



INCREASING PREFERENTIAL TREATMENT THROUGH SUPPLIER SATISFACTION

THE IMPACT OF SOCIAL EXCHANGE THEORY,
RESOURCE DEPENDENCY THEORY AND CULTURE

BITA MIRZAEI

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Bita Mirzaei

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THEORY AND CULTURE**

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Table of Contents

1	CHAPTER 1: THESIS BACKGROUND AND RESEARCH STRUCTURE.....	2
1.1	Motivation and main research question.....	2
1.2	Theoretical background	7
1.2.1	Preferred customer theory: Social exchange theory and strategic management theory	7
1.2.2	Supplier Satisfaction: The necessity to receive preferred customer status and allocated resources	9
1.2.3	Culture: The importance of culture in buyer-supplier relationships	26
1.2.4	RDT: Explanation of resource allocation in the buyer-supplier relationship.....	29
1.3	Research focus and methodology	31
1.3.1	Research Stream 1: Culture.....	32
1.3.2	Research Stream 2: RDT.....	33
1.4	Research outline and contribution – empirically testing of culture and RDT	34
2	ASSESSING SUPPLIER SATISFACTION: DO WE NEED TO CONSIDER ORGANISATIONAL CULTURE?	38
2.1	Introduction: Organisational culture as an influential factor in supplier satisfaction.....	39
2.2	Literature review of supplier satisfaction and organisational culture.....	41
2.2.1	Supplier satisfaction: Where fulfilling the supplier’s expectation is crucial	41
2.2.2	Organisational culture and Cameron and Quinn’s competing values framework and its influence on supplier satisfaction	42
2.3	Hypotheses.....	44
2.3.1	Supplier satisfaction and resource allocation	44
2.3.2	The cultural influence of clan culture	45
2.3.3	The cultural influence of market culture	45
2.3.4	The cultural influence of adhocracy culture.....	46
2.3.5	The cultural influence of hierarchy culture	47
2.4	Methodology.....	48
2.4.1	Data collection and sample: Surveying in Brazil and Iran.....	48

2.4.2	Measurement: CVF framework.....	49
2.5	Results	50
2.5.1	Direct effects of relational behaviour on supplier satisfaction and resource allocation	50
2.5.2	Multigroup analysis: The effects of organisational culture.....	52
2.5.3	Polynomial regression with response surface	54
2.6	Discussion.....	58
2.6.1	Evaluation and discussion of the results: Relevance of organisational culture in the buyer-supplier relationship.....	58
2.6.2	Managerial contribution: Focus on performance and flexibility.....	60
2.6.3	Limitations and future research.....	61
3	RESOURCE DEPENDENCY THEORY AND BUYER-SUPPLIER RELATIONS: A CROSS-CULTURAL COMPARISON ON RESOURCE ALLOCATION IN THE SUPPLY CHAIN	63
3.1	Introduction: Resource dependence theory as explanation for allocation in buyer-supplier relations	64
3.2	Theoretical background and hypotheses.....	67
3.2.1	Preferred customer theory: A core of strategic management theory.....	67
3.2.2	Preferential resource allocation through supplier satisfaction	68
3.2.3	The effect of RDT on supplier satisfaction and resource allocation	69
3.2.4	Including culture in RDT	73
3.3	Methodology.....	76
3.3.1	Data collection and sample: Surveying supply chains in Brazil and Iran	76
3.3.2	Measurement: Established RDT scores and Hofstede replication	77
3.3.3	Statistical Analyses with structural equation and multigroup analysis & data quality	78
3.4	Results	80
3.4.1	Direct effects of RDT variables on supplier satisfaction and resource allocation ...	80
3.4.2	Multigroup analysis of the effects of power distance and uncertainty avoidance ...	82
3.5	Discussion and conclusion: Relevance of power distance in buyer-supplier relation.....	83
3.5.1	Theoretical contributions: A resource dependency model explaining the supplier satisfaction.....	85
3.5.2	Managerial contributions: Viable management mechanism to achieve supplier satisfaction.....	86
3.5.3	Limitations and future research possibilities.....	88

4	WHO WANTS TO BE DEPENDENT ON US? A RESOURCE & SOCIAL EXCHANGE THEORY PERSPECTIVE ON SUPPLIER DEPENDENCY	90
4.1	Introduction: Factors influencing dependence scarcely understood, this study takes a supplier-perspective on dependency	91
4.2	Theoretical Framework.....	94
4.2.1	A dependency in business relationships: Resource Dependency Theory posits that dependencies should be avoided	94
4.2.2	Resource Dependency Theory: Organisational uncertainties influencing dependence	95
4.2.3	Social Exchange Theory: Relational factors influence supplier dependence	96
4.3	Methods	98
4.3.1	Sampling and data collection: Survey in two commodities	98
4.3.2	Quality of the construct: Non-response bias, common method bias and endogeneity	99
4.3.3	Control variables: Technological uncertainties, length of relationship, procurement categories and organisational size	100
4.3.4	Survey design and measured used.....	101
4.3.5	Statistical method used & quality assessment of the data structure	102
4.4	Results: Competition uncertainty and preferred customer antecedent dependency	102
4.5	Discussions and implications.....	104
4.5.1	Findings & theoretical contributions: From buyer-supplier dyad to network considerations.....	104
4.5.2	Managerial contributions: Considering market competition and preferred customer status while deciding to be dependent.....	106
4.5.3	Limitations of this study & future research.....	107
5	SUMMARY OF RESEARCH FINDINGS.....	110
5.1	Main research findings and theoretical contribution per chapter	110
5.1.1	Chapter 2: Assessing supplier satisfaction: Do we need to consider organisational culture? 112	
5.1.2	Chapter 3: Resource dependency theory and buyer-supplier relations: A cross-cultural comparison of resource allocation in the supply chain	113
5.1.3	Chapter 4: Who wants to be dependent on us? A resource & social exchange theory perspective on supplier dependency.....	114
5.2	Managerial Implications: Handbook in achieving supplier satisfaction	115
5.3	Future Research: Focusing on moderating and mediating factors on supplier satisfaction	119

5.4 Academic output per chapter	122
REFERENCES	124
APPENDIX	142
Appendix 1 - Chapter 2	142
Appendix 2 – Chapter 3	145
Appendix 3 – Chapter 4	152
Summary	156
Samenvatting (Summary in Dutch).....	158
About the author.....	160

List of Figures

Figure 1: Adaption of the cycle of preferred customership (Schiele et al., 2012)	3
Figure 2: Research gap	6
Figure 3: Maturity framework.....	24
Figure 4: Bubble chart showing the research phase for each year	25
Figure 5: Research stream and methodology	32
Figure 6: Structure of dissertation	35
Figure 7: Conceptual model: The moderating effect of organisational culture on supplier satisfaction.....	48
Figure 8: Results from PLS path modelling.....	54
Figure 9: Surface analysis of relational behaviour.....	58
Figure 10: Conceptual model.....	76
Figure 11: Effect statistics of direct effects on supplier satisfaction and resource allocation	81
Figure 12: Researched model.....	98
Figure 13: Research results	104
Figure 14: Results of the multigroup analysis – power distance.....	148
Figure 15: Results of the multigroup analysis – uncertainty avoidance	149

List of Tables

Table 1: Overview of supplier satisfaction literature and its related foci	13
Table 2: Sample size	49
Table 3: Reliability and validity.....	51
Table 4: Effect statistic of direct effects on supplier satisfaction and preferential treatment	52
Table 5: Multigroup analysis.....	53
Table 6: Regression table – effects of relational behaviour and market on supplier satisfaction..	55
Table 7: Regression table – effects of relational behaviour and market on resource allocation....	56
Table 8: Polynomial analysis of the slopes and curvatures	57
Table 9: Supplier satisfaction as projected by the discrepancy and agreement of relational behaviour and market culture in case of supplier satisfaction	57
Table 10: Supplier satisfaction as projected by the discrepancy and agreement of relational behaviour and market culture in case of supplier satisfaction	58
Table 11: Sample size	77
Table 12: Reliability and validity.....	80
Table 13: Literature position of this study	93
Table 14: Sample and respondent characteristics	99
Table 15: Cross-correlations and quality criteria of constructs.	102
Table 16: Linear regression results - dependent variable: Supplier Dependency	103
Table 17: Overview of the main findings for practitioners	117
Table 18: Constructs and items	142
Table 19: Constructs and items	145
Table 20: Goodness-of-fit measure	147
Table 21: Coefficient path difference of culture	150
Table 22. Questionnaire items.....	152
Table 23: Factor loadings.....	154

List of Abbreviations

AVE	Average Variance Extracted
B2B	Buyer-to-Buyer
CR	Composite Reliability
DWH	Durbin-Wu-Hausmann
FMCG	Fast Mover Consumer Goods
IPSERA	International Purchasing and Supply Education and Research Association
ITPS	IT & Purchased Services
IV	Instrumental variable
MGA	Multigroup Analysis
PDI	Power Distance Index
RDT	Resource Dependency Theory
RQ	Research question
SEM	Structural Equation Modelling
SET	Social Exchange Theory
SmartPLS	Smart Partial Least Squares
SPSS	Statistical Package for the Social Sciences
SRMR	Standardized Root Mean Square Residual
VIF	Variance Inflation Factor
VSM	Value Survey Module

CHAPTER 1

THESIS BACKGROUND AND RESEARCH STRUCTURE

1 CHAPTER 1: THESIS BACKGROUND AND RESEARCH STRUCTURE

1.1 Motivation and main research question

Nowadays, various industries understand the true impact of collaboration with suppliers on buying firms to achieve competitive advantages, which was not the case 40 years ago. Successful purchasing was defined as buying products or services for the lowest prices based purely on cost-oriented strategies (Benton & Maloni, 2005). However, this did not guarantee receiving the best resources from the supplier, creating competitive advantages for the buying firms that can receive those resources. During these past 40 years, purchasing has evolved, and the focus of being just a buying function shifted to a strategic position (Ellram & Carr, 1994). Purchasers realised that purchasing is more than negotiating a deal with the supplier. It is about managing the relationship with their suppliers to achieve and support the firm's overall business strategy (Van Weele, 2009).

The current globally competitive environment is affected by technological changes, shorter product life cycles, supply chain disruptions, and rapid changes in customer needs and expectations (Chirra & Kumar, 2018; Mendonça Tachizawa & Giménez Thomsen, 2007; Merschmann & Thonemann, 2011). Because of these business environment uncertainties, many firms are focusing on building a strategy to cope with them. Uncertainties are seen in different forms, such as demand fluctuation, machine breakdowns, and actions of competitors. The number of suppliers is also decreasing in many industries, and often only a few can fulfil the requirements to cope with these uncertainties. Likewise, buying firms reduce their supply base to invest in long-term relationships with a small number of suppliers. As a result, buying firms are becoming more dependent on their suppliers. According to Wagner et al. (2018), manufacturing firms usually spend 60-80 per cent of the operations costs on the items and services they buy from their suppliers, which is in line with a global study of 2013. The study showed that 70 per cent of the expenses of a firm are spent on the suppliers (Proxima, 2013). It indicates that suppliers have a crucial role in the supply chain. This implies changes in the buyer-supplier relationship since the buying firm increasingly needs to compete for the best suppliers to receive their resources. Consequently, buying firms competing

for the suppliers is more and more common, termed “reversed marketing” (Schiele et al., 2012). This comes from the scientific insight that building a long-lasting and strong relationship with your supplier is crucial through which the buyer ensures receiving the best resources of the supplier (Dyer & Hatch, 2006; Ellegaard & Koch, 2012; Glavee-Geo, 2019). This is often referred to as a “preferred customer status” (Schiele et al., 2012).

A buying firm wants to achieve preferred customer status to receive preferential treatment from its suppliers. Preferred customer status theory was published in 1970 (Hottenstein, 1970). One of the most notable frameworks about this type of buyer-supplier relationship is the cycle of preferred customership, customer attractiveness and supplier satisfaction (see figure 1). To become a preferred customer, the buying firm needs to be attractive to its supplier; it is called customer attractiveness. To start an exchange relationship, the buying firm needs to be sufficiently attractive; otherwise, the supplier will not begin a relationship with the buying firm. After an exchange takes place, the outcome of this is judged by the supplier. The supplier is satisfied if the buying firm can fulfil or exceed the supplier’s expectations. Supplier satisfaction is crucial since suppliers might not allocate preferential treatment to the buying firm when unsatisfied. Hence, supplier satisfaction plays an essential role in the cycle of preferred customership (Schiele et al., 2012).

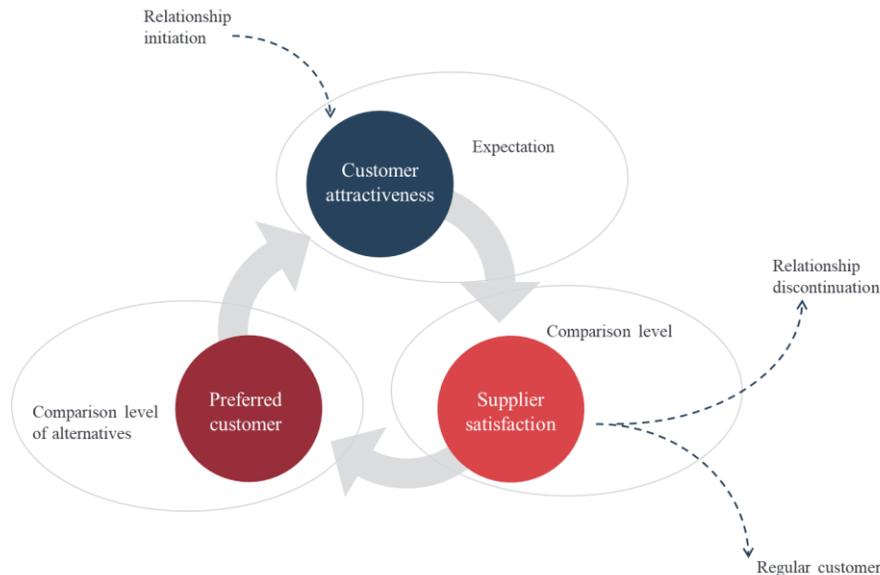


Figure 1: Adaption of the cycle of preferred customership (Schiele et al., 2012)

The supplier satisfaction concept has been increasingly researched in the last decade. If the buyer wants to receive preferential treatment, it should be considered. Supplier satisfaction is defined as “a supplier's feeling of fairness with regard to buyer's incentives and supplier's contributions within an industrial buyer–seller relationship” (Essig & Amann, 2009, p. 104). To understand the antecedents of supplier satisfaction, Vos et al. (2016) showed in their study that a customer’s growth opportunities, operational excellence, relational behaviour and profitability are significant antecedents to supplier satisfaction (Vos et al., 2016). Nevertheless, previous research has shown that buyer’s relational behaviour is one of the most critical factors influencing supplier satisfaction (Essig & Amann, 2009; Hüttinger et al., 2014; Nyaga et al., 2010) since it reflects an overall evaluation of the buyer behaviour within a relationship (Walter et al., 2001). Therefore, a clear recommendation for buying firms would be to increase the quality of their relationship with key suppliers to increase their satisfaction with this buyer – and to gain service benefits. However, many contingency factors, such as cultural and resource dependency dynamics, which might influence the antecedents and consequences of supplier satisfaction, remain largely underexplored.

In a world where globalization is a significant factor, cultural and resource dependency dynamics in buyer-supplier relationships can strongly impact organizational behaviour. Culture is recognized as a major contingency factor in many research fields, including marketing, psychology, and management. Understanding the habits and background of the preferred business partner in the buyer-supplier relationship field is crucial. Therefore, the impact of culture is one topic that is also receiving more attention in supplier satisfaction research. According to Zhang and Cao (2018), culture is defined as a belief, value, or even ideology held by an organisation or society and is thus a critical contextual factor in business research. People act by norms and values. Previous studies, such as Wong (2002), demonstrated that suppliers working with cooperatively oriented buying firms are more satisfied than those working with competitively oriented buying firms (Wong, 2002). Hence, there is already some indication that organisational culture has several characteristics that can lead to various behavioural responses toward business partners (Schiele et al., 2015).

Apart from the research of Wong (2002), research on the impact of culture on the buyer-supplier relationship is limited (Handley & Angst, 2015). In their conceptual study, Schiele et al. (2015) indicated that it would be beneficial to include national culture differences in the supplier

satisfaction literature because power differences regarding dependency and acceptance are culture-dependent. Furthermore, Pulles and Schiele (2013) emphasised that geographical location influences partner selection because companies in the same regional cluster have more common goodwill than companies outside the cluster. Because the supplier and buyer share similar values, being in the same cluster can create a connection (Schiele, 2008). Based on this, despite the apparent importance of culture in buyer-supplier relationships, empirical work on this topic is sparse, which creates a relevant new research avenue to include culture's contingencies in supplier satisfaction research.

Another group of relevant contingency factors in many buyer-supplier relationships (potentially highly suitable for supplier satisfaction and resource allocation) are resource dependency dynamics, as explained by the resource dependency theory (RDT). The resource dependency theory (RDT) proposes an explanation for the problem of resource allocation. RDT is predicated on firms requiring resource allocation from their partners. It then theorises that if an organisation is less dependent on another and can remove the uncertainty from the relationship, it will be able to achieve a more favourable resource allocation than if it is dependent on a dominant partner (Hillman et al., 2009; Pfeffer & Salancik, 1978; Schiele, 2019). The power dependency dimension and the uncertainty dimension are the two main components of the RDT. Dependency results in an asymmetric power structure in which the stronger party exerts pressure on the other party (Kim & Zhu, 2018). The stronger party may use its power to actively shift the relationship toward its benefit (Hunt & Nevin, 1974). The uncertainty dimension is associated with uncertainties regarding the environment, behaviour, and the continuation of relationships (Cai et al., 2017). Surprisingly, RDT has primarily been used in merger studies, joint ventures, board of director composition, and executive succession rather than in buyer-supplier relationships (Hillman et al., 2009). Although prior research has pointed out that supplier satisfaction is of growing importance for the buying firm, current literature still lacks contingency factors or concepts such RDT (and culture, as explained earlier). Therefore this dissertation aims to close these research gaps.

1. Culture Research Gap: Despite increased awareness of potential issues caused by culture in the buyer-supplier relationship, no substantial empirical study has been conducted to date that examines how culture influences supplier satisfaction and, thus, the allocated resources

of suppliers. It is essential to study the cultural context in the setting of supplier satisfaction and resource allocation.

2. Resource Dependence Research Gap: in the supplier satisfaction context, empirically testing the explanatory content of RDT for explaining and eventually managing resource allocation in buyer-supplier relationships is still limited.



Figure 2: Research gap

To address these research gaps, two research questions arise:

- RQ1: How does culture influence supplier satisfaction and preferential resource allocation?
- RQ2: How do resource dependency dynamics influence supplier satisfaction and preferential resource allocation?

For the first research question, the research goal of chapter 2 is to identify organisation culture as a moderating factor in the relationship between relational behaviour and supplier satisfaction. Quinn and Rohrbaugh (1981) developed the Competing Value Framework (CVF) 1981 to investigate organisational culture in various settings. Organisational culture is represented by four cultural types: clan, market, adhocracy, and hierarchy (Cameron & Quinn, 2011). In other words, the main goal of this research is to close this gap by using the Vos et al. (2016) framework on supplier satisfaction as a foundation and by connecting it to Cameron and Quinn (2011)'s CVF

framework. Consequently, assessing whether organisational culture is a contingency factor in supplier satisfaction and preferential resource allocation.

To answer research question two, chapters 3 and 4 focus on RDT, and the objective is to examine the explanatory content of RDT for explaining and managing resource allocation in buyer-supplier relationships. Regarding chapter 3, Schiele et al. (2015) released a theoretical study on this topic and advised empirically testing the resource dependency propositions, considering cultural factors. They suggested that supplier satisfaction depends not only on power and uncertainty but also on the amount to which the supplier's cultural environment permits power and uncertainty disparities in the relationship. In particular, Schiele et al. (2015) identified Hofstede's power distance and uncertainty avoidance as cultural dimensions relevant to the buyer-supplier context, which is tested here. Chapter 4 investigates the circumstances under which suppliers become dependent on buyers, determining whether supplier satisfaction and RDT dynamics can lead to dependency situations for a supplier. This relates to an extensive research gap in the literature regarding factors influencing the degree to which suppliers might become dependent on a particular buyer. Consequently, chapter 4 analyses the impact of demand and competition uncertainty, supplier satisfaction and preferred customer status on supplier dependency.

As shown in figure 2, this research concentrates on culture, resource dependency and supplier satisfaction to close the research gaps. Thus, the following chapters will provide a theoretical overview of these constructs.

1.2 Theoretical background

1.2.1 Preferred customer theory: Social exchange theory and strategic management theory

The preferred customer theory has two theoretical roots (Schiele, 2022) – Social exchange theory (SET) (Lambe et al., 2001; Pulles et al., 2019; Reichenbachs et al., 2017) and strategic management theory, the resource-based view (Barney, 1991; Sanchez & Heene, 1997). SET initially focused on interpersonal relationships. However, it was found to be suitable for explaining inter-organisational relationships, contributing to the formation of preferred customer theory (Anderson & Narus, 1984; Harris et al., 2003; Kelly & Hageman, 1999; Lambe et al., 2001). SET is well-known in marketing

since it helps explain B2B relational exchange. Relational aspects are crucial for the co-creation of unique resources. Thus, SET introduced the idea of expectations leading to exchanges. In other words, there is an expectation towards the relationship, and the exchange relationship is evaluated against the standard. In the case of assessing the buyer's performance against the standard the supplier applies, if this is exceeded, the relationship will continue since the supplier is satisfied. Furthermore, SET introduced the 'comparison level of alternatives'. It claims that only being satisfied will not lead to the continuation of the relationship but also depending on the availability of alternatives, which in turn means that the buying firm needs to be the preferred customer (Schiele, 2022; Schiele et al., 2012).

As indicated in the preceding chapter, suppliers cannot treat all consumers similarly due to limited resources such as time, money, and personnel. Moreover, specific clients are more desirable to providers than others. Natural disasters also raise concerns about who will have priority access to the remaining scarce resources left by the supplier (Schiele et al., 2012). If an earthquake or tsunami strikes a supplier, he must prioritize which clients receive the remaining items or production capability (Pulles et al., 2016a). Organisations with preferred customer status receive benefits from a supplier that are unavailable to other customers of that supplier, so earning a competitive edge. According to Steinle and Schiele (2008), preferred customers receive priority resource allocation, which can be achieved in various ways. Pulles et al. (2014) distinguish between physical and innovative resources. Intangible resources, such as innovation resources, are frequently exchanged between individuals, whereas tangible resources, such as physical resources, are typically traded in less intimate contexts (Chen, 1995).

Innovation resources include sharing knowledge and skills, collaborations, joint development of new products, access to inventions, and exclusive agreements. Examples of physical, tangible resources include the allocation of shelf space, the customization of products, and the stocking of additional products (Anderson et al., 1987). In addition, agreements can be created such that the customer receives preferential treatment in the event of bottlenecks, such as a natural disaster (Schiele et al., 2012). Ellis et al. (2012) presented an article in the 2012 special issue of *Industrial Marketing Management* that provides empirical proof of the benefits of preferred customer status. They discovered that preferred customer status facilitates access to technologies. Surprisingly, they

did not find evidence that a large proportion of turnover with a supplier results in being a preferred customer (Schiele et al., 2012). Steinle and Schiele (2008) distinguish among various levels of preferred customer status. Non-preferred customers are considered regular customers who do not receive preferential treatment. Medium-preferred consumers are one level above favoured customers. They receive incentives, such as exclusive merchandise, expedited shipping, or favourable pricing conditions. However, these advantages are offered for an additional fee. Customers at the highest level are favoured and enjoy the most perks at no extra cost. Because the relationship is valuable to the provider, the buying company obtains preferential treatment compared to other clients (Steinle & Schiele, 2008). In addition to preferential resource allocation, a common advantage of preferred client status is special pricing. According to Bew (2007), the potential benefit of being the "customer of choice" and receiving exclusive pricing is equivalent to two to four per cent of an organisation's overall expenditure base.

Similarly, Schiele et al. (2011) discovered a substantial relationship between the supplier's beneficent pricing and the customer's status as a preferred customer. In conclusion, there are numerous advantages to being a preferred customer. In addition to contractual benefits (such as when bottlenecks occur), preferred customers receive a preferential allocation of resources. Most studies differentiate between material and immaterial resources. It is also typical practice to offer preferential pricing and exclusive access to technologies to preferred customers. All the perks associated with being a preferred customer result in a competitive advantage and emphasise the significance for the buyer of pursuing preferred customer status.

1.2.2 Supplier Satisfaction: The necessity to receive preferred customer status and allocated resources

The strategic orientation from a short-term relationship with many suppliers to a long-term collaboration with a few strategic suppliers is one of the main reasons for identifying supplier satisfaction as an essential element to guarantee a cooperative buyer-supplier relationship which leads to competitive advantages (Andaleeb, 1996; Ghijssen et al., 2010). Furthermore, Dwyer et al. (1987), as well as Essig and Amann (2009), have shown in their research that suppliers have a considerable influence on business success and that companies become more responsive to collaborative alliances with their suppliers (Carter, 2000; Zheng et al., 2007). In addition, supplier

satisfaction is an essential element of an increase in the obligations of the suppliers towards the buyer (Asanuma, 1989; Carter, 2000). Consequently, Wong (2000) has stressed in his research that partnership aspirations concerning supplier satisfaction must be considered to have a successful partnership. At the same time, he emphasises that relational and collaborative considerations will lead to supplier satisfaction. Not only the structure and management of the interfirm relationship and customer attractiveness are relevant for achieving preferred customer status. In addition, supplier satisfaction is crucial because the supplier determines whether the relationship will continue or end. Most scholars view supplier satisfaction as amplifying the buyer-supplier relationship and, consequently, as the basis for a long-term partnership. Suppliers can provide buyers with competitive advantages by providing physical or intellectual resources. The process of preferential resource allocation to the buyer is a selective one.

1.2.2.1 Literature overview of supplier satisfaction until 2022

It was not until 2012 that a comprehensive overview of supplier satisfaction, customer attractiveness, and preferred customer status and their respective antecedents was compiled. The literature review by Hüttinger et al. (2012) offers a comprehensive insight into the three constructs. Hüttinger et al. (2012) have identified eight academic articles and a thesis which can be seen as relevant sources concerning supplier satisfaction research. Seven relevant sources have used quantitative questionnaires to explain this concept, and two other sources are conceptual. Besides, additional research in this field has extended these nine sources. Before 2012 little research regarding supplier satisfaction was conducted. Nevertheless, this changed in and after 2012 since more research was conducted on this research domain. Thus, the following paragraphs will explain our search strategy regarding research published after 2012, as Hüttinger et al. (2012) already provided a good overview of research before 2012.

The following systematic Boolean keyword search was used to obtain the most extensive number of articles related to the specific field of research: Supplier satisfaction OR vendor satisfaction, buyer- supplier relationship OR buyer-supplier relationship OR; supply chain management OR purchasing. After completing the literature review process, a final sample of 29 articles (from 2012 to 2022) was added to our literature review. We then undertook a comprehensive review of each article to identify and analyse the relevant contributions to the supplier satisfaction research

domain. The identified papers are clustered into the following foci: cooperative relationships, supply management tool, RDT, supplier development, antecedents of supplier satisfaction, preferred customer, customer attractiveness, resource mobilisation, public sector and COVID-19. Table 1 provides an overview of supplier satisfaction research clustered in different foci, beginning with a “*Cooperative relationship focus*”.

Cooperative relationship focus:

Wong (2000) is one of the first researchers to have analysed the supplier satisfaction concept.

The focus of his research devotes itself to the question of whether and how the buyer can improve the supplier satisfaction level. The study is based on the fact that the partnership aspirations are only successful if the needs of the suppliers are also satisfied. Moreover, he summarises that a collaborative culture, which entails the responsibility for the supplier's satisfaction, must be developed to guarantee mutually advantageous solutions (Wong, 2000). Wong himself confirmed this conclusion after two years. His research has shown that companies that have more cooperative-oriented goals than competitive-oriented goals with their suppliers will have a higher supplier satisfaction level since competitive-oriented goals will lead to supplier dissatisfaction (Wong 2002). Forker and Stannack (2000) have examined the influence of a cooperative approach compared to a competitive approach on supplier satisfaction and customer perception concerning the quality of the relationship through similar research. Although both-sided satisfaction is higher in a cooperative buyer-supplier relationship, the study could also illustrate that common understanding in regard to the quality of the relationship is higher in a competitive-oriented buyer-supplier relationship (Forker & Stannack, 2000). The empirical research of Whipple et al. (2002) has focused on the influence of information exchange between buyer and supplier on the perceived satisfaction level of the alliance, which the exchange partners guarantee. The research shows that the exchange of operative information positively influences alliance satisfaction. However, different perceptions between buyers and suppliers can still occur. The accuracy of the information is most crucial for the customer, but the punctuality of the information exchange is more critical for the supplier (Whipple et al., 2002). In their research, Nyaga et al. (2010) focused on buyer and supplier perceptions of the collaborative relationship and identified economic and relational factors that lead to satisfaction and performance. They considered previous research from Wong (2000) and Forker and Stannack (2000). The main findings of this research were that satisfaction rises and

performance benefits are gained if both partners invest equally in the dyadic relationship. Those relationships are mediated by trust and obligations (Nyaga et al., 2010). In addition, investments, information exchanges, and common approaches will foster satisfaction. Nyaga et al. (2010) conclude that companies can increase supplier satisfaction by emphasising information exchange and common practice.

Supply management tool focus - supplier satisfaction index, supplier satisfaction survey

Maunu (2003) has implemented a conceptual framework by using a questionnaire which consists of nine supplier satisfaction dimensions. These dimensions are classified either as business-related or communication-related dimensions. Business-related dimensions are profitability, arrangements, early integration of the suppliers, commercial continuity, and forecasts and planning. Communication-related dimensions are based on soft skills and enforce obligations, hierarchical positions, feedback, and goodwill, as well as openness and trust of the customers (Maunu, 2003). These dimensions serve as the basis for the questionnaire to record supplier satisfaction. This research aims to improve the exchange process and satisfaction between the customer and its supplier by using this questionnaire. Leenders et al. (2005) have developed a matrix to position the buyer-supplier relationship regarding satisfaction and stability. Four marketing and supply management tools have been suggested to improve the indicated matrix positions. While the first tool deals with long-term obligations and exclusive arrangements, the second tool refers to the internal exchange of information and extensive communication. The third tool deals with whether and when the customer organisation has to change its behaviour, while the last deals with the quick reaction to the supplier's requests (Leenders et al., 2005). Essig and Amann (2009) have implemented a supplier satisfaction index as a measurement tool, focusing on the quality of the buyer-supplier relationship from the supplier's perspective.

