyer relationship proneness on relationship outcomes in a retail context?

This research problem is subdivided into the following research questions:

- (1) What are the effects of relationship efforts on seller relationship orientation?
- (2) What are the effects of seller relationship orientation on relationship outcomes?
- (3) What are the effects of buyer relationship proneness on seller relationship orientation?
- (4) What are the effects of buyer relationship proneness on relationship outcomes?
- (5) What are the interrelationships between relationship outcomes?
- (6) To what extent are the effects of
 - (a) seller relationship orientation moderated by buyer relationship proneness?
 - (b) buyer relationship proneness moderated by seller relationship orientation?
 - (c) seller relationship orientation moderated by product category involvement?
- (1) What are the effects of relationship efforts on seller relationship orientation?

 Until now, relationship marketing literature mainly examined the strength and impact of long-term relationships from the viewpoint of a seller (Beatty et al. 1996; Bendapudi and Berry 1997; Bitner 1995; Gruen 1995). This study explicitly addresses the viewpoint of a buyer by defining and operationalizing buyers' overall perceptions of sellers' efforts, referred to as seller relationship orientation¹² (Bagozzi 1995; Ganesan 1994). Moreover, as empirical evidence on the effects of specific relationship efforts is hard to find (Barnes 1995; Gwinner, Gremler, and Bitner 1998), this study investigates how a buyer's perception of these relationship efforts influences seller relationship orientation.
- (2) What are the effects of seller relationship orientation on relationship outcomes? It is commonly agreed upon that relationship oriented sellers strive to enhance buyer-seller relationships (Christopher, Payne, and Ballantyne 1994; Copulsky and Wolf 1990; Dwyer, Schurr, and Oh 1987; Evans and Laskin 1994; Fischer and Bristor 1994; Ganesan 1994; Grant and Schlesinger 1995; Saxe and Weitz 1982; Shani and Chalasani 1992; Stum and Thiry 1991). Therefore, it can be expected that the level of seller relationship orientation affects relationship outcomes. This study empirically validates this relationship.
- (3) What are the effects of buyer relationship proneness on seller relationship orientation? We expect that buyers who are more relationship prone are also more receptive to a seller's efforts directed at them. In other words, relationship prone buyers could selectively perceive such efforts as more positive than non-relationship prone buyers. In this study, we empirically investigate the relationship between buyer relationship proneness and seller relationship orientation.
- (4) What are the effects of buyer relationship proneness on relationship outcomes? Several recent publications suggest that the success of a relational strategy also depends on buyers' individual characteristics (Barnes 1997; Fournier 1998; Sheth and Parvatiyar 1995b). In this study, buyer relationship proneness is regarded as an individual characteristic. Several scholars recognize that buyers can differ in their proneness to engage in relationships

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While 'seller relationship orientation' refers to buyers' *perceptions* of efforts made by the seller, the term 'perceived' will not be explicitly used in the remainder of this book.

(Bendapudi and Berry 1997; Ellis 1995). In a conceptual paper, Beatty et al. (1996) argued that buyer relationship motivation is one of the factors related to relationship outcomes. In line with this, Bendapudi and Berry (1997) proposed that buyer proneness to engage in relationships influences the success of relationship enhancement strategies. Also Fournier, Dobscha, and Mick (1998) recently argued that the buyer is not necessarily a willing participant in relationship strategies set up by the seller. Therefore, we empirically test the relationship between buyer relationship proneness and relationship outcomes.

- (5) What are the interrelationships between relationship outcomes?

 In industrial and channel contexts, there exists a general agreement about the interrelationships between relationship satisfaction, trust, relationship commitment, and behavioral loyalty (Baker, Simpson, and Siguaw 1999; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Geyskens et al. 1996; Gruen 1995; Morgan and Hunt 1994; Selnes 1998). This study examines the interrelationships between these constructs in a retail environment.
- (6) To what extent are the effects of
 - (a) seller relationship orientation moderated by buyer relationship proneness?
 - (b) buyer relationship proneness moderated by seller relationship orientation?
 - (c) seller relationship orientation moderated by product category involvement?

Since a relationship has been described as an intermittent exchange¹³ between two or more parties during a longer period of time (Hinde 1979; Hoekstra 1994), some scholars state that seller relationship orientation alone is not sufficient for positive relationship outcomes to appear (Beatty et al. 1996; Bendapudi and Berry 1997; Sheth and Parvatiyar 1995b). Dwyer, Schurr, and Oh (1987) already recognized that buyer and seller motivational investments in a relationship jointly determine relationship outcomes. In addition to the direct effect of buyer relationship proneness and seller relationship orientation on relationship outcomes, this study empirically tests the existence of three moderator effects. First, buyer relationship proneness is hypothesized to moderate the relationship between seller relationship orientation and relationship outcomes. Second, seller relationship orientation is hypothesized to moderate the relationship between buyer relationship proneness and relationship outcomes. Moreover, several scholars assume that enhancing relationships is generally easier in high involvement contexts as opposed to low involvement contexts (Berry 1995; Christy, Oliver, and Penn 1996; Leuthesser 1997; Metcalf, Frear, and Krishnan 1992). Consequently, the moderating effect of a buyer's involvement with the product category is investigated on the relationship between seller relationship orientation and relationship outcomes.

The described research questions form the building blocks of the study. In line with these questions, the main elements of our conceptual model are portrayed in figure 1-1¹⁴.

1

For our definition of a 'buyer-seller exchange', see section 1.6.

In section 1.6, we provide a more detailed picture of this conceptual model including the definitions of its constructs. In chapter five, we provide the hypotheses related to the interrelationships between these constructs.

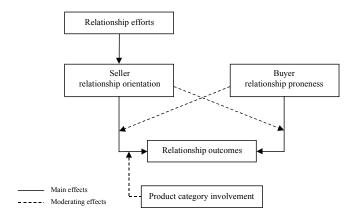


Figure 1-1: Main Elements of the Conceptual Model

1.4 Research Scope

1.4.1 Research Setting

1.4.1.1 Two Product Categories

We focus upon buyers' positive motivations to engage in buyer-seller relationships (dedication-based relationships). We assume that such motivations mainly apply to highly competitive and transparent market environments as buyers are not constrained by limited choice or lack of information in such markets (Frazier and Rody 1991). Consequently, the empirical research in this study is conducted in two highly competitive and transparent markets, the retail markets of casual clothing and food. Both markets are generally acknowledged to have reached maturity, to be overstored, and to have difficulties differentiating themselves based on merchandise selection only (Berry and Gresham 1986; Ellis 1995; Ghosh 1994). As Anderson, Fornell, and Rust (1997) classified apparel stores and supermarkets in opposite quadrants based upon customer satisfaction and productivity, both markets are expected to be sufficiently heterogeneous. Moreover, the generalizability of our results is expected to benefit from the fact that our samples cover a wide variety of clothing and food retailers including discount stores, mass merchandisers, traditional department stores, as well as prestige stores.

1.4.1.2 <u>Three Countries</u>

Following recent suggestions to advance studies' external validity by examining data from different countries (Geyskens et al. 1996; Iacobucci and Ostrom 1996; Schwartz 1992) and given the fact that cultural differences can influence perceptions of relational phenomena (Iacobucci and Ostrom

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As clothing is generally recognized as a product that does not fall neatly into any one product category (Hong and Rucker 1995), we limited our scope to the market of casual clothing. In the remainder of this book, the term 'clothing' refers to casual clothing.

1996), the current study is conducted in Belgium, the Netherlands, as well as the United States. Hofstede (1980) demonstrated that Belgium, the Netherlands, and the United States differ significantly on four cultural dimensions: power distance, uncertainty avoidance, individualism, and masculinity. Table 1-2 reports the values for each country.

Table 1-2: Country Differences across Cultural Dimensions

Country	Power distance	Uncertainty avoidance	Individualism	Masculinity
Belgium	65	94	75	54
The Netherlands	38	53	80	14
United States	40	46	91	62

Source:

Hofstede, Geert (1980), "Culture's Consequences: International Differences in Work-Related Values," in *Cross Cultural Research and Methodology Series*, volume 5, Walter J. Lonner and John W. Berry, eds. Beverly Hills: Sage Publications.

Given the differences between the countries examined in this study, we expect our samples to be suitable for purposes of demonstrating whether our model holds up beyond the data on which it was based.

1.4.2 Unit of Analysis

In his conceptual exchange framework, Bagozzi (1975) classified exchanges according to exchange types. Exchange types refer to the number of parties involved in an exchange and the directions of this exchange. 'Restricted exchanges' refer to two-party reciprocal relationships, 'generalized exchanges' refer to reciprocal relationships between parties who give to one party but who receive from another party, and 'complex exchanges' refer to mutual relationships between at least three parties. The type of relationship we investigate is a two-party reciprocal relationship between a single consumer and a single store. Iacobucci and Ostrom (1996) referred to the consumer-store relationship as a mixed individual-to-firm dyad as opposed to individual-to-individual and firm-to-firm dyads.

First, our research questions are related to perceptions of *one single consumer*. The construct of seller relationship orientation is defined as a single consumer's perception of the extent to which a seller actively makes efforts to regular customers of this seller. Moreover, the construct of buyer relationship proneness is defined as an individual consumer characteristic. Finally, relationship outcomes are defined from an individual consumer's perspective. Yau (1988) stated that Western families only take other family members into account when buying decisions concern major purchases. As the product categories investigated in this study cannot be considered as such, the individual consumer is regarded as a suitable unit of analysis for our purpose.

Second, we investigate a consumer's relationship with *one particular store*. In a retail context, a buyer can have a relationship with a store chain, a particular store, a particular department within a store, or an individual sales associate (Beatty et al. 1996; Macintosh and Lockshin 1997). We expect the validity and reliability of consumers' responses to be higher for questions related to one particular store than for questions related to a store chain. Buyers may not be able to reveal valid and reliable perceptions of a retail chain as they usually visit only a limited number of stores in the chain. Moreover, we did not focus on a buyer's relationship with a particular store department as a

unit of analysis as we expect that the phenomenon of having relationships with specific store departments is relatively stronger related to American culture. Finally, we do not incorporate a buyer's relationship with a particular sales associate as a unit of analysis because considerably more research efforts have been directed at relationships with sales associates as opposed to relationships with one particular store (Beatty et al. 1996; Crosby, Evans, and Cowles 1990; Ellis 1995).

1.4.3 Side of the Buyer-Seller Dyad

For a dedication-based relationship to exist, both the buyer and the seller are supposed to benefit from this relationship (Barnes 1995/1997; Dwyer, Schurr, and Oh 1987; Gwinner, Gremler, and Bitner 1998). Consequently, most definitions of relationship marketing mention advantages for both parties (Dwyer, Schurr, and Oh 1987). While the majority of research efforts related to relationship marketing emphasized the seller perspective to the neglect of the buyer perspective (Barnes 1994; Sheth and Parvatiyar 1995b), this study collects data from the buyer side of the relationship. All constructs in this study are measured as buyer perceptions. As already mentioned, this also holds for the construct of seller relationship orientation that is measured as a buyer's perception of seller efforts directed towards regular customers of this seller.

1.5 Intended Research Contributions

1.5.1 Scientific Contribution

Successively, we discuss the study's intended conceptual, methodological, and empirical contributions. Figure 1-2 represents these three areas and their levels of contribution.

		Level of contribution			
		Replication	Extension	Innovation	
ution	Conceptual			1.5.1.1	
Area of contribution	Methodological	1.5.1.2			
	Empirical		1.5.1.3		

Figure 1-2: Scientific Contributions of the Study

1.5.1.1 <u>Conceptual Contribution</u>

This study contributes to relationship marketing theory in three ways. First, it critically examines existing theories underlying relationship marketing in light of their potential contribution to understanding consumer relationships. A review of these theories in chapter two serves as a guiding

framework for selecting and developing relationship marketing constructs that are relevant in a consumer context and for formulating research hypotheses concerning the relationships between these constructs. Second, this study defines and operationalizes two new relationship marketing constructs: seller relationship orientation and buyer relationship proneness. This allows us to generate knowledge on the effects of sellers' efforts and buyers' individual characteristics on relationship outcomes. Finally, in order to assess which specific relationship efforts affect a seller's overall relationship orientation, we distinguish between, define, and operationalize different types of relationship efforts.

1.5.1.2 Methodological Contribution

Our methodological contribution concerns a replication of existing methods. The methodology used in this study is in line with generally accepted practices (e.g. Churchill 1979; Hair et al. 1998). Strong efforts were made to enhance the validity and reliability of the constructs included in the study. We used qualitative research methods to generate knowledge useful for construct development. Moreover, extensive qualitative as well as quantitative test stages were set up in order to purify construct items.

1.5.1.3 <u>Empirical Contribution</u>

This study makes an empirical contribution by investigating buyer-seller relationships in a retail context viewed from a buyer perspective. We assess the impact of two new constructs, seller relationship orientation and buyer relationship proneness, on relationship outcomes. Moreover, we assess the effect of various relationship efforts on the level of seller relationship orientation. A multi-context approach is employed in order to enhance the external validity of our results. As already mentioned in 1.4.1, the empirical study is conducted on basis of six samples spread across two product categories and three countries.

1.5.2 Managerial Contribution

According to some estimates (Reichheld 1996), US corporations now lose half of their customers in five years and disloyalty reduces corporate performance up to 50 percent. More than ever, it appears that transaction-oriented market approaches have large difficulties in finding an appropriate answer to contemporary market challenges (Evans and Laskin 1994; Perrien and Ricard 1995). Companies increasingly realize that such approaches are no longer sufficient within the current, turbulent marketing environment. As a result, several authors underline the fact that - for reasons of efficiency and effectiveness - keeping existing customers deserves more attention than attracting new customers (Achrol 1997; Barnes 1995; Kalwani and Narayandas 1995; Naumann and Shannon 1992; Perrien, Paradis, and Banting 1995; Reichheld and Sasser 1990).

Knowing the effects of relationship marketing strategies on relationship outcomes can provide retailers with powerful guidelines for fine-tuning their efforts aimed at enhancing consumer relationships (Ganesan 1994). Moreover, identifying those buyers who are most prone to engage in relationships is expected to be beneficial to retailers as the efficiency of their marketing investments

increases as a result of it (Barnes 1995; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996). The current research thus contributes to more effective relationship marketing by helping retailers to improve the design and implementation of their relationship marketing strategies.

1.6 Defining Important Terms

In this section, the most important terms used in this study are defined. First, we present our definitions of buyer-seller exchange, buyer-seller relationship, buyer-seller relationship outcome, relationship effort, relationship marketing, and customer value. These concepts are further discussed in chapters two and three. Second, the constructs investigated in this study are visualized and described in figure 1-3. We will elaborate on these constructs in chapters three and four.

- (1) Buyer-seller exchange
 - A product/service, financial, information, and/or social exchange between a buyer and a seller (based on: Crosby and Stephens 1987; MacNeil 1980; Pelton, Strutton, and Lumpkin 1997).
- (2) Buyer-seller relationship
 - One or more exchanges between a buyer and a seller that are perceived by the buyer as being interrelated to potential past and future exchanges with the seller (based on: Barnes 1995; Hinde 1979; Webster 1992).
- (3) Buyer-seller relationship outcome
 - A buyer's attitude towards or behavior during the buyer-seller relationship (definition developed for this study).
- (4) Relationship effort
 - Any effort that is actively made by a seller towards a buyer, is intended to contribute to the buyer's customer value above and beyond the core product and/or service efforts received, and can only be perceived by the buyer after continued exchange with the seller (definition developed for this study).
- (5) Relationship marketing
 - A seller's product, service, and relationship efforts aimed at enhancing relationship outcomes of buyer-seller relationships (definition developed for this study).
- (6) Customer value
 - A buyer's overall evaluation of a seller's product, service, and relationship efforts made towards the buyer (definition developed for this study).

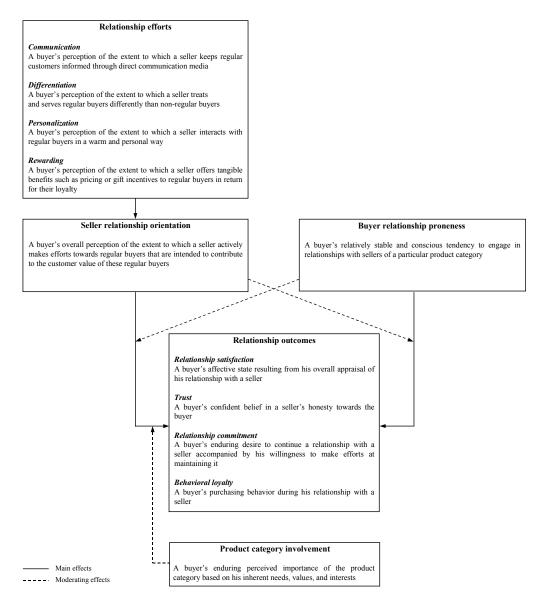


Figure 1-3: Important Terms

1.7 Structure

Figure 1-4 visualizes the structure of this study.

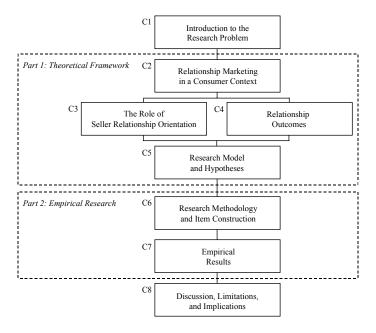


Figure 1-4: Structure of the Study

In part one, we discuss the theoretical framework of this study. Chapter two contains a critical review of relationship marketing in a consumer context. Its objective is to provide a basis for selecting relationship marketing constructs that are relevant in a retail context. In chapter three, we discuss the role of the focal construct of this study, seller relationship orientation, and four types of relationship efforts. The same chapter also describes the constructs of buyer relationship proneness and involvement with the product category. In chapter four, we elaborate on four different relationship outcomes: relationship satisfaction, trust, relationship commitment, and behavioral loyalty. Finally, chapter five includes the research model and related hypotheses.

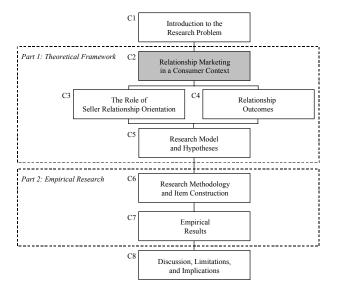
In part two, we present the empirical research of this study. Chapter six describes the research methodology and the process of item generation and testing. Chapter seven presents the empirical results related to testing the research hypotheses mentioned in chapter five.

Finally, chapter eight discusses the main results of the study, points out its limitations, suggests several possible research directions for the future, and discusses theoretical and managerial implications.

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Chapter 2 Relationship Marketing in a Consumer Context¹



2.1 Introduction

Knowledge on relationship marketing is still in its early stages of development. It is characterized by a fragmented set of approaches and is surrounded by a lot of confusion and disagreement (Grönroos 1994a; Gummesson 1997; Wilson 1995). Relationship marketing approaches are partly independent and partly overlapping, draw on different underlying theories, and often focus on issues at different levels of aggregation and units of analysis (Möller and Halinen-Kaila 1998). Gundlach, Achrol, and Mentzer (1995) stressed that, given the focus of relationship marketing on social determinants of behavior, relationship marketing constructs tend to be complex, overlapping, amorphous, and often ambiguous.

Bennett (1996) argued that a debate on the roots of relationship marketing would benefit its further theoretical development and guide empirical research. Since relationship marketing has mainly evolved from business-to-business contexts², a critical study of the theories underlying relationship marketing is especially relevant for the further development of conceptual and empirical efforts in the consumer relationship domain. The general objective of this chapter is to provide a guiding framework for determining which relational constructs are most relevant in consumer environments.

In section 2.2, we discuss the concept of relational exchange and delineate the meaning of a relationship. In section 2.3, we define relationship marketing and comment upon characteristics that can impact relationship marketing effectiveness. In section 2.4, we discuss the development of relationship marketing. In section 2.5, we evaluate the applicability of seven underlying theories of

In this study, a business-to-business context refers to industrial and/or channel contexts.

This chapter is mainly based on Odekerken-Schröder and De Wulf (1999).

relationship marketing to consumer relationships³. Since the choice of a particular theory implies the choice of particular constructs to be investigated, this evaluation serves as the basis for determining which constructs to include in our study. In section 2.6, we motivate this choice of constructs.

2.2 The Concept of Relational Exchange

In 2.2.1, we underline the importance of the exchange concept in marketing theory. In 2.2.2, we discuss the major differences between discrete and relational exchanges. In 2.2.3, we discuss the meaning of a relationship. Finally, in 2.2.4, we take a position in the discussion whether relationships are of a continuous or categorical nature.

2.2.1 Importance of the Exchange Concept in Marketing Theory

Marketing thinking was initially organized around the institutional school of thought emphasizing functions performed by wholesalers and retailers as marketing institutions. Institutional marketing thinkers viewed these functions as fundamentally linked to exchanges (Grönroos 1994a; Lehtinen and Mittila 1995; Sheth and Parvatiyar 1995a; Webster 1992). This approach was gradually replaced by a more managerial one based upon analytical frameworks drawn from economics, behavioral science, and quantitative methods (Webster 1992). Since the neoclassical microeconomic paradigm with its focus on profit maximization and transaction efficiency was at the root of this more managerial approach, exchanges became even more central to marketing (Arndt 1983; Webster 1992). Concluding, marketing theory and research have always been focused at exchange as their core variable of interest (Bagozzi 1975; Callaghan, McPhail, and Yau 1995; Davis 1995; Dodge and Fullerton 1997; Dwyer, Schurr, and Oh 1987; Frazier, Spekman, and O'Neal 1988; Hallén, Johanson, and Seyed-Mohamed 1991; Houston and Gassenheimer 1987; Kalwani and Narayandas 1995; Kasper 1982; Kotler and Levy 1969; Macintosh and Gentry 1995; Rylander, Strutton, and Pelton 1997; Sheth and Parvatiyar 1995a; Solomon et al. 1985).

2.2.2 Discrete versus Relational Exchanges

Until the early 1980s, marketing literature generally regarded marketing exchanges as successions of discrete, independent transactions, thereby ignoring much of the heart of marketing (Davis 1995; Dwyer, Schurr, and Oh 1987; Houston and Gassenheimer 1987; Morgan and Hunt 1994; Rylander, Strutton, and Pelton 1997; Webster 1992). Exchanges with the market were supposed to lead to profit. Marketing objectives were generally reduced to speeding up the transaction and increasing the transaction value (Webster 1992). MacNeil (1980) was the first to criticize the study of exchange in marketing for merely looking at exchange as a discrete act and for failing to recognize the importance of ongoing buyer-seller relationships. He claimed that the neoclassical microeconomic assumption of profit maximization is only relevant in the context of discrete exchanges (Sheth and Parvatiyar 1995a). Moreover, he noticed that pure discrete transactions are extremely rare in modern marketing exchanges (Fontenot and Wilson 1997; Gruen 1995; Robicheaux and Coleman 1994; Weitz and Jap 1995).

Each of these theories underlying relationship marketing is discussed on its content, strengths, and limitations in appendix one.

MacNeil (1980) was the first to make a distinction between discrete exchanges and relational exchanges. An exchange is considered to be discrete when it is separated from all else between exchange partners before, during, and after the exchange (Frazier, Spekman, and O'Neal 1988; Lusch and Brown 1996; MacNeil 1980; Robicheaux and Coleman 1994; Rylander, Strutton, and Pelton 1997). In other words, a discrete exchange is evaluated independently without any reference to those transactions that have gone before and to those transactions that are yet to come. It is a one-time utility-driven exchange of value between two parties with no prior or subsequent exchange (Fontenot and Wilson 1997; Hinde 1979; Morgan and Hunt 1994; Webster 1992; Weitz and Jap 1995). On the contrary, the main characteristic of a relational exchange is its position in a history of previous exchanges and an anticipated future of expected exchanges. A relational exchange is assessed not in isolation, but as a continuation of past exchanges likely to continue in the future (Anderson 1995; Czepiel 1990; Dwyer, Schurr, and Oh 1987; Iacobucci and Ostrom 1996).

2.2.3 Definition of a Relationship

Bagozzi (1995) explicitly criticized relationship marketing literature for neglecting to conceptualize what a marketing relationship is. We agree with Bagozzi (1995) as we argue that adequate relationship marketing research is impossible without knowledge on the meaning of its core variable of interest, the buyer-seller relationship.

In this study, a buyer-seller relationship is defined as "one or more exchanges between a buyer and a seller that are perceived by the buyer as being interrelated to potential past and future exchanges with the seller". We define a buyer-seller exchange as "a product/service, financial, information, and/or social exchange between a buyer and a seller". Four elements form the building blocks of both definitions. First, Hinde (1979, p. 15) noticed that "to discuss how long we must talk to a stranger in the street before we can properly say we have a relationship with him would not be very constructive". In other words, it is impossible to determine where a discrete exchange goes over in a relationship. In line with Webster (1992), we regard one exchange as a necessary and sufficient condition for a relationship to exist. One exchange marks the beginning of a continuum of relationships. Second, we agree with Barnes (1995, p. 1395) who postulated that "no relationship will exist unless the customer feels that one exists". Whether or not a seller feels that a relationship with a buyer exists, is not the issue. As it is the aim of the seller to enhance buyer perceived relationship outcomes, it does not matter what the seller's perceptions are. Third, it is required for a relationship to exist that a buyer perceives his exchange(s) with the seller to be interrelated to potential past and future exchanges (Anderson 1995; Czepiel 1990; Dwyer, Schurr, and Oh 1987; Iacobucci and Ostrom 1996). Finally, a relationship can be composed of multiple types of exchanges (Pelton, Strutton, and Lumpkin 1997). In our view, a buyer-seller relationship is not necessarily based on only purchase exchanges, but can equally be composed of financial, information, and social exchanges.

2.2.4 Relationships: Continuous or Categorical?

While discrete and relational exchanges are generally recognized as two extreme types of exchanges, there exists some discussion related to the nature of intermediate exchange types.

Most scholars think of a continuum ranging from pure discrete exchanges to relational exchanges (Bennett 1996; Ganesan 1994; Grönroos 1990b; Gundlach and Murphy 1993; Kalwani and Narayandas 1995; Metcalf, Frear, and Krishnan 1992; Noordewier, John, and Nevin 1990; Webster 1992). Webster (1992) stated that, although pure transactions are rare, they mark the beginning of a continuum for thinking about types of relationships and provide a useful starting point for theoretical analysis. While discrete exchanges are often characterized by self-serving and conflicting behavior, relational exchanges are considered to serve the interests of all parties in the exchange (Davis 1995; Dwyer, Schurr, and Oh 1987).

Other scholars think of more explicit stages in which buyer-seller relationships can be positioned (Dwyer, Schurr, and Oh 1987; Weitz and Jap 1995). According to them, relationships evolve from one stage to another in response to exchanges and fluctuations in the contextual environment (Dabholkar, Johnston, and Cathey 1994; Fournier 1998). Generally speaking, a relationship progresses from an initial exchange between two exchange parties, through increasing levels of awareness and exchange between the parties, to interdependence between parties (Bejou 1997; Bennett 1996; Grönroos 1990b; Nielson 1998; Stone, Woodcock, and Wilson 1996; Weitz and Jap 1995; Wilson 1995). This general sequence is commonly translated into the five-phased model of awareness, exploration, expansion, commitment, and dissolution suggested by Dwyer, Schurr, and Oh (1987). However, theoretical process-oriented frameworks differ in the number of stages that are posited, the nature of the processes believed to be critical for relationship development at each stage, and the mechanisms governing transitions between stages (Fournier 1998).

While some authors assume that a particular relationship can be attributed to one specific stage, we postulate that only outcomes of a relationship⁴ can be measured. We argue for a representation of exchanges on a continuum, as classifying exchanges into different stages of 'relationship extent' does not permit adequate empirical validation and testing. Delineating separate stages in empirical research is rather ambiguous because no objective criterion exists that allows an unequivocal distinction between relationship stages.

2.3 Relationship Marketing

2.3.1 Definition of Relationship Marketing

The term 'relationship marketing' appeared for the first time⁵ in a 1983 article by Berry (Barnes 1994; Berry 1995; Grönroos 1994a). Berry (1983, p. 25) defined relationship marketing as "attracting, maintaining, and ... enhancing customer relationships". Christopher, Payne, and Ballantyne (1994) referred to relationship marketing on a micro level when only the relationship between a company and its end customers is focused upon. This type of relationship corresponds to what Gummesson (1997) called 'the classic dyad' in his classification of 30 different types of

In chapter four, the following relationship outcomes are discussed: relationship satisfaction, trust, relationship commitment, and behavioral loyalty.

Berry (1983) was the first to mention the term 'relationship marketing'. However, others already recognized the importance of building relationships before 1983 without explicitly using the term (Bagozzi 1975; Håkansson 1982; MacNeil 1980).

relationships. Several authors recognize that this classic dyad is only one out of many possible relationship forms (Gummesson 1997; Iacobucci and Ostrom 1996; Morgan and Hunt 1994). On a broader level, relationship marketing can refer to multiple dyads: internal company relationships (relationships between a company and its employees, functional departments, or business units), supplier relationships (relationships between a company and product or service providers), lateral relationships (relationships between a company and competitors, non-profit organizations, or government departments), or buyer relationships (relationships between a company and its intermediary or end customers) (Christopher, Payne, and Ballantyne 1994; Dwyer, Schurr, and Oh 1987; Gruen 1995; Kotler 1992; Morgan and Hunt 1994). In the same way, Sheth (1994) distinguished between horizontal, vertical, and stakeholder relationships. Iacobucci and Ostrom (1996) classified relationships into individual-to-individual, individual-to-firm, and firm-to-firm relationships.

Mainly because of the multidimensional character and the relative newness of relationship marketing, literature has not yet agreed upon a common definition. This has resulted in a conceptualization of relationship marketing that is quite different between various scholars (Achrol 1997; Barnes 1995; Bejou 1997; Blois 1995; Evans and Laskin 1994; Gummesson 1994; Kalwani and Narayandas 1995; Parker and Funkhouser 1997; Perrien and Ricard 1995). This is evidenced by table 2-1.

Despite large differences in definitions of relationship marketing, most definitions that have been suggested, share a certain degree of commonality (Robicheaux and Coleman 1994). Most authors agree that relationship marketing is characterized by the following elements.

(1) Aim for common benefits

While a buyer can increase his perceived level of customer value by engaging in a relationship with a seller, a seller's benefits of building relationships with buyers are continuity and profit generation (Barnes 1995/1997; Beatty et al. 1996; Berry 1995; Blois 1995; Buchanan 1992; Dwyer, Schurr, and Oh 1987; Hinde 1979; Shani and Chalasani 1992; Wilson 1995).

(2) Asymmetrical steering

Asymmetrical steering refers to the notion that the effectiveness of relationship marketing strategies is controlled by the seller (Blois 1995; Dwyer, Schurr, and Oh 1987; Ganesan 1994; Gundlach and Cadotte 1994; Levitt 1983; Perrien, Paradis, and Banting 1995; Perrien and Ricard 1995). The thought of asymmetrical steering is more or less similar to the outdated view on marriage in which the husband assumes leadership in the relationship (Perrien, Filiatrault, and Ricard 1993). Most relationship marketing definitions indeed stress a seller's efforts to enhance the buyer-seller relationship as expressed by the seller's commitment to the customer, his fulfillment of promises towards the customer, his use of knowledge about customers to help them satisfy their needs, and his continuous dialogue with customers (Bennett 1996). However, by distinguishing between a seller's motivational relationship investment and a buyer's motivational relationship investment, Dwyer, Schurr, and Oh (1987) criticized this asymmetrical view and claimed that seller-managed relationships only cover a limited set of

Table 2-1: Definitions of Relationship Marketing

Table 2-1. Definitions of Relationship Marketing	
Definition	References
- "The organizational development and maintenance of mutually rewarding relationships with customers achieved via the total integration of information and quality management systems, service support, business strategy, and organizational mission in order to delight the customer and secure profitable lasting business"	- Bennett 1996, p. 420
- "Attracting, maintaining and – in multi-service organizations – enhancing customer relationships"	- Berry 1983, p. 25
- "Attracting, retaining, and enhancing client relationships"	- Berry and Gresham 1986, p. 43
 "The consistent application of up-to-date knowledge of individual customers to product and service design which is communicated interactively in order to develop a continuous and long-term relationship, which is mutually beneficial" 	- Cram 1994, p. 19
- "Customer centred approach whereby a firm seeks long-term business relations with prospective and existing customers"	- Evans and Laskin 1994, p. 440
- "To establish, maintain, enhance, and commercialize customer relationships so that the objectives of the parties involved are met. This is done by a mutual exchange and fulfillment of promises"	- Grönroos 1990a, p. 5
- "Marketing seen as relationships, networks and interaction"	- Gummesson 1997, p. 55
- "Attracting, developing, and retaining customer relationships"	- Jackson 1985, p. 2
- "All marketing activities directed toward establishing, developing, and maintaining successful relational exchanges"	- Morgan and Hunt 1994, p. 22
- "The building and nurturing of long-term mutually beneficial exchange relationships that an organization has with its customers and other stakeholders"	- Murphy, Stevens, and Macleod 1997, p. 44
- "An integrated effort to identify, maintain, and build up a network with individual consumers and to continuously strengthen the network for the mutual benefit of both sides, through interactive, individualized, and value-added contacts over a long period of time"	- Shani and Chalasani 1992, p. 44
 "Understanding, explanation, and management of the ongoing collaborative business relationship between suppliers and customers" 	- Sheth 1994, p. 2

possible types of relationships. Christy, Oliver, and Penn (1996) similarly stated that, while exchanges are often initiated and managed by the seller, there is no reason why a buyer should not make the first move and take responsibility for enhancing the buyer-seller relationship. Weitz and Jap (1995) equally distinguished between exchanges characterized by authoritative or unilateral (asymmetric) control and exchanges characterized by normative or bilateral (symmetric) control. Also Wish, Deutsch, and Kaplan (1976) indicated that interpersonal relationships can vary along a symmetry-asymmetry continuum.

(3) Continuity

Continuity between successive exchanges implies that exchanges are not separated from each other, but form a whole within a framework of long-term perspectives. In this way, exchanges obtain a special status and cannot be regarded as occasional exchanges (Barnes 1995; Low 1996; Shani and Chalasani 1992). Continuity between exchanges supposes that buyers are and remain loyal to a seller.

As can be concluded from table 2-1, most definitions of relationship marketing are of a generic and all-encompassing nature, limiting empirical validation. In line with Bagozzi (1995) and Peterson (1995), we think it is more fruitful to formulate targeted definitions of relationship marketing in order to direct relationship marketing practice, empirical research, and theory development. For purposes of this study, we formulated a definition of relationship marketing that incorporates the three core elements of relationship marketing and that is suitable for operationalization purposes. We define relationship marketing as "a seller's product, service, and relationship efforts aimed at enhancing relationship outcomes of buyer-seller relationships". This definition includes the core components of other relationship marketing definitions. First, the aim for common benefits is reflected by the fact that enhanced relationship outcomes (buyer benefits) also imply benefits for the seller (e.g. increased behavioral loyalty). Second, our definition refers to asymmetrical steering by the seller as it involves a seller's efforts to enhance the buyer-seller relationship. Finally, our definition contains the element of continuity as the enhancement of relationship outcomes is inextricably related to a continuation of exchanges. While the basic elements included in our definition are in line with other definitions, our definition better lends itself for operationalization. It explicitly addresses the questions of what the objectives of relationship marketing are and how these can be measured. This focus in the definition facilitates empirical investigation and guides our choice of constructs to be investigated.

2.3.2 Characteristics Influencing Relationship Marketing Effectiveness

Relationship marketing practices are not considered to be effective in every situation or context (Heide and John 1990; Kalwani and Narayandas 1995; Matthyssens and Van den Bulte 1994; Pressey and Mathews 1997; Wray, Palmer, and Bejou 1994). Not every exchange has the potential to grow into a relationship and a thorough cost-benefit analysis is required before a decision to invest in relationship marketing is made (Houston and Gassenheimer 1987; Jüttner and Wehrli 1994; Low 1997; Wray, Palmer, and Bejou 1994). Low (1997) even indicated that, under certain conditions, parties should actively and consciously play the market, seek out opportunities, and develop an opportunistic mentality.

Several scholars mention characteristics that can influence the effectiveness of relationship marketing strategies. Such characteristics are commonly assumed to affect the inherent 'relationship-friendliness' (Christy, Oliver, and Penn 1996) of buyer-seller exchanges. We classify them into: (1) buyer characteristics, (2) product/service characteristics, (3) environmental characteristics, and (4) exchange situation characteristics (Berry and Gresham 1986; Crosby, Evans, and Cowles 1990; Javalgi and Moberg 1997; Shani and Chalasani 1992). A brief overview of each of these characteristics is provided below.

Buyer characteristics⁶

(1) Degree of involvement with the product or service category

Some scholars hypothesize that the higher a buyer's involvement with the product or service category, the more this buyer will be inclined to engage in a long-term relationship with sellers of these products or services (Berry 1995; Berry and Gresham 1986; Christy, Oliver, and Penn 1996; King and Ring 1980; Leuthesser 1997; Metcalf, Frear, and Krishnan 1992). However, the role of involvement in buyer-seller relationships has received little attention until now (Beatty et al. 1996; Metcalf, Frear, and Krishnan 1992).

(2) Proneness to engage in relationships

Not all buyers are inherently equally prone to engage in relationships with sellers. Evidently, relationship marketing strategies are assumed to be more effective in case a buyer shows a high proneness to engage in buyer-seller relationships. However, the role of buyer relationship proneness in buyer-seller relationships has not received any empirical attention until now (Beatty et al. 1996; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996; Dwyer, Schurr, and Oh 1987; Pressey and Mathews 1997).

Product/service characteristics

(1) Degree of complexity of the product or service

The more complex a product or service is, the more a buyer feels the need to engage in relational behavior with the seller of this product or service (Berry 1995; Christy, Oliver, and Penn 1996; Crosby, Evans, and Cowles 1990; Metcalf, Frear, and Krishnan 1992).

(2) Ability to customize or differentiate the product or service

The more a product or service is suitable for customization or differentiation, the more opportunities are available to a seller for building a close relationship with a buyer (Christy, Oliver, and Penn 1996; Crosby, Evans, and Cowles 1990).

(3) Difficulty of evaluating exchange outcomes

Since the costs of negotiating, monitoring, and enforcing performance are greater when performance ambiguity is present, transaction cost analysis suggests that performance ambiguity is a key factor leading buyers to focus upon long-term relationships with sellers. Building long-term relationships reduces the perceived risk associated with ambiguous outcomes of exchanges (Bendapudi and Berry 1997; Berry 1995; Crosby, Evans, and Cowles 1990; Dwyer, Schurr, and Oh 1987; Williamson 1975).

The two buyer characteristics discussed in this section are both included in our conceptual model presented in chapter five.

Environmental characteristics

(1) Degree of dynamism and uncertainty related to the market or product environment
Relationship marketing is generally believed to be more effective in situations characterized by
uncertainty and dynamism (Anderson and Weitz 1989; Buchanan 1992; Christy, Oliver, and
Penn 1996; Crosby, Evans, and Cowles 1990; Leuthesser 1997). For example, relationship
marketing is especially suited in services because their intangibility and credence properties
increase the need to reduce perceived risk (Berry 1995; Kasper 1999).

(2) Switching costs

The costs and inconveniences related to switching to a different exchange partner tend to strengthen existing relationships between buyers and sellers (Anderson and Weitz 1992; Christy, Oliver, and Penn 1996; Ganesan 1994; Smith and Barclay 1997).

Exchange situation characteristics

(1) Exchange frequency

When each exchange would be handled as a discrete transaction, a greater frequency of exchanges typically involves higher transaction costs (Bendapudi and Berry 1997). As a result, repeated exchange between buyers and sellers is generally considered to facilitate relationship marketing (Bendapudi and Berry 1997; Berry 1995; Berry and Gresham 1986; Christy, Oliver, and Penn 1996; Crosby, Evans, and Cowles 1990; Metcalf, Frear, and Krishnan 1992; Wray, Palmer, and Bejou 1994).

(2) Degree of social exchange

Metcalf, Frear, and Krishnan (1992, p. 29) referred to social exchange as "the interpersonal relationships which exist between members of the buying and selling centers". In general, relationships are considered to have a larger growth potential in situations characterized by high degrees of social exchange (Berry 1995; Berry and Gresham 1986; Iacobucci and Ostrom 1996; Metcalf, Frear, and Krishnan 1992; Nielson 1998).

(3) Task definition

Belk (1975) defined task definitions as "the reasons that occasion the need for consumers to buy or consume a product or service". A consumer can be loyal to a certain store for a specific task definition, but disloyal to the same store when experiencing another task definition. Loyalty levels could be more defensible or less vulnerable in some task definitions than in others, influencing relationship marketing effectiveness (Van Kenhove, De Wulf, and van Waterschoot 1999).

(4) Age of the relationship

Anderson and Weitz (1989) suggested that relationship marketing effectiveness is generally lower when relationships are relatively young (Heide and John 1990; Leuthesser 1997; Lusch and Brown 1996; Metcalf, Frear, and Krishnan 1992).

To the author's knowledge, no empirical efforts have been made to measure the effects of the above mentioned characteristics on relationship effectiveness. In chapter five, we discuss the roles of product category involvement and buyer relationship proneness in influencing relationship outcomes.

2.4 Development of Relationship Marketing

2.4.1 Development in Practice

Two hundred years ago, the uncontrived approach to the market was through building long-term relationships between buyers and sellers. During this pre-industrial era, direct exchanges between buyers and sellers developed in a natural way and necessitated friendship, co-operation, reliance, and trust among marketing actors (Peppers and Rogers 1995; Sheth and Parvatiyar 1995a; Wilson 1995). Sellers knew each of their buyers individually and suggested appropriate, customized product offerings (Berry 1995; Wray, Palmer, and Bejou 1994). This situation changed during the industrial era in which marketers shifted their concerns towards sales and promotion of goods instead of relationship enhancement. Increasing buyer choice through producing various assortments of goods became significant issues, thereby diverting marketers' attention from building individual customer relationships to mass marketing practices (Davis 1995). During that period, the prevailing microeconomic, profit-maximization paradigm focused marketers' attention at optimizing independent transactions between buyers and sellers (Webster 1992).

From the post-industrial era on, marketers started realizing the limitations of their transactionoriented strategies under pressure of eroding repeat purchases and intensified competitive pressures in increasingly saturated markets (Sheth and Parvatiyar 1995a). Gummesson (1997) explicitly referred to the industrial era as just a brief interlude and stated that marketers have moved to a new era in which relationships are back. While researchers tend to view the processes of enhancing relationships in the pre- and post-industrial eras as essentially the same, both are of a different nature. While relationships evolved in a natural way during the pre-industrial era, more conscious seller strategies aimed at enhancing relationships with buyers are followed in the current, postindustrial era. Relationship marketing in the post-industrial era has mainly found its way into management practice as a result of the growth of information technology and service economies (Achrol 1997; Bejou 1997; Bennett 1996; Berry 1995; Sheth and Parvatiyar 1995a). New practices have been developed for implementing relationship marketing resulting from technological advances enabling sellers to recognize and listen to individual buyers on a continuous basis, to interact with them, to quickly respond to their preferences, and to communicate directly in differentiated ways with a large number of them (Bennett 1996; Nielson 1998; Sheth and Parvatiyar 1995a; Spekman 1988; Wray, Palmer, and Bejou 1994).

2.4.2 A Brief Overview of Scientific Development

Given practitioners' important role in the development of relationship marketing, it is not surprising that relationship marketing was first implemented by practitioners before it became a focus for academics (Davis 1995; Grönroos 1994a; Perrien, Filiatrault, and Ricard 1993). Dodge and

Fullerton (1997, p. 2) pointed at this dividing wall between theory and practice by stating that "nowhere is the disparity between practice and academic theory more apparent than it is on ... relationship marketing". Rylander, Strutton, and Pelton (1997) stated that relationship marketing "enjoys" the unusual status of being an overused and underdeveloped designation at the same time.

Nevertheless, scholars refocused their traditional, transactional marketing thinking by placing a greater emphasis upon the creation of customer value and by drawing their attention to relationship marketing. Kotler's (1992, p. 1) phrase "companies must move from a short-term transaction-oriented goal to a long-term relationship-building goal" underlines this interest in relationship marketing. While Webster (1992, p. 1) referred to relationship marketing as a 'fundamental reshaping of the field', others consider it to be a genuine paradigm shift altering the basic foundations of marketing theory (Bendapudi and Berry 1997; Dodge and Fullerton 1997; Fournier 1998; Grönroos 1990a/1994b; Gummesson 1997; Keep, Hollander, and Dickinson 1998; McGahan and Ghemawat 1994; Morgan and Hunt 1994; Parker and Funkhouser 1997; Sheth and Parvatiyar 1995b; Webster 1992; Wray, Palmer, and Bejou 1994). In line with Webster (1992), we support the notion that relationship marketing should not be considered as a completely new research paradigm. While the time orientation of studying exchanges has shifted from short-term to long-term, both 'traditional' marketing theory and relationship marketing theory focus on exchanges as their focal study subject. Moreover, the basic principles of traditional marketing theory are still deemed to be applicable in relationship marketing theory.

The early works on relationship marketing were written by Arndt (1983), Bagozzi (1975), Berry (1983), Day and Wensley (1983), Dwyer, Schurr, and Oh (1987), Håkansson (1982), Levitt (1983), and MacNeil (1980). Scientific attention for relationship marketing mainly emerged within the fields of industrial marketing and channel marketing (Bejou 1997; Dahlstrom, McNeilly, and Speh 1996; Doney and Cannon 1997; Grönroos 1994a; Gummesson 1997; Peterson 1995; Ping 1993; Webster 1992). This is not surprising as, by their very nature, industrial and channel market exchanges are relationship based. Consistent with the strategic interest of industrial buyers for 'just-in-time' techniques and their search for reliable suppliers, long-term buyer-seller relationships are often considered to be of strategic relevance in industrial contexts (Doney and Cannon 1997; Lewin and Johnston 1997; Perrien and Ricard 1995). In a channel context, buyer-seller exchanges are generally characterized by high interdependencies and direct exchanges between partners, stimulating the need to cooperate on a long-term basis (Doney and Cannon 1997).

Today, the practical and scientific importance of relationship marketing are still being recognized (Bendapudi and Berry 1997; Fournier 1998; Gwinner, Gremler, and Bitner 1998). We expect this interest for relationship marketing to continue and even intensify in the future as a result of various market evolutions such as globalization, market fragmentation, increased competitive pressures, as well as technological developments such as the higher penetration of new information and communication technologies (Cram 1994; Davis 1997; Dowling and Uncles 1997; Grant and Schlesinger 1995; Hoekstra 1994; Pine, Peppers, and Rogers 1995). More specifically, the importance of relationship marketing in consumer markets will grow as resellers have gained increased power and as information technology has put individual consumers in more direct contact with resellers and manufacturers (Webster 1992).

2.5 Applicability of Relationship Marketing in a Consumer Context

The theories most commonly referred to in relationship marketing literature are: (1) neoclassical microeconomic theory, (2) transaction cost theory, (3) relational contracting theory, (4) social exchange theory, (5) equity theory, (6) political economy theory, and (7) resource dependence theory. In this section, we want to determine which of these theories are most relevant for explaining relationships in a consumer context.

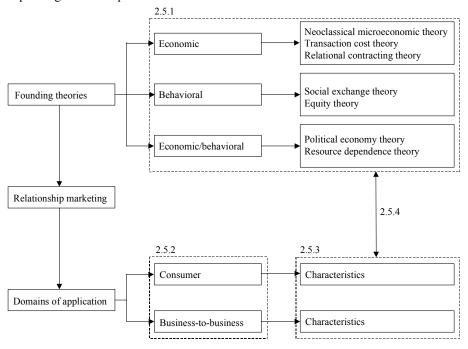


Figure 2-1: Applicability of Relationship Marketing in a Consumer Context

Figure 2-1 outlines the structure of this section. In 2.5.1, we group theories into economic, behavioral, and economic/behavioral theories and briefly describe each theory. In 2.5.2, we discuss whether separate relationship marketing theories are needed for consumer versus business-to-business situations. In 2.5.3, we describe the main discriminating characteristics of consumer versus business-to-business markets and outline their impact on differences between consumer and business-to-business relationships. Finally, in 2.5.4, we evaluate the applicability of each of the theories presented in 2.5.1 in consumer situations.

2.5.1 Overview of Theories Underlying Relationship Marketing⁷

Underlying theories of relationship marketing tend to be fragmented into two seemingly disparate approaches: an economic approach that is efficiency oriented and a behavioral approach that is more socially oriented, focusing on power and conflict, and borrowing from social psychology and organization theory (Stern and Reve 1980). Although we explicitly categorize theories into 'economic' and 'behavioral' approaches, we recognize that economic theories can contain behavioral elements and that behavioral theories can contain economic elements. This categorization is principally conducted in order to create a framework of thought for theory evaluation.

In table 2-2, theories underlying relationship marketing are compared on their key assumptions, their main unit of analysis, and their main constructs of interest. While we do not dare to claim that this table provides an exhaustive picture of all underlying theories of relationship marketing, it is intended to act as a framework for evaluating the relevance of theories most commonly referred to. Below, the main characteristics of each theory are briefly described.

2.5.1.1 <u>Economic Theories</u>

(1) Neoclassical microeconomic theory

This theory departs from the assumptions of rational and utility seeking behavior. Its main unit of analysis consists of aggregated supply and demand markets striving for market equilibrium (Arndt 1983).

(2) Transaction cost analysis

This theory departs from the assumptions of bounded rationality and opportunism. Its main unit of analysis consists of single transactions involving transaction costs. The main objective of transaction cost analysis is to prescribe an optimal relationship governance mode that minimizes transaction costs (Williamson 1975/1985).

(3) Relational contracting theory

In line with transaction cost analysis, this theory departs from the assumptions of bounded rationality and opportunism. Its main unit of analysis consists of exchange episodes. The main objective of this theory is to describe the impact of social norms on the development of these episodes in addition to the impact of explicit contracts (MacNeil 1980).

2.5.1.2 <u>Behavioral Theories</u>

(1) Social exchange theory

This theory departs from the assumption of equality between exchange partners who are driven by self-interest and reciprocity. Its main unit of analysis consists of relational exchanges. The

Each of the theories underlying relationship marketing is discussed on its content, strengths, and limitations in appendix one.

Table 2-2: Comparative Summary of Theories Underlying Relationship Marketing

Table 2-2: Comparative Summary of Theories Underlying Relationship Marketing							
Theories Economic theories	Key assumptions	Main unit of analysis	Main constructs of interest				
Neoclassical microeconomic theory	Competitive markets driven by price mechanism Profit and utility maximization Well-defined and stable preference structures	Aggregated supply and demand	Cost Income distribution Market equilibrium Market structure Profit Relative price Utility				
Transaction cost theory	 Bounded rationality Environmental uncertainty Existence of optimal relationship governance mode which minimizes transaction costs Opportunism and self-interest 	- Single exchange transaction	 Conflict Goal incongruence Performance ambiguity Transaction costs Transaction specific investments 				
Relational contracting theory Behavioral theories	Bounded rationality Environmental uncertainty Opportunism and self-interest	- Exchange episode	 Consistency Flexibility Information exchange Mutuality Norms Power Solidarity 				
Social exchange theory	 Equality between exchange partners Reciprocity Self-interest 	- Relational exchange	Adaptation Comparison level (of alternatives) Cooperation Relationship commitment Relationship satisfaction Similarity Social norms Trust				
Equity theory Economic/	 Desire to have fair and just distribution of profits Economic productivity motives 	- Relational exchange	 Input Output Role expectations/stress Relationship satisfaction Social norms Trust 				
behavioral theories							
Political economy theory	 Economic and sociopolitical forces affecting collective behavior and performance 	- Relational exchange	AuthorityConflictControlPower				
Resource dependence theory	 Inherent goal conflict Inequality between exchange partners Self-interest Tendency to increase control and decrease dependence 	- Relational exchange	- Authority - Conflict - Dependence - Interdependence - Power - Uncertainty				

main objective of social exchange theory is to describe exchanges between partners and their effects on relationship outcomes (Kelley and Thibaut 1978; Thibaut and Kelley 1959). This theory primarily focuses upon dedication as a determinant of relationship formation and growth.

(2) Equity theory

This theory departs from the assumption that exchange partners are driven by economic productivity motives. Its main unit of analysis consists of relational exchanges. The main

objective of equity theory is to describe the processes leading to and the consequences of a fair and just distribution of inputs and outputs between exchange partners (Adams 1965).

2.5.1.3 Economic/Behavioral Theories

(1) Political economy theory

This theory assumes that economic as well as sociopolitical forces affect institutional behavior and performance. Its main unit of analysis consists of relational exchanges between institutions. Economic forces refer to the institutions that transform inputs into outputs and to the processes by which goods and services are allocated. Sociopolitical forces refer to the power and control systems that legitimize, facilitate, monitor, and regulate exchange transactions. The main objective of political economy theory is to describe authority and control patterns, conflict and conflict management procedures, and external and internal determinants of institutional exchange (Benson 1975; Stern and Reve 1980).

(2) Resource dependence theory

This theory departs from the assumption that there exists inequality between self-interested exchange partners. Its main unit of analysis consists of relational exchanges. The main objective of resource dependence theory is to describe the processes of increasing control and decreasing dependence in a relationship (Emerson 1962; Salancik and Pfeffer 1978). This theory primarily focuses upon constraints that determine the formation and growth of relationships.

In the next section, we discuss whether relationship marketing theory is generally applicable to consumer as well as to business-to-business contexts or whether it is context-specific.

2.5.2 General versus Context-Specific Relationship Marketing Theory

As already indicated, theoretical knowledge on buyer-seller relationships mainly originated from conceptual and empirical work in industrial and channel contexts (Fischer and Bristor 1994; Gwinner, Gremler, and Bitner 1998; Peterson 1995; Pressey and Mathews 1997; Wilson 1995). Business-to-business marketers have consistently emphasized long-term relationship building and have studied many relational constructs (Iacobucci and Ostrom 1996; Webster 1992). Surprisingly little empirical and conceptual work has been conducted on relational phenomena in the consumer domain (Fournier 1998; Gruen 1995; Sheth and Parvatiyar 1995b). Recently, the applicability of relationship marketing has been extended from business-to-business to consumer environments (Gundlach, Achrol, and Mentzer 1995; Iacobucci and Ostrom 1996; Wray, Palmer, and Bejou 1994). Dwyer, Schurr, and Oh (1987) specifically underlined that both consumer and business-to-business markets can benefit from enhancing relationships between buyers and sellers. However, the broadened scope of relationship marketing to consumer environments has raised some questions with respect to the generalizability of industrial and channel relationship concepts to consumer relationships. Whereas some scholars are convinced of the existence of one overall relationship marketing theory, others argue that relationship marketing is context-specific.

Several scholars call for efforts directed at synthesizing existing theories into a general relationship marketing theory (Gummesson 1997; Iacobucci and Ostrom 1996; Mudambi and Mudambi 1995; Robicheaux and Coleman 1994; Webster 1992). For example, Bagozzi (1995, p. 272) stated that "we lack a grand or all-encompassing theory at the moment, or even one with moderate generalizability". Proponents of a general relationship marketing theory claim that both consumers and businesses engage in relationships for the same motivations: to optimize expected equity (trade-off between exchange costs and benefits) and to increase the predictability of exchange outcomes (Christy, Oliver, and Penn 1996; Parker and Funkhouser 1997; Peterson 1995). Taking such analogies between consumer and business-to-business relationships results in a view of consumers having potentially the same concerns as firms (Parker and Funkhouser 1997).

Despite potential theoretical advances that can result from applying industrial and channel relationship constructs in consumer contexts, scholars in favor of context-specific relationship marketing theories state that too much emphasis has been placed on borrowing existing constructs from other disciplines and marketing areas to fit relationship marketing research (Bejou 1997; Möller and Halinen-Kaila 1998; Mudambi and Mudambi 1995). According to them, scholars should avoid the confusion that is caused by mixing different types of theory and focus their efforts at developing more rigorous 'partial' relationship marketing theories (Möller and Halinen-Kaila 1998). They stress that consumer and business-to-business relationships are based on different underlying assumptions (Fischer and Bristor 1994; Wilson 1995). For example, Möller and Halinen-Kaila (1998) explicitly stated that it is misleading to talk about relationship marketing without any reference to the distinction between consumer and inter-organizational relationship marketing. According to them, both modes of relationship marketing pose very different challenges for customer relationship management.

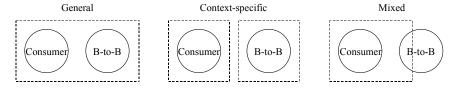


Figure 2-2: General, Context-Specific, and Mixed Relationship Marketing Theory

In our opinion, both lines of thought can potentially contribute to our understanding of consumer relationships. Researchers can benefit from using the same constructs in different contexts, which does not imply that all of these constructs are applicable in the context under investigation. In line with Gruen (1995), we support the notion that the study of consumer relationships can benefit from incorporating relational constructs that are unique to consumer markets as well as those that are shared with business-to-business markets. This implies that we prefer a mixed theory of investigating consumer relationships as opposed to a general or context-specific theory (see figure 2-2). This mixed approach corresponds to Iacobucci and Ostrom's (1996) view that the study of many relational constructs in business-to-business environments provides a rich source of knowledge that can, at least partially, be applied successfully to consumer situations.

2.5.3 Characteristics of Consumer versus Business-to-Business Marketing

In order to assess which of the theories described in 2.5.1 are applicable to consumer markets, this section discusses the differences between consumer and business-to-business markets.

With respect to buyer characteristics, consumer markets are generally characterized by a large number of small-sized buyers who exhibit lower levels of involvement, product knowledge, and loyalty as opposed to buyers in business-to-business markets. Also the number of sellers is typically higher in consumer environments. With respect to product characteristics, consumer products tend to involve lower levels of purchase risk, technical complexity, and service requirement. In table 2-3, we emphasize the major differences that exist between consumer and business-to-business marketing⁸.

Differences between consumer and business-to-business markets have consequences for the types of buyer-seller relationships that exist in both markets. In general, buyers and sellers are less dependent upon each other in consumer contexts as opposed to business-to-business contexts. While consumers can easily switch sellers given their low idiosyncratic investments, they can hardly exert power on these sellers given their relatively low purchase size. Business-to-business relationships are often characterized by struggles for power, domination, and control. In contrast, consumers generally have difficulties exerting power over marketers because they only represent a fraction of a seller's business (Fischer and Bristor 1994; Pressey and Mathews 1997). Concluding, we may state that consumer relationships are more difficult to build than business-to-business relationships. Consumers are generally more polygamous than businesses as a result of lower purchase risks and a wider choice between a large number of sellers (Keng and Ehrenberg 1984; Pressey and Mathews 1997). Consequently, constraint-based relationship motivations are deemed to be less important in consumer markets.

In section 2.5.4, we take a critical look at the extent to which each of the theories described (see table 2-2) can be applied usefully in a consumer context taking into account the specific characteristics of consumer environments (see table 2-3).

2.5.4 Applicability of Theories Underlying Relationship Marketing in a Consumer Context

Since no single conceptual model is able to capture all elements that might have a potential relevance for relationship marketing (Fontenot and Wilson 1997), well-founded choices have to be made concerning the inclusion of relationship marketing constructs into our research model. In order to be able to make these choices, this section discusses the implications of the before mentioned characteristics of consumer markets/exchanges for the applicability of each theory

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Traditionally, marketing scholars separated the areas of consumer and business-to-business marketing and argued that there exists a clear dichotomy between both fields (Fern and Brown 1985; Gross et al. 1993; Mowen 1990). While the differences mentioned in table 2-3 are in many situations genuine, this is not always the case. In a study investigating consumer and business-to-business marketing differences, Fern and Brown (1985) concluded that more differences exist within consumer and business-to-business marketing environments than between them.

Table 2-3: Major Differences between Consumer and Business-to-Business Marketing						
	Consumer marketing	Business-to-business marketing				
MARKET CHARACTERISTICS						
Buyer characteristics						
Buyer geographic concentration	Low	High				
Buyer knowledge level	Low	High				
Buyer loyalty	Low	High				
Buyer purchase involvement	Low	High				
Buyer purchase motives and skills	Emotional/self-gratifying	Rational/professional				
Buyer size	Small	Large				
Buying center complexity	Low	High				
Buying center size	Individual	Group				
Number of buyers	High	Low				
Seller characteristics						
Key account management	Not important	Important				
Number of sellers	High	Low				
Seller knowledge level	Low	High				
Product characteristics						
Product specification	Standardized	Customized				
Purchase process	Simple	Complex				
Purchase risk	Low	High				
Service requirement	Low	High				
Systems selling	Less frequent	More frequent				
Technical complexity	Low	High				
EXCHANGE CHARACTERISTICS						
Average sales size	Small	Large				
Buyer dependence on the seller	Low	Varying				
Buyer power	Low	High				
Buyer size in relation to seller size	Small	Varying				
Buyer/seller exchange	Transactional	Relational				
Buyer/seller reciprocity	Low	High				
Ease of buyer switching from seller	Easy	Difficult				
Idiosyncratic investments	Low, tactical	High, strategic				
Level of contractual agreements	Low	High				
Negotiation level	Low	High				
Party steering buyer-seller relationship	Seller	Varying				
Purchase frequency	High	Low				
	0-*					

Seller dependence on the buyer Based upon (1) Bingham, Frank G. Jr. and Barney T. Raffield III (1990), Business to Business Marketing. Homewood: Irwin, (2) Eckles, Robert W. (1990), Business Marketing Management - Marketing of Business Products and Services. Englewood Cliffs: Prentice-Hall, (3) Fern, Edward and James Brown (1985), "The Industrial/Consumer Marketing Dichotomy: A Case of Insufficient Evidence," Journal of Marketing, 48 (Spring), 68-77, (4) Gruen, Thomas W. (1995), "The Outcome Set of Relationship Marketing in Consumer Markets," International Business Review, 4 (4), 447-69, (5) Gross, Andrew C., Peter M. Banting, Lindsay N. Meredith, and I. David Ford (1993), Business Marketing. Boston: Houghton Mifflin Company, (6) Hutt, Michael D. and Thomas W. Speh (1992), Business Marketing Management - A Strategic View of Industrial and Organizational Markets. Forth Worth: The Dryden Press, (7) Möller, Kristian and Aino Halinen-Kaila (1998), "Relationship Marketing: Its Disciplinary Roots and Future Directions," in Proceedings of the 27th EMAC Conference, Per Andersson, ed. Stockholm: European Marketing Academy, 289-310.

Low

Varying

underlying relationship marketing in a consumer context. The criterion we use for evaluating the applicability of a theory to consumer relationships examined in our study is the level of correspondence between this theory's characteristics (see table 2-2) and characteristics of the consumer market (see table 2-3).

2.5.4.1 <u>Neoclassical Microeconomic Theory</u>

Neoclassical microeconomic theory departs from a wide range of assumptions that are often not relevant in modern consumer environments (Dabholkar, Johnston, and Cathey 1994). It states that exchange parties engage in exchanges in order to maximize their profits and utilities, that they have well-defined and stable preference structures, and that markets are purely driven by the price mechanism (Arndt 1983; Dabholkar, Johnston, and Cathey 1994; Pandya and Dholakia 1992; Sheth and Parvatiyar 1995a). Consequently, neoclassical microeconomic theory has often been criticized for its limited applicability to different exchange situations (Pandya and Dholakia 1992).

In reality, consumer relationships are driven by a variety of different forces exceeding pure utility maximization and price optimization (Bendapudi and Berry 1997). Moreover, today's consumers are more and more difficult to describe in terms of preference structures. A consumer's behavior and motivations are increasingly difficult to grasp. Shim and Eastlick (1998, p. 139) stated that "technological developments and market conditions, combined with relatively affluent, highly mobile, and increasingly time-scarce consumers, have all played important roles in affecting retail changes". Current retail markets are characterized by increased competition and new types of retail formats (Arnold, Oum, and Tigert 1983; Kline and Wagner 1994). Such markets cannot be expected to be purely driven by the price mechanism. As a result, neoclassical microeconomic theory does not seem to provide a relevant framework for explaining consumer relationships in a retail context.

2.5.4.2 Transaction Cost Theory

Transaction cost theory has most often been applied to organizational issues such as sales organization, distribution, and market entry decisions (Heide and John 1992). Given the criticism that has been directed at transaction cost theory following its sole focus on costs, neglect of the role of people, and unrealistic assumption of opportunistically inclined parties, transaction cost theory does not seem to provide a useful framework for explaining relationship enhancement in a consumer context either (Dabholkar, Johnston, and Cathey 1994; Heide and John 1992; Houston and Gassenheimer 1987; Morgan and Hunt 1994; Weitz and Jap 1995).

Transaction cost theory describes transactions according to three criteria: asset specificity, uncertainty, and frequency (Mudambi and Mudambi 1995; Robicheaux and Coleman 1994; Sharma and Sheth 1997; Varadarajan and Cunningham 1995). According to transaction cost theory, higher levels of asset specificity, uncertainty, and transaction frequency lead to higher transaction costs, and, consequently, to a higher relevance of transaction cost theory (Bowen and Jones 1986; Heide and John 1992; Mudambi and Mudambi 1995; Robicheaux and Coleman 1994). In our opinion, asset specificity as well as uncertainty are generally lower in consumer markets as opposed to business-to-business markets. First, asset specificity is assumed to be lower in consumer markets

because a consumer's costs of having a relationship with a seller are generally lower given the ease with which consumers can 'take or leave' these relationships (Beatty et al. 1996; Dwyer, Schurr, and Oh 1987). Second, uncertainty is generally expected to be lower in consumer contexts as opposed to business-to-business contexts. In most consumer markets, performance ambiguity is considered to be low given the low need for post-purchase evaluation, the low risk associated to consuming a product, and equal information disposal between consumers and sellers (Berry 1995; Bitner 1995). Concluding, we postulate that transaction cost analysis is less suitable for explaining consumer relationships.

2.5.4.3 Relational Contracting Theory

Dwyer, Schurr, and Oh (1987) noticed that, while modern contract law only seems applicable to business-to-business situations, their relationship process model has its roots in interpersonal literature making it equally useful for analyzing consumer buying situations in which the stakes are high. However, the stakes in consumer-retailer relationships are generally low. The clothing and food retail markets investigated in this study are highly competitive and transparent markets. Both markets are generally acknowledged to have reached maturity, to be overstored, and to have difficulties differentiating themselves based on merchandise selection only (Berry and Gresham 1986; Ellis 1995; Ghosh 1994). Consequently, consumers have ample choice in these retail markets and can easily switch between alternative retailers. Viewed from this perspective, relational contracting theory seems to be less applicable to explain relationships in a consumer context.