Table 1: Overview of supplier satisfaction literature and its related foci

Focus	Author	Title	Methodological Approach	Journal	Research Phase
Cooperative relationship	Forker & Stannack (2000)	Cooperation versus competition: Do buyers and suppliers really see eye-to-eye?	Quantitative	European Journal of Purchasing and Supply Management	2
	Wong (2000)	Integrating supplier satisfaction with customer satisfaction	Conceptual model	Total Quality Management	1
	Whipple et al. (2002)	Information support for alliances: Performance implications	Quantitative	Journal of Business Logistics	2
	Wong (2002)	Sustaining company performance through partnering with suppliers	Quantitative	Journal of Business Logistics	2
	Nyaga et al. (2010)	Examining supply chain relationships: Do buyer and supplier perspective on collaborative relationships differ?	Quantitative	Journal of Operations Management	2
Supply Management tool	Maunu (2003)	Supplier satisfaction: the concept and a measurement system; a study to define the supplier satisfaction elements and usage as a management tool	Conceptual model	Book	1
	Lenders et al. (2005)	Purchasing and Supply Management: With 50 supply chain cases (13th ed.)	Conceptual model	Book	1
	Essig & Amann (2009)	Supplier satisfaction: Conceptual basics and explorative findings	Quantitative	Journal of Purchasing and Supply Management	1-2
	Meena & Sarmah (2012)	Development of a supplier satisfaction index model	Quantitative	Industrial Management and Data Systems	2

Chapter 1: Thesis background and research structure

	Meena et al. (2012)	Measuring satisfaction in buyer-supplier relationship from suppliers perspective	Quantitative	Int. J. Business Performance and Supply Chain Modelling	2
	Giacchetta & Marchetti (2013)	Supplier Satisfaction Survey as a management tool for reengineering the procurement process	Qualitative and Quantitative	International Journal of Productivity and Quality Management	2
	Hudnukar & Ambekae (2019)	Framework for measurement of supplier satisfaction	Conceptual model	International Journal of Productivity and Performance Management	1
Supplier development	Ghijssen et al. (2010)	Supplier satisfaction and commitment: The role of influence strategies and supplier development	Quantitative	Journal of Purchasing and Supply Management	2
	Praxmarer-Carus et al. (2013)	The relationship between the perceived shares of costs and earnings in supplier development programs and supplier satisfaction	Qualitative and Quantitative	Industrial Marketing Management	2
Antecedents of supplier satisfaction	Hüttinger et al. (2012)	The drivers of customer attractiveness, supplier satisfaction and preferred customer status: A literatur review	Literature Review	Industrial Marketing Management	2
	Hüttinger et al. (2014)	Exploring the antecedents of preferential customer treatment by suppliers: A mixed methods approach	Qualitative and Quantitative	Supply Chain Management	2
	Vos et al. (2016)	Supplier satisfaction: Explanation and out-of-sample prediction	Quantitative	Journal of Business Research	2
	Glas (2018)	The impact of procurement on supplier satisfaction: service, communication, and speed	Quantitative	Int. J. Integrated Supply Management,	3
	Ganguly & Roy (2021)	Supplier Satisfaction in Buyer–Supplier Relationships: Assessment from Supplier Perspective	Quantitative	Journal of Business-to-Business Marketing	2

Chapter 1: Thesis background and research structure

	Weller et al. (2021)	The micro-processes of supplier satisfaction: A longitudinal multiple case study	Qualitative	Journal of Purchasing and Supply Management	1
Preferred customer	Baxter (2012)	How can business buyers attract sellers' resources? Empirical evidence for preferred customer treatment from suppliers.	Quantitative	Industrial Marketing Management	2
	Hald (2012)	The role of boundary spanners in the formation of customer attractiveness	Qualitative	Industrial Marketing Management	1
	Nollet et al. (2012)	Becoming a preferred customer one step at a time	Conceptual model	Industrial Marketing Management	1
	Schiele et al. (2012)	Customer attractiveness, supplier satisfaction and preferred customer status: Introduction, definitions and an overarching framework	Conceptual model	Industrial Marketing Management	1
	Pulles et al. (2016)	The impact of customer attractiveness and supplier satisfaction on becoming a preferred customer	Qualitative	Industrial Marketing Management	1
	Sunil Kumar & Routroy (2017)	Analysis of suppliers' preferences to a manufacturer using Kano model and performance value analysis	Quantitative	Int. Journal Business and System Research	1-2
	Pellegrino et al. (2020)	The role of risk management in buyer-supplier relationships with a preferred customer status for total quality management	Qualitative	The TQM Journal	1
	Piechota et al. (2021)	Questioning the relevance of supplier satisfaction for preferred customer treatment: Antecedent effects of comparative alternatives and multi-dimensionality	Quantitative	Journal of Purchasing and Supply Management	3
Power-Dependence	Benton & Maloni (2005)	the influence of power driven buyer/seller relationships on supply chain satisfaction	Quantitative	Journal of Operations Management	2
	Schiele et al. (2015)	Managing supplier satisfaction: Social capital and resource dependence frameworks	Conceptual model	Australasian Marketing Journal	1

Chapter 1: Thesis background and research structure

	Gopalakrishnan et al. (2017)	A view from the vendor's side: factors that determine satisfaction	Quantitative	South Asian Journal of Business Studies	2
	Caniels et al. (2018)	The effects of balanced and asymmetric dependence on supplier satisfaction: Identifying positive effects of dependency	Quantitative	Journal of Purchasing and Supply Management	3
	Vos et al. (2021)	Mediating the impact of power on supplier satisfaction: Do buyer status and relational conflict matter?	Quantitative	International Journal of Production Economics	3
Resource Mobilisation	Glavee-Geo (2019)	Does supplier development lead to supplier satisfaction and relationship continuation?	Quantitative	Journal of Purchasing and Supply Management	3
	Pulles et al. (2019)	Mobilising supplier resources by being an attractive customer: Relevance, status and future research directions	Conceptual model	Journal of Purchasing and Supply Management	1
Public sector	Schiele et al. (2020)	Comparing public and private organisations in their quest to become a preferred customer of suppliers	Quantitative	Journal of Public Procurement	2
	Kelly et al. (2021)	Supplier satisfaction with public sector competitive tendering processes	Qualitative	Journal of Public Procurement	1
COVID-19	Nunes et al. (2021)	Keeping key suppliers alive during the COVID-19 pandemic: artificial supply chain resilience and supplier crisis response strategies	Qualitative	Continuity & Resilience Review	1
	Banerjee (2022)	Supplier Satisfaction as a Mediating Effect on Delivery and Service: A PLS-SEM Approach in India During COVID-19 Pandemic	Quantitative	SN Computer Science	3

Thirty-six indicators are divided into three dimensions; the strategic level concerning the cooperation intensity, the operational level, divided into order processes and billing/delivery and the accompanying level as the third. Communication, conflict management, and general view are the sub-points of the last dimension. The results of former publications like Maunu (2003) have been integrated into this measurement tool. In their empirical study, Meena and Sarmah (2012) tested a scale to measure the supplier satisfaction index. Their findings indicate that supplier satisfaction is positively influenced by policy, payment, coordination and the corporate image of the buyer.

Moreover, in the same year, Meena et al. (2012) tried to identify the factors that affect the suppliers' satisfaction in buyer-supplier relationships and explore their relationships with suppliers' satisfaction. Their studies showed that the buying firm's purchase policy influences supplier satisfaction. Similarly, the buyer's payment/financial practices and business image affect supplier satisfaction. The results also show that the buying firm's coordination approach doesn't improve supplier satisfaction for the case company. Giacchetta and Marchetti (2013) created a supplier satisfaction survey as a management tool for reengineering the procurement process. The results of this survey were used to measure the company's performance related to the procurement process. Companies may benefit from using this tool to develop their purchasing function. Hudnurkar and Ambekar (2019) try to close the research regarding having a global index to measure supplier satisfaction by developing a framework for measuring supplier satisfaction and thus providing a Supplier Satisfaction Index (SSI). Their findings showed that this framework could be used to calculate supplier satisfaction to understand the overall satisfaction of suppliers and the level of satisfaction of each supplier.

Supplier development focus

The research of Ghijsen et al. (2010) has focused on the impact of influence strategies and supplier development on the supplier relationship and supplier satisfaction and how this satisfaction can be increased. The research has emphasised that indirect influence strategies, such as information exchanges and recommendations, positively affect supplier satisfaction. Direct influence strategies harm supplier satisfaction, such as requests, threats, and legal entitlements (Ghijsen et al., 2010). Praxmarer-Carus et al. (2013) have concentrated on the influence of perceived shares of costs and earnings from the supplier's perspective regarding the supplier's development program on the

supplier's satisfaction. Their research has shown that the perceived share of earnings by suppliers positively influences the supplier's satisfaction, and the perceived fairness strengthens this effect. Nevertheless, the perceived share of costs has no influence on the supplier's satisfaction (Praxmarer-Carus et al., 2013)

Antecedents of supplier satisfaction focus

The literature review by Hüttinger et al. (2012) offers a comprehensive insight into the supplier satisfaction construct. Hüttinger et al. (2012) have identified eight academic articles and a thesis which can be seen as relevant sources concerning supplier satisfaction research. Seven relevant sources have used quantitative questionnaires to explain this concept, and two other sources are conceptual. Two years after their first research, Hüttinger et al. (2014) analysed the antecedents- i.e., relational behaviour, growth potential, reliability, innovation potential, operative excellence, involvement, support and access to contacts-of customer attractiveness, supplier satisfaction and preferred customer status. Through a combination of qualitative and quantitative methods, their findings indicated that of these antecedents, growth opportunity, reliability, and relational behaviour positively influence supplier satisfaction. The framework of Vos et al. (2016) is an extended model of Hüttinger et al. (2014) and thus gives a more detailed overview of supplier satisfaction. In this paper, the focus lies on relational behaviour since previous research has shown that of all antecedents, relational behaviour is one of the most significant factors influencing supplier satisfaction (Essig & Amann, 2009; Hüttinger et al., 2014). Relational behaviour refers to the buyer's behaviour towards the supplier with a particular focus on the relational parts of the exchange. Research by Glas (2018) focused on exploring and further identifying antecedents of supplier satisfaction by addressing the causes and effects among different constructs: service quality, communication quality, and time management quality of the procurement function and the suppliers' satisfaction. Their findings showed that all constructs of procurement quality have a significant influence on supplier satisfaction. However, communication quality is the most relevant out of them all. The objective of Ganguly and Roy (2021) research was to investigate the factors that influence buyer-supplier relationships and their causal relationships. Their findings indicate that cooperation, coordination, payment policy, and purchasing policy have the most significant positive effects on supplier satisfaction. A longitudinal multiple case design was established by Weller et al. (2021). Their study provides insight into the micro processes regarding the

development of supplier satisfaction. The interesting finding was that "a configuration of high perceived value derived from the buyer's reputation but a low relational satisfaction still resulted in the buyer receiving top priority" (Weller et al., 2021, p. 10).

Preferred customer focus – Customer attractiveness, preferred customership, preferred customer status, preferential customer treatment

Schiele et al. (2012) link customer attractiveness, supplier satisfaction, and preferred customer status by using a social exchange perspective in their research. Moreover, they presented key terms and proposed a model of preferred customership. Nollet et al. (2012) implemented a four-step process to demonstrate how a company can achieve "preferred customer" status. The process is the initial attraction, performance, engagement and sustainability. The second step (performance) is to meet the supplier's expectations to become a preferred customer.

Hald (2012) investigated the formation and consequences of positive supplier attitudes toward customers. The paper specifically addressed how to understand the formation of perceptions about customer attractiveness. His findings from several investigated buyer-supplier relationships showed that high personnel turnover damages supplier satisfaction. Baxter (2012) proposed a model in which the supplier's higher perception of the future financial performance of the relationship with the customer leads to higher customer attractiveness and, thus, to higher levels of preferred customer treatment. Moreover, preferred customer treatment is influenced directly by supplier satisfaction. His research demonstrates the critical role that supplier satisfaction plays in the supplier's preferential treatment of more attractive customers and that it does so indirectly through supplier commitment rather than directly. Pulles et al. (2016a) have tested customer attraction and supplier satisfaction as separate conceptual variables to determine how these constructs depend on each other and the preferred customer status.

In contrast to the already introduced research, this research uses the world café method. They could show that the influence of customer attraction regarding the preferential resource distribution of the suppliers is strengthened by supplier satisfaction. Their hypothesis confirms that customer attraction and supplier satisfaction are two different concepts which can influence the behaviour of suppliers in different ways. Pellegrino et al. (2020) provided in their research a framework regarding risk management for buyer-supplier relationships where the buying firm has the preferred

customer status with the supplier. Contributing to the study of Pulles et al. (2016a), their research showed that customer attractiveness and supplier satisfaction are different concepts and "should be treated as distinctive variables with diverse roles in relationships with a preferred customer" (Pellegrino et al., 2020, p. 975).

Moreover, their research indicated supplier satisfaction has a more dominant influence on the buyer-supplier relationship concerning preferred customer status. The reason is that, in investigating risks and mitigating risks once a relationship is established, the buyer aims to increase the supplier's satisfaction and not to make the customer more attractive. Sunil Kumar (2017) identified a generic list of preferred customer enablers (PCEs) and proposed a method for categorizing the PCEs and analysing suppliers' preferential performance along these PCEs. Moreover, Kano two-dimensional quality model was used as well. Their findings demonstrated that these PCEs (top management commitment, buyer-supplier collaboration, cost savings and value addition achieved and buyer-supplier compatibility are high in influencing supplier satisfaction. While mutual visits by competent personnel, buyer-supplier coordination, buyer-supplier compliance, trust, buyer-supplier communication and buyer-supplier cooperation negatively affect supplier satisfaction. Piechota et al. (2021) concentrated on two tactics (construct splitting and construct contrasting) to analyse the development of preferential customer treatment. Their research indicated that economic satisfaction has a higher impact on relative satisfaction, whereas social satisfaction strongly influences absolute supplier satisfaction.

Power-dependency focus

Supplier satisfaction and supplier performance within the buyer-supplier relationship in considering power asymmetry have been investigated by Benton and Maloni (2005). The findings regarding power satisfaction have proven that the main drivers of supplier satisfaction are the quality and the buyer-supplier relationship, which enable power satisfaction, which was also determined in previous research through cooperative exchange relationships (Benton & Maloni, 2005). In particular, the coercive mediated power source negatively influences the supplier's satisfaction, while reward-mediated and non-mediate power sources positively influence the supplier's satisfaction (Benton & Maloni, 2005). Research by Vos et al. (2021) concentrates on findings from other research on power, status, and conflict by combining them in one analysis to

analyse their influence on supplier satisfaction. Their study showed that buyer status has a significant impact on supplier satisfaction and that it is partially mediated by conflict.

Furthermore, buyer status can be seen as another antecedent of supplier satisfaction. The exciting thing is that previous research, such as Hüttinger et al. (2014), did not include it in their research. Moreover, there is no significant direct influence of coercive and reward power on supplier satisfaction. Schiele et al. (2015) aim to expand the understanding of supplier satisfaction by proposing applying a social capital and a resource dependence theory perspective. They indicated in their research that future studies would benefit from including national culture differences in the supplier satisfaction research, as power differences regarding dependency and acceptance are culture-dependent. Gopalakrishnan et al. (2017) focused on how relational factors in outsourcing relationships contribute to vendor satisfaction. According to the findings, customer dependence and competence-based trust are significant direct predictors of supplier satisfaction. The effect of customer dependence on supplier satisfaction was positively moderated by social control or the ability to resolve conflicts. However, it did not impact the relationship between competence-based trust and vendor satisfaction. Caniëls et al. (2018) focused on expanding the current understanding of the relationship between buyer-supplier dependence and supplier satisfaction. Using dyadic data, polynomial regression and response surface analysis were employed to examine the relationship between (1) balanced dependence (i.e., the buyer and supplier are equally dependent on each other) and supplier satisfaction and (2) asymmetric dependence (i.e., either the buyer or the supplier is the dominant party) and supplier satisfaction. Surprisingly, asymmetric dependence can be associated with greater levels of supplier satisfaction.

Resource mobilisation focus

Pulles et al. (2019, p. 3) provide editorial insights into supplier resource mobilisation processes and introduce three empirical studies on supplier resource mobilisation. A resource mobilization cycle was introduced, which includes six stages: " (1) becoming an attractive customer, (2) segmenting suppliers, (3) generating supplier satisfaction, (4) becoming a preferred customer, (5) engaging in supplier-oriented actions, and (6) integrating supplier resources". Furthermore, he suggested that future research would benefit by including culture.

Glavee-Geo (2019) research focused on whether supplier development can serve as a mechanism for purchasing firms to increase supplier satisfaction and ultimately predict relationship continuity

actively. His findings showed that supplier development is crucial for buying firms to increase supplier satisfaction.

Public sector focus

The public procurement perspective is becoming prominent in supplier satisfaction research and can be seen as venturing into other research contexts. Schiele (2020)'s research is the first one focusing on analysing the concept of supplier satisfaction in the public procurement sector and how far this concept can be transferred. Antecedents (growth opportunity, profitability, relational behaviour, and operative excellence) that explain supplier satisfaction can be used in the private and public sectors. However, relational behaviour is only the antecedent that is more significant in the public sector. Kelly et al. (2021) focused their research on exploring supplier perspectives on the competitive tendering process. Their research investigates how satisfied suppliers are with the public sector and how the quality of tendering processes is judged. Based on what they found, they made an integrated supplier satisfaction model that explains service quality dimensions, how they affect satisfaction ratings, and what these ratings mean.

COVID-19 focus

During COVID-19, research regarding supplier satisfaction was conducted. Fracarolli Nunes et al. (2021) tried to identify initiators by buying firms to assist their supply chain partners in the early stages of the COVID-19 crisis. Response strategies recognised for supplier satisfaction and commitment were measured to show the quality of supply chain relationships. Their research showed that supplier crisis response strategies have a positive influence on supplier satisfaction as well as supplier commitment. Similar to the study of Fracarolli Nunes et al. (2021), Banerjee (2022) investigated the impact of supplier satisfaction on SMEs in India during COVID-19. Their research showed that purchase and reimbursement procedures and corporate image significantly influence supplier satisfaction.

1.2.2.2 Maturity of supplier satisfaction research domain – development phase

After the comprehensive review of supplier satisfaction literature, the question emerges of how mature the supplier satisfaction research domain is after more than twenty years. Here, several authors offer guidance on assessing a research field's maturity.

Regarding research-maturity, Griffin et al. (2019) created a coding scheme which can be used to classify a research domain. By doing so, Griffin et al. (2019) can explain how authors became involved in a specific domain and how it developed over time. According to this coding scheme, the articles in a research field are classified into seven phases. The phases are 1. Ground theory approach (providing a solid ground upon which theory can be extended) 2. Antecedents (synthesizing exploratory findings to develop conceptual models and test the hypotheses) 3. Consequences (investigating the outcomes) 4. Contingency effects (reflecting on divergent empirical results by examining the moderating and mediating effects of factors) 5. An alternative explanation (reflecting on divergent empirical results by investigating alternative reasons for divergent results) 6. Meta-analysis (quantitatively aggregating the results of previous empirical studies) 7. Contemporary studies (established research domain). In a similar effort, Harland et al. (2006) developed a framework to examine if supply management is a discipline. Their framework is divided into 4 phases, which are: 1. No discipline and little theoretical consideration (broad ranges of themes, published work in low-ranking journals) 2. Progress towards discipline (some publications in higher ranking journals, some common themes are emerging) 3. An emerging discipline (evidence of coherence, quality and impact of the field, and maturing application of existing theory) 4. Respected and established discipline (new theory development and publication in top management journals). Based on Griffin et al. (2019) and Harland et al. (2006), this dissertation implemented a new model, which will be used for the literature review. In other words, by dividing each empirical study of the research field into these phases, we can see how supplier satisfaction research has evolved. This model is divided into 5 phases, which are seen below and in figure 3:

1. Emerging phase (ground theory approach, qualitative studies, definition of the phenomenon)
2. Development phase (consequences, antecedents, first quantitative findings)
3. Consolidation phase (contingencies, high r^2)
4. Established phase (meta-studies, alternative explanations, country studies)
5. Decline phase (little new research, phenomenon fading, falsification, migration towards new topics)

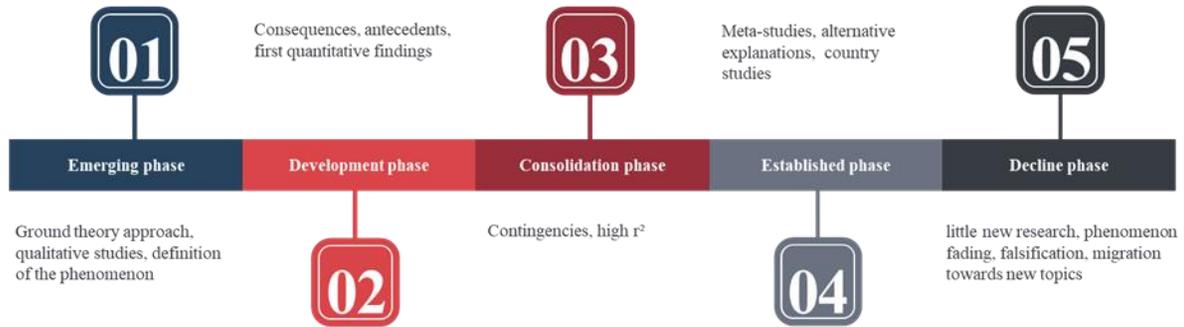
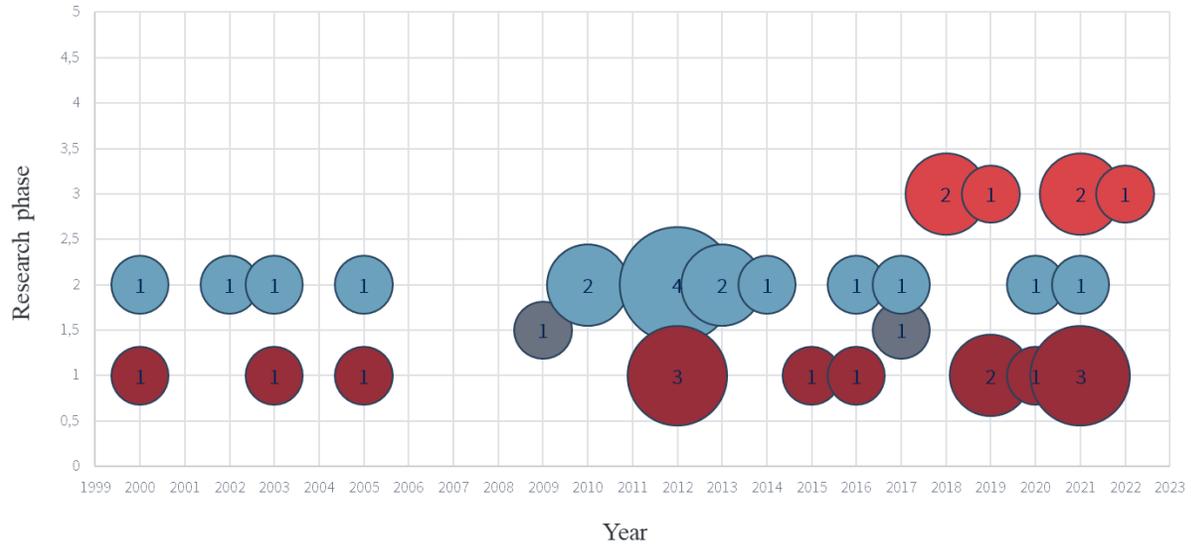


Figure 3: Maturity framework

In the next step, we analysed the supplier satisfaction research beginning from 1999. After identifying the phase of all the empirical research, the result was that the central part (18 articles) is in the development phase (see table 1 and figure 4). No empirical article is in the established and decline phase, i.e. until now, no meta-analyses or country studies have been conducted in supplier satisfaction research. Fifteen articles are in the emerging phase, and six are in the consolidation phase, which indicates that moderating and mediating influences are still not investigated in supplier satisfaction research. The researchers that did examine the moderating or mediating factors influencing are Banerjee (2022); Caniels et al. (2018); Glas (2018); Glavee-Geo (2019); Piechota et al. (2021) and Vos et al. (2021) (see table 1). The articles of Essig and Amann (2009), as well as Sunil Kumar (2017), are between two phases (the established phase and the development phase). Moreover, it can be stated that this field of research has matured compared to 10 years ago since it includes articles in the consolidation phase. Nevertheless, the supplier satisfaction research domain is still one of the new topics since it is mainly in the development phase. Research in supplier satisfaction was done primarily in the private sector. However, since 2020 supplier satisfaction is also gaining interest in the public sector.

Moreover, the analysis of the empirical articles demonstrated that only one paper (Schiele & Vos, 2015) looked at the cultural context. The cultural context was included in a conceptual model, and no empirical testing was done. Therefore, the influence of specific cultural and institutional contexts and other contingency factors will remain an interesting topic for future studies as it explores implications for supplier satisfaction with the cross-national or cross-cultural buyer-

supplier relationship. The following three sections provide further information about culture and resource dependency theory. The bubble chart (figure 4) overviews the research phase over time.



Legend: X-axis: shows the research phase; Y-axis: shows the year of the articles; Bubble size: the Number in the bubbles indicates the number of papers for each year; ● = research phase 1 for each year; ● = research phase 2 for each year; ● = research phase 3 for each year; ● = article is between research phase 1 and 2 for each year.

Figure 4: Bubble chart showing the research phase for each year

1.2.3 Culture: The importance of culture in buyer-supplier relationships

Cultural differences are a significant obstacle to cross-border commercial cooperation (Voldnes et al., 2012). Griffith et al. (2006) emphasised that cultural differences impact relational and knowledge resources. According to Zhang and Cao (2018), culture is seen as an organisational or a society's belief, value or even ideology and, therefore, a critical contextual factor in business research. People behave according to norms and values. Values are seen as “deeply rooted, abstract motivations that guide, justify, and explain attitudes, norms, opinions and actions” (Davidov et al., 2008, p. 421). In organisational culture, culture is defined as widely shared values, norms and assumptions.

Cultural differences may positively or negatively impact relationships between buyers and suppliers. Supply chain management studies pointed out that cultural differences could cause different performance outcomes (Metters, 2008; Wiengarten et al., 2011). In their research, Kaufmann and Carter (2006) found that German managers developed stronger social relationships with their foreign suppliers, whereas US managers developed weaker social bonds. They contend that US buyers require greater training on the cultural sensitivity of foreign suppliers. Several researchers have investigated the concept of trust in cross-cultural buyer-supplier relationships. For instance, Mortensen and Neeley (2012) discovered that reflected knowledge (employees' perceptions of themselves based on their interactions with geographically distant colleagues) increased confidence in globally distributed collaborations. In their study, Özer et al. (2014) found that Chinese participants had less trust in their business partners than their American counterparts if they did not have a long-standing relationship.

Research focusing on governance mechanisms showed that the choice of governance mechanism and the extent to which a supply chain buyer emphasises control over its suppliers depends on their culture (Gupta & Gupta, 2019; Ryu et al., 2008). However, research on governance mechanisms is primarily conducted from the buyer's perspective. In their study, Lockström et al. (2010) concluded that buyers and suppliers must work closely together to meet the challenges of the automotive sector. In addition, they advocated for additional studies in cross-cultural studies and industries. In their study, Gupta and Gupta (2019) showed that most existing cross-cultural supply chain management research focused on a few countries, such as the United States, Germany, China,

India, and Japan. They also proposed that future research concentrate on culturally diverse supply chain partners utilizing national culture dimensions. “We need to identify the promoters and inhibitors of building effective relationships among supply chain partners” Gupta and Gupta (2019, p. 2695). In these discussions, in particular organizational–level cultural dimensions seem to be a fruitful avenue for further research when analysing buyer-supplier relationships. One relevant concept in this context is “organizational culture”.

In business and management literature, organisational culture is addressed as an important research field that needs to be understood to manage and integrate changes (Shepstone & Currie, 2006). Organisational culture impacts how a firm manages its business, influencing its performance (Hartnell et al., 2011; Kotter & Heskett, 2008). Organisational culture is described as a three-level culture – visible organisational structures and actions, espoused values manifested in public images of the organisation and fundamental assumptions. The visible organisational structures and activities are, for example, dress codes or procedures, a level that can be easily observed. The second level is about strategies, goals and philosophies and, consequently, not visible like the first level; the last level concerns behavioural norms and organisational values (Schein, 1992). Research showed that it affects the buyer-supplier relationship, as it impacts the buyer’s perception regarding the supplier's performance, which leads to the buyer’s satisfaction (Nyaga et al., 2010). Since this is the case for marketing research, this research expects it to be similar to supply chain research because the processes can be expected to be similar in both research areas, but research on this is lacking.

Concerning how this dissertation is studying the influence of organizational culture factors, on the one hand, linking to chapter 2, the CFV model of Quinn and Rohrbaugh (1981) and Cameron and Quinn (2011) is used. Quinn and Rohrbaugh (1981) developed the CVF 1981 to investigate organisational culture in various settings. Four cultural types were further developed and described by Cameron and Quinn (2011) as the following: (1) The clan culture focuses primarily on human relations. It is comparable to a family-type organisation. This culture emphasises group culture for group maintenance, such as teamwork, employee involvement and organisational commitment to employees. Moreover, members of the organisation are also involved in the decision-making process. (2) The adhocracy culture is concerned with flexibility and change and primarily focuses

on the external environment and competition. Organisations with an adhocracy culture strive to be innovative as a means of organisational functioning. Moreover, it emphasises being lean and flexible in cases of ambiguity, uncertainty or rapid change within the organisation. Even though there is a lack of guidelines regarding approaching a task, the adhocracy culture is not limited. On the contrary, it leads to productivity when there are lacking of boundaries. (3) The market culture focuses on productivity, performance and achieving goals. Organisations with a market culture tend to work best when the environment is stable, and circumstances are controlled. However, these organisations still have an external orientation and high differentiation. Moreover, these organisations are driven by profit, results, and the need to create transactions with external parties to gain advantages. (4) The last culture is the hierarchy, where the focus lies on internal efficiency, coordination and evaluation. Organisations with a hierarchy culture tend to emphasise stability and control as well as executing regulations (Cameron & Quinn, 2011). This research will separately focus on all four organisational cultures (adhocracy, clan, market and hierarchy) to see which culture could strongly influence supplier satisfaction and resource allocation.

On the other hand, next to the four organisational cultures of Quinn and Rohrbaugh (1981), this dissertation will also assess in chapter 3, power distance and uncertainty avoidance impacts on supplier satisfaction, as proposed by Schiele et al. (2015). Kirkman et al. (2006) indicated in their research that several studies also use power distance and uncertainty avoidance at the organisational level.

Regarding power distance, it is the degree to which individuals, groups, or societies accept inequalities (e.g., inequalities in power, status, or wealth) as legitimate or functional (Hofstede, 1980). Acceptance of power inequalities shapes beliefs about how people of power should interact (Javidan & House, 2001) and influences the degree to which authority figures should be respected and deferred to (Yang et al., 2007). For example, lower power distance reduces distinctions based on social status, power, or hierarchical position (Javidan & House, 2001). In other words, low power distance culture revolves around equality and consultative decision-making, and a high power distance culture revolves around limits of authority and explicit definition of authority (Bates et al., 1995; Wuyts & Geyskens, 2005). High-power-distance actors need explicit task definition and tight control over their and their partners' behaviour (Bates et al., 1995). Regarding relationships, high-power-distance actors do not regard their partners as equals, so they dislike

relationships marked by consultative decision-making and adherence to informal norms (Cao & Lumineau, 2015; Hofstede, 1980). Choosing a close partner may promote the development of relational norms, including restraint in using power (Wuyts & Geyskens, 2005), making it less appealing to high-power-distance actors. On the other hand, in the case of low power distance, a partner is regarded as relatively equal and engages in informal communication between entities at different hierarchical levels (Daniels & Greguras, 2014).

Regarding uncertainty avoidance, actors with a high level of uncertainty avoidance require predictability and consistency (i.e., standardization) (Erramilli, 1996). They strongly favour codification and the establishment of formal rules (Steensma et al., 2000). This results in rule-oriented organisations that institute laws, regulations, and controls to reduce uncertainty (Daniels & Greguras, 2014). On the other hand, actors with low uncertainty avoidance accept uncertainty with little discomfort, take risks easily, and are more accepting of different opinions and behaviours. As a result, they oppose standardisation and prefer flexibility (Erramilli, 1996; Wuyts & Geyskens, 2005). This is reflected in an organisation that is less rule-oriented, more open to change, and willing to take more and bigger risks. Detailed contracts that use standard contractual terms and are legally enforceable can reduce decision-maker anxiety and bring clarity (Pan & Tse, 2000). Firms with a culture that values formal rules and explicit guidelines over flexibility are more likely to write detailed contracts (Kirkman et al., 2006; Steensma et al., 2000). On the other hand, low-uncertainty-avoidance firms following this logic would be less likely to draught detailed contracts because they perceive them as limiting the opportunities that may be brought to them by a new and uncertain situation. Customers from high uncertainty avoidance cultures are expected to be more cautious when developing relationships with sellers (Daniels & Greguras, 2014).

Summarised, the literature suggests that power distance and uncertainty avoidance can influence inter-firm relationships. Accordingly, this dissertation will assess in chapter 3 the contingency effects of power distance and uncertainty avoidance on supplier satisfaction and resource allocation.

1.2.4 RDT: Explanation of resource allocation in the buyer-supplier relationship

RDT implies that firms require resource allocation from their business partners. It is theorised that an organisation that is less dependent on another and can remove uncertainty from that relationship will be able to allocate resources more favourably than one that is dependent on a powerful partner

(Hillman et al., 2009; Pfeffer & Salancik, 1978; Schiele, 2019). The RDT consists of two primary components: the power dependency dimension and the uncertainty dimension. Dependence produces an asymmetrical power structure in which the more powerful party exerts pressure on the dependent side (Kim & Zhu, 2018). The more powerful side may deliberately seek to alter the relationship to its advantage (Hunt & Nevin, 1974). Jena et al. (2011) define dependence as a company's necessity to sustain its relationship with another company to achieve its goals.

Furthermore, dependence occurs when one party has no control over achieving its goals or if the party depends strongly on the scarce resource of the other party. The significance and availability of this resource will influence the degree to which one side is dependent on the other (Brito & Miguel, 2017). If a firm controls these resources, this party holds a position of power. Supplier dependence occurs when the buyer is significant to the supplier in terms of revenue and sales volume Böhme et al. (2008).

The uncertainty dimension refers to uncertainties about the environment, behaviour, and continuation of the relationship Cai et al. (2017). It might cause the dependent party to become dissatisfied with the relationship, which can ultimately impact resource distribution and even result in obstructionism (Benton & Maloni, 2005). Behaviour uncertainty refers to the uncertainties/difficulties in monitoring the contractual performance of ex-post-exchange partners (Hoffmann et al., 2013; Tangpong et al., 2015). Environmental uncertainties are difficult to predict (Chicksand, 2015; Hoffmann et al., 2013) (Hoffmann et al., 2013) since they involve the unpredictability of the environment that cannot be stated beforehand (Grover & Malhotra, 2003; Hoffmann et al., 2013), such as exchange rate changes or demand volume. RDT provides a testable and theoretical answer to the topic of how purchasing organisations might obtain optimal resource allocation from their suppliers. Most of the time, RDT has been used in merger studies, joint ventures, board composition, and executive succession (Hillman et al., 2009), but less often in buyer-supplier relationships.

Chapter 3 refers to Schiele et al. (2015) theoretical study, which advocates testing resource dependency hypotheses empirically while taking cultural factors into account. They suggested that supplier satisfaction depends not only on power and uncertainty but also on the amount to which the supplier's cultural environment permits power and uncertainty disparities in the relationship.

Concerning the negative connotation associated with dependency on business partners, the question of under what conditions dependency between organisations occurs arises. Numerous studies have been conducted on dependence. Most of it focuses on dependency's consequences and employs it as a moderating variable (Drees & Heugens, 2013). However, it fails to shed light on the apparent paradox that companies are told to avoid dependency yet frequently choose to engage in dependency situations.

Moreover, this dissertation reversed the dependency view to focus on how relational factors and environmental uncertainties might influence dependence. Thus, chapter 4 evaluates whether supplier dependence may be affected not only by environmental uncertainties (RDT) (Cai et al., 2017; Ma et al., 2021) but also by the quality of the buyer-supplier relationship (SET) (Patrucco et al., 2019; Schiele et al., 2012). Using the research of Zhou et al. (2005) and Ndubisi et al. (2020), this chapter classifies the sources of uncertainty as demand uncertainty and competition uncertainty. The primary reason is that these two uncertainties reflect the market's customers and competition.

1.3 Research focus and methodology

The previous chapter gave an overview of supplier satisfaction research, and the analysis showed that only one article looked at the cultural context. This article included cultural context in a conceptual model; no empirical testing was done. Only six research articles were in the consolidation phase, indicating that supplier satisfaction research has not investigated moderating and mediating influences. Consequently, this dissertation empirically tests moderating effects on supplier satisfaction and resource allocation. Moreover, two research streams for this doctoral thesis are derived from the research goals and the research questions: first culture and second RDT (see figure 5).

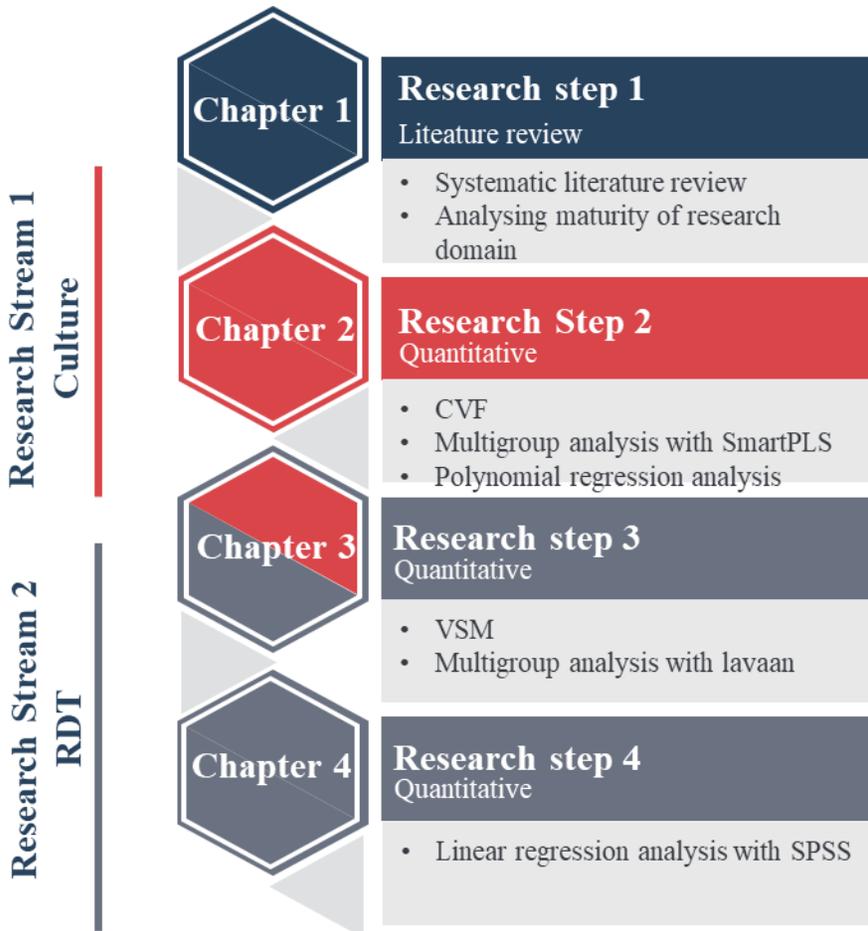


Figure 5: Research stream and methodology

1.3.1 Research Stream 1: Culture

In chapter 2, CVF was used to investigate organisational culture. Quinn and Rohrbaugh (1981) created the CVF in 1981 to explore organisational culture in diverse settings. The CVF has been regarded as a valuable and successful instrument for organisations to analyse organisational culture transformation needs. As a result, a desired quality culture is achieved by developing a strategy to facilitate organisational transformation (Kwan, 2004). Furthermore, the framework has been adopted by more than 10,000 organisations (Hartnell et al., 2011). Clan, adhocracy, market, and hierarchy are the four major cultural types represented by their respective quadrants. The cultures are arranged on a two-dimensional model. In practice, it is not unusual for an organisation to present values of every quadrant as a pure culture does not exist (Cameron et al., 2014). Next, a multigroup analysis was conducted in SmartPLS to see whether the model differs significantly between groups. T-tests on independent samples are used to compare group pathways (David

Garson, 2016). High and low cultures are used to differentiate these groups. Polynomial regression with response surface analysis was done as the final phase. This strategy is appropriate for research involving two independent variables whose combination is associated with the dependent variable (Edwards & Parry, 1993; Shanock et al., 2010). Since polynomial regression permits a three-dimensional evaluation of relationships – relational behaviour and supplier satisfaction (Caniëls et al., 2017) – and culture is introduced as an interaction, this method is appropriate for our investigation (Lee et al., 2017).

Next to the four organisational cultures of Quinn and Rohrbaugh (1981), this dissertation will also assess power distance and uncertainty avoidance impacts on supplier satisfaction, as proposed by Schiele et al. (2015). In the third chapter, power distance and uncertainty avoidance were used to measure the impact of RDT on supplier satisfaction and resource allocation. The part of the questionnaire regarding culture (i.e. power distance and uncertainty avoidance) is based on the Values Survey Module (VSM) by Hofstede and Minkov (2013). According to several studies, power distance and uncertainty avoidance can be used on the organizational level (Kirkman et al., 2006); therefore, these two dimensions are appropriate for testing our construct.

1.3.2 Research Stream 2: RDT

In the third chapter, the focus lies on RDT. A questionnaire has been implemented to test the conceptual model. The questionnaire comprises five parts: supplier satisfaction, power, dependency, uncertainty, physical resource allocation and culture. The supplier satisfaction part of this survey was built on Vos et al. (2016) and Hüttinger et al. (2014) research. The questions regarding dependency are built on the study of Frazier (1983), Hibbard et al. (2001), Kaiser et al. (2013) and Kumar et al. (1998). Behavioural uncertainty and environmental uncertainty questions are based on Hoffmann et al. (2013) research. The last part, uncertainty, is related to relationship continuation, which was built on the study of Ganesan (1994) and Lusch and Brown (1996). The constructs regarding coercive and reward power were measured based on the scales of Terpend and Ashenbaum (2012) and Maloni and Benton (2000). The part of the questionnaire regarding culture (i.e. power distance and uncertainty avoidance) is based on the Values Survey Module (VSM) by Hofstede and Minkov (2013). The resource allocation part is built on the research of Pulles et al. (2014). Two sets of groups are made based on two culture dimensions (i.e. power distance and

uncertainty avoidance) to measure the impact of RDT on supplier satisfaction and resource allocation within these groups. Each set contains two groups (i.e., high and low). As a next step, structural equation modelling using Lavaan (implemented in the R System for statistical computing) was used to test the conceptual model of this research since Lavaan contains most of the features that are needed for modern structural equation modelling (Rosseel, 2011). To test the impact of culture on the relationship between RDT and resource allocation as well as supplier satisfaction, the sample was divided into four subsamples along the 30 and 70 percent quartile of power distance and uncertainty avoidance. Low and high power distance, as well as low and high uncertainty avoidance, are the resulting groups.

Chapter 4 focuses like chapter 3 on RDT. Quantitative data was collected from the indirect procurement department of a company operating in the fast-mover-consumer-goods (FMCG) industry. The information was gathered for two categories: IT & Purchased Services (ITPS) and Logistics (Move) in seven countries across central and western Europe, including Portugal, Spain, France, Poland, Benelux, Germany, and the United Kingdom. The top 20-25 most important suppliers in terms of the annual spend were selected per category and country.

Moreover, a multi-item scale is used to measure the independent and dependent factors. Yu et al. (2017) questionnaire is used to assess the level of demand and competition uncertainty. The Caniëls et al. (2017) questionnaire determines the supplier's dependency. The questions developed by Hüttinger et al. (2014) were used as the basis for supplier satisfaction and preferred customer status. The questionnaire of Gelderman et al. (2016), based on the measures of Bstieler (2005), is being used to measure the control variable of technological uncertainty. IBM SPSS 21 was used to compute descriptive statistics and data quality tests such as common factor loadings, heteroscedasticity, and model testing via OLS regressions.

1.4 Research outline and contribution – empirically testing of culture and RDT

This dissertation's subject is supplier satisfaction and, more specifically, how to satisfy suppliers to receive allocated resources by considering culture, dependency and uncertainty. In this context, the doctoral thesis consists of four separate articles, which aim to explore the three main research questions, which are:

Chapter 1: Thesis background and research structure

- RQ1: How does culture influence supplier satisfaction and preferential resource allocation?
- RQ2: How do resource dependency dynamics influence supplier satisfaction and preferential resource allocation?

Figure 6 outlines the dissertation structure, and in the following, the contributions per chapter are introduced.

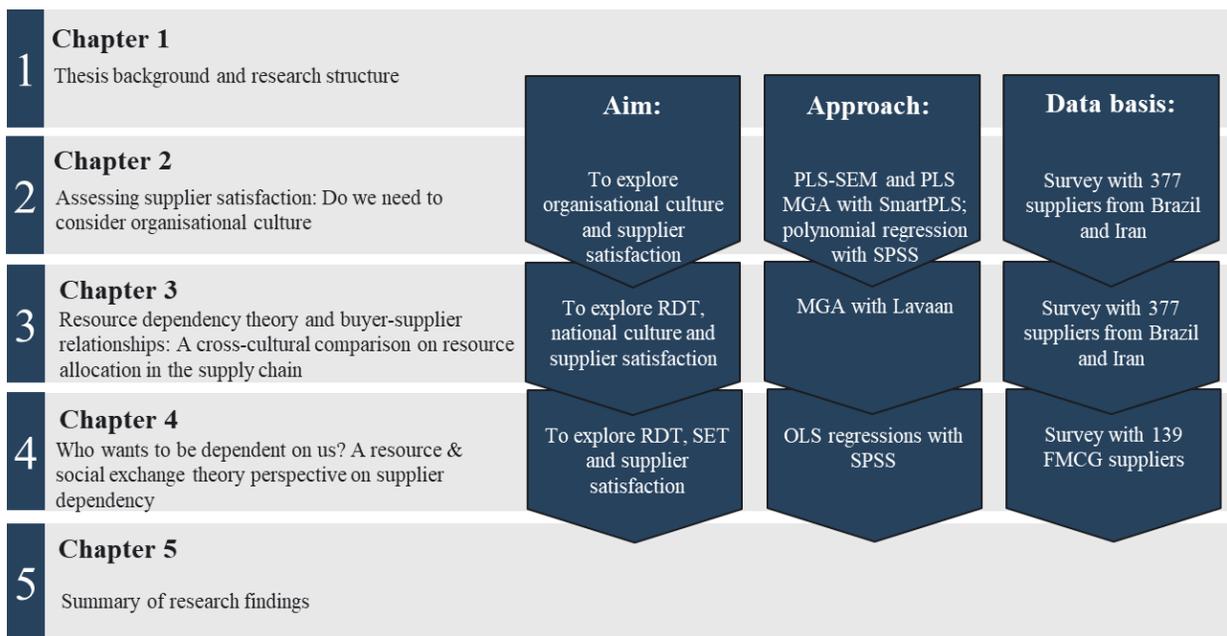


Figure 6: Structure of dissertation

Chapter 2 contributes to the initial research question concerning organisational culture. The model is conceptualised using the CFV framework. A web-based survey gathered information regarding company culture, relational behaviour, supplier satisfaction, and resource allocation. The final response number was 377, and the response rate was 20.9 %. In the second step, a multi-group analysis was performed on the acquired data. In the final phase, a regression analysis was conducted. This research contributes to the expansion of the framework for supplier satisfaction. To the best of our knowledge, this study is one of the few empirical examinations of organisational culture concerning supplier satisfaction.

Chapter 3 addresses the last research question by presenting an analytical lens for purchasing and advising firms to reduce dependencies and uncertainties in relationships to maximise supplier satisfaction and obtain maximum resource allocation from a supplier. This research analyses a large bi-national empirical sample using structural equation modelling and multigroup analysis. Our findings suggest that cultural contingencies be considered when addressing power and dependence issues. A significant addition to this study is that it reveals the cultural content of RDT in general and demonstrates, in particular, that culture moderates the relationship between RDT and supplier satisfaction and, consequently, obtaining the supplier's resources.

Chapter 4 also relates to the final research question by evaluating whether supplier dependence may be influenced by uncertainties other than demand and competitive uncertainty. Quantitative data was utilised to acquire information from seven distinct nations. A total of 139 valid responses were collected and subsequently examined. The construct was analysed by using linear regression analysis. Both uncertainty and buyer-supplier relationship factors were found to be partially related to supplier dependency. In addition, these data support the resource dependency theory, which claims that organisational activities are affected by the environment (Hillman et al., 2009; Pfeffer & Salancik, 1978).

To summarise the significant contributions of this dissertation, chapter 2 focuses on research stream one by including culture in the supplier satisfaction context. Moreover, research question 1 is answered in chapter 2. Chapters 3 and 4 focus on the second research stream by empirically testing RDT and answering the second research question. Chapter 3 is the only chapter that incorporates RDT and culture. Moreover, chapter 4 is the only chapter that includes no culture. The focus of chapter 4 is to show in which situations it is suitable to be dependent.

CHAPTER 2:

ASSESSING SUPPLIER

SATISFACTION: DO WE NEED TO

CONSIDER ORGANISATIONAL

CULTURE?

2 ASSESSING SUPPLIER SATISFACTION: DO WE NEED TO CONSIDER ORGANISATIONAL CULTURE?

Abstract

Supplier satisfaction is becoming increasingly important as new opportunities for buying organisations to gain competitive advantages are unveiled. This research focuses on identifying organisational culture as a moderating effect between the relationship between relational behaviour and supplier satisfaction. A quantitative study measured organisational culture, relational behaviour, supplier satisfaction and resource allocation in two countries (Brazil and Iran). A multigroup analysis was performed in the first step, and a polynomial regression analysis was used in the last step. The results showed that only market culture influences the relationship between relational behaviour, supplier satisfaction, and resource allocation. In contrast to our assumption, high market culture results in higher supplier satisfaction and resource allocation.

Keywords:

Supplier satisfaction, relational behaviour, organisational culture

2.1 Introduction: Organisational culture as an influential factor in supplier satisfaction

In the last few years, many researchers have identified that the supplier's satisfaction positively influences the buying firm's strategic performance (Vos et al., 2016). The supplier is more willing to invest in the buyer-supplier relationship if they are satisfied. The buying firm will thus be granted competitive benefits, such as access to new information or resources (Essig & Amann, 2009; Vos et al., 2016). There are many reasons why the supplier's satisfaction is crucial for the buyer-supplier relationship. One of the main reasons is supplier scarcity since only a few strategic suppliers are available for innovative and rare resources or services. Therefore, the buying firm must compete with other firms to canvass the supplier. Since the resources are rare and limited, the supplier can choose between all the buying firms. Only the buying firm that makes the supplier satisfied will receive these resources. Hüttinger et al. (2014) and Vos et al. (2016) determined in their research that there are antecedents that positively influence supplier satisfaction levels. As the Vos et al. (2016) framework is an extension of (Hüttinger et al., 2014), it is more accurate for this research. Moreover, both studies identified relational behaviour as one of the most crucial antecedents influencing supplier satisfaction.

According to Wong (2002)'s research, suppliers working with companies with cooperative-oriented goals are more satisfied than those with rather competitively oriented companies (Wong, 2002). His findings have indicated that culture, especially organisational culture, influences how a supplier is satisfied. Nevertheless, Wong's research focused on the buyer rather than the supplier culture. Additionally, the research field concerning organisational culture influencing supplier satisfaction is rare - even though organisational culture is seen as a relevant field in customer satisfaction research (Conrad et al., 1997). Organisational culture has various characteristics that may lead to different behaviour reactions towards business partners (Schiele et al., 2015).

According to Zhang and Cao (2018), culture is seen as an organisational or society's belief, value or even ideology and, therefore, a critical contextual factor in business research. People behave according to norms and values. Quinn and Rohrbaugh (1981) developed the Competing Value Framework (CVF) in 1981 to investigate organisational culture in various settings. Organisational culture is represented by four cultural types: clan, market, adhocracy, and hierarchy (Cameron &

Quinn, 2011). The cultures explain the variation between organisations and how they differ in terms of norms and standards. The research question that arises is:

How does organisational culture influence supplier satisfaction? How does organisational culture affect the sensitivity of buyers' relational behaviour?

As explained before, this research focuses on relational behaviour, as it presents one of the most important antecedents of supplier satisfaction (Benton & Maloni, 2005; Hüttinger et al., 2014; Schiele et al., 2012), and the influence of organisational culture. More specifically, in our sample of 377 suppliers, the multigroup analysis revealed that market culture impacts the relationship between relational behaviour and supplier satisfaction as well as resource allocation. Moreover, our data showed that clan culture, adhocracy culture and hierarchy culture do not influence the relation between relational behaviour and supplier satisfaction and resource allocation. Due to polynomial regressions, inferences can be drawn about organisational cultures' interactions and relational behaviour. Low levels show a strong influence on relational behaviour.

Moreover, polynomial regression was only done for the market culture. It showed that market culture is more sensitive towards relational behaviour. To conclude, specific actions must be taken when suppliers focus on stability and control rather than flexibility and discretion.

This finding has direct managerial implications, alerting purchasers and other interface functions to consider the organisational culture of their partners and act accordingly. At the same time, our research contributes to the literature on supplier satisfaction by introducing the critical differentiator of “organisational culture”. Likewise, it complements organisational culture research by extending it from customer satisfaction findings to supplier satisfaction, showing its relevance for a previously unexplored application field, urging for more and potentially fruitful research in this area.

2.2 Literature review of supplier satisfaction and organisational culture

2.2.1 Supplier satisfaction: Where fulfilling the supplier's expectation is crucial

Until 2005, research on supplier satisfaction in buyer-supplier relationships was scarce or primarily conceptual (Benton & Maloni, 2005). It was changed in recent years by researchers like Essig and Amann (2009); Ghijssen et al. (2010); Hüttinger et al. (2014), and Vos et al. (2016). One of the main reasons is the shift from short-term relationships with many suppliers to long-term relationships with few suppliers (Chen et al., 2004; Pellegrino et al., 2020). However, the buying firm will only have a long-term relationship with its strategic suppliers. A cooperative approach with your supplier leads to higher satisfaction for both sides as both parties have an equal understanding of the relationship by not taking advantage of each other (Forker & Stannack, 2000).

Moreover, exchanging information will lead to higher satisfaction for both parties. The accuracy of the information is most crucial for the customer, but the information exchange's punctuality is more critical for the supplier (Whipple et al., 2002). Therefore, building a cooperative buyer-supplier relationship will lead to competitive advantage, and to gain these advantages, the supplier needs to be satisfied as well (Ghijssen et al., 2010). Supplier satisfaction is an antecedent of preferred customer status. By receiving preferred customer status, the buying firm will get access to the resource allocation of its strategic supplier (Hüttinger et al., 2012). The buying firm needs to satisfy its supplier to become a preferred customer. Satisfaction arises if the supplier's expectations regarding the exchange relationship are met or even exceeded (ex-post attractiveness) (Schiele et al., 2012).

According to Hüttinger et al. (2014) and Vos et al. (2016), some antecedents positively influence supplier satisfaction levels. As the Vos et al. (2016) framework is an extension of (Hüttinger et al., 2014), it is more accurate for this research. The antecedents are growth opportunity, profitability, relational behaviour and operational excellence. The supplier's ability to expand their knowledge and business with their buyer is seen as a growth opportunity. By increasing their knowledge of their buyers, the supplier can achieve new potential business opportunities (Pulles et al., 2014). Profitability is a necessary factor for supplier satisfaction since both parties are targeting a long-term relationship which in turn has an impact on both business lifecycles (Maunu, 2003; Polychroniou, 2018). The buyer's behaviour towards the supplier is related to the antecedent relational behaviour. In this case, both parties focus on relational aspects such as mutuality,

flexibility and trust in the exchange relationship (Griffith et al., 2006; Hüttinger et al., 2014; Palmatier et al., 2007). According to Hüttinger et al. (2014), operative excellence is defined as “the supplier’s perception that the buying firm’s operations are handled in a sorrow and efficient way, which facilitates the way of doing business for the supplier” (Hüttinger et al., 2014, p. 703). In this paper, the focus lies on relational behaviour since previous research has shown that of all antecedents, relational behaviour is one of the most significant factors influencing supplier satisfaction (Essig & Amann, 2009; Hüttinger et al., 2014; Nyaga et al., 2010). Certain cultures show a more intensive relationship commitment than others (Zhao et al., 2011). Since relational behaviour takes exchange behaviour such as mutuality, solidarity and flexibility into account (Palmatier et al., 2007), fluctuating relationship commitment of different cultures could eventually lead to different effects of relational behaviour in a relationship. Knowing that implications could be inferred whether it makes sense or not to intensify the relationship with the supplier with a specific culture. Hence, given the possible interactions and the possible high influence on supplier satisfaction, it is crucial to know whether suppliers with different cultures value relational behaviour the same or if there are differences in sensibility towards relational behaviour.

2.2.2 *Organisational culture and Cameron and Quinn’s competing values framework and its influence on supplier satisfaction*

According to Zhang and Cao (2018), culture is seen as an organisational or a society’s belief, value or even ideology and, therefore, a critical contextual factor in business research. People behave according to norms and values. Values are seen as “deeply rooted, abstract motivations that guide, justify, and explain attitudes, norms, opinions and actions” (Davidov et al., 2008, p. 421). In organisational culture, culture is defined as widely shared values, norms and assumptions. Moreover, organisational culture is described as a three-level culture – visible organisational structures and actions, espoused values manifested in public images of the organisation and fundamental assumptions. The visible organisational structures and activities are, for example, dress codes or procedures, a level that can be easily observed. The second level is about strategies, goals and philosophies and, consequently, not visible like the first level; the last level concerns behavioural norms and organisational values (Schein, 1992). Organisational culture differs in every organisation and has been found not to be determined through the national culture (Schein, 2015).

Quinn and Rohrbaugh (1981) developed the CVF in 1981 to investigate organisational culture in various settings. The CVF has been considered a valuable and effective tool for organisations to analyse what needs to change in the organisational culture (Adams et al., 2017). As a result, a desired quality culture is achieved by developing a strategy to facilitate organisational transformation (Kwan, 2004). Moreover, the framework has been used in over 10.000 organisations (Hartnell et al., 2011). Four major cultural types are represented by four quadrants: clan, adhocracy, market, and hierarchy. The cultures are arranged on a two-dimensional model. The first dimension (the x-axis) is the focus dimension and differentiates between internal and external focus/differentiation. The second dimension (the y-axis) is the strategy dimension, which distinguishes between stability/control, flexibility, and discretion (Cameron et al., 2014). The two dimensions create four quadrants, each explaining orientation and competing values (Cameron et al., 2014). In practice, it is not unusual for an organisation to present values of every quadrant as a pure culture does not exist (Cameron et al., 2014).

The four cultures are described by Cameron and Quinn (2011) as the following: The clan culture focuses primarily on human relations. It is comparable to a family-type organisation. This culture emphasises the group culture for group maintenance, such as teamwork, employee involvement and organisational commitment to employees. Moreover, members of the organisation are also involved in the decision-making process. The adhocracy culture is concerned with flexibility and change and primarily focuses on the external environment and competition. Organisations with an adhocracy culture strive to be innovative as a means of organisational functioning.

Moreover, it emphasises being lean and flexible in case of ambiguity, uncertainty or rapid change within the organisation. Even though there is a lack of guidelines regarding approaching a task, the adhocracy culture is not limited. On the contrary, it leads to productivity when there is a lack of boundaries. The market culture focuses on productivity, performance and the fulfilment of goals. Organisations with a market culture tend to work best when the environment is stable, and circumstances are controlled. However, these organisations still have an external orientation and high differentiation.

Moreover, these organisations are driven by profit, results, and the need to create transactions with external parties to gain advantages. The last culture is the hierarchy culture, where the focus lies in

internal efficiency, coordination and evaluation. Organisations with a hierarchy culture tend to emphasise stability and control as well as executing regulations (Cameron & Quinn, 2011).

In business and management literature, organisational culture is addressed as an important research field that needs to be understood to manage and integrate changes (Shepstone & Currie, 2006). Organisational culture impacts how a firm manages its business, influencing organisational performance (Hartnell et al., 2011; Kotter & Heskett, 2008). Moreover, it also affects the buyer-supplier relationship, as it impacts the buyer's perception regarding the supplier's performance, which leads to the buyer's satisfaction. Both parties perform better if they are culturally similar (Das & Teng, 1998; Madhok & Tallman, 1998; Sarkar et al., 2001). Since this is the case for marketing research, this research expects that it might be the same in supply chain research because the processes are similar in both types of research. In other words, there is a clear guideline on how the organisation should approach specific tasks. This research will emphasise each culture separately to see which could strongly influence supplier satisfaction and the relationship between antecedents and satisfaction. The main goal of this research is to close this gap by using the Vos et al. (2016) framework as a foundation and by linking Cameron and Quinn (2011)'s CVF framework with Vos et al. (2016) study and showing that organisational culture might influence relational behaviour on supplier satisfaction.

2.3 Hypotheses

2.3.1 Supplier satisfaction and resource allocation

According to Hüttinger et al. (2014) and Vos et al. (2016), some antecedents positively influence supplier satisfaction levels. The buyer's behaviour towards the supplier is related to the antecedent relational behaviour. In this case, both parties focus on relational aspects such as mutuality, flexibility and trust in the exchange relationship (Griffith et al., 2006; Hüttinger et al., 2014; Palmatier et al., 2007). Most essentially, supplier satisfaction is an antecedent of the preferred customer status (Hüttinger et al., 2012). A preferred customer receives special treatment from its supplier, such as a collaborative development or allocation of its best personnel, thereby gaining competitive advantages over its competitor (Pulles et al., 2016a). Preferential resource allocation implies a stronger buyer-supplier relationship (Glas, 2018; Pellegrino et al., 2020). Consequently,

satisfaction has been argued to be necessary to achieve preferential resource allocation by a supplier (Schiele et al., 2012).

H₁: Buyer's relational behaviour positively influences supplier satisfaction.

H₂: Buyer's relational behaviour positively influences preferential resource allocation.

H₃: Supplier satisfaction positively influences preferential resource allocation.

2.3.2 *The cultural influence of clan culture*

According to the Cameron and Quinn (2011) framework, clan culture has a high internal focus and integration but is also highly flexible. The clan culture's central values are human relations, loyalty, and commitment. Organisations with a clan culture are most effective when there is high human involvement. Even stakeholders are seen as partners and involved in decision-making (Eckenhofner & Ershova, 2011). Therefore, relational behaviour might be seen as a crucial factor for suppliers (with a clan culture) when conducting business. These organisations might also expect a high focus on relational behaviour from their counterpart.

H_{4a}: The relationship between buyer's relational behaviour and supplier satisfaction is positively moderated by the supplier's clan culture.

H_{4b}: The relationship between buyer's relational behaviour and the supplier's resource allocation is positively moderated by the supplier's clan culture.

2.3.3 *The cultural influence of market culture*

Market culture functions best when the environment is stable, and circumstances are controlled. The focus lies on external orientation, productivity and performance. Moreover, organisations with a market culture are driven by competition and success (Cameron & Quinn, 2011). These organisations are more willing to collaborate with external parties to achieve the desired profits and goals. Nevertheless, the need to develop a strong relationship or network is still shallow (Eckenhofner & Ershova, 2011) since these organisations perceive their external environment as aggressive and competitive instead of reliable (Cameron & Quinn, 2011). These organisations focus on efficient contracts and sales as the relationship with their exchange partner is not built on

trust but on adhering to the agreement. If the contract has to be renegotiated, this could lead to higher transaction costs as well as inefficient decision-making (Steensma et al., 2000). Therefore, market culture is assumed to influence the relationship between economic factors and supplier satisfaction positively. Since market culture tends to focus mainly on profit and competition, less information and knowledge is shared because it could impact competitiveness (Cameron & Quinn, 2011). Therefore, we assume a negative influence on the relationship between social factors and supplier satisfaction.

H_{5a}: The relationship between buyer's relational behaviour and supplier satisfaction is negatively moderated by the supplier's market culture.

H_{5b}: The relationship between buyer's relational behaviour and the supplier's resource allocation is negatively moderated by the supplier's market culture.

2.3.4 The cultural influence of adhocracy culture

Organisations with an adhocracy culture strive to be innovative as a means of organisational functioning. These organisations tend to lack guidelines concerning approaching a task, but it does not impact the organisation negatively. The main emphasis lies in being lean and flexible in uncertainty or ambiguity (Cameron & Quinn, 2011). However, the external focus provides a basis for collective learning, communication and alignment of shared interests regarding growth, autonomy and acquiring new resources while still being the leader (Cameron et al., 2014) (Denison & Spreitzer, 1991). Therefore, suppliers with an adhocracy culture tend to be positively related to growth expectations. Adhocracy culture does not rely on solid relationships or networks since relationships are seen as binding and a limitation to being lean and flexible in case of uncertainties. Sharing ideas and knowledge with the buyer is not a desired goal of adhocracies (Eckenhofner & Ershova, 2011). Thus, we assume that adhocracy culture does not influence the relationship between social factors and supplier satisfaction.

H_{6a}: The relationship between buyer's relational behaviour and supplier satisfaction is negatively moderated by the supplier's adhocracy culture.

H_{6b}: The relationship between buyer's relational behaviour and supplier's resource allocation is negatively moderated by the supplier's adhocracy culture.

2.3.5 *The cultural influence of hierarchy culture*

The focus of hierarchy culture lies on internal efficiency, coordination and evaluation. Organisations with a hierarchy culture tend to emphasise stability and control as well as executing regulations (Cameron & Quinn, 2011). In other words, there is a clear guideline on how the organisation should approach specific tasks. However, emphasising stability and control might lead to not being innovative or competitive in the short term; thus, the importance of short-term economic results will be reduced (Runyan et al., 2010). According to Hartnell et al. (2011), communication is necessary for hierarchical cultures. Favours are more likely to be exchanged if trust is involved (Eckenhofner & Ershova, 2011). Consequently, having a strong relationship with the supplier might positively help the buyer gain benefits (Khalid & Ali, 2017). In other words, we assume that hierarchy culture positively influences the relationship between relational behaviour and supplier satisfaction.

H_{7a}: The relationship between buyer's relational behaviour and supplier satisfaction is positively moderated by the supplier's hierarchy culture.

H_{7b}: The relationship between the buyer's relational behaviour and the supplier's resource allocation is positively moderated by the supplier's hierarchy culture.