2.5.4.4 <u>Social Exchange Theory</u>

As the term suggests, social exchange theory views social exchanges at the core of relationships. These exchanges between partners are driven by self-interest, are characterized by cooperation and reciprocity, and are intended to lead to mutually beneficial economic and/or non-economic outcomes (Dwyer, Schurr, and Oh 1987; Frazier and Rody 1991; Levitt 1983; Metcalf, Frear, and Krishnan 1992; Perrien and Ricard 1995). The outcomes of both parties in an exchange relationship are affected through communication and transformation processes (Duncan and Moriarty 1998; Hallén, Johanson, and Seyed-Mohamed 1991; Oliver and Swan 1989). This view of social exchange theory on relationships corresponds closely to the kind of relationships we encounter in consumer situations. Sellers undertake efforts (communication and transformation processes) towards consumers through socially interacting with these consumers. These efforts are intended to lead to positive relationship outcomes (Bloemer and de Ruyter 1998). Our definition of a relationship, "one or more exchanges between a buyer and a seller that are perceived by the buyer as being interrelated to potential past and future exchanges with the seller", is related to the social exchange paradigm as it emphasizes the key role of exchanges. To sum up, social exchange theory seems to be very relevant for explaining relationships between consumers and retailers.

2.5.4.5 Equity Theory

Equity theory focuses upon the evaluation and fair distribution of relationship inputs and outputs. Each party in an exchange is assumed to compare his ratio of relationship inputs and outputs to a particular standard of comparison. In case inputs are balanced against outputs in a relationship (relationship equity), partners are believed to be satisfied with their relationship (Geyskens 1998; Houston and Gassenheimer 1987; Huppertz, Arenson, and Evans 1978; Oliver and Swan 1989). Equity theory can easily be applied to consumer exchanges. Efforts undertaken by a seller can be viewed as this seller's relationship inputs (and a consumer's relationship outputs), while relationship outcomes can be regarded as this seller's relationship outputs. As a result, equity theory seems to provide an appropriate framework for analyzing consumer relationships.

2.5.4.6 Political Economy Theory

Political economy theory is concerned with the allocation of economic resources, authority, and power (Stern and Reve 1980). It has mainly been developed for explaining collective, organizational, and institutional behavior (Arndt 1983; Pandya and Dholakia 1992). Consequently, the unit of analysis of political economy theory consists of relational exchanges between collective entities. Arndt (1983, p. 51) underlined this collective unit of analysis by stating that "the household may be viewed as a special case of small organizations leading to emphasis on goals, power bases, conflict management, and allocation rules". Political economy theory examines both the internal structures of a group as well as its external environment. Since our unit of analysis is the individual consumer, the study of group behavior and internal group structure is not relevant for our purposes. Political economy theory is more useful to analyze relationships with industrial customers, suppliers, joint venture partners, resellers, and other stakeholders (Webster 1992). While political economy theory is generally praised for its general and integrative nature, it seems to provide little added value for explaining the dyadic consumer-seller relationship.

2.5.4.7 <u>Resource Dependence Theory</u>

Resource dependence theory states that exchange partners become more dependent upon each other as (1) outputs from an exchange become more important (referred to as criticality), (2) the magnitude or proportion of trade with one partner increases (referred to as quantity), (3) the business is concentrated with fewer partners (referred to as replaceability), and (4) it becomes more difficult to locate potential alternative exchange partners (referred to as slack) (Andaleeb 1995; Krapfel, Salmond, and Spekman 1991). Table 2-3 showed that buyers and sellers are generally much less dependent upon each other in consumer markets as opposed to business-to-business markets.

In consumer markets, exchange outputs are generally less important, exchange quantities are lower, business concentration is lower, and the location of alternative exchange partners is easier compared

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Relationship outputs and relationship outcomes are defined differently in this study. While relationship outcomes refer to a buyer's attitude towards or behavior during the buyer-seller relationship, relationship outputs are considered as a seller's efforts that are perceived by the buyer.

to business-to-business markets (see table 2-3). Given the competitive and open nature of the retail markets investigated in this study, the existence of constraints such as authority, control, conflict, and resource dependence within these markets is likely to be small. According to Weitz and Jap (1995), the use of power as a coordinating mechanism is limited to asymmetric relationships relationships in which one party is more powerful than another party. In most consumer-retailer exchange settings, a power balance exists in the sense that the retailer cannot exert a lot of power over the consumer and the consumer cannot exert a lot of power over the retailer. Consumers are generally less dependent upon retailers because they can choose from a wide range of alternative retailers. Retailers are generally less dependent upon consumers because their business with one consumer only represents a small fraction of their total business. As a result, it seems that constructs that are related to cooperation, coordination, and collaboration hold more promises for explaining relationship enhancement in consumer contexts than constructs that are related to dependence, power, and conflict. In other words, resource dependence theory is less suitable as an explanatory theory for consumer relationships.

2.6 Choice of Constructs

Summarizing the previous sections, we argue that especially social exchange theory and equity theory hold most promises for explaining consumer-retailer relationships. Most ideas and constructs mentioned in other theories are less likely to aid in explaining consumer relationships given the fact that their assumptions are not in line with retail situations. Examples of such constructs are dependence, power, non-retrievable investments, and switching costs (Anderson and Weitz 1989; Doney and Cannon 1997; Heide and Weiss 1995; Wilson 1995). Such relational constructs are not considered irrelevant in a consumer context, but are rather thought to play a less substantial role in explaining consumer relationships.

This study wants to explore the effects of seller relationship orientation and buyer relationship proneness on relationship outcomes. The construct of seller relationship orientation is inspired by equity theory as outputs (seller efforts) play a central role in describing the construct. Moreover, buyer relationship proneness and product category involvement are included in the study as they are recognized to influence relationship effectiveness (see 2.3.2). The construct of buyer relationship proneness is rooted in social exchange theory given its emphasis on social tendencies of the buyer. The constructs of seller relationship orientation, buyer relationship proneness, and product category involvement are discussed in chapter three.

Moreover, relationship outcomes are the prime constructs of interest in social exchange and equity theory. We study the following attitudinal relationship outcomes: relationship satisfaction, trust, and relationship commitment. These constructs are recognized as being indispensable building blocks of relationship marketing (Geyskens 1998; Geyskens, Steenkamp, and Kumar 1998). For more than three decades, the construct of relationship satisfaction has been researched, underlining its importance in marketing research (Crosby, Evans, and Cowles 1980; Dwyer and Oh 1987; Geyskens 1998; Hunt and Nevin 1974; Rosenberg and Stern 1971; Selnes 1998; Stern and Reve 1980; Tax, Brown, and Chandrashekaran 1998). Moreover, trust is considered as one of the most critical constructs in relationship marketing theory (Anderson, Lodish, and Weitz 1987; Anderson

and Narus 1990; Anderson and Weitz 1992; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Dwyer and Oh 1987; Dwyer, Schurr, and Oh 1987; Gundlach and Murphy 1993; Hallén, Johanson, and Seyed-Mohamed 1991; Moorman, Desphandé, and Zaltman 1993; Morgan and Hunt 1994; Schurr and Ozanne 1985; Smith and Barclay 1997). Finally, several scholars consider relationship commitment to be an essential ingredient of successful long-term relationships (Andaleeb 1996; Dwyer, Schurr, and Oh 1987; Geyskens et al. 1996; Lund 1985; Macintosh and Lockshin 1997; Morgan and Hunt 1994; Scheer and Stern 1992). While these constructs have mainly been examined in business-to-business contexts, it is recently acknowledged that they may be relevant in a consumer context too (Iacobucci and Ostrom 1996; Macintosh and Lockshin 1997). It is generally recognized that relationship outcomes can be of an attitudinal as well as a behavioral nature (Dick and Basu 1994; Gruen 1995). We add behavioral loyalty as an additional relationship outcome in order to assess the behavioral impact of seller relationship orientation and buyer relationship proneness. Relationship outcomes are described in chapter four.

2.7 Summary and Conclusions

The objective of this chapter was to provide a basis for the selection of constructs to be included in our study. Successively, we discussed the concept of relational exchange, the concept of a relationship, the concept of relationship marketing, the development of relationship marketing, the applicability of theories underlying relationship marketing in a consumer context, and the choice of constructs to be investigated in this study.

The renewed attention for relationship marketing is mainly driven by practitioners' experiences of eroding repeat purchases and intensified competitive pressures and by the development of new communication and information technologies allowing the principles of relationship marketing to be applied to a large group of consumers. Academic literature increasingly devotes conceptual and empirical research efforts to relationship marketing as a topic of interest. Some scholars even consider relationship marketing thinking to be the basis for a completely new marketing paradigm. Practitioners as well as academics are shifting their focus from mainly discrete, transactional thinking to more relational thinking.

Despite the current interest for the relationship marketing paradigm, no single definition of relationship marketing is agreed upon. We define relationship marketing as "a seller's product, service, and relationship efforts aimed at enhancing relationship outcomes of buyer-seller relationships". Moreover, several scholars indicate that relationship marketing is not always an effective strategy. If particular characteristics are present, relationships are easier to build. We made a distinction between buyer, product/service, environmental, and exchange situation characteristics potentially influencing relationship effectiveness.

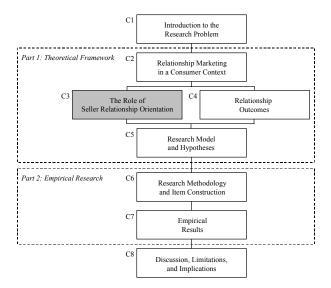
In order to decide which theories are most relevant for explaining relationships in a consumer context, we first compared seven theories that can be categorized as either economic, behavioral, or economic/behavioral. Second, we described the main differences between consumer and business-to-business markets and exchanges. It appeared that certain theories obtained a better match between their own characteristics and consumer market characteristics. More specifically, social

exchange theory and equity theory especially lend themselves for describing relationships in consumer markets. As a result, the constructs, which are included as variables of interest in this study, and the hypotheses, which are formulated with respect to their interrelationships, are based upon these two theories.

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Chapter 3 The Role of Seller Relationship Orientation



3.1 Introduction

In the previous chapter, we stated that social exchange theory and equity theory hold most promises for explaining consumer-retailer relationships because their assumptions are most in line with retail situations. This theoretical choice is consistent with our focus on the predominantly voluntary nature of buyer-seller relationships in a retail context (Christy, Oliver, and Penn 1996; Smith and Barclay 1997). Instead of investigating constraints such as dependence and locking in of consumers, our study focuses upon the positive motivations of self-interested consumers to enhance their relationships with retailers (Barnes 1995; Bendapudi and Berry 1997; Davis 1995; Ganesan 1994; Houston 1986; Oliver and Swan 1989; Palmer 1995; Smith and Barclay 1997). The importance of positive motivations is underlined by Bagozzi (1975, p. 33) who stated that "retailers, for example, know that they will not obtain repeat purchases if the consumer is taken advantage of and deceived". According to Bendapudi and Berry (1997), constraints only determine the stability of a relationship, whereas dedication determines the quality of a relationship. Their view corresponds with social exchange theory stating that relationships are likely to persist only when buyers obtain reciprocal benefits² from sellers in return for their loyalty (Bagozzi 1995; Beatty et al. 1996; Sheth

While the stability of a relationship merely refers to the occurrence of repeat purchases, the quality of a relationship suggests commitment to this relationship. The stability of a relationship might be unrelated to psychological commitment and, consequently, can only be regarded as a weak indicator of the true quality of a relationship (Jacoby and Chestnut 1978; Oliva, Oliver, and MacMillan 1992).

In this study, relationship efforts instead of relationship benefits are measured. Efforts are different from benefits as they do not involve a judgment of the desirability of these efforts. However, our study indirectly measures relationship benefits as such benefits are considered to exist if a seller's relationship efforts strengthen relationship outcomes.

and Parvatiyar 1995b; Solomon et al. 1985). As seller relationship orientation³ refers to a buyer's overall perception of the extent to which a seller actively makes efforts towards regular customers of this seller, the focal construct of this study is dedication-based.

In section 3.2, we position the concept of seller relationship orientation within the broader framework of customer value. In section 3.3, we define the concept of seller relationship orientation. Section 3.4 discusses the importance of seller relationship orientation in contemporary marketing. Section 3.5 describes four types of relationship efforts⁴ that can act as antecedents of seller relationship orientation. Finally, in section 3.6, we comment upon the roles of buyer relationship proneness and product category involvement as potential moderators of the effects of seller relationship orientation.

3.2 Customer Value

Driven by more demanding customers, global competition, and slow-growth markets, sellers are more than ever obliged to continually seek out products, processes, and technologies that increase customer value (Javalgi and Moberg 1997; Morgan and Hunt 1994; Murphy, Stevens, and McLeod 1997; Parasuraman, Zeithaml, and Berry 1985/1988; Woodruff 1997). As businesses cannot exist for their own sake, several authors stress the need for organizations to reorient their strategies towards delivering more value to customers and other stakeholders (Day 1990; Dodge and Fullerton 1997; Murphy, Stevens, and McLeod 1997; Naumann 1995; O'Brien and Jones 1995; Reichheld 1996; Woodruff 1997). As stated by Woodruff (1997, p. 140), "the issue does not seem to be whether an organization should compete on customer value delivery, but rather how it should do it". In this section, we define customer value and position the concept of seller relationship orientation within the customer value framework.

Researchers' continuous efforts to formulate a precise definition of customer value have resulted in a multitude of definitions and perspectives on customer value (Babin, Darden, and Griffin 1994; Parasuraman 1997; Sirohi, McLaughlin, and Wittink 1998; Woodruff and Gardial 1996; Zeithaml 1988). In an extensive review of the literature on customer value, Zeithaml (1988) identified four common uses of the term: (1) value as price, (2) value as 'what I get for what I give', (3) value as the trade-off between price and quality, and (4) value as an overall assessment of subjective worth. While the first three value conceptualizations are of a more objective nature, the latter is subjectively inspired. A strictly objective approach has been criticized for its potential narrowness in accounting for the total value resulting from consumption experiences (Babin, Darden, and Griffin 1994; Grewal et al. 1998; Hirschman and Holbrook 1982; Parasuraman 1997; Parker and Funkhouser 1997; Woodruff 1997; Young and Denize 1995). This is also underlined by Webster (1994, p. 24/25) who stated that "customers buy benefits, not products". Zeithaml (1988, p. 13) referred to subjective value as "all factors, both qualitative and quantitative, subjective and

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Seller relationship orientation refers to buyers' *perceptions* of the extent to which a seller is relationship oriented. In the remainder of this study, the term 'seller relationship orientation' will be used instead of 'perceived seller relationship orientation'. For our definition of 'seller relationship orientation', we refer to 3.3.1.

For our definition of a 'relationship effort', see 3.5.1

objective, that make up the complete shopping experience". Recently, Flint, Woodruff, and Gardial (1997, p. 171) proposed a similar definition of value judgment as "customers' assessment of the value that has been created for them by a supplier given the trade-offs between all relevant benefits and sacrifices in a specific use situation". Essentially, customers are seeking to ensure that the benefits they experience are worth the sacrifices they make (Buchanan 1992; Flint, Woodruff, and Gardial 1997; Woodruff and Gardial 1996). Similarly, Kotler (1997) explicitly distinguished between customer benefits, referred to as 'total customer value', and customer sacrifices, referred to as 'total customer cost'.

We define customer value as "a buyer's overall evaluation of a seller's product, service, and relationship efforts made towards the buyer". This definition is subjectively inspired as it relates to a buyer's overall evaluation of efforts. Moreover, it makes customer value explicit by referring to three types of seller efforts. As opposed to Zeithaml's (1988) and Flint, Woodruff, and Gardial's (1997) value definitions, our definition is more concrete. While product and service efforts are generally recognized to be only a part of total customer value (Babin, Darden, and Griffin 1994; Bagozzi 1975; Bitner 1995; Fontenot and Wilson 1997; Frenzen and Davis 1990; Goodman et al. 1995; Gwinner, Gremler, and Bitner 1998; Hennig-Thurau and Klee 1997; Kotler 1997; Webster 1994; Westbrook and Black 1985; Woodruff 1997; Young and Denize 1995), these efforts have received the largest share of attention in marketing literature (Bolton and Drew 1991; Brown, Churchill, and Peter 1993; Cronin and Taylor 1992; Parasuraman, Zeithaml, and Berry 1985/1991; Spreng and Mackoy 1996; Taylor and Baker 1994). As various researchers recognize the importance of relationship-specific value components (Dwyer, Schurr, and Oh 1987; Evans and Laskin 1994; Frenzen and Davis 1990; Ganesan 1994; Goff et al. 1997; Gummesson 1987; Jüttner and Wehrli 1994; Murphy, Stevens, and McLeod 1997; Reichheld 1993; Rylander, Strutton, and Pelton 1997; Turnbull and Wilson 1989; Webster 1994), we have added relationship efforts to our definition of customer value. Third, our definition does not directly refer to customer benefits. It departs from the assumption that positively evaluated efforts can be regarded as benefits. Finally, in line with Kotler (1997), our definition is strictly related to customer value and does not incorporate customer costs.

Figure 3-1 visually depicts our view on the relationship between customer value and seller relationship orientation. While seller relationship orientation refers to a buyer's overall perception of a seller's efforts, customer value additionally refers to the evaluation of these efforts as reflected by a positive relationship between seller relationship orientation and relationship outcomes. Consequently, operationalizing customer value would involve measuring two elements at the same time: 'are sellers' efforts perceived' and 'are these efforts appreciated'. In our study, value resulting from relationship efforts exists if (1) a buyer perceives relationship efforts, if (2) these efforts are positively related to seller relationship orientation, and if (3) seller relationship orientation is positively related to relationship outcomes.

Zeithaml's (1988) definition of subjective value explicitly refers to retail situations as the author uses the term 'shopping experience'. While its scope is narrow, it is relevant for the purpose of our study.

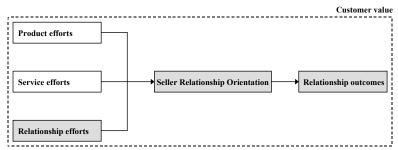


Figure 3-1: Customer Value and Seller Relationship Orientation

In section 3.3, we elaborate on the meaning of seller relationship orientation. In section 3.5, we describe the concept of relationship efforts and distinguish between four types of relationship efforts. Relationship outcomes will be discussed in chapter four.

3.3 The Concept of Seller Relationship Orientation

In 3.3.1, we provide and motivate our definition of seller relationship orientation. In 3.3.2, we comment upon the role of expectations in conceptualizing seller relationship orientation.

3.3.1 Definition of Seller Relationship Orientation

Fournier (1998, p. 343) recently stated that "the field has leapt ahead to application of relationship ideas and the assumption of relationship benefits without proper development of the core construct involved". Also Fischer and Bristor (1994) mentioned that, while relationship marketing has been much discussed, introductory management texts have yet to include the term 'relationship orientation'. In this section, we want to arrive at a conceptualization of seller relationship orientation that is both theoretically justified and practically operationalizable.

While the term 'seller relationship orientation' is new to the field of relationship marketing, several related terms have been used to describe sellers' efforts directed at buyers. A concept that has much in common with seller relationship orientation is the concept of 'relational selling behavior' often referred to in a customer-salesperson relationship context (Beatty et al. 1996; Biong and Selnes 1995; Crosby, Evans, and Cowles 1990). Also the concept of relationship quality (Bejou, Wray, and Ingram 1996; Crosby, Evans, and Cowles 1990; Fournier 1998; Hennig-Thurau and Klee 1997; Leuthesser 1997; Moorman, Zaltman, and Desphandé 1992; Perrien, Filiatrault, and Ricard 1993; Wray, Palmer, and Bejou 1994) is related to the notion of seller relationship orientation. While some authors refer to relationship quality as a relationship outcome composed of the dimensions relationship satisfaction and trust, others consider it an input variable affecting relationship outcomes. Only the latter interpretation of relationship quality corresponds to our meaning of seller relationship orientation. Finally, the concepts of market orientation and customer orientation show resemblance to our construct of seller relationship orientation (Baker, Simpson, and Siguaw 1999). Market orientation is considered as a set of explicit behaviors and activities directed at delivering superior value to the customer (Jaworski and Kohli 1993; Kohli and Jaworski 1990; Narver and

Slater 1990; Slater and Narver 1994). According to Narver and Slater (1990), three behavioral characteristics determine whether or not a company is market oriented: customer orientation, competitor orientation, and interfunctional co-ordination. The customer orientation component of market orientation is most closely related to our definition of seller relationship orientation.

We define seller relationship orientation as "a buyer's overall perception of the extent to which a seller actively makes efforts towards regular buyers that are intended to contribute to the customer value of these regular buyers". Below, we comment upon the major components of this definition.

(1) A buyer's overall perception

We do not measure a seller's efforts by collecting information from the seller. Instead, seller relationship orientation is defined as a buyer's perception of the extent to which this seller actively makes efforts towards regular customers of this seller. Buyer expectations, generally integrated in quality and satisfaction measurement, are not included in our definition. In 3.3.2, our rationale for excluding expectations is outlined.

(2) Actively makes efforts

Seller relationship orientation differs from relationship longevity. While relationship longevity is regarded as the mere existence of a continuous exchange between a buyer and a seller (Ganesan 1994; Lusch and Brown 1996), seller relationship orientation refers to the perceived efforts undertaken by a seller to add value to these exchanges. Bitner (1995) stated that relationship longevity can reduce consumer stress because it may teach the consumer what to expect. However, this type of 'convenience benefit' – for example resulting from the fact that a consumer gradually learns where products are located in a supermarket – is not regarded as an actively provided effort because the supermarket has no active role in its development. Measuring the effects of efforts that can be manipulated by the seller results in a higher managerial relevance.

(3) Intended to contribute to the customer value of these regular buyers

The efforts that a seller directs at regular buyers are intended to increase the customer value of these regular buyers. In our study, the extent to which a seller's relationship orientation increases customer value is evaluated by measuring the strength of the relationship between seller relationship orientation and relationship outcomes. A consumer's costs of engaging in a relationship with a seller are not included in our definition. These costs or 'negative contribution to customer value' are generally considered to be extremely low in a consumer context given the ease with which consumers can 'take or leave' relationships (Beatty et al. 1996; Dwyer, Schurr, and Oh 1987).

3.3.2 The Role of Expectations

It is a commonly accepted practice to collect both perceptions and expectations data in order to measure quality and satisfaction constructs. Researchers generally agree that expectations serve as reference points in customers' assessment of performance (Bolton and Drew 1991; Cronin and Taylor 1992/1994; Parasuraman, Zeithaml, and Berry 1988/1991/1994a; Park and Choi 1998;

Spreng and Mackoy 1996). However, several concerns have been raised about (1) the need to measure expectations (Carman 1990; Cronin and Taylor 1992/1994; Lam and Woo 1997; Parasuraman, Zeithaml, and Berry 1994a), (2) the interpretation and operationalization of expectations (Teas 1993), (3) the reliability and validity of subtracting expectation scores from perception scores (Babakus and Boller 1992; Brown, Churchill, and Peter 1993; Carman 1990; Parasuraman, Zeithaml, and Berry 1993/1994b; Peter, Churchill, and Brown 1993), and (4) the practicality of measuring both perceptions and expectations (Carman 1990; Parasuraman, Zeithaml, and Berry 1994b). Based upon these concerns and in line with other authors (Brown, Churchill, and Peter 1993; Cronin and Taylor 1992), we have decided not to include customer expectations in the measurement of seller relationship orientation. Below, we discuss each of these points more in detail.

First, the need to collect information on expectations in order to compare these with perceptions has often been the subject of criticism (Carman 1990; Lam and Woo 1997). Cronin and Taylor (1992, p. 56) indicated that "little if any theoretical or empirical evidence supports the relevance of the expectations-performance gap". They concluded that a 'performance-minus-expectations' framework is not efficient. They suggested to measure performance only because it leads to higher construct validity and better operational efficacy. Moreover, several studies have shown that perceptions-only scales outperform all other measures on predictive power (Babakus and Boller 1992; Brown, Churchill, and Peter 1993; Cronin and Taylor 1992; Parasuraman, Zeithaml, and Berry 1993/1994b; Sirohi, McLaughlin, and Wittink 1998).

Second, various discussions exist concerning the interpretation and operationalization of expectations. Since the concepts of quality and satisfaction are based upon the same disconfirmation paradigm, several articles have been written on their differences and similarities (Bitner 1990; Bolton and Drew 1991; Cronin and Taylor 1992; Hennig-Thurau and Klee 1997; Iacobucci, Grayson, and Ostrom 1994; Oliver 1980/1981/1993/1997; Parasuraman, Zeithaml, and Berry 1988/1994a; Spreng and Mackoy 1996; Taylor and Baker 1994). Some scholars stated that measuring quality involves collecting information on 'should' expectations, whereas 'would' expectations are more suitable for measuring satisfaction (Bitner 1990; Parasuraman, Zeithaml, and Berry 1988; Wetzels 1998; Zeithaml, Berry, and Parasuraman 1993). However, theoretical support for this is weak (Cronin and Taylor 1992; Woodruff, Cadotte, and Jenkins 1983). Moreover, empirical findings resulting from 'should' expectations are generally characterized by unrealistically high expectation scores (Lam and Woo 1997; Parasuraman, Zeithaml, and Berry 1991). Consequently, Cronin and Taylor (1992) concluded that the expectancy disconfirmation model should be reserved for measuring customer satisfaction only.

Third, the operationalization of any construct as a difference between two other constructs (perceptions and expectations) has been questioned on basis of various psychometric as well as conceptual concerns (Babakus and Boller 1992; Brown, Churchill, and Peter 1993; Carman 1990; Iacobucci, Grayson, and Ostrom 1994; Peter, Churchill, and Brown 1993; Spreng and Mackoy 1996). Peter, Churchill, and Brown (1993) listed three psychometric problems that are related to using difference scores. Difference scores (1) are characterized by lower reliabilities, (2) typically do not demonstrate discriminant validity, and (3) often lead to inequality of variances between

respondents. The use of 'better/worse than expected' measures has been proposed as an alternative to calculating difference scores (Brown, Churchill, and Peter 1993; Parasuraman, Zeithaml, and Berry 1993/1994a; Spreng and Mackoy 1996). However, these measures are generally more difficult to interpret by respondents and, as a result, may decrease the quality of the information obtained (Murphy, Stevens, and McLeod 1997).

A final concern that has been raised is the time needed for and the ease with which respondents can complete a questionnaire including both perceptions and expectations data. Parasuraman, Zeithaml, and Berry (1994a) stressed the need for explicitly incorporating such practical criteria into the traditional scale assessment procedures dominated by psychometric criteria. More elaborate questionnaires may lead to respondent fatigue and irritation, negatively influencing the validity of the data that are assembled (Carman 1990; Parasuraman, Zeithaml, and Berry 1994b).

On basis of the above mentioned concerns, we conceptualize seller relationship orientation as a buyer's overall perception of a seller's efforts without collecting information on customers' expectations related to these efforts. Previous research indicated that perception-only measures generate more reliable and valid results than other types of measures (Brown, Churchill, and Peter 1993; Cronin and Taylor 1992). Problems related to the use of expectations data have not been solved yet. However, a potential drawback of not including expectations is that differences in perceived levels of seller relationship orientation could be affected by differences in expectations towards seller relationship orientation, thereby introducing noise in the measurement of seller relationship orientation. However, this potential disadvantage of measuring perceptions only does not weigh against its advantages.

3.4 Importance of Seller Relationship Orientation

In this section, we discuss the increased importance that is attached to the concept of seller relationship orientation (3.4.1). Moreover, we indicate that there exists a lack of empirical evidence related to the antecedents and consequences of seller relationship orientation (3.4.2).

3.4.1 Increased Importance

Markets are increasingly characterized by more demanding customers, customer resistance to traditional mass media advertising, crowded retail environments, undifferentiated product and pricing offerings, wider varieties of messages and media, global competition, and market fragmentation (Davis 1997; Pine, Peppers, and Rogers 1995; Woodruff 1997). Reichheld (1996) estimated that these market evolutions have resulted in the fact that US corporations are now losing half of their customers in five years. He warned that disloyalty limits corporate performance up to 50 percent.

The economic benefits of customer loyalty are partly at the basis of explaining differences in corporate performance (Berry 1995; Reichheld 1993; Reichheld and Sasser 1990; Stone, Woodcock, and Wilson 1996). It is generally agreed upon that long-term buyer-seller relationships provide sellers with (1) better financial results (increased revenues, reduced operating costs, reduced

customer acquisition costs), (2) increased market knowledge (more efficient market research, increased customer insights), (3) more stable market conditions (market stability, barriers to switching, reduced price sensitivity), (4) increased sales opportunities (more positive word-of-mouth, more cross-selling opportunities, increased customer loyalty), and (5) more flexible approaches of the market (opportunities for product differentiation, easier testing and introduction of new products, facilitated individualized exchange processes) (Anderson, Fornell, and Rust 1997; Beatty et al. 1996; Bendapudi and Berry 1997; Bennett 1996; Christy, Oliver, and Penn 1996; Copulsky and Wolf 1990; Crosby and Stephens 1987; De Wulf 1998; Dowling and Uncles 1997; Dwyer, Schurr, and Oh 1987; Evans and Laskin 1994; Grant and Schlesinger 1995; Jüttner and Wehrli 1994; Kalwani and Narayandas 1995; Leuthesser 1997; McCort 1994; Perrien, Filiatrault, and Ricard 1993; Perrien, Paradis, and Banting 1995; Pine, Peppers, and Rogers 1995; Reichheld 1993; Reichheld and Sasser 1990; Stone, Woodcock, and Wilson 1996; Voss and Voss 1997).

Following the recognized importance of customer loyalty, several authors stress the need to make efforts aimed at enhancing buyer-seller relationships (Davis 1997; Woodruff 1997). Turnbull and Wilson (1989) stated that managing buyer-seller relationships is central to achieving strategic advantage in the marketplace. Reichheld (1993) argued that managing for loyalty is the only way to achieve sustainable superior profits. Webster (1994) convincingly claimed for a new marketing concept in which delivering value to loyal customers is central. Evans and Laskin (1994) stated that relationship marketing can provide a more intangible, but stronger, long-term customer benefit that may be difficult to match by competitors. Consequently, the construct of seller relationship orientation is recognized as being considerably important.

3.4.2 Lack of Empirical Evidence

Despite the widespread attention for relationship marketing practices, few attempts have been made to actually measure the degree to which sellers make efforts towards regular customers aimed at enhancing their customer value (Biong and Selnes 1995). While several conceptual efforts have been made to explain processes of enhancing buyer-seller relationships (e.g. Beatty et al. 1996; Bendapudi and Berry 1997; Bitner 1995; Gruen 1995; Wray, Palmer, and Bejou 1994), relatively few attempts have been aimed at quantifying these processes (e.g. Gwinner, Gremler, and Bitner 1998). Previous empirical research typically focused on customer loyalty benefits from a seller's perspective (Bitner 1995; Gwinner, Gremler, and Bitner 1998; Parker and Funkhouser 1997). A buyer's benefits resulting from being loyal to a seller have received considerably less empirical consideration (Beatty et al. 1996; Gwinner, Gremler, and Bitner 1998).

Consequently, marketers have little information available to them about the types of buyer benefits they should focus at (Beatty et al. 1996). Bendapudi and Berry (1997), Berry (1995), and Bitner (1995) conceptualized what some of these benefits might be, but no systematic, empirical investigation has been reported. Bitner (1995) underlined that customers' relationship benefits are not well documented and certainly under-researched. Recently, Gwinner, Gremler, and Bitner (1998) have undertaken a first attempt to categorize and factor-analyze various relationship benefits.

3.5 Relationship Efforts

In our study, we investigate the role of relationship efforts as antecedents of seller relationship orientation. Until now, only partial attempts have been made to classify different types of relationship efforts (Bagozzi 1995; Beatty et al. 1996; Biong and Selnes 1995; Bitner 1995; Gwinner, Gremler, and Bitner 1998; Wray, Palmer, and Bejou 1994). Previous research generally neglected the benefits that can result from being in a relationship with a seller as a valid customer value source (Bitner 1995; Gwinner, Gremler, and Bitner 1998; Hennig-Thurau and Klee 1997). Ganesan (1994) and Pine, Peppers, and Rogers (1995) claimed that many sellers overlook the sustainable competitive advantage that can be created through providing relationship benefits to their buyers. In 3.5.1, we provide our definition of a relationship effort. In 3.5.2, we discuss the relative importance of relationship efforts as opposed to product and service efforts. Finally, in 3.5.3, we describe four types of relationship efforts that were generated on basis of an extensive literature study: communication, differentiation, personalization, and rewarding.

3.5.1 Definition of a Relationship Effort

In 1947, Robbins already noticed that trade in primitive societies served two important functions: the receipt of products and a means of social disclosure. This corresponds to Fontenot and Wilson's (1997) and Frenzen and Davis' (1990) distinction between two independent sources of value involved in a purchase: acquisition value and exchange value. While the first type of value is derived from the good purchased, the second one flows from the existence of a relationship between buyer and seller (Frenzen and Davis 1990). Relationship efforts refer to the latter type of value.

We define a relationship effort as "any effort that (1) is actively made by a seller towards a buyer, (2) is intended to contribute to the buyer's customer value above and beyond the core product and/or service efforts received, and (3) can only be perceived by the buyer after continued exchange with the seller". Below, we further comment upon this definition.

- (1) Actively made by a seller See definition of seller relationship orientation (3.3.1).
- (2) Intended to contribute to the buyer's customer value above and beyond the core product and/or service efforts received

Fontenot and Wilson (1997) and Frenzen and Davis (1990) argued that product/service efforts and relationship efforts offer two distinct and independent sources of value. However, conceptualizations of e.g. relational selling behavior generally do not make this explicit distinction. We agree with Gwinner, Gremler, and Bitner (1998, p. 102) who recently defined relationship benefits as "those benefits customers receive from long-term relationships above and beyond the core service performance". Generally, scholars agree that sellers must amplify buyers' relationship benefits, while attenuating buyers' relationship costs (Babin, Darden, and Griffin 1994; Beatty et al. 1996; Bendapudi and Berry 1997; Bennett 1996; Christy, Oliver, and Penn 1996; Dodge and Fullerton 1997; Dwyer, Schurr, and Oh 1987).

(3) Perceived by the buyer after continued exchange with the seller

Dwyer, Schurr, and Oh (1987) stated that many of the costs and benefits from buyer-seller relationships cannot be assessed on an a priori basis. More recently, Parasuraman (1997, p. 156/157) indicated that "customers may need to accumulate considerable experience with a product before being able to accurately assess the extent to which a company's offering helps them realize their higher-order, abstract goals". Gwinner, Gremler and Bitner (1998) stated that, although customers may report to receive relational benefits and believe these benefits are important, they may not always be aware of their existence in early stages of a relationship and may not have quantified their value yet. Consequently, our definition stresses that relationship efforts can only be perceived after a continued exchange with the seller.

3.5.2 Importance of Relationship Efforts

Relationship efforts increasingly become important as a source of customer value. First, customers' quality expectation levels related to consuming products and services have risen. Customers have gradually become more knowledgeable and sophisticated (Jüttner and Wehrli 1994). Acceptable levels of product and service quality are considered as minimal conditions for customers to engage in exchanges with sellers (Crosby, Evans, and Cowles 1990). As stated by Davis (1997, p. 32), "the philosophical shift toward retail relationship marketing is fueled not only by reduced customer loyalty, but also by escalating consumer demands for value". Second, sellers are increasingly competing each other on basis of the same or highly comparable marketing tactics and strategies. Typically, sellers offer comparable merchandise, copy competitors' price promotions, share common distribution systems, and treat their customers well in terms of services offered (Berry and Gresham 1986; Davis 1997). Third, companies are faced with new claims of the marketing environment such as blurring boundaries between markets or industries, an increasing fragmentation of markets, and shorter product life cycles (Jüttner and Wehrli 1994). As a result, several authors have recently argued that in markets where companies offer similarly high levels of product or service quality, the delivery of relationship benefits becomes an important means of gaining competitive advantage (Berling 1993; Berry 1995; Gummesson 1987; Gwinner, Gremler, and Bitner 1998; Jüttner and Wehrli 1994; Storbacka, Strandvik, and Grönroos 1994; Wray, Palmer, and Bejou 1994).

Berry (1995) observed that technological advances make relationship efforts more feasible, effective, and affordable. Advances in information and communication technology gradually enable sellers to turn relationship marketing into an economically feasible strategy, even in mass consumer markets (Berry 1995; Dwyer, Schurr, and Oh 1987; Jüttner and Wehrli 1994; Pine, Peppers, and Rogers 1995; Stone, Woodcock, and Wilson 1996). Generally speaking, technological developments⁶ related to information storage and communication media resulted in three main accomplishments relevant to the practice of relationship marketing: collection of individual buyer information, interactive and personalized communication with buyers, and production and delivery

It is important to notice that relationship marketing can be successfully practiced without a computerized database or new communication technologies. Firms do not need marketing databases to encourage their employees to enter into personal dialogues with customers or to create personalized offerings (Davis 1997). However, information technology evidently facilitates these tasks.

of customized products and services (Bennett 1996; Davis 1997; Grant and Schlesinger 1995; Gwinner, Gremler, and Bitner 1998; McKenna 1995; Stone, Woodcock, and Wilson 1996). In our study, we focus upon the second accomplishment. However, a more general term, relationship efforts, is used to describe this aspect. We investigate to which extent a seller's relationship efforts affect seller relationship orientation. Database and communication technologies enable marketers to establish personalized dialogues with customers (Dowling and Uncles 1997; Gwinner, Gremler, and Bitner 1998). According to McKenna (1995), both current and emerging technologies facilitate companies to start real-time dialogues with their customers and to provide them with interactive services matched to their individual needs. Examples of marketing communication tactics supported by consumer databases are personalization and customization of advertising messages and more precise targeting of promotions using differentiated messages (Bennett 1996; Davis 1997).

3.5.3 Types of Relationship Efforts

Based upon an extensive literature study, we distinguish between four types of relationship efforts: communication, differentiation, personalization, and rewarding. Each of these efforts is discussed below.

3.5.3.1 <u>Communication</u>

Communication is often considered as a necessary condition for the existence of a relationship (Barlow 1992; Bendapudi and Berry 1997; Berry 1995; Crosby and Stephens 1987; Duncan and Moriarty 1998; Murphy 1996). A seller's communication to a buyer conveys interest into this buyer and serves to strengthen the seller's relationship with him (Barlow 1992; Berry 1995). This is evidenced by the fact that communication is regularly included in relationship models (Anderson and Narus 1990; Dwyer, Schurr, and Oh 1987; Jüttner and Wehrli 1994; Morgan and Hunt 1994). Efforts to 'stay in touch' with the customer have been identified as a key determinant of relationship enhancement in business-to-business as well as in consumer contexts (Bendapudi and Berry 1997; Berling 1993; Berry 1995; Biong and Selnes 1995; Crosby, Evans, and Cowles 1990; Crosby and Stephens 1987; Doney and Cannon 1997; Leuthesser 1997; McKenna 1995; Stone, Woodcock, and Wilson 1996; Weitz and Jap 1995).

It is generally recognized that buyer-seller relationships become stronger when the ease and volume of exchange between buyers and sellers increase. More intense levels of buyer-seller communication (1) increase the probability of discovering behaviors that generate rewards (Bendapudi and Berry 1997; Bennett 1996), (2) enhance the prediction of behavior of the other party and clarify each other's roles (Bendapudi and Berry 1997; Bennett 1996; Doney and Cannon 1997; Morgan and Hunt 1994; Smith and Barclay 1997), (3) lead to easier discovering of similarities between parties (Bennett 1996), and (4) encourage feelings of trust, special status, and closeness (Anderson and Narus 1990; Bendapudi and Berry 1997; Berry 1995; Bhattacharya, Rao, and Glynn 1995; Biong and Selnes 1995; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Leuthesser 1997; Morgan and Hunt 1994).

In this study, we define communication as "a buyer's perception of the extent to which a seller keeps regular buyers informed through direct communication media". As a result, the current study focuses at a subset of communication that is controlled by the seller and is addressed to the buyer. Face-to-face communication is not included in the definition of communication in order to make a distinction between communication and personalization relationship efforts.

3.5.3.2 Differentiation

Sheth and Parvatiyar (1995b, p. 264) recognized that "implicit in the idea of relationship marketing is consumer focus and consumer selectivity – that is, all consumers do not need to be served in the same way". Berry and Gresham (1986, p. 45) remarked that "if a consumer receives personalized, customized service from retailer A but not from retailer B – and if this service is valued – then the consumer will be less likely to leave retailer A for B". Customers generally perceive such customization efforts as preferential treatment not normally provided to other customers (Bitner 1995; Gwinner, Gremler, and Bitner 1998). Marketers can distinguish between at least two identifiable customer segments: loyal customers and non-loyal customers. Differentiating between loyal and non-loyal buyers enables a seller to address a person's basic human need to feel important (Barlow 1992; Bitner 1995; Crosby and Stephens 1987; Gwinner, Gremler, and Bitner 1998; Peterson 1995; Ping 1993). Crosby (1991) suggested 'core service upgrading' and Berry (1983) proposed 'service augmentation' as ways to provide special treatment efforts to customers in return for their loyalty. Differentiation refers to the fact that loyal customers are provided with extra recognition in terms of better service and additional efforts that are not being made to other, non-loyal customers.

Child et al. (1995) stated that companies must be willing to treat customers differently if they want to enhance their relationships with them. According to them, firms often fail to treat some customers better than others despite the fact that their value to the firm is ten or even a hundred times greater. Also O'Brien and Jones (1995) criticized companies for inadvertently treating all customers as equal. By not differentiating between loyal and non-loyal customers, companies waste resources in over-satisfying less profitable customers, while under-satisfying more valuable, loyal customers (Hallberg 1995; O'Brien and Jones 1995). Customers' positive evaluation of differentiation efforts was indicated by Gwinner, Gremler, and Bitner (1998) who demonstrated that customers perceive special treatment as a benefit resulting from their relationship with a seller.

In line with Gwinner, Gremler, and Bitner (1998), we define differentiation as "a buyer's perception of the extent to which a seller treats and serves regular buyers differently than non-regular buyers".

3.5.3.3 <u>Personalization</u>

The importance of personal exchanges between buyers and sellers in influencing relationship outcomes has been acknowledged by various authors (Bennett 1996; Biong and Selnes 1995; Crosby, Evans, and Cowles 1990; Dodge and Fullerton 1997; Dwyer, Schurr, and Oh 1987; Evans, Christiansen, and Gill 1996; Ford 1980; Gwinner, Gremler, and Bitner 1998; Jüttner and Wehrli 1994; Metcalf, Frear, and Krishnan 1992; Murphy, Stevens, and McLeod 1997; Perrien, Filiatrault,

and Ricard 1993; Ramsey and Sohi 1997; Weitz and Jap 1995; Young and Denize 1995). This is by no means surprising given the fact that relationships are inherently social processes (Beatty et al. 1996; Dodge and Fullerton 1997; Mittal and Lassar 1996; Perrien, Paradis, and Banting 1995). Bitner (1995) even suggested that buyers may develop buyer-seller relationships resembling personal friendships. Almost four decades ago, Stone (1954) already highlighted the importance of social exchange in recognizing the existence of 'personalized shoppers' who highly appreciate personal contact in the store (Mittal and Lassar 1996). Evans, Christiansen, and Gill (1996, p. 208) further stated that "the social interaction afforded by shopping has even been suggested to be the prime motivator for some consumers to visit retail establishments". Forman and Sriram (1991) similarly claimed that some persons engage in buyer-seller relationships in a search for human contact. According to them, these persons consider retail encounters as valuable sources for social contact.

Metcalf, Frear, and Krishnan (1992, p. 29) defined social exchanges as "the interpersonal relationships which exist between members of the buying and selling centres". Mittal and Lassar (1996, p. 96) used the term personalization to describe "the social content of interaction between service employees and their customers". In their view, personalization refers to the way in which employees relate to customers as people, cold and impersonal at one end versus warm and personal at the other. Surprenant and Solomon (1987) stated that personalization involves the specific recognition of the customer's uniqueness over and above his/her status as an anonymous service recipient. Consequently, personalization can be regarded as a means of showing recognition for the other party. Barlow (1992, p. 29) stressed that "it fundamentally appeals to people to be dealt with on a one-to-one basis".

According to Berry (1995), examples of social relationship benefits include feelings of familiarity, personal recognition, friendship, and social support. One of the suggested ways of valuing a buyer's uniqueness as an individual is referring to his name (Barlow 1992; Beatty et al. 1996; Berry 1995; Howard, Gengler, and Jain 1995; Mittal and Lassar 1996; Webster 1994). As people feel good when someone remembers their names at a later point in time, sales practitioners often stress the importance of remembering and using customers' names (Howard, Gengler, and Jain 1995). Other indicators of personalization efforts are employees' attempts to get to know the customer as a person, their efforts to engage in friendly conversations, and their exhibition of personal warmth (Crosby, Evans, and Cowles 1990; Mittal and Lassar 1996; O'Brien and Jones 1995; Stone, Woodcock, and Wilson 1996). This corresponds largely to what Ramsey and Sohi (1997) called the feeling of 'being included in the communication process' and of 'being liked and treated with respect'.

Personalization is claimed to have a positive impact on the following relationship outcomes: trust (Metcalf, Frear, and Krishnan 1992), customer satisfaction with the relationship (Bitner, Booms, and Mohr 1994; Young and Denize 1995), patronage behavior (Mittal and Lassar 1996; Murphy, Stevens, and McLeod 1997; Young and Denize 1995), relationship commitment (Bendapudi and Berry 1997; Biong and Selnes 1995; Crosby and Stephens 1987; Young and Denize 1995), and reduction of communication barriers (Biong and Selnes 1995; Metcalf, Frear, and Krishnan 1992). Javalgi and Moberg (1997) indicated that a lack of personal attention may lead many customers to

believe that little difference exists between providers. Reichheld (1996) even stated that customers build bonds of trust and expectations with employees, not with the company, and when these people leave, these bonds are often broken.

Based on Mittal and Lassar (1996), we define personalization as "a buyer's perception of the extent to which a seller interacts with regular buyers in a warm and personal way".

3.5.3.4 Rewarding

Babin, Darden, and Griffin (1994) stated that a basic duality of rewards exists for much human behavior. They refer to this duality as the distinction between performing an act to 'get something' versus doing so because 'you love it'. Providing customers with the first type of reward is often referred to as 'level one relationship marketing'. This level of relationship marketing relies primarily on pricing incentives and money savings to secure customers' loyalty (Berry 1995; Gwinner, Gremler, and Bitner 1998; Peterson 1995). Berry and Gresham (1986) referred to the same idea as 'reward augmentation', which implies that clients earn extras based on purchasing performance. As opposed to the previously discussed relationship efforts, rewarding efforts are of a more functional, economic nature (Bagozzi 1975; Batra and Athola 1990; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996; Fournier 1998; Jüttner and Wehrli 1994).

Psychologists have long been interested in the role of rewards in behavioral learning and modification (Dowling and Uncles 1997). According to Skinnerian exchange theory, any behavior that is rewarded will tend to be repeated, whereas behavior that is punished is likely to be curbed (Bennett 1996). Since various types of consumer rewarding programs imply reinforcements that are promised and provided, consumers can be persistently conditioned for long periods of time as a result of receiving rewarding relationship efforts (Bendapudi and Berry 1997; Sheth and Parvatiyar 1995b). Frequent flyer programs, customer loyalty bonuses, free gifts, personalized cent-off coupons, and other point-for-benefit 'clubs' are examples of these efforts (Bennett 1996; Dodge and Fullerton 1997; Peterson 1995). Trying to earn points – on such things as hotel stays, movie tickets, and car washes – would help customers to remain loyal, regardless of service enhancement or price promotions of competitors (O'Brien and Jones 1995; Stum and Thiry 1991).

However, several scholars warn that rewarding efforts generally do not lead to sustained competitive advantages given the reality that price is the most easily imitated element of the marketing mix, that some customers may react opportunistically, and that already-loyal customers can be 'unnecessarily' rewarded (Berry 1995; Christy, Oliver, and Penn 1996; Dowling and Uncles 1997; O'Brien and Jones 1995). Nevertheless, O'Brien and Jones (1995) advocated that rewarding strategies can lead to sustainable competitive advantages if such strategies are no short-term promotional give-aways, but planned and implemented parts of a larger loyalty management strategy. Davis (1997) similarly claimed that rewards should be designed to promote long-term behavior and discourage short-term deal-seeking behavior. Also Sharp and Sharp (1997) stressed that rewarding efforts refer to structured and planned marketing efforts that should encourage loyal behavior, distinguishing it from short-term oriented sales promotions.

In general, a distinction is made between tangible and intangible rewards (Barlow 1992; Berry and Gresham 1986; Christy, Oliver, and Penn 1996). Since intangible rewards refer to the other relationship efforts previously discussed, we define rewarding as "a buyer's perception of the extent to which a seller offers tangible benefits such as pricing or gift incentives to regular buyers in return for their loyalty".

3.6 Moderators of Seller Relationship Orientation

In this section, we discuss two variables that might moderate the relationship from seller relationship orientation to relationship outcomes. In 3.6.1, we describe the concept of buyer relationship proneness. In 3.6.2, we define the construct of product category involvement.

3.6.1 Buyer Relationship Proneness⁷

Barnes (1995/1997) and Pine, Peppers, and Rogers (1995) emphasized that not all buyers want relationships with sellers. In line with them, Dwyer, Schurr, and Oh (1987) recognized the importance of 'buyers' motivational investment in relationships'. Bendapudi and Berry (1997) similarly mentioned 'customers' receptivity to relationships', implying that not all buyers will desire long-term relationships. Christy, Oliver, and Penn (1996) referred to the term 'psychologically predisposed' in order to express the idea that some buyers are intrinsically inclined to engage in relationships and that the relationship itself represents a benefit to them. Despite its recognized importance, no research has yet investigated the role of buyers' proneness to engage in relationships with sellers in affecting relationship outcomes (Barnes 1995/1997; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996; Sheth and Parvatiyar 1995b).

In this study, we introduce the concept of buyer relationship proneness and define it as "a buyer's relatively stable and conscious tendency to engage in relationships with sellers of a particular product category". We position the concept of buyer relationship proneness as an individual characteristic. Early work on store loyalty suggests that buyers' store loyalty behavior is not consistent across product categories and, as a result, cannot be regarded as an individual characteristic of buyers (Goldman 1977-1978). In a recent study, East et al. (1997) claimed the other extreme by arguing that store loyalty is a characteristic of the individual buyer. Morris and Holman (1988) suggested that the factors influencing loyalty, rather than loyalty itself, can be regarded as buyers' individual characteristics. In line with them, we postulate that a buyer's relationship proneness, which may influence a buyer's relationship with a seller, can be regarded as an individual characteristic. Our definition of buyer relationship proneness is based on related concepts mentioned in existing literature. Below, we briefly comment upon our definition of buyer relationship proneness.

(1) Relatively stable

We assume that buyer relationship proneness is relatively stable as it is only contingent upon a particular product category and not upon the situation or the seller. Therefore, the concept can

⁷ For a more complete discussion of buyer relationship proneness, we refer to Odekerken-Schröder (1999).

be regarded as a domain-specific attitude that can be defined as an individual characteristic of the buyer (Shim and Eastlick 1998). An attitude is defined as a person's overall evaluation of a concept. Consumers can have attitudes towards various physical, social, and imaginary objects, as well as their own behaviors or actions (Kardes 1999; Kokkinaki and Lunt 1997; Peter and Olson 1996). Buyer relationship proneness is a buyer's attitude towards the idea of engaging in relationships with sellers of a particular product category. It is generally acknowledged that an attitude represents a relatively stable predisposition to respond to an object (Homer and Kahle 1988; Yoo, Park, and MacInnis 1998).

(2) Conscious tendency

We position buyer relationship proneness as a domain-specific attitude. As an attitude does not reflect the actual behavior towards the object, buyer relationship proneness can be described as a *tendency* (Churchill 1995; Homer and Kahle 1988; Howard 1989; Kardes 1999; Korgaonkar, Lund, and Price 1985; Shim and Eastlick 1998). Inspired by Jacoby and Chestnut (1978), Bloemer and de Ruyter (1998) recently defined store loyalty as a non-random response that is a function of psychological processes. Many authors in loyalty literature similarly stress that true loyalty is based on more than mere inertia or convenience (Bloemer 1993; Day 1969; Dick and Basu 1994; Fournier and Yao 1997; Hennig-Thurau and Klee 1997; Jacoby and Chestnut 1978; Jacoby and Kyner 1973; Oliver 1997; Rust and Zahorik 1993; Schiffman and Kanuk 1987; Uncles and Laurent 1997). For example, Dick and Basu (1994) argued that true loyalty may not reflect situational constraints, but is rather guided by a strong internal disposition. In line with this, we emphasize a *conscious* tendency as opposed to a habitual tendency to engage in relationships with sellers.

(3) Engage in relationships

The concept of buyer relationship proneness is focused at a group of sellers of a particular product category rather than at one single seller. Consequently, we focus on the tendency to *engage* in relationships as opposed to the tendency to maintain or enhance relationships. According to us, a buyer's tendency to maintain or enhance relationships would not be generic as it would be contingent upon a particular seller, leading to a close resemblance to the construct of relationship commitment (Anderson and Weitz 1989; Dwyer, Schurr, and Oh 1987; Geyskens et al. 1996; Kumar, Scheer, and Steenkamp 1995a; Mohr, Fisher, and Nevin 1996; Moorman, Zaltman, and Desphandé 1992; Morgan and Hunt 1994; Scheer and Stern 1992; Young and Denize 1995).

(4) Sellers of a particular product category

Since several authors stress that a buyer's proneness to engage in relationships might vary across groups of sellers (Barnes 1997; Bendapudi and Berry 1997; Christy, Oliver, and Penn 1996), we postulate that buyer relationship proneness has to be defined within a particular product category. Recently, Page and Sharp (1997) proposed that consumers are likely to be willing to engage in relationships with retailers when their involvement is high for a certain product category. The underlying thought is that these consumers are already interested in the product category and that, consequently, the relationship can add value. In loyalty literature, it is generally acknowledged that the higher the involvement with a particular product category, the

greater the likelihood of loyalty towards specific offerings within that category (Christy, Oliver, and Penn 1996; Dick and Basu 1994; Goldman 1977-1978; Leuthesser 1997; Solomon et al. 1985). As buyers are more involved with some product categories than with others (Laurent and Kapferer 1985; Zaichkowsky 1985), we define buyer relationship proneness as an attitude towards relationships with sellers of a particular product category as opposed to an attitude towards relationships with sellers in general.

3.6.2 Product Category Involvement

The concept of involvement has received considerable attention from consumer researchers (Arora 1982; Celsi and Olson 1988; Day, Royne Stafford, and Camacho 1995; Goodman et al. 1995; Greenwald and Leavitt 1984; Laurent and Kapferer 1985; Mittal and Lee 1989; Morgan and Dev 1994; Park and Mittal 1985; Rodgers and Schneider 1993; Slama and Tashchian 1985; Swinyard 1993; Zaichkowsky 1985). Bloch (1981) and Dick and Basu (1994) suggested that highly involved individuals are more brand loyal. King and Ring (1980) argued that the level of fashion involvement is a valid dimension for fashion market segmentation. In their opinion, a strong relationship exists between fashion involvement and store spending behavior. Moreover, Page and Sharp (1997) recently proposed that consumers are more likely to engage in relationships with retailers when their involvement with the product category is high. The underlying thought is that the relationship can add value if consumers are already interested in the product. In our study, we investigate the moderating influence of product category involvement on the effects of seller relationship orientation.

Several efforts have been made to develop measurement scales for product category involvement (Bloch, Sherrell, and Ridgeway 1986; Jain and Srinivasan 1990; Lastovicka and Gardner 1979; Laurent and Kapferer 1985; Ratchford 1987; Tigert, Ring, and King 1976; Zaichkowsky 1985). Two frequently cited scales are Zaichkowsky's (1985) 'Personal Involvement Inventory' (PII) and Laurent and Kapferer's (1985) 'Consumer Involvement Profiles' (CIP). However, problems concerning the operationalization of product category involvement exist with respect to (1) the distinction between types of involvement, (2) the underlying meaning of involvement, (3) the construct validity of involvement, and (4) the difference between involvement and its antecedents (Mittal 1995; Mittal and Lee 1989). Each of these problems is discussed subsequently.

(1) The distinction between types of involvement

The most common distinction between types of involvement is that between situational and enduring involvement (Arora 1982; Bloch 1982; Celsi and Olson 1988; Day, Royne Stafford, and Camacho 1995). Situational involvement reflects concern with a specific situation such as a purchase occasion (Laurent and Kapferer 1985). For example, purchase involvement can be regarded as one type of situational involvement (Beatty, Homer, and Kahle 1988; Beatty and Smith 1987; Slama and Tashchian 1985). Enduring involvement reflects a general and permanent concern with the product class, also referred to as product involvement or ego involvement (Beatty, Homer, and Kahle 1988; Laurent and Kapferer 1985; Park and Mittal 1985). However, the distinction between both types of involvement is not explicitly reflected in involvement measures. For example, Zaichkowsky (1985) stated that, while PII was developed

to measure enduring product involvement, it can also be applied to measure purchase involvement. Moreover, Mittal (1995) and Mittal and Lee (1989) argued that Laurent and Kapferer (1985) do not explicitly distinguish between product involvement and purchase involvement.

(2) Underlying meaning of involvement

Whereas some authors define involvement as 'perceived importance' or 'interest in' (Beatty, Homer, and Kahle 1988; Laurent and Kapferer 1985; Mittal 1995; Mittal and Lee 1989), others define the construct as 'perceived relevance' (Day, Royne Stafford, and Camacho 1995; Zaichkowsky 1985). The latter meaning of involvement suggests that a product's relevance automatically implies its importance (Mittal 1995). This is not necessarily true. For instance, toilet paper is relevant, but not necessarily involving.

(3) Construct validity of involvement

Construct validity exists when a measure corresponds to its intended meaning (Hair et al. 1998; Kerlinger 1986). While the PII intends to measure perceived relevance, several of its items measure aspects other than relevance (Day, Royne Stafford, and Camacho 1995; Mittal 1995). The same remark holds for the CIP, which intends to measure importance, but also includes aspects not representing importance (Jain and Srinivasan 1990; Mittal 1995).

(4) The difference between involvement and its antecedents

Several authors mingle the antecedents of involvement and the involvement construct itself. For example, Laurent and Kapferer (1985) distinguished between four involvement facets: risk importance, sign value, pleasure value, and risk probability. According to Mittal (1995) and Mittal and Lee (1989), an object can be important either because it has sign value, pleasure value, and/or risk. They stated that any one, but not all of these facets, needs to be present for an object to be involving. Rodgers and Schneider (1993) similarly argued that involvement in the CIP scale is not adequately distinguished from its potential antecedents. The same holds for Zaichkowsky's PII scale (1985) that sums the items of involvement antecedents and involvement itself into one single involvement index. Consequently, the author seemingly assumes that all potential antecedents of involvement have an impact on the level of involvement. Mittal (1995) criticized this assumption as high levels of one antecedent can be sufficient for involvement to exist. For instance, a product can be involving because it is exciting, but it needs not be exciting to be involving. Therefore, in our opinion, it is not justified to sum the scores of the various antecedents (Day, Royne Stafford, and Camacho 1995; Mittal 1995; Mittal and lee 1989).

In line with other authors (Beatty, Homer, and Kahle 1988; Day, Royne Stafford, and Camacho 1995; Mittal 1995), we define product category involvement as "a buyer's enduring perceived importance of the product category based on his inherent needs, values, and interests". This definition is assumed not to suffer from the above mentioned concerns. It is restricted to enduring involvement, describes involvement as importance, and does not focus upon potential antecedents of involvement.

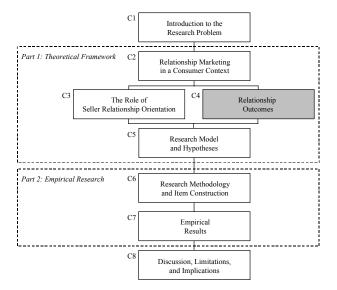
3.7 Summary and Conclusions

In this chapter, we discussed the focal construct of this study, seller relationship orientation. First, we positioned seller relationship orientation within the broader framework of customer value. We defined customer value as "a buyer's overall evaluation of a seller's product, service, and relationship efforts made towards the buyer". While seller relationship orientation refers to a buyer's overall perception of a seller's efforts, customer value additionally refers to the evaluation of these efforts as reflected by a positive relationship between seller relationship orientation and relationship outcomes. Second, we defined the concept of seller relationship orientation and motivated why we did not incorporate expectations in its measurement. We defined seller relationship orientation as "a buyer's overall perception of the extent to which a seller actively makes efforts towards regular buyers that are intended to contribute to the customer value of these regular buyers". Third, we indicated the increased importance of seller relationship orientation and underlined its lack of empirical evidence. Fourth, we defined the concept of a relationship effort, stressed its importance, and discussed four types of relationship efforts: communication, differentiation, personalization, and rewarding. We defined a relationship effort as "any effort that (1) is actively made by a seller towards a buyer, (2) is intended to contribute to the buyer's customer value above and beyond the core product and/or service efforts received, and (3) can only be perceived by the buyer after continued exchange with the seller". Finally, we described the role of two moderating variables potentially affecting the impact of seller relationship orientation: buyer relationship proneness and product category involvement.

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Chapter 4 Relationship Outcomes



4.1 Introduction

As previously indicated in chapter two, social exchange theory and equity theory are primarily focused at relationship outcomes (Smith and Barclay 1997). Conceptual models that theorize both attitudinal and behavioral relationship outcomes have strong precedence in relationship marketing studies (Bloemer 1993; Bloemer and Kasper 1995; Crosby, Evans, and Cowles 1990; Day 1969; Dick and Basu 1994; Fournier and Yao 1997; Gruen 1995; Hennig-Thurau and Klee 1997; Jacoby and Chestnut 1978; Jacoby and Kyner 1973; Moorman, Desphandé, and Zaltman 1993; Moorman, Zaltman, and Desphandé 1992; Morgan and Hunt 1994; Oliver 1997; Rust and Zahorik 1993; Schiffman and Kanuk 1987; Uncles and Laurent 1997). As already indicated in section 2.6, frequently reported relationship outcomes are relationship satisfaction, trust, relationship commitment, and behavioral loyalty (Baker, Simpson, and Siguaw 1999; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Geyskens et al. 1996; Gruen 1995; Iacobucci and Hibbard 1999; Morgan and Hunt 1994; Odekerken-Schröder et al. 2000; Selnes 1998). This chapter discusses these four types of relationship outcomes.

4.2 Attitudinal Relationship Outcomes

In 4.2.1, we summarize the discussion related to the degree of similarity of the constructs relationship satisfaction, trust, and relationship commitment and support the view that these constructs can be considered as truly distinct. In 4.2.2 to 4.2.4, we successively discuss each of these attitudinal relationship outcomes. First, we support our choice of a definition for each construct. Second, we indicate the importance that is attributed to each of these outcomes in relationship marketing literature. Third, we provide support for considering them as outcomes of relationships.

In appendix two, we provide an overview of the major empirical marketing studies related to relationship satisfaction, trust, and relationship commitment¹. Articles covering the 1985-1998 period were collected on basis of computer bibliographic and issue-by-issue searches of the *International Journal of Research in Marketing, Journal of Consumer Research, Journal of Marketing, Journal of Marketing Research, Journal of Retailing, Journal of the Academy of Marketing Science*, and Marketing Science. In all, 34 empirical papers were related to relationship satisfaction, 24 papers to trust, and 19 papers to relationship commitment.

4.2.1 Relationship Satisfaction, Trust, and Relationship Commitment: Similar or Divergent Constructs?

Fiske (1982) pointed at the difficulty related to obtaining sufficient discrimination between more abstract, general concepts, especially when these have attributes in common. Since relationship satisfaction, trust, and relationship commitment are all attitudinal outcomes of buyer-seller relationships, they are conceptually closely related and, consequently, it is conceivable that they all measure the same underlying idea (Dwyer and Oh 1987; Geyskens 1998; Rylander, Strutton, and Pelton 1997).

It is not surprising that there exists some discussion related to the similarity or divergence of the three constructs. Inaccurate conceptualizations have contributed to the confusion related to their distinction. For example, Sullivan and Peterson's (1982) conceptualization of trust also includes efforts in establishing a relationship, which is considered as a fundamental building block of relationship commitment. Moorman, Desphandé, and Zaltman (1993) noticed that trust has not been systematically distinguished from related factors. Difficulties in distinguishing between attitudinal types of relationship outcomes have been even further aggravated due to the conceptualization of relationship quality. Several authors consider relationship satisfaction and trust as dimensions or indicators of the higher order concept of relationship quality (Bejou, Wray, and Ingram 1996; Crosby, Evans, and Cowles 1990; Dwyer and Oh 1987; Hennig-Thurau and Klee 1997; Kumar, Scheer, and Steenkamp 1995a; Lagace, Dahlstrom, and Gassenheimer 1991; Leuthesser 1997; Scheer and Stern 1992; Wray, Palmer, and Bejou 1994). Hennig-Thurau and Klee (1997) and Leuthesser (1997) further argued to add relationship commitment as an additional dimension of relationship quality. Considering relationship satisfaction, trust, and relationship commitment as components of a higher order construct would imply that they basically measure the same concept, providing indications of their similarity.

However, there are various reasons to assume that relationship satisfaction, trust, and relationship commitment are distinct constructs. Scholl (1981) proposed that relationship commitment can act independently of relationship satisfaction and trust. Rusbult's (1980/1983) investment model based on social exchange theory distinguished between satisfaction, which is the level of affect experienced in a relationship, and commitment, which is the intent to maintain and feel attached to a

This overview is a further extension and adaptation of Geyskens' (1998) meta-analysis of channel relationships. While Geyskens (1998) provided an overview of relationship satisfaction and trust articles in a channel context, we include an overview of articles focusing on relationship satisfaction, trust, and relationship commitment in different contexts.

relationship (Sprecher 1988). In line with this, Porter et al. (1974) suggested that relationship satisfaction and commitment are related, but distinguishable attitudes. Williams and Hazer (1986, p. 230) even stated that studies "failing to include both satisfaction and commitment should be viewed cautiously", suggesting that it is important to incorporate both constructs and to understand the difference between relationship satisfaction and relationship commitment. In his conceptual model, Gruen (1995) distinguished between relationship satisfaction, trust, and relationship commitment as psychological outcomes of relationships. Finally, in a recent meta-analysis including 97 empirical papers covering the 1970-1996 period, Geyskens (1998) concluded that adequate levels of discriminant validity were obtained between the constructs of relationship satisfaction, trust, and relationship commitment.

Consequently, there exists ample support for the distinction between relationship satisfaction, trust, and relationship commitment. In the following sections, each of these constructs is discussed on its definition, its importance, and its status as a relationship outcome.

4.2.2 Relationship Satisfaction

4.2.2.1 Definition of Relationship Satisfaction

Appendix two shows that there exists no consensus on the conceptualization and measurement of relationship satisfaction (Geyskens 1998). Most authors use Anderson and Narus' (1984, p. 66) definition of relationship satisfaction formulated as an "affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm" (Anderson and Narus 1990; Gassenheimer and Ramsey 1994; Skinner, Gassenheimer, and Kelley 1992; Smith and Barclay 1997). However, several other definitions of relationship satisfaction are in circulation. In a channel context, Mohr, Fisher, and Nevin (1996, p. 105) defined relationship satisfaction as "the dealer's evaluation of the characteristics of the channel relationship". In a services context, Crosby, Evans, and Cowles (1990, p. 70) referred to "an emotional state that occurs in response to an evaluation of interaction experiences". Macintosh and Lockshin (1997, p. 489) defined relationship satisfaction in a retail environment as a "customer's overall evaluation of the store experience".