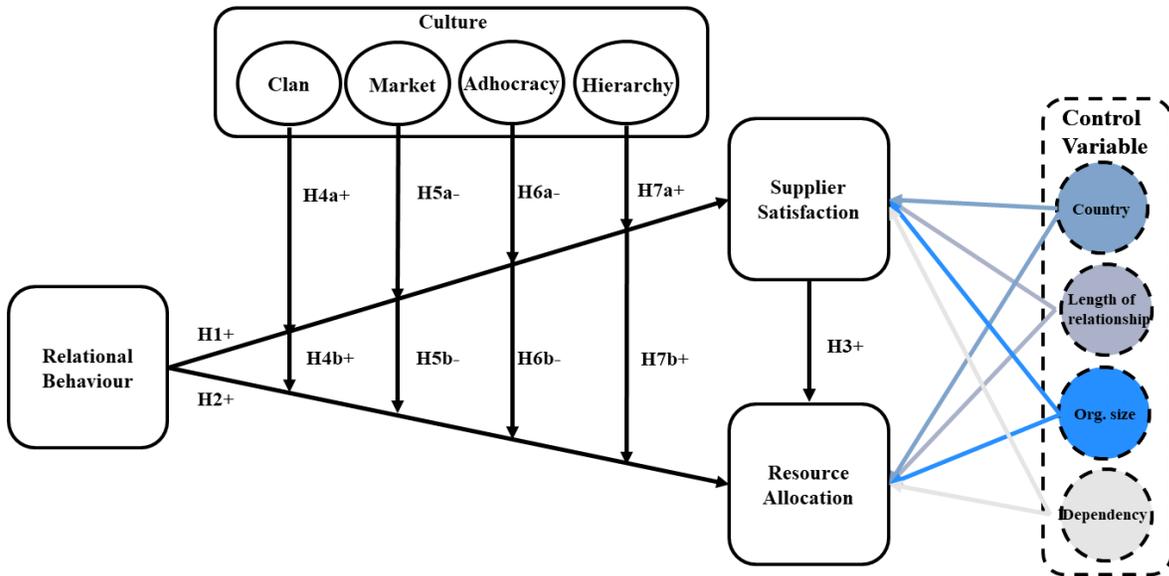


Figure 7: Conceptual model: The moderating effect of organisational culture on supplier satisfaction

2.4 Methodology

2.4.1 Data collection and sample: Surveying in Brazil and Iran

This study used a multi-item scale to measure the independent and dependent latent factors. The research of Vos et al. (2016) is the foundation for this framework, and the items measuring relational behaviour, supplier satisfaction and preferential treatment are identical to those of Vos et al. (2016) as well as Hüttinger et al. (2014) study. The quantitative data for this study was collected in collaboration with the purchasing department of companies in Brazil and Iran.

A web-based survey was implemented to collect the data most efficiently. After the initial invitations to participate, e-mail reminders were made to emphasise the importance of the contribution of all suppliers. This procedure enhances the motivation since the respondent feels obliged to participate (Dillman, 2000). After all, actions to maximise the response rate have been taken, 377 responses were collected with a response rate of 20.9 %. The common rate for a response usually fluctuates between 15 % and 25 % (Caniëls et al., 2013; Vos et al., 2016), and this study falls into this range with a response rate of 22.3 %. The main concern of using a survey study to collect quantitative data is the non-response bias. It means that the difference between the participants of the survey and those who did not participate is not considered (Armstrong & Overton, 1977).

Table 2: Sample size

Country	Company Sector	Survey (sent)	Survey (answers)	Answers (%)
Brazil	Professional services	93	29	31.2%
Brazil	Healthcare Group	360	58	16.1%
Brazil	Metal manufacturer	40	14	35.0%
Brazil	Agro-business	310	62	20.0%
Iran	Automobile	1000	214	21.40%

2.4.2 Measurement: CVF framework

As mentioned earlier, this study uses the framework of Vos et al. (2016) and the question groups of relational behaviour, supplier satisfaction and preferential treatment were adopted from this framework. All these items have been validated in different studies with Cronbach's alphas between .82 and .95 (Hüttinger et al., 2014; Vos et al., 2016) and can be seen as reliable. Concerning the measurement item for assessing the organisational culture with CVF, the Organisational Culture Assessment Instrument (OCAI) (Cameron & Quinn, 2011) was used. Many studies used the OCAI to measure organisational culture; thus, it is seen as a powerful tool to capture organisational culture (Deshpandé et al., 1993; Quinn & Spreitzer, 1991; Yu & Wu, 2009). Cronbach's alphas are between .74 and .80, which is considered reliable. The OCAI consists of six dimensions, each of which has four alternatives. The OCAI consists of 24 items per construct (Cameron & Quinn, 2011) (see appendix 20).

Multigroup analysis was performed in SmartPLS to determine if the model significantly differs between groups. Independent sample t-tests are used to compare paths between groups (David Garson, 2016). The groups here are defined according to organisational culture – clan, market, adhocracy and hierarchy. Additionally, Harman's single factor score was performed to overcome the threat of having a common method bias. In the second step, a polynomial regression with response surface analysis is used to analyse the hypotheses of this research. This method is applicable for study with two independent variables where the combination of these variables are related to the dependent variable (Edwards & Parry, 1993; Shanock et al., 2010). Therefore, this

method is suitable for this study since polynomial regression allows a three-dimensional examination of relationships- relational behaviour, supplier satisfaction and the culture dimensions (Caniëls et al., 2017) and culture is added as an interaction (Lee et al., 2017). A common method bias occurs when the variations in responses are caused by the instrument instead of the basic predispositions of the respondents that the instrument tries to uncover (Podsakoff et al., 2003; Podsakoff et al., 2012). The instrument introduces a bias, and consequently, variances of the analysis are also biased. Harman's single-factor score loads all the items into one common factor. There is no common method bias if the total variance for a single factor is less than 50 %. This study's total variance for a single factor is 32.63 %. Consequently, common method bias does not affect the data of this study (Podsakoff et al., 2003; Podsakoff et al., 2012).

2.5 Results

2.5.1 Direct effects of relational behaviour on supplier satisfaction and resource allocation

The outer loadings for relational behaviour, corporate culture, supplier satisfaction and preferential treatment are more than .70, except for one indicator of operational excellence, which is .39. According to Hair et al. (2014), the acceptable limit is .70. Furthermore, composite reliability is used to evaluate the internal consistency reliability of the construct measures. Cronbach's α (Hair et al., 2014) is used to assess it. All the values for Cronbach's α are above the threshold of .7 and, thus, within the acceptable limit. Furthermore, composite reliability is a suitable alternative to Cronbach's α to test the convergent validity in a reflective model. Another reason is that Cronbach's α might over- or underestimate scale reliability, which is not the case for composite reliability (David Garson, 2016). The threshold should be higher than .7, which is the case for this research. The validity of the construct is assessed to ensure that the construct is measuring what it intends to measure. The average variance extracted (AVE) is used to measure the convergent validity. According to David Garson (2016, p. 65), "AVE reflects the average communality for each latent factor in a reflective model", and it should be greater than .50. All the values for AVE are above the threshold. Table 3 gives an overview of these mentioned measurements. The Variance inflation factor (VIF) values for each indicator are less than five, which is generally acceptable.

Table 3: Reliability and validity

	Cronbach's Alpha	rho_A	Composite Reliability	AVE
Adhocracy	.91	.92	.93	.68
Clan	.91	.92	.93	.69
Hierarchy	.88	.90	.91	.63
Market	.92	.93	.94	.71
Relational Behaviour	.86	.87	.90	.64
Preferential Treatment	.90	.09	.93	.68
Supplier Satisfaction	.88	.89	.92	.74
Note: AVE = Average variance extracted				

Bootstrapping with 5000 subsamples (SmartPLS 3.29) was used to test the conceptual model of this research. The conceptual model is tested on a significance level of .05, and on-tailed test type since the coefficients are expected to have either a positive or negative effect (Kock, 2015). The R² values of the endogenous variables and the significance level of the path coefficients mainly determine the outcomes. The R² of the found variable (supplier satisfaction) is .46 and .31 for preferential treatment, which is acceptable for behaviour studies (Hair et al., 2014). In this case, all the constructs are strongly related to supplier satisfaction. The Path coefficients are observed on their value and level of significance. If the path is significant, there is empirical support for the outcome - and vice versa. The path coefficients and their significance levels are shown in table 4 below. The analysis of this model reveals that relational behaviour significantly impacts supplier satisfaction (t=9.56; β=.50). Relational behaviour positively influences preferential treatment (t=5.22; β=.3). Furthermore, supplier satisfaction influences preferential treatment (t= 3.77; β=.28). Conversely, adhocracy, market, and hierarchy do not affect supplier satisfaction.

Table 4: Effect statistic of direct effects on supplier satisfaction and preferential treatment

	t	β	p-value	Significant
Relational behaviour → supplier satisfaction	9.56	.50	.00	Significant
Relational behaviour → Resource allocation	5.22	.34	.00	Significant
Supplier satisfaction → Resource allocation	3.77	.28	.00	Significant

2.5.2 *Multigroup analysis: The effects of organisational culture*

This research's goal was also to compare different groups, which can be done by using a permutation algorithm as a first step. This test is used to show “if significant intergroup differences are due to inter-group differences in constructs (e.g., SES) when assessing composite models” (David Garson, 2016, p. 182). The findings indicated that there is indeed no significant difference between countries since all permutation p-values are above .05. Since all the constructs are processed in the same way in every country, a multigroup analysis was performed using the MGA SmartPLS. The PLS MGA (non-parametric test) significance level is .05. If the p-value is less than .05 or greater than .95, the PLS MGA indicates the difference in group-specific path coefficients. SmartPLS was used to do a multigroup comparison analysis for four sets (high-low) of groups related to organisational culture.

The results of the PLS MGA test (path coefficients, difference and p-value) are mentioned in table 5. The results indicate that the difference in path coefficient is statistically significant for all four cultures for the relationship between relational behaviour and supplier satisfaction. Relational Behaviour has a positive influence on supplier satisfaction. This relation will be influenced positively if the clan culture is high. Moreover, we see that the relationship between relational behaviour and supplier satisfaction is positively moderated if market culture, adhocracy culture and hierarchy culture are low.

Table 5: Multigroup analysis

Culture	Relationship	PLS MGA				Remarks on significance path coefficient difference
		Path Coefficients Original (high)	Path Coefficients Original (low)	Path Coefficients - difference (high - low)	p-Value (high vs low)	
Clan	Relational behaviour → supplier satisfaction	.61	.67	-.07	.38	Insignificant
Market	Relational behaviour → supplier satisfaction	.35	.71	-.37	.00	Significant
Adhocracy	Relational behaviour → supplier satisfaction	.48	.61	-.14	.19	Insignificant
Hierarchy	Relational behaviour → supplier satisfaction	.42	.63	-.22	.09	Insignificant
Clan	Relational behaviour → resource allocation	.14	.24	-.09	.33	Insignificant
Market	Relational behaviour → resource allocation	.33	-.15	.48	.00	Significant
Adhocracy	Relational behaviour → resource allocation	.27	.29	-.02	.46	Insignificant
Hierarchy	Relational behaviour → resource allocation	.45	.23	.17	.15	Insignificant

When assessing relational behaviour, the difference in path coefficient is statistically not significant between high and low clan culture groups, showing that the effect of relational behaviour on resource allocation is significant. Furthermore, the results indicated that relational behaviour positively influences supplier satisfaction if clan culture is high. Nevertheless, clan culture does not significantly influence the relationship between relational behaviour and resource allocation. Thus, **H4a** and **H4b** are not supported).

In the case of market culture, the results show that the effect of relational behaviour on supplier satisfaction and resource allocation is significant in both groups – high and low market culture. Moreover, the results showed that the effect of relational behaviour on supplier satisfaction and resource allocation is positively influenced if market culture is high (i.e. **H5a** and **H5b** are not supported).

The path coefficient difference is statistically insignificant between high and low-adhocracy culture groups and high and low-hierarchy culture groups. Moreover, the results indicated that the effect

of relational behaviour on supplier satisfaction and resource allocation is positively influenced if adhocracy culture and hierarchy culture are high (i.e., **H6a**, **H6b**, **H7a** and **H7b** are not supported).

Figure 8 shows the new model according to their significant, non-significant and significant different path.

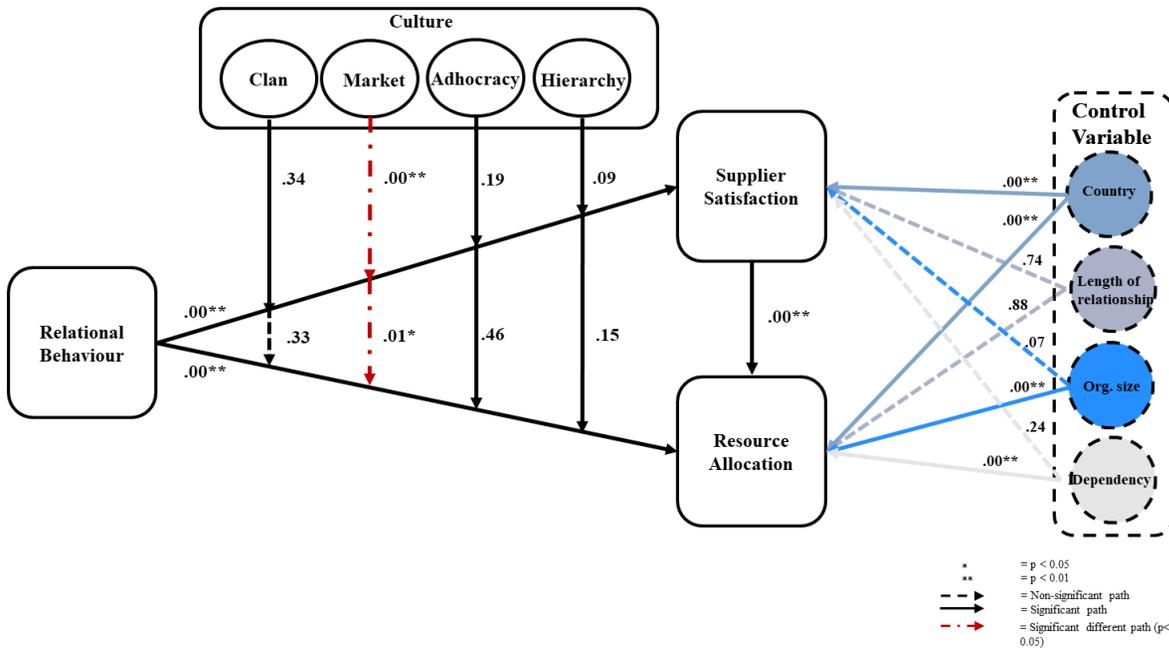


Figure 8: Results from PLS path modelling

2.5.3 Polynomial regression with response surface

After the multigroup analysis, a polynomial regression with response surface analysis was performed. This method is applicable for research with two independent variables where the combination of these variables is related to the dependent variable (Edwards & Parry, 1993; Shanock et al., 2010). Therefore, this method is suitable for this study since polynomial regression allows a three-dimensional examination of relationships – relational behaviour and supplier satisfaction, as well as resource allocation (Caniëls et al., 2017) and culture, is added as an interaction (Lee et al., 2017). Since market culture was the only significant organisational culture, the analysis will be done with the market as an interaction. Three assumptions must be fulfilled to conduct this method: (1) two independent variables must be commensurate. (2) the predictor variable must be measured on the same numeric scale, and (3) all usual assumptions of multiple

regression analysis should be fulfilled. This study is fulfilling these assumptions: (1) all variables are from the same conceptual domain (supplier satisfaction), (2) this study uses the Likert scale for all items, and (3) the result chapter represents the last assumption. All the calculations were made with IBM SPSS 27.

The first step is to inspect discrepancies between the two independent variables (relational behaviour and culture) since at least a 10% discrepancy is necessary for every group (Shanock et al., 2010). This assumption is met for each of the two regressions. Tables 6 and 7 show the results of the regression.

Table 6: Regression table – effects of relational behaviour and market on supplier satisfaction

Variables	Model 1		Model 2		Model 3d	
	B	SE	B	SE	Hypothesis 4	
Step 1 – control variable						
(Constant)	3.43**	.15	3.66**	.31	3.78**	.19
Country	-.67**	.09	-.57**	.07	-.54**	.07
Length of relationship	.01	.01	.00	.00	.00	.00
Organisational size	.00	.00	.00	.00	.00	.00
Dependency	.30**	.04	.05	.00	.06	.04
Step 2						
Relational Behaviour			.50**	.04	.49**	.04
Clan			.17**	.06	.18**	.06
Market			-.08	.06	.19*	.06
Adhocracy			-.04	.05	-.04	.05
Hierarchy			-.02	.07	-.04	.07
Step 3						
Relational behaviour *Market					-.14**	.05
Relational behaviour ²					-.07	.04
Market ²					.04	.04
<i>Adjusted R²</i>	.18		.58		.59	
<i>R² change</i>	.19		.34		.03	

Table 7: Regression table – effects of relational behaviour and market on resource allocation

Variables	Model 1		Model 2		Model 3	
	B	SE	B	SE	Hypothesis 4	
Step 1 – control variable						
(Constant)	2.65**	.084	2.09**	.42	1.86**	.42
Country	-.48**	.09	-.26**	.09	-.25**	.09
Length of relationship	.01*	.01	.00	.01	.00	.00
Organisational size	-.00*	.00	-.00**	.00	-.00**	.00
Dependency	.44**	.04	.27**	.04	.22**	.04
Step 2						
Supplier satisfaction			.16**	.07	.22**	.07
Relational Behaviour			.45**	.05	.15**	.06
Clan			.27**	.06	.19**	.06
Market			.12	.07	.13*	.07
Adhocracy			-.06	.06	-.05	.07
Hierarchy			-.13	.08	-.82	.07
Step 3						
Relational behaviour *Market					-.02	.06
Relational behaviour ²					-.12**	.04
Market ²					.14**	.04
<i>Adjusted R²</i>	.27		.44		.48	
<i>R² change</i>	.27		.19		.04**	

Since the R^2 value is significantly different from zero, the regression results need to be evaluated with the surface test value (Edwards, 2007) to uncover the underlying interaction effect. The substantial R^2 values are between .18 and .53; the results of this analysis are presented in the following section.

The analysis of four interaction effects on supplier satisfaction leads to two different polynomial regression models. Table 7 demonstrates that relational behaviour has a significant direct impact on supplier satisfaction ($\beta=.49-.50$; $t= 11.12^{**}-11.25^{**}$). Moreover, relational behaviour has a significant direct effect on resource allocation ($\beta= .15-.45$.; $t=2.56^{**}-2.59^{**}$). Supplier satisfaction also directly affects resource allocation ($\beta=.16-.22$; $t= 2.49^{**} -3.37^{**}$). Out of the cultures, clan and market, it appeared to influence supplier satisfaction directly (clan: $\beta=.17-.18$; $t=3.14^{**}-3.17^{**}$; market: $\beta= -.08-.19$; $T= 1.39 -2.09^*$). This is also the case with resource allocation where clan

($\beta=.19-.22$; $t= 2.96^{**}-4.20^{**}$) and market ($\beta=.12-.13$; $t= 1.78-1.98^*$) have a significant direct influence. The response surface analysis (Shanock et al., 2010) was used to evaluate the interaction effects of relational behaviour and market culture on supplier satisfaction and resource allocation. The following table 8 illustrates the results of the response surface analysis.

Table 8: Polynomial analysis of the slopes and curvatures

Model I: Supplier satisfaction			
	Coefficient	SE	t
a₁: slope along x=y	.61	.07	8.84**
a₂: curvature on x=y	-.17	.04	-4.05**
a₃: slope along x=-y	.37	.07	4.97**
a₄: curvature on x=-y	.10	.10	1.02
Model II: Resource allocation			
	Coefficient	SE	t
a₁: slope along x=y	.41	.08	5.20**
a₂: curvature on x=y	.20	.05	4.11**
a₃: slope along x=-y	.10	.09	1.22
a₄: curvature on x=-y	.29	.12	2.55**

To test the hypothesis, one more step needed to be done. Two curves were compared, (I) when there is an extremely high level of the culture and (II) at an extremely low level of the culture. Accordingly, table 9 and 10 present the predicted values of Z (supplier satisfaction/ resource allocation) for each combination when Y (market culture) is highly present ($y = +2,5$) and very low in the presence ($y = -2,5$) and X (relational behaviour) is reaching from $-2,5$ to $+2,5$. Those values are based on the polynomial regression equation and associated unstandardised beta weights.

Table 9: Supplier satisfaction as projected by the discrepancy and agreement of relational behaviour and market culture in case of supplier satisfaction

		X = relational behaviour				
Y = market		-2.5	-1.5	0	1.5	2.5
high clan	2.5	3.49	3.93	4.31	4.36	4.21
low clan	-2.5	1.17	2.30	3.72	4.80	5.34

Table 10: Supplier satisfaction as projected by the discrepancy and agreement of relational behaviour and market culture in case of supplier satisfaction

		X = relational behaviour				
Y = market		-2.5	-1.5	0	1.5	2.5
high clan	2.5	4.26	4.00	3.99	4.43	4.98
low clan	-2.5	2.92	2.89	3.22	4.01	4.79

A low level of market culture is more responsive to relational behaviour. Table 8 shows two significant slopes along $x=y$ ($\beta=.61$; $p<.01^{**}$) and $x=-y$ ($\beta=.37$; $p<.01^{**}$). Both support each other, but the level of relational behaviour needs to be higher than the level of the market to have the biggest effect. In this case, the curvature line along $x=y$ ($\beta= -.17$; $p <.00^{**}$) is also significant, which means that relational behaviour and market culture are in agreement, but the outcome is nonlinear. It appears that in the case of resource allocation, high-level market culture is more responsive to relational behaviour. Table 8 shows that the slope along $x=y$ ($\beta=.41$; $p<.01^{**}$) is significant. Moreover, the curvature line along $x=y$ ($\beta= .20$; $p <.00^{**}$) and $x=-y$ ($\beta=.29$; $p<.00^{**}$) are significant as well, which indicates that relational behaviour and market culture are in agreement. Figure 9 provides the results of the survey analysis of relational behaviour.



Figure 9: Surface analysis of relational behaviour

2.6 Discussion

2.6.1 Evaluation and discussion of the results: Relevance of organisational culture in the buyer-supplier relationship

This study aimed to explore the moderating effects of the organisational culture on the relationship between buyer’s relational behaviour and supplier satisfaction and resource allocation. With this

research, we first contribute to the large theoretical base of organisational culture by showing that market culture strongly influences the supplier satisfaction context. Furthermore, we add to the growing theoretical base of supplier satisfaction by empirically testing the organisational culture and showing how these relations might change due to major sociological constructs.

Our data suggest that market culture influences the relationship between relational behaviour, supplier satisfaction, and resource allocation. We conclude that organisational cultures with high market cultures strengthen this relationship. Moreover, our data showed that clan culture, adhocracy culture and hierarchy culture do not influence the relation between relational behaviour and supplier satisfaction and resource allocation.

The results of a multigroup analysis showed that organisational culture is only significant regarding the relationship between relational behaviour and supplier satisfaction, and resource allocation. Other relationships, such as supplier satisfaction and resource allocation, were insignificant. In other words, organisational culture has no moderating influence on these relationships. Due to polynomial regressions, inferences can be drawn about organisational cultures' interactions and relational behaviour. Low levels of the respective cultures show a strong influence of relational behaviour for flexible cultures. Moreover, polynomial regression was only done for the market culture. It showed that market culture is more sensitive towards relational behaviour. To conclude, specific actions need to be taken when suppliers focus on stability and control rather than flexibility and discretion. With market cultures, it makes the most sense to intensify the relationship because those cultures are more influenced by relational behaviour.

Another crucial contribution to supplier satisfaction is that relational behaviour influences supplier satisfaction and resource allocation, which shows the importance of relational behaviour in general. Additionally, clan culture and market culture were the only cultures that directly influenced supplier satisfaction and resource allocation.

It is important to note that relational behaviour was significant in all two countries. The results of this research may also differ in different industries or with a higher sample size.

2.6.2 *Managerial contribution: Focus on performance and flexibility*

The practical implications of this research are twofold. Firstly, the findings suggest that buyers will benefit from incorporating the supplier's perspective and organisational culture into buyer-supplier relationships. The purchasing company must realise that opportunistic behaviour or employing the same strategy for all suppliers will not guarantee supplier satisfaction and preferential resource allocation. This highlights the importance of mutual gain, trust and commitment for a strong supplier relationship. This leads to management proposition 1:

***Management proposition 1:** Buyers benefit from creating a partnership that will increase the likelihood of supplier's involvement to gain mutual benefits and thus, increases the reliability of acting in a consistent and fair manner.*

Second, the findings show that corporate culture factors also play a crucial role in supplier satisfaction. This research found that clan culture and market culture directly influence supplier satisfaction. The clan culture values human relations, loyalty, and commitment as its primary guiding principles. When it comes to the operation of a business, relational behaviour may therefore be seen as an essential component by suppliers (with a clan culture). These organisations may also anticipate a high focus on relational behaviour from their counterpart in the negotiation process.

***Management proposition 2a:** The buyer benefit from understanding the value of human relations, loyalty and commitment (clan culture values) and adjust their relational behaviour based on the supplier's organisational culture to receive its allocated resources.*

Market culture functions best when the environment is stable, and circumstances are controlled. The focus lies on external orientation, productivity and performance. Moreover, organisations with a market culture are driven by competition and success (Cameron & Quinn, 2011). Contrary to our initial argumentation, our findings showed that market culture does not negatively influence the relationship between relational behaviour and supplier satisfaction and resource allocation. A possible explanation would be that relational behaviour is perceived to be more relevant in performance and flexibility-focused cultures. In support of this argument, Mayer and Argyres (2004) indicated that

more profound familiarity with a partner (e.g. through relational behaviour) would help to determine where flexibility can be allowed in the relationship.

Management proposition 2b: *The buyer is advised to build a strong relationship with their supplier, which also allows the buyer to be flexible and competitive. The buyer needs to understand the market culture to be flexible and competitive.*

2.6.3 *Limitations and future research*

This research has several limitations that need to be considered. First, the supplier evaluation relied on the opinion of a single employee of the organisation, making it difficult to draw a general picture out of the answer of one single informant. Additionally, the organisational culture was evaluated by this employee as well and maybe the personal view of the informant is not in alignment with the organisation's overall culture. One way to minimise this limitation would be to include qualitative data or ask more suppliers from the same organisation to complete the survey.

Second, even though many suppliers participated in the survey, there is still the possibility that other unsatisfied suppliers did not participate. A possible reason might be that they were afraid to be tracked by the buying organisation, even though it was disclaimed that all the answers were treated anonymously.

The findings of the influence of relational behaviour on supplier satisfaction are interesting as not all cultural orientations have a significant impact. The results of this study show that social aspects do influence relational behaviour and supplier satisfaction. Future studies might test this further by including the organisational culture of the buying company since having the same organisational culture might lead to a better cultural fit.

The survey was only used by selected companies in Brazil and Iran. Extending this survey to companies in these countries might give further insight into this relationship.

Lastly, Smart PLS was used for doing the multigroup analysis. Due to the bootstrapping procedure, the results of the Permutation and MGA tests (Henseler's MGA, Parametric, and Welch-Satterthwaite tests) may vary; nevertheless, these differences should not be substantial

CHAPTER 3

RESOURCE DEPENDENCY THEORY AND BUYER-SUPPLIER RELATIONS: A CROSS-CULTURAL COMPARISON ON RESOURCE ALLOCATION IN THE SUPPLY CHAIN

3 RESOURCE DEPENDENCY THEORY AND BUYER-SUPPLIER RELATIONS: A CROSS-CULTURAL COMPARISON ON RESOURCE ALLOCATION IN THE SUPPLY CHAIN

Abstract

Facing an increasing scarcity of suppliers, companies are challenged with how to access the leading supply chain partners. Resource dependency theory proposes a lens of analysis for purchasing, suggesting firms avoid dependencies and uncertainties in a relationship to achieve supplier satisfaction and get maximum resource allocation by a supplier. This proposition largely lacks empirical verification. Therefore, this research analyses a large bi-national empirical sample, using structural equation modelling and multigroup analysis. Findings indicate that procurement can increase suppliers' resource allocation efforts by reducing uncertainty and ensuring relationship continuation.

Similarly, the use of coercive power and the situation of supplier dependency can have a positive effect. However, the scope of this effect is moderated by the cultural environment firms are embedded in. Our findings propose to consider cultural contingencies with power and dependence questions.

Keywords:

Resource dependency theory, supplier satisfaction, resource allocation, culture

3.1 Introduction: Resource dependence theory as explanation for allocation in buyer-supplier relations

Traditionally, perfect factor mobility was assumed, i.e. the idea was prevalent that all firms could similarly buy all needed supplies from a supplier of their choice or any alternative to that (Mol, 2003). This theoretical assumption, however, does not always match the reality observed by purchasers. In business, resources are scarce and increasingly offered by a limited number of suppliers, resulting in dependency on buyers and suppliers rising in many industries (Caniëls et al., 2018; Jajja Muhammad Shakeel et al., 2017). In particular, during the last 25 years, many companies reduced in-house production to focus more on their core activities, which has led to an increase in outsourcing production (Corsaro, 2015). The number of suppliers in many markets declined, and suppliers do not have unlimited capacity regarding time and resources (Schiele, 2022). Therefore, have to make choices, awarding certain buyers to be their preferred customers and others less privileged standard customers (Schiele et al., 2012).

From that background, supply managers are asking how to achieve (preferential) resource allocation from suppliers. Resource dependency theory (RDT) proposes a solution to the question of how to achieve resource allocation.

RDT starts from the assumption that firms require resource allocation from their partners. It then theorises that if an organisation is less dependent on another and can take out the uncertainty from this relationship, it will be able to achieve a more favourable resource allocation, as opposed to being dependent on a powerful partner (Hillman et al., 2009; Pfeffer & Salancik, 1978; Schiele, 2019). The two main components of the RDT are the power dependency and uncertainty dimensions. Dependency might create an asymmetric power structure, where the stronger party pressures the dependent party (Kim & Zhu, 2018). The stronger party might employ its power by actively shifting the relationship towards its benefits (Hunt & Nevin, 1974).

The uncertainty dimension is related to uncertainties regarding the environment, behaviour and relationship continuation (Cai et al., 2017). A consequence is that the dependent party may feel less satisfied with the relationship, which may ultimately affect resource allocation and potentially lead to obstructionism (Benton & Maloni, 2005).

In this way, resource dependence theory offers a theoretical and testable explanation for how buying firms can achieve the best resource allocation from their suppliers. Interestingly, RDT has mainly found application in merger studies, joint ventures, board of director composition and executive succession, but not so often in buyer-supplier relations (Hillman et al., 2009). This paper will test the explanatory content of resource dependency theory for explaining and eventually managing resource allocation in buyer-supplier relationships.

In line with that, Schiele et al. (2015) published a theoretical paper regarding this issue and recommended empirically testing the resource dependency propositions considering cultural influences. They argued that suppliers' satisfaction depends not only on power and uncertainty but also on the extent to which the cultural context of the supplier allows for discrepancies in power and uncertainty in the relationship. In particular, Schiele et al. (2015) identified the cultural concepts of power distance and uncertainty avoidance as cultural dimensions relevant to the context. Power distance shows the represented level to which individuals or organisations agree with the unequal division of power among them, such as in a buyer-supplier relationship. Uncertainty avoidance indicates to what extent actors tolerate ambiguity and uncertainty. In support of Schiele et al. (2015), Reimann and Ketchen Jr. (2017) recommended expanding the RDT literature by including culture since the cultural background of the involved parties might have a moderating influence on the relationship between power use and outcomes. Therefore, the research questions this summarise as follows:

Can resource dependence theory explain how buyers achieve satisfied suppliers, which ensures privileged resource allocation? Is the importance of resource dependency a question of culture?

To test the resource dependence theory's explanatory content for buyer-supplier relations, we run a large survey assessing supplier satisfaction and resource allocation in a multi-national empirical sample, distinguishing between power distance and dependency and uncertainty avoidance.

This research provides a rich theoretical and managerial contribution. As the first contribution, this study builds on supplier satisfaction research and follows calls to examine dependency, power and

uncertainty as mechanisms influencing buyer-supplier relationships. In particular, building on RDT to hypothesise on the effects of dependency, power, and uncertainty on supplier satisfaction and the supplier's resource allocation, this research extends our knowledge of the antecedents and contingency factors influencing supplier satisfaction and resource allocation of suppliers (Caniëls et al., 2018; Pulles et al., 2016b; Schiele et al., 2015).