Based on Anderson and Narus (1984), we define relationship satisfaction as "a buyer's affective state resulting from his overall appraisal of his relationship with a seller". Below, the rationale behind this definition is briefly discussed.

(1) Affective state

Relationship satisfaction is generally conceptualized as an overall affective or emotional state (Andaleeb 1996; Anderson and Narus 1984/1990; Crosby, Evans, and Cowles 1990; Ganesan 1993/1994; Gassenheimer, Davis, and Dahlstrom 1998; Gassenheimer and Ramsey 1994; Price 1991; Scheer and Stern 1992; Schul, Little, and Pride 1985; Smith and Barclay 1997). Anderson and Narus (1990) underlined that relationship satisfaction is affective and that it can be contrasted with more objective or 'rational' relationship outcomes. Consequently, we explicitly integrate the affective nature of relationship satisfaction into our definition.

(2) Overall appraisal of his relationship

Relationship satisfaction is viewed as 'cumulative satisfaction' as opposed to 'transaction-specific satisfaction'. While transaction-specific satisfaction is an individual evaluation of a particular experience, cumulative satisfaction refers to a more abstract construct that describes a buyer's overall evaluation of his experience to date (Anderson, Fornell, and Rust 1997; Bolton 1998; Dwyer and Oh 1987; Frazier, Gill, and Kale 1989; Gaski 1986; Gaski and Nevin 1985; Johnson, Anderson, and Fornell 1995; Johnson et al. 1993; Kale 1986; Kumar, Stern, and Achrol 1992; Macintosh and Lockshin 1997; Oliver 1997; Ping 1993/1994; Scheer and Stern 1992; Skinner, Gassenheimer, and Kelley 1992). Ping (1993, p. 346) stressed the cumulative nature of satisfaction in buyer-seller relationships by stating that a buyer "may be dissatisfied with an individual event, yet still satisfied with the supplier relationship overall". In this study, we focus on an overall appraisal of relationships because consumers are expected to accept incidental lower levels of transaction-specific satisfaction without breaking the relationship with this seller (Gwinner, Gremler, and Bitner 1998; Storbacka, Strandvik, and Grönroos 1994; Young and Denize 1995).

(3) No measurement of expectations

It is a commonly accepted practice to collect both perceptions and expectations data in order to measure the concept of satisfaction. Researchers generally agree that expectations serve as reference points in customers' assessment of performance (Bolton and Drew 1991; Cronin and Taylor 1992/1994; Parasuraman, Zeithaml, and Berry 1988/1991/1994a; Park and Choi 1998; Spreng and Mackoy 1996). However, several measurement concerns have been raised about collecting information on expectations² (Brown, Churchill, and Peter 1993; Carman 1990; Cronin and Taylor 1992/1994; Parasuraman, Zeithaml, and Berry 1993/1994a/1994b; Peter, Churchill, and Brown 1993). Moreover, we assume that it is more difficult for buyers to express their expectations related to more abstract concepts such as a relationship. For example, while it is relatively easy to declare expectations related to the service level in a restaurant, it is generally more difficult to formulate expectations about the relationship with this restaurant. Following the above mentioned concerns, our definition of relationship satisfaction is not based upon the perceptions-expectations disconfirmation paradigm and only measures buyer perceptions related to their relationship with a seller.

4.2.2.2 Importance of Relationship Satisfaction

For more than three decades, the construct of relationship satisfaction has been researched, underlining its importance in marketing research (Crosby, Evans, and Cowles 1990; Dwyer and Oh 1987; Geyskens 1998; Hunt and Nevin 1974; Rosenberg and Stern 1971; Selnes 1998; Stern and Reve 1980; Tax, Brown, and Chandrashekaran 1998). Geyskens' (1998) meta-analysis of

Peter, Churchill and Brown (1993) listed three psychometric problems that are related to using difference scores of perceptions and expectations: (1) difference scores are characterized by lower reliabilities, (2) they typically do not demonstrate discriminant validity, and (3) they often lead to inequality of variances between respondents. Using direct measures of perceptions-expectations disconfirmation has been proposed as an alternative to calculating difference scores (Brown, Churchill, and Peter 1993; Parasuraman, Zeithaml, and Berry 1993/1994a; Spreng and Mackoy 1996). However, these measures are more difficult to interpret by respondents and, as a result, may decrease the validity of the information collected.

relationship satisfaction indicated that relationship satisfaction is the most popular construct in empirical studies on channel relationships. Recently, the importance of relationship satisfaction is increasingly recognized in consumer relationship studies (Bolton 1998; Crosby, Evans, and Cowles 1990; Crosby and Stephens 1987; Macintosh and Lockshin 1997; Tax, Brown, and Chandrashekaran 1998).

4.2.2.3 Relationship Satisfaction as a Relationship Outcome

Satisfaction with the relationship is generally regarded as an outcome of buyer-seller relationships (Anderson and Narus 1984/1990; Dwyer and Oh 1987; Gaski 1986; Gaski and Nevin 1985; Johnson et al. 1993; Keith, Jackson, and Crosby 1990; Lewis and Lambert 1991; Mohr, Fisher, and Nevin 1996; Smith and Barclay 1997; Stern and Reve 1980). Anderson and Narus (1990) considered relationship satisfaction as a close proxy for concepts such as perceived relationship effectiveness. Relationship satisfaction is considered to be an important relationship outcome because it has been found to be correlated with more tangible outcome measures such as cooperation, conflict, relationship continuity, exit from the relationship, and company profits (Anderson and Narus 1984/1990; Bolton 1998; Dwyer and Oh 1987; Ganesan 1993/1994; Gassenheimer and Ramsey 1994; Lewis and Lambert 1991; Ping 1993; Scheer and Stern 1992; Selnes 1998; Skinner, Gassenheimer, and Kelley 1992; Smith and Barclay 1997; Stern and Reve 1980). Consequently, relationship satisfaction is regarded as a relationship outcome in this study.

4.2.3 Trust

4.2.3.1 Definition of Trust

In line with other authors (Macintosh and Lockshin 1997; Morgan and Hunt 1994; Tax, Brown, and Chandrashekaran 1998), we define trust as "a buyer's confident belief in a seller's honesty towards the buyer". Below, we elaborate upon the motivations behind this definition.

(1) A buyer's confident belief

Several scholars consider perceived trustworthiness and trusting behaviors as two distinct, but related aspects of trust (Andaleeb 1996; Smith and Barclay 1997). While trustworthiness refers to a belief (Andaleeb 1995; Anderson and Narus 1990; Anderson and Weitz 1989; Geyskens et al. 1996; Kumar, Scheer, and Steenkamp 1995a/1995b; Scheer and Stern 1992; Schurr and Ozanne 1985; Siguaw, Simpson, and Baker 1998) or confidence (Crosby, Evans, and Cowles 1990; Macintosh and Lockshin 1997; Morgan and Hunt 1994; Tax, Brown, and Chandrashekaran 1998), trusting behaviors are related to the (willingness of) engagement in risk-taking behavior reflecting a reliance on a partner (Andaleeb 1996; Dahlstrom and Nygaard 1995; Ganesan 1994; Giffin 1967; Moorman, Desphandé, and Zaltman 1993; Moorman, Zaltman, and Desphandé 1992; Schlenker, Helm, and Tedeschi 1973). Both the belief and behavioral reliance aspects of trust indicate the critical roles of uncertainty and vulnerability to trust in buyer-seller relationships (Achrol 1997; Andaleeb 1995; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Moorman, Desphandé, and Zaltman 1993; Moorman, Zaltman, and Desphandé 1992; Rempel, Holmes, and Zanna 1985).

Some scholars merge both aspects into one definition of trust (Anderson, Lodish, and Weitz 1987; Ganesan 1994; Moorman, Desphandé, and Zaltman 1993; Moorman, Zaltman, and Desphandé 1992). For example, Moorman, Zaltman, and Desphandé (1992, p. 82) defined trust as "a willingness to rely on an exchange partner in whom one has confidence". They claim that both trustworthiness and trusting behavior must be present for trust to exist. According to them, buyers who believe that their seller is trustworthy, but do not rely on this seller, show only limited trust.

Other scholars claim that trustworthiness is a necessary and sufficient condition for trust to exist (Andaleeb 1995; Anderson and Narus 1990; Anderson and Weitz 1989; Geyskens et al. 1996; Morgan and Hunt 1994). For example, Morgan and Hunt (1994) defined trust as trustworthiness only, as they suggest that trusting behaviors automatically result from trustworthiness. This group of authors suggests not to include trustworthiness and trusting behavior into one unidimensional construct of trust. In line with this, we argue that incorporating trustworthiness and trusting behavior into one definition leads to unnecessary conceptual confusion and empirical validation difficulties. According to us, such a conceptualization of trust troubles the distinction between trust as an attitude and the potential behavioral outcomes of trust. The above mentioned discussion suggests that, by limiting the conceptualization of trust to trustworthiness, a more clear view on the notion of trust will result. Consequently, we define trust as a belief in a seller (trustworthiness) and not as a willingness to rely on this seller.

(2) Seller's honesty towards the buyer

Trust is considered to exist if one party believes the other party to be honest or benevolent (Andaleeb 1995; Doney and Cannon 1997; Ganesan 1994; Kumar, Scheer, and Steenkamp 1995b; Larzelere and Huston 1980; Wetzels 1998). Trust in a partner's honesty is the belief that the partner stands by its word, fulfills promised role obligations, and is sincere (Anderson and Narus 1990; Doney and Cannon 1997; Dwyer and Oh 1987; Gundlach and Murphy 1993; Kumar, Scheer, and Steenkamp 1995a/1995b; Larzelere and Huston 1980; Scheer and Stern 1992). Trust in a partner's benevolence is the belief that the partner is interested in the other partner's welfare, is willing to accept short-term mistakes, and will not undertake unexpected actions that can negatively affect the other partner (Anderson, Lodish, and Weitz 1987; Anderson and Narus 1990; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Kumar, Scheer, and Steenkamp 1995a/1995b; Larzelere and Huston 1980).

While several scholars recognize the conceptual difference between honesty and benevolence, discriminant validity between both constructs often seems difficult to achieve (Ganesan 1994; Kumar, Scheer, and Steenkamp 1995b). As stated by Larzelere and Huston (1980, p. 596), "while benevolence and honesty are conceptually distinct, they may turn out to be so intertwined ... that they are operationally inseparable". Except for some notable exceptions distinguishing between separate honesty and benevolence constructs (Ganesan 1994; Schurr and Ozanne 1985), the majority of studies tends to include only one (Anderson, Lodish, and Weitz 1987; Morgan and Hunt 1994; Scheer and Stern 1992) or a mixture of both aspects of trust (Kumar, Scheer, and Steenkamp 1995a/1995b; Siguaw, Simpson, and Baker 1998) in a single, unidimensional trust measure. In our opinion, while minor conceptual differences between honesty and

benevolence might exist, a distinction between both does not add to our understanding of the outcomes of trust. Previous studies have demonstrated the difficulties arising when trying to achieve discriminant validity. Moreover, the notion of benevolence is primarily relevant in contexts that are characterized by moderate to high levels of uncertainty. In the consumer markets we investigate, uncertainty is generally low given the low need for post-purchase evaluation, the low risk associated to consuming a product, and the equal information disposal between consumers and sellers (Berry 1995; Bitner 1995). As a result, we measure honesty instead of benevolence in order to measure trust.

4.2.3.2 Importance of Trust

Trust has received a lot of attention in anthropology, economics, organizational theory, social psychology, sociology, and marketing (Dahlstrom and Nygaard 1995; Doney and Cannon 1997). Since the publication of Dwyer, Schurr and Oh's article (1987) stressing the need for more attention to the trust concept, researchers in marketing have increasingly incorporated trust in empirical models of marketing relationships. Several scholars consider trust as one of the most critical constructs in relationship marketing theory (Anderson, Lodish, and Weitz 1987; Anderson and Narus 1990; Anderson and Weitz 1989; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Dwyer and Oh 1987; Dwyer, Schurr, and Oh 1987; Gundlach and Murphy 1993; Moorman, Desphandé, and Zaltman 1993; Morgan and Hunt 1994; Schurr and Ozanne 1985; Smith and Barclay 1997). Its recognized importance is partly rooted in the belief that trust leads to the desirable attitude of commitment (Andaleeb 1996; Anderson and Weitz 1989; Ganesan 1994; Geyskens et al. 1996; Macintosh and Lockshin 1997; Moorman, Zaltman, and Deshpandé 1992; Morgan and Hunt 1994; Siguaw, Simpson, and Baker 1998).

Previous empirical research on trust was primarily conducted in channels of distribution (Andaleeb 1995/1996; Anderson, Lodish, and Weitz 1987; Anderson and Narus 1990; Anderson and Weitz 1989; Dahlstrom and Nygaard 1995; Dwyer and Oh 1987; Ganesan 1994; Geyskens et al. 1996; Kumar, Scheer, and Steenkamp 1995a/1995b; Morgan and Hunt 1994; Scheer and Stern 1992; Schurr and Ozanne 1985; Siguaw, Simpson, and Baker 1998) and industrial relationships (Doney and Cannon 1997; Moorman, Desphandé, and Zaltman 1993; Moorman, Zaltman, and Desphandé 1992; Smith and Barclay 1997). Apart from some notable exceptions (Crosby, Evans, and Cowles 1990; Macintosh and Lockshin 1997; Tax, Brown, and Chandrashekaran 1998), the role of trust has not been investigated in consumer relationships yet. The nearly exclusive attention for trust in business-to-business environments can be explained by the predominantly uncertain and vulnerable situations in which business-to-business parties often find themselves. In such situations, trust is especially deemed to be relevant. As indicated by Moorman, Desphandé and Zaltman (1993, p.92), "if a trustor has complete knowledge about an exchange partner's actions, is able to control the exchange partner, or has not transferred critical sources to an exchange partner, trust is not necessary in the relationship". While certain consumer situations may involve less risk, trust is still deemed to be important in such situations as consumers will only be committed to a relationship with a seller when they have trust in this seller. While it is generally recognized that relationship commitment can exist without trust in constraint-based relationships (Bendapudi and Berry 1997), trust is considered as a necessary condition for relationship commitment to occur in dedicationbased relationships. This is also indicated by Beatty et al. (1996) who emphasized the importance of trust in retail situations and Macintosh and Lockshin (1997) who recently found empirical evidence for the importance of trust in such contexts.

4.2.3.3 Trust as a Relationship Outcome

Several authors consider trust as a relationship outcome. In interpersonal relationships, trust is considered to be one of the most desirable outcomes of any close relationship (Afifi and Metts 1998; Rempel, Holmes, and Zanna 1985). Many scholars claim that the development of trust is also an important outcome measure of dyadic buyer-seller relationships (Dahlstrom and Nygaard 1995; Dwyer, Schurr, and Oh 1987; Gundlach, Achrol, and Mentzer 1995; Mohr and Nevin 1990; Morgan and Hunt 1994; Odekerken-Schröder et al. 2000; Rylander, Strutton, and Pelton 1997; Wray, Palmer, and Bejou 1994).

The reason why scholars regard trust as an outcome of relationships is underlined by Moorman, Desphandé, and Zaltman (1993). They indicated that trust is "more a function of interpersonal factors than of individual factors" (Moorman, Desphandé, and Zaltman 1993, p. 93). As a result, trust is considered to be a product of the relationship between two parties as opposed to an individual characteristic of either party (Moorman, Desphandé, and Zaltman 1993). It evolves out of past experience related to prior exchanges, and, consequently, develops as the relationship matures (Rempel, Holmes, and Zanna 1985). Consequently, we consider trust as an outcome of relationships.

4.2.4 Relationship Commitment

4.2.4.1 Definition of Relationship Commitment

Relationship commitment is generally referred to as an enduring desire to maintain a relationship (Anderson and Weitz 1989; Dwyer, Schurr, and Oh 1987; Geyskens et al. 1996; Kumar, Scheer, and Steenkamp 1995a; Mohr, Fisher, and Nevin 1996; Moorman, Zaltman, and Desphandé 1992; Morgan and Hunt 1994; Scheer and Stern 1992; Young and Denize 1995). The concept of relationship commitment is similar to the concept of long-term orientation that comprises the desire and utility of a buyer to have a long-term relationship with a seller (Anderson and Weitz 1992; Dwyer, Schurr, and Oh 1987; Ganesan 1993/1994; Gruen 1995; Hennig-Thurau and Klee 1997).

Commitment is a complex phenomenon and elusive construct that is poorly understood and subject to a variety of forces (Kumar, Scheer, and Steenkamp 1995b; Rylander, Strutton, and Pelton 1997). While the essence of commitment is stability, solidarity, cohesion, and sacrifice (Anderson and Weitz 1992; Dwyer, Schurr, and Oh 1987; Geyskens 1998; Gundlach and Murphy 1993), significantly varying conceptualizations of relationship commitment are found in literature (Anderson and Weitz 1992; Hennig-Thurau and Klee 1997). In line with Morgan and Hunt (1994), we define relationship commitment as "a buyer's enduring desire to continue a relationship with a seller accompanied by his willingness to make efforts at maintaining it". Below, we elaborate on the motivations underlying this choice.

(1) Enduring

Relationship commitment is believed to make sense only over the long term. This implies that the desire to continue a relationship and the willingness to make efforts directed at sustaining this relationship must reveal consistency over time (Gundlach, Achrol, and Mentzer 1995; Macintosh and Lockshin 1997; Moorman, Zaltman, and Desphandé 1992; Tax, Brown, and Chandrashekaran 1998).

(2) Desire to continue a relationship with a seller accompanied by his willingness to make efforts at maintaining it

Most scholars consider relationship commitment as comprising one or more of the following dimensions: (1) expectation of continuity (Anderson, Håkansson, and Johanson 1994; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997), (2) desire of continuity (Andaleeb 1996; Anderson and Weitz 1989; Geyskens et al. 1996; Gundlach, Achrol, and Mentzer 1995; Kumar, Scheer, and Steenkamp 1995a/1995b; Macintosh and Lockshin 1997; Mohr, Fisher, and Nevin 1996; Moorman, Zaltman, and Desphandé 1992; Siguaw, Simpson, and Baker 1998; Tax, Brown, and Chandrashekaran 1998), and (3) willingness to invest (Anderson and Weitz 1989; Gundlach, Achrol, and Mentzer 1995; Morgan and Hunt 1994; Olsen and Granzin 1992; Siguaw, Simpson, and Baker 1998; Van Lange et al. 1997a/1997b). Anderson and Weitz (1992, p. 19) merged these three dimensions into their definition of relationship commitment formulated as "a desire to develop a stable relationship, a willingness to make short-term sacrifices to maintain the relationship, and a confidence in the stability of the relationship".

First, we support the notion that relationship commitment defined as 'expectation of continuity' does not capture the true meaning of commitment. In contrast to commitment, expectation of continuity can also be affected by a buyer's perception of a seller's intentions to continue the relationship (Anderson and Weitz 1989; Doney and Cannon 1997; Dwyer, Schurr, and Oh 1987; Kumar, Scheer, and Steenkamp 1995a/1995b; Lund 1985). Low expectations of future exchange would point to current relationship problems, whereas high expectations of future exchange represent a favorable evaluation of the current relationship (Crosby, Evans, and Cowles 1990). As we are only interested in measuring relationship attitudes of the buyer, we do not include expectations of continuity into our definition of relationship commitment. Second, we point to the currently unresolved question whether relationship commitment is best captured as a unidimensional construct or as some combination of 'desire for continuity' and 'willingness to invest' (Rylander, Strutton, and Pelton 1997). In our opinion, the desire for continuity is a necessary, but not sufficient condition for relationship commitment as it might be based on habitual cues only. Willingness to invest refers to a buyer's desire to do more than just remain in the relationship by making capital and/or effort investments (Dwyer, Schurr, and Oh 1987; Kumar, Scheer, and Steenkamp 1995b). We postulate that the desire to continue a relationship should be accompanied by a willingness to make efforts at maintaining the relationship. Therefore, in line with other authors, our definition of relationship commitment implies that both components have to be present as a condition for commitment to occur (Anderson and Weitz 1992; Gundlach, Achrol, and Mentzer 1995; Morgan and Hunt 1994; Siguaw, Simpson, and Baker 1998).

(3) The construct of relationship commitment versus its underlying drivers

Some scholars have noted that different motivations can underlie the notion of relationship commitment as it can result from either dedication (affective commitment) or constraints (calculative commitment) to the relationship (Geyskens 1998; Geyskens et al. 1996; Mathieu and Zajac 1990; Strandvik and Liljander 1994; Wetzels 1998; Young and Denize 1995). Kumar, Scheer, and Steenkamp (1995b, p. 351) referred to affective commitment as "the desire to continue a relationship because of positive affect toward the partner". A second, more instrumental type of commitment is referred to as calculative commitment. While calculative commitment refers to buyers' commitment to a seller because they need to, buyers who are affectively committed are motivated to continue their relationship with the seller because they want to (Geyskens 1998; Geyskens et al. 1996; Lund 1985; Mohr, Fisher, and Nevin 1996; Stanley and Markman 1992; Venetis 1997). In literature, the difference between affective and calculative commitment is described by various terms such as dedication-based versus constraint-based relationship maintenance (Bendapudi and Berry 1997), social versus economic commitment (Young and Denize 1995), personal dedication versus constraint commitment (Stanley and Markman 1992), and attitudinal and instrumental commitment (Achrol 1997; Gundlach, Achrol, and Mentzer 1995).

Geyskens (1998, p. 50) stated that "the use of global commitment measures – which measure intention to continue a relationship without consideration of the underlying motivation – could confound or mask different, and possibly even opposite effects on affective commitment versus calculative commitment". While we fully agree with the relevance of distinguishing between affective and calculative drivers of commitment, we argue that creating two separate commitment constructs tangles up the difference between the commitment construct itself and the underlying reasons for the emergence of commitment. In our opinion, there exists only one commitment construct that can be driven by affective and/or calculative drivers. Any of these two drivers, but not necessarily both, need to be present in order for a buyer to be committed. Therefore, our definition of relationship commitment does not explicitly refer to its underlying motivations. This view is in line with O'Reilly and Chatman (1986), who made a distinction between the motives or bases of commitment, but not between different types of commitment.

4.2.4.2 Importance of Relationship Commitment

Since the 1960s, commitment has been a frequently studied variable in organizational contexts (Becker and Billings 1993; Hunt, Wood, and Chonko 1989; Kelley and Davis 1994; Mathieu and Zajac 1990; Porter et al. 1974; Rylander, Strutton, and Pelton 1997). Today, commitment is often integrated as a key variable of interest in relationship marketing studies (Doney and Cannon 1997; Geyskens 1998; Macintosh and Lockshin 1997; Mohr, Fisher, and Nevin 1996; Ping 1997; Siguaw, Simpson, and Baker 1998; Tax, Brown, and Chandrashekaran 1998).

Several scholars consider commitment as an essential ingredient of successful relationships (Andaleeb 1996; Dwyer, Schurr, and Oh 1987; Geyskens et al. 1996; Lund 1985; Macintosh and Lockshin 1997; Morgan and Hunt 1994; Scheer and Stern 1992). Gundlach, Achrol, and Mentzer (1995, p. 78) claimed that commitment "may well become a focal point of explanation in marketing,

as the discipline moves further away from the transactional view of exchange and embraces the relational view". Relationship commitment is considered important because it is hypothesized to lead to cooperation, to reduce the temptation of attractive short term alternatives, and to enhance profitability (Andaleeb 1996; Anderson and Weitz 1992; Morgan and Hunt 1994).

4.2.4.3 Relationship Commitment as a Relationship Outcome

Commitment to a buyer-seller relationship is generally regarded as an important relationship outcome (Andaleeb 1996; Anderson and Weitz 1989; Crosby, Evans, and Cowles 1990; Ganesan 1993/1994; Geyskens et al. 1996; Macintosh and Lockshin 1997; Mohr, Fisher, and Nevin 1996; Moorman, Zaltman, and Desphandé 1992; Morgan and Hunt 1994; Smith and Barclay 1997; Young and Denize 1995). According to Dwyer, Schurr, and Oh (1987), relationship commitment represents the highest stage in relationship bonding. In line with this, Mohr and Nevin (1990) stated that commitment is a highly desirable 'qualitative outcome'. Morgan and Hunt (1994, p. 22) stressed that the level of relationship commitment "distinguishes productive, effective relational exchanges from those that are unproductive and ineffective – that is whatever produces relationship marketing successes instead of failures". Consequently, relationship commitment is regarded as a relationship outcome in this study.

4.3 Behavioral Relationship Outcomes

In addition to the described attitudinal relationship outcomes, 4.3.1 defines behavioral loyalty and distinguishes between various indicators of behavioral loyalty, 4.3.2 discusses the importance of behavioral loyalty, and 4.3.3 supports the status of behavioral loyalty as a relationship outcome.

4.3.1 Definition of Behavioral Loyalty

Regarding the measurement of behavioral loyalty, two main approaches can be distinguished: an aggregate level approach focusing on stochastic modeling of purchase behavior (Agrawal 1996; Bayus 1992; Ehrenberg, Goodhardt, and Barwise 1990; Fader and Lattin 1993; Fader and Schmittlein 1993; Fournier and Yao 1997; Kahn, Kalwani, and Morrison 1986; Krishnamurthi and Raj 1991; Yim and Kannan 1999) and an individual level approach focusing on buyer-specific indices of behavioral loyalty (Dunn and Wrigley 1984; Kahn, Kalwani, and Morrison 1986; Raj 1982). Since this study focuses at individual buyers, we follow the second approach.

Behavioral loyalty patterns of an individual have been measured on basis of numerous and varied empirical indices (Jacoby and Kyner 1973; Reynolds, Darden, and Martin 1974-1975). Jacoby and Chestnut (1978) reported on 33 behavioral loyalty measures used in previous studies. Due to this wide variety of measurement attempts, some state that loyalty research has lead to more controversy than to a body of accepted findings and generalizations (Jacoby and Chestnut 1978; Kumar, Ghosh, and Tellis 1992). In most studies, behavioral loyalty has been measured in one of four ways (Denison and Knox 1993; Enis and Paul 1970): (1) patronage ratios based upon the number of purchases made (Kelley 1967; Raj 1982; Tate 1961), (2) switching ratios based upon the number of successive purchases made (Farley 1968; Fournier and Yao 1997; Kahn, Kalwani, and Morrison

1986; Popkowski Leszczyc and Gönül 1996; Rao 1969), (3) budget ratios based upon the proportion of total expenditure within a product class (Cunningham 1961/1966; Dunn and Wrigley 1984; Fournier and Yao 1997; Goldman 1977-1978; Gruen 1995; Krishnamurthi and Raj 1991), and (4) multidimensional, composite measures based upon a combination of the previously mentioned ratios (Carman 1970; Enis and Paul 1970; Goldman 1977-1978; Jacoby and Chestnut 1978; Popkowski Leszczyc and Timmermans 1997). The first three ratios are generally referred to as simple, unidimensional measures of behavioral loyalty. Intentions to repurchase are not listed here, as we do not consider them to represent actual behavior. Various authors considered them to be only tentative measures of behavioral loyalty (Dick and Basu 1994; Oliva, Oliver, and MacMillan 1992; Sirohi, McLaughlin, and Wittink 1998).

In this study, behavioral loyalty is defined as "a buyer's purchasing behavior during his relationship with a seller". We operationalize behavioral loyalty as a unidimensional, composite, simple budget ratio. First, we use a composite measure in order to be able to assess the reliability of the behavioral loyalty construct. This is in line with Sirohi, McLaughlin, and Wittink (1998) who measured store loyalty as a unidimensional construct consisting of underlying indicators. Second, we define behavioral loyalty as a unidimensional ratio because this has the advantage of relating to common experience and because it gives a better feel for behavior as opposed to pursuing the more mathematical approach reflected in multidimensional, composite measures (Charlton 1973). Moreover, Denison and Knox (1993) indicated that most analysts consider budget ratios as the most appealing single measure of behavioral loyalty. However, they claim that budget ratios may only be evaluated in the context of clearly delineated product categories. They give the example that, were a consumer to shop regularly for everyday clothes in store A, but, occasionally, buy expensive designer ware elsewhere, an analysis by expenditure alone would not clearly establish underlying loyalty to store A. Consequently, the behavioral loyalty indicators we use, are supposed to measure budget ratios within clearly defined product categories. In this study, these indicators are: (1) a buyer's proportion of expenditures made in one store within his total expenditures in a product class, (2) the relative number of times a buyer selects a store to buy from, and (3) a buyer's purchase frequency at one store compared to his purchase frequency at other stores where he is a regular customer.

4.3.2 Importance of Behavioral Loyalty

Early studies on loyalty primarily focused at behavioral aspects of loyalty (Bellenger, Robertson, and Greenberg 1977; Carman 1970; Dunn and Wrigley 1984; Goldman 1977-1978; Miller and Granzin 1979; Newman and Werbel 1973). Since the 1960s, numerous academic and business models have examined the relationship between behavioral loyalty and market performance (Cunningham 1961/1966; Farley 1968; Kelley 1967; Tate 1961). While empirical evidence on this relationship is still scarce, the relationship between behavioral loyalty and bottom-line profits is considered to be much straighter than the relationship between for example satisfaction and bottom-line profits (Babin and Darden 1996; Grant and Schlesinger 1995; Pearson 1994; Reichheld 1993; Reichheld and Sasser 1990; Storbacka, Strandvik, and Grönroos 1994; Stum and Thiry 1991). As generating profits is one of the most important objectives of a company, behavioral loyalty is considered to be an important outcome of relationships.

4.3.3 Behavioral Loyalty as a Relationship Outcome

It is generally accepted that behavior acts as an end variable in consumer behavior models (Engel, Blackwell, and Miniard 1995; Kardes 1999; Mowen 1990; Peter and Olsen 1996). Sharp and Sharp (1997) explicitly stated that the effectiveness of relationship marketing efforts should be evaluated in terms of the behavioral changes they bring about. As a result, it is not surprising that behavioral loyalty is generally accepted as the ultimate relationship outcome (Hennig-Thurau and Klee 1997; Pine, Peppers, and Rogers 1995; Reichheld 1993; Reichheld and Sasser 1990).

4.4 Summary and Conclusions

The objective of this chapter was to discuss four frequently reported relationship outcomes: relationship satisfaction, trust, relationship commitment, and behavioral loyalty. The first three constructs can be regarded as attitudinal relationship outcomes, whereas the latter construct of behavioral loyalty can be viewed as a behavioral outcome of relationships.

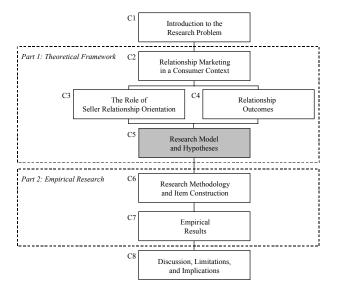
Since relationship satisfaction, trust, and relationship commitment are apparently conceptually related, it is not surprising that there exists some discussion as to the similarity or divergence of the three constructs. A recent meta-analysis related to these three attitudinal outcomes provides sufficient support for making an explicit distinction between them. Existing definitions of each relationship outcome were used as a knowledge base and, if necessary, adapted to our understanding of the constructs and to the specificity of consumer environments. Moreover, the importance and the status as a relationship outcome of each of the constructs was emphasized.

In addition to attitudinal outcomes, we discussed the importance of behavioral loyalty. Two main approaches can be distinguished regarding the measurement of behavioral loyalty: an aggregate level approach focusing on stochastic modeling of purchase behavior and an individual level approach focusing on single indices of behavioral outcomes. Since the focus of this study is at the level of individual buyers, we opted for the latter approach and defined behavioral loyalty at a unidimensional, composite level based on the budget ratio.

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Chapter 5 Research Model and Hypotheses¹



5.1 Introduction

This chapter discusses the research model and related hypotheses based on the research questions formulated in chapter one. In section 5.2, we present the main effects and support the hypotheses related to these main effects. Section 5.3 introduces the moderating effects in our research model and discusses the hypotheses related to these moderating effects.

5.2 Main Effects and Related Hypotheses

The research model visualized in figure 5-1 shows the role of seller relationship orientation in affecting relationship outcomes. Relationship outcomes are operationalized by the four constructs discussed in chapter four: relationship satisfaction, trust, relationship commitment, and behavioral loyalty. Moreover, in order to gain insights into the factors influencing seller relationship orientation, we distinguish between four different antecedents: communication, differentiation, personalization, and rewarding. These antecedents represent a seller's relationship efforts. Finally, we expect buyer relationship proneness to affect seller relationship orientation as well as relationship outcomes.

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Chapters five and six are inspired by the ideas reflected in previous studies of De Wulf and Odekerken-Schröder (1998/1999).

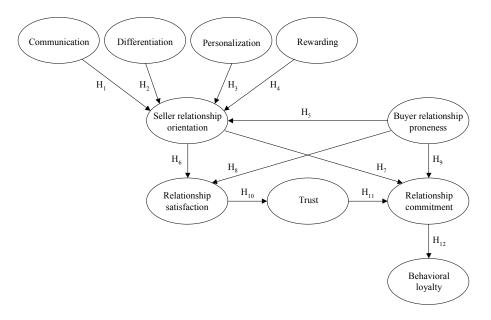


Figure 5-1: Main Effects in the Research Model

5.2.1 Relationship Efforts and Seller Relationship Orientation

We defined the construct of seller relationship orientation as "a buyer's overall perception of the extent to which a seller actively makes efforts towards regular buyers that are intended to contribute to the customer value of these regular buyers" (see 3.3.1). While it is formulated at an overall level, more specific product, service, and relationship efforts are expected to affect the level of seller relationship orientation. In this study, we investigate the impact of relationship efforts on seller relationship orientation. Based upon an extensive literature study, we distinguished between four types of relationship efforts: communication, differentiation, personalization, and rewarding. Given the extensive process that surrounded item generation, testing, and purification of these relationship efforts (see chapter six), we may assume that these four constructs taken together are representative for our definition of a relationship effort (see 3.5.1). Support for this was found as our constructs correspond closely to Gwinner, Gremler, and Bitner's (1998) recent study on relationship benefits in services industries. They distinguished between 'confidence benefits', 'social benefits', and 'special treatment benefits'. Their construct of 'social benefits' resembles our construct of personalization. Moreover, their 'special treatment benefits' construct corresponds to our construct of differentiation. In our opinion, the way they measure the construct of 'confidence benefits' is similar to the measurement of trust, which is not regarded as an antecedent of seller relationship orientation in this study.

We hypothesize that the following relationship efforts are positively related to seller relationship orientation:

H₁: A higher level of communication leads to a higher level of seller relationship orientation
 H₂: A higher level of differentiation leads to a higher level of seller relationship orientation
 H₃: A higher level of personalization leads to a higher level of seller relationship orientation
 H₄: A higher level of rewarding leads to a higher level of seller relationship orientation

5.2.2 Buyer Relationship Proneness and Seller Relationship Orientation

It can be argued that a buyer's perception of a seller's efforts is most probably influenced by this buyer's proneness to engage in relationships with sellers. A buyer characterized by a high level of relationship proneness may express a more positive perception of a seller's efforts compared to a buyer showing a low level of relationship proneness.

Few direct evidence exists in current marketing literature to support this hypothesis. This is mainly a result of the fact that we relate two relatively new constructs to each other. However, some support for the relationship between buyer relationship proneness and seller relationship orientation can be found in literature on interpersonal relationships. Research analyzing interpersonal attraction is considered to provide a suitable framework for describing buyer-seller relationships (Dwyer, Schurr, and Oh 1987). Simpson, Gangestad, and Lerma (1990) demonstrated that people in search of a romantic relationship find potential partners to be more attractive than do people already involved in romantic relationships. According to congruence theory, parties seek relationships with alternative partners whose attitudes and behaviors are the same (Gassenheimer, Davis, and Dahlstrom 1998). Analogously, we hypothesize that buyers who are relationship prone perceive sellers to be more relationship oriented than do buyers who are less relationship prone. Also Berry (1995) stated that buyers who are loyalty-prone hope to find a seller that will effectively meet their needs.

Consequently, we formulate the following hypothesis.

H₅: A higher level of buyer relationship proneness leads to a higher level of seller relationship orientation

5.2.3 Seller Relationship Orientation and Relationship Satisfaction

Conceptually, satisfaction and performance are closely related (Anderson and Narus 1984; Ganesan 1993; Gottlieb, Grewal, and Brown 1994; Lewis and Lambert 1991; Ruekert and Churchill 1984). Satisfaction is basically an affective response to an evaluation of perceived performance. Previous research has indicated that performance judgments play an important role in influencing satisfaction (Churchill and Surprenant 1982; Flint, Woodruff, and Gardial 1997; Wray, Palmer, and Bejou 1994).

Performance can be assessed at a product level (Oliver 1997; Peter and Olson 1996), a service level (Parasuraman, Zeithaml, and Berry 1985; Spreng and Mackoy 1996; Storbacka, Strandvik, and Grönroos 1994), and a relationship level (Anderson and Narus 1990; Crosby, Evans, and Cowles 1990; Dwyer and Oh 1987; Fournier 1998; Lagace, Dahlstrom, and Gassenheimer 1991; Smith and Barclay 1997). At a relationship level, relationship performance has been shown to predict important relationship outcomes such as relationship satisfaction (Anderson and Narus 1990; Bejou, Wray, and Ingram 1996; Fournier 1998; Ganesan 1993; Gwinner, Gremler, and Bitner 1998; Kelley and Thibaut 1978; Smith and Barclay 1997). Buyers tend to be more satisfied with sellers who make deliberate efforts towards these buyers (Leuthesser 1997; Mohr, Fisher, and Nevin 1996). Baker, Simpson, and Siguaw (1999) recently found empirical support for their hypothesis that the level of perceived seller market orientation, a construct that resembles seller relationship orientation, is positively associated with relationship satisfaction.

Consequently, as seller relationship orientation can be viewed as performance at the relationship level, we formulate the following hypothesis.

H₆: A higher level of seller relationship orientation leads to a higher level of relationship satisfaction

5.2.4 Seller Relationship Orientation and Relationship Commitment

The previous hypothesis proposed a relationship between seller relationship orientation and relationship satisfaction. In addition to this, several authors support an association between seller relationship orientation and relationship commitment. Dwyer, Schurr, and Oh (1987) suggested that high relational performance is necessary for commitment to occur. They stated that commitment is "... fueled by the ongoing benefits accruing to each partner" (Dwyer, Schurr, and Oh 1987, p. 19). In line with this, Bennett (1996) argued that the strength of a buyer's commitment depends on his perceptions of efforts made by the seller.

Several authors empirically investigated the relationship between relational performance, a construct that shows similarities to the construct of seller relationship orientation, and relationship commitment. Morgan and Hunt (1994) hypothesized that relationship benefits directly influence commitment. They assumed that if sellers deliver superior benefits, buyers will highly value these sellers, leading to commitment. However, they did not find support for this relationship. In a channel context, Anderson and Weitz (1992) found empirical support for the path from relationship-specific investments to commitment. Siguaw, Simpson, and Baker (1997) showed that distributors' perceptions of market-oriented efforts by suppliers result in a greater commitment to maintain the relationship. Gwinner, Gremler, and Bitner (1998) found that relationship benefits strengthen buyer-seller ties and result in relationship continuity. Biong and Selnes (1995) demonstrated that various salesperson behaviors affect buyers' motivations to continue the relationship. Finally, Baker, Simpson, and Siguaw (1999) recently found empirical support for their hypothesis that the level of perceived seller market orientation, a construct that resembles seller relationship orientation, is positively associated with buyer commitment.

Given the conceptual and empirical support mentioned above, we formulate the following hypothesis:

H₇: A higher level of seller relationship orientation leads to a higher level of relationship commitment

5.2.5 Buyer Relationship Proneness and Relationship Satisfaction

In 5.2.3, we posited that a buyer's satisfaction with a relationship is dependent upon the efforts made by the seller (seller relationship orientation). However, there are reasons to assume that satisfaction is not merely dependent upon a seller's actions. Shani and Chalasani (1992, p. 44) defined relationship marketing as an "effort to identify, build, and sustain a network of individual consumers, and the continuous strengthening of this network in the *advantage of both parties* by means of interactive, personal, and value-adding contacts during a long period" (italics added). Given the need of both parties to be satisfied with the relationship, the relationship proneness of a buyer might affect relationship satisfaction as well.

No attempts have been made yet to investigate the impact of buyer relationship proneness on relationship outcomes (Beatty et al. 1996; Ellis 1995). Despite the fact that buyer relationship proneness has never been operationalized and measured in empirical research, there are some indications that it plays an important role in affecting relationship satisfaction. Storbacka, Strandvik, and Grönroos (1994) stated that buyers who are interested in relationships perceive satisfaction with a relationship to be important. In our view, this statement could be interpreted in one of two ways. First, relationship prone buyers could be more difficult to satisfy as a result of a more critical attitude towards relationships with sellers. This view corresponds with Kalwani and Narayandas (1995) who stated that customers who are willing to engage in relationships are the most difficult to satisfy. Second, relationship prone buyers could be easier to satisfy as a result of a higher receptivity towards a seller's efforts aimed at enhancing the relationship. In line with the second explanation, our assumption is that people who find satisfaction more important, are easier to satisfy.

As a result, we posit the following hypothesis:

H₈: A higher level of buyer relationship proneness leads to a higher level of relationship satisfaction

5.2.6 Buyer Relationship Proneness and Relationship Commitment

In 5.2.4, we hypothesized that a buyer's commitment to a relationship is dependent upon seller relationship orientation. However, there are reasons to assume that commitment is not merely dependent upon the seller's actions. The relationship proneness of a buyer could influence relationship commitment as well. However, relatively little theoretical work exists that aims to explain why individual characteristics such as buyer relationship proneness should be related to commitment (Mathieu and Zajac 1990).

Individual characteristics have generally been considered as antecedents of commitment (Mathieu and Zajac 1990; Rylander, Strutton, and Pelton 1997). Individuals are generally committed to sellers that fulfill underlying needs of these individuals (Korgaonkar, Lund, and Price 1985; Mathieu and Zajac 1990). Storbacka, Strandvik, and Grönroos (1994) further indicated that a buyer's interest in relationships influences his level of commitment to a relationship in which the buyer is engaged.

Consequently, we posit that buyer relationship proneness and relationship commitment are positively related.

H₉: A higher level of buyer relationship proneness leads to a higher level of relationship commitment

5.2.7 Relationship Satisfaction and Trust

Several authors hypothesize a positive flow from relationship satisfaction to trust (Bendapudi and Berry 1997; Bennett 1996; Crosby, Evans, and Cowles 1990; Gruen 1995; Siguaw, Simpson, and Baker 1997; Tax, Brown, and Chandrashekaran 1998). Ganesan (1994) and Selnes (1998) found strong empirical support for the path from relationship satisfaction to trust. Moreover, Geyskens' (1998) meta-analysis revealed that relationship satisfaction significantly influences trust. However, other authors suggested a different causal ordering from trust to relationship satisfaction (Andaleeb 1996; Dahlstrom and Nygaard 1995; Doney and Cannon 1997; Ramsey and Sohi 1997; Smith and Barclay 1997).

Our research model posits a one-way causal flow from relationship satisfaction to trust. Our rationale for this is of a conceptual nature. Dwyer, Schurr, and Oh (1987) argued that satisfaction and trust are built during subsequent phases of relationship development, supporting a sequential satisfaction-trust relationship. Similarly, Selnes (1998) stated that trust refers to an aggregate evaluation that can be regarded as a result of relationship satisfaction.

Consequently, we hypothesize that satisfaction, developing in the shorter run and resulting from past exchanges, positively influences trust, developing in the longer run.

H_{10} : A higher level of relationship satisfaction leads to a higher level of trust

5.2.8 Trust and Relationship Commitment

As relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships, several authors indicate that trust positively affects relationship commitment (Beatty et al. 1996; Bendapudi and Berry 1997; Dwyer, Schurr, and Oh 1987; Fontenot and Wilson 1997; Gruen 1995; Gundlach and Murphy 1993; Hennig-Thurau and Klee 1997; Moorman, Desphandé, and Zaltman 1993; Ramsey and Sohi 1997; Schurr and Ozanne 1985). In addition to conceptual support for a trust-commitment relationship, strong empirical evidence exists for a positive path from trust to relationship commitment (Andaleeb 1996; Anderson and Weitz 1989; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Ganesan 1994; Geyskens et al.

1996; Macintosh and Lockshin 1997; Moorman, Zaltman, and Deshpandé 1992; Morgan and Hunt 1994).

Trust is hypothesized to affect relationship commitment as it is expected to generate the following benefits: (1) it reduces the perception of risk, (2) it increases the confidence of the buyer that short-term inequities will be resolved over a long period, and (3) it reduces the transaction costs in an exchange relationship (Andaleeb 1996; Ganesan 1994). These benefits should build attachment and create a desire to continue the relationship (Andaleeb 1996).

In her meta-analysis, Geyskens (1998) arrived at the conclusion that the trust-commitment relationship has been over-researched and that the findings related to it are almost unanimous. She stated that "if these relationships are empirically pursued in the future, it should be only to demonstrate that there may be some conditions under which these relationships do not hold" (Geyskens 1998, p. 99). Our main research objective is to measure the influence of seller relationship orientation on relationship outcomes. Since trust and relationship commitment are considered to be core relationship outcomes, their interrelationship is an essential component in any study on relationships. Moreover, this study is one of few studies investigating the relationship between trust and relationship commitment in a retail context. As in retail situations the trust-commitment relationship may not hold as a result of its typically lower level of uncertainty, we investigate the following hypothesis.

H_{II} : A higher level of trust leads to a higher level of relationship commitment

5.2.9 Relationship Commitment and Behavioral Loyalty

As indicated by the value-attitude-behavior hierarchy, it is commonly accepted that attitudes influence behavior (Engel, Blackwell, and Miniard 1995; Homer and Kahle 1988; Korgaonkar, Lund, and Price 1985; Peter and Olson 1996). Considerable conceptual and empirical evidence supports the notion that relationship commitment is the ultimate attitudinal outcome in relationships with causal precedence of relationship satisfaction and trust. While relationship satisfaction and trust develop in the relatively short term, relationship commitment develops in the longer run and is future oriented (Geyskens 1998). Relationship commitment refers to "a buyer's enduring desire to continue a relationship with a seller accompanied by his willingness to make efforts at maintaining it" (see 4.2.4.1). As a desire and willingness to act imply higher chances of actual behavior occurring, we assume that there exists a positive relationship between relationship commitment and behavioral loyalty.

Some support can be found in literature regarding this assumption. Several authors support the notion that relationship commitment motivates buyers to act (Gruen 1995; Hennig-Thurau and Klee 1997; Mathieu and Zajac 1990). Liljander and Strandvik (1993) concluded that commitment and behavioral loyalty are related concepts. Morgan and Hunt (1994) found significant relationships between the level of a buyer's relationship commitment and his acquiescence, propensity to leave, and cooperation, all of which can be regarded as behavioral outcomes of relationships. Several organizational commitment studies focused on intent to leave and turnover as primary behavioral

outcomes (Rylander, Strutton, and Pelton 1997). Moorman, Zaltman, and Desphandé (1992) suggested that buyers who are committed to a relationship may have a greater propensity to act because of their need to remain consistent with their commitment. Finally, Dick and Basu (1994) stated that the stronger relationship commitment, the more likely the buyer is to overcome potential obstacles in the buyer-seller relationship, resulting in repeat patronage.

Based on these insights, we formulate the following hypothesis:

H₁₂: A higher level of relationship commitment leads to a higher level of behavioral loyalty

5.3 Moderating Effects and Related Hypotheses

In figure 5-2, we visualize the moderating effects of buyer relationship proneness, seller relationship orientation, and product category involvement on the relationships from seller relationship orientation and buyer relationship proneness to relationship outcomes.

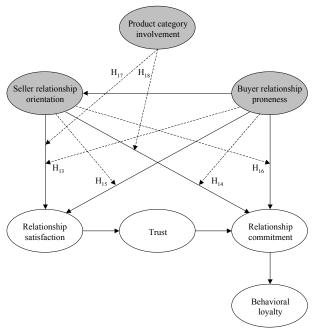


Figure 5-2: Moderating Effects in the Research Model

Geyskens (1998) recommended that future research should explore interactive patterns related to relationship satisfaction and relationship commitment. Christy, Oliver, and Penn (1996) presented the conceptual idea that some product markets are more likely to develop relationships than others. In this section, we discuss the influence of three moderator variables on the paths originating from seller relationship orientation and buyer relationship proneness to relationship satisfaction and relationship commitment. Hypothesized moderator variables are buyer relationship proneness (H₁₃)

and H_{14} in figure 5-2), seller relationship orientation (H_{15} and H_{16} in figure 5-2), and product category involvement (H_{17} and H_{18} in figure 5-2)².

First, we motivate why buyer relationship proneness and seller relationship orientation can act as moderators in our research model. From the perspective of a seller, directing efforts at buyers is not always considered to be a preferable strategy because not all types of buyers are prone to engage in relationships with sellers (Barnes 1995; Berry 1995; Christy, Oliver, and Penn 1996; Crosby, Evans, and Cowles 1990; Ellis 1995; Fournier 1998; Gwinner, Gremler, and Bitner 1998; Shani and Chalasani 1992). Consequently, the effects of seller relationship orientation on relationship outcomes can be moderated by buyers' proneness to engage in relationships with sellers (Sheth and Parvatiyar 1995b). Since misdirecting relationship marketing investments implies a waste of sellers' resources and may lead to disappointed buyers, more knowledge should be assembled on the moderating effects of buyer relationship proneness (Barnes 1995; Ganesan 1994; Krapfel, Salmond, and Spekman 1991). From the perspective of a buyer, it can similarly be argued that the effects of a buyer's relationship proneness are dependent upon the efforts made by the seller. Consequently, we suggest the following hypotheses:

H₁₃: A higher level of buyer relationship proneness strengthens the relationship from seller relationship orientation to relationship satisfaction

H₁₄: A higher level of buyer relationship proneness strengthens the relationship from seller relationship orientation to relationship commitment

 H_{15} : A higher level of seller relationship orientation strengthens the relationship from buyer relationship proneness to relationship satisfaction

 H_{16} : A higher level of seller relationship orientation strengthens the relationship from buyer relationship proneness to relationship commitment

Second, we discuss the moderating role of product category involvement. A high product category involvement of the buyer is expected to provide a stronger basis for enhancing the buyer-seller relationship (Christy, Oliver, and Penn 1996; Leuthesser 1997; Park and Choi 1998). Solomon et al. (1985) claimed that, in low involvement situations, the treatment of buyers as individuals will probably not pay, whereas in high involvement situations, they assume that buyers desire more personal treatment. Consequently, approaches by the seller, however well-intentioned, could be regarded by the buyer as undesirable in case the buyer's involvement level is low (Christy, Oliver, and Penn 1996). Consequently, we hypothesize that the effects of seller relationship orientation are moderated by product category involvement. The following hypotheses are suggested:

 H_{17} : A higher level of product category involvement strengthens the relationship from seller relationship orientation to relationship satisfaction

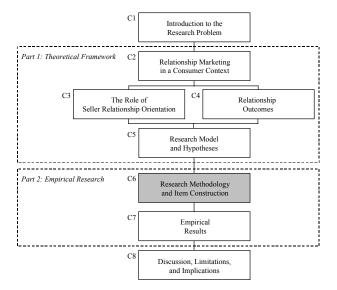
 H_{18} : A higher level of product category involvement strengthens the relationship from seller relationship orientation to relationship commitment

No moderating effects of product category involvement on the paths from buyer relationship proneness to relationship satisfaction and relationship commitment were estimated. The underlying reason for this is that both product category involvement and buyer relationship proneness refer to the same unit of analysis. In other words, one buyer exhibiting a certain level of buyer relationship proneness can only be characterized by one level of product category involvement.

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Chapter 6 Research Methodology and Item Construction



6.1 Introduction

This chapter is the link between the research model and related hypotheses described in the previous chapter and the empirical results outlined in the next chapter. Its purpose is to clarify and motivate the methodology used for evaluating the research hypotheses and to describe the process and results of item generation and testing. This chapter discusses the 'what', 'why', and 'how' questions related to methodological choices and their consequences in terms of the reliability and validity of the study. It does not yet discuss the performance of the measurement and structural models. These will be reported in the next chapter dealing with the study's empirical results.

In section 6.2, we provide justifications for collecting our data on basis of the mall-intercept personal interviewing method. Section 6.3 describes the process used to establish and initially test the items intended to measure each construct. Finally, in section 6.4, we discuss the development of our questionnaire.

6.2 Data Collection Method

The choice of an adequate data collection method should mainly be based on the type of research problem investigated (Kerlinger 1986). As a result, each of the choices made in this section will be evaluated in light of the specific problem investigated in this study. Figure 6-1 indicates which choices we made at various decision levels related to the data collection method. At each level, the option we selected, is shaded.

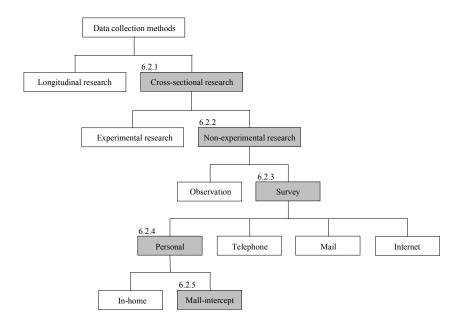


Figure 6-1: Selection of Data Collection Method

6.2.1 Cross-Sectional Research

Research can either be cross-sectional or longitudinal. In this study, we apply a cross-sectional design. Cross-sectional research involves "the collection of information from any given sample of population elements only once" (Malhotra 1996, p. 92). Longitudinal research on the other hand provides an in-depth view of the situation and the changes that take place over time (Dillon, Madden, and Firtle 1990/1993; Green, Tull, and Albaum 1988; Malhotra 1996). Scholars recognize that representative sampling and response biases are serious problems of longitudinal research (Churchill 1995; Malhotra 1996; Parasuraman 1991). In longitudinal research, the cooperation of panels is required. Respondents' refusal to cooperate, panel mortality, and payment of panel members increase the lack of representative sampling. Furthermore, response bias is increased as a result of the fact that panel members more consciously perform the investigated behaviors and that new panel members tend to increase the investigated behavior (Churchill 1995; Malhotra 1996; Parasuraman 1991). Finally, longitudinal research implicitly requires long data collection periods. Based on these arguments and the objective of our study, a cross-sectional research is considered to be adequate in order to provide the required information in a valid and representative way.

6.2.2 Non-Experimental Research

In this study, we use a non-experimental as opposed to an experimental research method. Kerlinger (1986, p. 348) defined non-experimental research as "systematic, empirical inquiry in which the scientist does not have direct control of independent variables because their manifestations have already occurred or because they are inherently not manipulable". While experimental research

generally allows obtaining high levels of internal validity as a result of the possibility to control, randomly assign, and manipulate, its lower external validity and artificiality are considered to be weaker elements (Churchill 1995; Cook and Campbell 1979; Dillon, Madden, and Firtle 1990; Kerlinger 1986; Malhotra 1996). As this study aims at generating generalizable results for a wide variety of retail situations, external validity is an important, additional evaluation criterion. Consequently, the use of non-experimental research is suitable for our purpose.

6.2.3 Survey Research

Non-experimental research designs can consist of observation as well as survey methods of data collection (Churchill 1995; Dillon, Madden, and Firtle 1990; Kerlinger 1986; Malhotra 1996). In this study, we opt for survey research. Malhotra (1996, p. 130) defined surveys as "interviews with a large number of respondents using a pre-designed questionnaire". While behavior can adequately be assessed by means of observation, the reasons underlying these behaviors can hardly be uncovered through observational methods (Dillon, Madden, and Firtle 1990; Parasuraman 1991; Weiers 1988). Given this study's focus on attitudes and other perceptual data, observational research methods are not useful in the context of this study. Moreover, observational methods can lead to biases resulting from researchers' subjectivity related to interpreting observed behavior (Churchill 1995; Malhotra 1996; Parasuraman 1991; Weiers 1988). This is an additional argument for selecting survey research methods. Concluding, we consider the survey method as the most suitable method to collect our data.

6.2.4 Personal Interviewing

Survey methods are generally classified into mail, internet, telephone, and personal surveys. In this study, we apply personal surveys in order to gather the required data. A personal interview is generally defined as "a questionnaire administration method in which the interviewer and respondent have face-to-face contact" (Parasuraman 1991, p. 229). Table 6-1 gives an overview of the main advantages and disadvantages of the major survey methods. Positive and negative signs indicate the extent to which a specific method generates advantages respectively disadvantages from a methodological point of view.

According to Kerlinger (1986, p. 379), the personal interview "far overshadows the others as perhaps the most powerful and useful tool of social scientific survey research". This is similarly reflected in table 6-1 that indicates the relative superiority of personal interviews. Personal interviews outperform mail, internet, and telephone surveys on nearly all criteria, except for interviewer control and bias, cost, and social desirability bias. We made several efforts in order to overcome these potential weaknesses. First, interviewer control was enhanced by carefully selecting interviewers and regularly checking up on them during their interviewing task. Second, intensive interviewer briefing and training prior to the data collection were aimed at reducing potential interviewer bias (Parasuraman 1991). Moreover, the use of structured questionnaires that included detailed respondent instructions automatically diminished the risk of interviewer bias (De Pelsmacker and Van Kenhove 1994). Further, interviewers were not aware of the underlying

Table 6-1: Evaluative Comparison of Survey Methods

Criteria	Mail / Internet		Telephone	Personal	
	Direct	Panels		In-home	Mall-intercept
Sample characteristics					
Sample representativeness		-	+	++	+
Control characteristics					
Control of environment			+	+	++
Interviewer control	++	++	+		-
Data characteristics					
Data quantity	+	+	-	++	+
Data diversity			-	++	++
Data completeness	-	-	++	++	++
Opportunity for clarification	-	-	+	++	++
Interviewer bias	++	++	+		-
Non-response bias		+	+	++	++
Social desirability bias	++	++	+		
Order effect bias			+	+	+
Process characteristics					
Flexibility			+	++	++
Speed	/+	-/+	++	+	++
Cost	++	+	-		-

Source:

Adapted from (1) Churchill, Gilbert A. (1995), Marketing Research Methodological Foundations. Fort Worth: The Dryden Press, (2) De Pelsmacker, Patrick and Patrick Van Kenhove (1994), Marktonderzoek. Methoden en Toepassingen. Leuven/Apeldoorn: Garant, (3) Dillon, William R., Thomas J. Madden, and Neil H. Firtle (1990), Marketing Research in a Marketing Environment. Homewood/Boston: Irwin, (4) Dillon, William R., Thomas J. Madden, and Neil H. Firtle (1993), Essentials of Marketing Research. Homewood/Boston: Irwin, (5) Green, Paul E., Donald S. Tull, and Gerald Albaum (1988), Research for Marketing Decisions. Englewood Cliffs, NJ: Prentice Hall, (6) Malhotra, Naresh K. (1996), Marketing Research an Applied Orientation. Upper Saddle River, New Jersey: Prentice Hall, (7) Parasuraman, A. (1991), Marketing Research. Reading, Massachusets et al.: Addison-Wesley, (8) Peelen, Ed, Harry Commandeur, Erik Jan Hultink, and Richard van Pelt (1996), Multimedia in de Marketingstrategie. Bunnik: F&G Publishing, and (9) Yu, Julie and Harris Cooper (1983), "A Quantitative Review of Research Design Effects on Response Rates to Questionnaires," Journal of Marketing Research, 20 (February), 36-44.

hypotheses of the study and could therefore not consciously bias the responses. Finally, we tried to avoid social desirability bias by training interviewers to keep the difficult balance between offering sufficient personal assistance to respondents and reading over respondents' shoulders (Dillon, Madden, and Firtle 1993).

6.2.5 Mall-Intercept Interviewing

Personal surveys can be classified into personal interviewing at home and mall-intercept personal interviewing (De Pelsmacker and Van Kenhove 1994; Dillon, Madden, and Firtle 1990/1993; Parasuraman 1991). In this study, we regard mall-intercept interviewing as the most suitable method for collecting our data. A mall-intercept personal interview involves "a central-location test facility at a shopping mall where respondents are intercepted while they are shopping" (Dillen, Madden, and Firtle 1990, p. 198). Table 6-1 compares mall-intercept personal interviewing with in-home personal interviewing. Mall-intercept interviewing is generally considered to lead to lower levels of

sample representativeness and lower possibilities of collecting large amounts of data as opposed to in-home personal interviewing. Nevertheless, it outperforms in-home interviewing with respect to control over the environment, interviewer bias, cost, and speed (Dillon, Madden, and Firtle 1990/1993; Malhotra 1996). We made efforts to increase sample representativeness by imposing strict quota with respect to age, gender, interviewing time-of-the-day, and interviewing day-of-the-week (Dillon, Madden, and Firtle 1993). In addition, as the study's objectives are store-related, a shopping mall consisting of a large number of stores can be considered as a suitable environment for collecting data, stimulating sample representativeness. Moreover, our study does not require large amounts of questions. A typical interview only takes about ten minutes, which is considered to be within acceptable margins of mall-intercept interviewing length (Dillon, Madden, and Firtle 1990/1993).

Concluding, our data collection involves the use of non-experimental research based upon mall-intercept personal surveys on a cross-sectional basis.

6.3 Item Generation and Testing

In this section, we discuss the methods used for generating and testing scale items. Our procedure is based upon accepted methods of scale development in consumer research (Churchill 1979; DeVellis 1991). Figure 6-2 visually describes the various steps that were taken.

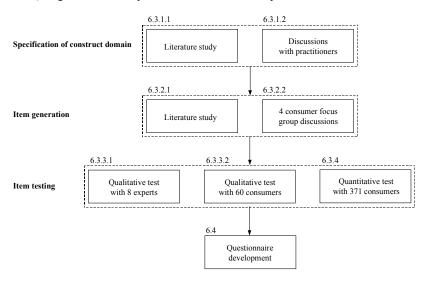


Figure 6-2: Overview of Item generation, Testing, and Questionnaire Development

6.3.1 Specification of Construct Domain

6.3.1.1 Literature Study

An electronic database was set up consisting of detailed bibliographic information on books, articles published in scientific journals, and articles published in conference proceedings. As the nature of our study required a cross-disciplinary approach, this literature review was related to various research fields such as channel marketing (e.g. Anderson and Weitz 1992; Geyskens et al. 1996), consumer marketing (e.g. Babin, Darden, and Griffin 1994; Fournier 1998), organization theory (e.g. Mathieu and Zajac 1990; Mowday 1991), relationship marketing (e.g. Dwyer, Schurr, and Oh 1987; Morgan and Hunt 1994), retail marketing (e.g. Beatty et al. 1996; Shim and Easlick 1998), services marketing (e.g. Cronin and Taylor 1992; Parasuraman, Zeithaml, and Berry 1985), and social psychology (e.g. Fehr 1988; Wish, Deutsch, and Kaplan 1976).

First, we scanned these information sources for the presence of constructs that are of interest to our study. Second, sources containing these constructs were examined on construct conceptualization and delineation. This examination of literature resulted in valuable insights related to definitions of and interrelationships between constructs. The results of this literature study were discussed in chapters three and four dealing with the constructs of seller relationship orientation, buyer relationship proneness, product category involvement, and relationship outcomes.

6.3.1.2 Discussions with Practitioners

The literature study was further complemented by several, detailed discussions with three representatives of the Dutch Retail Federation. Topics that were discussed centered on the factors that potentially influence buyer loyalty in retail environments. We applied brainstorming techniques in order to generate as much ideas as possible (De Pelsmacker and Van Kenhove 1994; de Ruyter and Scholl 1995). This was helpful in defining the construct domain, led to practical recommendations concerning data collection, and provided the basis for item generation.

6.3.2 Item Generation

6.3.2.1 Literature Study

The literature study mentioned in 6.3.1.1 also served as a basis for drawing a comprehensive picture of existing measurement scales for each of the constructs examined. Handbooks of marketing scales (e.g. Bearden, Netemeyer, and Mobley 1993; Bruner and Hensel 1992) were consulted for the same purpose. This led to the conclusion that measurement scales for some constructs were not available and, consequently, had to be developed for the purpose of our study. Measurement scales for other constructs were available, but had to be adapted in order to suit a retail environment. In table 6-2, we indicate the sources that were used as input in order to generate items for measuring the constructs in this study.

Table 6-2: Sources for Construct Measurement

Construct	Number of items	Source
Communication	5	Morgan and Hunt 1994
Differentiation	5	Gwinner, Gremler, and Bitner 1998
Personalization	5	Mittal and Lassar 1996
Rewarding	5	Developed for this study
Seller relationship orientation	6	Developed for this study
Buyer relationship proneness	6	Developed for this study
Relationship satisfaction	6	Anderson and Narus 1984; Frazier, Gill, and Kale 1989;
		Gottlieb, Grewal, and Brown 1994; Kumar, Stern, and
		Achrol 1992; Ping 1993/1997; Scheer and Stern 1992;
		Smith and Barclay 1997; Wray, Palmer, and Bejou 1994
Trust	4	Dahlstrom and Nygaard 1995; Doney and Cannon 1997;
		Ganesan 1996; Geyskens et al. 1996; Kumar, Scheer, and
		Steenkamp 1995a; Moorman, Zaltman, and Desphandé
		1992; Morgan and Hunt 1994; Scheer and Stern 1992;
		Wray, Palmer, and Bejou 1994
Relationship commitment	4	Ganesan 1993; Mohr, Fisher, and Nevin 1996; Morgan
		and Hunt 1994; Siguaw, Simpson, and Baker 1998
Behavioral loyalty	3	Sirohi, MacLaughlin, and Wittink 1998
Product category involvement	3	Laurent and Kapferer 1985; Zaichkowsky 1985
Total	52	·

6.3.2.2 Consumer Focus Group Discussions

Focus group discussions were held as an additional source of inspiration for generating items. A focus group discussion involves "an objective discussion leader or moderator who introduces a topic to a group of respondents and directs their discussion of it in a nonstructured and natural fashion" (Parasuraman 1991, p. 256). Focus group discussions are typically the first step in a research process and have proved to be productive for generating information helpful in structuring questionnaires (Churchill 1995; De Pelsmacker and Van Kenhove 1994; Dillon, Madden, and Firtle 1990). The objective of the focus group discussions was to learn more about the wording consumers use to describe the constructs of seller relationship orientation and buyer relationship proneness and to generate insights into the types of relationship efforts consumers distinguish.

Four consumer focus group discussions were organized dealing with customer loyalty to apparel stores as the main topic of discussion. The research sample for the focus groups consisted of customers of a medium-sized Belgian retail clothing chain. This clothing chain provided us with a database containing detailed information on the purchasing history of its customers. Customers were split into high- versus low-loyalty¹ groups on basis of their purchasing pattern during the last five seasons (a season comprised six months). High-loyalty customers did a purchase during each of the last five seasons. Low-loyalty customers only did a purchase during the first two seasons. While there is no scientific basis for determining optimal focus group size, typical sizes vary between six to twelve people (De Pelsmacker and Van Kenhove 1994; de Ruyter and Scholl 1995; Dillon, Madden, and Firtle 1990/1993). 30 participants equally spread across age, gender, and level of loyalty towards the clothing chain were recruited by telephone. As focus groups must be as

Loyalty refers to behavioral loyalty. However, it differs from the way in which behavioral loyalty is operationalized in chapter four (4.3.1) as only database information on purchasing behavior was available.

homogeneous as possible with respect to demographic and socioeconomic characteristics (Churchill 1995; Dillon, Madden, and Firtle 1993; Parasuraman 1991), we split these participants into four homogeneous groups. Eventually, a total number of 23 participants showed up in four focus group discussions: seven women disloyal to the clothing chain, seven women loyal to the clothing chain, five men disloyal to the clothing chain, and four men loyal to the clothing chain. Care was taken to ensure that participants did not cooperate in focus groups before, avoiding the problem of so-called 'professional respondents' (Parasuraman 1991). Each participant received a monetary incentive in return for his cooperation. Relatively more women were recruited (60%) than men (40%) based upon the commonly accepted assumption that shopping for clothing is primarily a women activity (Kline and Wagner 1994).

A typical focus group discussion lasts between one and a half and two hours (Churchill 1995; Parasuraman 1991). This corresponds with the duration of our focus group discussions. Moderators were completely familiar with the study's objectives and background, which was supposed to stimulate successful group discussions (Churchill 1995; de Ruyter and Scholl 1995; Parasuraman 1991). Moreover, it is generally recognized that creating a positive and friendly atmosphere helps to build effective group discussions (Parasuraman 1991). In our focus groups, we ensured that participants felt comfortable with one another during the discussion procedure and served some light refreshments before and during the session for this purpose. Participants were first asked to talk about their own behavior with respect to shopping for casual clothing. Second, we applied a direct questioning technique in order to acquire knowledge on participants' feelings towards seller relationship orientation and their own relationship proneness. Finally, as participants might not be willing to reveal their true perceptions and attitudes, we used two projective techniques during the remainder of the discussion. Participants' first exercise consisted of providing a detailed description (e.g. housing, environmental conditions, infrastructure, cars, and characteristics of inhabitants) of two hypothetical countries each differing with respect to the presence of relationship oriented sellers. These descriptions were used as input for understanding the concept of seller relationship orientation. The second exercise involved a photo-sort. We asked participants to select two photos from a set of photos: one photo of which participants assumed the person on the photo to be relationship prone and one photo of which participants assumed the person on the photo not to be relationship prone. Male focus groups evaluated male photos, female focus groups evaluated female photos. We asked participants to describe the behavior and feelings of both persons selected. We probed participants with respect to their thoughts and feelings about seller relationship orientation and buyer relationship proneness. We recorded all focus group discussions for subsequent replay, transcription, and analysis.

Two experts independently analyzed the transcribed discussions by classifying related ideas and terms into distinct categories. Discrepancies in interpretation between both experts were solved on basis of in-depth bilateral discussions. The focus groups demonstrated that seller relationship orientation can be stimulated by various types of efforts a seller can make to enhance his relationship with buyers. Four types of relationship efforts were mentioned by participants when talking about sellers' efforts aimed at enhancing relationship outcomes: communication, differentiation, personalization, and rewarding. These efforts were described in chapter three. Moreover, we were able to get a better insight into the vocabulary that consumers use to talk about a

seller's relationship orientation and to describe their own relationship proneness. This knowledge was helpful in directing item generation.

6.3.2.3 Measurement Format of Items

The next step was to decide on the format of individual items. While self-report techniques for attitude assessment are most widely used in marketing research, researchers use different types of response scales (Churchill 1995). In this study, we selected the Likert scale for measuring items². We first explain our choice for the Likert scale, followed by the reasons underlying the specific format of the scale.

The use of a Likert scale implies asking respondents to indicate e.g. a degree of agreement or disagreement with a (series of) statement(s). This scale is regarded as an itemized rating scale because each category of the scale is numbered and/or briefly described (Churchill 1995; Malhotra 1996). The Likert scale is one of the most widely used attitude scaling techniques (Malhotra 1996). Its main strength is that it allows respondents to express the intensity of their feelings (Churchill 1995; DeVellis 1991). Moreover, its ease of construction and the simplicity of respondent directions are regarded as true advantages of the scale (Malhotra 1996). While the output from a pure technical standpoint is no stronger than an ordinal scale, the Likert scale is routinely treated at an interval level (De Pelsmacker and Van Kenhove 1994; Kerlinger 1986; Malhotra 1996; Weiers 1988).

The specific format of our Likert scale was characterized by: (1) an odd number of response options, (2) a total number of seven response options, (3) balanced response options, (4) a forced choice of response options, (5) accompanying labels for each response option, (6) blank boxes as choice indicators, and (7) only positive item formulations.

(1) Odd or even number of response options

According to Malhotra (1996), the Likert scale consists by definition of an odd number of response options. If at least some of the respondents can reveal neutral responses, these respondents should be given the opportunity to express their neutrality (DeVellis 1991; Dillon, Madden, and Firtle 1993; Malhotra 1996; Weiers 1988). Since we expect that respondents can feel neutral about the statements included in our study, we opted for an odd number of response options including a neutral position.

(2) Number of response options

Traditional guidelines suggest using seven plus or minus two categories of response options (Dillon, Madden, and Firtle 1990; Parasuraman 1991; Weiers 1988). We selected a seven-point scale in our study. First, Churchill and Peter (1984) found empirical evidence for their hypothesis that there exists a positive relationship between the number of scale points and scale reliability. The larger the number of response options, the finer respondents can be discriminated from each other (Churchill and Peter 1984; Dillon, Madden, and Firtle 1990; Malhotra 1996; Martin 1978; Parasuraman 1991; Weiers 1988). The underlying reason for this is that a larger

As the behavioral loyalty construct could not be measured on basis of a Likert scale, it was measured as a multiitem construct consisting of comparative as well as non-comparative scale items. number of scale points leads to larger variances, resulting in increased reliability (DeVellis 1991; Nunnally 1978; Nunnally and Bernstein 1994). Second, the level of sophistication of intended data analysis techniques similarly influences the optimal number of categories. It is generally acknowledged that, if sophisticated statistical techniques will be used, seven or more categories are required (Malhotra 1996). As advanced statistical analyses will be carried out in this study, we could not accept a five-point scale. Finally, as it is generally recognized that respondents have difficulties answering nine-point scales due to cognitive limitations (Churchill and Peter 1984; Malhotra 1996; Weiers 1988), we opted for a seven-point scale in our study.

(3) Balanced or unbalanced response options

This choice is related to the balance between the number of favorable and unfavorable response options (De Pelsmacker and Van Kenhove 1994; Green, Tull, and Albaum 1988; Weiers 1988). It is generally agreed upon that a Likert scale should be balanced in order to reduce response bias (Malhotra 1996; Parasuraman 1991). As a result, the Likert scale we use is of a balanced nature.

(4) Forced or non-forced choice of response options

A forced scale is defined as a scale "that forces respondents to express an opinion because a 'no opinion' or 'no knowledge' option is not provided" (Malhotra 1996, p. 299). In situations where respondents can be expected to have an opinion about the topic under investigation, a forced scale discloses the largest amount of information (Dillon, Madden, and Firtle 1993; Malhotra 1996; Weiers 1988). We included two 'filter questions' (Malhotra 1996) in order to ensure that respondents possessed the necessary information for having an opinion about all statements. First, we only selected respondents who indicated that they buy clothing (or food) themselves. Second, in order to make sure that respondents could provide store-specific information, we only included those respondents who perceived themselves as being a regular customer of that store. As a result, we opted for forced response options.

(5) Labels of response options

A fifth decision was related to labels accompanying scale categories. First, it is generally agreed upon that the more response options are accompanied by labels, the less ambiguous the resulting scale will be. As a result, we provided category labels for every single response option. Second, verbal category descriptions are recognized to ensure that each respondent is operating from the same base (Dillon, Madden, and Firtle 1993). Consequently, verbal descriptions are used in this study. Third, verbal descriptions were accompanied by numerical designations, which enhances the soundness of treating the results as interval-scaled data (Weiers 1988). Finally, in order to be effective, category descriptions should be located as close to the categories as possible (Malhotra 1996). Therefore, we located labels immediately above the scale categories.

(6) Choice indicators

This decision concerns the way in which respondents can indicate their choices on the scale. Either circling numbers or ticking blank boxes can be used as choice indicators. As we expected that respondents might perceive higher numbers as representing more favorable answers (Malhotra 1996), we decided to use blank boxes.

(7) Positive versus negative formulations

It is generally recognized that alternating between positively and negatively worded items is a good practice in order to reduce potential halo-effects. However, there may be a price to pay for including both positively and negatively worded items (Babakus and Boller 1991; Carman 1990; DeVellis 1991). In their refinement and reassessment of the SERVQUAL scale, Parasuraman, Zeithaml, and Berry (1991) discovered that using negatively worded items may be troublesome for several reasons. First, the standard deviation of negatively worded items was consistently higher than of positively worded items. According to them, this implies that respondents may have been confused by negatively worded items. Second, negatively worded items are perceived to be more awkward and less meaningful than positively worded items. Finally, the Cronbach alpha coefficients of constructs in which negatively worded items were included, were consistently lower. Consequently, these authors decided to use only positively worded items in their final questionnaire. In line with them, we included only positively worded items in our survey.

6.3.3 Qualitative Item Testing

It is generally recognized that data collection should never begin without an adequate pre-test of the content and physical appearance of items (Churchill 1995; De Pelsmacker and Van Kenhove 1994; Dillon, Madden, and Firtle 1993; Malhotra 1996). Item pre-testing is considered as testing items on a small sample for the purpose of improving these items by identifying and eliminating potential problems (Malhotra 1996). This section illustrates in which way our items were tested in a qualitative way. First, we discuss the pre-test with experts (6.3.3.1). Second, we describe the pre-test with consumers (6.3.3.2).

6.3.3.1 Pre-Test with Experts

A group of expert judges qualitatively tested the scale items on their discriminant and content validity. This group consisted of four scholars and four practitioners who were familiar with the objective of our study. Experts were provided with a written questionnaire including the definitions of four relationship efforts (communication, differentiation, personalization, and rewarding) and a list of items intended to measure each of these efforts. Each of the experts was asked to attribute each item to the most appropriate effort(s) and to provide remarks related to the comprehension and readability of each item.

First, the proportion of items 'correctly' attributed to underlying efforts was supposed to be indicative of discriminant validity between the various relationship efforts. Discriminant validity can be defined as "the extent to which a measure does not correlate with other constructs from which it is supposed to differ" (Malhotra 1996, p. 307). Parasuraman, Zeithaml, and Berry (1991, p. 443) referred to the weaknesses of traditional discriminant validity test methods by stating that "if customers happen to rate XYZ the same or even similarly on these items, it does not necessarily mean that customers consider the items to be part of the same dimension. Yet, because of high intercorrelations among the three sets of ratings, the items are likely to load on the same factor when the ratings are factor analyzed". According to them, a complementary alternative for assessing

discriminant validity between items is to let respondents directly attribute items to dimensions. In case experts attributed items to the 'wrong' relationship effort or to more than one relationship effort, items were reformulated or deleted.

Second, the pattern of correct and incorrect attributions can reveal potentially confusing items that decrease content validity. Moreover, experts' remarks related to the comprehension and readability of each item were expected to enhance content validity. Content validity is "a type of validity, sometimes called face validity, that consists of a subjective but systematic evaluation of the representativeness of the content of a scale for the measuring task at hand" (Malhotra 1996, p. 306). The content validity of a measurement scale is the extent to which the individual items are matched to the measuring task (Green, Tull, and Albaum 1988). Assessing a scale's content validity is necessarily qualitative rather than quantitative. It involves examining the thoroughness with which the construct was explicated and the extent to which the scale items represent the construct's domain (Parasuraman, Zeithaml, and Berry 1988). Many scholars measure content validity on basis of personal judgments of experts in the field (De Pelsmacker and Van Kenhove 1994; Green, Tull, and Albaum 1988; Kerlinger 1986; Malhotra 1996; Weiers 1988). Because of the subjective nature of assessing content validity, it is hard to assume a measure will be valid on this basis only. However, it is commonly used in the design stage of instrument development as the judgment of experts is often a source of constructive input and suggestions (Weiers 1988).

6.3.3.2 Pre-Test with Consumers

Consumers pre-tested items with respect to layout, item sequence, item wording, and item difficulty. Care was taken that tested consumers were similar to those included in the final data collection in terms of age, gender, and familiarity with the topic (Dillon, Madden, and Firtle 1990/1993; Green, Tull, and Albaum 1988; Malhotra 1996; Parasuraman 1991).

Twelve interviewers were carefully briefed and instructed to pre-test the items by conducting personal in-home interviews with a group of consumers equally spread across age, gender, and country (Belgium and the Netherlands). This resulted in a pre-test sample of 60 consumers. Respondents were asked to complete the questionnaire after which they were asked to describe the meaning of each question, to explain their answer, and to state any problems they encountered while answering questions. This technique is referred to as the 'debriefing' procedure (Dillon, Madden, and Firtle 1993; Malhotra 1996). Moreover, respondents were asked to comment upon item sequence and layout. Interviewers prepared written reports in which they described the major problems encountered. On basis of these reports, interviewers and researchers jointly discussed potential improvements of the items.

Expert as well as consumer pre-tests lead to considerable adaptations of item wording, sequence, and layout. Based upon the literature study, the focus group discussions with consumers, and both pre-tests, an initial pool of items presented in table 6-3 was formulated.

Table 6-3: Item Formulations

Construct	Item	Statement/Question
Communication	1	This store often sends mailings to regular customers
	2	This store regularly sends mailings to regular customers
	3	This store keeps regular customers informed through mailings
	4	This store often informs regular customers through brochures
	5	This store often sends information about "what's new" to regular customers
Differentiation	1	This store waits more quickly on regular customers as opposed to non-regular
	_	customers
	2	This store treats regular customers differently from non-regular customers
	3	This store makes a greater effort for regular customers than for non-regular
		customers
	4	This store offers better service to regular customers than to non-regular customers
	5	This store does more for regular customers than for non-regular customers
Personalization	1	This store takes the time to personally get to know regular customers
1 CISOHUHZUUOH	2	This store often holds personal conversations with regular customers
	3	This store often inquires about the personal welfare of regular customers
	4	This store makes an effort to approach regular customers personally
	5	This store gives regular customers personal attention
Rewarding	1	This store rewards regular customers for their patronage
Rewarding	2	This store offers regular customers a small present for their patronage
	3	This store offers regular customers something extra because they keep buying there
	4	This store offers discounts to regular customers for their patronage
	5	This store shows gratitude to regular customers for their patronage by offering them
	3	gifts
Seller relationship	1	This store makes efforts to keep regular customers
orientation	2	This store makes an effort to increase regular customers' loyalty
orientation	3	This store makes an effort to maintain a long-term tie with regular customers
	4	This store undertakes various actions to keep holding on to regular customers
	5	This store makes various efforts to improve its tie with regular customers
	6	This store really cares about keeping regular customers
Buyer relationship	1	Generally, I am someone who likes to have a special tie with an apparel store
proneness	2	Generally, I am someone who likes to be a regular customer of an apparel store
proneness	3	,
	3	Generally, I am someone who wants to be a steady customer of the same apparel
	4	store
	5	Generally, I am someone who enjoys having a close tie with an apparel store Generally, I am someone who is willing to "go the extra mile" to purchase at the
	3	
	6	same apparel store Generally, I am someone who tends to buy in the same apparel store
D -1-4:1-:	1	This store provides me with the kind of relation I am looking for with an apparel
Relationship satisfaction	1	store
Satisfaction	2	
	2 3	I am satisfied with the way this store treats me as a regular customer
	4	My experiences as a regular customer of this store are positive
	5	As a regular customer, I have a high quality relation with this store I am happy with the efforts this store is making towards a regular customer like me
	6	
Tmat	1	I am satisfied with the relation I have with this store This store gives me a feeling of trust
Trust		
	2 3	I have trust in this store
		This store gives me a trustworthy impression
D. I. (' 1.'	4	I can count on this store
Relationship	1	I consider myself a regular customer of this store
commitment	2	I am willing to "go the extra mile" to remain a customer of this store
	3	I feel loyal towards this store
	4	Even if this store would be more difficult to reach, I would still keep buying there

Table 6-3: Item Formulations (continued)

Construct	Item	Statement/Question
Behavioral loyalty	1	What percentage of your total expenditures for clothing do you spend in this store?
	2	Of the 10 times that you select a store to buy clothes at, how many times do you select this store?
	3	How often do you buy clothes in this store compared to other stores where you buy clothes?
Product category	1	Generally, I am someone who finds it important what clothes he or she buys
involvement	2	Generally, I am someone who is interested in the kind of clothing he or she buys
	3	Generally, I am someone for whom it means a lot what clothes he or she buys

6.3.4 Quantitative Item Testing

This section discusses how scale items were tested on a quantitative basis.

6.3.4.1 Sampling Method and Sample Size

Sampling methods can be classified into probability and nonprobability sampling (Churchill 1995; Green, Tull, and Albaum 1988; Malhotra 1996; Parasuraman 1991). Figure 6-3 displays the major sampling methods available. In this study, a quota sampling method was used in order to generate the samples necessary for quantitatively testing the scale items. Below, we motivate our choice for the quota sampling method and further comment upon three main decisions related to its use.

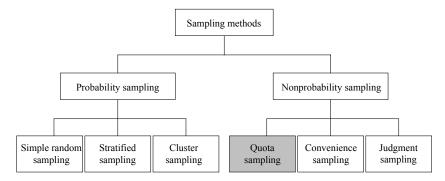


Figure 6-3: Types of Sampling Methods

While it is generally recognized that nonprobability sampling is inferior to probability sampling with respect to statistical precision and generalizability (Dillon, Madden, and Firtle 1990; Parasuraman 1991), probability sampling was not deemed to be a feasible option in this study. As already stated, our population consists of shopping mall visitors who buy clothing (food) themselves. Moreover, respondents were only allowed to report on stores of which they are regular customers. As a result, no prior knowledge on population units was available, preventing the use of probability sampling methods (Parasuraman 1991).

Nonprobability sampling methods are generally divided into convenience, judgment, and quota sampling techniques. In our opinion, quota sampling is the most suitable sampling procedure from

the perspective of our study's research objectives. Quota sampling is defined as "a nonprobability-sampling procedure in which (1) the population is divided into cells on the basis of relevant control characteristics, (2) a quota of sample units is established for each cell, and (3) interviewers are asked to fill the quotas assigned to the various cells" (Parasuraman 1991, p. 548). Given its characteristic of controlling the composition of the sample, quota sampling is considered to be the most refined form of nonprobability sampling (Parasuraman 1991). Several authors even argue that, under certain conditions, quota sampling obtains results that are close to those of the probabilistic stratified-random-sampling procedure (De Pelsmacker and Van Kenhove 1994; Malhotra 1996; Parasuraman 1991). However, sample representativeness can decrease as a result of the omission of important quota criteria and the biases that may occur as a result of interviewers' subjective selection of respondents (Churchill 1995). We made maximal efforts in order to avoid these potential biases (see below). Below, we describe the way in which we composed our quota samples, aimed at maximally avoiding potential biases.

(1) Division of research population in cells based upon control characteristics

A recognized benefit of quota samples is that their representativeness can be enhanced by controlling for several relevant population characteristics at once (Parasuraman 1991). In this study, visitors were divided into cells based upon five quota characteristics: age (18 to 25 years, 26 to 40 years, 41 to 55 years, and older than 55 years), gender (female and male), interviewing time-of-the-day (morning, early afternoon, and late afternoon), interviewing day-of-the-week (Wednesday, Friday, and Saturday), and allocated share-of-wallet for the store (0-20%, 21-40%, 41-60%, 61-80%, and 81-100%). As these quota are generally considered to influence attitudes and behavior towards shopping (Bellenger and Korgaonkar 1980; Carman 1970; Gutman and Mills 1982), they were relevant for the objectives of our study.

The procedure used for filling the required quota was as follows. Within time-of-the-day, dayof-the-week, and gender quota, interviewers judged mall visitors' ages. If a visitor was expected to fit the required age criterion, interviewers approached this visitor. Across our samples, an average of 37% of the persons who were approached, participated. In case a visitor was willing to participate, a filter question related to buying in the product category was asked first. If respondents passed the filter, they were asked to indicate in which five stores they usually buy casual clothing (or food). Next, respondents indicated (1) their share-of-wallet for each store they listed (measured as a continuous scale from 0% to 100%) and (2) the extent to which they felt being a regular customer of each store (measured on a noncomparative rating scale from 1 to 7). Respondents were split into groups according to the store they needed to provide information about³. Respondents were divided between five share-of-wallet levels (0-20%, 21-40%, 41-60%, 61-80%, and 81-100%) with the objective of approximating a normal distribution for the shareof-wallet variable. In line with Gwinner, Gremler, and Bitner (1998), only those stores were included for which respondents indicated 'more or less', 'probably yes', 'certainly yes', and 'most definitely yes' to the question 'to what extent do you consider yourself a regular customer of this store?' in order to make sure that respondents were able to provide valid and reliable

This was done in order to achieve maximal spread in the values of behavioral loyalty, thereby enhancing detection of significant relationships between variables.

information on attitudes towards stores. Respondents were then asked to respond to the remaining questions focusing on that particular store.

(2) Number of sample units in each cell

Sample units were spread across countries and product categories (Belgium clothing N=90, Belgium food N=85, the Netherlands clothing N=92, the Netherlands food N=104). With respect to gender, two thirds of the visitors included in the sample were female. While statistics on the proportion of women in retail buying are not available, it is generally recognized that buying has traditionally been female-dominated (Kline and Wagner 1994). However, males, despite their lack of propensity for engaging in shopping activities, are doing more of the shopping than was the case in previous generations and in categories that traditionally were not part of their shopping domain, such as grocery and clothing (Evans, Christiansen, and Gill 1996). Consequently, while the emphasis in our sample was on female consumers, male consumers were not neglected. With respect to the share-of-wallet variable, its frequencies were intended to approximate a normal distribution and, consequently, were not equally spread.

(3) Representativeness of the sample

Various steps were taken in order to maximize the representativeness of the quota sample. First, interviewers' judgments can affect the allocation of respondents to the defined quota. We made efforts to reduce potential interviewer selection bias by pointing out to the interviewers that all potential respondents falling within the quota should be approached, irrespective of their perceived friendliness or other characteristics that might influence interviewers' selections (Green, Tull, and Albaum 1988; Parasuraman 1991). Second, biases potentially occurring as a result of traffic and parking flows were minimized by stratifying interviewers across mallentrance locations. Third, we reduced possible shopping pattern biases by stratifying interviews across time-of-the-day and day-of-the-week segments (Dillon, Madden, and Firtle 1990; Sudman 1980).

6.3.4.2 Principal Components Analysis

The previously generated items were intended to measure multi-item constructs. It is generally acknowledged that multi-item measures should be preferred to single-item measures in order to measure constructs (Churchill 1979). A first advantage of a multi-item scale is its ability to soundly measure multifaceted and complex constructs. Second, multi-item scales allow an assessment of reliability and validity (Dillon, Madden, and Firtle 1993). In this section, we present the exploratory factor analyses applied to the items described in table 6-3.

One way to conduct an exploratory factor analysis is a principal components analysis. This is a data reduction technique aimed at constructing linear combinations of the original items that account for as much of the (original) total variation as possible. The successive linear combinations are extracted in such a way that they account for successively smaller amounts of the total variation (Dillon and Goldstein 1984). The objective of our principal components analyses was to investigate whether items correctly measured the following constructs: communication, differentiation, personalization, rewarding, seller relationship orientation, buyer relationship proneness, relationship

satisfaction, trust, relationship commitment, behavioral loyalty, and product category involvement. In order to determine which constructs to group in the principal components analyses, we developed figure 6-4 on basis of the construct definitions presented in chapters three and four. Figure 6-4 indicates that constructs differ on two dimensions: what is the construct about (one store versus the respondent or stores in general) and who does the construct concern (the respondent versus regular customers). Since we do not have any theoretical argument to assume that constructs in different quadrants measure the same concept as they relate to a different unit of analysis, we conducted separate principal components analyses including the constructs of each quadrant.

What is it about?

Respondent or stores in general One store Seller relationship orientation Communication Differentiation Regular Personalization customers of the Rewarding store Who does it concern? (e.g. *This* store rewards *regular* customers for their patronage) Buyer relationship proneness Relationship satisfaction Involvement Trust Relationship commitment The respondent Behavioral loyalty (e.g. Generally, I am someone who (e.g. I am satisfied with the likes to be a regular customer of an relation I have with this store) apparel store)

Figure 6-4: Classification of Constructs on Two Dimensions

Factor analysis is defined as "a multivariate statistical technique that is concerned with the identification of structure within a set of observed variables" (Stewart 1981, p. 51). Two types of factor analysis can be distinguished. When the underlying dimensions of a data set are unknown, exploratory factor analysis is appropriate. When the objective is theory building, relationships can be tested by use of confirmatory factor analysis (Dillon and Goldstein 1984; Stewart 1981). While some prior theoretical information on the common structure underlying the data was available (De Wulf and Odekerken-Schröder 1999), we applied exploratory factor analysis in order to select the most appropriate items for each construct from a broader list of items. While several techniques of exploratory factor analysis can be distinguished, empirical evidence has shown that the choice of one particular technique is not crucial to the final results (Stewart 1981). Since principal components analysis leads to unique reproducible results and since it is most commonly applied, we selected this technique (Churchill 1995; Green, Tull, and Albaum 1988; Kerlinger 1986; Weiers 1988). The procedure of reducing a total set of items in order to provide preliminary scales that can subsequently be tested and refined in a confirmatory factor analysis is commonly accepted (Gerbing and Anderson 1988; Steenkamp and van Trijp 1991).

Three technical decisions need to be taken in carrying out a principal components analysis: (1) the rotation method used, (2) the number of components derived, and (3) the minimal level of item loadings and maximal level of item cross-loadings. Below, we motivate our choices related to these three aspects.

(1) Rotation method used

There are two methods to rotate component axes: orthogonal rotation and oblique rotation. As opposed to oblique rotations, orthogonal rotations result in components that are uncorrelated (De Pelsmacker and Van Kenhove 1994; Dillon and Goldstein 1984; Green, Tull, and Albaum 1988; Gundlach and Cadotte 1994; Howell 1987; Kerlinger 1986; Malhotra 1996). As there is no theoretical or intuitive reason to believe that our latent constructs are uncorrelated, an oblique rotation procedure is considered to be most appropriate. Five generally recognized oblique rotation methods are oblimax, quartimin, covarimin, biquartimin, and oblimin. While these five methods have different characteristics, their results are basically similar (Dillon and Goldstein 1984; Hair et al. 1998; Stewart 1981). As the default option in SPSS is oblimin, we applied this oblique rotation method.

(2) Number of components derived

As the underlying structure of the data sets was known in advance based upon previous studies (De Wulf and Odekerken-Schröder 1999), the number of components to be derived was not based on the criterion of eigenvalues nor on the scree-test, but was predetermined (Churchill 1995; De Pelsmacker and Van Kenhove 1994; Green, Tull, and Albaum 1988; Malhotra 1996; Stewart 1981).

(3) Minimal level of item loadings and maximal level of item cross-loadings

It is generally recognized that loadings should at least be .60 (Hair et al. 1995; Steenkamp and van Trijp 1991; Stewart 1981). Moreover, cross-loadings of .40 or less are considered to be too low to be of significant importance (Kerlinger 1986). We only accepted items that minimally loaded .65 on the hypothesized component and maximally loaded .30 on the other components⁴. Items were removed or adjusted in order to improve loadings.

The results of the principal components analyses are included in tables A3-1 to A3-4 (see appendix three). An aggregated evaluation of item performance across the four sub-samples together is outlined in table A3-5 (see appendix three). Summarizing, we can state that practically all items of intended constructs loaded on separate components, supporting their theoretical distinctiveness. However, principal components results differed between the four sub-samples with respect to the percentage of items that matched our criteria. While the Belgian sample resulted in 64% satisfactory items for clothing and 60% for food, the Dutch sample showed 67% satisfactory items for clothing and 71% for food⁵. As could somewhat be expected (see 4.2.1), it appeared that the attitudinal relationship outcomes (relationship satisfaction, trust, and relationship commitment) were most

As structural equation modeling, the data analysis technique that will be used in chapter seven, is more rigid in its evaluation of construct unidimensionality than principal components analysis, we used more strict cut-off levels in the exploratory principal components analysis.

These percentages were calculated by dividing the number of shaded areas in tables A3-1 to A3-4 by the total number of items (52).

difficult to distinguish. Decisions to select final items were based upon the decision rules outlined in the next section.

6.3.4.3 <u>Assessment of Reliability</u>

In this section, we report the results of a reliability analysis regarding each of the components included in table 6-4. Reliability is "the degree to which measures are free from error and therefore yield consistent results" (Peter 1979, p. 6). There are three basic methods for assessing reliability: (1) test-retest, (2) internal consistency, and (3) alternative forms (Peter 1979). Several scholars indicate that internal consistency measures are most useful for assessing the reliability of measures in marketing research (Churchill 1979; DeVellis 1991; Dillon, Madden, and Firtle 1990; Green, Tull, and Albaum 1988; Peter 1979; Peterson 1994). Internal consistency can be defined as "the reliability within single testing occasions" (Green, Tull, and Albaum 1988, p. 254). There exist two generally accepted methods to determine internal consistency reliability: item-to-total correlations and Cronbach alpha (Cronbach 1951; Dillon, Madden, and Firtle 1990). First, we discuss the decision rules that we applied for selecting items from table A3-5 to be included in the final stage of data collection. Second, in table 6-4, item-to-total correlations and Cronbach alpha coefficients are reported for the constructs measured on basis of these selected items.

We applied the following decision rules for selecting items. First, we decided upon the number of items to select. We included three items for each construct in order to guarantee comparability between constructs' reliabilities. Various authors indicate that Cronbach alpha values can artificially increase as a result of an increasing number of items (Churchill 1979; Churchill and Peter 1984; Malhotra 1996; Peter 1979; Peterson 1994). Churchill and Peter (1984, p. 363) stated that "other things being equal, measures can be made more reliable by increasing the number of items in the scale". Moreover, limiting construct measurement to three items avoided potential problems occurring as a result of respondents' boredom, irritation, and fatigue (Peter 1979). The second decision rule was related to the question *which* three items to select from the available set of items per construct. For each construct, we selected three items that loaded equal to or higher than .65 on their intended component and lower than .30 on other components.

The four sub-samples were merged into an overall sample of 371 respondents. The internal consistency of the constructs was explored through calculating Cronbach alpha values for each construct and item-total correlations for each item. Both of them are reported in table 6-4. First, all constructs revealed Cronbach alpha values of .80 or more, except rewarding (.79) and relationship commitment (.75). While there exists no commonly accepted standard as to which alpha level can be regarded as low or high, most scholars agree that alpha values within the range of .75 to .95 are desirable (Davis 1964; Kaplan and Saccuzzo 1982; Murphy and Davidshofer 1988; Nunnally 1967/1978; Peterson 1994). Second, item-to-total correlations surpassed .60, except one relationship commitment item (.52) and one behavioral loyalty item (.59). General threshold values for item-to-total correlations range from .30 and .60 (Green, Tull, and Albaum 1988; Steenkamp and van Trijp 1991).

Table 6-4: Internal Consistency of Constructs

Construct	Items and corresponding item-to-total correlations (*)		α
Communication	This store often sends mailings to regular customers	.80	.88
	3. This store keeps regular customers informed through mailings	.78	
	4. This store often informs regular customers through brochures	.72	
Differentiation	3. This store makes a greater effort for regular customers than for non-regular	.71	.88
	customers	0.1	
	4. This store offers better service to regular customers than to non-regular	.81	
	customers 5. This store does more for regular customers than for non-regular customers	.78	
Personalization	This store does more for regular customers than for non regular customers This store takes the time to personally get to know regular customers	.65	.81
1 CISOHalization	2. This store often holds personal conversations with regular customers	.72	.01
	3. This store often inquires about the personal welfare of regular customers	.62	
Rewarding	This store rewards regular customers for their patronage	.64	.79
rewaranig	3. This store offers regular customers something extra because they keep buying	.61	.,,
	there		
	4. This store offers discounts to regular customers for their patronage	.65	
Seller relationship	2. This store makes an effort to increase regular customers' loyalty	.69	.83
orientation	5. This store makes various efforts to improve its tie with regular customers	.69	
	6. This store really cares about keeping regular customers	.70	
Buyer relationship	2. Generally, I am someone who likes to be a regular customer of an apparel	.73	.87
proneness	store		
	3. Generally, I am someone who wants to be a steady customer of the same	.79	
	apparel store		
	5. Generally, I am someone who is willing to "go the extra mile" to purchase at	.74	
	the same apparel store		
Relationship	4. As a regular customer, I have a high quality relationship with this store	.61	.80
satisfaction	5. I am happy with the efforts this store is making towards a regular customer	.64	
	like me 6. I am satisfied with the relationship I have with this store	.69	
Trust	Tain satisfied with the relationship I have with this store This store gives me a feeling of trust	.73	.86
Trust	2. I have trust in this store	.77	.00
	3. This store gives me a trustworthy impression	.70	
Relationship	2. I am willing to "go the extra mile" to remain a customer of this store	.60	.75
commitment	3. I feel loyal towards this store	.62	./3
Commitment	4. Even if this store would be more difficult to reach, I would still keep buying	.52	
	there	.52	
Behavioral loyalty	What percentage of your total expenditures for clothing do you spend in this	.59	.85
Dena (Total To Jake)	store?	,	.00
	2. Of the 10 times that you select a store to buy clothes at, how many times do	.79	
	you select this store?		
	3. How often do you buy clothes in this store compared to other stores where	.77	
	you buy clothes?		
Product category	1. Generally, I am someone who finds it important what clothes he or she buys	.74	.88
involvement			
	2. Generally, I am someone who is interested in the kind of clothing he or she	.77	
	buys	00	
	3. Generally, I am someone for whom it means a lot what clothes he or she buys	.80	

^(*) Item numbers refer to the numbers included in tables A3-1 to A3-5 (appendix three).

As the internal consistency measures of the included constructs were satisfactory, we could proceed to the development of the final questionnaire.

Questionnaire Development⁶ 6.4

Several decisions were made related to the design of the questionnaire used in the final data collection: question sequence, questionnaire layout, questionnaire instructions, and questionnaire translation.

(1) Question sequence

First, it is generally recommended to use simple, interesting, and non-threatening questions at the start of a questionnaire (Churchill 1995; Malhotra 1996; Parasuraman 1991). Our questionnaire started with a simple question related to the individual shopping behavior of the respondent. Second, classification information should be asked at the end of the questionnaire, as the basic information should come first in case respondents stop answering questions (Churchill 1995; Parasuraman 1991). The only classification question related to age of the respondent was asked as the final question in our survey. Third, scholars agree that difficult or sensitive questions should be positioned late in a questionnaire (Churchill 1995; Malhotra 1996). Questions related to the personality of the respondent (buyer relationship proneness), which are generally regarded as more threatening, were asked in the second part of our questionnaire. Finally, it is considered useful to divide a questionnaire into several logical parts. Skipping from topic to topic in a random fashion may confuse respondents, break their train of thought, and cause errors in the data (Malhotra 1996; Parasuraman 1991). In our questionnaire, questions were bundled according to the quadrants depicted in figure 6-4. Items within each quadrant were mixed in order to reduce potential halo-effects (Churchill 1995; De Pelsmacker and Van Kenhove 1994; Kerlinger 1986).

(2) Questionnaire layout

Physical characteristics of a questionnaire can affect the accuracy of the information obtained. First, if a questionnaire looks sloppy, respondents might think that the study is unimportant and might refuse to participate as a result of it (Churchill 1995; Malhotra 1996; Parasuraman 1991). The results of the pre-test with consumers assisted us in finetuning the layout of the questionnaire. Second, a crowded questionnaire can lead to errors because respondents become confused. Questions that are adequately separated from each other and that properly locate answer spaces will significantly lower error chances (Churchill 1995; Malhotra 1996; Mayer and Piper 1982). In our survey, questions were separated from each other by means of alternately using shaded and white lines, enhancing the readability of the statements.

(3) Questionnaire instructions

It is very important to provide clear instructions to respondents. First, the cover letter should convince the respondent to cooperate and clarify the purpose of the study (Churchill 1995; Parasuraman 1991). A brief cover letter was included at the beginning of our questionnaire. Second, instructions for individual questions should be placed as close to the questions as possible. It is a common practice to distinguish instructions from questions by using distinctive

The questionnaires for clothing and food were identical except for the use of the terms 'apparel store' in the

clothing questionnaire and 'supermarket' in the food questionnaire.

In appendix four, the questionnaire is included.

appearance (Malhotra 1996). In our questionnaire, instructions were located immediately above the corresponding questions in a separate, shaded box.

(4) Questionnaire translation

As the questionnaire was administered in both Dutch and English speaking countries, the original Dutch questionnaire had to be translated into English. Three main translation procedures can be distinguished: direct translation, back translation, and parallel translation. The main objective of a translation procedure is to enhance translation equivalence (Douglas and Craig 1983). Translation equivalence is defined as "the demonstration that two individuals from different countries with the same value on some variable will score at the same level on the same test; also called metric equivalence" (Malhotra 1996, p. 813). As back translation is the most commonly used translation technique (Malhotra 1996), we applied this procedure. Two qualified translators carried out the back translation procedure (Brislin 1980; Dillon, Madden, and Firtle 1990/1993; Malhotra 1996). One translator first translated the original Dutch version of the questionnaire into English and a second translator then retranslated the questionnaire into Dutch. The first translator was a native speaker of American English and fluent in Dutch, whereas the second translator was a native speaker of Dutch and fluent in American English. Back translation allowed us to identify and correct possible discrepancies that arose in the meaning between the original and retranslated questionnaires. In consultation with the translators, we reconciled any differences that emerged. In a final step, the quality of the translation was evaluated by a mono-linguistic, native American on clarity and comprehensiveness of the translated questionnaire.

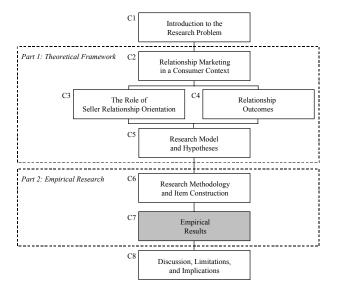
6.5 Summary and Conclusions

First, we motivated our choices for non-experimental research, cross-sectional research, survey research, personal interviewing, and mall-intercept interviewing. Second, we discussed the methods used for generating and testing scale items together with their results. Successively, we discussed the specification of the construct domain, the procedures used for generating items, qualitative testing of these items, and quantitative testing of items accompanied by principal components analyses and internal consistency measures of the multi-item constructs. Finally, we commented upon the design and translation of the questionnaire used for the final data collection.

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Chapter 7 Empirical Results



7.1 Introduction

The research model outlined in chapter five was empirically validated on basis of six different samples spread across countries (Belgium, the Netherlands, and United States) and product categories (casual clothing and food). This chapter presents the empirical results.

Section 7.2 describes choices and underlying motivations related to the use of structural equation modeling (SEM). Section 7.3 clarifies the steps that were taken for examining the properties of the raw data sets. In sections 7.4 to 7.6, we evaluate the performance of the overall models, measurement models, and structural models related to each sample. Finally, section 7.7 reports the results of three types of multi-group analyses related to each of the samples aimed at detecting moderating effects.

7.2 Analytical Choices

In this section, we motivate why SEM is the most suitable data analysis technique for testing the research hypotheses formulated in chapter five. Moreover, we explain several procedural decisions we made related to the implementation of SEM.

7.2.1 Why Structural Equation Modeling?

In this study, each construct represents a latent variable composed of three separate indicators. Moreover, testing the research hypotheses mentioned in chapter five implies investigating the relationships between latent constructs that can both act as dependent and independent variables. As a result, SEM is the most appropriate technique for investigating the proposed research model.

SEM is a widely used tool in academic research (Baumgartner and Homburg 1996; Hair et al. 1998; Steenkamp and van Trijp 1991). There are two basic advantages of using SEM as opposed to more traditional analysis techniques. First, it is able to represent interrelated, latent concepts and to account for measurement error in the estimation process. Second, SEM allows to estimate multiple and interrelated dependence relationships. In contrast to for instance multiple regression analysis, SEM can estimate several equations at once. Moreover, these equations can be interrelated, implying that the dependent variable in one equation can simultaneously be an independent variable in one or more other equations. This allows modeling of complex relationships, which is not possible with any of the other multivariate techniques available (Fornell and Larcker 1981; Hair et al. 1998; Steenkamp and van Trijp 1991).

7.2.2 Procedural Decisions related to Using Structural Equation Modeling

When using SEM, several procedural decisions need to be taken before estimation can occur. Successively, we discuss our choice for (1) a total disaggregation model, (2) three indicators per construct, (3) a covariance matrix, (4) maximum likelihood estimation, (5) a single-step analysis, and (6) LISREL.

(1) Total disaggregation model

There exist three levels of abstraction in modeling constructs: total aggregation, partial (dis)aggregation, and total disaggregation. In a total aggregation model, a single value for each construct is used as input for SEM by combining all indicators of this construct. In a partial (dis)aggregation model, subsets of items are combined into various composites that are treated as multiple indicators of a particular construct. In a total disaggregation model, the true single items are used as multiple measures of a latent construct. As the latter approach allows the most explicit test of construct quality (Baumgartner and Homburg 1996), a completely disaggregated model is estimated in this study.

(2) Number of indicators per construct

The question of how many items should be used to measure a construct is not solved in literature (Baumgartner and Homburg 1996). While a construct can be represented with two indicators, three indicators is regarded as the preferred minimum number. As a general rule, three indicators per construct are needed for a model to be identified (Baumgartner and Homburg 1996; Bollen 1989; Hair et al. 1998). The use of only two indicators increases chances of reaching an infeasible solution (Baumgartner and Homburg 1996; Bentler and Chou 1987; Hair et al. 1998). However, while it is generally recognized that it is advantageous to have many indicators per construct, too many indicators can result in a non-parsimonious measurement model (Anderson and Gerbing 1984; Baumgartner and Homburg 1996; Bentler and Chou 1987). In our study, all constructs were measured on basis of three items.

(3) Type of input matrix

Basically, two types of input matrices can be used: correlation or covariance matrices. The covariance matrix has the advantage of providing valid comparisons of unstandardized coefficients between different populations or samples. This is not possible when models are estimated on basis of a correlation matrix. Overall, covariance matrices should be used in case a true 'test of theory' is being aimed for (Hair et al. 1998). Baumgartner and Homburg (1996, p. 148) recommended that "in future research all analyses be conducted on covariance matrices". In this study, several samples are compared to each other. Moreover, the purpose of the study is to test a proposed theoretical model. Consequently, the covariance matrix is used as an input matrix (see appendix seven).

(4) Estimation technique

Estimation techniques transform the covariance matrix of observed variables into structural parameters. There exist several estimation techniques such as maximum likelihood, unweighted least squares, generalized least squares, ordinary least squares, and two-stage least squares (Bollen 1989). Currently, maximum likelihood estimation is the most widely used approach in SEM (Anderson and Gerbing 1988; Baumgartner and Homburg 1996; Bollen 1989). It is recognized that maximum likelihood estimates are rather robust against moderate violations of the normality assumption provided that sample sizes are larger than 100 (Anderson and Gerbing 1988; Steenkamp and van Trijp 1991). While asymptotically distribution-free (ADF) estimation procedures for non-normally distributed data exist, these generally require very large sample sizes, limiting their practical usefulness (Baumgartner and Homburg 1996; Jöreskog and Sörbom 1989; Steenkamp and van Trijp 1991). Steenkamp and van Trijp (1991) suggested that, for being able to use weighted least squares, an example of an ADF estimation technique, the sample size should be at least 1.5*(number of items)*(number of items +1). In case of 52 items, which corresponds to the number of items used in this study, this would imply a sample size of minimally 4,134. As our samples were not large enough for that purpose, maximum likelihood is used to estimate the structural parameters in this study. Moreover, Baumgartner and Homburg (1996) argued that simulations by Sharma, Durvasula, and Dillon (1989) have shown that ADF techniques do not necessarily outperform maximum likelihood estimation methods, even though they might be expected to be more appropriate theoretically.

(5) Single-step analysis

A single-step analysis involves the simultaneous estimation of both measurement and structural models. A two-step analysis refers to a separate estimation of the measurement model prior to the simultaneous estimation of measurement and structural models (Anderson and Gerbing 1988). The first approach is considered to be preferable when the model possesses both strong theoretical rationale and highly reliable measures (Hair et al. 1998). This is also underlined by Kumar and Dillon (1987, p. 98) who stated that "though measurement and structure *can* be evaluated independently of each other, in general they *should not* be". Since principal components analyses revealed highly reliable measures of the constructs included in our research model (see table 6-4) and sufficient theoretical support exists for the structural model paths (see chapter five), a single-step analysis is considered to be most appropriate.

(6) Statistical program used

The most widely used program is LISREL, considered as a truly flexible statistical program for a number of research situations (Hair et al. 1998). In their review of the use of SEM in marketing research, Baumgartner and Homburg (1996) showed that 85 percent of authors used LISREL to perform their SEM analysis. In this study, LISREL version 8.14 using the SIMPLIS command language is used (Jöreskog and Sörbom 1993).

7.3 Data Examination

In 7.3.1, we discuss the way in which the raw data sets were examined. 7.3.2 describes the results of univariate and multivariate tests of normality for each of these data sets. Finally, in 7.3.3, we check whether it is allowed to pool our data sets across either countries or product categories.

7.3.1 Data Verification

Data were collected in three different countries (Belgium, the Netherlands, and the United States) for two different product categories (casual clothing and food). In chapter six, the procedure used for collecting data in the quantitative test was explained. This procedure is similar to the final data collection underlying the results presented in this chapter. Mall intercept personal interviews were administered at Wijnegem Shopping Center (Belgium), Eindhoven Heuvelgalerie (the Netherlands), and Orlando Shopping Mall (United States). This resulted in six different samples presented in table 7-1.

Table 7-1: Profile of the Samples (*)

Samples		Gend	er (%)	Age (%)					
	N	Male	Female	18-25	26-40	41-55	> 55		
Belgium clothing	302	30.2	69.8	24.8	25.2	23.8	26.1		
Belgium food	289	29.4	70.6	25.3	22.5	26.0	26.3		
The Netherlands clothing	338	30.5	69.5	29.0	25.4	20.1	25.4		
The Netherlands food	337	27.0	73.0	29.8	29.2	19.6	21.4		
United States clothing	230	32.6	67.4	36.5	31.3	23.5	8.7		
United States food	231	40.8	59.2	55.4	25.1	16.5	3.0		

^(*) After listwise deletion of cases incorporating missing values.

First, we checked whether coding errors appeared in the raw data sets. For those cases in which we observed coding errors, the original questionnaire was consulted in order to correct these errors (Baumgartner and Homburg 1996; Churchill 1995; Green, Tull, and Albaum 1988; Weiers 1988). Second, the original values of the items of the construct 'behavioral loyalty' were recoded into their corresponding standardized values as they were initially measured on basis of different types of scales. Finally, we deleted cases incorporating missing values prior to data analysis. The practice of listwise case deletion is suitable as long as the proportion of missing values is not too large (Hair et al. 1998). While the percentage of deleted cases in the European samples was limited to less than one percent, respectively 9.8 and 19.5 percent of cases were deleted in the US samples. Nevertheless, no significant differences in sample composition (with regard to age and gender) before and after case deletion could be detected. Consequently, listwise deletion of cases in the US samples was not considered to be troublesome.

One drawback of listwise deletion is that it may seriously reduce sample size, a key concern in SEM. Little theoretical guidance exists related to adequate sample sizes (Baumgartner and Homburg 1996). It is generally accepted that the minimal sample size needed to ensure appropriate use of maximum likelihood estimation is 100 to 150 (Anderson and Gerbing 1988). However, in case sample sizes become too large, maximum likelihood estimation becomes too sensitive and almost any difference is significant, making all goodness-of-fit measures indicate poor fit. As a result, a sample size of 200 is generally proposed as the critical sample size. However, larger sample sizes are required in case of model misspecification, model complexity, non-normality of data, or the use of alternative estimation procedures (Hair et al. 1998). In this study, we used somewhat larger sample sizes given the risk of moderate normality violations (see next section) and the complexity of the model. The univariate statistics for each of the items related to our constructs are reported in appendix five.

7.3.2 Examination of Normality

SEM is quite sensitive to the distributional characteristics of the data, particularly the departure from multivariate normality. A lack of multivariate normality is troublesome because it inflates the chi-square statistic, creates upward bias in critical values for determining coefficient significance, and affects standard errors (Baumgartner and Homburg 1996; Bentler 1990; Hair et al. 1998; Jaccard and Wan 1996; Jöreskog and Sörbom 1989; Steenkamp and van Trijp 1991). The necessary analyses for univariate and multivariate normality assessment can be conducted fairly easy with specialized programs such as PRELIS (Baumgartner and Homburg 1996; Jöreskog and Sörbom 1993). We used PRELIS2 in order to perform tests of normality based on the skewness and kurtosis of the observed variables (Bollen 1989).

In an effort aimed at generating normally distributed variables, one of the indicators of the endogenous construct behavioral loyalty was predetermined to follow a normal distribution (see 6.3.4.1). As several other constructs are directly or indirectly theoretically related to the construct of behavioral loyalty, this effort was expected to have a positive influence on the distributional characteristics of these other constructs. While this behavioral loyalty item followed a normal distribution, all samples revealed significant kurtosis and skewness p-values for most other observed variables. However, sample sizes were considered to be large enough to partially compensate for the existing kurtosis, reducing biases in parameter estimates (Hair et al. 1998)¹. We did not transform non-normally distributed variables as this would introduce additional problems by altering the meaning of actual responses (Anderson, Lodish, and Weitz 1987; Gassenheimer, Davis, and Dahlstrom 1998).

7.3.3 Examination of Data Pooling

In order to decide whether we needed to estimate the structural model separately for the six samples, we investigated the possibility of pooling data across countries and/or product categories. By means

However, we should take into consideration that larger sample sizes do not compensate for potential biases in standard errors caused by skewness of the data (Bollen 1989).

of several two-group LISREL analyses, we assessed whether the country and/or product category affected the specifications of the structural model.

First, each of the country samples was split according to the type of product category, resulting in a separate clothing and food sample within each country. For each country, two nested models were evaluated in order to assess the impact of the product category²: (1) a model in which all structural paths were set equal across the two product category samples (equal model) and (2) a model in which all structural paths were set free across the two product category samples (free model). Second, the same procedure was followed in order to assess the potential influence of the country on the structural model.

The results of the two-group analyses are presented in table 7-2. While the upper part of table 7-2 shows the fits across product categories within each country, the lower part describes the fits across countries within each product category. We evaluated the significance of the differences in χ^2 values between nested models in order to determine if one model specification obtained a significantly better fit than another model specification. With respect to pooling across product categories, the free models in the Dutch and US samples obtained a significantly better fit than the equal models. This indicates that not all of the paths are equal across clothing and food. Since two of the three samples indicate a difference between clothing and food, we decided not to pool the data across product categories. With respect to pooling across countries, the differences between the equal and free models were statistically significant for each country comparison. Therefore, we decided not to pool the data across countries either.

Table 7-2: Examination of Data Pooling

	Equal	model	Free	model	Differences	
Pooling of product category samples	df	χ^2	df	χ^2	df	χ^2
Clothing versus food in Belgium	843	1,873	831	1,855	12	18
Clothing versus food in the Netherlands	843	2,166	831	2,139	12	27**
Clothing versus food in US	843	2,176	831	2,151	12	25*
Pooling of country samples						
Belgium versus the Netherlands for clothing	843	1,747	831	1,702	12	45**
Belgium versus the Netherlands for food	843	1,939	831	1,916	12	23*
Belgium versus US for clothing	843	2,162	831	2,114	12	48**
Belgium versus US for food	843	2,657	831	2,620	12	37**
The Netherlands versus US for clothing	843	2,199	831	2,167	12	32**
The Netherlands versus US for food	843	2,801	831	2,765	12	36**

^(*) p < .05, (**) p < .01

Concluding, we can state that the data do not allow pooling across either product categories or countries. As a result, we separately report the evaluation of the overall model, the measurement model, and the structural model for the six samples in the next sections. Following this sequence of evaluating models estimated by SEM is a commonly accepted practice (Baumgartner and Homburg 1996; Hair et al. 1998).

It is a generally accepted practice to compare the overall fit of the equal and the free model in order to decide whether differences between samples exist (Bollen 1989; Jaccard and Wan 1996).

7.4 Overall Model Evaluation

A first step in evaluating the overall model is an inspection of 'offending estimates'. Offending estimates are estimated coefficients in either the structural or measurement models that exceed acceptable limits. Examples are negative error variances, standardized coefficients exceeding or very close to 1.0, or very large standard errors associated with any estimated coefficient (Bollen 1989; Hair et al. 1998). None of the models estimated in each of the six samples revealed offending estimates.

A second step relates to assessing the overall goodness-of-fit for the structural equation models. This is not as clear-cut as with other multivariate dependence techniques. Although many guidelines have been suggested, no absolute test is available (Hair et al. 1998). As stated by Bollen (1989, p. 275), "selecting a rigid cutoff for the incremental fit indices is like selecting a minimum R² for a regression equation. Any value will be controversial". The evaluation of goodness-of-fit measures in SEM has gained widespread interest in recent years, resulting in the continual development of new goodness-of-fit measures. Goodness-of-fit measures can be classified into absolute fit (stand-alone) measures and incremental fit measures (Baumgartner and Homburg 1996; Bentler and Bonnett 1980; Hair et al. 1998; Jaccard and Wan 1996; Marcoulides and Schumacker 1996). Absolute fit measures assess the overall model fit for both structural and measurement models collectively (Bollen 1989; Hair et al. 1998). Often used absolute fit measures are the chi-square test (χ^2), the ratio of chi-square to degrees of freedom (χ^2/df), the goodness-of-fit index (GFI), the adjusted goodness-of-fit index (AGFI), the standardized root mean square residual (SRMR), and the root mean square error of approximation (RMSEA). Incremental fit measures compare the proposed model to another model, most often defined as a baseline model in which all latent variables are assumed to be uncorrelated (Baumgartner and Homburg 1996). Frequently reported incremental fit indices are the comparative fit index (CFI), Bentler and Bonnett's (1980) normed fit index (NFI), Tucker and Lewis' (1973) non-normed fit index (NNFI/TLI), and Bollen's (1989) incremental fit index (IFI) (Baumgartner and Homburg 1996; Bollen 1989; Hair et al. 1998; Jaccard and Wan 1996). Table 7-3 shows the values of the fit indices for each of the six samples. Table 7-4 describes the characteristics and acceptable levels of fit for each of these fit measures.

Table 7-3: Overall Model Evaluation

Model fit	Belg	ium	The Neth	nerlands	United States		
Absolute fit statistics	Clothing	Food	Clothing	Food	Clothing	Food	
$\chi^{2}_{(383)}$	704**	756**	788**	856**	906**	1,007**	
χ^2/df	1.84	1.97	2.06	2.23	2.37	2.63	
ĞFI	.86	.85	.87	.85	.79	.76	
SRMR	.056	.065	.055	.071	.073	.074	
RMSEA	.053	.058	.039	.061	.077	.084	
Incremental fit statistics							
AGFI	.83	.82	.84	.82	.75	.71	
CFI	.94	.93	.94	.91	.92	.90	
NFI	.87	.87	.89	.85	.86	.85	
NNFI/TLI	.93	.92	.93	.90	.90	.88	
IFI	.94	.93	.94	.91	.92	.90	

(**) p < .01

Fit index Absolute	Description	Acceptable fit	Sensitive to
χ^2	Test of the null hypothesis that the estimated variance-covariance matrix deviates from the sample variance-covariance matrix only because of sampling error	p > .05	Sample sizeDepartures from normality
χ²/df	As the chi-square statistic is only meaningful taking into account the degrees of freedom, the chi-square value is divided by the number of degrees of freedom	≤ 2 to 5	Sample sizeDepartures from normality
GFI	Non-statistical measure representing a comparison of the squared residuals from prediction with the actual data <i>not</i> adjusted for the degrees of freedom	≥ .90	Sample sizeModel complexity
SRMR	Non-statistical measure representing the square root of the mean of the squared standardized residuals	Close to 0	
RMSEA	Non-statistical measure representing how well the fitted model approximates the population variance-covariance matrix per degree of freedom	≤ .05 to .08	
Incremental			
AGFI	Non-statistical measure representing a comparison of the squared residuals from prediction with the actual data adjusted for the degrees of freedom	≥ .90	Sample sizeModel complexity
CFI	Non-statistical measure representing a comparative index between the proposed and null models adjusted for the degrees of freedom	≥.90	- Model complexity
NFI	Non-statistical measure representing a comparative index between the proposed and null models <i>not</i> adjusted for the degrees of freedom	≥ .90	Sample sizeModel complexity
NNFI/TLI	Non-statistical measure representing a comparative index between the proposed and	≥ .90	

null models adjusted for the degrees of

Non-statistical measure representing a

comparative index between the proposed and null models adjusted for the degrees of

freedom

freedom

Source:

IFI

Based on (1) Baumgartner, Hans and Christian Homburg (1996), "Applications of Structural Equation Modeling in Marketing and Consumer Research: A Review," *International Journal of Research in Marketing*, 13 (2), 139-61, (2) Bearden, William O., Subhash Sharma, and Jesse E. Teel (1982), "Sample Size Effects on Chi Square and Other Statistics Used in Evaluating Causal Models," *Journal of Marketing Research*, 19 (4), 425-30, (3) Bentler, P.M. (1990), "Comparative Fit Indexes in Structural Models," *Psychological Bulletin*, 107 (2), 238-46, (4) Bollen, Kenneth A. (1989), *Structural Equations with Latent Variables*. New York: Wiley, (5) Browne, M.W. and R. Cudeck (1992), "Alternative Ways of Assessing Model Fit," *Sociological Methods and Research*, 21 (2), 230-58, (6) Hair, Joseph F., Rolph E. Anderson, Ronald L. Tatham, and William C. Black (1998), *Multivariate Data Analysis*. Upper Saddle River, NJ: Prentice Hall, (7) Jaccard, James and Choi K. Wan (1996), *LISREL Approaches to Interaction Effects in Multiple Regression*. Thousand Oaks: Sage Publications.

≥.90

- Model complexity

Although the chi-square statistic of all models is statistically significant (p < .001), this is not unusual with large sample sizes (Boyle et al. 1992; Doney and Cannon 1997; Steenkamp and van

Trijp 1991). The ratios of chi-square to degrees of freedom are all within the acceptable range. While the values of GFI, AGFI, and NFI are somewhat lower than those of CFI, NNFI, and IFI, this is mainly a result of the fact that the former measures are easily affected by sample size. The latter fit measures all indicate close model fit (except NNFI in the US food model). This similarly holds for the SRMR and RMSEA fit measures that fall below .08 (except RMSEA in the US food model).

A final measure to determine overall model fit is the relative number of standardized residuals representing the differences between observed and estimated covariance matrices (Baumgartner and Homburg 1996). Standardized residuals should not exceed |2.58| (Steenkamp and van Trijp 1991). In our samples, the percentage of standardized residuals exceeding |2.58| ranged from 8.9 percent to 22.5 percent³. While this is relatively high, standardized residuals should be interpreted with caution as they are calculated under the assumption of multivariate normality (Baumgartner and Homburg 1996).

Given the adequacy of overall goodness-of-fit indices, no respecifications of the model were made and it can be concluded that all models obtained adequate degrees of fit (Bagozzi and Yi 1988). As a result, it is allowed to proceed to the evaluation of both the measurement and the structural models.

7.5 Measurement Model Evaluation

We conducted confirmatory factor analyses of the indicators measuring the ten constructs incorporated in the hypothesized model (see figure 5-1) in order to examine the scales' psychometric properties more closely.

Tables 7-5 to 7-7 report the results of the measurement models related to the Belgian, Dutch, and US samples in terms of the composite reliabilities of all constructs, the percentage of variance explained of all constructs by their items, the loadings of all construct items, the standard errors of all construct items, and the correlations of all construct items with the construct they are intended to measure. We assessed the quality of each measurement model on unidimensionality, convergent validity, reliability, and discriminant validity across the six samples.

(1) *Unidimensionality*

_

Unidimensionality is an assumption underlying the calculation of reliability. The use of reliability measures, such as Cronbach alpha, does not ensure unidimensionality but instead assumes it exists. Unidimensionality should be assessed for all multiple-indicator constructs before assessing their reliability (Hair et al. 1998). As can be derived from the principal component analyses performed on all items (see tables A6-1 to A6-6 in appendix six), items loaded on unique components, underlining the unidimensionality of all constructs. As a result, we can conclude that unidimensionality for each of the constructs was obtained.

Residuals exceeding | 2.58 | might indicate that the errors between two items are correlated. However, since no theoretical grounds support error correlations between any pair of items in our study, we did not let errors correlate.

(2) Convergent validity

Convergent validity is supported as a result of the fact that the overall fit of the models was good, that all loadings were highly statistically significant (p < .01), and that the factor regression coefficients (R^2) are larger than .50 (Hildebrandt 1987; Steenkamp and van Trijp 1991). Only for some items, regression coefficients were lower than .50.

(3) Reliability

Since a measurement instrument can have an unacceptable within-method convergent validity and still be reliable, reliability was assessed after having examined the convergent validity of the constructs (Steenkamp and van Trijp 1991). First, as can be read from tables A6-7 to A6-9 in appendix six, all Cronbach alpha values exceeded .70, indicating acceptable reliability levels. Second, as can be derived from the confirmatory factor results presented in tables 7-5 to 7-7, all of the composite reliability measures are also above .70, exceeding Bagozzi and Yi's (1988) minimum values of .60. As a result, we can conclude that all constructs yield high reliabilities.

(4) Discriminant validity

First, a series of nested confirmatory factor model comparisons in each of the samples assessed whether differences existed in model performance in case correlations between latent constructs were constrained to 1. Each of the 45 off-diagonal elements of the correlation matrix between constructs was fixed to 1 and the model was re-estimated each time. This resulted in 270 separate model estimations for the six samples taken together. χ^2 differences were statistically significant for all 45 model comparisons (p < .01) in all samples, indicating discriminant validity. Second, as a stronger test of discriminant validity, Fornell and Larcker (1981) suggested that the average percentage of variance extracted for each construct should be higher than .50, which implies that the variance accounted for by each construct is greater than the variance accounted for by measurement error (Hair et al. 1998). All constructs met this criterion except for the construct of relationship commitment in the Belgian (.47) and Dutch (.49) clothing samples. Overall, we can conclude that there exists sufficient evidence of discriminant validity between each pair of constructs. Especially in light of the potential difficulties of distinguishing between relationship satisfaction, trust, and relationship commitment (see chapter four), this is an important conclusion. Our measurement model supports a sufficient level of discriminant validity between these constructs.

Concluding, the measures in our study provide strong evidence of unidimensionality, convergent validity, reliability, and discriminant validity. Consequently, it is allowed to proceed to the structural model evaluation.

Table 7-5: Measurement Model (Belgium)

						Bel	gium				
Items (see table 6-3))			Clothing	;				Food		
		% composite reliability	% variance explained	Loading	S.E.	\mathbb{R}^2	% composite reliability	% variance explained	Loading	S.E.	\mathbb{R}^2
Communication		.93	.82				.84	.65			
	1			.90**	.19	.81			.82**	.34	.66
	3			.93**	.14	.86			.94**	.12	.88
	4			.90**	.20	.80			.63**	.60	.40
Differentiation	2	.87	.68	7544	4.4	5.6	.91	.77	00**	22	67
	3			.75** .82**	.44	.56			.82** .93**	.33	.67
	5			.90**	.33 .18	.67 .82			.88**	.14 .22	.86 .78
Personalization	3	.83	.61	.50	.10	.02	.89	.74	.00	.22	./0
1 CISOHalization	1	.03	.01	.79**	.38	.62	.67	. / ¬	.84**	.29	.71
	2			.81**	.34	.66			.89**	.20	.80
	3			.75**	.44	.56			.84**	.30	.70
Rewarding		.86	.67				.80	.57			
C	1			.86**	.26	.74			.83**	.30	.70
	3			.84**	.29	.71			.80**	.37	.63
	4			.74**	.45	.55			.62**	.62	.38
Seller relationship											
orientation	_	.87	.69				.89	.73	0.411		
	2			.75**	.44	.56			.86**	.27	.73
	5 6			.89** .84**	.20	.80			.87**	.24	.76
Buyer relationship	6			.84**	.30	.70			.83**	.31	.69
proneness		.85	.66				.87	.70			
proneness	2	.03	.00	.85**	.27	.73	.67	.70	.76**	.43	.57
	3			.79**	.38	.62			.89**	.21	.79
	5			.79**	.38	.62			.85**	.28	.72
Relationship											
satisfaction		.78	.54				.83	.61			
	4			.69**	.52	.48			.76**	.43	.57
	5			.78**	.39	.61			.79**	.37	.63
	6			.73**	.46	.54			.80**	.37	.63
Trust		.87	.68		• •		.85	.66			
	1			.83**	.30	.70			.75**	.44	.56
	2			.83**	.31	.69			.80**	.35	.65
Relationship	3			.81**	.34	.66			.88**	.23	.77
commitment		.72	.47				.76	.52			
Communellt	2	.12	. 7 /	.75**	.44	.56	.70	.52	.77**	.40	.60
	3			.77**	.40	.60			.77**	.40	.60
	4			.51**	.74	.26			.61**	.63	.37
Behavioral loyalty		.79	.56				.91	.77			
, ,	1			.65**	.58	.42			.75**	.44	.56
	2			.84**	.29	.71			.94**	.12	.88
	3			.75**	.44	.56			.93**	.14	.86

(*) p < .05, (**) p < .01

Table 7-6: Measurement Model (the Netherlands)

			`	retheria		The Net	herlands				
Items (see table 6-3)				Clothing	;				Food		
		% composite reliability	% variance explained	Loading	S.E.	\mathbb{R}^2	% composite reliability	% variance explained	Loading	S.E.	\mathbb{R}^2
Communication		.94	.84				.76	.52			
	1			.88**	.23	.77			.57**	.67	.33
	3 4			.90** .97**	.20 .07	.80 .93			.80** .78**	.36 .40	.64 .60
Differentiation	7	.86	.67	.91	.07	.93	.80	.57	.76	.40	.00
Billerentiation	3	.00	.07	.74**	.45	.55	.00	.57	.62**	.62	.38
	4			.80**	.36	.64			.80**	.36	.64
	5			.91**	.18	.82			.83**	.31	.69
Personalization		.89	.72	02**	22	60	.87	.69	70**	27	(2)
	1 2			.83** .87**	.32	.68			.79** .81**	.37	.63
	3			.86**	.25 .27	.75 .73			.89**	.34 .22	.66 .78
Rewarding	5	.86	.68	.00	.27	.75	.77	.52	.07	.22	.70
	1			.85**	.28	.72	.,,		.74**	.45	.55
	3			.87**	.25	.75			.70**	.51	.49
	4			.75**	.43	.57			.73**	.47	.53
Seller relationship		00	74				0.6	67			
orientation	2	.90	.74	.81**	.35	.65	.86	.67	.77**	.40	.60
	5			.87**	.33 .24	.03 .76			.77**	.29	.60 .71
	6			.91**	.18	.82			.84**	.30	.70
Buyer relationship											
proneness		.90	.74				.88	.70			
	2			.84**	.30	.70			.84**	.30	.70
	3 5			.90** .85**	.19 .29	.81 .71			.85** .83**	.27 .32	.73 .68
Relationship	3			.83	.29	./1			.83	.32	.08
satisfaction		.85	.65				.76	.51			
	4			.83**	.30	.70			.75**	.44	.56
	5			.84**	.29	.71			.70**	.51	.49
_	6			.73**	.47	.53			.69**	.53	.47
Trust		.88	.70	74**	4.5		.84	.63	71**	45	5.5
	1 2			.74** .87**	.45 .25	.55 .75			.74** .82**	.45 .33	.55 .67
	3			.90**	.19	.73			.82**	.33	.67
Relationship	_			., 0	,	.01			.02	.55	.07
commitment		.74	.49				.75	.51			
	2			.69**	.52	.48			.75**	.43	.57
	3			.76**	.42	.58			.78**	.39	.61
Behavioral loyalty	4	.77	52	.63**	.60	.40	00	75	.59**	.65	.35
Denavioral loyalty	1	.//	.53	.70**	.50	.50	.90	.75	.77**	.41	.59
	2			.78**	.40	.60			.77 .94**	.12	.88
	3			.70**	.50	.50			.89**	.21	.79

(*) p < .05, (**) p < .01

Table 7-7: Measurement Model (United States)

						United	d States				
Items (see table 6-3))			Clothing	;				Food		
		% composite reliability	% variance explained	Loading	S.E.	\mathbb{R}^2	% composite reliability	% variance explained	Loading	S.E.	\mathbb{R}^2
Communication		.93	.81				.89	.73			
	1			.85**	.29	.71			.69**	.52	.48
	3			.92**	.16	.84			.92**	.15	.85
	4			.94**	.11	.89			.92**	.15	.85
Differentiation	2	.89	.73	.77**	40	60	.90	.75	70++	20	(2)
	3			.7/**	.40 .21	.60 .79			.79** .87**	.38 .24	.62 .76
	5			.89**	.21	.79			.93**	.13	.87
Personalization	J	.89	.74	.67	.21	.17	.89	.73	.73	.13	.07
1 VISOIMILANIOII	1	.07	., .	.82**	.33	.67	.07	.,,	.85**	.28	.72
	2			.93**	.14	.86			.85**	.27	.73
	3			.82**	.32	.68			.87**	.25	.75
Rewarding		.91	.78				.87	.69			
	1			.89**	.21	.79			.76**	.43	.57
	3			.88**	.23	.77			.83**	.31	.69
0.11 1.41 1.1	4			.88**	.23	.77			.90**	.20	.80
Seller relationship orientation		.93	.81				.92	.80			
orientation	2	.93	.01	.88**	.23	.77	.92	.80	.86**	.26	.74
	5			.92**	.15	.85			.95**	.10	.90
	6			.90**	.19	.81			.86**	.25	.75
Buyer relationship				., 0	,	.01			.00		.,,
proneness		.90	.75				.81	.59			
•	2			.87**	.25	.75			.78**	.38	.62
	3			.92**	.15	.85			.78**	.38	.62
	5			.80**	.36	.64			.73**	.47	.53
Relationship							0.6				
satisfaction	4	.89	.72	05**	20	72	.86	.67	03**	22	CO
	4 5			.85** .90**	.28 .18	.72 .82			.82** .84**	.32 .29	.68 .71
	6			.79**	.18	.62			.80**	.37	.63
Trust	U	.93	.81	.17	.50	.02	.92	.80	.00	.57	.03
Trust	1	.73	.01	.87**	.24	.76	.,2	.00	.88**	.22	.78
	2			.90**	.19	.81			.87**	.24	.76
	3			.92**	.15	.85			.92**	.15	.85
Relationship											
commitment		.87	.69				.86	.67			
	2			.84**	.29	.71			.80**	.36	.64
	3			.81**	.35	.65			.85**	.28	.72
Dahardan 11 1	4	0.5	"	.80**	.36	.64	0.4	0.2	.80**	.36	.64
Behavioral loyalty	1	.85	.66	.74**	15	55	.94	.83	.87**	.24	76
	1 2			.74**	.45 .24	.55 .76			.8/** .94**	.12	.76 .88
	3			.81**	.34	.76 .66			.92**	.12	.85

7.6 Structural Model Evaluation

In this section, we first evaluate the structural paths of the hypothesized model presented in chapter five. Second, we judge the performance of a rival model in order to assess whether the hypothesized model is robust against alternative formulations of structural paths.