Second, applying RDT to an underexplored field this study expands its scope. Interestingly, we do not find confirmation for most of the RDT hypotheses in its empirical content. Dependency does not generally reduce satisfaction and resource allocation (Caniëls et al., 2018; Chae et al., 2017; Kumar et al., 1998). Based on this finding, a theory of collaboration could be drafted. Coercive power is not found to generally reduce satisfaction and even seems to be beneficial for resource allocation under some conditions. Even more intriguing, reward power even shows a negative relation. This becomes understandable from a cultural perspective, which reflects the third area of contribution of the present research.

Third, this study follows the call by Reimann and Ketchen Jr. (2017) for a cultural perspective on RDT research, in addition to that contributing to RDT literature by combining the different dimensions of RDT and culture in one empirical assessment spanning several countries. Specifically, it turns out that coercive power works well in high power distance cultures, in which the use of reward power in the buyer-supplier relation has a highly negative effect – and which is not present in low power culture where the theory originated. A key contribution of this research is to reveal the cultural content of RDT in general, and show, in particular, that culture moderates the relation between RDT and supplier satisfaction and, thus, acquiring the supplier's resources. This supports the assumption of Reimann and Ketchen Jr. (2017) that the effects of RDT might be influenced by culture. In the buyer-supplier relationship context, culture was studied/ analysed due to the increase in globalisation. Understanding the cultural differences in business interactions between cross-cultural buyers and suppliers has become more important. However, the focus on these studies was on negotiations (Moody, 1992; Raymond Fisman & Edward Miguel, 2007), social bonding (Kaufmann & Carter, 2006), trust (Cannon et al., 2010; Mortensen & Neeley, 2012; Özer et al., 2014), decision making (Fitjar & Rodríguez-Pose, 2013; Gelfand et al., 2011; Giannetti & Yafeh, 2012; Srite & Karahanna, 2006) and communication style (Lockström et al., 2010).

This paper is structured as follows: In the next section, the concepts of RDT and supplier satisfaction are elaborated. The hypothesis section discusses how RDT and culture explain supplier satisfaction and resource allocation behaviour. Subsequently, the research methods are described, and the results are presented. The last section discusses the findings, limitations of this study and directions for future research.

3.2 Theoretical background and hypotheses

3.2.1 Preferred customer theory: A core of strategic management theory

The key question that preferred customer theory addresses is how a buying firm can achieve preferential treatment from its suppliers compared to its competitors (Schiele et al., 2012). It is worth noting that preferred customer theory has two theoretical roots - strategic management theory (the resource-based view of the firm) and social exchange theory (Schiele, 2022). Thus, the preferred customer theory should not be seen as a universal theory of exchange or a universal supply theory. The reasons are that the preferred customer theory builds on several assumptions. First, resource heterogeneity is crucial (Dierickx & Cool, 1989). There must be a difference between the suppliers and their products; otherwise, the preferred customer theory does not apply. Second, there must be resource scarcity for the preferred customer theory to be relevant (Caniëls et al., 2018; Pulles et al., 2014). In other words, there must be a finite number of suppliers, which results in a limited number of products that are difficult to substitute. In this case, the buying firm depends on the supplier, who decides to serve which customer first (Pulles et al., 2019). Third, collaborative relationships for mutual benefit are conceivable since human beings seek to take responsibility, are benevolent and committed to following organisational objectives/goals (McGregor, 1966). Fourth, exchange partners need equal rights, and entering a relationship must happen voluntarily (Blau, 1964). Fifth, understanding the cost-benefit positions (Di Domenico et al., 2009) is crucial to enter an exchange. Preferred customer theory is only applicable if a supplier is able to estimate the value of the business relationship (Ellis et al., 2012; Schiele, 2022). Sixth, mutual benefits for both exchange partners need to be given. For both parties, this exchange needs to provide positive value; otherwise, other exchange relationships are more attractive. The first two assumptions are linked to the strategic management theory and the last four assumptions are linked to the social exchange theory.

The 'cycle theory of preferred customership' was rooted in strategic management and social exchange theories (Schiele, 2022; Schiele et al., 2012). To become a customer of choice and access preferential resources, the supplier must be satisfied.

3.2.2 *Preferential resource allocation through supplier satisfaction*

The strategic orientation from a short-term relationship with many suppliers to a long-term collaboration with a few strategic suppliers is one of the reasons for pursuing supplier satisfaction as an important element of a buyer-supplier relationship (Schiele et al., 2012). In general, supplier satisfaction stems from a positive evaluation of a relationship which is carried out by the supplier side concerning the buyer-supplier relationship (Dwyer et al., 1987). Supplier satisfaction is key to cooperative buyer-supplier relationships and leads to competitive advantages (Andaleeb, 1996; Ghijssen et al., 2010). Furthermore, Essig and Amann (2009) have shown that suppliers considerably influence business success and that companies become more engaged in collaborative alliances with their suppliers (Zheng et al., 2007). Essentially, supplier satisfaction is an antecedent of the preferred customer status (Hüttinger et al., 2012). A preferred customer receives special treatment from its supplier, such as a collaborative development or allocation of its best personnel, thereby gaining competitive advantages over its competitor (Pulles et al., 2016a). Preferential resource allocation implies a stronger buyer-supplier relationship (Glas, 2018; Pellegrino et al., 2020). Consequently, satisfaction has been argued to be necessary to achieve preferential resource allocation by a supplier (Schiele et al., 2012).

Hypothesis 1 Supplier satisfaction positively influences preferential resource allocation.

Regarding the link between RDT and supplier satisfaction & resource allocation, Pfeffer and Salancik (1978) indicate in discussions on the RDT that even though a business partner is attractive, by any abuse of power, the other partner might be dissatisfied. Hence, only attraction is insufficient to satisfy a business partner and receive preferred resource allocation. Yet the acceptance of power in the relationship might impact supplier satisfaction and resource allocation. This perspective is further explored in the next section by linking culture to RDT.

3.2.3 *The effect of RDT on supplier satisfaction and resource allocation*

The RDT assumes that organisations are largely externally controlled (Hillman et al., 2009; Pfeffer & Salancik, 1978). In the past, RDT was used to analyse various organisational actions that deal with uncertainty in the firms' environments, such as increasing the supply base, alliance forming with selected partners or mergers and acquisitions (Davis & Cobb, 2010). Moreover, RDT indicates that buyers are not self-sufficient enough and thus need to rely on their suppliers to acquire resources (Elking et al., 2017). The main idea behind the RDT is that two main liabilities for organisations exist: dependencies and external uncertainties. Both aspects influence how organisations perceive the uncertainty in their resource acquisition (Hillman et al., 2009).

Firstly, Jena et al. (2011) define dependence as a company's necessity to sustain its relationship with another company to achieve its goals. Furthermore, dependence occurs when one party has no control over achieving its goals or if the party depends strongly on the scarce resource of the other party. The importance and availability of this resource will determine how dependent one party is on the other (Brito & Miguel, 2017). If a company controls these resources, then this party has a position of power. Supplier dependency occurs when the buyer is important to the supplier, i.e. in terms of turnover and sales volume (Böhme et al., 2008). Past research has shown that dependency does not need to be negative to a buyer-supplier relationship, as dependency can increase supplier satisfaction (Caniëls et al., 2018). Perceived level of dependency can have a positive or negative influence on satisfaction. Thus, "a comparison between relationship outcomes can have either a positive or negative effect on satisfaction, depending on the perceived level of relative dependence" (Piechota et al., 2021, p. 7).

Hypothesis 2 Supplier's dependency on the buyer is positively influencing

- a supplier satisfaction
- b preferential resource allocation.

Dependence is often also related to power, which is associated with a negative influence on the relationship due to a decreased willingness to compromise (Pfeffer & Salancik, 1978). For this reason, next to dependence, this research also assesses the impact of power usage on buyer-supplier relationships. The literature on power explored how different styles influence the buyer-supplier

relationship (Reimann & Ketchen Jr., 2017). In other words, different power bases affect the buyer-supplier relationship differently. Power falls mainly into two categories – mediated and non-mediated power. Mediated power can be purposely used by the powerful party, either by promising incentives - reward power - or by threatening punishment - coercive power - (Nyaga et al., 2010). Non-mediated power is a party's desire “for identification with the exchange partner (i.e., referent power), appreciation of the other party's expertise (i.e., expert power), and perceptions about the other party's legitimation, for example, through legal, hierarchical, or contractual provisions (i.e., legitimate power)” (Reimann & Ketchen Jr., 2017, p. 4). Moreover, research suggests that status and power are linked since both are sources of potential that influence other entities (Fragale et al., 2011; Vos et al., 2021).

Nevertheless, a partner voluntarily gives status (Magee & Galinsky, 2008), which does not need to be the case with power, like recent papers on buyer-supplier relationships and power (Vos et al., 2021). This paper focuses on mediated, coercive, and reward power since the powerful party purposely uses it to influence the relationship. On the one hand, coercive power is defined as “control of negative outcomes relative to each other to gain rewards from a partner either through punishment or threatened sanctions” (Molm, 1994, p. 120). Using coercive power on the supplier might affect the commitment and trust to the relationship, which in turn might cause the withdrawal of the supplier. Many studies have identified that coercive power negatively influences the buyer-supplier relationship, reducing supplier commitment and satisfaction (Benton & Maloni, 2005; Chae et al., 2017).

On the other hand, Reward power, might positively strengthen the relationship due to commitment from the supplier side (Benton & Maloni, 2005; Chae et al., 2017; Johnsen & Lacoste, 2016). Leading OEMs such as Toyota grant their suppliers annual awards to attain desired outcomes (Chae et al., 2017). Using reward power over coercive power helps to reduce opportunistic behaviour since suppliers' response to the punishment might be to retaliate (Leonidou et al., 2018). Furthermore, the wrong application of the power base might have a negative effect on supplier resource allocation. To effectively capture supplier resources, the buyer needs to choose which power base is related to supplier resource allocation (Pulles et al., 2014).

Hypothesis 3 The buyer using coercive power negatively influences

- a supplier satisfaction
- b preferential resource allocation.

Hypothesis 4 The buyer using reward power positively influences

- a supplier satisfaction
- b preferential resource allocation.

The second core explanatory theme of RDT involves uncertainty (Hillman et al., 2009). Most commonly, RDT distinguishes between two uncertainties – behavioural and environmental uncertainty. The first one concerns the uncertainties/problems in monitoring the contractual performance of exchange partners ex-post such as delayed deliveries or quality standards (Hoffmann et al., 2013; Tangpong et al., 2015). Additionally, monitoring takes time and effort for the supplier is costly and short notice changes by the buyer might lead to more dissatisfaction and reduced willingness to allocate resources. The second one is about the unpredictability of the environment, which cannot be specified beforehand (Grover & Malhotra, 2003; Hoffmann et al., 2013), such as exchange rate fluctuations or demand volume.

Moreover, it isn't easy to write contracts considering all possible future outcomes. Environmental uncertainties are difficult to predict (Chicksand, 2015; Hoffmann et al., 2013). The main issue is that buyers can exploit control mechanisms to reduce uncertainty to achieve their goals, which negatively impacts the supplier, who has to deal with the consequences such as volume shortage. A potential risk of constant reduction in volume on short notice might negatively influence supplier satisfaction. Also, binding resources to one customer might be risky; thus, preferential resource allocation might be reduced in times of environmental uncertainty. The buyer might not be able to secure or stabilise the supplier's resources (Wang et al., 2016). In support of this notion, Aoki and Wilhelm (2017) found out in their research that only if the supplier feels secure will it invest in a long-term relationship and allocate its resources to the buying firm. Hence, behavioural and environmental uncertainty will be eliminated by having a long-term relationship (Brito & Miguel, 2017; Ganesan, 1994) because information between parties is transparent, quick and developed by trust (Chicksand, 2015; Wang et al., 2016) which in turn prevents opportunistic behaviour.

A third type of uncertainty often neglected in organisational research, but included in the original RDT definitions of Pfeffer and Salancik (1978), revolves around relationship continuation. According to Pfeffer and Salancik (1978), uncertainties regarding relationship continuity increase if there is high uncertainty regarding resources. For instance, if the supplier relies on the buyer's resources and the buyer is becoming unpredictable, then the supplier does not see the benefit of staying in this relationship – and vice versa. Moreover, suppose the supplier has to fear that the buyer is uncertain concerning continuing the relationship. In that case, this might lead to dissatisfaction as the level of uncertainty is too high. Leonidou et al. (2018) emphasised that due to distrust and uncertainty, the climate of a relationship can change from mutual contributions to having a distorted relationship.

Furthermore, successful integration of these resources is seen with complex relational interaction between the parties (Sarkar et al., 2001), which needs a long-term orientation. Therefore, building a strong and close relationship with suppliers may facilitate resource exchange (Kale et al., 2000; Wasko & Faraj, 2005), yet not being able to build one due to perceived uncertainty of continuation might undermine this mechanism. In other words, if there is a high uncertainty in relationship continuation, there might also be a lower degree of satisfaction with the relationship and a lesser chance for the buyer to benefit from suppliers' resources.

Hypothesis 5 Environmental uncertainties of the buyer negatively influence

- a supplier satisfaction
- b resource allocation.

Hypothesis 6 Behavioural uncertainties of the buyer negatively influence

- a supplier satisfaction
- b resource allocation.

Hypothesis 7 Buyer's uncertainty in relationship continuation negatively influences

- a supplier satisfaction
- b resource allocation.

3.2.4 *Including culture in RDT*

Culture is typically seen as an organisational or society's belief, value or even ideology. Beyond that, it is a crucial contextual factor in business research (Zhang & Cao, 2018). Values, norms as well as socio-cultural obligations have an impact on the way people behave. Theorists such as Davidov et al. (2008, p. 421) view values as “deeply rooted, abstract motivations that guide, justify, and explain attitudes, norms, opinions and actions”, and culture affects these values and behaviours in a group or organisation.

In a business partnership, cultural differences are seen as a major challenge in cross border partnership (Voldnes et al., 2012). Griffith et al. (2006) emphasised that cultural differences impact relational and knowledge resources, and Carter (2000) found that ethical issues are perceived differently in each country. Furthermore, research showed that the performance of different parties would be higher if they are culturally similar (Das & Teng, 1998; Madhok & Tallman, 1998; Sarkar et al., 2001). Regarding conceptualisations of culture, Schwartz (1990) and Hofstede (1980) are two leading researchers that identified cultural dimensions of values (Smith et al., 1996). Schwartz (1994) defines cultural values as trans-situational goals that serve as a guiding principle of a person's life.

Moreover, these values respond to three universal requirements “which all individuals and societies must cope with: needs of individuals as biological organisms, requisites of coordinated social interaction, and requirements for the smooth functioning and survival of groups” (Schwartz, 1994, p. 21). Hofstede (1994, p. 1) on the other hand defines culture as “a collective programming of the mind which distinguishes the members of one category of people from another”. The category of people could be divided into a nation, gender, region or ethnic group.

Regarding the possible influence of culture on supplier satisfaction, Schiele et al. (2015) suggested combining culture with a resource dependence theory perspective on supplier satisfaction. They indicated in their research that future studies would benefit from including specific cultural differences in power distance and uncertainty avoidance.

Regarding definitions of these two cultural dimensions, on the one hand, the power distance shows the represented level to which actors agree with the unequal division of power among them (Hofstede, 2018). Empirical support of the notion that culture can impact buyer-supplier relationships comes from Mehta et al. (2006), who showed that the higher the cultural difference concerning trust and commitment between parties, the lower buyer and supplier satisfaction with the relationship. In addition, cultural differences and geographic distance might deform communication across cultures, leading to misinterpretation and misunderstanding and consequently to a reduction of satisfaction which in turn might influence resource allocation (Pulles & Schiele, 2013). In high power distance cultures, the social status of a business partner becomes more relevant. Moreover, this also represents the acceptance of inequality vs equality level of society. Power inequality is more likely to be tolerated in high power distance cultures between buyers and suppliers with a lower power distance culture (Wuyts & Geyskens, 2005). According to Murphy et al. (2019), in high power distance cultures, the partner with more power will be more likely to apply dominant behaviour since this is seen as a natural cultural tendency toward weaker partners, which the less powerful partner will accept. Acceptance of power inequalities shapes beliefs about how people of power should interact (Javidan & House, 2001) and influences the degree to which authority figures should be respected and deferred to (Yang et al., 2007). Whereas in low power distance cultures, the abuse of power by the powerful partner might not be accepted by the less powerful partner since this is not in line with their cultural values (Murphy et al., 2019). High-power-distance firms need explicit task definition and tight control over their and their partner's behaviour (Bates et al., 1995).

Accordingly, this research assumes that the power distance avoidance attitude will positively moderate buyer power and dependence on supplier satisfaction; i.e. in low-distance cultures, the usage of power will be less tolerated by suppliers, and thus, supplier satisfaction decreases.

Hypothesis 8 Power distance avoidance positively moderates the relationship between

- a dependency and supplier satisfaction
- b dependency and resource allocation.
- c coercive power and supplier satisfaction
- d coercive power and resource allocation.

- e reward power and supplier satisfaction
- f reward power and resource allocation.

On the other hand, uncertainty avoidance indicates to what extent ambiguity and uncertainty are tolerated. Specifically, whether people feel uncomfortable or comfortable in unexpected events (Kirkman et al., 2006). Building a relationship with partners from high uncertainty avoidance cultures is easier to form when activities are used to reduce uncertainty (Samaha et al., 2014). “Reducing uncertainty requires behaviour that assures control and stability” (Murphy et al., 2019, p. 210). Samaha et al. (2014) argued that companies with low uncertainty avoidance culture are more likely to invest in a relationship even though the relationship continuity is soft and environmental uncertainties are high. Consequently, it can be expected that the influence of behavioural, environmental and relationship continuation uncertainty on supplier satisfaction will be positively moderated by an uncertainty avoidance attitude. Uncertainty will be less tolerated in high uncertainty avoidance cultures and thus decreases supplier satisfaction and resource allocation.

Hypothesis 9 The uncertainty attitude positively moderates the relationship between

- a behavioural uncertainty and supplier satisfaction
- b behavioural uncertainty and resource allocation.
- c environmental uncertainty and supplier satisfaction
- d environmental uncertainty and resource allocation.
- e uncertainty in relationship continuation and supplier satisfaction
- f uncertainty in relationship continuation and resource allocation.

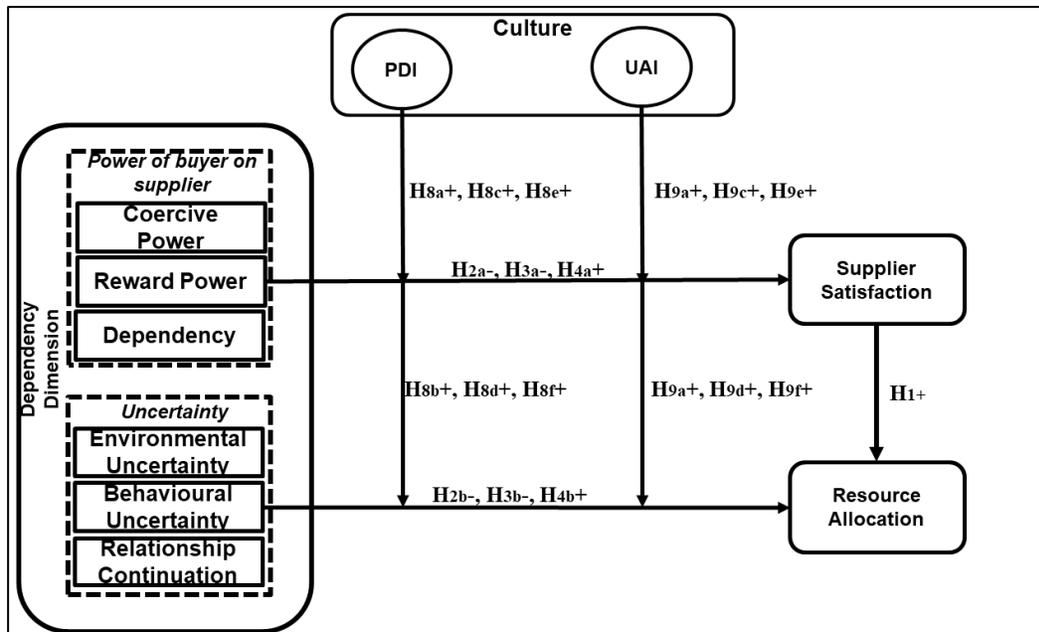


Figure 10: Conceptual model

3.3 Methodology

3.3.1 Data collection and sample: Surveying supply chains in Brazil and Iran

The quantitative data for this study was collected in collaboration with the purchasing department of companies in Brazil and Iran. Brazil and Iran were chosen since, according to Hofstede, both are high in power distance and uncertainty avoidance. The survey was sent to 1767 suppliers (Table 11). A web-based survey was implemented to collect the data most efficiently. After the initial invitations to participate, e-mail reminders were made to emphasise the importance of the contribution of all suppliers. This procedure enhances the motivation since the respondent feels obliged to participate (Dillman, 2000). After all actions to maximise the response rate have been taken, 377 responses were collected with a response rate of 21.33 %. The common rate for response usually fluctuates between 15 % and 25 % (Caniëls et al., 2013).

Table 11: Sample size

Country	Company Sector	Survey (sent)	Survey (answers)	Answers (%)
Brazil	Professional services	93	29	31.2%
Brazil	Healthcare group	360	58	16.1%
Brazil	Metal manufacturer	40	14	35.0%
Brazil	Agro business	310	62	20.0%
Iran	Automobile	1000	214	21.40%

3.3.2 *Measurement: Established RDT scores and Hofstede replication*

To test the conceptual model, a questionnaire has been implemented. The questionnaire consists of five parts: supplier satisfaction, power, dependency, uncertainty, physical resource allocation and culture (see appendix table 19). It may not be effective to apply culture blindly to individual suppliers.

The supplier satisfaction part of this survey was built on the Vos et al. (2016) research. The questions regarding dependency are built on the study of Frazier (1983), Hibbard et al. (2001), Kaiser et al. (2013) and Kumar et al. (1998). Behavioural uncertainty and environmental uncertainty questions are based on the Hoffmann et al. (2013) research. The last part of the uncertainty is related to relationship continuation. It was built on the study of Ganesan (1994) and Lusch and Brown (1996). The constructs regarding coercive power and reward power were measured based on scales of Terpend and Ashenbaum (2012) and Maloni and Benton (2000). The part of the questionnaire regarding culture (i.e. power distance and uncertainty avoidance) is based on the Values Survey Module (VSM) by Hofstede and Minkov (2013), adjusted to the organizational level. This is appropriate since scholars like Kirkmann et al indicated in their study that power distance and uncertainty avoidance can be used to measure on the organisational level. This implies that we dropped the first two items of the uncertainty avoidance measurement, as they refer more to individual feelings of tension, and kept the remaining items that relate to organizational uncertainty avoidance. Finally, the resource allocation part is built on the research of (Pulles et al., 2014). Furthermore, three control variables, country, length of relationship and organisational size of the buying company was included in this research as well.

This research uses multi-group analyses to assess the impact of culture. For this, two groups are made based on two culture dimensions (i.e. power distance and uncertainty avoidance) to measure the impact of RDT on supplier satisfaction and resource allocation along these groups. Additionally, each set contains two groups (i.e. high and low). For the survey, a five-point Likert scale was used. Respondents could indicate to what extent they observe different treatments regarding dependency, uncertainty and power. Answers ranged from 1 “fully disagree” to 5 “fully agree”. To measure the variables related to power distance and uncertainty avoidance, formulas based on Hofstede’s VSM model were used (see appendix table 19).

3.3.3 *Statistical Analyses with structural equation and multigroup analysis & data quality*

To do a multigroup analysis, there is necessary to see whether a comparison of these groups is allowed, which can be done by using a permutation algorithm as a first step. This test is used to show “if significant intergroup differences are due to inter-group differences in constructs (e.g., SES) when assessing composite models” (David Garson, 2016, p. 182). In the next step, a multigroup analysis was performed in RStudio to determine if the model significantly differs between groups. Independent sample t-tests are used to compare paths between groups (David Garson, 2016). The groups here are defined according to cultural dimensions– power distance and uncertainty avoidance.

Harman's single factor score was also performed to overcome the threat of having a common method bias. A common method bias occurs when the variations in responses are caused by the instrument instead of the actual predispositions of the respondents that the instrument tries to uncover (Podsakoff et al., 2003; Podsakoff et al., 2012). This would mean that the instrument introduces a bias, and consequently, variances of the analysis are biased. The Harman’s single factor score loads all the items into one common factor. There is no common method bias, if the total variance for a single factor is less than 50 %. This study's total variance for a single factor is 31.32 %. Consequently, common method bias does not affect the data of this study (Podsakoff et al., 2003; Podsakoff et al., 2012).

The fundamental issue with observational data is its susceptibility to a wide range of problems, known as endogeneity. Endogeneity occurs when an explanatory variable correlates with the regression equation's disturbance term. Failing to account for it will likely result in biased parameter estimates, undermining the validity of the findings obtained from regression-type analyses of observational data (Sande & Ghosh, 2018). The Durbin-Wu-Hausman (DWH) test (Durbin, 1954; Hausman, 1978; Wu, 1973) was utilised to examine the endogeneity of the constructs using two-stage least-squares of R (Lavaan) and IV Regression. This method employs independent and control variables in both stages, but one or more variables are exclusive to the initial stage. These special, instrumental variables should not have a strong correlation with the ultimate dependent variable (Hill et al., 2021). Company knowledge, reliable payment habits and transparent internal processes were chosen as instruments for the mode selection prediction's initial stage. The DWH uncovered no clear indication of endogeneity (p-value = .95). The p-value for the Sargan test (Sargan, 1958) shows that our instruments are exogenous (.19 p-value).

As the next step, structural equation modelling using Lavaan (implemented in the R System for statistical computing) was used to test the conceptual model of this research since Lavaan contains most of the features needed for modern structural equation modelling (Rosseel, 2011). Moreover, "Lavaan is an acronym for latent variable analysis, and its name reveals the long-term goal: to provide a collection of tools that can be used to explore, estimate, and understand a wide family of latent variable models, including factor analysis, structural equation, longitudinal, multilevel, latent class, item response, and missing data models (Rosseel, 2012, p. 1). The conceptual model is tested on a significance level of .05 and a one-tailed test type since the coefficients are expected to have either a positive or negative effect (Kock, 2015). Overall, the goodness-of-fit measures showed mostly satisfactory values (df. = 526, CFI = .88, TLI = .87, RMSEA = .07, SRMR = .06).

The outer loadings of the indicator variables for RDT, culture, supplier satisfaction and resource allocation are considered reliable measures for the particular construct, as they are all significant. All the values for Cronbach's α are above the threshold of .70 and, thus, within the acceptable limit. Furthermore, composite reliability is seen as a suitable alternative to Cronbach's α in order to test the convergent validity in a reflective model. Another reason is that Cronbach's α might over- or underestimate scale reliability, which is not the case for composite reliability (David Garson, 2016).

The threshold should be higher than .70, which is the case for this research. To ensure that this construct is indeed measuring what it intends to measure, the validity of the construct is assessed. The average variance extracted (AVE) is used to measure the convergent validity. All the values for AVE are above the threshold of .50 (David Garson, 2016). Table 12 gives an overview of these mentioned measurements.

Table 12: Reliability and validity

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Resource Allocation	.86	.90	.65
Supplier satisfaction	.88	.92	.74
Coercive Power	.91	.93	.78
Reward Power	.94	.95	.85
Dependence	.90	.93	.71
Environmental Uncertainty	.88	.92	.80
Behavioural Uncertainty	.89	.93	.83
Relationship Continuation	.91	.94	.74
Length of Relationship	1.000	1.00	1.00
Organisation Size	1.000	1.00	1.00
Country	1.000	1.00	1.00

3.4 Results

3.4.1 *Direct effects of RDT variables on supplier satisfaction and resource allocation*

The R2 values of the endogenous variables and the significance level of the path coefficients mostly determine the outcomes. The independent variables accounted for 49% of the variance in resource allocation and 29% of the variance in supplier satisfaction.

First, all direct relationships between independent variables to dependent variables were analysed. Supplier satisfaction is positively related to resource allocation ($\beta=.35$; p-value = .00), which supports hypothesis **H1**. Second, dependency is positively related to resource allocation ($\beta= .26$; p-value = .00) and supplier satisfaction ($\beta= .22$; p-value = .00). Thus, both hypotheses **H2a** and

H2b are not supported due to findings in the opposite direction of what was hypothesised. Third, regarding coercive power, **H3a** is not supported. The analysis of this model shows coercive power is positively related to resource allocation ($\beta = .35$; p-value = .00), but has no significant influence on supplier satisfaction ($\beta = -.01$; p-value = .26). Even though the relationship from coercive power on resource allocation is significant, it is still not significant in the hypothesised direction and thus, **H3b** is not supported. Fourth, regarding reward power, the results show that reward power is positively related to supplier satisfaction ($\beta=.13$; p-value .08) but is not significant; therefore, **H4a** is not supported. Also, Reward power has no significant influence on resource allocation ($\beta = .12$; p-value = .07), therefore **H4b** is not supported. Fifth, environmental uncertainty is to be found to be not significant for supplier satisfaction ($\beta= -.06$; p-value = .29), **H5a** is rejected. Yet the effect of environmental uncertainty was found to be negatively significant for resource allocation ($\beta= -.10$; .04) which supports **H5b**. Sixth, the impact of behaviour uncertainty on supplier satisfaction ($\beta= .09$; p-value = .13) and on resource allocation ($\beta= .03$; p-value =.64) are not significant – **H6a** and **H6b** are rejected. Finally, the results show that relationship continuation is positively related to resource allocation ($\beta=.14$; p-value = .00) as well as supplier satisfaction ($\beta=.22$; p-value = .00). Therefore, hypotheses **H7a** and **H7b** are supported (see figure 11).

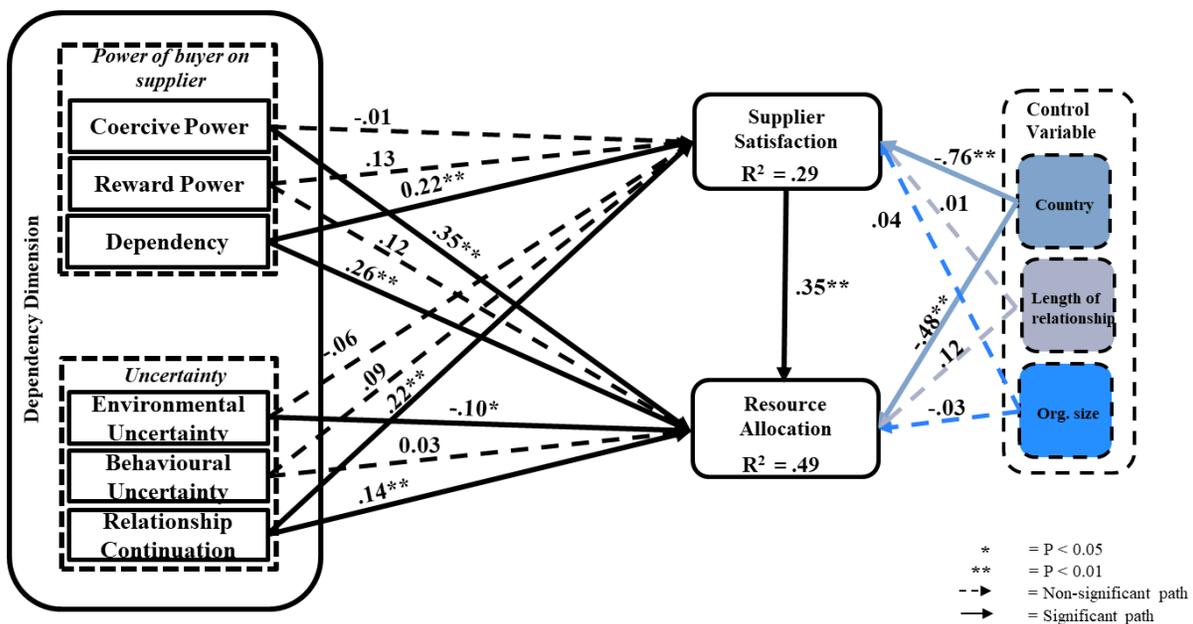


Figure 11: Effect statistics of direct effects on supplier satisfaction and resource allocation

3.4.2 *Multigroup analysis of the effects of power distance and uncertainty avoidance*

Before doing a multigroup analysis, a permutation algorithm was performed. This test is used to show “if significant intergroup differences are due to inter-group differences in construct’s (e.g., SES) when assessing composite models” (David Garson, 2016, p. 182). The findings indicated that there is indeed no significant difference between countries since all permutation p-values are above .05.

Since it turned out that all the constructs are processed in the same way in every country, a multigroup analysis was performed by dividing groups into high and low related to culture. To test the impact of culture on the relationship between RDT and resource allocation and supplier satisfaction, the sample was divided into four subsamples along the 30 and 70 percent quartile of power distance and uncertainty avoidance. The resulting groups are low and high power distance and low and high uncertainty avoidance. The overall fit measures are a little bit lower than for the main model (see appendix table 20).

Confidence interval of each group is essential to determine the co-efficient path difference between these groups. According to Sarstedt et al. (2011), if the parameter estimate for the path relationship of group one falls within the corresponding confidence interval of group two (vice versa). It can be assumed that there are no significant differences between the group-specific path coefficients (Cumming, 2009). In other words, the relationship is insignificant since the confidence intervals overlap (see appendix 21).

When assessing coercive and reward power, the difference in path coefficients between the high and low power distance group shows that the effect of coercive and reward power on resource allocation is significant. Moreover, the impact of coercive power on resource allocation is positively influenced if the power distance is high (i.e. **H8d** is supported). In the case of coercive power and reward power on supplier satisfaction, the difference in path coefficients is not significant. However, the effect of coercive power on supplier satisfaction is significant in the low power distance group (i.e. **H8c** is supported). It indicates that if power distance culture is low, it will negatively moderate the coercive power on supplier satisfaction. The results indicate that the effect of dependency on resource allocation and supplier satisfaction is significant in high power distance and low power distance (**H8a** and **H8b** are supported in high power). Dependency leads

to more supplier satisfaction, while this effect fades away in low-power estimated cultures. The impact of reward power on supplier satisfaction is significant in the low power distance group, which means that reward power is seen positively in low power distance cultures (i.e. **H8e** is supported).

Regarding the uncertainty dimension of RDT, the results showed that the effect of environmental uncertainty, behavioural uncertainty and uncertainty in relationship continuation are not significant in both groups – high and low uncertainty avoidance. The only exception is that high uncertainty avoidance negatively influences the relation between environmental uncertainty and supplier satisfaction (i.e. **H9a, H9b, H9c, H9d, H9e and H9f** are not supported).

Nevertheless, further significant results were obtained: Regarding the power dimensions, the effect of relationship continuation on supplier satisfaction is found to be positively significant in both groups. The results showed that the impact of relationship continuation on resource allocation is not significant. Moreover, the effect of environmental and behavioural uncertainty on resource allocation and supplier satisfaction is not significant in high and low power distance groups. When evaluating coercive power and reward power, the difference in path coefficients between high and low uncertainty avoidance groups shows that the effect of coercive power and reward power on resource allocation is insignificant. The effect of coercive power on supplier satisfaction is found to be significant only in high uncertainty avoidance. Reward power does not influence supplier satisfaction and resource allocation. However, dependency is seen to have a significant effect on resource allocation and supplier satisfaction, and the difference in path coefficient between high and low uncertainty avoidance groups is significant. The effect of supplier satisfaction on resource allocation is found to be significant when uncertainty avoidance culture is involved. Table 21 and figures 14 and 15 provide a more detailed summary of all the results.

3.5 Discussion and conclusion: Relevance of power distance in buyer-supplier relation

Leveraging the supply chain for competitive resources is still a key challenge for many buying firms, especially in a globalised world (Kalaitzi et al., 2018). This study aimed to identify practices that help buying firms master this challenge by examining the effects of different dimensions of RDT on supplier satisfaction and resource allocation. Additionally, this research followed calls by

Schiele et al. (2015) and Reimann and Ketchen Jr. (2017) to assess the potential contingency effects of culture on these dynamics by empirically testing these theories.

Focusing on the effects of power, this paper first found that coercive power increases resource allocation, but it does not significantly affect supplier satisfaction. However, in the second step, when taking culture into account, coercive power suddenly positively influences supplier satisfaction in high uncertainty avoidance cultures. Hence, we found that the relationship between coercive power and supplier satisfaction is moderated by the degree of uncertainty avoidance of the supplying firm. On the other hand, reward power has no significant influence on resource allocation and supplier satisfaction. Nevertheless, in the second step, low power distance cultures strengthen the positive impact of reward power on supplier satisfaction.

Moreover, being dependent positively affects both resource allocation and supplier satisfaction. The positive effect of dependency on supplier satisfaction is higher if the power distance is low and uncertainty avoidance is low. Furthermore, the positive impact of dependency on resource allocation is high when moderated when power distance is high, and uncertainty avoidance is high. When comparing these results with literature, based on the notion that different power bases influence supplier satisfaction and resource allocation differently, many researches pointed out the negative influence of coercive power and the positive impact of reward power (Crook et al., 2017; Maloni & Benton, 2000). This research surprisingly showed that coercive tactics could be effective when buying firms aim for better resource allocation. Especially regarding supplier satisfaction, coercive tactics are positively effective in cultures with high power distance and high uncertainty avoidance. Hence, our findings alert that power's effect differs depending on cultural interest. However, not using reward tactics in high power distance cultures might lead to a better outcome of supplier satisfaction. It was assumed that rewarding the supplier would positively impact resource allocation, but results showed the opposite. Our findings showed that dependence does not negatively influence supplier satisfaction and resource allocation. A supplier can depend on the buyer but still be satisfied with the relationship and grant the buyer the preferred resources. A possible reason might be that being dependent does not necessarily mean that the stronger party exploits the dependent party (Caniëls et al., 2018; Kumar et al., 1998). Future research might want to consider the difference between potential and external power. In other words, even though the

supplier might be more dependent on the buyer that does not mean that this leads to dissatisfaction as long as the perception of the power and value it perceives is higher than from other competitors (Caniëls et al., 2018; Chae et al., 2017).

Regarding uncertainty, firstly, environmental uncertainty has been found to show significant relation to resource allocation and but not to supplier satisfaction. The effect of environmental uncertainty significantly differs between high and low uncertainty avoidance. Secondly, behavioural uncertainty is not significant for supplier satisfaction and resource allocation. The impact of behavioural uncertainty did not significantly differ between high and low power distance and uncertainty avoidance, which means that culture did not have an influence on these relationships. Nevertheless, behaviour uncertainty has negative influence on resource allocation if power distance is high. Finally, relationship continuation positively influences supplier satisfaction and resource allocation.

Moreover, in high power distance cultures, relationship continuation is even more important, and thus, culture positively moderates the relationship between relationship continuation and supplier satisfaction. Interesting to see, was that uncertainty avoidance does not influence relationship continuation. Even though behavioural uncertainty seems not relevant, relationship continuation appears highly relevant for resource allocation. The fear of not continuing the relationship will negatively influence the resource allocation. This means that as long as there is a will for relationship continuation, the supplier is inclined to be satisfied (Ganesan, 1994; Wang et al., 2016). This might be because buyers and suppliers in long-lasting relationships tend to make relation-specific investments, which might be seen as a commitment to a relationship (Brito & Miguel, 2017; Jena et al., 2011). However, the interesting result was that in high power distance cultures, relationship continuation regarding supplier satisfaction is more significant than in low power distance cultures.

3.5.1 Theoretical contributions: A resource dependency model explaining the supplier satisfaction

With this research, we contribute to the large theoretical base of resource dependency research (Hillman et al., 2009; Pfeffer & Salancik, 1978), and supplier satisfaction research (Caniëls et al.,

2018; Chae et al., 2017; Schiele et al., 2012) by showing that power in regard of relationship continuation have a strong influence on the resource allocation context. Moreover, our findings have shown that using coercive tactics does not necessarily mean that the supplier will be dissatisfied and, therefore, not granted the resources. Controversially, coercive power is positively related to resource allocation and supplier satisfaction. Nonetheless, reward power is found to be influencing the supplier satisfaction context negatively if the power distance is high. More research is needed to uncover the exact mechanisms underlying these surprising findings, as these conflict with the assumptions of RDT.

Secondly, this study follows the calls by Reimann and Ketchen Jr. (2017) and Schiele et al. (2015) for a cultural perspective on RDT and supplier satisfaction research. This study contributes to the literature by combining the different dimensions of RDT and culture in one empirical assessment. Specifically, a key contribution is that power distance and uncertainty avoidance have been shown to moderate the relation between RDT variables, supplier satisfaction and preferred customer. This helps to understand the assumption of Reimann and Ketchen Jr. (2017) that the effects of RDT might be influenced by culture better. Hence, we recommend extending the analysis of culture's contingency effects beyond the focus of this study to other areas of buyer-supplier relationships affected by RDT.

3.5.2 Managerial contributions: Viable management mechanism to achieve supplier satisfaction

This paper has four main contributions for supplier satisfaction management, resource dependence theory and its cultural differences, which translate into a series of management implications, which can be formulated as propositions:

Management proposition 1: Buyer investing in reward power structures is not effective when resource allocation and satisfaction are the aims

From the main model, the results showed that reward power has no significant effect on achieving supplier satisfaction and getting the supplier's allocated resources. Results have shown that reward power in the best case – in low power distance cultures – is significantly beneficial for achieving supplier satisfaction of better resource access. In the worst case, high power distance cultures lead

to less supplier satisfaction. Suppliers in high power distance cultures are more confused when the buying firm uses reward tactics, and thus, the supplier is less satisfied. From this background, our findings suggest that investing in sophisticated reward systems is of little value.

***Management proposition 2:** Buyers using coercive power might improve resource allocation from suppliers in high power distance cultures*

Our data revealed that the use of coercive power in high power distance cultures is accepted and even expected, for it has a positive influence on supplier satisfaction and a strongly significant direct impact on supplier resource allocation. With suppliers hosted in low power distance cultures, coercive power has the expected detrimental effect on supplier satisfaction, but not in the high power distance context. Hence, buyers may want to differentiate in the use of power. This finding might be challenging to understand for managers from low power distance cultures, but it represents a viable management mechanism.

***Management proposition 3:** Buyers originating in high power distance cultures profit from avoiding suppliers in low power distance cultures*

Purchasers socialised in high power distance cultures practising a coercive power model towards their supply base, which accepts this behaviour, may find it difficult to switch to the necessary non-coercive behaviour. To avoid conflicts, for such cultures, it would be a tactic to better avoid suppliers from a low power distance environment.

***Management proposition 4:** Buyers are advised to collaborate with long-term dependent suppliers*

The findings of this study show that dependency and relationship continuation can positively influence supplier satisfaction and resource allocation. This highlights the importance of lasting relationships in the buyer-supplier context since being dependent is not seen as negative (Aoki & Wilhelm, 2017). The strong positive effect of relationship continuation may explain the “economics of collaboration”: relationship continuation increases supplier satisfaction, which

influences supplier resource allocation. In parallel, it also reduces uncertainty, positively affecting suppliers' resource allocation. Through this double effect, a virtual circle can start, for a good buyer-supplier collaboration expressed through preferential treatment of the buyer through the supplier – better utilisation of facilities, preferential production scheduling, a material made available, engagement in investments etc. – improves the result from the collaboration and makes it even more meaningful to continue the relation.

3.5.3 *Limitations and future research possibilities*

This research has several limitations that need to be considered. Firstly, the supplier evaluation relied on the opinion of a single employee of the organisation, making it difficult to draw a general picture out of the answer of one single informant. Additionally, the culture was evaluated by this employee as well as maybe the personal view of the informant. One way to minimise this limitation would be to include qualitative data or ask two or three suppliers from the same organisation to complete the survey. This also relates to the debate on the applicability of Hofstede measures to the organizational/individual level of analysis (Venkateswaran & Ojha, 2019) and not using the Hofstede measures as aggregated on the country level. Even though this study assured a fit of the culture measures power distance and uncertainty avoidance to the level of analysis by adjusting the original measures. We recommend developing in future studies specifically developed corporate culture measures covering power distance and uncertainty avoidance more nuanced.

Secondly, even though many suppliers participated in the survey, it is still possible that suppliers did not answer the questions truthfully. It could be that they were afraid to be tracked by the buying organisation, even though it was disclaimed that all the answers were anonymous.

The survey was conducted for selected companies in Brazil and Iran. Expanding this survey to more companies in these countries and other countries would increase the sample size and give further insight and a better understanding of this field.

CHAPTER 4

WHO WANTS TO BE DEPENDENT ON US? A RESOURCE & SOCIAL EXCHANGE THEORY PERSPECTIVE ON SUPPLIER DEPENDENCY

4 WHO WANTS TO BE DEPENDENT ON US? A RESOURCE & SOCIAL EXCHANGE THEORY PERSPECTIVE ON SUPPLIER DEPENDENCY

Abstract

This paper analyses how resource dependency factors (demand and competition uncertainty) and social exchange factors (supplier satisfaction and preferred customer status) influence the degree of a supplier's dependence upon a particular customer. Based on a survey among suppliers of a fast-moving consumer goods (FMCG) company and a subsequent OLS regression analysis, it was found that competition uncertainty and a preferred customer status have a positive effect on dependence. In contrast, demand uncertainty and supplier satisfaction did not have a significant effect. This implies that mainly the external context of a buyer-supplier relationship appears to lead to supplier dependence instead of relational characteristics. With these findings, the paper is a trailblazer in showing that both resource dependency theory and social exchange theory provide relevant explanations for suppliers' dependence on customers. Future studies can build on these findings and assess dependence in more complex ways, such as different forms of dependence and going deeper into factors influencing mutual/asymmetric dependencies in buyer-supplier dyads, going beyond the supplier-focused perspective of this paper.

Keywords:

Resource Dependency Theory, social exchange theory, supplier satisfaction, preferred customer status

4.1 Introduction: Factors influencing dependence scarcely understood, this study takes a supplier-perspective on dependency

Since the 1990ies, the core competence movement, which urged firms to concentrate on their most important capabilities and outsource all marginal activities to suppliers, led to a substantial increase in dependency between buyers and suppliers and a corresponding increase in scholarly attention to understanding the buyer-supplier relationship (Prahalad & Hamel, 1990). Consequently, during the last 25 years, many companies reduced in-house production, which has led to an increase in outsourcing non-core activities and out-house production (Corsaro, 2015). For many collaborative buyer-supplier relationships, the emergence of dependencies has become a defining characteristic. In that way, dependency became one of the most discussed attributes describing buyer-supplier relationships (Tangpong et al., 2015).

Typically, dependency in buyer-supplier relations is seen as something to be avoided, a view strongly influenced by resource dependency theory (RDT). Pfeffer and Salancik (2003), the founders of RDT, described organisations as interconnected systems, which, to survive, need external resources. RDT states that organisations are not self-sufficient enough and, thus, need to rely on other firms to acquire resources (Elking et al., 2017). In this context, RDT assumed that if an organisation is less dependent on another, it will be able to achieve a more favourable resource allocation, as opposed to being dependent on a partner (Hillman et al., 2009; Pfeffer & Salancik, 1978; Schiele, 2019). Dependency creates an asymmetric power structure, where the stronger party can pressure the dependent party (Kim & Zhu, 2018). Regarding the often-mentioned strong influence of dependency upon business partners' behaviours, the question arises as to under which conditions does dependency between organisations emerges?

Interestingly, the abundant literature on dependency focuses on analysing dependency's consequences and often includes it as a moderating variable (Drees & Heugens, 2013). However, it fails to cast light on the apparent paradox of companies being urged to avoid dependency, which is often de facto in situations of dependency. Accordingly, as a first step into analysing the 'dependency black box', this research takes a supplier's perspective and analyses under which conditions supplier dependencies on a buyer emerge. To this end, we will use RDT and social exchange theory (SET) to show that both organisational uncertainties (RDT perspective) as well as

specific relational characteristics (social exchange perspective) shape the degree to which dependencies on a buyer emerge for a supplier. This leads to the following research question:

How do resource dependency and social exchange theories explain supplier dependence in buyer-supplier relationships?

This study is the first one to assess whether supplier dependency might not only be influenced by organisational uncertainties (RDT perspective) (Cai et al., 2017; Ma et al., 2021) but also by the respective quality of the buyer-supplier relationship (SET perspective) (Patrucco et al., 2019; Schiele et al., 2012). In this way, we contribute to unravelling the buyer-supplier dependency paradox and add to the supply chain dependency literature (Bhardwaj & Ketokivi, 2021; Diebel et al., 2020; Huo et al., 2019).

Regarding specific implications for theory, firstly, uncertainties do not prevent suppliers from entering dependency situations. Dependency seems to be prevalent under high competition uncertainty. This is in line with the broader organisational strategy literature, which advocates bonding strategies with existing partners in times of high threats of new entrants in a market (Porter, 2008) and therefore advocates strategies leading to higher dependencies. Yet more research is needed regarding the possible strategic underpinning of situations of uncertainty and (mutual) dependence.

Secondly, from a SET perspective (Patrucco et al., 2019; Schiele et al., 2012), the findings show that suppliers awarding a buyer with preferred customer status are inclined to have increased dependence, whereas merely being satisfied with the relationship does not have an effect. These findings show that the spectrum of competitors and alternative partners within the market, but not, in particular, the direct satisfaction with the relationship per se, influences dependence. At the same time, the results also indicate that SET seems to contribute more to the explanation of dependencies than RDT, indicating the relatively higher importance of SET (i.e., the relative strength of the focal relationship compared to other relationships) for becoming dependent on a partner. These findings imply that SET can be a valuable addition to RDT perspectives on dependence and increase explanatory power significantly. Table 13 shows the literature gap and the positioning of this study.

Table 13: Literature position of this study

Paper	Social exchange theory		Resource dependency theory		
	Supplier satisfaction	Preferred customer status	Dependency	Competition uncertainty	Demand uncertainty
Liu et al. (2017), Ndubisi et al. (2020), Porter (2008), Yu et al. (2017), Zhou et al. (2005)				✓	✓
Hüttinger et al. (2012), Hüttinger et al. (2014), Nyaga et al.(2010), Piechota et al. (2021), Pulles et al. (2016), Schiele et al. (2012)	✓	✓			
Paulraj & Chen (2007)			✓	✓	
Gelderman et al. (2016), Kumar et al. (1992)	✓			✓	✓
Cai et al. (2017), Chen & Paulraj (2004), Pfeffer & Salancik (1978)			✓	✓	✓
Caniels et al. (2018), Glavee-Geo (2019)	✓	✓	✓		
Böhnme et al. (2008)			✓		✓
Bhardwaj & Ketokivi (2021), Diebel et al.(2020), Hillman et al. (2019), Kim & Zhu (2018)			✓		
Forker & Stannack (2000)	✓			✓	
Huo et al. (2019)	✓		✓		
Patrucco et al. (2019)		✓	✓		
Aviv (2001), Boone et al. (2019), Christopher (2000), Lee et al. (1997), Raju & Roy (2000), Scheer et al. (2015), Zhou & Benton (2007)					✓
Lu & Yang (2004), Zhou et al. (2014)				✓	
Hottenstein (1970)		✓			
Our Paper	✓	✓	✓	✓	✓

At the same time, it is necessary to go deeper into different types of dependence and analyse more complex situations of dyadic mutual/asymmetric dependencies. More future research opportunities and the managerial implications of these findings are discussed in detail in the discussion section. After this short introduction, the following section presents the theoretical framework of this study and goes deeper into the concept of dependence in buyer-supplier relationships.

4.2 Theoretical Framework

4.2.1 A dependency in business relationships: Resource Dependency Theory posits that dependencies should be avoided

The structures and processes of an organisation are shaped by the environment which the organisation is operating in (Flynn et al., 2010). Consequently, the environment of an organisation is very significant in understanding organisational behaviour (Forker & Stannack, 2000; Gelderman et al., 2016; Lu & Yang, 2004). In this context, the RDT assumes that organisations are largely externally controlled and dependence is a key driving force behind organisational action and inter-organisational interaction (Hillman et al., 2009; Pfeffer & Salancik, 1978).

Dependence is defined as 'an actor's need to continue its relationship with an exchange partner in order to achieve its desired goals' (Scheer et al., 2015). Dependence occurs when one party has limited control over achieving its goals. According to RDT, if another organisation controls resources, dependency creates vulnerability and should be avoided (Pfeffer & Salancik, 1978). Correspondingly, dependence is usually related to a negative influence on the relationship due to a decrease of willingness to compromise (Pfeffer & Salancik, 1978).

Regarding the supplier perspective, dependency occurs when the buyer is significant to the supplier, i.e. in terms of turnover and sales volume (Böhme et al., 2008; Huo et al., 2019). Supplier dependency is characterised by a customer's control of resources (Kim & Zhu, 2018). Regarding supplier dependency, this study distinguishes between organisational uncertainties and buyer-supplier relationship-related factors. The following two sections go deeper into these two sets of factors.

4.2.2 *Resource Dependency Theory: Organisational uncertainties influencing dependence*

RDT argues that organisational uncertainties strongly shape how organisations behave. Uncertainty is defined as ‘unanticipated, unpredictable changes in circumstances surrounding an exchange’ (Noordewier et al., 1990). Many scholars have assessed different forms of uncertainty in supply chain management research, including process uncertainty, product uncertainty, competition uncertainty, demand uncertainty, environmental uncertainty, or behavioural uncertainty (Christopher, 2000; Gupta et al., 1986; Ma et al., 2021; Paulraj & Chen, 2007; Tangpong et al., 2016; Weed & Mitchell, 1980).

In particular, demand and competition uncertainty has been argued to be key dimensions of uncertainty in buyer-supplier relationships (Kumar et al., 1992). This dichotomy in uncertainties was also used in more recent studies by Zhou et al. (2005) and Ndubisi et al. (2020), as these uncertainties reflect well both customer and competition views in the market. Regarding their definitions and effects, demand uncertainty is a business-level uncertainty that reflects aspects such as forecasting errors and irregular orders. It is measured in terms of fluctuation and market demand variation (Chen & Paulraj, 2004). Demand uncertainty is very significant for organisations since it impacts the whole supply chain; ‘Forecasts have traditionally served as the basis for planning and executing supply chain activities. Forecasts drive supply chain decisions, and they have become critically important due to increasing customer expectations, shortening lead times, and the need to manage scarce resources’ (Boone et al., 2019). The importance of forecasting has a substantial impact on the planning activities of a company (Aviv, 2001; Lee et al., 1997; Zhou & Benton, 2007). Hence, suppliers operating under volatile demand need to closely monitor the demand forecast (Paulraj & Chen, 2007). Ultimately, the demand uncertainty might influence the degree to which suppliers are willing to be dependent on the buyer. In this context, accurate forecasts traditionally serve as the basis for planning and the execution of supply chain activities (Boone et al., 2019; Chen & Paulraj, 2004) and can, therefore, significantly impact firms' profitability (Raju & Roy, 2000). Consequently, it can be expected that a supplier does not prefer to collaborate too closely with a buyer if demands are highly volatile since resources are not easily reallocated in dependency situations. Consequently, it can be expected that the higher the demand uncertainty, the less the supplier is willing to be dependent on the buying firm.

Hypothesis 1: Buyer's demand uncertainty has a negative impact on supplier dependency.

Secondly, besides demand uncertainty, competition uncertainty has been viewed as one of the key uncertainties affecting a firm's resource allocation and use of collaborative relationships (Porter, 2008; Zhou et al., 2014). Competition uncertainty is described as the competitive activity in the supplier's market, such as the strength and the number of competitors (Yu et al., 2017). Since suppliers in an intensely competitive market need to acquire valuable knowledge from their buyers (Frazier et al., 2009) to secure future business (Liu et al., 2017), this could influence the degree of dependence of the supplier. In this context, suppliers working in a competitively uncertain market are faced with high threats of new entrants and increasing strength of competitors (Porter, 2008). Building up stable and close relationships with buyers can shield well-embedded firms from these new entrants. Hence, suppliers are likely to invest more in the buyer-supplier relationship as the suppliers need to continue the relationship with the buying firm to secure future business, causing more supplier dependence (Gelderman et al., 2016). Conversely, when the market structure changes to a stronger oligopolistic supplier market (Lavie, 2007; Wagner & Bode, 2011), suppliers will likely become less dependent on certain buying firms, as buyers have fewer suppliers to choose from. Tying up resources at specific buyers might not yield the same benefits as in a highly competitive market.

Summarised, taking into account the arguments regarding the impact of demand uncertainty and competition uncertainty, the following hypotheses are formulated:

Hypothesis 2: Competition uncertainty has a positive impact on supplier dependency

4.2.3 Social Exchange Theory: Relational factors influence supplier dependence

Social exchange theory (SET) assumes that when an exchange partner is treated well, this leads to reciprocity and, consequently, to relational-specific investments (Nyaga et al., 2010; Pulles et al., 2016a), which are usually associated with larger degrees of dependence. Therefore, a supplier can be either satisfied or dissatisfied with a relationship with a customer. In this context, supplier satisfaction is defined as the buyer's ability to exceed the supplier's expectation of the buyer-supplier relationship (Schiele et al., 2012). Consequently, when a supplier perceives its expectations to be fulfilled (i.e., supplier satisfaction), the more the supplier reciprocates these

feelings by making relational investments (Nyaga et al., 2010; Pulles et al., 2016a). Hence, relationships with partners who are highly relationship-oriented also appear to have partners highly dependent on each other (Bloom & Perry, 2001). Therefore, based on the reciprocity argument of SET, supplier resources are allocated to the buying firms who consistently exceed the supplier's expectation (Hüttinger et al., 2012; Pulles et al., 2016a). As a result, it can be expected that satisfied suppliers have a higher tendency to be in dependent relationships, also due to the positive expectations when continuing the relationship.

Hypothesis 3: Supplier satisfaction positively correlates to supplier dependency

Yet just satisfaction might not be enough. Already in the 1970s, Hottenstein (1970) found that many businesses actively differentiate between different customers and have a list of preferred customers based on prior experiences and future expectations. Correspondingly, many suppliers differentiate their customer portfolio and concentrate their resource mobilization on specific preferred customers (Glavee-Geo, 2019). Being satisfied with the relationship might not be sufficient for the supplier, as an additional differentiation between buyers is often made. Consequently, it can be expected that giving preferred status to a buyer means that the supplier is experiencing this relationship to be more important than relationships with other customers. As such, the supplier's focus might lay on developing a partnership with its preferred customers and allocating more valuable resources to these specific customers, resulting in greater dependency. Summarised, taking into account the arguments regarding the impact of supplier satisfaction and assigning a preferred customer status, it can be expected that both will lead the supplier to be more dependent on the buyer. Hence, the following hypotheses are formulated:

Hypothesis 4: Supplier assigning a preferred customer status has a positive impact on supplier dependency

To summarise all hypotheses, Figure 12 shows the research model of this study.

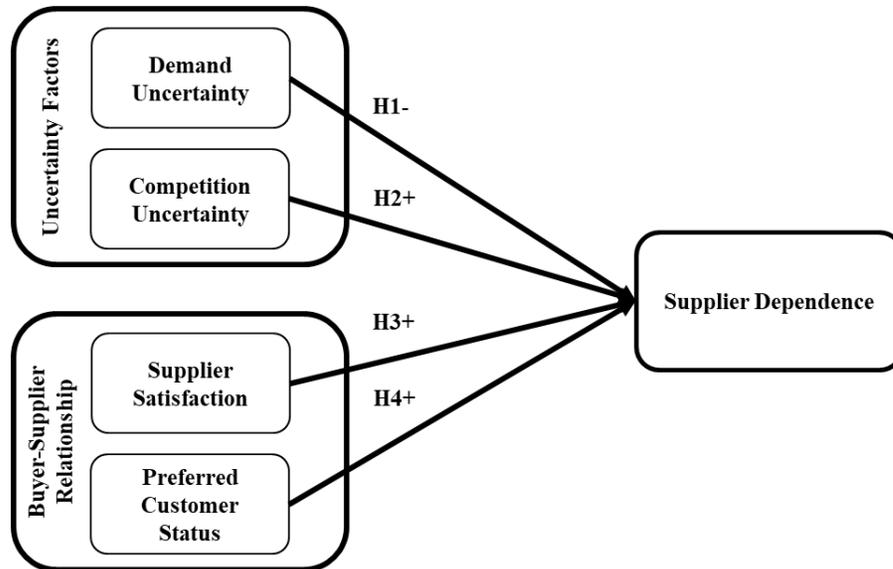


Figure 12: Researched model

The outline of data collection and statistical method to test this model is discussed in the next chapter.

4.3 Methods

4.3.1 Sampling and data collection: Survey in two commodities

Quantitative data was collected from the indirect procurement department of a company operating in the fast-mover-consumer-goods (FMCG) industry. The data was collected for two categories, IT & Purchased services (ITPS) and Logistics (Move), in seven different countries within central and western Europe consisting of Portugal, Spain, France, Poland, Benelux, Germany and the UK. Per category and per country, the top 20-25 most important suppliers in terms of the annual spend were selected. Hence, only important suppliers are included. Suppliers involved in a tender process at the time being contacted and inactive suppliers were excluded. In total, 336 suppliers were contacted, of which 143 responded. To ensure that the respondent had enough knowledge about the buying firm in order to assess the relationship, a control question was added to the questionnaire. Respondents who did not indicate enough knowledge were eliminated from this research, assuring we had only relevant key informants. This resulted in a total of 139 valid questionnaires, which equals a response rate of 41.6%. Table 14 gives an overview of the characteristics of the respondents.

Table 14: Sample and respondent characteristics

	N	%		N	%
1. Country of respondents			3. Number of employees		
UK	22	15.8	< 10	15	10.8
Benelux	18	11.5	10 - 50	31	22.3
Germany	8	5.8	51 - 250	49	35.3
France	18	12.9	250 - 1000	28	20.1
Poland	19	11.5	> 1000	16	11.5
Spain	27	19.4			
Portugal	15	10.8			
Other	12	12.2			
2. Length of the relationship			4. Most common e-cl@ss		
< 5 years	32	23.0	Logistics (Nr. 14)	85	61.2
5-10 years	51	36.7	Market (Nr. 41)	20	14.4
11-20 years	34	24.5	General (Nr. 25)	6	4.3
> 20 years	22	15.8	Other	28	20.1

4.3.2 *Quality of the construct: Non-response bias, common method bias and endogeneity*

A non-response bias analysis was conducted whereby the first 25% of the respondents were compared to the last 25% of the respondents. The independent-sample T-test revealed that no constructs were significantly different between the early and the late respondents at $p < .05$.

There is always the possibility that the model could have endogeneity problems. The DWH test (Durbin, 1954; Hausman, 1978; Wu, 1973) was used to examine the endogeneity of the constructs using two-stage least-squares of R and IV Regression. The two-stage method for controlling endogeneity has become increasingly prevalent for similarly structured data (Leiblein et al., 2002; Mayer & Teece, 2008). This method uses independent, and control variables in both stages, but one or more variables are unique to the first stage. These instrumental variables should not be highly correlated with the ultimate dependent variable (Hill et al., 2021). Payment procedures, delivery deadlines, and long-term contracts were selected as instruments for the first stage of mode selection prediction. The DWH revealed that there is no clear indication of endogeneity (p -value = .91). The p -value for the Sargan test (Sargan, 1958) indicates that our instruments are exogenous (p -value = .98).

After collecting the data, a Harman one-factor test was performed (Podsakoff & Organ, 1986). A common method bias occurs when variations in responses are caused by the instrument rather than the respondents' actual predispositions that the instrument seeks to uncover (Podsakoff et al., 2003; Podsakoff et al., 2012). This would indicate that the instrument itself introduces a bias, and as a result, the analysis variances are also biased. The single factor score of the Harman transforms all items into a single factor. There is no common method bias if a single factor's total variance is less than fifty per cent. According to the findings, there is no concern regarding common method variance since the percentage of variance is 30.26.

4.3.3 *Control variables: Technological uncertainties, length of relationship, procurement categories and organisational size*

Regarding control variables, we looked at other uncertainties, including the focal company's product groupings and added relationship length and organisational size in the analyses.

Firstly, regarding other uncertainties, in addition to the uncertainties focused on in our study, supply chain literature usually includes supply uncertainty and technology uncertainty dimensions in analyses (Chen & Paulraj, 2004; Huo et al., 2018; Lee, 2003; Pagell & Krause, 1999). We checked whether they were relevant as potential control variables. On the one hand, supply uncertainty refers to the fluctuation in logistics providers' prices, abilities and qualities (van der Vorst & Beulens, 2002). Supply uncertainty makes integrated scheduling efforts more difficult (Wang et al., 2020) and this unpredictability directly influences the upstream manufacturer (Vernimmen et al., 2007; Wang & Meng, 2012). Yet this research looks at the dependence of the supplier on the buyer. Hence, the supplier's supply risk is not relevant for this study, as we take a supplier perspective on the buyer-supplier relationship in this study. It would have been relevant if we had taken a buyer's perspective.

On the other hand, technological uncertainty is usually defined as the complexity, instability, and unpredictability of relevant technologies and their future development of it (Bstieler, 2005). It is also seen as 'the extent of changes and unpredictability of logistics-related technologies' (Huo et al., 2018). Suppliers operating in highly uncertain markets are likely to be in a position where they need access to the technological knowledge of the buying firm. Technological uncertainty could be alleviated by recognizing resource dependence and promoting a collaborative buyer-supplier

relationship (Paulraj & Chen, 2007). Hence, technological uncertainty could influence supplier dependence and is therefore added as control factor in this study.