7.6.1 Evaluation of the Hypothesized Model

For each sample, the estimated structural paths are visualized in figures 7-1 to 7-6. Each model shows the hypothesized relationships between latent constructs and their corresponding standardized path coefficients. Significant path coefficients are underlined in each figure. Standardized coefficients are used for comparing the relative strength of path coefficients within one sample. However, they are not comparable across samples. Moreover, each model indicates the coefficient of determination (R²) of each endogenous latent construct, providing a relative measure of fit for each structural equation.

A first evaluation of the structural model involves checking whether all significant path coefficients are in the hypothesized direction. For each of the six samples in our study, all significant relationships between latent constructs are in the hypothesized direction, providing strong evidence for our conceptual model and its related hypotheses. Moreover, as nomological validity is assessed by testing the relationships with other constructs in a nomological net (Ruekert and Churchill 1984; Steenkamp and van Trijp 1991), this supports the nomological validity of the constructs integrated in the hypothesized model.

A second evaluation of the structural model is related to testing each of the hypotheses formulated in chapter five. Regarding the relationship between relationship efforts and seller relationship orientation, we can conclude that differentiation influences the extent to which buyers perceive the seller to be relationship oriented in only one sample (H₂ partially supported). Stronger evidence was found for the relationships from communication, personalization, rewarding, and buyer relationship proneness to seller relationship orientation (H₁, H₃, H₄, and H₅ partially supported)⁴. Nevertheless, none of the relationship efforts nor buyer relationship proneness were found to be significantly related to seller relationship orientation in all six samples.

- (1) In the Belgian samples, communication significantly affects seller relationship orientation in the clothing as well as the food sample. Personalization and differentiation are only significant in the clothing sample, whereas rewarding is only significant in the food sample.
- (2) In the Dutch samples, communication is not significantly related to seller relationship orientation in the food sample. Both personalization and rewarding are significant antecedents of seller relationship orientation in the clothing and food samples.
- (3) In the US samples, personalization is the only relationship effort that is significantly related to seller relationship orientation in both the clothing and the food sample.

⁴ Some hypothesized effects of relationship efforts on seller relationship orientation were not supported, even though their simple correlations were positive and significant at a p < .01 level.

With respect to the other paths, all relationships were significant and in the hypothesized direction. Only seller relationship orientation was not significantly related to relationship commitment in the Belgian and US food samples. Moreover, the path from buyer relationship proneness to seller relationship orientation was not significant in the Belgium clothing and US food samples.

As high path coefficients can be indicative of multicollinearity problems, we checked the strength of the path coefficients between latent constructs as a final means of examining the structural model results. Detailed results can be read from table 7-8.

Table 7-8: Structural Parameters

			Belg	gium		Т	The Net	herlands		United States			
Parameter		Clot		Fo	od	Clot	hing	Foo	od	Cloth	ning	Foo	od
		Estimat	e SE	Estimat	e SE	Estimat	te SE	Estimate	e SE	Estimat	e SE	Estimate	e SE
RP-RO	γ_{II}	.04	.06	.12*	.06	.16**	.06	.22**	.06	.23**	.07	03	.08
REW-RO	γ ₁₂	.13	.09	.47**	.10	.18*	.08	.20**	.09	.25	.20	.02	.19
PE-RO	γ ₁₃	.16*	.08	.07	.07	.33**	.06	.14*	.08	.36**	.11	.74**	.14
CO-RO	Y14	.27**	.08	.14*	.07	.22**	.06	.03	.08	.16	.14	.09	.09
DIF-RO	γ ₁₅	.13*	.07	.04	.09	.10	.06	.11	.10	18	.12	10	.16
RP-RS	γ ₂₁	.43**	.07	.38**	.06	.26**	.05	.26**	.06	.28**	.06	.46**	.08
RP-MIT	γ_{41}	.35**	.07	.37**	.07	.59**	.09	.47**	.07	.39**	.07	.41**	.09
RO-RS	β_{21}	.38**	.07	.48**	.07	.69**	.08	.61**	.07	.67**	.08	.48**	.07
RS-TR	β_{32}	.73**	.09	.80**	.09	.73**	.08	.83**	.11	.75**	.09	.81**	.10
RO-MIT	β_{41}	.20**	.06	.09	.06	.16*	.06	.17**	.06	.10*	.06	.05	.05
TR-MIT	β_{43}	.53**	.08	.59**	.10	.30**	.07	.43**	.08	.55**	.08	.62**	.11
MIT-BL	β_{54}	.43**	.08	.37**	.07	.47**	.08	.25**	.06	.59**	.09	.42**	.09
REW-RP	ϕ_{21}	.13*	.07	.19**	.07	.42**	.05	.12	.07	.41**	.06	.37**	.07
PE-RP	ϕ_{31}	.22**	.07	.21**	.06	.48**	.05	.23**	.06	.47**	.06	.63**	.05
REW-PE	ϕ_{32}	.56**	.05	.28**	.06	.54**	.05	.34**	.06	.77**	.03	.71**	.04
CO-RP	ϕ_{41}	.23**	.06	.16*	.06	.39**	.05	.25**	.06	.39**	.06	.43**	.06
REW-CO	ϕ_{42}	.60**	.04	.52**	.05	.60**	.04	.42**	.06	.87**	.02	.71**	.04
PE-CO	ϕ_{43}	.33**	.06	.02	.07	.26**	.06	.50**	.05	.64**	.04	.69**	.04
DIF-RP	ϕ_{51}	.25**	.06	.29**	.06	.32**	.06	.01	.06	.46**	.06	.42**	.06
REW-DIF	ϕ_{52}	.52**	.05	.51**	.05	.64**	.04	.63**	.05	.79**	.03	.89**	.02
PE-DIF	ϕ_{53}	.52**	.05	.64**	.04	.38**	.05	.50**	.05	.77**	.03	.69**	.04
DIF-CO	ϕ_{54}	.33**	.06	.14*	.06	.58**	.04	.41**	.06	.64**	.05	.61**	.05

(*) p < .05, (**) p < .01

The following abbreviations are used: CO = communication, DIF = differentiation, PE = personalization, REW = rewarding, RO = seller relationship orientation, RP = buyer relationship proneness, RS = relationship satisfaction, TR = trust, MIT = relationship commitment, BL = behavioral loyalty.

First, we examined the strength of the path coefficients between exogenous and endogenous constructs (γ_{ij}). Although no limit has been set that determines when a path coefficient can be considered as high, values exceeding .90 are considered to be indicative of multicollinearity problems (Hair et al. 1998). All path coefficients between exogenous and endogenous constructs are below .75 in each of the samples. Second, we checked whether path coefficients between endogenous constructs (β_{ij}) exceeded the level of .90. While path coefficients ranging from .73 to .83 between relationship satisfaction and trust could indicate multicollinearity, we previously demonstrated that there exists sufficient discriminant validity between both constructs (see 7.5). Finally, we assessed the strength of the path coefficients between exogenous constructs (ϕ_{ij}). Again,

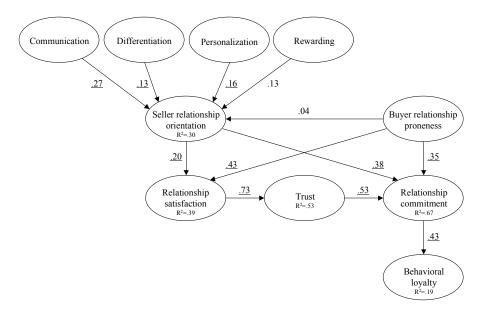


Figure 7-1: Structural Model Belgium Clothing

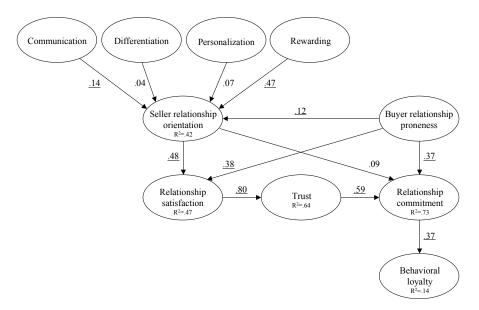


Figure 7-2: Structural Model Belgium Food

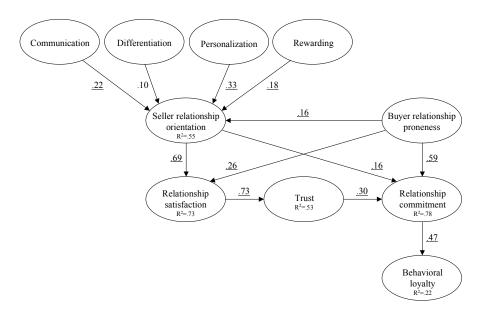


Figure 7-3: Structural Model the Netherlands Clothing

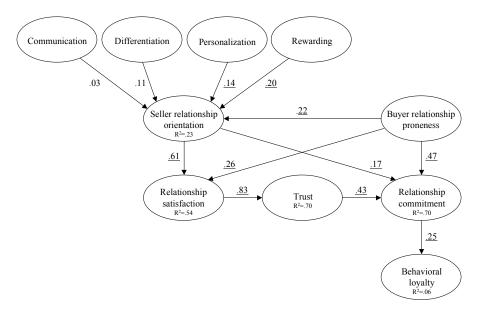


Figure 7-4: Structural Model the Netherlands Food

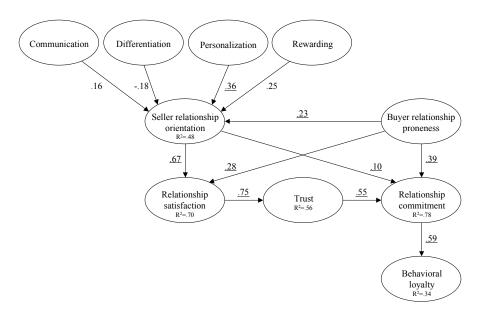


Figure 7-5: Structural Model United States Clothing

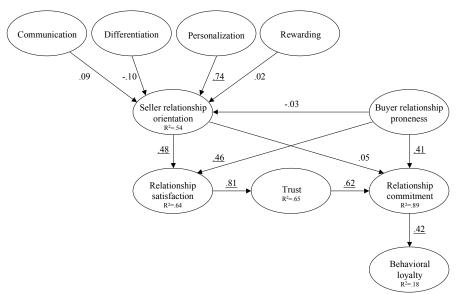


Figure 7-6: Structural Model United States Food

none of them is larger than the critical value of .90. Only in the US samples, path coefficients among relationship efforts could be regarded as troublesome. However, strong support for their discriminant validity was already provided (see 7.5).

Table 7-9 provides an overview of the support found for each of the hypotheses in the six samples. The shaded cells in the table refer to path coefficients that are significant and in the hypothesized direction.

Table 7-9: Evaluation of Hypotheses Related to Main Effects

Path	Hypothesis	Belgium		The Netherlands		United States		Result
		C	F	C	F	C	F	
CO-RO	H_1	.27	.14	.22	.03	.16	.09	Partially supported
DIF-RO	H_2	.13	.04	.10	.11	18	10	Partially supported
PE-RO	H_3	.16	.07	.33	.14	.36	.74	Partially supported
REW-RO	H_4	.13	.47	.18	.20	.25	.02	Partially supported
RP-RO	H_5	.04	.12	.16	.22	.23	03	Partially supported
RO-RS	H_6	.38	.48	.69	.61	.67	.48	Supported
RO-MIT	H_7	.20	.09	.16	.17	.10	.05	Partially supported
RP-RS	H_8	.43	.38	.26	.26	.28	.46	Supported
RP-MIT	H_9	.35	.37	.59	.47	.39	.41	Supported
RS-TR	H_{10}	.73	.80	.73	.83	.75	.81	Supported
TR-MIT	H_{11}	.53	.59	.30	.43	.55	.62	Supported
MIT-BL	H_{12}	.43	.37	.47	.25	.59	.42	Supported

Shaded cells are at least significant at a p < .05 level.

The following abbreviations are used: CO = communication, DIF = differentiation, PE = personalization, REW = rewarding, RO = seller relationship orientation, RP = buyer relationship proneness, RS = relationship satisfaction, TR = trust, MIT = relationship commitment, BL = behavioral loyalty, C = clothing, F = food.

Concluding, we obtained strong evidence for most of the hypothesized main effects. The majority of structural paths was stable across countries as well as product categories. In order to gain a better insight into the decomposition of the structural effects, tables 7-10 to 7-12 report the direct, indirect, and total effects among the constructs for all samples included in the study. The tables show that, in general, in addition to the previously reported direct effects, important significant indirect effects exist.

While LISREL provides modification indices suggesting potential improvements to the fit of the model, modifications should be implemented only after obtaining sound theoretical justification. Theory provides the rationale for almost all aspects of SEM (Hair et al. 1998). First, we checked whether any sound theoretical ground existed for each suggested modification. No sound evidence was found to change the basic structure of the model. Second, an examination of the proposed modifications to the model revealed that different modifications were suggested in each of the six samples. Since no theoretical basis existed for changing the model structure and since the proposed modifications were not consistent across samples, we did not modify the original structure of the model. However, in order to assess the robustness of the hypothesized model, we estimated an alternative model for each sample in which non-significant paths were not estimated. This did not strongly influence the significance and values of the path coefficients presented in figures 7-1 to 7-6. Moreover, an additional means for assessing the robustness of the hypothesized model is to compare this model to a rival model. In 7.6.2, we present the results of comparing our hypothesized model to a rival model.

Table 7-10: Decomposition of Structural Effects (Belgium)

Table 7-10. Decomposition of Structural	Bireets (Be	Clothing			Food	
Effect on seller relationship orientation	Direct	Indirect	Total	Direct	Indirect	Total
Communication	.27**	-	.27**	.14*	-	.14*
Differentiation	.13*	_	.13*	.04	_	.04
Personalization	.16*	_	.16*	.07	_	.07
Rewarding	.13	_	.13	.47***	_	.47***
Buyer relationship proneness	.04	_	.04	.12*	_	.12*
Effect on relationship satisfaction						
Communication	-	.10**	.10**	-	.07**	.07"*
Differentiation	-	.05*	.05*	-	.02	.02
Personalization	-	.06*	.06*	-	.03	.03
Rewarding	-	.05	.05	-	.23**	.23**
Buyer relationship proneness	.43**	.02	.45**	.38**	.06*	.44**
Seller relationship orientation	.38**	-	.38**	.48**	-	.48**
Effect on trust						
Communication	-	.07**	.07**	-	.05*	.05*
Differentiation	-	.04*	.04*	-	.02	.02
Personalization	-	.04*	.04*	-	.03	.03
Rewarding	-	.04	.04	-	.18**	.18**
Buyer relationship proneness	-	.32**	.32**	-	.35**	.35**
Seller relationship orientation	-	.27**	.27**	-	.38**	.38**
Relationship satisfaction	.73**	-	.73**	.80**	-	.80**
Effect on relationship commitment						
Communication	-	.09**	.09**	-	.04*	.04*
Differentiation	-	.05*	.05*	-	.01	.01
Personalization	-	.06*	.06*	-	.02	.02
Rewarding	-	.04	.04	-	.15**	.15**
Buyer relationship proneness	.35**	.18**	.53**	.37**	.22**	.59**
Seller relationship orientation	.20**	.14**	.34**	.09	.22**	.31**
Relationship satisfaction	-	.38**	.38**	-	.47**	.47**
Trust	.53**	-	.53**	.59**	-	.59**
Effect on behavioral loyalty						
Communication	-	.04**	.04**	-	.02*	.02*
Differentiation	-	.02*	.02*	-	.01	.01
Personalization	-	.02*	.02*	-	.01	.01
Rewarding	-	.02	.02	-	.06**	.06**
Buyer relationship proneness	-	.23**	.23**	-	.22**	.22**
Seller relationship orientation	-	.15**	.15**	-	.12**	.12**
Relationship satisfaction	-	.17**	.17**	-	.18**	.18**
Trust	-	.23**	.23**	-	.22*	.22*
Relationship commitment	.43**	-	.43**	.37**	-	.37**

^(*) p < .05, (**) p < .01

Table 7-11: Decomposition of Structural Effects (the Netherlands)

Table 7-11: Decomposition of Structural	Effects (the	Clothing	•)		Food	
Effect on seller relationship orientation	Direct	Indirect	Total	Direct	Indirect	Total
Communication	22**	_	22**	.03	_	.03
Differentiation	.10	_	.10	.11	_	.11
Personalization	.33**	_	.33**	.14*	_	.14*
Rewarding	.18*	_	.18*	.20*	_	.20*
Buyer relationship proneness	.16**	_	.16**	.22**	_	.22**
Effect on relationship satisfaction						
Communication	-	.15**	.15**	-	.02	.02
Differentiation	_	.07	.07	_	.07	.07
Personalization	_	.23**	.23**	_	.08*	.08*
Rewarding	_	.12*	.12*	_	.12*	.12*
Buyer relationship proneness	.26**	.11**	.37**	.26**	.14**	.40**
Seller relationship orientation	.69**	-	.69**	.61**	-	.61**
Effect on trust						
Communication	-	.11**	.11**	-	.02	.02
Differentiation	_	.05	.05	_	.06	.06
Personalization	-	.17**	.17**	-	.07*	.07*
Rewarding	-	.09*	.09*	_	.10*	.10*
Buyer relationship proneness	-	.27**	.27**	_	.34**	.34**
Seller relationship orientation	-	.50**	.50**	_	.51**	.51**
Relationship satisfaction	.73**	-	.73**	.83**	-	.83**
Effect on relationship commitment						
Communication	-	.07**	.07**	-	.01	.01
Differentiation	-	.03	.03	-	.04	.04
Personalization	-	.10**	.10**	-	.05*	.05*
Rewarding	-	.05*	.05*	-	.08*	.08*
Buyer relationship proneness	.59**	.11**	.70**	.47**	.18**	.65**
Seller relationship orientation	.16*	.15**	.31**	.17**	.22**	.39**
Relationship satisfaction	-	.21**	.21**	-	.36**	.36**
Trust	.30**	-	.30**	.43**	-	.43**
Effect on behavioral loyalty						
Communication	-	.03**	.03**	-	.00	.00
Differentiation	-	.01	.01	-	.01	.01
Personalization	-	.05**	.05**	-	.01*	.01*
Rewarding	-	.03*	.03*	-	.02*	.02*
Buyer relationship proneness	-	.33**	.33**	-	.16**	.16**
Seller relationship orientation	-	.14**	.14**	-	.10**	.10**
Relationship satisfaction	-	.10**	.10**	-	.09**	.09**
Trust	-	.14**	.14**	-	.11**	.11**
Relationship commitment	.47**	-	.47**	.25**	-	.25**

^(*) p < .05, (**) p < .01

Table 7-12: Decomposition of Structural Effects (United States)

Table 7-12. Decomposition of Structural	(01	Clothing			Food	
Effect on seller relationship orientation	Direct	Indirect	Total	Direct	Indirect	Total
Communication	.16	-	.16	.09	_	.09
Differentiation	18	_	18	10	_	10
Personalization	.36**	_	.36**	74**	_	74**
Rewarding	.25	_	.25	.02	_	.02
Buyer relationship proneness	23**	_	23**	03	_	03
Effect on relationship satisfaction						
Communication	-	.11	.11	-	.05	.05
Differentiation	_	12	12	_	05	05
Personalization	_	.24**	.24**	_	.36**	.36**
Rewarding	_	.17	.17	_	.01	.01
Buyer relationship proneness	.28**	.15**	.43**	.46**	02	.44**
Seller relationship orientation	.67**	_	.67**	.48**	_	.48**
Effect on trust						
Communication	-	.08	.08	-	.04	.04
Differentiation	-	09	09	-	04	04
Personalization	-	.18**	.18**	_	.29**	.29**
Rewarding	-	.13	.13	-	.01	.01
Buyer relationship proneness	-	.32**	.32**	-	.36**	.36**
Seller relationship orientation	-	.50**	.50**	_	.39**	.39**
Relationship satisfaction	.75**	-	.75**	.81**	-	.81**
Effect on relationship commitment						
Communication	-	.06	.06	-	.03	.03
Differentiation	-	07	07	-	03	03
Personalization	-	.14**	.14**	-	.22**	.22**
Rewarding	-	.10	.10	-	.01	.01
Buyer relationship proneness	.39**	.20**	.59**	.41**	.22**	.63**
Seller relationship orientation	.10*	.28**	.38**	.05	.25**	.30**
Relationship satisfaction	-	.42**	.42**	-	.50**	.50**
Trust	.55*	-	.55**	.62**	-	.62**
Effect on behavioral loyalty						
Communication	-	.04	.04	-	.01	.01
Differentiation	-	04	04	-	01	01
Personalization	-	.08**	.08**	-	.09**	.09**
Rewarding	-	.06	.06	-	.00	.00
Buyer relationship proneness	-	.35**	.35**	-	.27**	.27**
Seller relationship orientation	-	.22**	.22**	-	.13**	.13**
Relationship satisfaction	-	.24**	.24**	-	.21**	.21**
Trust	-	.33**	.33**	-	.26**	.26**
Relationship commitment	.59**	=	.59**	.42**	=	.42**

^(*) p < .05, (**) p < .01

7.6.2 Evaluation of a Rival Model

In SEM, it is generally agreed upon that researchers should compare rival models and not just test the performance of a proposed model (Bollen and Long 1992; Hair et al. 1998; Morgan and Hunt 1994). The model we hypothesized in chapter five is parsimonious as it permits no direct paths from any relationship effort (communication, differentiation, personalization, and rewarding) to any relationship outcome (relationship satisfaction, trust, relationship commitment, and behavioral loyalty). In order to assess the robustness of our hypothesized model, we formulated a rival, less parsimonious model positing direct relationships from relationship efforts not only to seller relationship orientation, but also to all relationship outcomes. Moreover, in the rival model, we estimated direct paths from seller relationship orientation and buyer relationship proneness to all relationship outcomes. Although this rival model has never been suggested in literature, there is some support for additional paths estimated in the rival model (Bendapudi and Berry 1997; Bhattacharya, Rao, and Glynn 1995; Biong and Selnes 1995; Bitner, Booms, and Mohr 1994; Doney and Cannon 1997; Geyskens 1998; Hallberg 1995; Leuthesser 1997; Mittal and Lassar 1996; Murphy, Stevens, and McLeod 1997; O'Brien and Jones 1995; Young and Denize 1995).

In line with Morgan and Hunt (1994), we compared the hypothesized model with the rival model on the following criteria: (1) overall fit of both models as measured by CFI, (2) parsimony of both models, (3) percentage of both models' hypothesized parameters that are statistically significant, and (4) squared multiple correlations for each of the endogenous constructs in both models. With respect to the overall fit of both models, the average CFI for the rival model is slightly higher than the average CFI for the hypothesized model across samples (.93 versus .94). In contrast, in order to achieve this slight increase in CFI, an additional 20 paths needed to be estimated in the rival model, reducing this model's parsimony. Stated alternatively, we accomplished a great increase in parsimony from 32 paths in the rival model to 12 paths in the hypothesized model by sacrificing only 1% in CFI. Moreover, only 53% of the paths in the rival model were significant as opposed to 76% in the hypothesized model. Furthermore, the robustness of the hypothesized model is supported as a result of the fact that all significant effects in the rival model are equally significant in the hypothesized model. Finally, little additional explanatory power is gained resulting from the rival model as the mean increment in squared multiple correlations for the endogenous constructs is only .059. Given the low sacrifice in CFI and the decisive gain in parsimony, we find support for the robustness of the hypothesized model.

In the next section, we continue the analysis by investigating the moderating effects of buyer relationship proneness, seller relationship orientation, and product category involvement on the paths originating from seller relationship orientation and buyer relationship proneness.

7.7 Moderating Effects

In 7.7.1, we investigate whether buyer relationship proneness moderates the relationship from seller relationship orientation to relationship satisfaction/relationship commitment. In 7.7.2, we assess the moderating influence of seller relationship orientation on the relationship from buyer relationship proneness to relationship satisfaction/relationship commitment. Finally, 7.7.3 discusses the

moderating effect of product category involvement on the relationship from seller relationship orientation to relationship satisfaction/relationship commitment.

It is a commonly accepted practice to assess the existence of moderating effects by means of multigroup analysis (Jaccard and Wan 1996; Ping 1995). Total samples were split in two sub-samples according to the values of the moderating variable. One sub-sample contained about one third of the lowest values for the moderating variable (e.g. relationship proneness low), while the other subsample contained about one third of the highest values for the moderating variable (e.g. relationship proneness high). As a result, cases in which a moderating variable's values lie around the median level were excluded. This ensured a high level of within-group homogeneity and a high level of between-group heterogeneity. The sizes of the various sub-samples are described in tables 7-13, 7-16, and 7-19.

7.7.1 Moderating Effects of Buyer Relationship Proneness

Figure 7-7 visually depicts the moderating effect of buyer relationship proneness on the relationship from seller relationship orientation to relationship satisfaction/relationship commitment.

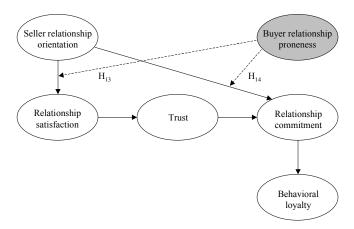


Figure 7-7: Moderating Effects of Buyer Relationship Proneness

In table 7-13, the characteristics of the sub-samples generated on basis of the level of buyer relationship proneness are shown.

Table 7-14 displays the results of 18 separate structural model estimations in terms of degrees of freedom and χ^2 generated. In the equal models, all paths of the structural model visualized in figure 7-7 are set equal across high- and low-relationship proneness sub-samples. In the 'RO-RS free' models, all paths are constrained to be equal across high- and low-relationship proneness sub-samples, except for the relationship from seller relationship orientation to relationship satisfaction. In the 'RO-MIT free' models, all paths are constrained to be equal across sub-samples, except for the relationship from seller relationship orientation to relationship commitment.

Table 7-13: Sub-Samples According to the Level of Buyer Relationship Proneness

Sub-samples		Gend	ler (%)		Age	(%)	
	N	Male	Female	18-25	26-40	41-55	> 55
Belgium clothing	302	30.2	69.8	24.8	25.2	23.8	26.1
Buyer relationship proneness low	102	26.5	73.5	36.3	24.5	21.6	17.6
Buyer relationship proneness high	110	30.9	69.1	13.6	23.6	25.5	37.3
Belgium food	289	29.4	70.6	25.3	22.5	26.0	26.3
Buyer relationship proneness low	107	23.4	76.6	32.7	30.8	25.2	11.2
Buyer relationship proneness high	100	30.0	70.0	18.0	17.0	23.0	42.0
The Netherlands clothing	338	30.5	69.5	29.0	25.4	20.1	25.4
Buyer relationship proneness low	110	30.9	69.1	30.9	35.5	15.5	18.2
Buyer relationship proneness high	128	31.3	68.8	16.4	18.8	23.4	41.4
The Netherlands food	337	27.0	73.0	29.8	29.2	19.6	21.4
Buyer relationship proneness low	106	34.9	65.1	33.1	35.2	17.1	14.3
Buyer relationship proneness high	116	20.7	79.3	19.8	19.8	21.6	38.8
United States clothing	230	32.6	67.4	36.5	31.3	23.5	8.7
Buyer relationship proneness low	75	40.0	60.0	48.0	21.3	20.0	10.7
Buyer relationship proneness high	78	24.4	75.6	25.6	38.5	26.9	9.0
United States food	231	40.8	59.2	55.4	25.1	16.5	3.0
Buyer relationship proneness low	88	52.4	47.6	59.1	23.9	15.9	1.1
Buyer relationship proneness high	91	38.6	61.4	51.6	30.8	14.3	3.3

As can be derived from table 7-14, differences in chi-square values between models served as a basis for deciding whether or not buyer relationship proneness acts as a moderating variable. A significant decrease in chi-square from the equal model to a model in which one relationship is set free implies that the moderator variable has a significant influence on that relationship. The results show that the construct of buyer relationship proneness significantly moderates the relationship from seller relationship orientation to relationship satisfaction in three samples (Belgium food, United States clothing, and United States food). The relationship from seller relationship orientation to relationship commitment is significantly affected by buyer relationship proneness in only one sample (Belgium food).

Table 7-14: Moderating Effects of Buyer Relationship Proneness

		Belgium		The Netl	herlands	United States	
Model		Clothing	Food	Clothing	Food	Clothing	Food
Equal model	df	201	201	201	201	201	201
	χ^2	518.41	398.56	582.17	385.09	514.74	530.74
RO-RS free	df	200	200	200	200	200	200
	χ^2	517.78	392.12	581.56	385.00	509.41	517.23
RO-MIT free	df	200	200	200	200	200	200
	χ^2	518.40	388.52	582.15	384.60	514.57	528.01
Model differences							
Equal versus RO-RS free	df	1	1	1	1	1	1
	χ^2	.63	6.44*	.61	.09	5.33*	13.51**
Equal versus RO-MIT free	df	1	1	1	1	1	1
	χ^2	.01	10.04**	.02	.49	.17	2.73

^(*) p < .05, (**) p < .01

The following abbreviations are used: RO = seller relationship orientation, RS = relationship satisfaction, MIT = relationship commitment.

Table 7-15 reports the differences in within-group path coefficients between the sub-samples. As hypothesized, in case of significant differences between path coefficients, these were consistently

lower in the low-relationship proneness sub-sample than in the high-relationship proneness sub-sample. This implies that the effects of seller relationship orientation on relationship satisfaction and relationship commitment are stronger in case buyers are more prone to engage in relationships with sellers.

Table 7-15: Change in Path Coefficients Based on Level of Buyer Relationship Proneness

	Within-group	path coefficient	Change in coefficient
Path from RO-RS	RP low	RP high	
Belgium clothing	.46	.36	10
Belgium food	.31	.60	+.29*
The Netherlands clothing	.76	.71	05
The Netherlands food	.64	.66	+.02
United States clothing	.67	.81	+.14*
United States food	.44	.76	+.32**
Path from RO-MIT			
Belgium clothing	.27	.26	01
Belgium food	09	.33	+.42**
The Netherlands clothing	.35	.33	02
The Netherlands food	.15	.26	+.11
United States clothing	.15	.22	+.07
United States food	01	.18	+.19

^(*) p < .05, (**) p < .01

Concluding, the construct of buyer relationship proneness acts as a moderator variable in some of the samples examined, providing partial support for H_{13} and H_{14} . Moreover, in case buyer relationship proneness moderates a specific relationship, it consistently does so in the hypothesized direction.

7.7.2 Moderating Effects of Seller Relationship Orientation

Figure 7-8 visually depicts the moderating effect of seller relationship orientation on the relationship from buyer relationship proneness to relationship satisfaction/relationship commitment.

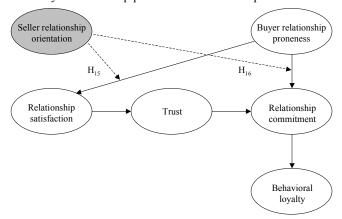


Figure 7-8: Moderating Effects of Seller Relationship Orientation

The following abbreviations are used: RO = seller relationship orientation,

RS = relationship satisfaction, MIT = relationship commitment.

In table 7-16, the characteristics of the sub-samples generated on basis of the level of seller relationship orientation are shown.

Table 7-16: Sub-Samples According to the Level of Seller Relationship Orientation

Sub-Samples		Gend	ler (%)		Age	(%)			
	N	Male	Female	18-25	26-40	41-55	> 55		
Belgium clothing	302	30.2	69.8	24.8	25.2	23.8	26.1		
Seller relationship orientation low	117	29.3	70.7	28.2	35.9	17.1	18.8		
Seller relationship orientation high	97	28.9	71.1	18.6	14.4	25.8	41.2		
Belgium food	289	29.4	70.6	25.3	22.5	26.0	26.3		
Seller relationship orientation low	103	29.1	70.9	31.1	23.3	23.3	22.3		
Seller relationship orientation high	98	34.7	65.3	13.3	17.3	33.7	35.7		
The Netherlands clothing	338	30.5	69.5	29.0	25.4	20.1	25.4		
Seller relationship orientation low	127	29.1	70.9	39.4	33.1	15.7	11.8		
Seller relationship orientation high	124	31.5	68.5	14.5	21.8	25.8	37.9		
The Netherlands food	337	27.0	73.0	29.8	29.2	19.6	21.4		
Seller relationship orientation low	122	31.1	68.9	29.5	28.7	22.1	19.7		
Seller relationship orientation high	125	20.8	79.2	24.8	28.0	17.6	29.6		
United States clothing	230	32.6	67.4	36.5	31.3	23.5	8.7		
Seller relationship orientation low	75	37.3	62.7	53.3	18.7	18.7	9.3		
Seller relationship orientation high	90	26.7	73.3	24.4	40.0	26.7	8.9		
United States food	231	40.8	59.2	55.4	25.1	16.5	3.0		
Seller relationship orientation low	83	36.7	63.3	56.6	26.5	14.5	2.4		
Seller relationship orientation high	78	40.8	59.2	46.2	30.8	20.5	2.6		

Table 7-17 displays the results of 18 separate structural model estimations in terms of degrees of freedom and χ^2 generated. In the equal models, all paths of the structural model visualized in figure 7-8 are set equal across high- and low-relationship orientation sub-samples. In the 'RP-RS free' models, all paths are constrained to be equal across high- and low-relationship orientation sub-samples, except for the relationship from buyer relationship proneness to relationship satisfaction. In the 'RP-MIT free' models, all paths are constrained to be equal across sub-samples, except for the relationship from buyer relationship proneness to relationship commitment.

Table 7-17: Moderating Effects of Seller Relationship Orientation

		Belgium		The Netl	herlands	United States		
Model		Clothing	Food	Clothing	Food	Clothing	Food	
Equal model	df	201	201	201	201	201	201	
	χ^2	434.15	512.69	624.85	529.76	520.32	656.90	
RP-RS free	df	200	200	200	200	200	200	
	χ^2	433.06	505.08	624.78	527.25	517.07	652.14	
RP-MIT free	df	200	200	200	200	200	200	
	χ^2	433.21	507.77	624.84	521.45	520.17	656.19	
Model differences	,,							
Equal versus RP-RS free	df	1	1	1	1	1	1	
_	χ^2	1.09	7.61**	.07	2.51	3.25	4.76*	
Equal versus RP-MIT free	ďf	1	1	1	1	1	1	
-	χ^2	.94	4.92*	.01	8.31**	.15	.71	

^(*) p < .05, (**) p < .01

The following abbreviations are used: RP = buyer relationship proneness, RS = relationship satisfaction, MIT = relationship commitment.

Table 7-17 reveals that the construct of seller relationship orientation significantly moderates the relationship from buyer relationship proneness to relationship satisfaction in two samples (Belgium food and United States food). The relationship from buyer relationship proneness to relationship commitment is similarly significantly affected by seller relationship orientation in two samples (Belgium food and the Netherlands food).

Table 7-18 reports the differences in within-group path coefficients between the sub-samples. As hypothesized, the path coefficients were consistently lower in the low-relationship orientation sub-sample than in the high-relationship orientation sub-sample in case significant differences were found. This implies that the effects of buyer relationship proneness on relationship satisfaction and relationship commitment are stronger in case buyers perceive sellers to be making larger efforts towards them.

Table 7-18: Change in Path Coefficients Based on Level of Seller Relationship Orientation

	Within-group	path coefficient	Change in coefficient
Path from RP-RS	RO low	RO high	
Belgium clothing	.35	.48	+.13
Belgium food	.22	.58	+.36**
The Netherlands clothing	.51	.48	03
The Netherlands food	.25	.46	+.21
United States clothing	.34	.57	+.23
United States food	.42	.68	+.26*
Path from RP-MIT			
Belgium clothing	.29	.41	+.12
Belgium food	.20	.43	+.23*
The Netherlands clothing	.72	.71	01
The Netherlands food	.33	.61	+.28**
United States clothing	.39	.43	+.04
United States food	.71	.67	04

^(*) p < .05, (**) p < .01

The following abbreviations are used: RP = buyer relationship proneness,

RS = relationship satisfaction, MIT = relationship commitment.

Concluding, we can state that the construct of seller relationship orientation acts as a moderator in some of the samples examined, providing partial support for H_{15} and H_{16} . Moreover, in case seller relationship orientation moderates a specific relationship, it consistently does so in the hypothesized direction.

7.7.3 Moderating Effects of Product Category Involvement

Figure 7-9 visually depicts the moderating effect of product category involvement on the relationships from seller relationship orientation to relationship satisfaction/relationship commitment⁵.

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As already mentioned in chapter five, no moderating effects of product category involvement on the paths from buyer relationship proneness to relationship satisfaction and relationship commitment were estimated. The underlying reason for this is that both product category involvement and buyer relationship proneness refer to the same unit of analysis. In other words, one buyer exhibiting a certain level of buyer relationship proneness can only be characterized by one level of product category involvement.

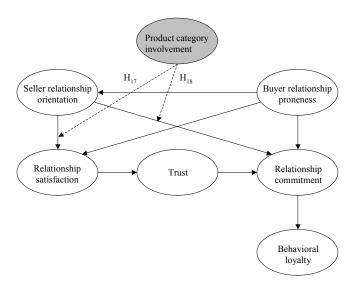


Figure 7-9: Moderating Effects of Product Category Involvement

In table 7-19, the characteristics of the sub-samples generated on basis of the level of product category involvement are shown.

Table 7-19: Sub-Samples According to the Level of Product Category Involvement

Sub-Samples		Gend	er (%)		Age	(%)	
-	N	Male	Female	18-25	26-40	41-55	> 55
Belgium clothing	302	30.2	69.8	24.8	25.2	23.8	26.1
Product category involvement low	108	31.8	68.2	23.1	25.9	25.9	25.0
Product category involvement high	92	25.0	75.0	17.4	21.7	23.9	37.0
Belgium food	289	29.4	70.6	25.3	22.5	26.0	26.3
Product category involvement low	97	34.0	66.0	39.2	23.7	29.9	7.2
Product category involvement high	107	27.1	72.9	9.3	17.8	25.2	47.7
The Netherlands clothing	338	30.5	69.5	29.0	25.4	20.1	25.4
Product category involvement low	116	37.1	62.9	31.9	27.6	19.8	20.7
Product category involvement high	104	29.8	70.2	25.0	17.3	22.1	35.6
The Netherlands food	337	27.0	73.0	29.8	29.2	19.6	21.4
Product category involvement low	96	34.4	65.6	51.0	25.0	14.6	9.4
Product category involvement high	104	25.0	75.0	16.3	28.8	25.0	29.8
United States clothing	230	32.6	67.4	36.5	31.3	23.5	8.7
Product category involvement low	75	40.0	60.0	38.7	21.3	25.3	14.7
Product category involvement high	76	23.7	76.3	39.3	34.2	18.4	7.9
United States food	231	40.8	59.2	55.4	25.1	16.5	3.0
Product category involvement low	89	44.8	55.2	58.4	21.3	18.0	2.2
Product category involvement high	112	40.2	59.8	52.7	26.8	17.0	3.6

Table 7-20 displays the results of 18 separate structural model estimations in terms of degrees of freedom and χ^2 generated. In the equal models, all paths of the structural model visualized in figure 7-9 are set equal across high- and low-product category involvement sub-samples. In the 'RO-RS free' models, all paths are constrained to be equal across high- and low-involvement sub-samples, except for the relationship from seller relationship orientation to relationship satisfaction. In the

'RO-MIT free' models, all paths are constrained to be equal across sub-samples, except for the relationship from seller relationship orientation to relationship commitment.

Table 7-20: Moderating Effects of Product Category Involvement

		Belgium		The Netl	herlands	United States		
Model		Clothing	Food	Clothing	Food	Clothing	Food	
Equal model	df	293	293	293	293	293	293	
	χ^2	449.47	684.28	530.72	557.29	603.96	1,410.09	
RO-RS free	df	292	292	292	292	292	292	
	χ^2	449.28	684.09	528.60	556.17	597.76	1,384.24	
RO-MIT free	df	292	292	292	292	292	292	
	χ^2	439.73	680.25	529.62	555.80	603.54	2,597.00	
Model differences								
Equal versus RO-RS free	df	1	1	1	1	1	1	
	χ^2	.19	.19	2.12	1.12	6.20*	25.85**	
Equal versus RO-MIT free	df	1	1	1	1	1	1	
	χ^2	9.74**	4.03*	1.10	1.49	.42	<0	

(*) p < .05, (**) p < .01

The following abbreviations are used: RO = seller relationship orientation, RS = relationship satisfaction, MIT = relationship commitment.

Table 7-20 reveals that the construct of product category involvement significantly moderates the relationship from seller relationship orientation to relationship satisfaction in two samples (United States clothing and United States food) and the relationship from seller relationship orientation to relationship commitment in two other samples (Belgium clothing and Belgium food).

Table 7-21 reports the differences in within-group path coefficients between the sub-samples. All of the path coefficients were consistently lower in the low-involvement sub-sample than in the high-involvement sub-sample in case significant differences were found. This implies that the effects of seller relationship orientation on relationship satisfaction and relationship commitment are stronger in case buyers are more involved with the product category.

Table 7-21: Change in Path Coefficients Based on Level of Product Category Involvement

Within grown noth coefficient

	Within-group	path coefficient	Change in coefficient
Path from RO-RS	INV low	INV high	_
Belgium clothing	.38	.33	05
Belgium food	.46	.41	05
The Netherlands clothing	.63	.71	+.08
The Netherlands food	.51	.60	+.09
United States clothing	.62	.75	+.13*
United States food	.34	.53	+.19**
Path from RO-MIT			
Belgium clothing	.02	.37	+.35**
Belgium food	04	.20	+.24*
The Netherlands clothing	.08	.19	+.11
The Netherlands food	.26	.12	14
United States clothing	.07	.14	+.07
United States food			

(*) p < .05, (**) p < .01

The following abbreviations are used: RO = seller relationship orientation,

RS = relationship satisfaction, MIT = relationship commitment.

Concluding, we can state that the construct of product category involvement acts as a moderator in some of the samples examined, providing partial support for H_{17} and H_{18} . Moreover, in case product category involvement moderates a specific relationship, it consistently does so in the hypothesized direction.

7.7.4 Conclusions Regarding Moderating Effects

Table 7-22 provides a comparative overview of the paths that were found to be moderated by buyer relationship proneness, seller relationship orientation, and product category involvement in each of the six samples. As can be read from the table, no consistent pattern can be detected across the samples. As a result, none of the hypotheses H_{13} to H_{18} was fully supported. Only partial and inconsistent support was found for the theoretically hypothesized moderating effects.

Table 7-22: Evaluation of Hypotheses Related to Moderating Effects

Path	Hypothesis	Belg	ium	The Netherlands		United States		Result
RP moderates		C	F	C	F	C	F	
RO-RS	H_{13}	10	.29	05	.02	.14	.32	Partially supported
RO-MIT	H_{14}	01	.42	02	.11	.07	.19	Partially supported
RO modera	ites							
RP-RS	H ₁₅	.13	.36	03	.21	.23	.26	Partially supported
RP-MIT	H_{16}	.12	.23	01	.28	.04	04	Partially supported
INV moder	ates							
RO-RS	H_{17}	05	05	.08	.09	.13	.19	Partially supported
RO-MIT	H_{18}	.35	.24	.11	14	.07		Partially supported

Shaded cells are at least significant at a p < .05 level.

The following abbreviations are used: RO = seller relationship orientation, RP = buyer relationship proneness,

7.8 Summary and Conclusions

In this chapter, we supported our choice for SEM as a data analysis technique. The procedure we used, was based upon a total disaggregation model, three indicators per construct, the use of a variance-covariance matrix, maximum likelihood estimation, and a single-step analysis. LISREL was used to conduct the analyses.

The raw data were first examined for coding errors, recoded if necessary, and cases incorporating missing values were listwise deleted before data analysis. While the data appeared to be non-normally distributed, the sample sizes were considered large enough to partially compensate for this problem. No data sets were pooled across product categories or countries. As a result, separate models were estimated for each sample.

The goodness-of-fit measures of overall models and the performance of measurement models were satisfactory. Moreover, the structural models did not reveal any offending estimates and all significant relationships were in the hypothesized direction.

RS = relationship satisfaction, MIT = relationship commitment, INV = product category involvement,

C = clothing, F = food.

Full support was obtained for the positive relationships from seller relationship orientation to relationship satisfaction, from buyer relationship proneness to relationship satisfaction, from buyer relationship proneness to relationship commitment, from relationship satisfaction to trust, from trust to relationship commitment, and from relationship commitment to behavioral loyalty. Partial support was found for the positive relationships from communication, differentiation, personalization, and rewarding to seller relationship orientation. Moreover, the positive relationship between buyer relationship proneness and seller relationship orientation was partially supported, as well as the positive relationship between seller relationship orientation and relationship commitment.

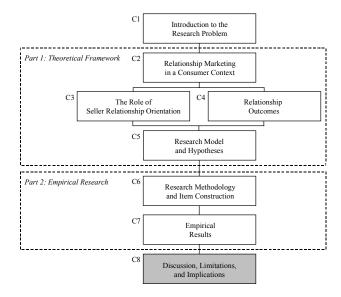
The structural model was not respecified as modification indices suggested different modifications across samples and as no sound theoretical reasons could support model respecifications. However, a rival model was estimated in order to assess the robustness of the hypothesized model. The hypothesized model proved to be robust.

Finally, we found partial support for the moderating effects of buyer relationship proneness, seller relationship orientation, and product category involvement.

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Chapter 8 Discussion, Limitations, and Implications



8.1 Introduction

In section 8.2, we discuss the results of our study. In section 8.3, we outline the study's major limitations. In section 8.4, we indicate some important directions for future research. Finally, section 8.5 describes the theoretical and managerial implications of our study's results.

8.2 Discussion of Results

In this section, we discuss the results related to the main and moderating effects in the hypothesized model¹. This provides an answer to each of the research questions formulated in chapter one.

(1) What are the effects of relationship efforts on seller relationship orientation?

Previous research generally neglected a buyer's benefits that can result from being in a relationship with a seller (Bitner 1995; Ganesan 1994; Gwinner, Gremler, and Bitner 1998; Hennig-Thurau and Klee 1997; Pine, Peppers, and Rogers 1995). In response to Gwinner, Gremler, and Bitner's (1998) first attempt to categorize and factor-analyze various relationship benefits, we investigated the

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This study involves an empirical validation of the hypothesized model in three different countries (Belgium, the Netherlands, and United States) and two different product categories (clothing and food). As stated in chapter one, cultural differences exist between the countries we incorporated. Moreover, Anderson, Fornell, and Rust (1997) considered clothing stores and supermarkets as sufficiently heterogeneous. Although our empirical results demonstrated differences between countries and product categories, it was no explicit objective of this study to explain the underlying reasons for these differences. Consequently, no separate discussion is devoted to disentangle such differences. Instead, our motivation behind collecting data from six samples was based upon improving external validity.

impact of four relationship efforts on seller relationship orientation: communication, differentiation, personalization, and rewarding. In chapter five, we hypothesized positive paths from these relationship efforts to seller relationship orientation (H₁ to H₄).

A first observation is that differentiation reveals a significant relationship with seller relationship orientation in only the Belgian clothing sample. This seems to contradict the common opinion that regular buyers should be treated in a different way than non-regular buyers (Barlow 1992; Bitner 1995; Child et al. 1995; Crosby and Stephens 1987; Gwinner, Gremler, and Bitner 1998; Hallberg 1995; O'Brien and Jones 1995; Peterson 1995; Ping 1993). A potential explanation for this finding might be that customers do not appreciate to be openly favored above other customers. If this were true, it would hold important implications for retailers as it underlines that efforts directed at buyers should be made 'delicately' in order to avoid bringing customers in an uncomfortable position. An alternative explanation might be that respondents did not possess the required information on the efforts of a store towards non-regular customers of this store. Consequently, this might lead respondents to seek the neutral response option in questions related to differentiation, resulting in a weak or non-existing relationship between differentiation and seller relationship orientation².

Second, the construct of personalization is clearly a dominant determinant of seller relationship orientation as it is significantly and positively related to seller relationship orientation in five out of six samples. This is in line with existing literature recognizing that relationships are inherently social processes (Beatty et al. 1996; Dodge and Fullerton 1997; Mittal and Lassar 1996; Perrien, Paradis, and Banting 1995). While the role of personalization is often stressed in relationship marketing literature, as far as we know, no empirical studies on its effects are available. Our support for the impact of personalization on seller relationship orientation demonstrates the crucial role of retail employees who are in direct contact with customers. Retailers capable of training and motivating their employees to show warm and personal feelings towards customers can reap the resulting benefits in terms of improved seller relationship orientation. Our results support the idea of employees as 'part-time marketers' (Bitner 1995; Grönroos 1994a; Gummesson 1987) stressing the important role of employees in enhancing customer relationships. It is particularly fascinating to notice that personalization is the single significant determinant of seller relationship orientation in the US samples.

Finally, the results provide partial support for the positive effects of communication and rewarding on seller relationship orientation in the Belgian and Dutch samples. With respect to communication, this result is in line with several authors who consider communication as a necessary ingredient of successful relationships (Bendapudi and Berry 1997; Berry 1995; Biong and Selnes 1995; Crosby, Evans, and Cowles 1990; Crosby and Stephens 1987; Doney and Cannon 1997; Duncan and Moriarty 1998). The relationship effort of communication was not significantly related to seller relationship orientation in the US samples. A likely explanation for this is that the longer tradition of

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Other potential explanations of not finding a significant relationship between differentiation and seller relationship orientation might be related to the size of the standard deviation of differentiation or to the lack of discriminant validity between differentiation and other relationship benefits. However, as indicated in tables A5-1 to A5-6, the standard deviations of differentiation are only slightly lower than the standard deviations of the other relationship efforts. Moreover, sufficient proof has been provided in chapter seven (see 7.5) that differentiation does not suffer from multicollinearity with other relationship efforts. Consequently, these potential explanations may be ruled out.

communicating with customers in affluent US markets has worn out the effects of communication on seller relationship orientation. Direct mail comprises the third largest percentage of all advertising expenditures in the United States, increasing from 17.5 percent in 1993 to 24.3 percent in 1998 (DMA Statistical Fact Book 1998). The average number of US direct mail pieces received over the past 50 years has risen from about 145 pieces per year to more than 700 per year (De Wulf, Hoekstra, and Commandeur 1999; James and Li 1993). With respect to rewarding, our results confirm the views of several scholars who postulate that rewarding can improve buyer perceptions of a seller (Bendapudi and Berry 1997; Bennett 1996; O'Brien and Jones 1995; Sheth and Parvatiyar 1995b). Again, the longer tradition of rewarding customers for their loyalty in US markets might explain the fact that no significant relationship existed between rewarding and seller relationship orientation in the US samples. Rewarding rather seems to become a dissatisfier as rewarding efforts such as frequent flyer programs, customer loyalty bonuses, and free gifts can easily be imitated by competitors (Berry 1995; Christy, Oliver, and Penn 1996; Dowling and Uncles 1997; O'Brien and Jones 1995). It seems that such 'wear-out' effects are not present yet in Belgian and Dutch markets as our results indicate that rewarding efforts still exert an influence on seller relationship orientation.

(2) What are the effects of seller relationship orientation on relationship outcomes?

In chapter five, we hypothesized positive paths from seller relationship orientation to relationship satisfaction (H₆) and relationship commitment (H₇). Our study found strong empirical support for both hypotheses. First, higher levels of seller relationship orientation consistently lead to higher levels of relationship satisfaction across country and product category samples. This is in line with researchers who previously indicated that performance judgments such as seller relationship orientation play an important role in influencing relationship satisfaction (Anderson and Narus 1990; Churchill and Surprenant 1982; Flint, Woodruff, and Gardial 1997; Fournier 1998; Smith and Barclay 1997; Wray, Palmer, and Bejou 1994). As satisfaction and performance are closely related (Anderson and Narus 1984; Ganesan 1993; Gottlieb, Grewal, and Brown 1994; Lewis and Lambert 1991; Ruekert and Churchill 1984), the construct of seller relationship orientation can be regarded as a performance variable and, therefore, is closely related to relationship satisfaction. While the positive effects of constructs similar to seller relationship orientation on relationship satisfaction were previously found in industrial and channel contexts (Anderson and Narus 1990; Kumar, Stern, and Achrol 1992; Lewis and Lambert 1991; Smith and Barclay 1997), this study indicates the importance of seller relationship orientation in influencing relationship satisfaction in a consumer context. Consumers tend to be more satisfied with retailers who are perceived to make deliberate efforts aimed at enhancing the consumer-retailer relationship.

Second, the path from seller relationship orientation to relationship commitment was significant and positive in four samples. Contrary to the views of Dwyer, Schurr, and Oh (1987) and Bennett (1996), our results indicate that a buyer's relationship commitment does not always depend on his perceptions of efforts made by the seller. This finding is in accordance with previous empirical findings concerning the effects of related constructs on relationship commitment in channel and industrial contexts (Anderson and Weitz 1992; Morgan and Hunt 1994; Siguaw, Simpson, and Baker 1997). Our result implies that the more consumers perceive a retailer to be making efforts

towards them, the more these consumers are committed to their relationship with this retailer. However, the path from seller relationship orientation to relationship commitment is weaker than the path from seller relationship orientation to relationship satisfaction.

(3) What are the effects of buyer relationship proneness on seller relationship orientation?

Berry (1995) stated that relationship prone buyers are more keen to find a seller that will actively meet their needs. Kalwani and Narayandas (1995) stated that customers who are willing to engage in relationships are also the most difficult to serve satisfactorily because they are sensitive to or intolerant of any mistakes. In response to this, we empirically investigated the relationship from buyer relationship proneness to seller relationship orientation. Our study revealed a significant, positive relationship between both constructs in four samples. This partially confirms previous results found in interpersonal literature indicating that people in search of relationships perceive potential partners to be more attractive than people not in search of relationships (Simpson, Gangestad, and Lerma 1990). Our finding implies that perceptions of a seller's efforts to enhance the relationship can be inflated by the inherent proneness of buyers to engage in relationships with sellers. It appears that relationship prone buyers may see a seller's efforts through more rose-colored glasses. Our results contrast the viewpoints of Kalwani and Narayandas (1995). According to them, sellers need to make relatively stronger efforts towards relationship prone buyers as opposed to non-relationship prone buyers in order to generate the same level of perceived efforts. Our results indicate that this is not the case.

(4) What are the effects of buyer relationship proneness on relationship outcomes?

In reply to the need for more research on the impact of buyer relationship proneness on relationship outcomes (Beatty et al. 1996; Ellis 1995), we investigated the relationships from buyer relationship proneness to relationship satisfaction (H₈) and relationship commitment (H₉). Our study found strong empirical support for positive paths between both pairs of constructs. In all six samples, buyers characterized by higher levels of relationship proneness were more satisfied with and committed to their relationship with a seller. Despite cultural differences between the countries examined (Hofstede 1980), both relationships were consistently significant and positive in all country samples. Moreover, the effects were found to be stable across product category samples.

Our results strongly contradict Kalwani and Narayandas' (1995) conceptual idea that buyers who are relationship prone are relatively more difficult to serve satisfactorily. Moreover, our results support the belief that personal characteristics are partly at the basis of relationship commitment (Korgaonkar, Lund, and Price 1985; Mathieu and Zajac 1990; Rylander, Strutton, and Pelton 1997; Storbacka, Strandvik, and Grönroos 1994). Although it is generally acknowledged that relationship satisfaction and relationship commitment are key constructs in relationship marketing research (Anderson and Narus 1990; Doney and Cannon 1997; Dwyer, Schurr, and Oh 1987; Geyskens 1998; Macintosh and Lockshin 1997; Morgan and Hunt 1994; Smith and Barclay 1997), it is surprising to notice that no previous study has ever empirically investigated the effect of buyer relationship proneness on both constructs. In this study, we found that buyer relationship proneness and trust have comparable total effects on relationship commitment (see tables 7-10 to 7-12). In the

Dutch samples, the total effect of buyer relationship proneness on relationship commitment is even larger than the total effect of trust on relationship commitment. This is an extraordinary finding given the abundance of attention directed at the role of trust in affecting relationship commitment (Andaleeb 1996; Anderson and Weitz 1989; Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Ganesan 1994; Geyskens et al. 1996; Moorman, Zaltman, and Deshpandé 1992; Morgan and Hunt 1994). According to us, previous studies on relationship marketing suffer from the omission of buyer relationship proneness as an important construct. Our results imply that the effectiveness of relationship marketing strategies is largely affected by the proneness of buyers to engage in relationships. Failing to include buyer relationship proneness in future studies on relationship marketing could result in flawed conclusions related to the antecedents and consequences of satisfaction with and commitment to buyer-seller relationships.

A general observation across all samples is that relationship satisfaction is relatively stronger influenced by seller-related factors (seller relationship orientation), whereas relationship commitment is relatively stronger affected by buyer-related factors (buyer relationship proneness). This seems a plausible outcome as relationship satisfaction refers to "the overall appraisal of a relationship with a seller" and relationship commitment refers to "an enduring desire to continue a relationship". Consequently, from a nomological point of view, one would expect seller relationship orientation to be related stronger to relationship satisfaction, while buyer relationship proneness is expected to have more in common with relationship commitment. This might lead to the tentative conclusion that it will be very hard to establish relationship satisfaction without a seller's efforts aimed at enhancing this relationship, making buyer relationship proneness of secondary importance. On the other hand, it will be very hard to establish relationship commitment without a buyer being prone to engage in relationships with sellers, making seller relationship orientation of secondary importance.

(5) What are the interrelationships between relationship outcomes?

Several authors doubt whether relationship satisfaction, trust, and relationship commitment can be regarded as three distinct constructs (Bejou, Wray, and Ingram 1996; Crosby, Evans, and Cowles 1990; Dwyer and Oh 1987; Hennig-Thurau and Klee 1997; Kumar, Scheer, and Steenkamp 1995a; Lagace, Dahlstrom, and Gassenheimer 1991; Leuthesser 1997; Scheer and Stern 1992; Wray, Palmer, and Bejou 1994). Contrary to their belief, we found strong empirical support for their distinctiveness as evidenced by the results of the measurement models reported in chapter seven (see 7.5). This supports Geyskens' (1998) empirical evidence on basis of an extensive meta-analysis incorporating the three constructs.

In chapter five, we hypothesized that relationship satisfaction positively influences trust (H_{10}), which in turn positively affects relationship commitment (H_{11}), ultimately leading to behavioral loyalty (H_{12}). These interrelationships are confirmed in all six samples, providing strong empirical evidence across countries and product categories. While these relationships have been explored to a large extent in previous research (e.g. Anderson and Weitz 1989; Ganesan 1994; Geyskens 1998; Morgan and Hunt 1994; Selnes 1998), we provide strong support for their existence in consumer environments. Our results indicated that relationship satisfaction positively influences trust in a

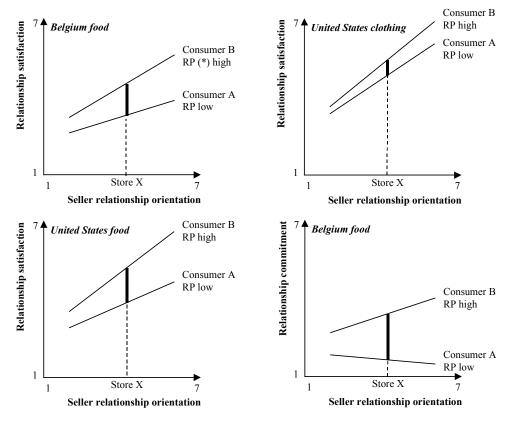
consumer context, which is in line with previous conceptual ideas of Bendapudi and Berry (1997), Gruen (1995), and Tax, Brown, and Chandrashekaran (1998). With respect to the trust-commitment relationship, Moorman, Deshpandé, and Zaltman (1993) expected that the influence of trust on relationship commitment would be less strong in a consumer environment as opposed to a business-to-business environment as consumer contexts typically involve less uncertainty and vulnerability. Our results prove the contrary and support the view of Beatty et al. (1996) and Macintosh and Lockshin (1997) who stated that trust is also important in retail situations. Finally, we found strong evidence for a positive relationship between relationship commitment and behavioral loyalty. This confirms previous results found by Morgan and Hunt (1994) and Moorman, Zaltman, and Deshpandé (1992).

The percentage of variance explained of all attitudinal relationship outcomes is considerably high with values ranging from .39 to .89. This is not the case for the behavioral loyalty construct of which the variance explained ranges from .06 to .34. This should not be surprising as a consumer's purchasing behavior is clearly determined by additional influencing factors. For example, the distance to the store, its assortment, and other elements of the retail mix have their effect on behavioral loyalty of consumers (Ghosh 1994).

(6a) To what extent are the effects of seller relationship orientation moderated by buyer relationship proneness?

Our results show that buyer relationship proneness acts as a moderator in some of our samples examined, providing partial support for hypotheses H₁₃ and H₁₄. Figure 8-1 visualizes the effects of buyer relationship proneness on the strength of the relationship between seller relationship orientation and relationship satisfaction/relationship commitment. Based upon table 7-15 in chapter seven, only the significant changes in path coefficients are visualized in figure 8-1. As shown in the figure, the same store X characterized by a particular level of seller relationship orientation generates different levels of relationship satisfaction/relationship commitment as a result of different levels of buyer relationship proneness. Consumer B demonstrates a higher level of relationship satisfaction/relationship commitment because his inherent relationship proneness is higher than consumer A. This result confirms earlier assumptions that buyer characteristics can influence the effectiveness of relationship marketing investments (Barnes 1995/1997; Ganesan 1994; Krapfel, Salmond, and Spekman 1991). As suggested by other authors (Barnes 1995; Bendapudi and Berry 1997; Dwyer, Schurr, and Oh 1987), a potential explanation for this is that buyers who are less relationship prone are less sensitive to a seller's efforts directed at them.

It is interesting to notice that the above mentioned moderator effects mainly occur in a food context. Out of four significant moderator effects, only one is significant in a clothing context. Moreover, the moderating effect of buyer relationship proneness in a clothing context is the smallest of the four significant moderator effects. An intuitive explanation for this is that, in an apparel store, it is more common practice to receive for example personal service, extra attention, and customized advice. We might expect that each type of customer, whether relationship prone or not, expects apparel stores to make particular efforts. This might explain why the level of buyer relationship proneness



(*) RP = buyer relationship proneness

Figure 8-1: Moderating Effects of Buyer Relationship Proneness

does not seriously strengthen the effect of seller relationship orientation on relationship satisfaction/relationship commitment. This is in contrast to the more anonymous, standard self-service that is provided in a typical supermarket (Page and Sharp 1997). Supermarkets generally make fewer efforts to their customers as opposed to apparel stores. Consequently, in case a certain supermarket does make particular efforts towards its customers, it seems that these efforts are especially perceived and welcomed by relationship prone customers. This is in line with our earlier conclusion that relationship prone buyers seem to have a more positive selective perception of a seller's efforts.

(6b) To what extent are the effects of buyer relationship proneness moderated by seller relationship orientation?