Secondly, as mentioned earlier, quantitative data is collected from the procurement department of a company operating in the fast-mover-consumer-goods (FMCG) industry. As a result of this two categories of indirect procurement are investigated: IT & Purchased services (ITPS) and Logistics (Move). The category ITPS includes products such as IT, Hard- and software and several HR-related services, such as insurance, training, recruitment and commercial services. The category Move consists of logistic services such as transport and warehousing. A control dummy variable is introduced to control the effects of the different indirect procurement categories.

Thirdly, length of the relationship was included as a control variable. Even though many studies studying buyer-supplier relationships did not find an influence on relationship length (Caniëls et al., 2018; Vos et al., 2021), some scholars like Nagati and Rebolledo (2013) indicated that the length of the relationship between a buyer and supplier could significantly influence the relationship. Therefore, it should be included in studies on buyer-supplier relationships.

Finally, the supplier's organisation size was included as a control variable since suppliers that are smaller tend to be more dependent on the buying firm, and this might influence the results.

4.3.4 *Survey design and measured used*

A multi-item scale is being used to measure the independent and dependent factors. The questionnaire of Yu et al. (2017) is used to assess the level of demand and competition uncertainty. The Caniëls et al. (2017) questionnaire is used to determine the supplier's dependency. The questions developed by Hüttinger et al. (2014) were used as the basis for supplier satisfaction and preferred customer status. The questionnaire of Gelderman et al. (2016), based on the measures of Bstieler (2005), is being used to measure the control variable of technological uncertainty. All items are measured on a five-point Likert scale ranging from 'strongly disagree' to 'strongly agree' (see appendix table 22).

4.3.5 *Statistical method used & quality assessment of the data structure*

The descriptive statistics, and the tests for data quality, such as the common factor loadings, heteroscedasticity, and model testing via OLS regressions, were calculated using IBM SPSS 21. All analyses handle a significance level of $p < .05$ (two-tailed).

Regarding data quality, firstly, Cronbach’s alpha values are all above .70 and can therefore be considered reliable (Bagozzi & Yi, 1988). Secondly, explorative factor analysis was employed to test the construct validity. Since the explanatory variables were latent variables, factor analysis was conducted to predict the factor scores, which were later used in the regression model. The Kaiser-Meyer-Olkin (KMO) value is .81; thus, the data factored well (Kaiser, 1974). All factor loadings are above .55 and, therefore, large enough to indicate sufficient loadings (Hair et al., 2006). Appendix table 23 gives an overview of all the loadings, and table 15 also shows correlations and quality statistics of the constructs.

Table 15: Cross-correlations and quality criteria of constructs.

Construct	1	2	3	4	5	6
1 Dependency		.52**	.22**	.19*	.27**	.17*
2 Preferred Customer Status			.42**	.14	.11	.25**
3 Supplier Satisfaction				.25**	.26**	.37**
4 Demand Uncertainty					.54**	.39**
5 Competition Uncertainty						.34**
6 Technological						
Quality Criteria						
Cronbach's alpha	.87	.86	.88	.91	.86	.91
VIF		1.26	1.39	1.53	1.50	1.36

** Correlation is significant at the .01 level (2-tailed).

* Correlation is significant at the .05 level (2-tailed).

VIF = variance inflation factor.

4.4 Results: Competition uncertainty and preferred customer antecedent dependency

As mentioned earlier, the hypothesised model is calculated by using an OLS regression analysis. The R^2 value of the endogenous variable dependency is 34%, which indicates a medium effect size.

Regarding the impact of the control variables, only the product category had a significant influence on dependence. Logistics (MOVE) suppliers were significantly more dependent on the buyer than IT and Service (ITPS) suppliers ($\beta = .11$). An overview of all results are shown in table 16.

Table 16: Linear regression results - dependent variable: Supplier Dependency

	Model 1			Model 2			Model 3		
	beta	t	Sig.	beta	t	Sig.	beta	t	Sig.
(Constant)	-	15.21	.00	-	1.57	.12	-	.70	.49
Length of Relationship	-.01	-.16	.87	.02	.31	.76	.02	.27	.78
Organisational Size	.10	1.21	.23	.07	.89	.37	.05	.71	.48
Product Category	-.16	-1.89	.06	-.21	-2.91	.00	-.18	-2.42	.02*
Pref. Customer Status				.53	6.53	.00**	.52	6.53	.00**
Supplier Satisfaction				.02	.30	.76	-.02	-.28	.78
Demand Uncertainty							.01	.09	.93
Competition Uncertainty							.18	2.05	.04*
Technol. Uncertainty							-.01	-.09	.93
R-square	.03			.31			.34		
Adjusted R-square	.01			.29			.30		
standard error estimate	.93			.79			.78		
R-square change	.03			.28			.03		
F change	1.53			27.03			1.94		
Sig. F change	.21			.00			.13		

Notes: *beta*=standardised beta coefficient, *t*=t statistic, *Sig.* = Significance level.

Regarding the results concerning the hypotheses, firstly, the results (see Table 16 and Figure 13) show that the impact of demand uncertainty on dependence is not significant ($t = .09$; $\beta = -.01$; $p = .93$). Hypothesis 1 is rejected. Competition uncertainty, nevertheless, has a significant and positive impact on dependence ($t = 2.05$; $\beta = .20$; $p = .04$). Hypothesis 2 is supported. Furthermore, supplier satisfaction does not significantly affect dependency ($t = -.28$; $\beta = -.04$; $p = .78$). Hypothesis 3 is rejected. Finally, a preferred customer status positively impacts dependency ($t = 6.52$, $\beta = .66$; $p = .00$). Hence, Hypothesis 4 is supported.

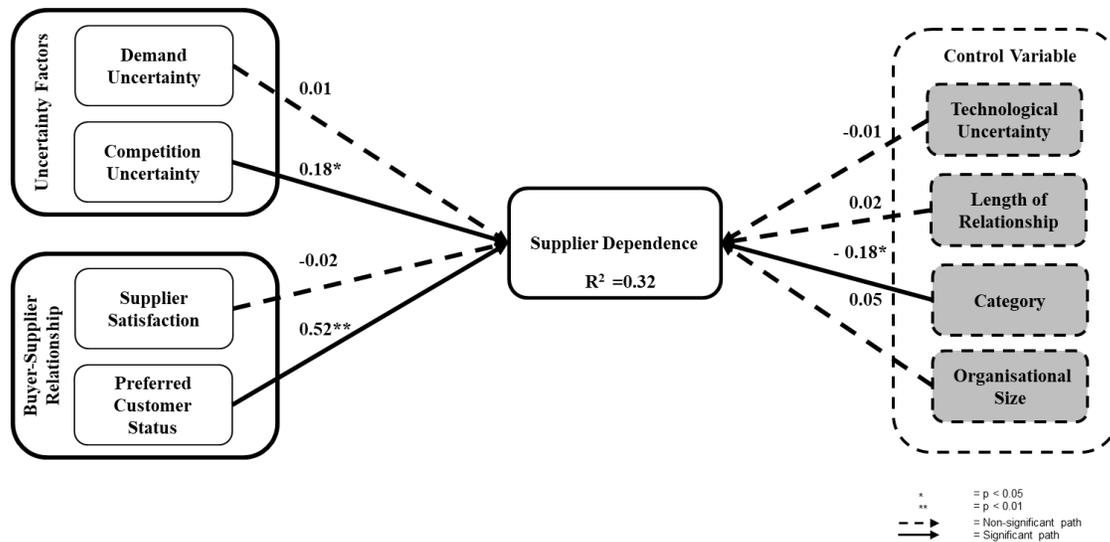


Figure 13: Research results

Summarised, as can be seen in Figure 13, the results show that preferred customer status, as well as competition uncertainty, have a positive influence on dependency. In contrast, supplier satisfaction and demand uncertainty are not significant. The implication of these findings will be further discussed in the next section.

4.5 Discussions and implications

4.5.1 Findings & theoretical contributions: From buyer-supplier dyad to network considerations

This research aimed to analyse how RDT and SET factors influence situations in which supplying organisations depend on buyers. For this, the impact of demand and competition uncertainty (RDT factors), supplier satisfaction and preferred customer status (SET factors) on supplier dependence were analysed. The results revealed that uncertainties and buyer-supplier relationship factors are partly related to supplier dependence.

Regarding uncertainties, firstly, demand uncertainty did not influence the degree of dependence. This means that inaccurate forecasts and fluctuating buyer demands appeared not to influence the supplier to depend more or less on the buyer. Secondly, it was found that competition uncertainty significantly impacts supplier dependency. Working in competitively uncertain markets (with a high threat of new entrants and strong competitors appears to increase the tendency to become

more dependent on the customer. This supports the assumption that suppliers seem to become dependent if the availability of alternative suppliers creates an uncertain market. These findings support the RDT, assuming that organisational actions are influenced by the broader environment (Hillman et al., 2009; Pfeffer & Salancik, 1978). Yet the findings on demand uncertainty reveal that uncertainties evolving exchanges and resource acquisition from a specific customer do not have an impact on the degree of dependency of a supplier. Hence, the relative competitive environment seems to influence dependency, whereas the direct relationship with the buyer, in terms of fluctuations, does not seem to be strongly relevant.

Regarding the influence of the social exchange factors, supplier satisfaction with the relationship was not found to impact supplier dependency significantly, yet giving a preferred customer status had a strong impact. It seems satisfaction with the relationship is insufficient; the supplier needs to perceive the buyer as relatively more preferred than other customers to assign a preferred status to the buyer and become more dependent on one particular buyer. This supports the assumption that suppliers are concentrating their resource mobilization on specific preferred customers (Glavee-Geo, 2019; Schiele et al., 2012), ultimately increasing the level of supplier dependency as this binds resources with the buying firm. Regarding the theoretical relevance, it can be concluded that supplier satisfaction as an outcome of the exchange relationship itself, as explained by the SET, is insufficient in explaining supplier dependency. This supports recent findings that suppliers will not merely use the ‘absolute criteria’ supplier satisfaction but will use the ‘relative criteria’ preferred customer status (Piechota et al., 2021) to evaluate the outcome of an exchange relationship to allocate resources and potential to become more dependent. This finding is similar to the results regarding uncertainty: Similar to the findings regarding competition uncertainty; suppliers will check the relative competition. In other words, in the case of preferred customer status, the buyer alternatives/competition are influential. In the case of competition uncertainty, the supplier alternatives/competition are significant in leading the supplier into dependency. Consequently, supplier dependency is strongly related to the context of the firms’ relationship and less to the individual dyadic buyer-supplier relationship attributes. Future research should go deeper into these dynamics and assess potential additional contingency factors that might influence the impact of firm context on dependency.

Next to the specific findings related to uncertainties and relational factors, the results also indicate at a broader level that SET seems to have more explanatory power than RDT in explaining supplier dependence. The majority of explanatory power came from the SET factors (31%), whereas the RDT factors accounted only for a minor part of the variance explained (3%). This hints at the relative importance of SET (i.e., the relative strength of the focal relationship compared to other relationships) for becoming dependent on a partner than uncertainties and implies that SET can be a valuable addition to RDT perspectives on dependence. Hence, we recommend for future studies on buyer-supplier dependencies include both RDT and SET perspectives in theorizing for antecedences and contingency factors affecting firm dependence.

4.5.2 *Managerial contributions: Considering market competition and preferred customer status while deciding to be dependent*

The findings above derived two management propositions for buying firms from this research. On the one hand, for a supplier, competition is a major threat to sustainable business. One way to get around competitive threats appears to be dependence on the buyer. This is based on the reasoning that relationship-specific investments will bind the buyer stronger to the supplier, thereby reducing the threat of competitors. A buying firm can use this knowledge by identifying highly attractive suppliers in highly competitive markets and convincing them to join an interdependent relationship, e.g. through joint investments or open innovation (McCarthy-Byrne & Mentzer, 2011; Yan et al., 2018). Buyers are requested to monitor the availability of competition in the supply market closely and can use high competitive pressures to their advantage.

Management proposition 1: *Suppliers consider market competition when deciding to become dependent on a specific buying firm – buying firms can identify more room for mutual investments with key suppliers in highly competitive supplier markets.*

On the other hand, competition for attractive suppliers exists for a buying firm. The supplier's availability of alternative and attract buyers directly impacts the degree to which the supplier deepens the relationship and becomes dependent on a buyer. In other words, buying firms need to be aware of the whole customer base of attractive suppliers. Suppose they want to bind a specific supplier to a relationship. In that case, they should not only have a good relationship but especially

have a better relationship with the suppliers than other customers have with this supplier. Especially in markets with many attractive customers, “The customer is king” might not be entirely true, when there are better kings than your firm.

***Management proposition 2:** Buying firms need to actively pursue a preferred customer status and be more attractive than competitors if they want to bind attractive suppliers to them.*

After these two key managerial implications, the following section continues with the limitations of this study and future research avenues

4.5.3 Limitations of this study & future research

This study and its findings have their limitations. On the one hand, the context: the data were collected at only one FMCG buying firm and the top 25 most important suppliers within Central- and Western Europe in terms of annual spending, which excludes other purchasing contexts and smaller annual-spend suppliers. Even though collecting the data at one of the biggest fast-mover-consumer-goods (FMCG) firms in Europe benefited in (a) getting insights into supplier perceptions among many different industries (see descriptive statistic) and (b) allowed stability of several influencing factors (e.g. organisational culture, buyer size, buyer reputation), the results of this study might not be fully transferable to organisations in other industries or contexts, even more differences among commodities were present. More research is needed in different structural industries and contexts.

On the other hand, the viewpoint/measurement: The influence of mutual uncertainties and (inter-)dependencies need a more academic inquiry. This study took a unique view of how both uncertainty and relationship-specific factors influence supplier dependence. Yet, a future inclusion of buyer dependency might lead to a complete picture of dependence in buyer-supplier relationships. Hence, with this call for more dyadic and network research, we join other scholars who argue that the next step in dependence research is a view on mutual dependence and power differentials between supply chain partners (Caniëls et al., 2018; Diebel et al., 2020; Huo et al., 2019; Ma et al., 2021; Scheer et al., 2015). At the same time, we urge scholars to differentiate

Chapter 4: Who wants to be dependent on us? A resource & social exchange theory perspective on supplier dependency

different types of dependence and assess additional contingency factors potentially influencing the degree of buyer-supplier dependencies in more detail than we did in this study.

CHAPTER 5

SUMMARY OF RESEARCH FINDINGS

5 SUMMARY OF RESEARCH FINDINGS

This dissertation's subject is supplier satisfaction and, more specifically, how to satisfy suppliers to receive allocated resources by taking into account culture and RDT. Chapter 5 summarises and discusses the research findings of chapters 2 to 4, explains how they answer the three research questions and how they lead to reach the three research goals. The following sections show the theoretical contributions as well as the suggestions for managers. Finally, possible future research directions are introduced.

5.1 Main research findings and theoretical contribution per chapter

Even though prior research has pointed out that supplier satisfaction is of growing importance for the buying firm, current literature still lacks moderating factors or concepts such as culture and RDT (as shown in chapter 1). Therefore, this dissertation focuses on supplier satisfaction and closing two significant research gaps. The first research gap is that through the increased awareness of potential issues caused by culture in the buyer-supplier relationship, no large empirical study would analyse if culture influences supplier satisfaction and, thus, the supplier's allocated resources. The last research gap empirically tests the explanatory content of RDT in the supplier satisfaction content for explaining and eventually managing resource allocation in buyer-supplier relationships is still limited. To close these gaps and to reach the three research goals, the effects of culture and RDT were studied, leading to three main research questions:

- RQ1: How does culture influence supplier satisfaction and preferential resource allocation?
- RQ2: How do resource dependency dynamics influence supplier satisfaction and preferential resource allocation?

Regarding the first research question, chapter 2 studies organisational culture as a moderating influence between the relationship behaviour and supplier satisfaction and resource allocation. This chapter develops, derived from using CVF and a survey, a framework to empirically test the effect of organisational culture, showing which cultural type influences the relationship between the buyers' relational behaviour and supplier satisfaction as well as receiving allocated resources. A

multigroup analysis was performed with SmartPLS, and the results showed that only market culture influences the relation between relational behaviour and supplier satisfaction and resource allocation. However, contrary to our argumentation, market culture does not negatively impact both relations. Afterwards, a polynomial regression was performed, where the results showed that clan culture and market culture directly influence supplier satisfaction and resource allocation. Furthermore, in the case of supplier satisfaction, low levels of market culture are more responsive to relational behaviour. In contrast, high-level market culture appears more responsive to relational behaviour in resource allocation.

Research question 2 is answered in chapters 3 and 4. In 2015, Schiele et al. (2015) published a theoretical paper on this issue and recommended empirically testing the resource dependency theory propositions by considering cultural influences. They argued that suppliers' satisfaction depends not only on power and uncertainty but also on the extent to which the cultural context of the supplier accepts discrepancies in power and uncertainty in the relationship. In particular, Schiele et al. (2015) identified the power distance and uncertainty avoidance index as cultural dimensions relevant to this context. Here, Chapter 3 tests the explanatory content of RDT for explaining resource allocation in buyer-supplier relationships by considering cultural influences. This was done by creating a framework and analysing a large bi-national empirical sample, using structural equation modelling and multigroup analysis. Findings indicate that procurement can increase suppliers' resource allocation efforts by reducing uncertainty and ensuring relationship continuation. Similarly, the use of coercive power and the situation of supplier dependency can have a positive effect. However, the scope of this effect is moderated by the cultural environment. Thus, proposing to consider cultural contingencies with power and dependence questions.

Chapter 4 puts RDT at the centre of analyses by assessing the situations in which supplying organisations are becoming dependent on buyers. This is done by analysing the effect of demand and competition uncertainty as well as supplier satisfaction and preferred customer status on supplier dependence, thereby assessing whether satisfaction and preferred customer status can also cause dependence. By analysing an empirical sample in the FMCG context using linear regression analysis, the findings indicate that competition uncertainty and awarding preferred customer status

positively affect dependence. It seems that dependence is influenced by factors relative to other buyer-supplier relationships and is not influenced by absolute factors within the relationship.

5.1.1 Chapter 2: Assessing supplier satisfaction: Do we need to consider organisational culture?

This study aimed to examine the moderating effects of organisational culture on the association between buyer's relational behaviour, supplier satisfaction, and resource allocation. This study contributes to the extensive theoretical foundation of organisational culture by demonstrating that only market culture significantly impacts the supplier satisfaction context. In addition, we contribute to the expanding theoretical foundation of supplier satisfaction by empirically examining the organisational culture and demonstrating how these relationships may be affected by major sociological constructs. Nonetheless, other organisational cultures such as clan, adhocracy and hierarchy do not significantly impact the supplier satisfaction context.

Our data indicate that market culture impacts the relationship between relational behaviour, supplier satisfaction, and resource allocation. We conclude that organisational cultures with a strong market culture strengthen this association. In addition, our data demonstrated that clan culture, adhocracy culture, and hierarchy culture do not affect the relationship between relational behaviour, supplier satisfaction, and resource allocation.

A multigroup analysis revealed that organisational culture is only significant to relational behaviour, supplier satisfaction, and resource allocation. Other correlations, such as that between supplier satisfaction and resource allocation, were not statistically significant. In other words, organisational culture has no moderating effect on these relationships. Due to polynomial regressions, it is possible to conclude the interactions between organisational cultures and relational behaviour. Assessing low levels of the respective cultures reveals, for flexible cultures, a significant influence of relational behaviour at low levels. In addition, polynomial regression was performed only for market culture. It demonstrated that market culture is more sensitive to relational conduct. In conclusion, specific measures must be taken when suppliers prioritise stability and control over flexibility and discretion. It makes the most sense to intensify the relationship with market cultures, as improvements influence their relational behaviour.

Relational behaviour impacts supplier satisfaction and resource allocation, demonstrating the general significance of relational behaviour. This is a crucial factor that contributes to supplier satisfaction. In addition, only clan culture and market culture directly impact supplier satisfaction and resource allocation. It is essential to note that relational behaviour was significant in both cultures (clan and market culture).

5.1.2 *Chapter 3: Resource dependency theory and buyer-supplier relations: A cross-cultural comparison of resource allocation in the supply chain*

A cultural perspective on RDT and supplier satisfaction research has been requested by Reimann and Ketchen Jr. (2017) and Schiele et al. (2015), and chapter 3 responds to those requests. This study contributes significantly to the existing body of research by merging the many aspects of RDT and culture into a single empirical evaluation that spans multiple countries. More specifically, the fact that power distance and uncertainty avoidance have been demonstrated to modify the association between RDT variables, supplier satisfaction, and preferred customers is a significant contribution that should not be overlooked. This lends credence to the hypothesis put forward by Reimann and Ketchen Jr. (2017), which states that cultural factors may impact the effects of RDT. As a result, given the findings of this study, we strongly suggest expanding the scope of the investigation into the contingent impacts of culture to include other aspects of buyer-supplier relationships that RDT influences.

Next to the cultural contribution, we contribute to the large theoretical base of resource dependency research (Hillman et al., 2009; Pfeffer & Salancik, 1978) and supplier satisfaction research (Caniëls et al., 2018; Chae et al., 2017; Schiele et al., 2012) by demonstrating that power concerning relationship continuation have a significant influence on the context of resource allocation but not on supplier satisfaction. Additionally, the uncertainty regarding the continuation of the relationship has no influence on supplier satisfaction and resource allocation. This is interesting since relationship continuation positively influences supplier satisfaction and resource allocation when an uncertainty avoidance culture is not involved. Uncertainty regarding environmental uncertainty has a negative influence on resource allocation. Behaviour uncertainty only significantly influences resource allocation when power distance culture is high. In addition, the results of our research

have demonstrated that employing coercive strategies does not necessarily mean that the supplier would be unsatisfied and, as a result, will not be permitted access to the resources. It has been argued that coercive power positively correlates with resource allocation and the level of satisfaction experienced by suppliers. Despite this, it was discovered that the reward power has a detrimental influence on the context of the supplier's satisfaction when the power distance is considerable. Because these findings are at odds with the presumptions made by RDT, additional investigation is required to determine the precise mechanisms that led to these unexpected conclusions.

5.1.3 Chapter 4: Who wants to be dependent on us? A resource & social exchange theory perspective on supplier dependency

This study aimed to examine how RDT and SET elements influence scenarios in which buyer-dependent supplying companies are present. Therefore, the influence of demand and competition uncertainty (RDT factors) and supplier satisfaction and preferred customer status (SET factors) on supplier dependency was investigated. Uncertainties and buyer-supplier relationship characteristics were found to be partially connected to supplier dependency.

First, demand uncertainty did not influence the degree of dependence. Inaccurate estimates/forecasts and changeable buyer demands did not appear to affect the supplier's dependency on the buying firm. Competition uncertainty affects supplier dependency. Working in competitively unstable marketplaces (with strong competition and new entrants) increases consumer dependence. This supports the idea that suppliers grow dependent if the market is unpredictable. These findings corroborate the resource dependency theory, which assumes environmental factors influence organisational activities (Hillman et al., 2009; Pfeffer & Salancik, 1978). The findings on demand uncertainty show that evolving exchanges and resource acquisition from a given customer do not affect a supplier's dependency. The competitive environment tends to influence dependence, whereas the direct relationship with the buyer does not.

Supplier satisfaction with the relationship did not affect supplier reliance, but preferred customer status did. Satisfaction with the connection isn't enough; the supplier must see the buyer as more preferred than other customers to award a preferred status to the buyer and become more dependent

on one particular buyer. This supports the concept that providers concentrate resource mobilization on favoured clients (Glavee-Geo, 2019; Schiele et al., 2012), increasing supplier dependency as this binds resources with the buying firm. Theoretically, supplier satisfaction as a result of the trade relationship, as stated by the SET, is insufficient to explain supplier dependency. This reinforces recent results that suppliers will use 'absolute criteria' supplier satisfaction and 'relative criteria' preferred customer status to evaluate the outcome of an exchange relationship to allocate resources and potentially become more dependent. Similar to uncertainty discoveries. Suppliers check relative competition, similar to competition uncertainty. In other words, buyer alternatives/competition influence preferred customer status, and supplier alternatives/competition influence competitive uncertainty and supplier dependency. Supplier reliance is substantially related to the firms' relationship context and less to buyer-supplier dyadic qualities. Future research should investigate these processes and analyse additional contingency elements that may influence firm context on dependency.

5.2 Managerial Implications: Handbook in achieving supplier satisfaction

Next to the theoretical contributions, this dissertation also provides implications for managers and practitioners. Regarding supplier satisfaction and its allocated resources, this doctorate thesis focuses on two research streams – culture and RDT.

The first research question focuses on culture and its influence on supplier satisfaction. First, we found an indication that relational behaviour influences supplier satisfaction and resource allocation. The findings suggest that in particular circumstances incorporating the supplier's perspective and organisational culture into buyer-supplier relationships is advantageous for buyers. In addition, the findings indicate that cultural factors play a significant role in supplier satisfaction. The findings of this study suggest that clan culture and market culture directly affect supplier satisfaction. When confronted with a supplier with clan culture, the purchaser is advised to focus on human relations, loyalty and commitment. Suppliers may view relational behaviour as a vital aspect of business operations (with a clan culture). These organisations may also anticipate a strong emphasis on relational behaviour from their negotiating counterpart. Market culture functions most effectively when the environment is stable, and circumstances are well-managed. When confronted with a supplier with a market culture, the purchaser is advised to focus on productivity and

performance. Moreover, organisations with a market culture are motivated by success and competition (Cameron & Quinn, 2011). Contrary to our initial hypothesis, our findings indicate that market culture has no negative impact on the relationship between relational behaviour, supplier satisfaction, and resource allocation.

Concerning the second research question, chapter 3 provides many contributions for supplier satisfaction management, resource dependence theory and its cultural differences, which translate into management implications. First, our findings demonstrated that reward influence had little bearing on obtaining supplier satisfaction or receiving preferred treatment. In the best-case scenario, reward power considerably impacts resource allocation in cultures with high uncertainty. However, this results in decreased supplier satisfaction in high power distance cultures. Suppliers with a high power distance culture appear to be more confused when the buying firm employs reward strategies and thus, supplier satisfaction is less satisfied. From this background, our findings suggest that investing in sophisticated reward systems is of little value.

On the other hand, our findings revealed that coercive power in cultures with a high power distance is accepted and even expected, as it has a favourable effect on supplier satisfaction and has a highly substantial direct effect on supplier resource allocation. With suppliers residing in cultures with a low power distance, coercive power has the expected negative effect on supplier satisfaction, but not in cultures with a high power distance. Therefore, purchasers may wish to differentiate power usage. This result may be difficult to comprehend for managers from nations with a low power distance, yet it represents a practical management mechanism. In addition, purchasers socialised in cultures with a high power distance practising a coercive power model towards their supplier base, which approves this behaviour, may find it challenging to adapt to the necessary non-coercive behaviour. To avoid conflicts, for such cultures, it would be a tactic to avoid suppliers from low power distance environment.

Moreover, chapter 4 demonstrates that dependency and the continuance of relationships can favour supplier satisfaction and resource allocation. This underscores the significance of enduring buyer-supplier relationships, as dependence is not viewed negatively (Aoki & Wilhelm, 2017). In addition, it acts as a method of reducing uncertainty, which has a direct favourable impact on the

supplier's resource allocation. One way to get around competitive threats appears to be dependence on the buyer. This is based on the reasoning that relationship-specific investments will bind the buyer stronger to the supplier, thereby reducing the threat of competitors. Buyers are requested to monitor the availability of competition in the supply market closely and can use high competitive pressures to their advantage. Being a preferred customer helps the purchase to bind a specific supplier to a relationship. Being dependent on the buyer appears to be a strategy for avoiding competitive dangers. This is predicated on the premise that relationship-specific investments will strengthen the buyer's relationship with the supplier, lowering the threat posed by competitors. Buyers are required to monitor the existence of competition in the supplier market regularly and can benefit from intense competitive pressures. Finally, the supplier's availability of alternatives and attracting buyers directly impacts the degree to which the supplier deepens the relationship and becomes dependent on a buyer. Therefore, purchasers need to be aware of the whole customer base of attractive suppliers. Having preferred customer status strengthens the relationship between a buyer and supplier. Table 17 summarises the main practical implications for purchasing professionals.

Table 17: Overview of the main findings for practitioners

RQ	Research finding	Chapter
RQ1: How does culture influence supplier satisfaction and preferential resource allocation?	<i>The buyer benefit from understanding the value of human relations, loyalty and commitment (clan culture values) and adjust their relational behaviour based on the supplier's organisational culture to receive its allocated resources.</i>	2
	<i>The buyer is advised to build a strong relationship with their supplier, which also allows the buyer to be flexible and competitive. The buyer needs to understand the market culture to be flexible and competitive.</i>	2

Chapter 5: Summary of research findings

	<i>Buyers using coercive power might improve resource allocation from suppliers in high power distance cultures</i>	3
	<i>Buyers originating in high power distance cultures profit from avoiding suppliers in low power distance cultures</i>	3
RQ2: How do resource dependency dynamics influence supplier satisfaction and preferential resource allocation?	<i>Buyers are advised to collaborate with long-term dependent suppliers</i>	3
	<i>Buyer investing in reward power structures are not effective when resource allocation and satisfaction are the aim</i>	3
	<i>Suppliers take market competition into consideration when deciding to become dependent on a specific buying firm – buying firms can identify more room for mutual investments with key suppliers in highly competitive supplier markets.</i>	4
	<i>Buying firms need to actively pursue a preferred customer status and be more attractive than competitors if they want to bind attractive suppliers to them</i>	4

5.3 Future Research: Focusing on moderating and mediating factors on supplier satisfaction

Besides the contributions that this dissertation adds to supplier satisfaction research concerning supplier innovations and the buyer-supplier relationship, it simultaneously opens new paths for future researchers.

Firstly, by incorporating the organisational culture concept into supplier satisfaction, we explored how buying firms need to consider supplier's organisational culture. The results demonstrated that market culture affects relational behaviour, supplier satisfaction, and resource allocation. The findings regarding the effect of relational behaviour on supplier satisfaction are intriguing because not all cultural orientations have a substantial effect. The results of this study indicate that social factors impact relational behaviour and supplier satisfaction. Future research could examine this further by incorporating the organisational culture of the acquiring company, as having a similar organisational culture may result in a better cultural fit. Extending this survey to other companies could provide additional insight into this relationship.

Secondly, findings of the influence of relational behaviour on supplier satisfaction are interesting as cultural orientations have a significant influence. The findings of this study show that social aspects influence relational behaviour and supplier satisfaction, but a broader question on alignment of cultures remains. Future studies might test this further by including the culture of the buying company or the broader network, since having the same culture might lead to a better cultural fit. In other words, this dissertation showed that in certain situations, cultural values (i.e., organizational cultures, power distance, uncertainty avoidance) of the supplier play a role in buyer-supplier relationships, but it can be expected that we can get a better view on cultural dynamics when we take a dyadic or even a network compatibility / alignment perspective in future. Several scholars already indicated that alignment in organisational cultures and capabilities between partners, influences the extent to which partners can realise a partner's synergistic potential (Sarkar et al., 2001; Madhok and Tallman 1998, Das and Teng 1998) and might therefore also influence buyer-supplier relationship more broadly. Hence, it is recommended to assess culture from an compatibility/alignment perspective, as this might give new insights into some of the (in)significant findings regarding some of the (organizational) culture findings in this dissertation.

Thirdly, we introduced RDT and its role in the supplier satisfaction context. We showed that uncertainty regarding environmental uncertainty has been found to show a significant negative influence on resource allocation but not supplier satisfaction. Moreover, the uncertainty concerning relationship continuation and behaviour uncertainty do not influence supplier satisfaction and resource allocation. We showed that power regarding relationship continuation strongly influences resource allocation context. This is interesting since relationship continuation positively influences supplier satisfaction if culture is not involved. Future research could, therefore, further examine if these uncertainties affect supplier satisfaction by expanding this research to other countries. Moreover, our findings have shown that using coercive tactics does not necessarily mean that the supplier will be dissatisfied and, therefore, not granted the resources. Controversially, coercive power is positively related to resource allocation and is strengthened if power distance is involved. Nonetheless, reward power is found not to influence supplier satisfaction context. Reward power does only have a positive influence in high uncertainty avoidance cultures. More research is needed to uncover the exact mechanisms underlying these surprising findings, as these are in conflict with the assumptions of RDT. An avenue for future research is to search for possible mediators or moderators affecting the effect of power on supplier satisfaction and their interplay with culture. For example, Vos et al. (2021) already proposed that relational conflict in the buyer-supplier relationship might be the missing link to better explain the impact of a buyer's power usage (i.e., coercive and reward power) on supplier satisfaction. Consequently, future research could combine the RDT and cultural perspective of this dissertation with concepts such as relational conflicts or atmosphere, to better uncover the mechanisms of some of the surprising findings of this study.