In chapter five, we hypothesized that the effects of buyer relationship proneness on relationship satisfaction/relationship commitment are moderated by seller relationship orientation. Our results

indeed show that seller relationship orientation acts as a moderator in some of our samples examined, providing partial support for hypotheses H_{15} and H_{16} . Figure 8-2 visualizes the effects of seller relationship orientation on the strength of the relationship between buyer relationship proneness and relationship satisfaction/relationship commitment. Based upon table 7-18 in chapter seven, only the significant changes in path coefficients are visualized in figure 8-2. The figure shows that one level of relationship proneness can lead to different levels of relationship satisfaction/relationship commitment as a result of different levels of seller relationship orientation. Consumer A's relationship proneness leads to a higher level of relationship satisfaction/relationship commitment with store Y as this store is more relationship oriented than store X. Stores making larger efforts to enhance relationships with consumers relatively reap more benefits from these consumers' relationship proneness. A potential explanation for this is that consumers exhibiting relationship proneness have a higher appreciation for sellers that are relationship oriented.

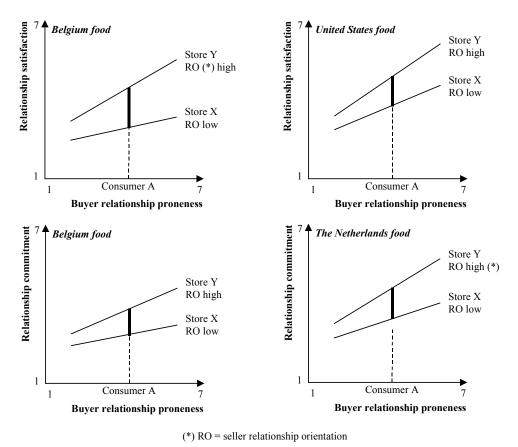


Figure 8-2: Moderating Effects of Seller Relationship Orientation

In line with the moderating effect of buyer relationship proneness, it appears that the moderating effect of seller relationship orientation is only present in a food context. If a customer perceives one

apparel store to be making stronger efforts than another apparel store, the effect of this customer's relationship proneness on his relationship satisfaction/relationship commitment is more or less the same for both apparel stores. However, if the same customer perceives one supermarket to be making stronger efforts than another supermarket, the effect of this customer's relationship proneness on his relationship satisfaction/relationship commitment is stronger for the supermarket that makes greater efforts. The same explanation mentioned in (6a) is potentially applicable.

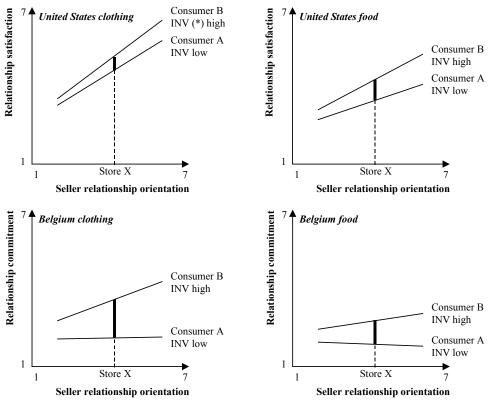
(6c) To what extent are the effects of seller relationship orientation moderated by product category involvement?

Our results show that product category involvement acts as a moderator in some of our samples examined, providing partial support for hypotheses H₁₇ and H₁₈. Figure 8-3 visualizes the effects of product category involvement on the strength of the relationship between seller relationship orientation and relationship satisfaction/relationship commitment. Based upon table 7-21 in chapter seven, only the significant changes in path coefficients are visualized in figure 8-3. As shown in the figure, the same store X characterized by a particular level of seller relationship orientation generates different levels of relationship satisfaction/relationship commitment as a result of different levels of product category involvement. Consumer B demonstrates a higher level of relationship satisfaction/relationship commitment because his involvement with the product category is higher than consumer A's product category involvement. Our results do not provide direct support for Christy, Oliver, and Penn's (1996) notion that sellers' efforts, however well-intended, could be regarded by the buyer as undesirable in case this buyer's involvement level is low. The term 'undesirable' would imply a negative relationship between seller relationship orientation and relationship satisfaction/relationship commitment as a result of low product category involvement. Our results merely suggest that consumers with a lower degree of product category involvement are less influenced by a seller's efforts, which is in line with Solomon et al.'s (1985) point of view. In the Belgian clothing and food samples, it even seems that relationship commitment of low involved buyers is not affected at all by increased relationship efforts. Also Leuthesser (1997) noticed that a buyer's stake in his relationship with a seller tends to be higher in case of high involvement with the product category. It can be reasonably expected that higher stakes in a relationship cause buyers to appreciate a seller's efforts more strongly.

This discussion of moderator effects emphasizes that sellers should never lose out of sight the importance of buyer-related factors on relationship satisfaction and relationship commitment. No matter how much trouble the seller goes through in order to increase his relationship orientation, these efforts can be seriously tempered or strengthened by the relationship proneness and product category involvement of the buyer.

8.3 Limitations

First, since our study is of a cross-sectional nature and since no experimental research was conducted, no definite conclusions can be drawn concerning the *causality* of the relationships in our conceptual model. Structural modeling techniques do not allow to determine the direction of



(*) INV = product category involvement

Figure 8-3: Moderating Effects of Product Category Involvement

causality, nor do they even allow to conclude that a causal relationship exists (Dillon and Goldstein 1984). While Geyskens (1998) remarked that no research has yet investigated buyer-seller relationships on a longitudinal basis, it is generally recognized that longitudinal studies and experiments provide stronger inferences for causality. Moreover, longitudinal research can improve our understanding of the process dynamics and cumulative effects of buyer-seller relationships that are not apparent in 'snapshots' of current relationships.

Second, some biases might have occurred in collecting our data and interpreting our results. A first bias might have been introduced by the *omission of important variables*. For example, although the variance explained of seller relationship orientation is significant with values ranging from .23 to .55, product and service efforts could be added in order to more fully explain this construct (see chapter three). A second threat to validity may be *common method bias*. As we used one single questionnaire to measure all constructs included, the strength of the relationships between these constructs may be somewhat inflated. A third potential bias is related to the measurement of behavioral loyalty. The true meaning of behavioral loyalty may only be partially captured as the

behavioral loyalty measure was self-declared by respondents. No database information could be used as input for measuring actual purchasing behavior. This study could be improved with access to more substantial data on customer purchase histories that are not subject to potential recall loss. It would then be possible to look at longer strings of purchases and to perhaps incorporate contextual information. A fourth potential bias is related to non-normality of the data. As our data were not normally distributed, this may create an upward bias in critical values for determining coefficient significance. However, sample sizes were considered to be large enough to partially compensate for this problem (Hair et al. 1998). A fifth bias might result from *interviewer bias*. However, intensive interviewer briefing and training prior to the data collection were aimed at overcoming this potential weakness. Moreover, the use of a structured questionnaire including detailed respondent instructions automatically diminished the risk of interviewer bias. Finally, interviewers were not aware of the hypotheses investigated. Sixth, our study might suffer from social desirability biases as a result of face-to-face interactions between interviewers and respondents. We tried to reduce this bias by stating to respondents that there were no right or wrong answers. Furthermore, we attempted to avoid social desirability bias by training interviewers to maintain the difficult balance between offering sufficient personal assistance to respondents and reading over respondents' shoulders. Finally, a potential bias could be related to the existence of halo effects. For example, respondents who indicated being loyal to a particular store might provide positively biased answers to questions related to this store. Respondents might be worried to provide inconsistent answers.

8.4 Implications

8.4.1 Theoretical Implications

Until now, relationship marketing literature has mainly been characterized by the use of rather general and ambiguous definitions of the concepts 'relationship' and 'relationship marketing'. This has resulted in a lack of consistency in the interpretation and measurement of different relationship constructs (Grönroos 1994a; Gummesson 1997; Wilson 1995). We reformulated the meaning of a relationship and relationship marketing by explicitly introducing a clear starting point of a relationship, by formulating a relationship from the perspective of a buyer, and by distinguishing between different types of efforts directed at enhancing buyer-seller relationships. In our view, this could be a first step in the direction of improved consistency among relationship marketing researchers. Moreover, our study was based on a thorough investigation of the applicability of underlying theories to relationship marketing in a consumer context. It is a first attempt to translate the usefulness of a broad range of theories originating from various disciplines to the study of consumer relationships, which ensured the theoretical soundness and coherence of the conceptual model.

Macintosh and Lockshin (1997) suggested that future research in retail should expand the range of relationship variables studied at all levels of the relationship. Retail managers would benefit from a greater understanding of which specific behaviors lead to greater trust and relationship commitment. In response to this, our study made a significant contribution to relationship marketing theory by introducing, defining, and operationalizing two new constructs, seller relationship orientation and buyer relationship proneness. Following Churchill's (1979) procedure of scale development,

considerable efforts were made to generate valid and reliable measurement scales for both constructs. We formulated theoretically sound and practically applicable definitions of both constructs, generated highly reliable and valid measurement scales, and investigated their role in six different consumer samples spread across three countries and two product categories. The level of external validity was further increased as consumers reported on one store out of a broad range of stores including discount stores, mass merchandisers, traditional department stores, as well as prestige stores. The scales we developed, demonstrated their applicability to a broad range of contexts. Moreover, seller relationship orientation and buyer relationship proneness proved to be of crucial importance in determining relationship outcomes. Despite the fact that these constructs have never been operationalized in previous empirical research, their contribution to explaining relationship satisfaction and relationship commitment turned out to be decisively important. This underlines that not only seller-related variables should be investigated when trying to explain relationship outcomes. It appears that buyer-related factors are of comparable importance. The importance of seeing through the eyes of the consumer is especially emphasized by the fact that a consumer's behavioral loyalty is much stronger influenced by this consumer's proneness to engage in relationships than by a retailer's efforts. As buyer relationship proneness proved to be an important variable across all six samples, some previous studies' results may have been affected by its omission. Consequently, we postulate that future research on consumer relationships could benefit from consistently incorporating this construct in research models.

As a result, in line with Morgan and Hunt (1994) who stated that trust and relationship commitment are central to understanding relationships, we argue that buyer relationship proneness is an additional key variable in consumer markets characterized by dedication-based relationships. In addition to the crucial role of trust in establishing relationship commitment, various other constructs in our hypothesized model proved to play a comparable or even stronger role in affecting relationship commitment. Our results provide strong support for the fact that there is more to relationship commitment than trust alone. Especially buyer relationship proneness enters the field as a true competitor of trust. In all samples, the total effect of buyer relationship proneness on relationship commitment was larger than the total effect of trust. This result indicates the crucial role of contingency factors in determining the effectiveness of relationship marketing. Consumers are not necessarily willing participants in relationship marketing strategies of retailers.

The importance of seller relationship orientation and buyer relationship proneness is equally underlined by the existence of reciprocal moderator effects of both constructs on each other. We demonstrated the existence of three moderating constructs. The effect of a retailer's efforts on a consumer's relationship satisfaction/relationship commitment is much stronger for consumers who are relationship prone and/or highly involved with the product category. Moreover, the extent to which a consumer's proneness to engage in relationships is translated into relationship satisfaction/relationship commitment is higher in case retailers make stronger efforts towards this consumer. These results are in line with Dwyer, Schurr, and Oh (1987) and Sheth and Parvatiyar (1995b) who stated that the buyer as well as the seller determine relationship outcomes. In addition, we detected industry effects as stronger moderating effects were found in a food context as opposed to a clothing context.

Furthermore, four types of relationship efforts were defined, operationalized, and measured. Strong support for their discriminant validity was found in each of the samples. Our results indicate that relationship efforts play an important role in affecting a buyer's overall perception of a seller's efforts. 23 percent to 55 percent of the variance of seller relationship orientation was explained by relationship efforts. This makes clear that, apart from product and service efforts, relationship efforts additionally contribute to a buyer's perceptions of a seller's efforts. However, additional factors are apparently needed to fully explain the construct of seller relationship orientation. In our opinion, examining the joint impact of product, service, and relationship efforts on relationship outcomes could enhance our understanding of buyer-seller relationships. Relationship marketing theory should not only have eyes for 'typical' relationship marketing constructs, but should examine the value of existing measurement instruments such as SERVQUAL in affecting relationships. Parasuraman, Zeithaml, and Berry (1988) developed the SERVQUAL instrument for measuring service quality. It consists of five dimensions: tangibles, reliability, responsiveness, assurance, and empathy. According to them, the SERVQUAL instrument is applicable across a broad spectrum of contexts. However, no previous research has examined its effects on the relationship outcomes examined in this study. Moreover, it would be a fruitful research direction to examine to which extent there exists discriminant validity between the relationship efforts investigated in this study and the SERVQUAL dimensions.

Our results add to the widespread knowledge that relationship satisfaction, trust, and relationship commitment are key relationship outcomes. However, as far as we know, this is the first study that investigated all three constructs together in a consumer environment. As there still exists a lot of ambiguity with respect to defining the relationship outcomes of relationship satisfaction, trust, relationship commitment, we contributed to the theoretical delineation of these constructs. Across the samples, the three attitudinal relationship outcomes revealed strong and stable relationships with the other constructs investigated. Moreover, we concluded that they reveal sufficient discriminant validity, supporting recent cries to make a clear distinction between them in relationship marketing research (Geyskens 1998; Gruen 1995). While the path coefficients from relationship satisfaction to trust were very high across samples ranging from .73 to .83, this was not alarming as the percentage of variance extracted by both constructs was consistently above .50 across samples. Moreover, discriminant validity was checked by fixing each of the 45 off-diagonal elements of the correlation matrix between constructs to 1 and re-estimating the model each time. χ^2 differences were statistically significant for all 45 model comparisons (p < .01) in all samples, providing strong support for discriminant validity. As relationship satisfaction, trust, and relationship commitment all play different roles in our research model, it seems warranted to plead for incorporating all three constructs in future studies focusing on the effects of relationship marketing.

Finally, our results show that relationship commitment and behavioral loyalty are only weakly, yet significantly related. Consequently, researchers should be aware of the fact that, while relationship commitment is often regarded as the ultimate relationship outcome, it is only able to explain a relatively small share of the variance of behavioral loyalty. First, our results revealed several significant indirect effects of buyer relationship proneness, seller relationship orientation, relationship satisfaction, and trust on behavioral loyalty. Second, several variables we omitted in this study could have an important impact on the level of behavioral loyalty. Examples of such

variables are situational cues such as familiarity with a particular store, the distance to a store and competing stores, or the existence of a monopoly. High levels of behavioral loyalty can accompany low levels of relationship commitment and low levels of behavioral loyalty can accompany high levels of relationship commitment. This raises some questions with respect to the applicability of Oliver's (1997) four consecutive phases of loyalty. Oliver (1997) stated that loyalty generally evolves from cognitive loyalty to affective loyalty, conative loyalty, and action loyalty. Since Oliver (1997) hypothesizes that consumers move from positive attitudinal loyalty to positive behavioral loyalty, he seems to assume that behavior only occurs if positive attitudes such as relationship commitment are apparent. Our data do not support this hypothesis, but rather seem to provide support for Dick and Basu's (1994) framework of loyalty who distinguished between four loyalty types based upon different combinations of high and low levels of behavioral and attitudinal loyalty. This idea underlies the concept of 'true customer loyalty'. True customer loyalty is generally assumed to exist if both behavioral loyalty and relationship commitment are strong (Dick and Basu 1994; Jacoby and Chestnut 1978; Oliver 1997; Schiffman and Kanuk 1987; Uncles and Laurent 1997). Many authors define these attitudinal aspects as commitment to the relationship (Bloemer and Kasper 1995; Jacoby and Kyner 1973; Schiffman and Kanuk 1987; Schijns and Schröder 1996). Jacoby and Kyner (1973, p. 3) stated that "the notion of commitment provides an essential basis for distinguishing between brand loyalty and other forms of repeat purchasing behavior and holds most promise for assessing the relative degrees of brand loyalty". Our results support the relevance of making such a distinction.

8.4.2 Managerial Implications

First, our results stress the need for retailers to make relationship efforts towards their customers above and beyond core product and service efforts. In our study, relationship efforts were able to explain between 23 percent and 55 percent of the variance of seller relationship orientation across the samples examined. While our study did not incorporate product or service efforts, it indicates that relationship efforts are important drivers of customer value. As today's retailers increasingly offer comparable merchandise, copy competitors' price promotions, share common distribution systems, and treat customers well in terms of services offered, they should direct more of their attention at developing and implementing such relationship efforts. Our results may suggest that customers who perceive important relationship efforts may remain in a relationship even if they perceive the core product or service efforts to be lower than competitors' efforts. This suggests that customer satisfaction and loyalty strategies can be built around these relationship efforts. Consequently, managers and employees need to be trained, motivated, and rewarded for making relationship efforts to regular customers.

Second, we might conclude that consumers hardly regard differentiation as a true effort on behalf of the seller. Only one significant, positive relationship between differentiation and seller relationship orientation could be detected across our samples. If retailers have the objective of increasing their relationship orientation, creating feelings of differentiation does not seem to be a right way to accomplish this. A potential explanation for this finding might be that customers do not appreciate to be openly favored above other customers. This may imply that the delivery of relationship efforts to one buyer should not be too visible to other buyers. This holds important implications for retailers

as it underlines that efforts directed at buyers should be made delicately in order to avoid bringing customers in an uncomfortable position.

Third, our results demonstrate the crucial role of the personalization relationship effort and, as a result, of a retailer's employees who are in direct contact with customers. Retailers capable of training and motivating employees in showing warm and personal feelings towards customers can reap the resulting benefits in terms of improved seller relationship orientation. This confirms the important role of employees as 'part-time' marketers in enhancing customer relationships (Bitner 1995; Grönroos 1994a; Gummesson 1987). Moreover, our results seemingly suggest that personalization efforts represent the strongest sustainable competitive advantage as opposed to other relationship efforts examined in this study (communication, differentiation, and rewarding). In the US samples, where there exists a relatively longer tradition of providing various relationship efforts to customers, only personalization stood the test of time as it is the only relationship effort that is truly recognized as an effort on behalf of the seller.

Another observation relevant for management practice is that the effectiveness of relationship marketing is not only determined by a retailer's approach to the market, but also for a very large part by the nature of this retailer's customers. Our results even show that a buyer's purchasing behavior is relatively more dependent on buyer relationship proneness than on seller relationship orientation. Consequently, retailers should not only focus at optimizing their efforts towards customers, but should equally pay attention to finding the right customers (Reichheld 1996). In addition to the more traditional criteria of product-market segmentation such as market size, market growth, and expected market share, retailers need to be more sensitive to average levels of buyer relationship proneness in particular product-markets (Van der Walt, Scott, and Woodside 1994). Segmenting buyers according to levels of buyer relationship proneness is expected not only to affect share of market, but also expected share of customer as relationship prone customers have a higher tendency to remain loyal to one store. Segmentation and communication based on buyer relationship proneness assists retailers in reducing waste of resources. Moreover, by collecting information on buyer relationship proneness, retailers can make a better assessment of which efforts they should direct at which customers. This has important implications for retailers as it might help them in defining market segments. Retailers focusing at relationship prone markets may improve these markets' perceptions of their efforts.

Fifth, the moderating effects of buyer relationship proneness show that a retailer's level of relationship orientation results in higher levels of relationship satisfaction and relationship commitment for relationship prone buyers. Dependent upon the level of a buyer's relationship proneness, retailers' strategies are more or less effective. Retailers should keep this in mind when targeting customers. Therefore, it could be beneficial for a retailer to adjust his efforts according to levels of buyer relationship proneness. For example, customers who are less relationship prone might have less appreciation for customer loyalty cards or other expressions of retailers' efforts. Moreover, the moderating effect of product category involvement shows that the impact of a retailer's efforts is dependent upon the level of a buyer's product category involvement. As product category involvement may differ across market segments, our results imply that the effectiveness of relationship marketing strategies equally differs across market segments.

Furthermore, retailers should be aware of the fact that the behavioral loyalty of their customers is dependent upon more factors than relationship commitment only. Behavioral loyalty towards a store can result from seller-related, buyer-related, and situational factors. While our results show that seller- and buyer-related factors have important, indirect influences on behavioral loyalty, situational variables such as distance to the store, competition, existence of a monopoly, and familiarity with a store apparently also play a crucial role in affecting behavioral loyalty. However, in addition to the effects of situational variables on behavioral loyalty, our study demonstrates that the roles of seller relationship orientation and buyer relationship proneness cannot be neglected.

Finally, our empirical studies show that the direct effects of relationship commitment on behavioral loyalty are relatively larger in the clothing samples as opposed to the food samples. This might be an indication of the fact that habit and inertia play a more important role in food markets selling convenience goods than in clothing markets selling shopping goods. In response to Dekimpe et al.'s (1997) directions for future research, our result is a first step in investigating whether and why it is easier to build brand loyalty in some product categories than in others. It appears that building loyalty in a clothing environment is relatively more easy than in a food environment.

8.5 Directions for Future Research

In our study, we empirically validated the hypothesized model depicted in chapter five in three countries differing according to the four cultural dimensions distinguished by Hofstede (1980). As culture is supposed to influence consumer behavior (Usunier 1993), we could expect to detect crosscountry differences in the structural model. In fact, we actually detected differences (see 7.3.3). According to Usunier (1993), Belgium and the Netherlands can be categorized into different affinity zones, implying that a similar marketing strategy for the same product applied in both countries would not produce similar results. However, the role of seller relationship orientation in affecting relationship outcomes was found to be comparable across Belgium and the Netherlands. Moreover, we could hypothesize that buyer relationship proneness is inversely related to Hofstede's (1980) dimension of individualism: the more a culture is individualized with respect to interpersonal relationships, the more individuals could be expected to seek 'substitute' relationships with for instance stores. As average levels of buyer relationship proneness were found to be somewhat higher in the United States as opposed to Belgium and the Netherlands (see appendix five), this might be attributed to the fact that individualism is highest in the United States (see table 1-2 in chapter one). Despite these differences in the level of buyer relationship proneness between countries, all paths originating from buyer relationship proneness are significant and positive in each of the three countries. Although it was no explicit objective of our study, an interesting direction for future research could be to explicitly integrate cultural variables in cross-country research on consumer relationships.

Second, as it can be expected that the strength of the paths in our research model is dependent upon the type of retailer investigated, it would be interesting to conduct a research focusing at the differences between large store chains and small, independent neighborhood stores. We hypothesize that small neighborhood stores demonstrate more relationship-friendly characteristics than large store chains, as the degree of social exchange and the possibilities for customization are generally

larger. While larger store chains generally operate on basis of anonymous self-service, the survival of small, independent stores is often dependent upon personal service and knowledge of customers' preferences.

Third, as the variance explained of seller relationship orientation could still be increased, future research could explore additional antecedents of seller relationship orientation related to product and service efforts. This would not only increase the percentage of explained variance of seller relationship orientation, but would similarly allow measuring the relative impact of product, service, and relationship efforts. In this way, retailers get insights into those factors in need of prior attention. Moreover, it is recognized that the relative importance of product, service, and relationship efforts in determining overall customer value may vary according to the strength of a relationship. Consequently, it could be a fruitful research direction to compare research models incorporating product, service, and relationship efforts across buyer segments exhibiting different levels of relationship outcomes.

Fourth, in response to limitations previously mentioned, an experimental research design would create stronger inferences for causality and reduce for example common method bias and interviewer bias. By controlling for the level of relationship efforts directed at a buyer, we would be able to assess the 'pure' impact of these efforts on seller relationship orientation, eliminating disturbing influences. Evidently, the external validity of such an approach is lower as a result of the more restricted research setting. An e-commerce environment could be a perfect setting for conducting such an experiment. Alternative versions of an e-commerce web site on basis of the presence of particular relationship efforts could be created, representing the treatments in the experiment. Subsequently, homogenous groups of internet users could be composed and confronted with one specific treatment. Their buying behavior during an extended period of time could be tracked, complemented with survey data collected at the end of the experiment. On basis of ANOVA or multi-group SEM analyses, conclusions could be drawn with respect to the impact of various types of relationship efforts on attitudes towards and behavior during the relationship.

Fifth, as it is hypothesized that loyal buyers are willing to accept incidental lower levels of product or service efforts without breaking the relationship, it is a fascinating research direction to investigate the influence of critical incidents on the level of relationship outcomes. Critical incidents are top-of-mind, even in the long run. From this perspective, it is useful to incorporate them in relationship marketing research (Odekerken-Schröder et al. 2000). This would require the use of a longitudinal research design that measures the level of relationship outcomes at multiple points in time and that collects information on critical incidents that occurred in the meantime. Critical incidents can be studied by applying the Critical Incident Technique (CIT), a method that was developed by Flanagan (1954) in psychology for collecting and classifying stories or critical incidents by employing content analysis. According to Flanagan (1954, p. 327), an incident is "any observable human activity that is sufficiently complete in itself to permit inferences and predictions to be made about the person performing the act". A critical incident "makes a 'significant' contribution, either positively or negatively, to the general aim of the activity" (Flanagan 1954, p. 338). The CIT has proven to be useful in a variety of research contexts (Bitner, Booms, and Tetreault 1990; Duffy 1983). In the context of services, Bitner, Booms, and Tetreault (1990, p. 73)

defined critical incidents as "specific interactions between customers and service firm employees that are especially satisfying or especially dissatisfying".

Finally, as stressed in chapter two, the effectiveness of relationship marketing strategies is hypothesized to be dependent upon various contingency variables. In this study, we investigated and demonstrated the role of buyer relationship proneness and product category involvement as contingency variables. This indicates the crucial importance of further assessing the role of other variables potentially affecting the success of relationship marketing strategies. Future research should especially devote attention to the effects of product/service characteristics, environmental characteristics, and/or exchange situation characteristics.

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Appendix 1 Theories Underlying Relationship Marketing

In this appendix, we first discuss three underlying relationship marketing theories that are economically inspired: (1) neoclassical microeconomic theory, (2) transaction cost theory, and (3) relational contracting theory. Second, we describe two more behaviorally inspired theories: (1) social exchange theory and (2) equity theory. Third, the integration of both economic and behavioral elements is touched upon in the discussion of (1) political economy theory and (2) resource dependence theory.

For each theory, we discuss its content and its strengths and limitations. A discussion of theories underlying relationship marketing is not intended to lead to an exhaustive and detailed picture of all possible influencing theories. We limited ourselves to a discussion of those theories that are most commonly referred to in relationship marketing literature.

Economically Inspired Theories

In this section, neoclassical microeconomic theory, transaction cost theory, and relational contracting theory are described on their content and strengths and limitations.

Neoclassical Microeconomic Theory

Description

Neoclassical microeconomic theory depends most heavily on analytical frameworks borrowed from economics, learning theory, statistics, mathematics, psychology, sociology, and cognitive and social psychology (Arndt 1983; Webster 1992).

At the root of managerial and academic marketing literature is the microeconomic paradigm with its emphasis on profit maximization in competitive markets. The mission of the microeconomic perspective is to explain relative prices, market equilibrium, and income distribution (Arndt 1983). Exchange parties are price takers and utility maximizers in price equilibrium markets, under the assumptions of well-defined and stable preference structures where individuals independently worry about creating value (Dabholkar, Johnston, and Cathey 1994; Pandya and Dholakia 1992; Sheth and Parvatiyar 1995a). Neoclassical microeconomic theory states that firms engage in market transactions in order to secure the resources they require for producing goods and services they sell in the competitive marketplace. In addition to the costs associated with the price paid, such market transactions involve other types of transaction costs: searching costs, negotiating and contracting costs, and costs of monitoring supplier performance (Webster 1992).

Strengths and Limitations

The marketing management tradition based upon the microeconomic maximization paradigm has made a strong point of distinguishing between the environment and controllable decision variables in the marketing mix (Arndt 1983). The microeconomic framework has been very relevant in the development of marketing theory and served a useful purpose in explaining value distribution among marketing actors (Sheth and Parvatiyar 1995a).

However, several scholars have stated that it is doubtful that research problems faced in the 1990s can be adequately dealt with on basis of a microeconomic approach centering on costs, functional differentiation, and market structures (Webster 1992). Pandya and Dholakia (1992) criticized the microeconomic framework for its limited applicability to transactional exchange situations. The microeconomic view is inadequate in the sense that it provides insufficient tools for analyzing exchange structures and processes within and between exchange parties (Arndt 1983). Researchers are increasingly hesitant to apply the microeconomic framework to explain marketing exchanges following its many assumptions that seldom occur in practice (Dabholkar, Johnston, and Cathey 1994). For example, Sheth and Parvatiyar (1995b) claimed that, contrary to assumptions of microeconomic theory, consumers have a natural tendency to reduce choices. Also the assumption of rational behavior is often not realistic. Economists generally view markets as interpersonal vacuums in which buyers and sellers only know each other in their role dictated by the market (Frenzen and Davis 1990).

Transaction Cost Theory

Transaction cost and resource dependence theories are both related to the economic theory of the firm. This economic theory of the firm explains the continuity of a relationship in terms of the costs and benefits of staying in the relationship versus leaving it (Bendapudi and Berry 1997; Robicheaux and Coleman 1994). While the transaction-oriented economic theory of the firm departs from the premise that relationships are built in order to reduce conflict and transaction costs, the resource-based economic theory of the firm states that a company, seen as a collection of productive resources, tries to upgrade these resources as part of an attempt to initiate, develop, and terminate relationships (Krapfel, Salmond, and Spekman 1991; Williamson 1985). The transaction cost theory parallels the resource dependence theory in that they both consider non-market governance as an adequate response to environmental uncertainty and dependence (Heide 1994; Varadarajan and Cunningham 1995). The tension that exists between a party's needs for resources (the focus of resource dependence theory) and the belief that these needs will be fulfilled in a cost-efficient way by his exchange partner (the focus of transaction cost theory) unites both theories (Andaleeb 1996). Both theories focus on the best responses to various environmental conditions and are not concerned with proactively seeking to change these conditions (Varadarajan and Cunningham 1995). In this section, we discuss the transaction-oriented economic theory of the firm.

Description

Transaction cost theory uses arguments from micro- and institutional economics, contract law, and organizational theory (Arndt 1983; Heide and John 1992; Robicheaux and Coleman 1994). Its principles have been most often applied to sales organization decisions, market entry decisions, and the structuring of distribution channels and purchase relationships (Heide and John 1992).

In the original transaction cost theory, Coase (1937) classified transactions according to whether they occurred within a firm or across markets. Williamson (1975) further built upon his work by examining the transaction cost advantages of different forms of internally and externally organized transactions within the constraints of bounded rationality and opportunistic behavior (Arndt 1983). At the core of the paradigm are the axioms that certain exchange characteristics give rise to transaction difficulties and that different governance mechanisms vary in their cost-minimizing properties (Heide and John 1992).

Williamson (1975) indicated that market transactions may become very costly due to human factors, such as bounded rationality and opportunism, and environmental factors, such as uncertainty and economically concentrated input or output markets. Transaction cost theory departs from the assumptions that individuals are limited in their cognitive capabilities and that they are inclined towards opportunistic and self-interest seeking behavior. Consequently, in situations when information is unequally spread across exchange parties, opportunistic behavior is believed to prevail and exchange may be commercially hazardous (Andaleeb 1992; Stern and Reve 1980). Opportunism has been described by Williamson (1975, p. 6) as "self-interest seeking with guile" and it generally involves deceit as a central element (Bowen and Jones 1986; Davis 1995; Gundlach, Achrol, and Mentzer 1995; Morgan and Hunt 1994). In order to reduce the risks of being exploited by each other, exchange partners can build in a safeguarding mechanism by making substantial transaction specific investments that are uniquely related to the exchange relationship and that cannot be retrieved in case it terminates (Andaleeb 1992; Dahlstrom, McNeilly and Speh 1996; Ganesan 1994; Wilson 1995). If both partners make such investments, they create incentives to maintain or obstacles to leave the relationship they are in by communicating their credibility of commitment to the relationship (Anderson and Weitz 1992; Dwyer, Schurr, and Oh 1987). Evidently, investments in transaction specific assets also create dependence relationships between exchange partners given the fact that they are difficult or costly to replace (Bowen and Jones 1986; Lewin and Johnston 1997; Williamson 1985). Organizational economics literature has demonstrated that one-sided investments are open to exploitation as a result of the fact that the specific assets, which are related to these investments, cannot be safeguarded (Ganesan 1994).

Every market transaction involves transaction costs or frictional losses that lead to inefficiencies for the firms engaged in these exchange transactions (Mudambi and Mudambi 1995; Sheth and Parvatiyar 1995a). Such transaction costs include costs associated with information search, reaching a satisfactory agreement, relationship monitoring, adapting agreements to unanticipated contingencies, and contract enforcement (Bowen and Jones 1986; Ganesan 1994; Krapfel, Salmond, and Spekman 1991). Transaction costs can be subdivided into two general dimensions: performance ambiguity and goal incongruence (Bowen and Jones 1986). Because of bounded rationality and the existence of transaction costs, a comprehensive contract related to controlling all aspects of a relationship is not a viable option for partners in a relationship (Ganesan 1994; Sheth and Sharma 1997). Instead, parties have to rely on 'incomplete contracting' involving the development of long-term relationships that permits sequential, adaptive decision making (Ganesan 1994). Transaction costs are minimized by selecting a relationship governance mode that is 'optimal' given transaction properties such as asset specificity, uncertainty, and infrequency and that curbs small numbers bargaining and opportunism (Bowen and Jones 1986; Heide and John 1992; Mudambi and Mudambi 1995; Robicheaux and Coleman 1994; Sheth and Sharma 1997; Varadarajan and Cunningham 1995; Williamson 1985). The extremes in governance modes are arm's length spot-market governance (external governance mechanism) and vertical integration (internal governance mechanism) (Krapfel, Salmond, and Spekman 1991). In arm's length exchange situations, buyers pit sellers against each other in order to achieve lower costs. In vertically integrated exchange situations, buyers and sellers can reduce transaction costs by aligning their objectives and internal systems (Wilson 1995). Williamson (1985) argued that under conditions of asset specificity, opportunism, and uncertainty, transaction costs of arm's length market exchanges are far larger than those of more long-term relational exchanges (Grönroos 1990a; Jüttner and Wehrli 1994; Pandya and Dholakia 1992). As a general rule, Bowen and Jones (1986) stated that an increase in transaction costs is accompanied by a movement from external to internal governance mechanisms. While Williamson (1975) initially considered only these two governance structures, he recognized intermediate forms of organization, such as relational contracting, in his later work (Williamson 1985).

Strengths and Limitations

A main contribution of the transaction cost framework is its economically rooted assumption that a firm will internalize those activities which it is able to perform at a lower cost and that it will rely on market mechanisms for those activities in which other providers have an advantage (Dabholkar, Johnston, and Cathey 1994). Moreover, the framework helps to identify problems that can arise when idiosyncratic or transaction-specific investments are involved in an exchange relationship (Weitz and Jap 1995).

However, there exists a growing body of criticism towards transaction cost theory and its underlying assumptions. The enthusiasm for the transaction cost theory has almost been matched by the strength of its criticism (Heide and John 1992). Its major limitations that are generally referred to are outlined next.

- (1) The unilateral focus of transaction cost theory on the potential costs that are associated with idiosyncratic investments, fails to recognize the potential value that is generated by these investments (Weitz and Jap 1995). Transaction cost theory focuses on one single criterion cost efficiency for shaping transactions. The role of other microeconomic criteria tends to be downplayed in most transaction cost analyses (Robicheaux and Coleman 1994). As a result, the term 'transaction costs' should be extended to include also positive returns that can result from exchanges (Houston and Gassenheimer 1987).
- (2) Transaction cost analysis does not take into account the interdependencies created between partners in a relationship (Bendapudi and Berry 1997). Transaction cost theory proponents have generally been reluctant to acknowledge the potential contributions of power-dependence theory.
- (3) Transaction cost theory is mainly preoccupied with the conditions that motivate exchange partners to structure relationships in a particular way without specifying the mechanisms that provide the ability to implement these desired structures (Heide and John 1992). Consequently, the transaction cost theory is of a more or less static nature. It focuses on a relationship structure at one moment in time and neglects the possible dynamic evolution of a governance structure and transactions.
- (4) The role of people and their importance in the governance of exchanges is virtually ignored by transaction cost analysis (Weitz and Jap 1995).
- (5) The fact that transaction cost theory assumes opportunistically inclined parties is overly simplistic and misleading. Empirical research demonstrates that human behavior in relationships is not as Machiavellian as described in transaction cost theory (Morgan and Hunt 1994). Arguments drawn from sociology stress that exchange typically is embedded in social structures in which opportunism is the exception rather than the rule. As a result, transaction cost theory has failed to offer predictions about the implications of a deviance from opportunism (Dabholkar, Johnston, and Cathey 1994; Heide and John 1992). Many exchanges are based on a gradual development of trust that helps exchange partners to lower transaction costs by safeguarding against opportunism. The implications of the effect of trusting behavior on governance structures are generally ignored in transaction cost theory.
- (6) Transaction cost theory has difficulties in explaining that idiosyncratic investments occur in relationships that are not vertically integrated (Weitz and Jap 1995). Though transaction specific investments play an important role in affecting relationships through creating dependence and locking in customers, they are not sufficient to explain long-term orientation in exchanges (Ganesan 1994). Transaction cost analysis makes no allowance for safeguarding transaction-specific assets other than vertical integration. This is an important omission because vertical integration is not always a feasible or relevant strategy (Dahlstrom, McNeilly, and Speh 1996; Robicheaux and Coleman 1994). Anderson and Weitz (1992) indicated that, although vertically integrated exchange parties can

more effectively coordinate exchanges, quasi-integrated relationship forms based on mutual commitment can be less costly and more flexible.

Relational Contracting Theory

Description

Relational contracting theory is primarily based upon contract law (Rylander, Strutton, and Pelton 1997). Contract law applies to the legal rights of exchange parties and guides the planning and conduct of exchange. While classical contract law views exchange as composed of single, independent, and static transactions, modern contract law tries to deal with the dynamic nature of intermediate and long-term exchanges. Modern contract law explicitly refers to exchange planning and contract formation, adjustments to existing contract relationships, and resolution of contractual conflict. Many researchers have questioned the contemporary relevance and theoretical inconsistencies of classical contract law for explaining modern exchanges.

The relational contracting theory proposed by MacNeil (1980) provided a rich conceptual framework that is able to capture the dimensions and dynamics that underlie the nature of exchange relationships as well as the belief structures and activities that are necessary for successful exchange relationships (Nevin 1995). MacNeil (1980) distinguished intermediate types of exchange between discrete transactions and complete internalization of exchanges (Gundlach and Murphy 1993; Pandya and Dholakia 1992). He refers to such intermediate forms of exchange as 'contractual ways of exchange' or 'relational transactions' where exchange parties are still independent but at the same time coupled by weak or strong contractual agreements (MacNeil 1978; Pandya and Dholakia 1992). Since a pure reliance on the law mechanism can be costly in terms of both resources and time and since unforeseen circumstances can affect the exchange relationship, extra-legal governance methods are needed (Nevin 1995). In line with this, MacNeil (1980) defined the concept of contract very broadly in the sense that it means nothing more than a relationship between exchange parties who expect to sustain this relationship into the future (Robicheaux and Coleman 1994). To MacNeil (1980), contracts are about exchange because contracts capture the relations among parties and these relations project exchange into the future (Nevin 1995).

MacNeil's (1980) relational contracting framework describes types of contracts in terms of the norms they share (Krapfel, Salmond, and Spekman 1991). Norms are expectations about behavior that are at least partially shared by a group of decision makers (Dwyer, Schurr, and Oh 1987; Heide and John 1992; Houston and Gassenheimer 1987; Weitz and Jap 1995). They can differ in content and general orientation and may relate to particular kinds of behaviors. For example, while norms can be oriented towards a more discrete versus a more relational nature (general orientation), relational norms may be translated into several different behaviors such as flexibility, mutuality, consistency, solidarity, creation and use of power, and information exchange (Heide and John 1992; Krapfel, Salmond, and Spekman 1991; MacNeil 1980). A general property of relational norms is their prescription of behaviors that are aimed at maintaining a relationship and their rejection of behaviors that promote individual goal seeking (Heide and John 1992). During an exchange act, buyers and sellers often establish norms that did not exist prior to this exchange (Dwyer, Schurr, and Oh 1987).

Contracts can be based on either the traditional promise of contract law (promissory norms) or more relation-based promises (non-promissory norms) (Nevin 1995). MacNeil (1980) argued that formal contracts guided by promissory norms do not play a substantial role in most relationships. Rather, it is the set of understandings among exchange

partners or the 'implicit contract' guided by non-promissory norms that substantially affects relationships (Anderson and Weitz 1992). Parties who engage in exchanges based upon implicit contracts are less in need of monitoring their exchange partners or building safeguards in the relationship (Andaleeb 1996).

Strengths and Limitations

Relational contracting theory deals with the criticisms that have been directed at transaction cost theory by including social dimensions of exchange and by making clear that hierarchical relationship governance mechanisms are not the only mechanisms available. Consequently, the theory of relational contracting offers a valuable complement to Williamson's (1975) transaction cost approach (Robicheaux and Coleman 1994).

Relational exchange theory has been criticized for failing to prescribe optimal types of governance to deal with specific characteristics of the exchange. Until now, relational exchange theory has mainly been used for descriptive and conceptual purposes.

Behaviorally Inspired Theories

In this section, social exchange theory and equity theory are described on their content and their strengths and limitations.

Social Exchange Theory

Description

People are believed to use cognitive schema to organize their perceptions of social interactions and relationships. There are many schools of researchers and vast literature examining the structure of such perceptions (Iacobucci and Ostrom 1996). The ideas that are at the basis of social exchange theory are mainly derived from marital theory, bargaining theory, and power theory (Dwyer, Schurr, and Oh 1987). Moreover, the qualities of interpersonal relationships have been extensively investigated in disciplines such as psychology and social psychology.

One of the most popular theories of relationships is social exchange theory (Fischer and Bristor 1994). This theory explicitly compares the formation and continuity of a relationship with those of a marriage and places the interactions between people and organizations at the core of relationships (Dwyer, Schurr, and Oh 1987; Levitt 1983; Metcalf, Frear, and Krishnan 1992; Perrien and Ricard 1995). Given the importance it attaches to interactions, social exchange theory has inspired the development of the interaction approach of the Industrial Marketing and Purchasing (IMP) group. The IMP group of researchers has examined the dynamics of interaction quite extensively. Their interaction approach focuses on exchange episodes that are embedded in a framework of a relationship in which the parties adapt to one another in order to produce mutually beneficial outcomes (Grönroos 1994a; Krapfel, Salmond, and Spekman 1991; Nielson 1998; Wilson 1995). It views marketing as an interactive process occurring in a social context where relationship management is central (Grönroos 1994a). The IMP Group considered the concept of interaction as a series of short-term social interactions that are affected by the long-term business process or atmosphere that binds exchange parties together. They concluded that a model characterized by cooperation was a better representation of the data they collected than a model characterized by conflict and opposition (Wilson 1995). The interaction approach suggested six

different types of bonds: social, technological, knowledge, planning, legal, and economic bonds (Storbacka, Strandvik, and Grönroos 1994).

While some scholars use love or marriage as a metaphor for the type of relationship that should exist between a buyer and a seller, others have actually drawn on marriage theories to conceptualize buyer-seller exchange processes (Fischer and Bristor 1994; Fournier 1998). Dwyer, Schurr, and Oh (1987, p. 14) argued that "research analyzing the interpersonal attraction and the interdependence relationships between husbands and wives provides an apt framework for describing the evolution of buyer-seller relations". When acting according to social norms, members usually expect reciprocal benefits in the form of personal affection, trust, gratitude, and sometimes economic returns (Morgan and Hunt 1994; Sheth and Parvatiyar 1995b). Social norms are generally defined as expectations regarding behavior (Gundlach, Achrol, and Mentzer 1995). Bagozzi (1995) viewed reciprocity as an essential feature of self-regulation and mutual coordination in exchange relationships. It is the social mechanism by which actions of one party evoke compensating actions by the other party (Houston and Gassenheimer 1987).

Self-interest and relationship outcome evaluation are at the basis of maintaining and exploiting relationships (Oliver and Swan 1989; Smith and Barclay 1997). As is stated by Fischer and Bristor (1994, p. 329): "Social exchange theory explicitly predicts social relationships to be based on each partner's motivational investment and anticipated social gain". The general objective of parties in interpersonal relationships is to derive benefits from their relationship that would not be achievable on their own. These benefits can include non-economic rewards and even altruistic rewards derived from increasing their partner's utility (Andaleeb 1992; Weitz and Jap 1995). Especially the interpersonal attraction literature directed a lot of its attention at rewards flowing from perceived similarity or complementary resources such as money, information, or status (Dwyer, Schurr, and Oh 1987). Frenzen and Davis (1990) distinguished between two types of utilities related to a purchase: 'acquisition utility' derived from the product or service itself and 'exchange utility' derived from strong relationships between exchange partners.

Thibaut and Kelley (1959) distinguished between positive and negative motivations for engaging in and maintaining exchange relationships. This corresponds with the views of Bendapudi and Berry (1997), Ganesan (1994), and Morgan and Hunt (1994) who are in favor of considering both desires and constraints as relationship determining factors. Bendapudi and Berry (1997) and Stanley and Markman (1992) classified relationship marketing theories into dedication-based and constraint-based ones according to the importance that these theories attribute to negative respectively positive motivations for enhancing relationships. Thibaut and Kelley (1959) posited two constructs as bases for evaluating relationship outcomes: (1) 'comparison level' or the quality of outcomes expected from experience and knowledge with similar relationships and (2) 'comparison level for alternatives' or the average quality of outcomes from the best alternative that is still above the level of acceptance. According to them, comparing outcomes by comparison levels determines the attractiveness of a relationship and the degree of relationship satisfaction, while comparing outcomes by comparison levels for alternatives determines relationship dependence (Anderson and Narus 1984; Wilson 1995). As a consequence, power is explicitly integrated in the framework of Thibaut and Kelley (1959): the more dependent one party is, the more the other party can influence the quality of this party's outcomes.

The basic conceptual tool that is used by Kelley and Thibaut (1978) for evaluating relationship outcomes is this matrix. In this outcome matrix, the behavior of one party is crossed with the resultant outcome of this behavior given the other party's behavior. Kelley and Thibaut (1978) made a distinction between the given and the effective matrix. While the given matrix is determined by environmental and personal factors that are external to the interdependence relationship,

this matrix is re-conceptualized into an effective matrix through communication and transformation processes. One party can increase its satisfaction with the other party by making use of the transformations available to that party (Oliver and Swan 1989).

Strengths and Limitations

While resource dependence theory can be regarded as a constraint-based relationship theory, social exchange theory can be considered as a dedication-based relationship theory (Bendapudi and Berry 1997; Stanley and Markman 1992). As already mentioned before, constraint-based relationship theories are mainly based on negative motivations for initiating and maintaining relationships, while dedication-based relationship theories are generally derived from positive motivations for enhancing relationships. Ganesan (1994) and Morgan and Hunt (1994) stressed the importance of addressing both types of theories in order to fully understand the relationship formation and continuity process.

Dwyer, Schurr, and Oh (1987) criticized social exchange theory for not being able to explain the processes related to relationship dissolution.

Equity Theory

Description

Equity theory is related to social exchange theory, relative deprivation theory, and distributive justice theory given their unifying basic premise that outcomes should be evaluated in a relative sense within some frame of reference (Geyskens 1998).

Equity theory focuses upon outcome evaluations that result from relationships characterized by economic productivity objectives (Adams 1965; Geyskens 1998). Since the theory is referred to as distributive justice in sociological literature, it departs from the norm of distributive justice in dyadic relationships, i.e. the desire on the part of exchange parties to have a fair and just distribution of profits (Houston and Gassenheimer 1987; Huppertz, Arenson, and Evans 1978; Oliver and Swan 1989). Equity theory postulates that parties in exchange relationships compare their ratios of exchange inputs to outcomes. Inequity is said to exist when the perceived inputs and/or outcomes in an exchange relationship are psychologically inconsistent with the perceived inputs and/or outcomes of the referent (Huppertz, Arenson, and Evans 1978).

Since parties sometimes need to evaluate each other before engaging in an exchange, role expectations play a crucial role in determining the equity level of a potential exchange relationship. Each party to the exchange has certain expectations about his own role as well as that of the other party. According to role theory, the fact that each exchange partner has learned a set of behaviors that is appropriate in an exchange context will increase the probability of goal attainment by each partner (Solomon et al. 1985; Wetzels 1998). Role stress can affect long-term relationships if role expectations are unclear (role ambiguity) or if actual behaviors deviate from expectations (role conflict) (Dabholkar, Johnston, and Kathey 1994).

Perceived inequities lead exchange parties to feel under- or over-rewarded, angry, or resentful, affect behaviors in subsequent periods by encouraging these parties to change their inputs into the relationship, and result in suspicion and mistrust of the exchange partner (Ganesan 1994; Geyskens 1998; Gruen 1995). Huppertz, Arenson, and Evans (1978)

stated that the closer the exchange relationship, the more likely it is that relationship participants will perceive inequity. If equity prevails, the ratio of one's outcomes to inputs is assumed to be constant across exchange partners, which results in the satisfaction of exchange partners with their outcomes (Adams 1965; Ganesan 1994; Lewin and Johnston 1997; Oliver and Swan 1989). Equitable outcomes stimulate confidence that parties do not take advantage of each other and that they are concerned about each other's welfare (Ganesan 1994). Parties in a relationship can compare their own ratio to (1) the one of their exchange partner, (2) those of others who interact with their exchange partner at the same level, and (3) the one of their best alternative exchange partner (Geyskens 1998).

Though both equity and disconfirmation are comparison processes, these processes are viewed as conceptually distinct and complementary. While one's outcomes and inputs are compared to those of the other party in equity processes, outcomes in general are compared to one's expectations for those outcomes in expectancy disconfirmation processes (Huppertz, Arenson, and Evans 1978; Oliver and Swan 1989). Moreover, equity theory is fundamentally different from consumer behavior's cognitive dissonance theory. While cognitive dissonance research primarily focused on the relationship between a person and a product, equity theory research is concerned with a group process and an equitable distribution of benefits (Huppertz, Arenson, and Evans 1978).

Strengths and Limitations

A major strength of equity theory is that it explicitly recognizes the inherent inequality between exchange partners. In case roles are disparate, theories of distributive justice or what has come to be known as expectation states theory are useful paradigms for understanding exchange relationships. These theories require only that each party has expectations of the role of the other party and interpret justice in terms of how well this other party performs on his role dimensions. Equity theory is considered to be more useful in commercial exchange situations than social exchange theory with its assumption of equal partners to the exchange. Moreover, it appears to provide a useful framework for understanding consumer behavior (Huppertz, Arenson, and Evans 1978).

As a result of the fact that contradictory findings were generated with respect to the effects of over-rewarding parties in a relationship, equity theory declined in research popularity and application (Geyskens 1998; Mowday 1991). An important shortcoming of equity theory is the absence of a unifying framework that can explain both positive as well as negative effects of over-rewarding (Geyskens 1998).

Economically/Behaviorally Inspired Theories

In this section, political economy theory and resource dependence theory are described on their content and their strengths and limitations

Political Economy Theory

Description

The political economy paradigm integrates economic efficiency theories of organizations with behavioral power theories (Stern and Reve 1980). It basically is an institutional analysis based on political science, sociology, and organization theory (Arndt 1983; Pandya and Dholakia 1992). Central notions within the political economy framework are borrowed from social exchange theory, the behavioral theory of the firm, and transaction cost theory. Moreover,

political economy theory is related to many of the sub-fields within marketing. For instance, the macro-marketing school addresses the environmental sphere in the paradigm. The consumer/ecologist activist sub-field similarly focuses on the interplay of environmental conditions and corporate response (Arndt 1983).

The political economy framework has most often been used in order to conceptualize structure and process in channels of distribution (Krapfel, Salmond, and Spekman 1991; Ping 1993; Stern and Reve 1980). However, several authors claim that it offers solid potential for better understanding all types of relationships and alliances in marketing (Arndt 1983; Krapfel, Salmond, and Spekman 1991). As Arndt (1983, p. 51) stated, "in consumer behavior analyses, the household may be viewed as a special case of small organizations leading to emphasis on goals, power bases, conflict management, and allocation rules".

While the previously discussed theories were either mainly of an economic or a behavioral nature, the political economy theory integrates both economic and behavioral aspects of relationship management. Stern and Reve (1980) were the first to propose political economy theory as a guiding framework for the study of distribution channels. A substantial stream of research followed that relied either explicitly or implicitly on that theory. Political economy theory views "a social system as comprising interacting sets of major economic and sociopolitical forces which affect collective behavior and performance" (Robicheaux and Coleman 1994). Political economy theory focuses on authority and control patterns, conflict and conflict management procedures, and external and internal determinants of institutional exchange (Arndt 1983; Krapfel, Salmond, and Spekman 1991; Pandya and Dholakia 1992; Robicheaux and Coleman 1994). Political economy analysts evaluate exchanges between parties on basis of three dimensions: (1) polity-economy, (2) external-internal, and (3) substructure-superstructure (Arndt 1983).

An essential characteristic of political economy theory is its simultaneous and interdependent analysis of political and economic systems of production and consumption (Pandya and Dholakia 1992; Stern and Reve 1980). Economy refers to institutions that transform inputs into output and to the processes by which goods and services are allocated within and between institutions (ranging from market to vertical exchange processes). Polity refers to the power and control systems that legitimize, facilitate, monitor, and regulate exchange transactions (ranging from minimal to centralized power) (Arndt 1983; Pandya and Dholakia 1992; Robicheaux and Coleman 1994). The economy and polity can be considered as allocation systems allocating scarce economic resources and power or authority respectively (Stern and Reve 1980).

Strengths and Limitations

The main contribution of political economy theory results from its dyadic approach that integrates both economic and sociopolitical factors and that explicitly insists that economic and sociopolitical forces are not analyzed in isolation (Dabholkar, Johnston, and Cathey 1994; Stern and Reve 1980). Moreover, the value of the theory lies in its capacity of identifying socioeconomic interactions between exchange partners in terms of their internal structure and external environment (Krapfel, Salmond, and Spekman 1991). Political economy theory is considered to be a more appropriate paradigm than the microeconomic paradigm as it focuses on authority and control patterns, conflict and conflict management procedures, and external and internal determinants of institutional change (Arndt 1983). In contrast to the microeconomic paradigm and its emphasis on prices, political economy theory is better suited for understanding all types of relationships and alliances in marketing (Webster 1992). Arndt (1983) further stated that the value of political economy theory results from both its generality and its integrative potential. It is a fairly general theory that can support theory construction in a wide range of marketing areas. It is an integrative one given the fact that it offers a

unifying framework in which major economic and sociopolitical constructs can be used for comparing marketing relationships. The microeconomic and political economy paradigms are complementary rather than alternatives. The microeconomic framework, with its emphasis on controllable variables and problem solving, is appropriate in the normative marketing management tradition. However, for purposes of building positive theories in marketing, the political economy worldview seems more relevant (Arndt 1983).

An often cited limitation of political economy theory is that the model is so comprehensive that it has proven difficult to apply empirically (Dabholkar, Johnston, and Cathey 1994). As a result of its complexity, political economy theory is often confronted with criticisms reflecting its methodological problems, vagueness, and incompleteness. It specifies many constructs and relationships that are difficult to capture through conventional research methods. At its present level, political economy is more vague and less precise than for instance the microeconomic paradigm. Finally, the paradigm still is incomplete as it may be criticized for putting too little emphasis on performance or goal attainment of social units in terms of effectiveness and efficiency (Arndt 1983).

Resource Dependence Theory

Description

The resource-based theory of the firm was developed at the intersection of organizational behavior, economics, and strategic management and moved beyond the traditional emphasis on the microeconomic paradigm (Webster 1992). The ideas formulated by resource-based theorists are based upon balance power theories, bilateral oligopoly and duopoly theories in economics, and relative deprivation theories of collective conflict (Stern and Reve 1980).

Many theorists regard dependence and power as central to explaining organizational and interpersonal behavior (Andaleeb 1996; Morgan and Hunt 1994). Nevertheless, the traditional discussion of exchange in marketing generally does not focus on differences in negotiation power and the consequently unequal and unsatisfactory nature of exchange transactions. Resource dependence theory explicitly addresses these issues by examining sources of power and dependence in exchange relationships (Pandya and Dholakia 1992). As already mentioned, the resource-based economic theory of the firm states that a company, seen as a collection of productive resources, tries to upgrade these resources as part of an attempt to initiate, develop, and terminate relationships (Krapfel, Salmond, and Spekman 1991; Williamson 1985). Several scholars state that, for a relationship to truly exist, interdependence between exchange partners must exist (Fournier 1998). Emerson (1962) described dependence as the extent to which (1) each party's reward or motivation is reliant upon the reward or motivation received by the other party and (2) the reward or motivation exceeds what would be available outside the relationship.

A lack of self-sufficiency with respect to acquiring and developing resources leads to dependence and introduces uncertainty in a party's decision making environment (Varadarajan and Cunningham 1995). The dependence of a party is intrinsically tied to the power of the other party: when one party in a relationship controls resources that are wanted or needed by the other party, this other party becomes dependent upon the controlling party (Andaleeb 1996; Dwyer, Schurr, and Oh 1987; Ganesan 1994; Wilson 1995). As posited by psychological reactance theory, dependent exchange partners may wish to regain control and influence their power balance by acquiring and defending a secure and adequate supply of critical resources or by developing substitute sources which can reduce their dependence (Andaleeb 1992; Arndt 1983).

The work of resource dependence theorists suggests that dependencies between exchange partners are a function of multiple factors. Exchange partners become more dependent upon each other as (1) outcomes from an exchange become more important (referred to as criticality), (2) the magnitude or proportion of trade with one partner increases (referred to as quantity), (3) the business is concentrated with fewer partners (referred to as replaceability), and (4) it becomes more difficult to locate potential alternative exchange partners (referred to as slack) (Andaleeb 1992; Krapfel, Salmond, and Spekman 1991). Exchange partners engage in relational behavior through increasing interdependence levels in order to mitigate short-term self-interest (Emerson 1962). Power-dependence theory suggests that an exchange party's investment in specific assets may constrain its ability to acquire control and may transfer this control to the party receiving the investment (Heide and John 1992). Consequently, resource dependence theory directs our attention at the dangers of increased dependence in terms of increased strategic vulnerability. Improper screening of an exchange relationship can leave exchange partners worse off than if they had engaged in looser arm's length relationships (Krapfel, Salmond, and Spekman 1991).

Stern and Reve (1980) stated that, while exchange partners will peacefully coexist and interact co-operatively as long as there remains a balance of power between them, conflict potential and the magnitude of dysfunctional conflict are highest in unbalanced power situations given the exploitation opportunities that result from this imbalance (Anderson and Weitz 1989; Dwyer, Schurr, and Oh 1987; Geyskens 1998). Consistent with bargaining and negotiation literature, in case of a power imbalance, the high power party will attempt to exploit its advantage and the low power party will become dissatisfied with the relationship (Anderson and Narus 1984; Anderson and Weitz 1989; Ganesan 1994; Varadarajan and Cunningham 1995). Also bilateral deterrence theory suggests that, all else being equal, increasing interdependence asymmetry results in higher levels of aggression and conflict expressed by both parties in a relationship (Kumar, Scheer, and Steenkamp 1995b).

Strengths and Limitations

Resource dependence theory is an appropriate framework for many interaction types (Dabholkar, Johnston, and Cathey 1994). It is an economic/behavioral approach centering on conflict and power assuming that goal conflict is inherent in relationships and that exchange partners act to increase their control of and decrease their dependence on other exchange partners (Dabholkar, Johnston, and Cathey 1994).

Resource dependence theory has difficulties explaining long-term exchange relationships resulting from co-ordinative behavior based on trust. Exchange partners can rely on co-operation, collaboration, and co-ordination instead of power, influence and control. Morgan and Hunt (1994, p. 22) expressed the same concern when they state that "the presence of relationship commitment and trust is central to successful relationship marketing, not power and its ability to 'condition others'". In a channel context, Young and Wilkinson (1989) argued that the primary focus of channel research on power and conflict has distorted our understanding of channel relationships focusing on sick rather than healthy relationships. According to Weitz and Jap (1995), the use of power as a coordinating mechanism is limited to asymmetric relationships - relationships in which one party is more powerful than another. Moreover, resource dependence theory cannot explain why and how exchange relationships are initiated and how exchange outcomes are evaluated by exchange partners (Dabholkar, Johnston, and Cathey 1994). Proponents of transaction cost theory criticized resource dependence theory for its focus on descriptive issues and its failure to examine the efficiency implications of various structural arrangements (Heide and John 1992). Therefore, Heide and John (1992) suggested to integrate both by augmenting the normative insights from transaction cost analysis with the descriptive insights offered by power-dependence theory.