Finally, the influence of mutual uncertainties and (inter-)dependencies requires additional academic research. This study took a novel perspective on how both uncertainty and relationship-specific factors influence supplier dependence. However, a future inclusion of buyer dependence could result in a more comprehensive picture of dependence in buyer-supplier relationships. With this call for more dyadic and network research, we join other scholars who contend that the next step in dependence research is a focus on mutual dependence and power differentials among supply chain partners (Caniëls et al., 2018; Diebel et al., 2020; Huo et al., 2019; Ma et al., 2021; Scheer et al., 2015). Hence, we urge scholars to analyse the reasons for both parties of the dyad to enter

mutual or even asymmetric dependency relationships with their partner, and not just take a supplier's view as in this dissertation.

Apart from the five specific recommendations for future research stated above, this dissertation hopes to inspire supplier satisfaction and resource allocation researchers more broadly to continue studying the interplay of culture, buyer-supplier relationship factors (such as resource dependency dynamics) and resource allocation in supply chains. This research showed that more research still needs to be done in this field. As this was a private sector focussed dissertation and the review in chapter 1 showed that public and healthcare research of resource allocation is rare, a very fruitful avenue for future research could be to extent the concept of resource allocation and cultural influences to the public and healthcare sectors as well. Especially the public sector has been argued to have its own cultural set-up (Bozeman & Kingsley, 1998; Harrison & Baird, 2015) and might therefore have exciting cultural dynamics potentially taking place, warranting future research.

5.4 Academic output per chapter

This dissertation is cumulative in nature and is based on three individual papers (chapters 2 to 4)

The following list summarises the included publications:

Chapter 2:

Mirzaei, B., Vos, F.G.S., Schiele, H., 2022. Assessing supplier satisfaction: Do we need to consider organisational culture.

This paper is ready to be submitted to JPSM, 2023. A prior versions of this paper were accepted as a competitive paper at the 29th IPSERA conference in Knoxville, Tennessee USA, April 2020 (conference has been postponed to March 2021 due to the COVID-19 pandemic).

Chapter 3:

Mirzaei, B., Vos, F.G.S., Schiele, H., 2022. Resource dependency theory and buyer-supplier relations: A cross-cultural comparison on resource allocation in the supply chain

It is in preparation to be submitted to the Journal of Operations Management, 2023. A prior versions of this paper were accepted as a competitive paper at the 29th IPSERA conference in Knoxville, Tennessee USA, April 2020 (conference has been postponed to March 2021 due to the COVID-19 pandemic).

Chapter 4:

Gossen, L., Mirzaei, B., Vos, F.G.S., Schiele, H., 2022. Who wants to be dependent on us? A resource & social exchange theory perspective on supplier dependency

It is in preparation to be submitted to the Industrial Marketing Management Journal, 2023. A prior version of this paper was accepted as a competitive paper at the 31th IPSERA conference, in Jönköping, Sweden, April 2022

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APPENDIX

APPENDIX

Appendix 1 - Chapter 2

Table 18: Constructs and items

Supplier Satisfaction (Vos et al., 2016)		
1.	S_Satisfaction_100_1	Our firm is very satisfied with the overall relationship to Buying firm XY.
2.	S_Satisfaction_100_3	Generally, our firm is very pleased to have buying firm XY as our business partner.
3.	S_Satisfaction_100_4	If we had to do it all over again, we would still choose to use buying firm XY.
4.	S_Satisfaction_100_5	Our firm does not regret the decision to do business with buying firm XY.
Resource Allocation (Pulles et al., 2014)		
Compared to other customers in our firm's customer base...		
1.	PC_PrefTreat_Physical_122_1	... we grant BuyingFirmXY better utilization of our production/service facilities.
2.	PC_PrefTreat_Physical_122_2	... we would choose to give BuyingFirmXY priority in the allocation of our products in the case of extreme events (e.g., natural disasters).
3.	PC_PrefTreat_Physical_122_3	... we allocate our scarce materials to BuyingFirmXY in case of capacity bottlenecks.
4.	PC_PrefTreat_Physical_122_4	... allocates more financial resources (e.g. capital, cash) to the relationship with BuyingFirmXY.
5.	PC_PrefTreat_Physical_122_5	... grants BuyingFirmXY the best utilization of our physical resources (e.g. equipment capacity, scarce materials).
Relational Behaviour (Vos et al. 2016)		
1.	S_RelBehaviour_80_1	Problems that arise in the course of the relationship are treated by BuyingFirmXY as joint rather than individual responsibilities.
2.	S_RelBehaviour_80_2	BuyingFirmXY is committed to improvements that may benefit our relationship as a whole and not only themselves.
3.	S_RelBehaviour_80_3	We each benefit and earn in proportion to the efforts we put in.
4.	S_RelBehaviour_80_4	Our firm usually gets at least a fair share of the rewards and cost savings from our relationship with BuyingFirmXY.
5.	S_RelBehaviour_80_5	BuyingFirmXY would willingly make adjustments to help us out if special problems/needs arise.
6.	S_RelBehaviour_80_6	BuyingFirmXY is flexible when dealing with our firm.
Clan Culture (CVF, 2013; Cameron & Quinn, 2011)		
1.	S_clan_301_1	Our management style is characterised by teamwork and participation.
2.	S_clan_301_2	The glue that holds our company together is loyalty and mutual trust. Commitment to our organisation runs high.

Appendix

3.	S_clan_301_4	Our leaders are considered to exemplify monitoring, facilitating and nurturing
4.	S_clan_301_5	We emphasise human development, high trust, openness and participation
5.	S_clan_301_3	To us, success is defined based on people, teamwork and concern for people
6.	S_clan_301_6	"The organisation is a very personal place. It is like an extended family. People seem to share a lot of personal information and features."
Market Culture (CVF, 2013; Cameron & Quinn, 2011)		
1.	S_market_303_1	Our management style is characterised by hard-driving competitiveness and achievement.
2.	S_market_303_2	The glue that holds our company together is the emphasis on production and goal accomplishment.
3.	S_market_303_4	Our company is results oriented. A major concern is with getting the job done. People are very competitive and achievement oriented.
4.	S_market_303_5	The leadership in our company is generally considered to exemplify a no-nonsense, aggressive, results-oriented focus.
5.	S_market_303_3	Our organisation emphasises competitive actions and achievement. Targets and objectives are dominant.
6.	S_market_303_6	The organisation defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is key.
Adhocracy Culture (CVF, 2013; Cameron & Quinn, 2011)		
1.	S_adhoc_302_1	Our leaders are considered innovators, entrepreneurs and risk takers.
2.	S_adhoc_302_2	Our management style is characterised by individual risk taking, innovation and flexibility.
3.	S_adhoc_302_4	Our company is a dynamic entrepreneurial place. People are willing to stick their necks and take risks.
4.	S_adhoc_302_3	The glue that holds our company together is orientation towards innovation and development.
5.	S_adhoc_302_5	"The organisation emphasises acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued."
6.	S_adhoc_302_6	The organisation defines success on the basis of having the most unique or newest products. It is a product leader and innovator.
Hierarchy Culture (CVF, 2013; Cameron & Quinn, 2011)		
1.	S_hierarchy_304_1	The glue that holds our company together is formal rules and policies. A smooth running organisation is important.
2.	S_hierarchy_304_2	Permanence and stability are emphasised. Efficient operations are important.
3.	S_hierarchy_304_4	Our company is a controlled and structured place. Formal procedures govern what people do

Appendix

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|----|-------------------|--|
| 4. | S_hierarchy_304_5 | The leadership of our company is considered to exemplify co-ordinating, organizing, and smooth-running efficiency. |
| 5. | S_hierarchy_304_3 | Success is defined based on efficiency. Smooth scheduling and low cost production are critical. |
| 6. | S_hierarchy_304_6 | "The management style in the organisation is characterized by security of employment, conformity, predictability, and stability in relationships." |
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Appendix 2 – Chapter 3

Table 19: Constructs and items

Supplier satisfaction (Vos et al., 2016)		
1.	S_Satisfaction_100_1	Our firm is very satisfied with the overall relationship to Buying firm XY.
2.	S_Satisfaction_100_3	Generally, our firm is very pleased to have buying firm XY as our business partner.
3.	S_Satisfaction_100_4	If we had to do it all over again, we would still choose to use buying firm XY.
4.	S_Satisfaction_100_5	Our firm does not regret the decision to do business with buying firm XY.
Resource Allocation (Pulles et al., 2014)		
Compared to other customers in our firm’s customer base...		
1.	PC_PrefTreat_Physical_122_1	... we grant BuyingFirmXY better utilization of our production/service facilities.
2.	PC_PrefTreat_Physical_122_2	... we would choose to give BuyingFirmXY priority in the allocation of our products in the case of extreme events (e.g., natural disasters).
3.	PC_PrefTreat_Physical_122_3	... we allocate our scarce materials to BuyingFirmXY in case of capacity bottlenecks.
4.	PC_PrefTreat_Physical_122_4	... allocates more financial resources (e.g. capital, cash) to the relationship with BuyingFirmXY.
5.	PC_PrefTreat_Physical_122_5	... grants BuyingFirmXY the best utilization of our physical resources (e.g. equipment capacity, scarce materials).
Dependence (Frazier 1983; Hibbard et al. 2001; Kumar et al. 1998; Kaiser 2014)		
1.	MDU_Dependence_200_4	In this relationship, our company is very dependent on buying firm XY.
2.	MDU_Dependence_200_5	To achieve our business goals, our company has to maintain this relationship to the customer.
3.	MDU_Dependence_200_7	If the relationship were to end earlier than contracted, our business goals would be negatively affected.
4.	MDU_Dependence_200_8	Our company would face great challenges if the customer did not continue the contractual relationship.
5.	MDU_Dependence_200_9	We have no good alternatives to buying firm XY.
Coercive Power (Maloni & Benton, 2000; Terpend & Ashenbaum, 2012)		
1.	MDU_Power_C_222_8	Buying firm XY makes it clear that failing to comply with their requests will result in penalties against us.
2.	MDU_Power_C_222_9	If we do not agree with buying firm XY’s suggestions, they could make things difficult for us.
3.	MDU_Power_C_222_10	If we do not do as asked, we will not receive very good treatment from buying firm XY.

Appendix

4.	MDU_Power_C_222_11	If we do not go along with buying firm XY, they might withdraw certain services/resources we need.
Reward Power (Maloni & Benton, 2000; Terpend & Ashenbaum, 2012)		
1.	MDU_Power_R_222_4	Buying firm XY offers rewards so that we will go along with their wishes. We feel that by going along with buying firm XY, we will be favoured on other occasions.
2.	MDU_Power_R_222_5	If we do not do as asked, we will not receive the rewards offered by buying firm XY.
3.	MDU_Power_R_222_6	
4.	MDU_Power_R_222_7	buying firm XY offers us rewards if we agree with their requests.
Environmental uncertainty (Hofmann et al., 2013)		
1.	MDU_ environ_ uncer_01	We are often surprised by the market development in our industry
2.	MDU_ environ_ uncer_02	We are often surprised by the actions of our competitors
3.	MDU_ environ_ uncer_03	We are often surprised by the customer reaction
Behavioural uncertainty (Hofmann et al., 2013)		
1.	MDU_ behaviour_ uncer_01	It takes significant effort to detect whether or not customers stick to specifications and quality standards
2.	MDU_ behaviour_ uncer_02	Accurately evaluating our major customers requires a lot of effort
3.	MDU_ behaviour_ uncer_03	It is costly, in time and effort, to clearly monitor the performance of our key customers.
Relationship Continuation (Lusch & Brown, 1996 ; Ganesan, 1994)		
We are certain that the relationship to this customer...		
1.	relation_ continuation_01	...will continue for a long time
2.	relation_ continuation_02	...is renewing virtually automatically
3.	relation_ continuation_03	...is enduring for the next years
4.	relation_ continuation_04	...is a long-term alliance
Power Distance (VSM, 2013; Hofstede and Minkov, 2013) *		
1.	S_ hofstede_400_2	have a boss (direct superior) you can respect
2.	S_ hofstede_400_7	be consulted by your boss in decisions involving your work
3.	S_ hofstede_400_20	How often, in your experience, are subordinates afraid to contradict their boss (or students their teacher?)
4.	S_ hofstede_400_23	An organisation structure in which certain subordinates have two bosses should be avoided at all cost
*Calculation of power distance = 35(Q02 – Q01) + 25(Q03 – Q04)		
Where Q01 is the score for question 01 related to power distance, etc. The power distance normally has a range of about 100 points between very small power distance and very large power distance cultures.		
The calculations and weights are based on VSM guideline .		
Uncertainty Avoidance (VSM, 2013; Hofstede and Minkov, 2013) **		
1.	S_ hofstede_400_21	One can be a good manager without having a precise answer to every question that a subordinate may raise about his or her work

Appendix

2.	S_hofstede_400_24	<p>A company's or organisation's rules should not be broken - not even when the employee thinks breaking the rule would be in the organisation's best interest</p> <p>.</p> <p>.</p> <p>** Calculation of uncertainty avoidance = $25(Q03 - Q4)$</p> <p>Where Q03 is the score for question 03 related to uncertainty avoidance, etc. The index normally has a range of about 100 points between weak uncertainty avoidance and strong Uncertainty Avoidance cultures.</p> <p>The calculations and weights are based on VSM guideline (.</p>
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Table 20: Goodness-of-fit measure

Goodness-of -Fit measure	Power distance	Uncertainty avoidance
Df.	1024	1024
CFI	.91	.79
TLI	.89	.76
RMSEA	.06	.08
SRMR	.06	.09

High Power Distance

Low Power Distance

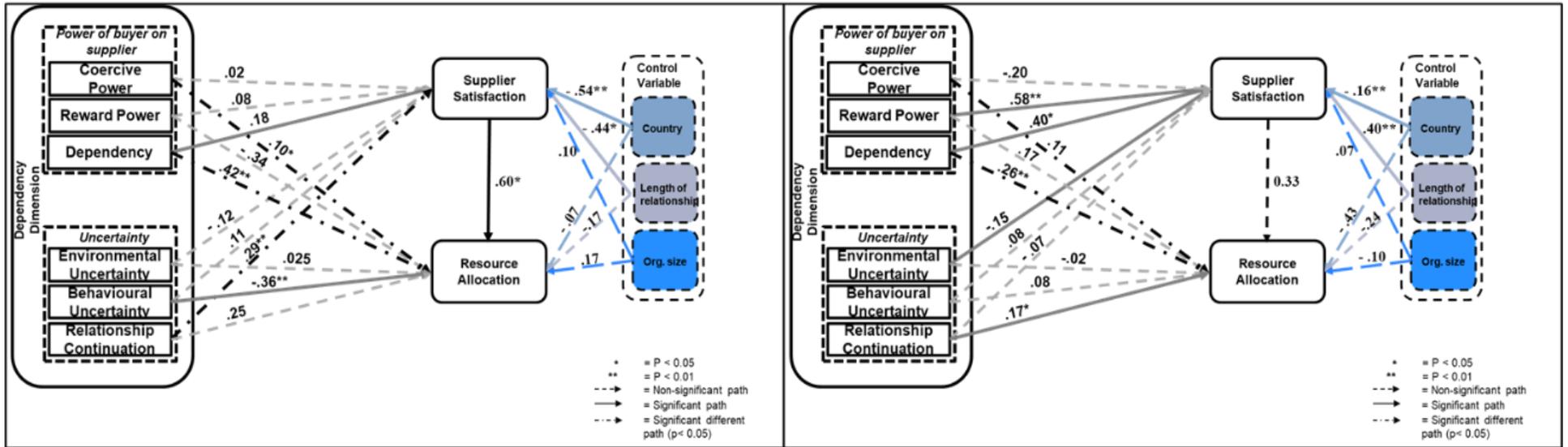


Figure 14: Results of the multigroup analysis – power distance

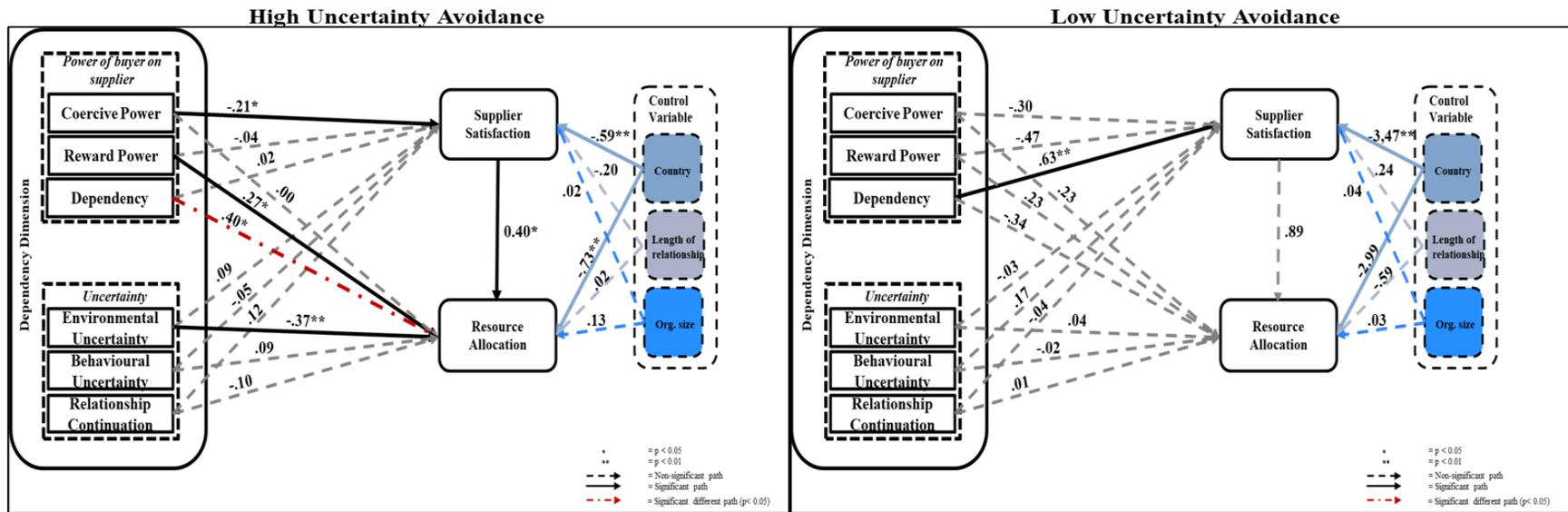


Figure 15: Results of the multigroup analysis – uncertainty avoidance

Appendix

Table 21: Coefficient path difference of culture

	High power distance								Low power distance								Co-efficient path difference between high and low power distance	
	Supplier satisfaction				Resource Allocation				Supplier satisfaction				Resource Allocation					
	beta	p-value	CI lower	CI upper	beta	p-value	CI lower	CI upper	beta	p-value	CI lower	CI upper	beta	p-value	CI lower	CI upper	Supplier satisfaction	Resource Allocation
Supplier satisfaction					.60	.03	.06	1.15					.33	.23	-.21	.87		Not significant
Coercive power	.02	.95	-.63	.67	.10	.05	-.01	2.02	-.20	.08	-.42	.03	.11	.37	-.14	.37	Not significant	Significant
Reward power	.08	.70	-.33	.49	-.34	.27	-.94	.26	.58	.00	.35	.82	.17	.42	-.24	.59	Not significant	Significant
Dependency	.18	.08	-.02	.39	.42	.01	.11	.73	.42	.00	.19	.65	.26	.11	-.06	.59	Not significant	Significant
Environmental uncertainty	-.12	.15	-.29	.04	.01	.96	-.22	.23	-.15	.04	-.29	-.01	-.02	.83	-.18	.15	Not significant	Not significant
Behavioural uncertainty	.11	.23	-.07	.28	-.36	.00	-.61	-.11	.08	.34	-.09	.25	.08	.38	-.09	.25	Not significant	Not significant
Relationship continuation	.39	.01	.10	.67	.25	.23	-.16	.66	-.07	.36	-.22	.08	.17	.03	.02	.33	Significant	Not significant
Length of relationship	-.44	.04	-.86	-.01	-.17	.55	-.72	.38	.40	.02	.06	.74	-.24	.24	-.64	.16	Not significant	Not significant
Organisation size	.10	.26	-.07	.26	.17	.10	-.03	.38	-.07	.20	-.18	.04	-.10	.09	-.21	.02	Not significant	Not significant
Country	-.54	.00	-.82	-.26	-.07	.74	-.49	.35	-1.58	.00	-1.90	-1.26	-.43	.34	-1.32	.45	Significant	Not significant

Appendix

	High uncertainty avoidance								Low uncertainty avoidance								Co-efficient difference between high and low uncertainty avoidance	path difference between high and low uncertainty avoidance
	Supplier satisfaction				Resource Allocation				Supplier satisfaction				Resource Allocation					
	beta	p-value	CI lower	CI upper	beta	p-value	CI lower	CI upper	beta	p-value	CI lower	CI upper	beta	p-value	CI lower	CI upper	Supplier satisfaction	Resource Allocation
Supplier satisfaction					.40	.03	.04	.75					.89	.17	-.38	2.16	Not significant	Not significant
Coercive power	-.21	.05	-.43	.00	.00	0.99	-.30	.31	-.30	.20	-.77	.16	.23	.50	-.44	.90	Not significant	Not significant
Reward power	-.04	.64	-.20	.12	.27	.03	.03	.51	.47	.20	-.25	1.19	.23	.66	-.78	1.24	Not significant	Not significant
Dependency	.02	.73	-.11	.16	.40	.00	.19	.62	.63	.00	.24	1.02	-.34	.45	-.22	.54	Not significant	Significant
Environmental uncertainty	.12	.35	-.10	.29	-.37	.01	-.67	-.08	-.03	.69	-.18	0.2	.04	.62	-.12	.20	Not significant	Not significant
Behavioural uncertainty	-.05	.49	-.21	.10	.09	.46	-.14	.31	.17	.23	-.10	.44	-.02	.91	-.39	.34	Significant	Not significant
Relationship continuation	.09	.18	-.06	.30	-.10	.44	-.35	.15	-.04	.73	-.25	.17	.01	.92	-.21	.23	Not significant	Not significant
Length of relationship	-.20	.22	-.51	.12	.02	.94	-.44	.47	.24	.33	-.24	.73	-.59	.07	-.23	.05	Not significant	Not significant
Organisation size	.02	.76	-.10	.13	.13	.13	-.04	.29	.04	.74	-.20	.28	.03	.82	-.24	.30	Not significant	Not significant
Country	-.59	.00	-.98	-.20	-.73	.01	-1.32	-.15	3.47	.00	2.55	4.40	-2.99	.19	-7.44	1.46	Not significant	Not significant

CI= Confidence Interval; Sig= significant, n.s.= not significant

Appendix 3 – Chapter 4

Table 22. Questionnaire items

Technological uncertainty (Gelderman et al., 2016; based on Bstieler, 2005)
The technology in your market is changing rapidly
Technology changes bring new opportunities in your industry
Technological breakthroughs have led to new products or services in your industry
There have been a large number of technological developments in your industry
Demand uncertainty (Yu et al., 2017)
Customer's demand is changing
There are a number of changes taking place in customer's preferences
Competition uncertainty (Yu et al., 2017)
The level of competitive activity is changing (e.g. number or strength of competitor is increasing)
There are a number of changes taking place in competitor's sales and promotional strategies
Supplier Satisfaction (Vos et al., 2016)
Our firm is very satisfied with the overall relationship to BuyingFirmXY.
Generally, our firm is very pleased to have BuyingFirmXY as our business partner.
If we had to do it all over again, we would still choose to use BuyingFirmXY.
Our firm does not regret the decision to do business with BuyingFirmXY.
Preferred Customer Status (Vos et al., 2016)
<i>Compared to other customers in our firm's customer base...</i>
... BuyingFirmXY is our preferred customer.
... we care more for BuyingFirmXY.
... BuyingFirmXY receives preferential treatment.
... we go out on a limb for BuyingFirmXY.

Appendix

... our firm's employees prefer collaborating with BuyingFirmXY to collaborating with other customers.

Supplier's dependency (Caniels et al.. 2017)

In this contractual relationship. our company is very dependent on this client

To achieve our business goals. our company has to maintain this relationship to the client

Our company would face great challenges if the client did not continue the contractual relationship

Appendix

Table 23: Factor loadings

Construct	1	2	3	4	5	6
MDU_Dependence_200_8	.86	.01	.18	.03	-.02	.20
MDU_Dependence_200_7	.81	.07	.12	.16	.08	-.03
MDU_Dependence_200_4	.79	.04	.35	.05	.10	.02
MDU_Dependence_200_5	.75	.03	.17	.20	.02	.01
MDU_Dependence_200_9	.65	.09	.23	-.12	.04	.17
MDU_TechUncertain_1	.08	.88	.05	.02	.12	.12
MDU_TechUncertain_2	.00	.85	.11	.19	.10	.08
MDU_TechUncertain_4	.09	.85	.10	.13	.07	.18
MDU_TechUncertain_3	.05	.84	.08	.20	.16	.01
PC_PC_110_2	.19	.02	.84	.13	.05	-.03
PC_PC_110_3	.16	-.07	.79	.06	.03	.10
PC_PC_110_5	.25	.14	.75	.13	-.03	.09
PC_PC_110_1	.26	.20	.72	.25	.00	-.05
PC_PC_110_4	.20	.17	.65	.21	.08	-.08
S_Satisfaction_100_5	.19	.12	.04	.87	.09	.10
S_Satisfaction_100_4	.08	.04	.21	.87	.06	-.01
S_Satisfaction_100_3	.06	.18	.21	.84	.12	.06
S_Satisfaction_100_1	-.03	.30	.25	.71	-.04	.15
MDU_DemUncertain_1	.08	.19	.07	.14	.92	.16
MDU_DemUncertain_2	.07	.24	.02	.07	.85	.34
MDU_ComUncertain_1	.12	.11	.06	.16	.18	.89
MDU_ComUncertain_2	.17	.24	-.05	.07	.30	.81

(Principal Component Analysis, Varimax, Eigenvalue=1)

SUMMARY

Summary

The current globally competitive environment is affected by technological changes, shorter product life cycles, supply chain disruptions, rapid changes in the customer needs and expectations. Due to these uncertainties in the business environment, many firms are focusing on building a strategy to cope with it. Likewise, buying firms reduce their supply base to invest in long-term relationships with a small number of suppliers. As a result, buying firms are becoming more dependent on their suppliers. Consequently, traditional marketing (suppliers fighting for the buying firm) is not the way to achieve better position in the market. On the contrary, buying firms competing for the suppliers is more in common and this is called “reversed marketing”. Therefore, building long lasting and strong relationship with your supplier is crucial through which the buyer ensures receiving allocated resources of the supplier.

A buying firm wants to achieve preferred customer status in order to receive preferential treatment from their suppliers. Supplier satisfaction is important since suppliers might not allocate preferential treatments to the buying firm when they are not satisfied. Hence, resulting in not receiving the preferred customer status. The supplier satisfaction concept has been increasingly researched in the last decade. If the buyer wants to receive preferential treatment, then it should be taken into consideration. Buyers benefit from it by receiving preferred customer status which is followed by preferential treatment as well as allocated resources and competitive advantages.

Although prior research has already pointed out that supplier satisfaction is of growing importance for the buying firm, current literature still lacks including moderating factors or further concepts such as culture and RDT. Therefore this dissertation aims to close two research gaps. 1. Culture: Through the increased awareness of potential issues caused by culture in the buyer-supplier relationship, there is no large empirical study so far that would analyse if culture influences the supplier satisfaction and thus supplier’s allocated resources. It is important to study this context in the setting of supplier satisfaction. This would improve the supplier's satisfaction and contribute to receiving preferential treatment. 2. Resource dependence: empirically testing the explanatory content of RDT for explaining and eventually managing resource allocation in buyer-supplier relationships is still limited in the supplier satisfaction context.

Summary

This dissertation's major contributions can be summed up as follows. First, a CVF framework was used to empirically test organisational culture's effect. This shows which cultural type influences the relationship between the buyers' relational behaviour and supplier satisfaction as well as receiving allocated resources. Second, the explanatory content of RDT for explaining resource allocation in buyer-supplier relationships by considering cultural influences was tested. Finally, RDT was put at the centre of analysis by assessing the situations in which supplying organisations are becoming dependent on buyers.

Samenvatting (Summary in Dutch)

De huidige wereldwijde concurrentie wordt beïnvloed door technologische veranderingen, kortere levenscycli van producten, verstoringen van de toeleveringsketen en snelle veranderingen in de behoeften en verwachtingen van de klant. Als gevolg van deze onzekerheden in het ondernemingsklimaat richten veel bedrijven zich op het opbouwen van een strategie om hiermee om te gaan. Tegelijkertijd verkleinen inkoopbedrijven hun inkoopbestand om te investeren in lange-termijn relaties met een klein aantal leveranciers. Als gevolg hiervan worden inkoopbedrijven alsnog afhankelijker van hun leveranciers. Als gevolg is traditionele marketing (leveranciers die om de kopende onderneming vechten) niet de manier om een betere positie op de markt te bereiken. Integendeel, inkoopbedrijven die concurreren om de leveranciers is de norm, bekend als "omgekeerde marketing". Daarom is het opbouwen van een langdurige en sterke relatie met uw leverancier van cruciaal belang, waardoor de afnemer ervoor zorgt dat hij de toegewezen middelen van de leverancier ontvangt.

Een inkoopbedrijf wil de status van voorkeur klant bereiken om een voorkeursbehandeling van zijn leveranciers te ontvangen. De tevredenheid van de leverancier is belangrijk, omdat leveranciers de kopende onderneming wellicht geen voorkeursbehandeling geven wanneer zij ontevreden zijn. Dit resulteert dus in het niet ontvangen van de status van voorkeur klant. Het concept van de tevredenheid van leveranciers is het afgelopen decennium steeds meer onderzocht. Als de afnemer een voorkeursbehandeling wil ontvangen, moet daarmee rekening worden gehouden. Afnemers profiteren ervan door de status van voorkeursklant te ontvangen, die gevolgd wordt door een voorkeursbehandeling en de toewijzing van middelen en concurrentievoordelen.

Hoewel eerder onderzoek al heeft aangetoond dat leverancierstevredenheid van toenemend belang is voor de kopende onderneming, ontbreken in de huidige literatuur nog steeds modererende factoren of verdere concepten zoals cultuur en RDT. Daarom beoogt dit proefschrift drie onderzoek kloven te dichten. 1. Cultuur: Door het toegenomen bewustzijn van potentiële problemen veroorzaakt door cultuur in de koper-leverancier relatie, is er tot nu toe geen grote empirische studie die analyseert of de cultuur een invloed heeft op de tevredenheid van de leverancier en daarmee op de toegewezen middelen van de leverancier. Het is belangrijk om deze context in de ontwikkeling van leverancierstevredenheid te bestuderen. Dit zou de tevredenheid van de leverancier verbeteren

Summary

en ook bijdragen tot het ontvangen van een voorkeursbehandeling. 2. Hulpbronafhankelijkheid: in de context van leverancierstevredenheid is het empirisch testen van de verklarende inhoud van RDT voor het verklaren en uiteindelijk beheren van de toewijzing van hulpbronnen in koper-leverancier relaties nog beperkt.

Om de belangrijkste bijdragen van dit proefschrift samen te vatten, is ten eerste het CVF raamwerk gebruikt om het effect van organisatiecultuur empirisch te testen, waarbij werd aangetoond welk cultuurtype invloed heeft op de relatie tussen het relationele gedrag van de kopers en de tevredenheid van de leveranciers, evenals het ontvangen van toegewezen middelen. Ten tweede, werd de verklarende inhoud van RDT voor het verklaren van de toewijzing van middelen in koper-leverancier relaties door rekening te houden met culturele invloeden getest. Ten slotte, werd RDT centraal gesteld in de analyses, door de situaties waarin leverende organisaties afhankelijk worden van afnemers te beoordelen.

About the author

Bitá Mirzaei is a professional and researcher in the field of supply management. She started her academic journey in 2010 at the University of Twente, where she joined the Bachelor program International Business Administration. During the three year period she specialized on supply management as a major. In 2014, she received her M.Sc. degree in International Business Administration from the University of Twente, Enschede, the Netherlands. In 2018, she started pursuing her PhD at the University of Twente. Currently, she works as a manager at a German consulting firm, specialising in software management and digital transformation.



INCREASING PREFERENTIAL TREATMENT THROUGH SUPPLIER SATISFACTION

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