Appendix 2 Overview of Empirical Research on Attitudinal Relationship Outcomes

No.	Author,	Research Design	Context Conceptualization	Operationalization	Empir	ical results	
	Journal, Year	_		_	_	Antecedents	Consequences
1.	Andaleeb, JR, 1996	Laboratory experiment of 72 U.S. managers in role of distributor reporting on relationships with supplier (liqueur)	Channel	An overall positive affect reflecting the focal organization's overall contentment regarding its relationship with another party (p. 80)	3 items, $\alpha = .95$	Dependence (+) Trust (+)	
2.	Anderson and Narus, JM, 1990	Field study of 213 U.S. manufacturers reporting on relationships with distributors (cross- section of industries)	Channel	A positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm (p. 45). Based on Anderson and Narus (1984, p. 66)	1 item	Conflict (-) Outcomes given comparison level (+) Partner's influence (0) Trust (+)	
3.	Baker, Simpson, and Siguaw, JAMS, 1999	Field study of 380 suppliers reporting on relationships with reselling firms (cross- section of industries)	Channel	The domain of all characteristics of the relationship between a channel member and another member in the channel which the focal organization finds rewarding, profitable, instrumental, and satisfying (p. 52). Based on Ruekert and Churchill (1984, p. 227)	3 items, $\alpha = .88$	Perceived market orientation (+)	
4.	Bolton, MS, 1998	Field study of 650 customers reporting on relationship with their service organization (cellular telephone)	B-t-C	Prior cumulative satisfaction with the services received from the company (p. 55)	1 item		Duration (+)

No.	Author,	Research Design	rch Design Context Conceptualizati	Conceptualization	Operationalization	Empirical results	
	Journal, Year	7:11 1 2 2 2 2 2 2	~ ·			Antecedents	Consequences
5.	Brown, Johnson, and Koenig, IJRM, 1995	Field study of 78 U.S. retailers reporting on relationships with major suppliers of a particular product class (cross-section of industries)	Channel	No definition reported	1 item	Conflict (0) Partner's control (0) Partner's coercive power use (0) Partner's assistance (+) Partner's mediated power (-) Partner's non-mediated power (+)	
6.	Crosby, Evans, and Cowles, JM, 1990	Field study of 151 U.S. heads of households reporting on relationships with agents (life insurance)	B-to-C	An emotional state that occurs in response to an evaluation of interaction experiences (p. 70). Based on Westbrook (1981)	3 items, $\alpha = .99$	Partner's expertise (+) Partner's relational selling behaviors (+) Partner's similarity (+)	Anticipation of future interaction (+) Partner's sales effectiveness (0)
7.	Crosby and Stephens, JMR, 1987	Field study of 1,362 and 447 U.S. heads of households reporting on relationships with agents (life insurance)	B-to-C	No definition reported	1 item	Satisfaction with contact person (+) Satisfaction with core service (+) Satisfaction with institution (+)	
8.	Dwyer and Oh, JMR, 1987	Field study of 167 U.S. dealers reporting on relationships with principals (automobiles)	Channel	Global evaluation of fulfillment in the relation (p. 352)	4 items, $\alpha = .91$	Centralization (-) Formalization (+) Participation in decision making (+)	
9.	Frazier, Gill, and Kale, JM, 1989	Field study of 51 Indian dealers reporting on relationships with manufacturers (tungsten carbide tool industry)	Channel	A channel member's overall approval of the channel relationship (p. 57). Based on Gaski and Nevin (1985, p. 131)	2 items, α=.80	Conflict (-)	
10.	Frazier and Summers, JMR, 1986	Field study of 435 U.S. franchised dealers reporting on relationships with manufacturers (automobiles)	Channel	No definition reported	1 item	Use of coercive strategies (-) (no causal relationship was tested, only correlation)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empiric	al results
	Journal, Year					Antecedents	Consequences
11.	Ganesan, JMR, 1993	Field study of 100 U.S. retailers reporting on relationships with vendors (department store chains)	Channel	A positive affective state based on an appraisal of all aspects of a retailer's negotiation with a vendor (p. 188)	2 items, $\alpha = .91$	Concessions on important issues (0) Concessions on unimportant issues (+) Use of aggressive (active) strategy (0) Use of aggressive (passive) strategy (-) Use of compromise strategy (0) Use of problem solving strategy (+)	Conflict (-) Long-term orientation (0) Relative power (0)
12.	Ganesan, JM, 1994	Field study of 120 U.S. retail buyers and 52 U.S. vendors supplying to those retailers on relationships with one another (department store chains)	Channel	A positive affective state based on the outcomes obtained from the relationship (p. 4)	Retail buyers, 4 items, α = .94 Vendors, 4 items, α = .94		Long-term orientation (+/+) Partner's credibility (0/+) Partner's benevolence (0/+)
13.	Gaski, JMR, 1986	Field study of 238 dealers and 43 district managers reporting on relationships with one another (heavy industrial machinery)	Channel	Overall approval of the channel arrangement (p. 68)	5 items, $\alpha = .76$	Partner's use of non- contingent punishment (0) Partner's use of rewards (0) Partner's qualitative power sources (+)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
14.	Gaski and Nevin, JMR, 1985	Field study of 238 dealers and 43 district managers reporting on relationships with one another (heavy industrial machinery)	Channel	Overall approval of the channel arrangement (p. 131)	5 items, $\alpha = .76$	Partner's non-contingent coercive power sources (0) Partner's exercise of non- contingent coercive power sources (-) Partner's exercise reward power source (+) Partner's reward power source (+)	
15.	Gassenheimer and Ramsey, JR, 1994	Field study of 324 U.S. dealers reporting on relationships with each of top three suppliers (office systems and furniture)	Channel	A positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm (p. 257). Based on Anderson and Narus (1984, p. 66)	7 items, $\alpha = .89/.83/.83$	Partner's coercive influence attempts (-/0/0) Partner's logistics support (0/+/+) Partner's product support (+/+/0) Partner's sales support (+/+/+)	
16.	Howell, JMR, 1987	Field study of 238 dealers and 43 district managers reporting on relationships with one another (heavy industrial machinery)	Channel	No definition reported	5 items, α not reported	Partner's coercive power (0) Partner's expert power (0) Partner's legitimate power (0) Partner's referent power (0) Partner's assistance (0) Partner's power (0)	
17.	Johnson et al., JM, 1993	Field study of 74 Japanese distributors reporting on their relationships with U.S. suppliers (consumer goods)	Channel	Level of satisfaction with the overall relationship (sub-dimension of relationship quality) (p. 5)	Number of items not reported, α not reported	Partner's use of authoritative power (+) Partner's use of nurturing power (+)	

No.	Author, Journal, Year	Research Design	Context Conceptualization	Operationalization	Empirical results		
					Antecedents	Consequences	
18.	Kale, JMR, 1986	Field study of 51 Indian dealers reporting on relationships with manufacturers (tungsten carbide tool)	Channel	A channel member's overall satisfaction in the channel relationship (p. 390)	Number of items not reported, α not reported	Partner's power (-)	
19.	Keith, Jackson, and Crosby, JM, 1990	Laboratory experiment of 232 retailers (brokers) reporting on relationships with manufacturers (food)	Channel	Satisfaction with a single interaction (p. 32)	6 items, $\alpha = .95$	Dependence (+) Reward or coercive bases of power (-) Expert, information or referent bases of power (+)	
20.	Kumar, Stern, and Achrol, JMR, 1992	Field study of two focal suppliers reporting on their relationships with 98 resellers (vehicle leasing) and with 63 resellers (installation and maintenance centers)	Channel	Supplier's overall satisfaction with the exchange relationship (p. 243)	2 items, α not reported	Reseller's contribution to supplier's sales (+) Reseller's contribution to supplier's profits (+) Reseller's contribution to growth (+) Reseller competence (+) Reseller compliance (+) Reseller adaptation (+) Customer satisfaction delivered by reseller to supplier's customers (+) Reseller's global performance (+)	
21.	Lewis and Lambert, JR, 1991	Field study of 107 U.S. franchisees reporting on relationships with franchiser (fast food)	Channel	Satisfaction with role performance is the level of overall satisfaction with the franchiser's performance (p. 214)	1 item	Satisfaction with multiple dimensions of role performance (+)	Would enter relationship again (+)

No.	Author,	Research Design	ign Context Conceptualization	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
22.	Macintosh and Lockshin, IJRM, 1997	Field study of 308 customers reporting on their relationships with stores (wine)	B-t-C	Customer's overall evaluation of the store experience (p. 489)	3 items, α=.95		Store attitude (+) Purchase intention (+)
23.	Mohr, Fisher, and Nevin, JM, 1996	Field study of 125 U.S. dealers reporting on relationships with one of their manufacturers (personal computers and related products)	Channel	Evaluation of the characteristics of the channel relationship (p. 105)	4 items, $\alpha = .85$	Collaborative communication (+) Conflict (-) Dealer size (0) Manufacturer control (+) Relationship length (0) Franchise/company owned structure (+)	
24.	Ping, JR, 1993	Field study of 222 U.S. retailers reporting on relationships with primary wholesalers (hardware)	Channel	The firm's global evaluation of relationship fulfillment (p. 329). Based on Dwyer and Oh (1987, p. 352)	5 items, $\alpha = .94$		Exit (-) Loyalty (0) Neglect (-) Opportunism (0) Voice (+)
25.	Ping, JAMS, 1994	Field study of 288 retailers reporting on relationships with primary wholesales (hardware)	Channel	The firm's global evaluation of relationship fulfillment (p. 365). Based on Dwyer and Oh (1987, p. 352)	5 items, α not reported		Exit intention (-) Attractiveness of alternatives (-)
26.	Ping, JR, 1997	Field study of 204 retailers reporting on relationships with primary wholesalers (hardware)	Channel	Belief that the relationship is satisfactory (p. 270)	5 items, α=.94		Voice (+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
27.	Price, JR, 1991	Field study of 74 U.S. franchised retailers and 74 U.S. independent dealers reporting on relationships with suppliers (furniture)	Channel	The target's affective attitudes and feelings concerning the domain of characteristics describing the internal environment of the channel organization. This includes the relationships between the target firm and the other institutions in the channel arrangement (p. 411)	15 items, $\alpha = .87$	Partner's initiating structure (+), moderated by channel type Partner's consideration (+)	
28.	Scheer and Stern, JMR, 1992	Laboratory experiment of 208 students in role of marketing manager for a distribution company reporting on relationships with supplier (medical diagnostic equipment)	Channel	The overall approval of and positive affect toward another party		Favorable vs. unfavorable outcomes (+) Partner's contingent reward vs. contingent penalty (+) Partner's non-contingent reward vs. contingent reward (+) Partner's positive vs. negative framing of power use (+)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
29.	Schul, Little, and Pride, JR, 1985	Field study of 349 U.S. franchisees reporting on relationships with franchiser (real estate brokerage services)	Channel	A channel member's affective attitudes and feelings concerning the domain of characteristics describing the internal environment of the channel organization and the relationships between the channel member and other institutions in the channel arrangement		Autonomy (+) Partner's consideration (+) Partner's initiating structure (+) Reward orientation (+)	
30.	Siguaw, Simpson, and Baker, JM, 1998	Field study of 179 suppliers and distributors reporting on relationships with one another (cross-section of industries)	Channel	Satisfaction with performance (p. 103)	1 item (average score of 7 items)	Distributor's market orientation (0) Trust (+) Cooperation (-) Commitment (+)	
31.	Skinner, Gassenheimer, and Kelley, JR, 1992	Field study of 226 U.S. dealers reporting on relationships with suppliers (farm and power equipment)	Channel	The overall evaluation of the relationship between two channel members (p. 179). Based on Anderson and Narus (1990, p. 45)	4 items, $\alpha = .72$	Conflict (-) Cooperation (+)	
32.	Skinner and Guiltinan, JR, 1985	Field study of 103 U.S. dealers and 4 managers from the manufacturing organization reporting on relationships with one another (farm supplies)	Channel	Satisfaction with partner's role performance		Resource dependence (+)

Empirical results

	Journal, Year			,	· · · · · · · · · · · · · · · · · · ·	Antecedents	Consequences
33.	Smith and Barclay, JM, 1997	Field study of 103 sales representatives and their selling partners reporting on relationships with one another (computer industry)	B-to-B	Positive affective state resulting from the appraisal of all aspects of a working relatives to alternatives experienced or observed (p. 5). Based on Anderson and Narus (1984, p. 66)	6 items, α = .70 (sponsor model), .60 (partner model)	Sponsor model: Perceived task performance (+) Relationship investment (0) Communication openness (+) Forbearance from opportunism (0) Character and/or motives (+) Role Competence (0) Judgment (+) Partner model: Perceived task performance (+) Relationship investment- communication (-) Forbearance from opportunism (+) Character and/or motives (+) Role competence (+) Judgment (+)	
34.	Tax, Brown, and Chandrashekaran JM, 1998	Field study of 257 consumers reporting on complaints about firms (cross-section of industries)	B-t-C	Satisfaction with complaint handling (p. 64)	4 items, α=.96	Distributive justice (+) Procedural justice (+) Interactional justice (+)	

Operationalization

Context Conceptualization

No. Author,

Research Design

The Role of the Seller in Enhancing Buyer-Seller Relationships

	Table A2-2:	Summary of	f Trust Researc	h (period 1985-1998)
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No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empiri	ical results
	Journal, Year				_	Antecedents	Consequences
1.	Andaleeb, IJRM, 1995	Laboratory experiment of 120 U.S. business school students and 72 U.S. managers in role of distributor reporting on relationships with supplier (liqueur)	Channel	One party's belief that another party can be relied upon to produce positive outcomes or not produce negative outcomes for this party from the investment in the relationship (p. 159)	4 items, $\alpha = .96$		Cooperation (+) Control (-) Influence stance (threats) of partner (-)
2.	Andaleeb, JR, 1996	Laboratory experiment of 72 U.S. managers in role of distributor reporting on relationships with supplier (liqueur)	Channel	Willingness of a party to rely on the behaviors of others, especially when these behaviors have outcome implications for the party bestowing trust (p. 79)	2 new items, α =.82, 4 existing items, α =.95		Commitment (+) Relationship satisfaction (+)
3.	Anderson, Lodish, and Weitz , JMR, 1987	Field study of 71 U.S. independent sales agencies reporting on relationships with a total of 492 U.S. principals (electronic components)	Channel	Willingness to accept short-term dislocations because of confidence that such dislocations will balance out in the long run (p. 87). Based on Ouchi (1980)	2 items, $\alpha > .84$		Time allocated to principal (+)
4.	Anderson and Weitz, MS, 1989	Field study of 95 U.S. independent sales agents reporting on relationships with a total of 690 U.S. principals (electronic components)	Channel	One party's belief that its needs will be fulfilled in the future by actions undertaken by the other party (p. 312)	2 items, α=.84	Communication (+) Cultural similarity (0) Goal congruence (+) Power imbalance (-) Negative reputation (-) Relationship age (+) Support provided (+)	Communication (+) Perceived continuity of relationship (+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year				_	Antecedents	Consequences
5.	Anderson and Narus, JM, 1990	Field study of 249 U.S. distributor firms and 213 U.S. manufacturer firms reporting on relationships with one another (cross-section of industries)	Channel	Firm's belief that partner will perform actions that will result in positive outcomes for the firm, as well as not take unexpected actions that would result in negative outcomes for the firm (p. 45). Based on Anderson and Narus (1986, p. 326)	Distributor side, 1 item Manufacturer side, 3 items, α not reported	Communication (+) Cooperation (+)	Conflict (-) Satisfaction (+)
6.	Baker, Simpson, and Siguaw, JAMS, 1999	Field study of 380 suppliers reporting on relationships with reselling firms (cross- section of industries)	Channel	Reliance on and confidence in partners, comprising credibility and benevolence (p. 51). Based on Moorman, Zaltman, and Deshpandé (1992, p. 315)	12 items, $\alpha = .92$	Perceived market orientation (+)	
7.	Crosby, Evans, and Cowles, JM, 1990	Field study of 151 heads of U.S. households reporting on relationships with agents (life insurance)	B-t-C	A confident belief that the salesperson can be relied upon to behave in such a manner that the long-term interest of the customer will be served (p. 70)	9 items, α=.89	Expertise of partner (+) Similarity (0) Relational selling behavior by partner (+)	Anticipation of future interaction (+) Sales effectiveness of partner (0)
8.	Dahlstrom and Nygaard, JR, 1995	Field study of 40 Polish, 29 East-German and 216 Norwegian dealers reporting on relationships with franchisers (gasoline stations)	Channel	Willingness to rely on partner in whom one has confidence (p. 341). Based on Moorman, Zaltman and Desphandé (1992, p. 315)	5 items, α=.80 in Poland, .62 in East Germany and .87 in Norway	Centralization (0,0,0) Formalization (0,+,+)	Performance (+,-,+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
9.	Doney and Cannon, JM, 1997	Field study of 210 members of the U.S. Association of Purchasing Management reporting on their relationship with supplier's salesperson (cross-section of industries)	B-t-B	Perceived credibility and benevolence of a target of trust (p. 36)	Trust of supplier firm, 8 items, α =.94 Trust of salesperson, 7 items, α =.90	Supplier size (+) Supplier's willingness to customize (+) Supplier's willingness to share confidential information (0) Length of the relationship (0) Trust of the supplier's salesperson on trust of the selling firm and vv. (+) Salesperson expertise (+) Powerful (0) Likable (+) Frequency of contact (+) Frequency of interaction and length of time (0)	Purchase choice (0)
10.	Dwyer and Oh, JMR, 1987	Field study of 157 U.S. dealers reporting on relationships with manufacturers (automobiles)	Channel	A firm's expectations that partner desires coordination, will fulfill its obligations, and will pull its weight in the relationship (p. 349). Based on Anderson and Narus (1986, p. 326)	4 items, α=.79	Centralization (-) Formalization (+) Participation in decision making (+)	
11.	Ganesan, JM, 1994	Field study of 120 U.S. retail buyers and 52 U.S. vendors supplying to those retailers on relationships with one another (department store chains)	Channel	Willingness to rely on an exchange partner in whom one has confidence (p. 3). Based on Moorman, Zaltman and Desphandé (1992, p. 315)	Vendor's credibility, 7 items, α =.90 Retailer's credibility, 4 items, α =.80 Vendor's benevolence, 5 items, α =.88 Retailer's benevolence, 3 items, α =.76	Relationship age (0) Specific investments by partner (+) Reputation of partner (+) Satisfaction with previous outcomes (+)	Long-term orientation (+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
12.	Geyskens, Steenkamp, Scheer, and Kumar, IJRM, 1996	Field study of 417 small U.S. dealers and 289 small Dutch dealers reporting on relationships with suppliers (automobiles)	Channel	Belief that partner is honest and benevolent (p. 307)	Honesty, 5 items, α =.85 (U.S.), .81 (the Netherlands) Benevolence, 5 items, α =.93 (U.S.), .90 (the Netherlands)		Affective commitment (+,+) Calculative commitment (-,-)
13.	Grayson and Ambler, JMR, 1999	Field study of 200 marketing and/or advertising managers reporting on relationships with advertising agency representatives (cross- section of industries)	Industrial	No definition reported	5 items, $\alpha = .72$		Advertising use (+) Commitment (+) Interaction (+) Involvement (+) Rising expectations (+)
14.	Kumar, Scheer, and Steenkamp, JMR, 1995a	Field study of 417 small U.S. dealers and 289 small Dutch dealers reporting on relationships with suppliers (automobiles)	Channel	Belief that partner is honest and benevolent (p. 58)	Honesty and benevolence, 10 items, α not reported	Age (0) Distributive fairness (+) Procedural fairness (+) Environmental uncertainty (-) Outcomes given alternatives (+)	
15.	Kumar, Scheer, and Steenkamp, JMR, 1995b	Field study of 417 small U.S. dealers reporting on relationships with suppliers (automobiles)	Channel	Belief that partner is honest and benevolent (p. 351)	Honesty, 5 items, α =.85 Benevolence, 5 items, α =.93	Total interdependence (+) Interdependence asymmetry (-)	
16.	Macintosh and Lockshin, IJRM, 1997	Field study of 308 customers reporting on their relationships with stores (wine)	B-t-C	A party's confidence in an exchange partner's reliability and integrity (p. 489). Based on Morgan and Hunt (1994, p. 23)	Trust in the salesperson, 2 items, α =.80, Trust in the store, 3 items, α =.91		Store attitude (+) Commitment to the salesperson (+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
17.	Moorman, Zaltman, and Desphandé, JMR, 1992	Field study of 779 U.S. marketing managers, marketing researchers and non-marketing managers reporting on their relationships with various providers of market research	B-to-B	Willingness to rely on an exchange partner in whom one has confidence (p. 315)	5 items, α=.84		Quality of interactions (+) Researcher involvement (+) User commitment to the research relationship (+) Utilization of market research (0)
18.	Moorman, Deshpandé, and Zaltman, JM, 1993	Field study of 779 U.S. marketing managers, marketing researchers and non-marketing managers reporting on their relationships with various providers of market research	B-t-B	Willingness to rely on an exchange partner in whom one has confidence (p. 82). Based on Moorman, Zaltman and Desphandé (1992, p. 315)	5 items, α=.84	Job experience (0), firm experience (0), research abilities (+), motivations (+), sincerity (+), integrity (+), tactfulness (+), timeliness (+), confidentiality (+), congeniality (-), dependability (0), collective orientation (0), user organization formalization (-), user organization centralization (0), user organization complexity (0), user organization culture (0), user location (0), research organization power (+), user organization power (0), research organization culture (0), project importance (0), project customization (+)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results	
	Journal, Year					Antecedents	Consequences
19.	Morgan and Hunt, JM, 1994	Field study of 204 U.S. independent retailers reporting on relationships with suppliers (automobile tires)	Channel	When one party has confidence in an exchange partner's reliability and integrity (p. 23)	Honesty, 7 items, α=.95	Communication (+) Opportunistic behavior (-) Shared values (+)	Commitment (+) Cooperation (+) Functional conflict (+) Uncertainty (-)
20.	Scheer and Stern, JMR, 1992	Laboratory experiment of 233 U.S. MBA students in role of marketing manager of distributor company reporting on relationships with supplier (medical equipment)	Channel	Belief that partner can be relied on to fulfill its future obligations and to behave in a manner that will serve the firm's needs and long-term interests	Honesty, 4 items, α=.86	Reward vs. penalty influence by partner (+) Contingent vs. non- contingent influence by partner (0) Positively vs. negatively framed influence by partner (+) Favorable outcomes (+)	
21.	Schurr and Ozanne, JCR, 1985	Laboratory experiment of 103 U.S. industrial buyers reporting on relationships with supplier (high-tech plugs, socket, and cable)	Channel	Belief that partner's word or promise is reliable and that partner will fulfill its obligations in an exchange relationship (p. 940)	Honesty and benevolence, experimental manipulation		Distributive bargaining (-) Integrative bargaining (0) Mutual self-disclosure (0) Level of agreement reached (+) Attitude toward partner (+) Attitude toward loyalty (+) Reject partner as too tough (-) Total concessions (0)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirical results		
	Journal, Year			•	-	Antecedents	Consequences	
22.	Siguaw, Simpson, and Baker, JM, 1998	Field study of 179 suppliers and distributors reporting on relationships with one another (cross-section of industries)	Channel	Credibility is comprised of the belief that a trading partner is expert and reliable in conducting transactions effectively Benevolence is based on the beneficial intentions and motives of one partner for the other (p. 101/102). Based on Ganesan (1994, p. 3)	Credibility, 5 items, α =.80 Benevolence, 4 items, α =.94	Supplier's market orientation (0) Distributor's market orientation (+)	Cooperation (+) Commitment (0) Satisfaction with performance (+)	
23.	Smith and Barclay, JM, 1997	Field study of 103 sales representatives and their selling partners reporting on relationships with one another (computer industry)	B-t-B	Perceived trustworthiness is the extent to which partners jointly expect fiduciary responsibility in the performance of their individual roles and believe that each will act in the best interest of the partnership (p. 6)	Perceived trustworthiness: Character and/or motives, 5 items, α=.78 Role competence, 4 items, α=.86 Judgement, 3 items, α=.80	Sponsor model: Reputations (-,-,-) Job stability (-,-,-) Strategic horizons (-,/,-) Goals and/or control systems (-,/,-) Partner model: Reputations (-,-,-) Job stability (-,-,-) Strategic horizons (-,/,-) Goals and/or control systems (-,/,-)	Sponsor model: Mutual satisfaction (+,0,+) Relationship investment (+,+,0) Communication openness (+,/,/) Forbearance from opportunism (+,/,+) Partner model: Mutual satisfaction (+,+,+) Relationship investment and communication (0,+,0) Forbearance from opportunism (+,/,+)	
24.	Tax, Brown, and Chandrashekaran JM, 1998	Field study of 257 consumers reporting on complaints about firms (cross-section of industries)	B-t-C	When one partner has confidence in an exchange partner's reliability and integrity (p. 64)	4 items, α=.96	Dissatisfaction with complaint handling (-)	(\)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization		cal results
	Journal, Year					Antecedents	Consequences
1.	Andaleeb, JR, 1996	Laboratory experiment of 72 U.S. managers in role of distributor reporting on relationships with supplier (liqueur)	Channel	Party's desire to maintain a valued relationship (p. 81)	4 items, α=.92	Trust (+) Dependence (+)	
2.	Anderson and Weitz, JMR, 1992	Field study of 378 U.S. industrial distributors and their manufacturers reporting on relationships with one another (cross-section of industries)	Channel	A desire to develop a stable relationship, a willingness to make short- term sacrifices to maintain the relationship, and a confidence in the stability of the relationship (p. 19)	Distributor's commitment, 10 items, α =.83	Distr. perception of man. commitment (+) Distr. idiosyncratic investments (+) Distr. exclusive dealing in man. product class (0) Distr. perception of level of communication (+) Distr. perception of man. reputation (0)	
					Manufacturer's commitment, 10 items, α =.87	Man. perception of distr. commitment (+) Man. idiosyncratic investments (+) Man. granting of territorial exclusivity to distr. (+) Man. working with minimum performance standards (0) Man. perception of level of communication (+) Man. perception of distr. reputation (0)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empiric	al results
	Journal, Year			•	•	Antecedents	Consequences
3.	Baker, Simpson, and Siguaw, JAMS, 1999	Field study of 380 suppliers reporting on relationships with reselling firms (cross- section of industries)	Channel	A desire to develop a stable relationship, a willingness to make short- term sacrifices to maintain the relationship, and the confidence in the stability of the relationship (p. 51). Based on Anderson and Weitz (1992, p. 19)	5 items, $\alpha = .65$	Perceived market orientation (+)	
4.	Brown, Lusch, and Nicholson, JR, 1995	Field study of 302 dealers reporting on relationships with suppliers (farm equipment)	Channel	A's attitudinal commitment is a long-term orientation to its relationship with B and may be predicated on three independent foundations: (a) compliance or instrumental involvement for specific extrinsic rewards; (b) identification or involvement based on a desire for affiliation and (c) internalization or involvement predicated on congruence between individual and organizational values (p. 365). Based on O'Reilly and Chatman (1986)	Identification, 2 items, α =.71 Internalization, 5 items, α =.78 Compliance, 3 items, α =.67 Normative commitment (identification - internalization), 7 items, α =.81 Instrumental commitment (compliance), 3 items, α =.67	Normative commitment: Mediated power (-) Non mediated power (+) Instrumental commitment: Mediated power (+) Non mediated power (0)	Normative commitment: Supplier's performance (+) Instrumental commitment (-) Instrumental commitment: Supplier's performance (0)
5.	Crosby, Evans, and Cowles, JM, 1990	Field study of 151 heads of U.S. households reporting on relationships with agents (life insurance)	B-t-C	Anticipation of future interaction (p. 70)	2 items, α=.82	Relationship Quality (+) Sales Effectiveness (+)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization		al results
	Journal, Year					Antecedents	Consequences
6.	Doney and Cannon, JM, 1997	Field study of 210 members of the U.S. Association of Purchasing Management reporting on their relationship with supplier's salesperson (cross-section of industries)	B-t-B	Anticipated future interaction with the supplier (p. 41)	2 items, α=.95	Trust of supplier firm (+) Delivery performance (0) Relative price/cost (0) Product/service performance (0) Purchase experience with supplier (+) Purchase choice (+)	
7.	Ganesan, JM, 1994	Field study of 120 U.S. retail buyers and 52 U.S. vendors supplying to those retailers on relationships with one another (department store chains)	Channel	A retailer's long term orientation is the perception of interdependence of outcomes in which both a vendor's outcomes and joint outcomes are expected to benefit the retailer in the long run (p.2/3). Based on Kelley and Thibaut (1978)	Vendor's long-term orientation, 7 items, α =.82 Retailer's long-term orientation, 7 items, α =.94	Credibility (+) Benevolence (-) Retailer's dependence on vendor (+) Vendor's dependence on retailer (0) Perception of vendor's dependence (-) Perception of retailer's dependence (+)	
8.	Geyskens, Steenkamp, Scheer, and Kumar, IJRM, 1996	Field study of 417 small U.S. dealers and 289 small Dutch dealers reporting on relationships with suppliers (automobiles)	Channel	Channel member's intention to continue the relationship (p. 304)	Affective commitment, 3 items, α =.85 (U.S.), .81 (the Netherlands) Calculative commitment, 3 items, α =.81 (U.S.), .80 (the Netherlands)	Trust (+) Interdependence (+)	
9.	Gundlach, Achrol, and Mentzer, JM, 1995	Laboratory experiment of 130 U.S. manufacturers and distributors reporting on relationships with one another (microcom- puters)	Channel	Commitment is consisting of three dimensions: input, attitudinal and temporal (p. 83)	Input , 5 items, α =.82/.86 Attitudinal, 4 items, α =.84/.92 Temporal, 5 items, α =.86/.86	Relational norms (+/+)	Opportunistic behavior (+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization		cal results
	Journal, Year					Antecedents	Consequences
10.	Hunt, Wood, and Chonko, JM, 1989	Field study of 499 U.S. managers, 417 U.S. marketing researchers, and 330 U.S. advertising agency executives reporting on corporate ethical values and organizational commitment	B-t-B	Organizational committed individuals tend to identify with the objectives and goals of their organizations and want to remain with their organizations (p. 81)	4 items, α = .87	Age (+) Income (+) Education (-) Feedback (+) Identity (0) Autonomy (+) Variety (+) Shared ethical values(+)	
11.	Kumar, Scheer, and Steenkamp, JMR, 1995a	Field study of 417 small U.S. dealers and 289 small Dutch dealers reporting on relationships with suppliers (automobiles)	Channel	Party's intention to continue the relationship (p. 58)	Affective commitment, 3 items, α not reported	Age (0) Distributive fairness (+) Procedural fairness (+) Environmental uncertainty (-) Outcomes given alternatives (+)	
12.	Kumar, Scheer, and Steenkamp, JMR, 1995b	Field study of 417 small U.S. dealers reporting on relationships with suppliers (automobiles)	Channel	Desire to continue a relationship because of positive affect toward the partner (affective commitment), perception of its own and its partner's intent to remain in the relationship (expectation of continuity), and intention to become more deeply involved in the relationship through investments of capital and effort (willingness to invest) (p. 351)	Affective commitment, 3 items, α not reported Expectation of continuity, 3 items, α not reported Willingness to invest, 3 items, α not reported	Total interdependence (+) Interdependence asymmetry (-)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empirio	al results
	Journal, Year					Antecedents	Consequences
13.	Macintosh and Lockshin, IJRM, 1997	Field study of 308 customers reporting on their relationships with stores (wine)	B-t-C	Enduring desire to maintain a valued relationship (p. 490). At the store level, commitment is equal to store loyalty, consisting of attitudes and repeat purchase behavior (p. 490)	Commitment: Store attitude, 2 items, α =.89, Purchase intention, 2 items, α =.80 % purchases, 1 item Salesperson commitment, 3 items, α =.89	Trust in the salesperson (+)	Store attitude (+) Purchase Intention (+)
14.	Mohr, Fisher, and Nevin, JM, 1996	Field study of 125 U.S. dealers reporting on relationships with one of their manufacturers (personal computers and related products)	Channel	Desire to maintain membership in the dyadic relationship (p. 105)	3 items, $\alpha = .80$	Collaborative communication (0) Conflict (-) Dealer size (0) Franchise /company- owned structure (0) Manufacturer control (+) Relationship length (0)	
15.	Moorman, Zaltman, and Desphandé, JMR, 1992	Field study of 779 U.S. marketing managers, marketing researchers and non-marketing managers reporting on their relationships with various providers of market research	B-to-B	Enduring desire to maintain a valued relationship (p. 316)	3 items, α=.78	Trust (+) Perceived quality of interactions (+)	

No.	Author,	Research Design	Context	Conceptualization	Operationalization		al results
	Journal, Year					Antecedents	Consequences
16.	Morgan and Hunt, JM, 1994	Field study of 204 U.S. retailers reporting on their relationship with supplier (tires)	Channel	An exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely (p. 23)	7 items, α=.90	Trust (+) Relationship termination costs (+) Relationship benefits (0) Shared values (+)	Acquiescence (+) Propensity to leave (-) Cooperation (+)
17.	Olsen and Granzin, JR, 1992	Field study of 92 retailers reporting on their relationship with manufacturers (auto parts)	Channel	Willingness to help: a general sense how much the retailer perceives the situation to be troublesome for the manufacturer who thus has a definite need for assistance (p. 94)	Willingness to help, 12 items, α =.94	Retailer responsibility (+) Manufacturer responsibility (0) Government responsibility (0)	
18.	Ping, JR, 1997	Field study of 204 retailers reporting on relationships with wholesalers (hardware)	B-t-B	Structural commitment: Alternative attractiveness: satisfaction believed to be available in the best alternative relationship Investment: magnitude of the cost that went into building and maintaining the current relationship Switching cost: cost and loss required to terminate the current relationship and secure an alternative relationship (p. 270)	Structural commitment: Alternative attractiveness, 4 items, α =.93 Investment, 4 items, α =.92 Switching costs, 4 items, α =.94		Voice (+)

No.	Author,	Research Design	Context	Conceptualization	Operationalization	Empiri	cal results
	Journal, Year					Antecedents	Consequences
19.	Tax, Brown, and Chandrashekara, JM, 1998	Field study of 257 consumers reporting on complaints about firms (cross-section of industries)	B-t-C	Enduring desire of parties to maintain a relationship (p. 64)	4 items, α=.92	Dissatisfaction with complaint handling (-)	

Appendix 3 Quantitative Item Testing

We quantitatively tested an initial set of items in order to investigate whether these items correctly measured the following intended constructs: communication, differentiation, personalization, rewarding, seller relationship orientation, buyer relationship proneness, relationship satisfaction, trust, relationship commitment, behavioral loyalty, and product category involvement. The samples used for testing items were spread across countries and product categories (Belgium clothing N=90, Belgium food N=85, the Netherlands clothing N=92, the Netherlands food N=104). Principal components analysis was used for this purpose. In order to determine which constructs to group in the principal components analyses, we constructed the matrix described below. This matrix indicates that constructs differ on two dimensions: what is the construct about (one store versus the respondent or stores in general) and who does the construct concern (the respondent versus regular customers). Since we do not have any theoretical argument to assume that constructs in different quadrants measure the same concept as they relate to a different unit of analysis, we conducted separate principal components analyses including the constructs of each quadrant.

What is it about?

		Respondent or stores in general	One store
Who does it concern?	Regular customers of the store		Seller relationship orientation Communication Differentiation Personalization Rewarding (e.g. <u>This</u> store rewards <u>regular</u> <u>customers</u> for their patronage)
	The respondent	Buyer relationship proneness Involvement	Relationship satisfaction Trust Relationship commitment Behavioral loyalty
		(e.g. Generally, <u>I am</u> someone who likes to be a regular customer of <u>an</u> apparel store)	(e.g. <i>I am</i> satisfied with the relation I have with <i>this</i> store)

As the underlying structure of the data sets was known in advance based upon previous studies (De Wulf and Odekerken-Schröder 1999), the number of components to be derived was predetermined. In tables A3-1 to A3-5, numbers that are underlined, represent loadings that are equal to or exceed .65. Numbers that are shaded, represent loadings that both exceed .65 and have cross-loadings less than .30.

Table A3-1: Principal Compone						-
Construct	Item	1 150	2	3	4	5
Communication	1	.159	<u>760</u>	.043	.122	085
	2	.190	<u>793</u>	.022	028	008
	3	.161	<u>861</u>	054	153	021
	4	264	<u>982</u>	.032	032	.052
	5	050	<u>829</u>	.025	.200	083
Differentiation	1	.251	.062	.606	154	.178
	2	.052	048	<u>.725</u>	190	.113
	3	097	.011	<u>.759</u>	.210	.165
	4	062	032	<u>.902</u>	.037	.046
	5	.015	002	<u>.982</u>	.033	175
Personalization	1	.313	.058	.049	120	.644
	2	.046	.038	.051	064	.840
	3	126	032	070	.103	.971
	4	.028	.011	.055	008	.836
	5	055	.012	.243	.062	<u>.791</u>
Rewarding	1	.845	027	.116	090	051
Rewarding	2	.453	154	.132	.255	.122
	3	.603	134	.056	.193	.122
	4	.245		.021		
			094		<u>.758</u>	.048
0.11 1.11 1.11	5	<u>.698</u>	037	.054	.349	021
Seller relationship orientation	1	.554	257	008	034	.263
	2	.395	454	139	123	.277
	3	.336	330	.274	306	.239
	4	.188	383	.236	.042	.294
	5	.109	403	.116	.342	.164
	6	.540	059	.010	.209	.270
Construct	Item	1	2	3	4	-
Relationship satisfaction	1	.252	.190	.581	102	
	2	.430	018	.595	161	
	3	.737	066	.225	035	
	4	.003	.000	<u>.713</u>	.230	
	5	.045	056	.750	.124	
	6	030	.071	.875	.052	
Trust	1	<u>.814</u>	.064	063	.067	
Trust	2	<u>.797</u>	.016	.104	.046	
	3	<u>.864</u>	.033	.050	028	
	4	<u>.686</u>	038	.133	.155	
Relationship commitment	1	.508	.451	054	.204	
Kelationship communent	2	.324		.171	.566	
			049			
	3	.416	.210	027	.515	
D. I. II. II.	4	070	.022	.119	.849	
Behavioral loyalty	1	188	.829	.195	053	
	2	.045	<u>.881</u>	076	.083	
	3	.183	<u>.862</u>	093	.000	
Construct	Item	1	2			
Buyer relationship proneness	1	.626	.185			
11	2	<u>.865</u>	012			
	3	<u>.774</u>	.052			
	4	.865	035			
	5	<u>.803</u> <u>.793</u>	.178			
	6	. <u>793</u> .842	143			
		847	- 145	I		
D 1						
Product category involvement	1	.120	.808			
Product category involvement						

Table A3-2: Principal Components Analysis with Oblique Rotation (Belgium Food)

Table A3-2: Principal Compone Construct	Item	1	2	3	4	5
Communication	1	.000	074	019	<u>.861</u>	.005
Communication	2	.093	093	013	.829	206
	3	090	.017	057	<u>.904</u>	152
	4	.172	.247	118	.729	.286
	5	.145	.135	.121	.755	.267
Differentiation	1	.162	.456	116	078	566
	2	.098	.470	.123	088	545
	3	.280	<u>.693</u>	.133	145	091
	4	080	<u>.873</u>	.063	.184	.021
	5	.070	<u>.782</u>	.114	.019	078
Personalization	1	.059	005	.248	.183	<u>720</u>
	2	022	.300	.377	.090	571
	3	.035	.038	<u>.793</u>	175	242
	4	.011	.469	.544	.181	103
	5	086	.412	<u>.728</u>	.066	039
Rewarding	1	<u>.684</u>	177	053	.164	061
	2	.541	.185	323	.198	187
	3	<u>.691</u>	.204	204	.051	174
	4	<u>.808</u>	.301	106	084	.085
	5	.563	.208	.083	.150	.373
Seller relationship orientation	1	<u>.727</u>	.027	126	.129	252
	2	.447	215	.214	.368	271
	3	<u>.672</u>	074	.131	.134	322
	4	<u>.748</u>	.028	.109	.081	.087
	5	.587	292	.362	.075	.169
	6	.616	.002	.385	.089	.110
Construct	Item	1	2	3	4	1
Relationship satisfaction	1	.012	.253	<u>.667</u>	008	
	2	.390	008	.644	180	
	3	<u>.896</u>	128	.130	081	
	4	.188	.010	.584	.162	
	5 6	000	061	<u>.728</u> .919	.163	
T		070	.041		.040	
Trust	1	<u>.705</u>	.112	067	.122	
	2 3	<u>.706</u> <u>.904</u>	.081 .067	.104 .060	.165 139	
	4	<u>.904</u> <u>.710</u>	022	.016	.241	
Relationship commitment	1	.279	.608	.010	.244	
Relationship communicit	2	.223	.071	.102	.682	
	3	.223	.398	028	.532	
	4	061	065	.151	.825	
	1	097	.797	.163	046	
Rehavioral lovalty				.105	.040	
Behavioral loyalty				018	064	
Behavioral loyalty	2	040	<u>.920</u>	.018 060	.064 101	
	2 3	040 .058	<u>.920</u> <u>.966</u>	.018 060	.064 101	
Construct	2	040 .058	.920 .966 2			
	2 3 Item	040 .058 1 .639	.920 .966 2 .084			
Construct	2 3 Item 1 2	040 .058 1 .639 .869	.920 .966 2 .084 .019			
Construct	2 3 Item 1 2 3	040 .058 1 .639 .869 .932	.920 .966 2 .084 .019 057			
Construct	2 3 Item 1 2 3 4	040 .058 1 .639 <u>.869</u> <u>.932</u> <u>.847</u>	.920 .966 2 .084 .019 057 .119			
Construct	2 3 Item 1 2 3	040 .058 1 .639 .869 .932	.920 .966 2 .084 .019 057			
Construct Buyer relationship proneness	2 3 Item 1 2 3 4 5 6	040 .058 1 .639 .869 .932 .847 .822 .771	.920 .966 2 .084 .019 057 .119 .077 158			
Construct	2 3 Item 1 2 3 4 5 6	040 .058 1 .639 .869 .932 .847 .822 .771 004	.920 .966 2 .084 .019 057 .119 .077 158			
Construct Buyer relationship proneness	2 3 Item 1 2 3 4 5 6	040 .058 1 .639 .869 .932 .847 .822 .771	.920 .966 2 .084 .019 057 .119 .077 158			

T 11 42 2 D		24 011	D 4 4 41	MALL LOLAS	`
Table A3-3: Principal	Components Anaivsi	s with Oblique.	Rotation (the	Netherlands Clothing	2)

Construct Itm 1 2 3 4 5 Communication 1 -046 -004 -080 964 -013 2 0.24 -025 .064 .896 -034 3 -025 .014 .020 .956 .029 4 -030 -0079 .006 .928 .078 Differentiation 1 -079 .008 831 .059 .010 3 .097 .092 .830 .071 -002 .007 4 .054 .018 .562 .205 .448 .064 .018 .562 .205 .448 .044 .018 .562 .205 .448 .016 .030 .122 .006 .030 .122 .006 .030 .122 .006 .031 .124 .40 .009 .036 .04 .009 .036 .04 .009 .036 .04 .015 .008 .02	Table A3-3: Principal Compone	nts Analy	sis with Obliq	que Rotation (the Netherlan	ds Clothing)	
Product category involvement 2	Construct	Item					
Name	Communication						
Mathematical Content Mathematical Content							
Differentiation							
Differentiation							
Personalization	7.00						
Seller relationship orientation 1 0.092 0.005	Differentiation						
4							
Personalization 5 .362 123 .643 017 .211 Personalization 1 046 .858 .060 .030 .122 2 108 .957 057 092 .085 3 .165 .638 139 .217 .430 4 .137 .804 .161 029 036 8 .077 .763 .210 .010 086 Rewarding 1 .797 007 .076 .024 117 3 .849 069 .036 .046 .095 4 .780 .056 .124 168 .284 8 .016 .127 .049 081 Seller relationship orientation 1 .698 .117 .085 .032 470 8 .12 .294 .281 .14 .085 .032 470 8 .62 .477 .262 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Personalization							
2	Dorganalization						
Seller relationship orientation 1	Personanzation						
Rewarding							
Sewarding							
Rewarding							
Construct Section Se	Rewarding						
Seller relationship orientation	Tte waraning						
Seller relationship orientation							
Seller relationship orientation 5 .788 .016 .127 .049 081 Seller relationship orientation 1 .698 .117 .085 .032 .470 2 .294 .281 .142 .460 .191 3 .202 .457 .262 .285 .119 4 .520 .055 .191 .368 .030 5 .671 .015 .008 .257 .005 6 .470 .355 .009 .071 .151 Construct Item 1 2 3 4 Relationship satisfaction 1 .019 .230 069 .807 2 .668 060 095 .307 .151 4 .355 042 448 .132 5 .355 .043 344 .219 1 .877 .025 .005 .094 2 .786							
Seller relationship orientation		5					
2	Seller relationship orientation	1	.698		.085	.032	
A	1	2		.281	142	.460	191
S		3	.202	.457	.262	.285	119
Construct Item 1 2 3 4 Relationship satisfaction 1 .019 .230 .069 .807 2 .668 060 095 .307 3 .588 .127 197 .150 4 .355 042 448 .132 5 .355 .043 344 .219 6 .898 .109 .113 088 Trust 1 .877 .025 .005 094 2 .786 .006 .113 .206 3 .542 262 275 .344 4 .777 .065 206 300 Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .113 894 029 4 .037 .112 735 015 <tr< td=""><td></td><td>4</td><td>.520</td><td>.055</td><td>.191</td><td>.368</td><td>.030</td></tr<>		4	.520	.055	.191	.368	.030
Construct Item 1 2 3 4 Relationship satisfaction 1 .019 .230 069 .807 2 .668 060 095 .307 3 .588 .127 197 .150 4 .355 .042 448 .132 5 .355 .043 344 .219 6 .898 .109 .113 088 Trust 1 .877 .025 .005 094 2 .786 .006 .113 .206 3 .542 -262 -275 .344 4 .777 .065 -206 -300 Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .825 017 .215 Behavioral loyalty 1 067 .825 017		5	<u>.671</u>	.015		.257	.005
Relationship satisfaction 1 .019 .230 069 .807 2 .668 060 095 .307 3 .588 .127 197 .150 4 .355 042 448 .132 5 .355 .043 344 .219 6 .898 .109 .113 088 Trust 1 .877 .025 .005 094 2 .786 .006 .113 .206 3 .542 262 275 .344 4 .777 .065 206 300 Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .113 894 029 4 .037 .112 735 015 Behavioral loyalty 1 067 .825 017 .215 2 .863 .052 .047 029 <t< td=""><td></td><td>6</td><td>.470</td><td>.355</td><td>.009</td><td>.071</td><td>.151</td></t<>		6	.470	.355	.009	.071	.151
Construct Item 1 2 3668 060 095 .307 .150 .307 .150 .44 .355 042 448 .132 .448 .132 .448 .132 .448 .132 .448 .132 .448 .132 .448 .144 .219 .448 .144 .219 .448 .144 .219 .448 .144 .219 .448 .144 .219 .448 .144 .219 .448 .219 .444 .219 .448 .206 .206 .206 .206 .206 .300 .444 .2777 .065 206 300 .444 .2777 .065 206 300 .444 .2861 .071 .215 .248 .248 .248 .229 .248							1
Second	Relationship satisfaction						
A							
Trust 5 .355 .043 344 .219 Trust 1 .877 .025 .005 094 2 .786 .006 .113 .206 3 .542 262 275 .344 4 .777 .065 206 300 Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .113 894 029 4 .037 .112 735 015 Behavioral loyalty 1 067 .825 017 .215 2 .093 .896 .047 029 3 .111 .846 027 .038 Construct Item 1 2 Buyer relationship proneness 1 .654 .183 2 .863 .052 3 .911 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>							
Trust 1 .877 .025 .005 094 2 .786 .006 .113 .206 3 .542 262 275 .344 4 .777 .065 206 300 Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .113 894 029 4 .037 .112 735 015 Behavioral loyalty 1 067 .825 017 .215 2 .093 .896 .047 029 3 .111 .846 027 .038 Construct Item 1 2 Buyer relationship proneness 1 .654 .183 2 .863 .052 3 .911 151 4 .806 .012 5 .791 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Trust 1 .877 .025 .005094 .206 .2786 .006 .113 .206 .33 .542262275 .344 .4 .777 .065206 .300 .300 .542262 .275 .344 .2777 .065 .206 .300 .300 .206 .206 .300 .206 .206 .300 .206 .206 .300 .206 .206 .300 .206 .206 .206 .207 .208 .206 .207 .208 .208 .208 .208 .208 .208 .208 .208							
2 .786 .006 .113 .206 .344 .777 .065 .206 .300 .300 Relationship commitment	T						
Selationship commitment	Trust						
Relationship commitment 4 .777 .065 206 300 Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .113 894 029 4 .037 .112 735 015 Behavioral loyalty 1 067 .825 017 .215 2 .093 .896 .047 029 3 .111 .846 027 .038 The state of the commitment of the comm							
Relationship commitment 1 .026 .558 526 197 2 032 144 861 .071 3 067 .113 894 029 4 .037 .112 735 015 Behavioral loyalty 1 067 825 017 .215 2 .093 .896 .047 029 3 .111 .846 027 .038 Construct Item 1 2 Buyer relationship proneness 1 .654 .183 .052 3 .911 151 .4 .806 .012 4 .806 .012 .048 .048 039 Product category involvement 1 131 .878 .873							
2 032 144 861 .071	Palationship commitment						
3 067 .113 894 029 735 015 Behavioral loyalty	Kelationship communent						
A .037 .112 735 .015					- 894		
Behavioral loyalty 1067							
2 .093 .896 .047 029 .038	Behavioral loyalty						
Construct Item 1 2							
Construct Item 1 2 Buyer relationship proneness 1 .654 .183 2 .863 .052 3 .911 151 4 .806 .012 5 .791 .048 6 .486 039 Product category involvement 1 131 .878 2 .061 .873							
Buyer relationship proneness 1 .654 .183 .052 .33 .911151 .44 .806 .012 .55 .791 .048 .66 .486039 Product category involvement 1131 .878 .2 .061 .873	Construct	Item	1	2	•	•	ı
2 <u>.863</u> .052 3 <u>.911</u> 151 4 <u>.806</u> .012 5 <u>.791</u> .048 6 .486039 Product category involvement 1131 <u>.878</u> 2 .061 <u>.873</u>	D 17: 11	1			1		
3 .911 151 .806 .012 .5 .791 .048 .486 039	rr · · · · · · · · · · · · · · · · · ·	2			1		
4 .806 .012 5 .791 .048 6 .486 039 Product category involvement 1 131 .878 2 .061 .873		3	<u>.911</u>		1		
5 .791 .048 6 .486 039 Product category involvement 1 131 .878 2 .061 .873		4	<u>.806</u>		1		
6 .486 039 Product category involvement 1 131 .878 2 .061 .873			<u>.791</u>				
2 .061 <u>.873</u>		6	.486]		
	Product category involvement				1		
3 .135 <u>.802</u>					1		
		3	.135	<u>.802</u>]		

Table A3-4: Principal Components Analysis with Oblique Rotation (the Netherlands Food)

Table A3-4: Principal Compone Construct	Item	1	2	3	4	5
Communication	1	.059	.091	.824	055	.023
	2	.254	355	<u>.654</u>	.165	038
	3	068	.159	.852	011	.129
	4	.003	.240	<u>.844</u>	052	.127
	5	.174	212	.585	.318	.019
Differentiation	1	020	.098	.057	<u>.689</u>	068
	2	.095	066	226	<u>.654</u>	.317
	3	.031	011	.166	<u>.744</u>	.076
	4	013	.152	.025	<u>.866</u>	020
	5	.020	.129	.012	<u>.851</u>	.020
Personalization	1	030	.065	.249	145	<u>.725</u>
	2	.017	.022	.084	050	<u>.826</u>
	3	.138	.028	189	.018	<u>.779</u>
	4	.080	064	.103	.227	<u>.740</u>
	5	.079	038	.049	.241	.764
Rewarding	1	.188	.729	084	053	.013
	2	.075	.523	.152	.321	.037
	3	.044	<u>.654</u>	.168	.250	.062
	4	034	.620	.091	.267	.145
	5	.361	.511	033	.192	313
Seller relationship orientation	1	<u>.686</u>	.164	.077	.051	.083
Selici relationship orientation	2	.680	.309	.020	231	.127
	3	.449	.123	.020	.155	.394
	4	.708		082	.205	
			135	.154	098	.159
	5 6	<u>.815</u>	020			079
		<u>.782</u>	.050	.017	.098	.126
Construct	Item	1	2	3	4	1
Relationship satisfaction	1	023	.141	.608	299	
	2	.802	.074	.054	.308	
	3	<u>.672</u>	000	.091	088	
	4	.056	043	<u>.768</u>	.074	
	5	075	085	<u>.898</u>	014	
	6	.077	.053	.852	.179	
Trust						
Trust	1	<u>.695</u>	.078	.107	167	
Trust	1 2	<u>.695</u>	.078 .035	.107 025	167 296	
Trust		<u>.695</u> <u>.752</u>				
Trust	2	<u>.695</u>	.035	025	296 .022	
	2 3	.695 .752 .854 .534	.035 099	025 .011	296	
Relationship commitment	2 3 4	.695 .752 .854 .534	.035 099 081	025 .011 .258 096	296 .022 276 095	
	2 3 4 1 2	.695 .752 .854 .534 .512 .143	.035 099 081 .500 031	025 .011 .258 096 .555	296 .022 276 095 193	
	2 3 4 1 2 3	.695 .752 .854 .534 .512 .143 .251	.035 099 081 .500 031 .200	025 .011 .258 096 .555 .220	296 .022 276 095 193 495	
Relationship commitment	2 3 4 1 2 3 4	.695 .752 .854 .534 .512 .143 .251 .039	.035 099 081 .500 031 .200	025 .011 .258 096 .555 .220 076	296 .022 276 095 193 495 - <u>.883</u>	
	2 3 4 1 2 3 4	.695 .752 .854 .534 .512 .143 .251 .039	.035 099 081 .500 031 .200 .018	025 .011 .258 096 .555 .220 076	296 .022 276 095 193 495 - <u>.883</u> .063	
Relationship commitment	2 3 4 1 2 3 4 1 2	.695 .752 .854 .534 .512 .143 .251 .039 .033 092	.035 099 081 .500 031 .200 .018 .929 .981	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty	2 3 4 1 2 3 4 1 2 3	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036	.035 099 081 .500 031 .200 .018 .929 .981 .958	025 .011 .258 096 .555 .220 076	296 .022 276 095 193 495 - <u>.883</u> .063	
Relationship commitment Behavioral loyalty Construct	2 3 4 1 2 3 4 1 2	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036	.035 099 081 .500 031 .200 .018 .929 .981 .958	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty	2 3 4 1 2 3 4 1 2 3 Item	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1	.035099081 .500031 .200 .018 .929 .981 .958 2039	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct	2 3 4 1 2 3 4 1 2 3 I 1 2 3 I 1 2 3 4 1 2 2 3 1 1 2 2 3	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct	2 3 4 1 2 3 4 1 2 3 Item	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058 .061	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct	2 3 4 1 2 3 4 1 2 3 Item	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842 .818	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058 .061026	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct	2 3 4 1 2 3 4 1 2 3 Item	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842 .818 .862	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058 .061026047	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct Buyer relationship proneness	2 3 4 1 2 3 4 1 2 3 Item 1 2 3 4 5 6	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842 .818 .862 .652	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058 .061026047 .011	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct	2 3 4 1 2 3 4 1 2 3 Item 1 2 3 4 5 6	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842 .818 .862 .652	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058 .061026047 .011 .899	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct Buyer relationship proneness	2 3 4 1 2 3 4 1 2 3 Item 1 2 3 4 5 6	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842 .818 .862 .652 .025 050	.035099081 .500031 .200 .018 .929 .981 .958 .058 .061026047 .011 .899 .917	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	
Relationship commitment Behavioral loyalty Construct Buyer relationship proneness	2 3 4 1 2 3 4 1 2 3 Item 1 2 3 4 5 6	.695 .752 .854 .534 .512 .143 .251 .039 .033 092 036 1 .758 .858 .842 .818 .862 .652	.035099081 .500031 .200 .018 .929 .981 .958 2039 .058 .061026047 .011 .899	025 .011 .258 096 .555 .220 076 116	296 .022 276 095 193 495 - <u>.883</u> .063 034	

Table A3-5: Princip	nal Compon	ents Analysis wit	h Oblique l	Rotation ((Aggregated Sample)

Construct	Item	1	2	3	4	5
Communication	1	.005	081	007	.874	.051
Communication	2	059	051	133	.845	.153
	3	099	031	098	.906	.064
	4	.154	.096	.103	<u>.900</u> <u>.841</u>	117
	5	.134	.114	.088	.804	041
Differentiation	1	036	.709	078	004	.037
Differentiation	2	.092				
	3	.056	<u>.709</u>	202	081 .061	102 .023
	3 4		<u>.796</u>	038		
	5	053	<u>.865</u>	.040	.076	.069
D. F. C.		000	<u>.860</u>	.080	024	.142
Personalization	1	050	082	<u>831</u>	.082	.089
	2	041	065	<u>891</u>	037	.021
	3	.110	.000	<u>764</u>	053	005
	4	.061	.171	<u>755</u>	.061	022
D 1	5	.101	.232	<u>732</u>	.005	080
Rewarding	1	.289	120	021	051	<u>.650</u>
	2	026	.071	071	.153	<u>.690</u>
	3	021	.094	072	.086	<u>.777</u>
	4	086	.136	027	.020	<u>.782</u>
	5	.316	.059	.142	033	.626
Seller relationship orientation	1	.537	.013	121	.069	.300
	2	<u>.652</u>	141	179	.153	.080
	3	.371	.155	336	.199	.108
	4	.625	.240	049	.134	.027
	5	<u>.720</u>	022	.088	.141	.070
	6	<u>.741</u>	.105	152	062	.060
Construct	Item	1	2	3	4	•
Relationship satisfaction	1	.252	.190	.581	102	
	2	.430	018	<u>.895</u>	161	
	3	.737	066	.225	035	
	4	.003	.000	<u>.713</u>	.230	
	5	.045	056	<u>.750</u>	.124	
	6	030	.071	<u>.875</u>	.052	
Trust	1	<u>.814</u>	.064	063	.067	
	2	<u>.797</u>	.016	.104	.046	
	3	<u>.864</u>	.033	.050	028	
	4	<u>.686</u>	038	.133	.155	
Relationship commitment	1	.508	.451	054	.204	1
-	2	.324	049	.171	.566	
	3	.416	.210	027	.515	
	4	070	.021	.119	<u>.849</u>	
Behavioral loyalty	1	188	.829	.195	053	
3 3	2	.045	.881	076	.083	
	3	.183	.862	093	.000	
Construct	Item	1	2		•	-
	1	.705	.034	1		
	I		.05.			
Buyer relationship proneness	2		.005			
	2 3	.869	.005 - 043			
	3	<u>.869</u> <u>.870</u>	043			
	3 4	.869 .870 .844	043 019			
	3 4 5	.869 .870 .844 .832	043 019 .045			
Buyer relationship proneness	3 4 5 6	.869 .870 .844 .832 .644	043 019 .045 014			
	3 4 5 6	.869 .870 .844 .832 .644 004	043 019 .045 014			
Buyer relationship proneness	3 4 5 6	.869 .870 .844 .832 .644	043 019 .045 014			

Appendix 4 Questionnaire

Dear visitor,

This questionnaire from University of Central Florida deals with the **efforts** that **apparel stores** undertake towards their **regular customers**.

→ It applies to the following types of stores:

- ready-to-wear apparel stores that sell regular clothing (no special event clothing)
- large department stores / clothing chains as well as smaller stores / boutiques
- **no** mail order stores (like fi. Land's End, L.L. Bean, etc.)
- Regular customers of a store are those who:
- regularly buy clothes in this store
- and not simply visit this store only to "look around"

With this survey, we like to find out your honest opinion. Thus there are no right or wrong answers. Don't worry about questions that seemingly look alike.

Many thanks for your cooperation!

Name of the store:	towa The	First we ask your general opinion about the efforts of this store towards regular customers (above the line) Then we ask your opinion about specific efforts of this store tow regular customers (below the line)					
To what extent do you agree, or disagree, with the following statements? This store	-3 Strongly disagree ▼	-2 Disagree ▼	-1 Somewhat disagree	0 Neither agree, nor disagree	+1 Somewhat agree	+2 Agree ▼	+3 Strongly agree ▼
makes an effort to increase regular customers' loyalty							
makes various efforts to improve its tie with regular customers			۵				
really cares about keeping regular customers			۵		۵		
often inquires about the personal welfare of regular customers							
often informs regular customers through brochures							
makes a greater effort for regular customers than for non-regular customers			۵				
rewards regular customers for their patronage							
often sends mailings to regular customers			۵				
takes the time to personally get to know regular customers							
offers discounts to regular customers for their patronage	۵						
offers better service to regular customers than to non-regular customers							
often holds personal conversations with regular customers	٥						
keeps regular customers informed through mailings							
does more for regular customers than for non-regular customers							
offers regular customers something extra because they keep buying there							

The Role of the Seller in Enhancing Buyer-Seller Relationships

	The previous statements were about one store. The next statements are about shopping for clothes in general.				s are		
To what extent do you agree, or disagree, with the following statements? Generally, I am someone	-3 Strongly disagree	-2 Disagree	-1 Somewhat disagree	0 Neither agree, nor disagree	+1 Somewhat agree	+2 Agree	+3 Strongly agree
who finds it important what clothes he or she buys	ū						
who likes to be a regular customer of an apparel store							
who is interested in the kind of clothing he or she buys							
who wants to be a steady customer of the same apparel store							
for whom it means a lot what clothes he or she buys							
who is willing to "go the extra mile" to purchase at the same apparel store							

Plea	se indicate your age range:
	<25 years
	25-40 years
	41-55 years

□ >55 years

Many thanks for your cooperation!

To be filled out by the interviewer only:

Gender of the respondent □Female □Male
Loyalty of the respondent □0-20% □21-40% □41-60% □61-80% □81-100%
Name of the interviewer
Day of data collection □ □
Number questionnaire

Appendix 5 Univariate Statistics

Table A5-1: Univariate Statistics (Belgium Clothing)

Construct	Item	Minimum	Maximum	Mean	Std. deviation
Communication	1	1	7	3.68	2.10
	3	1	7	3.33	2.05
	4	1	7	3.25	2.08
Differentiation	3	1	7	3.21	1.62
	4	1	6	2.93	1.55
	5	1	7	3.00	1.60
Personalization	1	1	7	2.40	1.67
	2	1	7	2.40	1.63
	3	1	7	2.66	1.77
Rewarding	1	1	7	3.31	2.01
<u> </u>	3	1	7	3.21	2.07
	4	1	7	2.66	1.81
Seller relationship orientation	2	1	7	4.50	1.71
•	5	1	7	4.41	1.67
	6	1	7	4.44	1.62
Buyer relationship proneness	2	1	7	4.93	1.59
11	3	1	7	4.93	1.57
	5	1	7	4.79	1.57
Relationship satisfaction	4	1	7	4.66	1.59
•	5	1	7	4.86	1.56
	6	1	7	5.26	1.13
Trust	1	1	7	5.48	1.04
	2	1	7	5.54	1.01
	3	1	7	5.62	.98
Relationship commitment	2	1	7	4.92	1.53
1	3	1	7	5.03	1.42
	4	1	7	4.48	1.82
Behavioral loyalty	1	-2.15	2.25	.00	1.00
, , , , , , , , , , , , , , , , , , ,	2	-2.63	2.07	.00	1.00
	3	-2.61	1.55	.00	1.00
Product category involvement	1	1	7	5.79	1.27
5 3	2	1	7	5.75	1.24
	3	1	7	5.60	1.35

Table A5-2: Univariate Statistics (Belgium Food)

Construct	Item	Minimum	Maximum	Mean	Std. deviation
Communication	1	1	7	5.36	1.66
	3	1	7	4.92	1.93
	4	1	7	4.22	2.17
Differentiation	3	1	7	3.20	1.68
	4	1	7	2.80	1.63
	5	1	7	2.90	1.71
Personalization	1	1	7	2.49	1.84
	2	1	7	2.39	1.53
	3	1	7	2.00	1.75
Rewarding	1	1	7	4.30	2.04
	3	1	7	3.70	1.16
	4	1	7	3.56	2.11
Seller relationship orientation	2	1	7	4.84	1.60
•	5	1	7	4.61	1.61
	6	1	7	4.71	1.55
Buyer relationship proneness	2	1	7	4.52	1.67
J 1 1	3	1	7	4.69	1.62
	5	1	7	4.55	1.66
Relationship satisfaction	4	1	7	4.59	1.57
•	5	1	7	4.80	1.46
	6	1	7	5.03	1.33
Trust	1	1	7	5.32	1.29
	2	1	7	5.52	1.17
	3	1	7	5.49	1.09
Relationship commitment	2	1	7	4.49	1.74
1	3	1	7	4.88	1.55
	4	1	7	3.53	1.92
Behavioral loyalty	1	-2.15	2.04	.00	1.00
, , , , , , , , , , , , , , , , , , ,	2	-2.83	1.62	.00	1.00
	3	-2.94	1.21	.00	1.00
Product category involvement	1	2	7	5.87	1.12
<i>5 y</i>	2	2	7	5.79	1.01
	3	1	7	5.73	1.11

Table A5-3: Univariate Statistics (the Netherlands Clothing)

Construct	Item	Minimum	Maximum	Mean	Std. deviation
Communication	1	1	7	3.98	2.20
	3	1	7	3.49	2.14
	4	1	7	3.67	2.22
Differentiation	3	1	7	3.62	1.62
	4	1	7	3.09	1.61
	5	1	7	3.30	1.69
Personalization	1	1	7	3.76	2.03
	2	1	7	3.43	2.02
	3	1	7	3.70	2.03
Rewarding	1	1	7	3.81	2.08
S	3	1	7	3.57	2.11
	4	1	7	3.24	1.95
Seller relationship orientation	2	1	7	4.83	1.60
•	5	1	7	4.87	1.61
	6	1	7	4.46	1.88
Buyer relationship proneness	2	1	7	4.46	1.88
1 1	3	1	7	4.47	1.80
	5	1	7	4.43	1.88
Relationship satisfaction	4	1	7	4.74	1.66
•	5	1	7	4.43	1.81
	6	1	7	5.42	1.33
Trust	1	1	7	5.65	1.15
	2	1	7	5.79	1.01
	3	1	7	5.74	1.04
Relationship commitment	2	1	7	4.95	1.65
•	3	1	7	4.88	1.63
	4	1	7	4.91	1.74
Behavioral loyalty	1	-2.06	2.41	.00	1.00
	2	-2.50	1.67	.00	1.00
	3	-3.54	1.22	.00	1.00
Product category involvement	1	1	7	5.88	1.21
	2	1	7	5.93	1.12
	3	1	7	5.60	1.37

Table A5-4: Univariate Statistics (the Netherlands Food)

Construct	Item	Minimum	Maximum	Mean	Std. deviation
Communication	1	1	7	4.44	2.02
	3	1	7	3.30	1.98
	4	1	7	2.85	1.80
Differentiation	3	1	7	3.31	1.61
	4	1	7	2.81	1.48
	5	1	7	2.89	1.60
Personalization	1	1	7	2.90	1.74
	2	1	7	2.59	1.51
	3	1	7	2.73	1.64
Rewarding	1	1	7	4.42	1.87
8	3	1	7	3.99	2.05
	4	1	7	3.30	1.89
Seller relationship orientation	2	1	7	5.14	1.52
r	5	1	7	4.99	1.52
	6	1	7	4.93	1.48
Buyer relationship proneness	2	1	7	4.55	1.72
- w,	3	1	7	4.56	1.76
	5	1	7	4.41	1.77
Relationship satisfaction	4	1	7	4.45	1.55
	5	1	7	4.36	1.65
	6	1	7	5.11	1.35
Trust	1	1	7	5.37	1.26
	2	1	7	5.49	1.17
	3	1	7	5.51	1.08
Relationship commitment	2	1	7	4.60	1.64
Р	3	1	7	4.77	1.69
	4	1	7	3.51	1.99
Behavioral loyalty	1	-2.19	1.47	.00	1.00
	2	-2.77	1.18	.00	1.00
	3	-2.98	.89	.00	1.00
Product category involvement	1	1	7	5.87	1.14
	2	1	7	5.91	1.08
	3	1	7	5.77	1.23

Table A5-5: Univariate Statistics (United States Clothing)

Construct	Item	Minimum	Maximum	Mean	Std. deviation
Communication	1	1	7	5.13	1.68
	3	1	7	4.97	1.80
	4	1	7	4.78	1.90
Differentiation	3	1	7	4.46	1.63
	4	1	7	3.87	1.73
	5	1	7	4.10	1.78
Personalization	1	1	7	4.40	1.63
	2	1	7	4.15	1.86
	3	1	7	4.37	1.78
Rewarding	1	1	7	4.64	1.74
	3	1	7	4.30	1.89
	4	1	7	4.31	1.85
Seller relationship orientation	2	1	7	5.36	1.32
•	5	1	7	5.22	1.30
	6	1	7	5.30	1.34
Buyer relationship proneness	2	1	7	5.11	1.57
11	3	1	7	5.00	1.47
	5	1	7	4.95	1.59
Relationship satisfaction	4	1	7	4.75	1.56
•	5	1	7	4.96	1.56
	6	1	7	5.43	1.26
Trust	1	1	7	5.37	1.19
	2	1	7	5.37	1.21
	3	1	7	5.35	1.24
Relationship commitment	2	1	7	5.03	1.45
•	3	1	7	5.15	1.46
	4	1	7	4.94	1.63
Behavioral loyalty	1	-1.84	2.38	.00	1.00
	2	-2.65	1.54	.00	1.00
	3	-3.37	1.24	.00	1.00
Product category involvement	1	2	7	5.65	1.24
	2	1	7	5.83	1.17
	3	1	7	5.47	1.44

Table A5-6: Univariate Statistics (United States Food)

Construct	Item	Minimum	Maximum	Mean	Std. deviation
Communication	1	1	7	4.69	1.57
	3	1	7	3.98	1.59
	4	1	7	3.99	1.58
Differentiation	3	1	7	4.04	1.40
	4	1	7	3.47	1.58
	5	1	7	3.64	1.50
Personalization	1	1	7	4.34	1.44
	2	1	7	3.91	1.63
	3	1	7	4.23	1.55
Rewarding	1	1	7	4.12	1.52
	3	1	7	3.72	1.66
	4	1	7	3.58	1.48
Seller relationship orientation	2	1	7	5.28	1.25
•	5	1	7	5.06	1.27
	6	1	7	5.16	1.32
Buyer relationship proneness	2	1	7	5.27	1.22
J 1 1	3	2	7	5.19	1.23
	5	1	7	4.61	1.58
Relationship satisfaction	4	1	7	4.65	1.45
•	5	1	7	4.64	1.43
	6	1	7	5.26	1.24
Trust	1	1	7	5.46	1.12
	2	1	7	5.41	1.15
	3	1	7	5.39	1.25
Relationship commitment	2	1	7	4.73	1.61
1	3	1	7	5.09	1.44
	4	1	7	4.08	1.84
Behavioral loyalty	1	-2.46	1.09	0.00	1.00
, , , , , , , , , , , , , , , , , , ,	2	-3.14	.99	0.00	1.00
	3	-3.34	.76	0.00	1.00
Product category involvement	1	1	7	5.70	1.08
<i>5 y</i>	2	2	7	5.82	.92
	3	1	7	5.44	1.27

Appendix 6 Measure Evaluation

Table A6-1: Principal Components Analysis with Oblique Rotation (Belgium Clothing)

Construct	Item	1	2	3	4	5
Communication	1	071	.049	.033	003	.947
	3	.083	021	.001	.037	.918
	4	.028	005	016	029	.922
Differentiation	3	.043	074	.135	<u>822</u>	004
	4	081	.107	032	<u>906</u>	042
	5	.135	006	058	<u>857</u>	.069
Personalization	1	.165	<u>.813</u>	.104	.095	070
	2	.105	<u>.794</u>	045	043	.063
	3	147	<u>.873</u>	.011	096	.057
Rewarding	1	<u>.814</u>	031	.109	025	.089
	3	<u>.824</u>	003	.065	033	.056
	4	<u>.846</u>	.110	096	043	033
Seller relationship orientation	2	.050	047	<u>.860</u>	.036	.020
	5	029	.058	.869	026	.061
	6	009	.045	<u>.884</u>	053	043
Construct	Item	1	2	3	4	
Relationship satisfaction	4	100	.016	.203	.799	
-	5	.005	.002	105	.893	
	6	.201	060	066	<u>.698</u>	
Trust	1	<u>.806</u>	.013	.060	.068	
	2	.932	008	003	047	
	3	.878	.003	.004	.003	
Relationship commitment	2	.126	.063	<u>.689</u>	.165	
	3	.225	.201	.298	.346	
	4	.013	019	<u>.874</u>	058	
Behavioral loyalty	1	.034	.858	191	.020	
	2	054	<u>.828</u>	.151	.012	
	3	.015	<u>.818</u>	.070	059	
Construct	Item	1	2	_		-
Buyer relationship proneness	2	037	<u>.913</u>			
	3	.025	<u>.866</u>			
	5	.018	<u>.852</u>			
Product category involvement	1	.897	036			
-	2	<u>.904</u>	032			
	3	<u>.857</u>	.085			

Table A6-2: Principal Components Analysis with Oblique Rotation (Belgium Food)

Construct	Item	1	2	3	4	5
Communication	1	007	.841	227	035	.116
	3	.031	<u>.926</u>	001	016	051
	4	006	<u>.747</u>	.140	.068	191
Differentiation	3	<u>.913</u>	.032	062	013	.067
	4	<u>.900</u>	033	014	.079	.010
	5	<u>.881</u>	.001	.064	012	141
Personalization	1	052	033	061	<u>.930</u>	.014
	2	.174	027	006	<u>.811</u>	.015
	3	023	.068	.035	<u>.922</u>	024
Rewarding	1	.030	.064	122	051	<u>769</u>
	3	.016	.115	.006	026	<u>816</u>
	4	.037	093	057	.080	<u>761</u>
Seller relationship orientation	2	.028	.006	<u>868</u>	068	086
	5	059	027	<u>886</u>	.080	088
	6	.088	.081	<u>827</u>	.043	.017
Construct	Item	1	2	3	4	
Relationship satisfaction	4	099	.038	.087	<u>890</u>	
	5	.105	.096	076	<u>781</u>	
	6	.166	091	.032	<u>753</u>	
Trust	1	<u>.815</u>	.027	073	061	
	2	.832	.005	111	106	
	3	<u>.907</u>	.001	.130	.071	
Relationship commitment	2	.060	027	<u>.665</u>	328	
	3	.535	.066	.374	048	
	4	028	.048	<u>.924</u>	.050	
Behavioral loyalty	1	.037	<u>.890</u>	047	.075	
	2	026	<u>.935</u>	014	049	
	3	057	<u>.904</u>	.068	058	
Construct	Item	1	2	_		-
Buyer relationship proneness	2	.882	053			
	3	<u>.916</u>	.006			
	5	<u>.870</u>	.057			
Product category involvement	1	.004	<u>.857</u>			
	2	011	<u>.917</u>			
	3	.009	<u>.874</u>			

Table A6-3: Principal Components Analysis with Oblique Rotation (the Netherlands Clothing)

Construct	Item	1	2	3	4	5
Communication	1	025	025	058	057	<u>.951</u>
	3	016	.023	.051	.035	<u>.934</u>
	4	.057	.027	.031	.015	<u>.916</u>
Differentiation	3	038	023	<u>.855</u>	066	.008
	4	.025	.135	<u>.851</u>	.049	019
	5	.085	106	<u>.822</u>	082	.077
Personalization	1	010	<u>.848</u>	033	119	012
	2	.107	<u>.847</u>	031	003	.078
	3	046	<u>.940</u>	.063	.037	025
Rewarding	1	<u>.834</u>	027	034	146	.028
	3	<u>.927</u>	.017	057	036	047
	4	<u>.768</u>	.060	.180	.132	.030
Seller relationship orientation	2	.045	.068	.027	<u>850</u>	062
	5	015	013	.031	<u>891</u>	.066
	6	.027	.029	.033	<u>862</u>	.040
Construct	Item	1	2	3	4	
Relationship satisfaction	4	<u>.841</u>	.050	.115	097	
	5	<u>.847</u>	030	038	.119	
	6	<u>.737</u>	039	.194	059	
Trust	1	.263	.059	.563	.138	
	2	040	.017	<u>.945</u>	.023	
	3	.056	.005	<u>.886</u>	.022	
Relationship commitment	2	.264	.032	.053	.593	
	3	.523	.144	112	.386	
	4	079	.018	.117	<u>.881</u>	
Behavioral loyalty	1	.031	<u>.883</u>	.024	170	
	2	066	<u>.785</u>	.071	.119	
	3	.006	<u>.808</u>	061	.072	
Construct	Item	1	2	_		
Buyer relationship proneness	2	<u>.904</u>	001			
	3	<u>.941</u>	022			
	5	<u>.882</u>	.024			
Product category involvement	1	031	<u>.881</u>			
	2	.017	<u>.884</u>			
	3	.017	<u>.859</u>			

Table A6-4: Principal Components Analysis with Oblique Rotation (the Netherlands Food)

Construct	Item	1	2	3	4	5
Communication	1	070	.200	.102	.792	.019
	3	.036	101	097	<u>.858</u>	.005
	4	.162	125	100	<u>.721</u>	082
Differentiation	3	038	.172	.108	.038	<u>800</u>
	4	.093	107	183	017	<u>743</u>
	5	.005	025	061	004	<u>865</u>
Personalization	1	.898	.120	058	048	.103
	2	<u>.821</u>	036	.057	.108	090
	3	.897	.007	.041	.011	047
Rewarding	1	067	.184	<u>785</u>	.123	.034
	3	027	008	<u>859</u>	041	004
	4	.104	047	<u>729</u>	005	135
Seller relationship orientation	2	.061	<u>.860</u>	073	077	.014
	5	.028	<u>.850</u>	022	011	101
	6	.039	<u>.830</u>	026	.120	020
Construct	Item	1	2	3	4	
Relationship satisfaction	4	.076	.035	<u>.893</u>	123	
-	5	.161	115	.652	.051	
	6	.465	.035	.433	103	
Trust	1	.698	.040	.154	.001	
	2	.896	.030	057	.052	
	3	.878	021	030	.086	
Relationship commitment	2	062	.038	.543	.473	
	3	023	.141	.559	.412	
	4	.190	.009	064	<u>.856</u>	
Behavioral loyalty	1	.038	<u>.872</u>	030	011	
	2	065	<u>.946</u>	.007	.006	
	3	.046	<u>.918</u>	015	017	
Construct	Item	1	2			<u>-</u> '
Buyer relationship proneness	2	007	.903			
	3	053	<u>.928</u>			
	5	.070	.853			
Product category involvement	1	<u>.913</u>	023			
	2	.934	005			
	3	.907	.033			

Table A6-5: Principal Components Analysis with Oblique Rotation (United States Clothing)

Construct	Item	1	2	3	4	5
Communication	1	149	.023	949	024	015
	3	.073	.050	<u>906</u>	031	062
	4	.151	.009	<u>811</u>	021	.101
Differentiation	3	369	.076	254	102	<u>.715</u>
	4	.051	.049	.164	141	<u>.896</u>
	5	.177	.001	090	.053	<u>.853</u>
Personalization	1	104	.190	.034	<u>870</u>	047
	2	.106	.001	116	<u>789</u>	.065
	3	.029	110	005	<u>927</u>	.041
Rewarding	1	.237	.116	539	144	.152
	3	.532	.111	340	178	.127
	4	.532	.116	242	114	.313
Seller relationship orientation	2	080	<u>.954</u>	041	.097	.009
	5	019	<u>.930</u>	024	029	018
	6	.041	<u>.901</u>	.058	090	.015
Construct	Item	1	2	3	4	
Relationship satisfaction	4	<u>.926</u>	021	.007	.039	
	5	<u>.941</u>	037	042	048	
	6	<u>.795</u>	.057	.049	.014	
Trust	1	038	.029	<u>.945</u>	002	
	2	.017	.004	<u>.957</u>	.070	
	3	.030	072	<u>.900</u>	068	
Relationship commitment	2	.157	.215	.276	488	
	3	.546	.075	.129	278	
	4	.191	.051	.069	<u>767</u>	
Behavioral loyalty	1	.106	<u>.912</u>	.018	.226	
	2	036	<u>.793</u>	.017	229	
	3	059	<u>.875</u>	031	111	
Construct	Item	1	2			•
Buyer relationship proneness	2	.621	.384			
	3	.823	.157			
	5	.999	140			
Product category involvement	1	.026	<u>.896</u>			
- •	2	052	.945			
	3	.428	.547			

Table A6-6: Principal Components Analysis with Oblique Rotation (United States Food)

Construct	Item	1	2	3	4	5
Communication	1	.122	.167	.859	.085	.214
	3	033	059	<u>.783</u>	174	231
	4	.012	078	<u>.756</u>	203	190
Differentiation	3	.880	.103	.129	.075	.107
	4	<u>.783</u>	112	097	280	083
	5	.837	.006	.015	065	106
Personalization	1	.115	.193	.165	<u>661</u>	.154
	2	004	.107	.092	<u>734</u>	163
	3	.073	.055	053	<u>887</u>	.061
Rewarding	1	.112	.287	.197	069	540
-	3	.297	.079	.093	021	679
	4	.597	.055	.049	011	414
Seller relationship orientation	2	090	.883	.078	.018	026
-	5	032	.881	.045	073	080
	6	.030	.911	124	098	.025
Construct	Item	1	2	3	4	
Relationship satisfaction	4	.043	.040	.713	.182]
•	5	017	035	.143	.849	
	6	.154	.092	.003	.779	
Trust	1	.920	004	019	.013	
	2	.939	.003	.021	046	
	3	.861	018	066	.182	
Relationship commitment	2	.008	062	.946	027	
•	3	.620	.114	.335	040	
	4	.008	002	.858	.056	
Behavioral loyalty	1	048	.941	065	.096	
3 3	2	.053	.919	.100	100	
	3	000	<u>.954</u>	024	.002	
Construct	Item	1	2			1
Buyer relationship proneness	2	<u>.864</u>	.033			
	3	<u>.944</u>	081			
	5	.725	.093			
Product category involvement	1	105	.923			
2 ,	2	.042	.848			
	3	.145	.722			

Table A6-7: Internal Consistency of Constructs (Belgium)

·		Clothi	ng	Food	l
Construct	Item	Item-to-total	α	Item-to-total	α
	(*)	correlation		correlation	
Communication	1	.86	.93	.68	.82
	3	.87		.79	
	4	.86		.58	
Differentiation	3	.69	.86	.77	.91
	4	.75		.85	
	5	.78		.82	
Personalization	1	.68	.83	.79	.89
	2	.70		.80	
	3	.67		.78	
Rewarding	1	.76	.86	.70	.79
5	3	.75		.66	
	4	.68		.53	
Seller relationship orientation	2	.70	.87	.79	.89
	5	.79		.80	
	6	.76		.76	
Buyer relationship proneness	2	.76	.85	.70	.87
.,	3	.72		.80	
	5	.69		.75	
Relationship satisfaction	4	.57	.76	.67	.82
Р	5	.64		.67	
	6	.60		.69	
Trust	1	.73	.87	.67	.85
	2	.77		.72	
	3	.73		.77	
Relationship commitment	2	.62	.70	.68	.76
г	3	.49	-,-	.54	•••
	4	.45		.57	
Behavioral loyalty	1	.58	.79	.72	.90
 	2	.68	• • •	.86	
	3	.64		.84	
Product category involvement	1	.73	.87	.69	.86
	2	.75		.79	
	3	.75		.72	

^(*) These item numbers refer to the items included in table 6-4.

Table A6-8: Internal Consistency of Constructs (the Netherlands)

		Clothi	ng	Food	
Construct	Item	Item-to-total	α	Item-to-total	α
	(*)	correlation		correlation	
Communication	1	.85	.94	.50	.75
	3	.86		.65	
	4	.91		.60	
Differentiation	3	.68	.86	.54	.79
	4	.73		.64	
	5	.78		.70	
Personalization	1	.76	.89	.73	.87
1 Gradium autom	2	.78	.07	.73	.07
	3	.80		.79	
Rewarding	1	.75	.86	.62	.77
	3	.79		.61	• • •
	4	.68		.58	
Seller relationship orientation	2	.75	.90	.70	.86
Serier relationship orientation	5	.82	.,,	.77	.00
	6	.82		.73	
Buyer relationship proneness	2	.78	.90	.77	.88
Buyer relationship proneness	3	.84	.,,	.78	.00
	5	.76		.74	
Relationship satisfaction	4	.73	.83	.65	.76
reducionship satisfaction	5	.72	.05	.57	.70
	6	.66		.56	
Trust	1	.66	.86	.55	.83
11431	2	.78	.00	.73	.05
	3	.80		.71	
Relationship commitment	2	.55	.73	.59	.73
reading communent	3	.57	.15	.61	.13
	4	.54		.49	
Behavioral loyalty	1	.61	.77	.73	.90
Denavioral loyalty	2	.62	. / /	.85	.70
	3	.60		.81	
Product category involvement	1	.70	.84	.79	.91
1 roduct category involvement	2	.74	.07	.84	.71
	3	.70		.81	

^(*) These item numbers refer to the items included in table 6-4.

Table A6-9: Internal Consistency of Constructs (United States)

		Clothi	ng	Food	l
Construct	Item	Item-to-total	α	Item-to-total	α
	(*)	correlation		correlation	
Communication	1	.82	.93	.66	.88
	3	.87		.83	
	4	.87		.82	
Differentiation	3	.71	.88	.73	.90
	4	.82		.80	
	5	.79		.82	
Personalization	1	.77	.89	.77	.89
	2	.83		.77	
	3	.77		.82	
Rewarding	1	.80	.91	.71	.87
-	3	.84		.78	
	4	.83		.76	
Seller relationship orientation	2	.84	.93	.81	.92
•	5	.88		.88	
	6	.84		.81	
Buyer relationship proneness	2	.80	.89	.69	.80
	3	.85		.71	
	5	.72		.57	
Relationship satisfaction	4	.76	.88	.70	.85
-	5	.82		.74	
	6	.72		.73	
Trust	1	.83	.93	.85	.92
	2	.85		.82	
	3	.87		.86	
Relationship commitment	2	.74	.85	.79	.86
-	3	.69		.66	
	4	.73		.77	
Behavioral loyalty	1	.68	.85	.84	.93
	2	.74		.88	
	3	.74		.88	
Product category involvement	1	.77	.86	.64	.79
5 .	2	.75		.69	
	3	.73		.60	

^(*) These item numbers refer to the items included in table 6-4.

Appendix 7 Covariance Matrices

Table	Δ7-1·	Covarian	ce Matrix	Relgium	Clothing
1 ame	A/-I:	COVALIAN	ce vialit	Deigiuiii	CHOULINE

Items Rol Ro2 Ro3 Rs1 Rs2 Rs3 Tr1 Tr2 Tr3 Mit1 Mit2 Mit3 Bl1 Bl2 Bl3 Rp1 Rp2 Rp3 Rewl Rew2 Rew3 Pe1 Pe2 Pe3 Co1 Co2 Co3 Dif1 Dif2 Dif3																													
Rol	Ro2	Ro3	Rs1	Rs2	Rs3	Trl	Tr2	Tr3	Mit1	Mit2	Mit3	B11	B12	B13	Rp1	Rp2	Rp3	Rewl	Rew2	Rew3	Pe1	Pe2	Pe3	Col	Co2	Co3	Difl	Dif2	Dif3
2.92																													
1.90	2.77																												
1.74	2.02	2.61																											
.31	.60	.57	2.53																										
.81	1.09	.81	1.32	2.42																									
.39	.54	.43	.86	1.02	1.29																								
.25	.31	.45	.74	.76	.55																								
.32	.34	.38	.63	.67	.56	.74	1.03																						
															2.52														
																2.46													
																	2.47												
																		4.02											
																			1 28										
																				3 27									
																					2.78								
																						2.67							
																							3 12						
1.30	1.34	1.04	.65	1.10	.62	.24	.31		.59	.28	.69		.06	.20	.56	.36	.50	1.92	1.84	1.18	.88	.91	.84	4.42					
1.05	1.31	1.07	.58	1.01	.63	.28	.32	.35	.57	.28	.62	.07	.02	.17	.54	.69	.69	2.13	2.03	1.45	.65	.89	.69	3.59	4.19				
1.19	1.26	.99	.74	1.04	.65	.37	.44	.40	.62	.44	.73	.10	.12	.28	.45	.42	.52	2.01	1.93	1.42	.74	.97	.72	3.54	3.52	4.32			
.74	1.05	.84	.29	.68	.31	.08	.07	.12	.31	.25	.16	.12	07	.02	.28	.30	.32	1.17	1.09	.92	.77	.87	.78	.91	.73	.87	2.62		
.45	.58	.67	.60	.68	.43	.24	.16	.22	.56	.48	.28	.10	.08	.17	.35	.38	.60	.80	.84	.81	.78	.87	1.14	.54	.46	.54	1.55	2.40	
.63	.70	.75	.61	.86	.51	.23	.29	.28	.50	.35	.33	.06	05	.11	.34	.41	.66	1.36	1.47	1.12	.79	1.06	1.05	.98	.92	1.13	1.72	1.84	2.56
	Rol 2.92 1.90 1.74 1.30 1.05 1.19 1.74 4.45	Rol Ro2 2.92 1.90 2.77 1.74 2.02 31 .60 .81 1.09 39 .54 .25 .31 .32 .34 .26 .23 .59 .63 .39 .58 .76 .77 .23 .12 .27 .24 .28 .18 .11 .35 .25 .44 .38 1.22 1.21 1.24 1.16 .55 .75 .66 .82 .52 .77 .54 .78 1.30 1.34 1.05 1.31 1.19 1.26 .74 1.05 .45 .58	Rol Ro2 Ro3 2.92 1.90 2.77 1.74 2.02 2.61 3.1 .60 .57 .81 1.09 .81 .39 .54 .43 .25 .31 .45 .32 .34 .38 .26 .23 .27 .59 .63 .76 .39 .58 .61 .76 .77 .92 .23 .12 .13 .27 .24 .30 .28 .18 .25 .11 .35 .29 .25 .44 .59 .25 .44 .59 .25 .44 .50 .14 .38 .36 .122 1.21 1.18 1.24 1.16 1.01 .55 .75 .64 .66 .82 .82 .52 .77	Ro1 Ro2 Ro3 Rs1 2.92 1.90 2.77 1.74 2.02 2.61 3.31 .60 .57 2.53 .81 1.09 .81 1.32 .39 .54 .43 .86 .25 .31 .45 .74 .32 .34 .38 .63 .26 .23 .27 .64 .59 .63 .76 1.21 .39 .58 .61 1.20 .76 .77 .92 .81 .23 .12 .13 .12 .23 .12 .13 .12 .27 .24 .30 .31 .28 .18 .25 .15 .11 .35 .29 .92 .25 .44 .50 .75 .14 .38 .36 .95 .122 1.21 1.18 .36	Ro1 Ro2 Ro3 Rs1 Rs2 2.92 1.90 2.77 1.74 2.02 2.61 3.1 .60 .57 2.53 .81 1.09 .81 1.32 2.42 .39 .54 .43 .86 1.02 .25 .31 .45 .74 .76 .32 .34 .38 .63 .67 .26 .23 .27 .64 .65 .59 .63 .76 1.21 .83 .39 .58 .61 1.20 .88 .76 .77 .92 .81 .66 .23 .12 .13 .12 .11 .27 .24 .30 .31 .15 .28 .18 .25 .15 .13 .11 .27 .24 .30 .31 .15 .28 .18 .25 .15 .13 .11 .35 .29 .92 .76 .25 .44 .50 .75 .64 .45 .88 1.24 1.16	Rol Ro2 Ro3 Rs1 Rs2 Rs3	Rol Ro2 Ro3 Rs1 Rs2 Rs3 Tr1	Rol Ro2 Ro3 Rs1 Rs2 Rs3 Tr1 Tr2	Rol Ro2 Ro3 Rs1 Rs2 Rs3 Tr1 Tr2 Tr3	Rol	Rol	Rol	Rol	Rol Ro2 Ro3 Rs1 Rs2 Rs3 Tr1 Tr2 Tr3 Mit1 Mit2 Mit3 BI1 BI2	Rol Rol	Rol Rol	Rol Rol	Rol Rol	Rol Rol	Rol Rol									

Table	A7-	2: Co	varia	nce I	Matri	x Bel	lgium	Foo	d																					
Items	Rol	Ro2	Ro3	Rs1	Rs2	Rs3	Trl	Tr2	Tr3	Mit1	Mit2	Mit3	B11	B12	B13	Rp1	Rp2	Rp3	Rewl	Rew2	Rew3	Pe1	Pe2	Pe3	Col	Co2	Co3	Difl	Dif2	Dif3
Rol	2.55																													
Ro2	1.96	2.59																												
Ro3	1.74	1.79	2.41																											
Rs1	.85	.90	.96	2.46																										
Rs2	.97	1.04	1.08	1.36	2.14																									
Rs3	.68	.63	.79	1.28	1.19	1.77																								
Trl	.82	.88	.83	.96	.97	.82	1.66																							
Tr2	.60	.55	.54	.92	.90	.82	.90	1.36																						
Tr3	.55	.50	.58	.73	.85	.86	.91	.92	1.19																					
Mit1	.66	.72	.76	1.49	1.19	1.25	.90	.75	.93	3.04																				
Mit2	.84	.81	.89	1.21	1.06	1.09	1.04	.90	1.00	1.50	2.39																			
Mit3	.49	.85	.61	1.12	.88	.76	.53	.51	.74	1.97	1.22	3.69																		
B11	.23	.24	.24	.28	.32	.11	.23	.23	.21	.20	.34	.32	1.00																	
B12	.41	.41	.39	.38	.42	.25	.30	.26	.27	.40	.43	.39	.71	1.00																
B13	.41	.42	.45	.46	.48	.28	.35	.28	.32	.49	.52	.51	.69	.87	1.00															
Rp1	.49	.48	.68	.84	.74	.61	.30	.48	.37	1.05	.85	1.14	.02	.09	.14	2.80														
Rp2	.50	.49	.54	.86	.75	.73	.45	.63	.42	1.28	.97	1.05	02	.01	.08	1.87	2.62													
Rp3	.54	.36	.52	1.15	.79	.88	.44	.51	.40	1.26	.97	1.09	.07	.08	.12	1.72	2.02	2.74												
Rewl	1.41	1.47	1.42	.64	.86	.64	.38	.44	.37	.24	.57	.27	.10	.10	.18	.48	.45	.46	4.16											
Rew2	1.35	1.32	1.35	.76	.77	.42	.42	.41	.36	.27	.46	.20	.26	.19	.25	.54	.42	.40	2.99	4.66										
Rew3	1.37	1.32	1.11	.82	1.01	.65	.60	.38	.42	.58	.72	.62	.10	.18	.27	.43	.47	.55	2.19	2.12	4.46									
Pel	.33	.63	.67	.65	.41	.38	.12	05	.06	.53	.41	.58	13	.19	.16	.54	.21	.38	.72	.61	.77	3.38								
Pe2	.35	.55	.54	.70	.46	.44	.12	.02	.05	.44	.43	.46	11	.05	.02	.42	.28	.54	.55	.63	.95	2.10	2.35							
Pe3	.37	.55	.54	.88	.55	.63	.21	.09	.15	.69	.52	.58	10	.15	.15	.55	.25	.61	.56	.67	1.05	2.34	1.96	3.06						
Col	.98	.96	1.00	.55	.82	.66	.59	.69	.53	.34	.36	11	.22	.23	.25	.21	.30	.19	1.31	1.18	.79	.00	06	.03	2.75	2.51				
Co2	.95	.78	.95	.85	.99	.74	.70	.68	.55	.43	.47	14	.25	.24	.29	.41	.45	.38	1.54	1.69	.97	11	.04	.21	2.45	3.71	1.60			
Co3	.83	.81	.85	1.02	.83	.55	.70	.55	.46	.43	.56	.30	.23	.23	.33	.21	.32	.30	1.39	1.89	1.31	.09	.19	.50	1.67	2.52	4.69	2.02		
Difl	.78	.79	.86	.56 .79	.58 .68	.51	.12 .27	.17 .19	.25	.37	.45	.41	01	.09	.10	.55 .54	.41	.72 .69	1.35	1.09	1.20	1.30	1.31	1.16	.39	.39	.46	2.83	2.65	
Dif2	.66	.73	.90			.60			.29	.63	.46	.47	.02	.06	.09		.45		1.06					1.40	.11	.29	.42		2.65	2.01
Dif3	.76	.73	.84	.79	.71	.68	.29	.21	.27	.64	.45	.55	08	02	.00	.60	.60	.77	1.31	1.46	1.68	1.23	1.32	1.31	.22	.47	.79	2.06		2.91

The Role of the Seller in Enhancing Buyer-Seller Relationships

Table A7-3: Covariance Matrix the Netherlands Clothing

1 abic	A/-,	3: C0	varia	ince I	viatr	ix tne	Netr	ieriai	nas C	lotni	ng																			
Items	Rol	Ro2	Ro3	Rs1	Rs2	Rs3	Trl	Tr2	Tr3	Mit1	Mit2	Mit3	Bll	B12	B13	Rpl	Rp2	Rp3	Rewl	Rew2	Rew3	Pel	Pe2	Pe3	Col	Co2	Co3	Difl	Dif2	Dif3
Rol	2.35																													
Ro2	1.75	2.55																												
Ro3	1.76	2.07	2.58																											
Rs1	1.42	1.49	1.69	2.75																										
Rs2	1.71	1.78	1.90	2.05	3.26																									
Rs3	.86	.88	1.06	1.37	1.44	1.77																								
Tr1	.92	.78	.92	1.16	1.12	.84	1.32																							
Tr2	.67	.51	.69	.89	.81	.68	.71	1.02																						
Tr3	.74	.61	.76	.91	.94	.76	.76	.84	1.08																					
Mit1	.95	.93	1.19	1.35	1.53	.85	1.01	.58	.65	2.73																				
Mit2	.94	.98	1.22	1.29	1.64	1.01	.79	.59	.69	1.31	2.67																			
Mit3	.78	.81	.96	1.03	1.43	.91	.77	.57	.57	1.30	1.35	3.02																		
B11	.29	.22	.28	.27	.28	.16	.26	.20	.18	.26	.41	.35	1.00																	
B12	.38	.29	.34	.42	.38	.24	.33	.23	.24	.47	.49	.56	.55	1.00																
B13	.26	.22	.24	.34	.29	.19	.25	.16	.19	.48	.48	.44	.52	.53	1.00															
Rp1	1.09	1.21	1.18	1.20	1.44	.80	.72	.29	.42	1.32	1.62	1.22	.25	.47	.27	3.52														
Rp2	1.06	1.03	1.20	1.32	1.50	1.03	.86	.51	.64	1.37	1.64	1.26	.18	.49	.24	2.63	3.22													
Rp3	1.06	1.11	1.27	1.36	1.59	.98	.76	.49	.67	1.76	1.72	1.61	.16	.41	.25	2.41	2.55	3.52												
Rew1	1.53	1.54	1.68	1.48	2.09	.99	.73	.50	.67	.97	.97	.81	.28	.43	.08	1.12	1.20	.98	4.37											
Rew2	1.38	1.42	1.54	1.52	1.96	.95	.63	.49	.58	1.11	.86	.82	.27	.32	.09	1.23	1.21	1.17	3.31	4.46										
Rew3	1.03	1.12	1.18	1.20	1.41	.64	.38	.21	.35	.86	.94	.62	.20	.43	.04	1.09	1.10	1.00	2.48	2.69	3.79									
Pel	1.47	1.28	1.52	1.78	1.78	1.22	.78	.69	.74	1.04	1.25	1.08	.44	.48	.50	1.09	1.15	1.33	1.66	1.58	1.23	4.10	100							
Pe2	1.39	1.45	1.47	1.81	1.77	1.20	.73	.61	.70	1.06	1.18	.86	.46	.40	.26	1.46	1.37	1.48	1.81	1.97	1.70	2.86	4.06							
Pe3	1.29	1.12	1.23	1.75	1.69	1.26	.78	.63	.71	1.02	1.11	.98	.45	.41	.27	1.00	1.23	1.47	1.38	1.48	1.35	2.96	3.07	4.14	4.00					
Col	1.24	1.54	1.51	1.28	1.67	.72	.58	.49	.58	.92	.77	.98	.09	.31	.08	1.09	1.20	1.05	2.02	1.87	1.63	.65	.94	.41	4.82	4.50				
Co2	1.10	1.46	1.44	1.16	1.66	.74	.49	.31	.48	.80	.76	.99	.06	.18	.02	1.17	1.29	1.15	2.14	1.89	1.76	.71	1.10		3.72	4.59	4.01			
Co3	1.27	1.63	1.65	1.37	1.82	.80	.60	.46	.57	.99	.86	1.15	.07	.27	05	1.32	1.46	1.30	2.30	2.30	2.11	.89	1.29	.75	4.12	4.11	4.91	2.62		
Dif1 Dif2	.82 .82	.90 .91	.97 .95	.82	.95 .85	.48	.35	.24	.31	.43 .54	.39 .44	.36	.05	.13	02 .03	.69 .72	.66 .63	.52	1.43	1.23	1.37	.82 1.02	.88 1.27	.87 1.14	1.24	1.40	1.50	2.62 1.56	2.60	
				.87	1.13	.51			.30			.46		.12		.72	.84	.54 .71				.79				1.80		1.82	1.98	2 05
Dif3	1.01	1.10	1.13	.6/	1.13	.51	.41	.22	.30	.56	.62	.64	.12	.1/	.04	.94	.64	./1	1.68	1.66	1.70	. 79	.94	.80	1.60	1.80	2.00	1.82	1.98	2.83

Table	A7-4	4: Co	varia	nce I	Matri	ix the	Neth	ierlai	ıds F	ood																				
Items	Rol	Ro2	Ro3	Rs1	Rs2	Rs3	Trl	Tr2	Tr3	Mit1	Mit2	Mit3	B11	B12	B13	Rpl	Rp2	Rp3	Rewl	Rew2	Rew3	Pel	Pe2	Pe3	Col	Co2	Co3	Difl	Dif2	Dif3
Rol	2.34																													
Ro2	1.56	2.32																												
Ro3	1.41	1.60	2.18																											
Rs1	.84	.76	.90	2.40																										
Rs2	1.01	.96	1.07	1.43	2.74																									
Rs3	.63	.74	.76	1.15	.98	1.82																								
Tr1	.79	.74	.84	.98	.81	.76	1.59																							
Tr2	.73	.77	.76	.81	.84	.76	.90	1.38																						
Tr3	.71	.70	.75	.73	.78	.81	.79	.89	1.17																					
Mit1	.73	.67	.92	1.30	1.01	.77	.91	.67	.70	2.69																				
Mit2	1.04	.84	.94	1.38	1.21	.89	.86	.82	.76	1.65	2.84																			
Mit3	.93	.99	.92	.96	1.25	.96	.77	.81	.77	1.38	1.49	3.96																		
B11	.35	.20	.17	.18	.03	.12	.19	.20	.14	.29	.36	.32	1.00																	
B12	.29	.16	.14	.15	.00	.16	.13	.11	.08	.24	.39	.38	.73	1.00																
B13	.28	.19	.14	.19	.08	.20	.21	.21	.15	.24	.44	.38	.68	.83	1.00															
Rpl	.50	.37	.64	.89	.89	.16	.48	.38	.39	1.15	1.24	.91	.15	.06	.04	2.97														
Rp2	.54	.39	.65	.91	.95	.18	.49	.31	.42	1.17	1.14	1.09	.06	03	03	2.25	3.10													
Rp3	.49	.40	.82	1.05	.93	.42	.59	.57	.50	1.58	1.34	1.36	.21	.11	.14	2.07	2.17	3.15												
Rewl	.78	.78	.87	.48	1.15	.40	.26	.49	.49	.56	.46	.49	.24	.14	.20	.64	.62	.43	3.48											
Rew2	.52	.46	.44	.27	.87	.08	.04	.35	.30	.22	.23	.04	.10	04	06	.23	.23	03	2.11	4.19										
Rew3	.47	.59	.49	.24	.96	.24	01	.07	.10	.15	.04	.06	09	07	07	.05	08	08	1.81	1.94	3.57									
Pel	.61	.62	.72	.98	1.05	.71	.30	.37	.34	.70	.68	.99	.03	.07	.04	.40	.53	.60	.71	.63	.96	3.01	2.20							
Pe2	.35	.47	.43	.71	.80	.42	.21	.17	.12	.35	.40	.59	15	09	17	.17	.32	.26	.48	.56	.71	1.66	2.28							
Pe3	.47	.45	.54	1.06	1.09	.70	.36	.26	.26	.62	.65	.72	10	03	08	.41	.55	.57	.61	.47	.82	2.02	1.77	2.69	4.00					
Col	.76	.63	.92	.92	1.08	.57	.59	.51	.62	.47	.71	.63	.00	03	08	.88	.74	.56	.83	.36	.27	.75	.69	.73	4.08	2.02				
Co2	.15	.40	.72	.57	1.01	.31	.13	.16	.23	.42	.25	.57	21	13	13	.66	.77	.55	1.11	.67	.83	.88	1.10	.90	1.95	3.93	2.24			
Co3 Dif1	.25	.52	.47	.41	.79	.44	.09	.01	.11	.31	.24	.56	24	12	23	.40	.34	.20	.75	.74	1.24	.93	1.15	1.15	1.50	2.21	3.24	2.60		
Dif1	.54	.78 .46	.72 .39	.25	.49 .42	.18	.08	.08	.20	.18	.28	.25 06	.03 05	05 14	13 17	.25	.15 01	.07 06	.95 .96	.80 1.12	.80 1.29	.78 .74	.74 .86	.74 .90	.73 .24	.52 .82	.73	2.60 1.08	2.20	
Dif3	.51	.54	.49	.13		.10	.08	.10		.03	.18	.02	03		17		.05	16	.90	1.12	1.34	.72	.82	.90	.52	.74	.81	1.39	1.58	2.56
DII3	.31	.34	.49	.22	.66	.24	.08	.10	.11	.07	.18	.02	09	17	13	.03	.03	10	.92	1.07	1.34	.12	.84	.93	.32	./4	.81	1.59	1.38	2.30

Table A7-5: Covariance Matrix United States Clothing

1 abie	A/-:	5: C0	varia	ince I	viatr	ıx un	itea 2	states	Clot	ining																				
Items	Rol	Ro2	Ro3	Rs1	Rs2	Rs3	Tr1	Tr2	Tr3	Mit1	Mit2	Mit3	B11	B12	B13	Rpl	Rp2	Rp3	Rewl	Rew2	Rew3	Pel	Pe2	Pe3	Col	Co2	Co3	Difl	Dif2	Dif3
Rol	1.74																													
Ro2	1.42	1.68																												
Ro3	1.39	1.45	1.81																											
Rsl	1.22	1.18	1.31	2.43																										
Rs2	1.33	1.35	1.41	1.85	2.43																									
Rs3	.91	.88	.97	1.26	1.41	1.60																								
Trl	.69	.73	.67	1.05	1.08	.86	1.42																							
Tr2	.74	.72	.74	1.13	1.09	.87	1.14	1.48																						
Tr3	.68	.69	.68	1.15	1.21	.90	1.19	1.26	1.54																					
Mit1	.89	.84	.85	1.42	1.32	1.03	1.06	1.03	1.05	2.11																				
Mit2	.94	.85	.97	1.59	1.61	1.05	1.01	1.10	1.12	1.36	2.14																			
Mit3	.87	.85	.79	1.34	1.51	1.18	1.02	.95	1.17	1.63	1.50	2.64																		
Bll	.33	.26	.26	.43	.40	.35	.26	.21	.20	.57	.45	.52	1.00																	
B12	.42	.37	.35	.45	.55	.44	.34	.33	.30	.71	.66	.77	.63	1.00																
B13	.25	.20	.17	.37	.37	.38	.22	.22	.19	.67	.49	.58	.63	.70	1.00															
Rpl	.74	.70	.67	1.05	.90	.66	.50	.41	.38	.94	.96	1.05	.34	.56	.50	2.45														
Rp2	.73	.76	.71	1.22	.99	.76	.57	.50	.50	1.00	.96	1.03	.33	.54	.44	1.90	2.16													
Rp3	.94	.93	.90	1.45	1.32	.98	.90	.87	.95	1.44	1.22	1.69	.45	.62	.47	1.63	1.68	2.51												
Rewl	1.09	1.15	1.25	1.51	1.59	.80	.84	.92	.86	.93	.98	.76	.26	.35	.16	.62	.81	.94	3.04											
Rew2	1.08	1.12	1.17	1.58	1.83	.89	.94	.96	.97	1.00	1.25	.93	.27	.38	.15	.70	.90	1.05	2.54	3.59										
Rew3	1.02	1.08	1.17	1.58	1.69	.98	.89	.97	.99	.97	1.21	1.08	.22	.38	.11	.82	.94	1.13	2.42	2.83	3.43									
Pel	1.00	1.20	1.28	1.42	1.48	.87	.72	.76	.76	.97	1.10	1.07	.27	.37	.17	.77	.84	.91	1.52	1.52	1.46	2.66	2.46							
Pe2	1.07	1.16	1.27	1.73	1.71	1.08	1.00	1.03	1.00	1.21	1.28	1.18	.42	.49	.25	.78	.87	1.17	2.16	2.25	2.24	2.30	3.46	2.15						
Pe3	.79	.89	1.01	1.66	1.41	1.02	.82	.96	.84	1.25	1.19	1.24	.36	.39	.21	1.05	1.18	1.39	1.60	1.76	1.82	1.99	2.51		2.02					
Col	1.03	1.07	1.01	1.15	1.27	.65	.65	.60	.54	.61	.80	.51	.18	.21	.08	.87 .74	.93	.85	1.94 2.40	1.86	1.80	1.15	1.58	1.30	2.82	3.24				
Co2	1.14	1.13	1.15	1.28	1.45	.85	.87	.86	.81	.71	.95	.69	.27	.32	.17		.84	.88				1.31	1.89				2.62			
Co3	1.12	1.17	1.20	1.58	1.54	.82	.84	.88	.85	.73	1.05	.75	.30	.34	.12	.80	.97	.95	2.52	2.58	2.58	1.36	2.12	1.66	2.54		3.62	2.65		
Difl	.92	.96	.99	1.29	1.23	.63	.49	.61	.61	.84	.93	.81	.36 .37	.36 .52	.24	.76	.86	.90	1.78	1.56	1.55	1.55	1.85	1.57	1.47	1.47	1.66	2.65 1.95	2.00	
Dif2	.71	.81	.95	1.41	1.38	.75	.60	.79	.73	.81	1.02	1.00			.33	.75	.83	1.05				1.52	2.06	1.86		1.20	1.61	1.95	2.99	2.15
Dif3	.75	.78	.88	1.39	1.43	.76	.61	.77	.78	.82	1.07	.95	.33	.49	.29	.93	.93	1.04	1.92	2.13	2.33	1.33	2.00	1.69	1.39	1.67	2.12	1.90	2.45	5.15

Table	A7-0	6: Co	varia	nce N	Matri	x Un	ited S	States	Food	d																				
Items	Rol	Ro2	Ro3	Rsl	Rs2	Rs3	Trl	Tr2	Tr3	Mit1	Mit2	Mit3	B11	B12	B13	Rp1	Rp2	Rp3	Rewl	Rew2	Rew3	Pel	Pe2	Pe3	Col	Co2	Co3	Difl	Dif2	Dif3
Rol	1.56																													
Ro2	1.30	1.62																												
Ro3	1.21	1.38	1.75																											
Rs1	.84	.97	1.05	2.10																										
Rs2	.98	1.09	1.09	1.36	2.06																									
Rs3	.62	.64	.72	1.14	1.23	1.53																								
Tr1	.65	.67	.73	.90	.91	.84	1.25																							
Tr2	.54	.59	.69	.94	.89	.88	.99	1.31																						
Tr3	.67	.68	.78	.99	1.11	1.08	1.15	1.14	1.56																					
Mit1	.79	.82	.92	1.71	1.40	1.17	.95	.94	1.08	2.60																				
Mit2	.79	.80	.94	1.43	1.23	1.14	1.10	1.24	1.36	1.46	2.08																			
Mit3	.87	.95	1.10	1.81	1.62	1.36	1.04	1.11	1.29	2.28	1.61	3.38																		
B11	.14	.15	.29	.38	.29	.39	.34	.37	.38	.39	.52	.46	1.00																	
B12	.24	.26	.32	.50	.32	.39	.43	.42	.41	.52	.64	.53	.81	1.00	1.00															
Bl3	.23	.23	.28	.41	.26	.39	.34	.36	.39	.37	.60 .78	.46	.80	.86 .15	1.00	1.49														
Rp1 Rp2	.49	.54 .45	.50 .47	.95 .91	.66 .64	.50 .35	.51 .43	.50 .42	.55 .53	.82 .76	.77	.99 .91	.05 .12	.13	.11	1.10	1.51													
Rp3	.61	.63	.59	1.22	.98	.69	.43	.34	.52	1.67	.84	1.90	.12	.17	.10	.99	1.04	2.51												
Rewl	.88	1.01	.86	1.01	1.13	.56	.45	.41	.53	.96	.70	1.13	.10	.30	.26	.30	.39	.73	2.31											
Rew2	.65	.81	.61	.76	.94	.36	.33	.28	.30	.71	.38	1.05	04	.07	04	.20	.29	.71	1.71	2.77										
Rew3	.67	.76	.65	.85	.91	.39	.38	.35	.38	.72	.50	1.16	.11	.17	.11	.36	.44	.75	1.46	1.84	2.19									
Pel	1.02	1.16	1.10	1.18	1.19	.71	.66	.65	.66	1.03	.91	1.23	.08	.27	.17	.72	.72	.82	1.25	1.07	1.06	2.09								
Pe2	1.04	1.24	1.13	1.31	1.30	.73	.69	.59	.64	1.18	.96	1.38	.09	.27	.20	.67	.76	1.04	1.56	1.45	1.29	1.63	2.66							
Pe3	.99	1.09	1.08	1.28	1.26	.79	.69	.59	.64	1.09	.91	1.35	.14	.31	.17	.83	.88	.96	1.23	1.18	1.18	1.68	1.90	2.39						
Col	.96	1.05	.82	.87	.99	.50	.37	.46	.44	.94	.62	1.15	01	.16	.09	.50	.49	.92	1.17	.98	.86	1.22	1.10	1.01	2.46					
Co2	.87	.95	.76	.82	1.07	.45	.49	.40	.47	.84	.62	1.23	01	.09	.04	.42	.49	.85	1.44	1.48	1.28	1.20	1.59	1.20	1.60	2.53				
Co3	.89	.95	.73	.92	1.09	.48	.48	.47	.48	.91	.68	1.27	07	.08	02	.56	.59	.91	1.35	1.41	1.35	1.23	1.50	1.27	1.54	2.14	2.49			
Difl	.68	.71	.74	.89	.93	.49	.46	.44	.49	.91	.62	1.09	.16	.24	.22	.30	.33	.71	1.30	1.29	1.35	1.08	1.19	1.01	1.03	1.06	.98	1.96		
Dif2	.60	.75	.64	.94	1.04	.58	.45	.39	.47	.87	.70	1.16	.05	.19	.09	.51	.51	.82	1.18	1.64	1.72	1.13	1.47	1.39	.67	1.20	1.20	1.46	2.49	
Dif3	.70	.79	.72	.93	.98	.51	.40	.44	.42	.87	.64	1.10	.01	.17	.08	.44	.41	.80	1.27	1.64	1.75	1.07	1.38	1.24	.86	1.19	1.34	1.55	1.95	2.25

Samenvatting

De rol van de verkoper in het versterken van relaties tussen kopers en verkopers

Empirische studies in de detailhandel

Inleiding tot de probleemstelling

In hoofdstuk één gaven we aan dat relatiemarketing één van de belangrijkste onderzoeksdomeinen is in de huidige marketingliteratuur. Met name onderzoek naar relaties tussen kopers en verkopers¹ in een consumentenomgeving en de rol van respectievelijk de koper en de verkoper in het versterken van deze relaties worden gezien als interessante onderzoeksthema's. Bestaand onderzoek vertoonde tekortkomingen op zowel conceptueel als empirisch vlak. Ten eerste ontbreken er in de literatuur over relatiemarketing precieze definities van diverse relationele constructen. Bovendien is de toepasbaarheid van deze constructen nog niet onderzocht in een consumentenomgeving. Ten tweede was empirisch onderzoek hoofdzakelijk gericht op distributiekanalen en industriële relaties, waarbij consumentenrelaties grotendeels verwaarloosd werden. Verder besteedde voorgaand onderzoek voornamelijk aandacht aan de percepties van de verkoper met betrekking tot relaties tussen kopers en verkopers en werden de percepties van de koper verwaarloosd. Tot slot benadrukte voorgaand onderzoek relaties die gebaseerd zijn op beperkingen in tegenstelling tot relaties die gebaseerd zijn op toewijding. Onze studie beoogt een bijdrage te leveren tot de verdere ontwikkeling van deze onderbelichte onderzoeksgebieden.

Als een gevolg daarvan formuleerden wij de volgende onderzoeksvragen:

- (1) Wat zijn de effecten van relatie-inspanningen op de relatiegerichtheid van de verkoper?
- (2) Wat zijn de effecten van de relatiegerichtheid van de verkoper op relatie-uitkomsten?
- (3) Wat is het effect van de relatiegeneigdheid van de koper op de relatiegerichtheid van de verkoper?
- (4) Wat zijn de effecten van de relatiegeneigdheid van de koper op relatie-uitkomsten?
- (5) Wat is de onderlinge relatie tussen de verschillende relatie-uitkomsten?
- (6) In welke mate worden de effecten van
 - a) de relatiegerichtheid van de verkoper gemodereerd door de relatiegeneigdheid van de koper?
 - b) de relatiegeneigdheid van de koper gemodereerd door de relatiegerichtheid van de verkoper?
 - c) relatiegerichtheid van de verkoper gemodereerd door de betrokkenheid bij de productcategorie?

Onze studie werd uitgevoerd in twee markten gekenmerkt door een sterke concurrentie en transparantie, de kleding- en voedingdetailhandel. Om de externe validiteit van het onderzoek te bevorderen werden gegevens verzameld in België, Nederland en Amerika. Hoewel voorgaand onderzoek vooral de percepties van de verkoper benadrukte, is dit onderzoek gebaseerd op

Een koper verwijst in dit onderzoek naar een individuele consument. Een verkoper verwijst in dit onderzoek naar een winkel.

percepties van de koper met betrekking tot relaties tussen kopers en verkopers. Aangezien koopgedrag in de detailhandel gedomineerd wordt door individuele besluitvorming richten wij onze aandacht op de individuele consument als analyse-eenheid.

Relatiemarketing in een consumentenomgeving

In hoofdstuk twee definieerden wij een relatie tussen koper en verkoper als "één of meerdere uitwisselingen tussen een koper en een verkoper die door de koper gepercipieerd worden als onderling gerelateerd met potentiële uitwisselingen in het verleden en de toekomst". Relatiemarketing is gedefinieerd als "de inspanningen van een verkoper die gericht zijn op het versterken van uitkomsten van een relatie tussen koper en verkoper". Deze definities dragen conceptueel bij tot de bestaande literatuur gezien zij één uitwisseling beschouwen als het begin van een continuüm van relaties, gezien zij geschikt zijn voor operationalisering en gezien zij de hoofdelementen van bestaande definities van relatiemarketing bevatten. Omdat relatiemarketing niet effectief wordt geacht in iedere situatie, hebben wij diverse kenmerken beschreven die de effectiviteit van relatiemarketing kunnen beïnvloeden. In ons onderzoek zijn twee van deze kenmerken, de mate van betrokkenheid bij de productcategorie en de relatiegeneigdheid van de koper, opgenomen.

Om de toepasbaarheid van relatiemarketing in een consumentencontext te beoordelen, hebben wij zeven theorieën die ten grondslag liggen aan relatiemarketing in consumentenomgevingen geëvalueerd. Vervolgens hebben wij de voornaamste verschillen tussen consumenten- en industriële marketing in kaart gebracht en hebben wij de relevantie van de onderliggende theorieën vergeleken in het kader van deze verschillen. Dit resulteerde in onze keuze voor 'social exchange theory' en 'equity theory'. De constructen van relatiegeneigdheid van de koper en relatiegerichtheid van de verkoper komen overeen met de ideeën uit beide theorieën. Omdat relatietevredenheid, vertrouwen en relatiecommitment bovendien worden gezien als voornaamste constructen in deze theorieën integreerden wij deze constructen in ons conceptueel model. Tenslotte hebben wij gedragsmatige trouw aan ons model toegevoegd om de gedragsmatige invloed van de relatiegerichtheid van de verkoper en de relatiegeneigdheid van de koper te beoordelen.

De rol van relatiegerichtheid van de verkoper

Hoofdstuk drie introduceerde een nieuw construct binnen relatiemarketing, de relatiegerichtheid van de verkoper, en bracht potentiële antecedenten van dit construct in kaart. Het construct is uiterst relevant in huidige marketingsituaties gezien verkopers in steeds sterkere mate in staat zijn en bereid zijn om relaties met hun kopers te versterken. Tot nog toe zijn slechts weinig pogingen ondernomen om de mate waarin verkopers actief inspanningen richten tot hun kopers te meten.

Wij positioneerden de relatiegerichtheid van verkopers binnen de bredere context van klantenwaarde. Wij definieerden klantenwaarde als "de overkoepelende evaluatie door een koper van de producten-, diensten- en relatie-inspanningen die de verkoper aan de koper levert". Aangezien voorgaande studies doorgaans de rol van relatie-inspanningen in het creëren van waarde onderbelichtten, hebben wij dit aspect in ons onderzoek benadrukt. Relatiegerichtheid van de

verkoper werd gedefinieerd als "de overkoepelende evaluatie door een koper van de mate waarin een verkoper actief inspanningen richt tot de koper die bedoeld zijn om bij te dragen tot de klantenwaarde die deze koper ervaart". Hoewel dit construct de mate waarin een verkoper inspanningen levert beoogde te meten, werd het gedefinieerd en geoperationaliseerd als de overkoepelende evaluatie door een koper van deze inspanningen. Meer in het bijzonder werden producten-, diensten- en relatie-inspanningen verondersteld de mate van relatiegerichtheid van de verkoper te beïnvloeden. Slechts weinig inspanningen werden echter tot nog toe verricht om een onderscheid te maken tussen verschillende vormen van relatie-inspanningen. Op basis van een literatuurstudie deelden wij relatie-inspanningen op in vier categorieën: communicatie, differentiatie, personalisatie en beloning.

De relatiegerichtheid van de verkoper wordt echter niet in elke situatie effectief geacht. Derhalve hebben wij onderzocht of er mogelijke modererende effecten zijn van de relatiegeneigdheid van de koper en de betrokkenheid van de koper bij de productcategorie op de effectiviteit van de relatiegerichtheid van de verkoper. De relatiegeneigdheid van de koper werd gedefinieerd als "de relatief stabiele en bewuste neiging van een koper om relaties aan te gaan met verkopers van een bepaalde productcategorie". Daarnaast werd de betrokkenheid van de koper met de productcategorie gedefinieerd als "het door de koper gepercipieerde belang van de productcategorie gebaseerd op zijn behoeften, waarden en interesses".

Relatie-uitkomsten

In hoofdstuk vier bespraken wij drie houdinggerelateerde relatie-uitkomsten: relatietevredenheid, vertrouwen en relatiecommitment. Bovendien introduceerden wij gedragsmatige trouw als een gedragsmatige relatie-uitkomst. Wij definieerden relatie-uitkomst als "de houding van een koper met betrekking tot, of zijn gedrag tijdens, zijn relatie met een verkoper". Op basis van een uitgebreid literatuuronderzoek concludeerden wij dat de drie houdinggerelateerde relatie-uitkomsten van verschillende aard zijn. Het is doorgaans aanvaard dat deze constructen een cruciale rol spelen in onderzoeken op het gebied van relatiemarketing.

Wij definieerden relatietevredenheid als "de affectieve toestand van een koper die voortkomt uit zijn overkoepelende waardering van zijn relatie met een verkoper". Vertrouwen werd gedefinieerd als "de zelfverzekerde overtuiging van een koper in de eerlijkheid van een verkoper ten opzichte van de koper". Relatiecommitment zien we als "de aanhoudende wens van de koper om zijn relatie met een verkoper voort te zetten, vergezeld van zijn bereidheid om inspanningen te leveren gericht op het handhaven van deze relatie". Deze definities zijn in overeenstemming met bestaande definities van deze constructen hoewel zij licht zijn aangepast om tegemoet te komen aan de specifieke kenmerken van de detailhandelsmarkten die in dit onderzoek onderzocht werden.

Onderzoeksmethodologie en ontwikkeling van meetvragen

In hoofdstuk zes onderbouwden wij onze keuze voor het gebruik van cross-sectioneel, nietexperimenteel onderzoek gebaseerd op persoonlijke ondervraging in winkelcentra. Wij bespraken bovendien het proces dat werd gebruikt om meetvragen te genereren en te testen. Voor het genereren van meetvragen voerden wij een literatuurstudie uit gevolgd door focusgroepgesprekken met consumenten. De daaruit resulterende meetvragen werden kwalitatief getest door experts en consumenten, wat leidde tot aanzienlijke aanpassingen in formuleringen, volgorde en lay-out van de meetvragen. Vervolgens voerden wij een uitgebreide kwantitatieve test uit. Op basis van een principale componentenanalyse verfijnden wij de meetvragen verder om de meest geschikte meetschalen voor elk van de constructen af te leiden. Tenslotte lichtten wij de keuzes toe die ten grondslag lagen aan de ontwikkeling van de vragenlijst die wij gebruikten in de uiteindelijke gegevensverzameling.

Onderzoeksmodel, -hypothesen en -resultaten

Nadat wij de constructen van ons conceptuele model definieerden in hoofdstukken drie en vier toonden wij de veronderstelde relaties tussen de constructen in hoofdstuk vijf. In hoofdstuk zeven bespraken wij de empirische resultaten die gerelateerd waren aan deze hypothesen.

Om te beslissen of het noodzakelijk was om verschillende modellen te schatten voor elk van de zes steekproeven, onderzochten wij de mogelijkheid om steekproeven samen te voegen over landen en/of productcategorieën. De resultaten hiervan toonden aan dat het niet was toegestaan om de gegevens samen te voegen over landen en/of productcategorieën. Als een gevolg hiervan werd het model geschat voor iedere steekproef afzonderlijk. Alle geschatte modellen vertoonden toereikende 'overall goodness of fit' indices en de meetschalen werden gekenmerkt door goede psychometrische eigenschappen.

De resultaten van ons onderzoek worden besproken aan de hand van de eerder besproken onderzoeksvragen.

- (1) Wat zijn de effecten van relatie-inspanningen op de relatiegerichtheid van de verkoper? In ons onderzoek leidde verhoogde differentiatie-inspanningen tussen vaste klanten en niet-vaste klanten door de verkoper slechts in één steekproef tot een verhoogde perceptie van de mate waarin deze verkoper relatie-georiënteerd is. Inspanningen met betrekking tot communicatie, personalisatie en beloning vertoonden in diverse steekproeven een positief verband met de relatiegerichtheid van een verkoper en kunnen dus beschouwd worden als antecedent van de relatiegerichtheid van een verkoper.
- (2) Wat zijn de effecten van de relatiegerichtheid van de verkoper op relatie-uitkomsten? Een hogere relatiegerichtheid van een verkoper leidde in alle zes steekproeven tot een hogere tevredenheid van de koper over zijn relatie met de verkoper. Ook de relatiecommitment van de koper nam toe als gevolg van de verhoogde relatiegerichtheid van de verkoper, alhoewel dit in slechts in vier van de zes steekproeven van toepassing was.
- (3) Wat is het effect van de relatiegeneigdheid van de koper op de relatiegerichtheid van de verkoper?
 - Een hogere relatiegeneigdheid van de koper leidde in vier van de zes steekproeven tot een hogere door de koper gepercipieerde relatiegerichtheid van de verkoper.

- (4) Wat zijn de effecten van de relatiegeneigdheid van de koper op relatie-uitkomsten?

 Een hogere relatiegeneigdheid van de koper leidde in iedere steekproef tot een hogere relatietevredenheid en een hogere relatiecommitment van de koper.
- (5) Wat is de onderlinge relatie tussen de verschillende relatie-uitkomsten?

 In elke steekproef bestond er een positief verband tussen relatietevredenheid en vertrouwen, tussen vertrouwen en relatiecommitment en tussen relatiecommitment en gedragsmatige trouw.
- (6) In welke mate worden de effecten van
 - a) de relatiegerichtheid van de verkoper gemodereerd door de relatiegeneigdheid van de koper?
 - b) de relatiegeneigdheid van de koper gemodereerd door de relatiegerichtheid van de verkoper?
 - c) relatiegerichtheid van de verkoper gemodereerd door de betrokkenheid bij de productcategorie?

Bij een hogere relatiegeneigdheid van de koper was het verband tussen de relatiegerichtheid van de verkoper en de relatietevredenheid en -commitment in enkele steekproeven sterker dan bij een lagere relatiegeneigdheid van de koper. Verder bleek dat bij een hogere relatiegerichtheid van de verkoper het verband tussen de relatiegeneigdheid van de koper en de relatietevredenheid en -commitment in enkele steekproeven sterker was dan bij een lagere relatiegerichtheid van de verkoper. Tenslotte was het verband tussen relatiegerichtheid van de verkoper en relatietevredenheid en -commitment sterker indien de koper een hogere betrokkenheid bij de productcategorie vertoonde.

Onderzoeksbeperkingen

Een aantal beperkingen geldt met betrekking tot de interpretatie van de resultaten van dit onderzoek. Ten eerste is dit onderzoek niet in staat om causale verbanden aan te tonen vanwege het crosssectionele en niet-experimentele karakter ervan. Een tweede beperking betreft de mogelijke weglating van belangrijke variabelen uit het onderzoeksmodel. Verder is er mogelijk sprake van 'common method bias' gezien alle constructen middels één vragenlijst gemeten zijn. Bovendien is de meting van gedragsmatige trouw gebaseerd op schattingen van de respondent en niet op gegevens die voortvloeien uit een gegevensbestand. Een vierde mogelijke beperking van ons onderzoek heeft betrekking op de niet normale verdeling van de gegevens. Deze zou namelijk een opwaartse tendens kunnen creëren bij het vaststellen van de significantie van coëfficiënten. De steekproeven zijn echter groot genoeg om dit probleem deels te compenseren. Een andere beperking heeft betrekking op de invloed die de interviewer heeft op het verzamelen van de gegevens. Een intensieve training en instructie van de interviewers, voorafgaand aan de verzameling van de gegevens, was echter gericht op het reduceren van deze mogelijke tekortkoming. Bovendien zorgde de gestructureerde vragenlijst met gedetailleerde instructies voor de respondent ervoor dat de invloed van de interviewer gering was, evenals het feit dat de interviewers niet op de hoogte waren van de onderzoekshypothesen. Tot slot zou ons onderzoek beïnvloed kunnen zijn door sociaal wenselijk gedrag van de respondenten, vanwege het persoonlijke karakter van gegevensverzameling. Zowel interviewers en respondenten zijn erop gewezen dat er geen goede of foute antwoorden bestaan, om op deze manier sociaal wenselijk gedrag te beperken.

Theoretische implicaties

Tot op heden wordt de relatiemarketing literatuur vooral gekenmerkt door algemene en onduidelijke definities van de concepten 'relatie' en 'relatiemarketing'. Ons onderzoek heeft bijgedragen tot een herformulering van beide concepten door een expliciet beginpunt van een relatie vast te stellen, door een relatie te formuleren als perceptie van de koper en door een onderscheid te maken tussen verschillende soorten inspanningen gericht op het versterken van relaties tussen kopers en verkopers. Dit is een mogelijke eerste stap in het verbeteren van de consistentie tussen onderzoekers op het gebied van relatiemarketing.

Een andere bijdrage van ons onderzoek betreft de introductie, definitie en operationalisering van twee nieuwe constructen 'relatiegerichtheid van de verkoper' en 'relatie-geneigdheid van de koper'. Hoewel beide constructen niet eerder onderzocht zijn, bleken ze van cruciaal belang te zijn in het bepalen van tevredenheid met de relatie en relatiecommitment. Dit onderstreept dat niet alleen verkoper gerelateerde factoren onderzocht dienen te worden om relatie-uitkomsten te verklaren, maar ook koper gerelateerde factoren. Aangezien de relatiegeneigdheid van de koper van doorslaggevende betekenis bleek te zijn in zes steekproeven, is het mogelijk dat eerder onderzoek lijdt onder de weglating van dit construct. Wij zien de relatiegeneigdheid van de koper dan ook als een hoofdconstruct van relatiemarketing-onderzoek in consumentenrelaties gebaseerd op toewijding.

Onze resultaten geven aan dat relatie-inspanningen een belangrijke rol spelen in de door de koper gepercipieerde relatiegerichtheid van de verkoper. Dit impliceert dat naast product- en diensteninspanningen, relatie-inspanningen beduidend bijdragen tot de relatiegerichtheid van de verkoper. Het is echter noodzakelijk om additionele factoren te onderzoeken teneinde deze relatiegerichtheid van de verkoper volledig te kunnen verklaren. Wij verwachten dat de gezamenlijke invloed van product-, diensten- en relatie-inspanningen op relatie-uitkomsten onze kennis op het gebied van relaties tussen kopers en verkopers zou kunnen bevorderen.

Ten vierde onderstrepen onze resultaten de algemene wetenschap dat tevredenheid met de relatie, vertrouwen en relatiecommitment hoofdconstructen zijn in relatiemarketing-onderzoek. Zover wij weten, is dit echter de eerste studie in een consumentenomgeving die de drie constructen gezamenlijk in één onderzoek opneemt. Daarnaast tonen we aan dat er voldoende discriminant validiteit bestaat tussen de drie constructen.

Tot slot tonen onze resultaten aan dat relatiecommitment en gedragsmatige trouw significant maar slechts zwak gerelateerd zijn. Het lijkt er dan ook op dat een breed scala aan factoren gedragsmatige trouw bepaalt, hoewel in onderzoek de nadruk vaak ligt op commitment. Voorbeelden van zulke factoren zijn bijvoorbeeld bekendheid met de winkel, afstand tot de winkel, concurrerende winkels of het bestaan van een monopolie. Deze resultaten ondersteunen het idee van ware trouw door te benadrukken dat zowel houding als gedrag moeten worden opgenomen in het bepalen van trouw en niet te focussen op één van beide.

Management implicaties

Ten eerste benadrukken onze resultaten de noodzaak voor detaillisten om relatie-inspanningen te leveren gericht tot hun klanten, die verder gaan dan product- en diensten-inspanningen. Aangezien de huidige detaillisten in toenemende mate concurrerende assortimenten bieden, prijspromoties van concurrenten kopiëren, gezamenlijke distributiesystemen delen en in de regel een goede dienstverlening bieden, zouden ze hun aandacht vooral moeten richten op het ontwikkelen en implementeren van relatie-inspanningen. Onze resultaten zouden kunnen suggereren dat klanten die belangrijke relatie-inspanningen percipiëren hun relatie voortzetten, ondanks mogelijk hogere product- en diensten-inspanningen van concurrenten. Als gevolg hiervan dient management en personeel opgeleid, gemotiveerd en beloond te worden om relatie-inspanningen te leveren die gericht zijn op vaste klanten.

Ten tweede kunnen we concluderen dat consumenten differentiatie tussen vaste en niet-vaste klanten ogenschijnlijk niet als ware inspanningen van de verkoper beschouwen. Als detaillisten hun relatiegerichtheid zouden willen verhogen, lijkt het creëren van differentiatie niet de meest geschikte manier om dit te bewerkstelligen. Een mogelijke verklaring is dat klanten het niet op prijs stellen om openlijk anders behandeld te worden dan andere klanten. Dit betekent dat verfijnde inspanningen geleverd dienen te worden, zodat gewaardeerde klanten niet in verlegenheid gebracht worden.

Ten derde onderstreept ons onderzoek de cruciale rol van medewerkers in een winkel die in direct contact staan met klanten. Detaillisten die in staat zijn om hun medewerkers op te leiden en te motiveren om klanten op een warme en persoonlijke wijze te benaderen, zullen hiervan de vruchten plukken door een verhoogde perceptie van relatiegerichtheid.

Een andere belangrijke conclusie is dat de effectiviteit van relatiemarketing niet alleen bepaald wordt door inspanningen van de detaillist, maar voor een groot deel door de aard van de klanten. Onze resultaten tonen zelfs aan dat het gedrag van kopers relatief meer afhankelijk is van de relatiegeneigdheid van de koper dan van de relatiegerichtheid van de verkoper. Derhalve zouden detaillisten zich niet enkel moeten richten op het optimaliseren van hun eigen inspanningen voor klanten, maar zouden zich ook moeten richten op het vinden van geschikte klanten. Detaillisten zouden gevoelig moeten zijn voor de relatiegeneigdheid van bepaalde product-marktcombinaties. Dit zou niet alleen het marktaandeel positief kunnen beïnvloeden maar ook het klantenaandeel aangezien relatiegeneigde klanten een grotere tendens vertonen om trouw te blijven aan een bepaalde winkel.

Ten vijfde toont het modererende effect van de relatiegeneigdheid van klanten aan dat relatiegerichtheid van de verkoper leidt tot een hogere tevredenheid met de relatie en een hogere relatiecommitment als kopers relatiegeneigd zijn. Derhalve zou het voor detaillisten zinvol kunnen zijn om hun inspanningen af te stemmen op de relatiegeneigdheid van klanten. Een voorbeeld zou kunnen zijn dat klanten die niet relatiegeneigd zijn, minder belangstelling hebben voor een klantenkaart dan klanten die wel relatiegeneigd zijn. Het modererend effect van betrokkenheid bij de productcategorie toont dat de invloed van de inspanningen van de detaillist afhankelijk is van de

betrokkenheid van de klant bij de productcategorie. Aangezien deze betrokkenheid kan verschillen tussen marktsegmenten, zou de effectiviteit van relatiemarketing-strategieën eveneens kunnen verschillen tussen marktsegmenten.

Verder zouden detaillisten zich bewust moeten zijn van het feit dat gedragsmatige trouw niet alleen afhankelijk is van relatiecommitment. Gedragsmatige trouw kan afhankelijk zijn van verkoper-, koper- en situatie-gerelateerde factoren. Hoewel onze resultaten aantonen dat verkoper- en koper-gerelateerde factoren een belangrijke rol spelen in het totstandkomen van gedragsmatige trouw, spelen situationele factoren ogenschijnlijk ook een cruciale rol.

Tot slot tonen onze empirische resultaten aan dat gedragsmatige trouw in de voedingsmarkten minder bepaald worden door commitment dan in de kledingmarkten. Dit zou een indicatie kunnen zijn voor het feit dat gewoonte en inertie een belangrijke rol spelen in voedingsmarkten die 'convenience goods' verkopen in tegenstelling tot kledingmarkten die 'shopping goods' verkopen. Het lijkt erop dat het creëren van trouw in een kledingomgeving eenvoudiger is dan het creëren van trouw in een voedingsomgeving.

Suggesties voor verder onderzoek

Ten eerste kan het interessant zijn om te onderzoeken of ons model verschillend is voor kleine buurtwinkels en grote winkelketens. Ten tweede kan verder onderzoek zich richten op de relatie tussen product- en diensten-inspanningen en de relatiegerichtheid van de verkoper, aangezien wij slechts relatie-inspanningen van de verkoper in kaart hebben gebracht. Dit onderzoek zou inzicht kunnen verschaffen in het relatieve belang van de diverse inspanningen, wat zinvol is voor het vaststellen van prioriteiten voor de detaillist. Ten derde zou experimenteel onderzoek een sterkere basis kunnen bieden voor causale verbanden en daarnaast zou experimenteel onderzoek de invloed van de interviewer en 'common method bias' helpen reduceren. Daarnaast zou het opnemen van culturele variabelen in relatiemarketing-onderzoek in de consumentenmarkt inzicht kunnen bieden in de rol van cultuur bij het tot stand komen van de gevonden patronen. Tot slot, zou het interessant zijn om kritische incidenten te bestuderen, aangezien verwacht wordt dat trouwe kopers bereid zijn om incidenteel lagere niveaus van product- of diensteninspanningen te accepteren zonder de relatie met de winkel te beëindigen.