
INDUSTRIAL SELLER'S RELATIONAL BEHAVIOR: RELATIONAL STYLES AND THEIR IMPACT ON RELATIONSHIP QUALITY

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***Abstract:** Relationship marketing is often presented as a strategic meta-option, but little attention has been paid to the concept's potential differentiation. In this paper, I argue that such a differentiation is possible and necessary. On the basis of the relational contracting framework I identify ten dimensions of relational behaviour. I then present the results of an empirical study conducted among 297 purchasing managers in two industries in which four typical styles of relational behaviour are identified. Examining the link between relational style and three dimensions of relationship quality (satisfaction, trust and commitment) I show the close interrelationship between both constructs. Finally, I discuss the implications of the study and hint to directions for future research.*

Modern competition theories see customers as scarce resources. Relationship marketing has been discussed as a strategic meta-option for companies competing for customers (Hunt, 2000). From a theoretical perspective, it represents an intermediary governance mechanism between two extremes: a discrete (or transactional) approach to exchange on the one hand and the integration of all actors into an organization on the other (Arndt, 1979; Macneil, 1980; Ouchi, 1980; Williamson, 1985). However, for many purposes, theoretical as well as managerial, this meta-orientation appears to be too large a category. A more differentiated perspective on relationship marketing may be required in order to help managers conduct business relationships effectively and efficiently.

This paper deals with the question whether relationship marketing really constitutes a “monolithic” concept or whether it offers managers the opportunity to develop idiosyncratic relational profiles. I argue that the second alternative is more likely. On this basis, and in analogy to such research streams as management style studies, life style studies, or negotiation style studies, I posit the existence of different relational styles. A company’s relational style is defined as its constant and consistent behavioral pattern in interactions with customers in long-term business relationships. In an empirical study I examine the existence of such patterns as well as their impact on relationship quality.

The remainder of this paper is structured as follows. The next section provides some arguments why a differentiated perspective on relationship marketing should be useful to marketing scholars and practitioners. Following this, I conceptualize relational behavior and relationship quality, two core concepts in this research. I then present the results from an empirical study conducted in two industries. The final section serves the discussion of the results.

WHY DIFFERENTIATE THE RELATIONSHIP MARKETING CONCEPT?

Many authors classify exchange acts on a continuum with two extreme points. Depending upon the uncertainty, specificity and frequency of a transaction, Williamson (1991, p.180) distinguishes between markets, hierarchies, and hybrid forms. Hybrid forms comprise „various forms of long-term contracting, reciprocal trading, regulation, franchising, and the like“. Criticizing the „utopian world of classical economics“ Arndt (1979, p.70) argues for the existence of hybrid forms which he labels „domesticated markets“. „In such arrangements, transactions are planned and administered instead of being conducted on an *ad hoc* basis.“ Ouchi (1980), too, realizes that alternative governance mechanisms exist between markets and hierarchies. Borrowing from Durckheim’s concept of organic solidarity in groups (1933) he compares the hybrid form to clan structures. Many of these taxonomies are based upon the work of Macneil (e.g., 1978, 1980, 1981) who draws a distinction between discrete and relational exchange.

Williamson’s „hybrid form“, Arndt’s „domesticated markets“ and Ouchi’s „clan“, just as much as Macneil’s „relational exchange“ comprise various forms of vertical long-term market arrangements. The management of such arrangements constitutes the domain of relationship marketing (Diller, 1995a). The choice of the „right“ governance form for transactions with customers may be interpreted as a strategic meta-orientation.

The extant RM literature merely distinguishes different types of relationships, and if so, it usually describes them on a high level of abstraction (e.g. vertical vs. horizontal relationships). In this context, Werp (1997, p.29) posits that „different types of relationships show distinct patterns of emergence, interaction and governance“. Although this claim is plausible, I take the position that typical forms of relationship governance are not a consequence of specific relationship types' existence. Rather, I posit that idiosyncratic interaction and governance patterns should serve as criteria for the establishment of relational taxonomies. I argue that the relational styles identified in this perspective should prove to be of higher practical relevance than existing taxonomies. The need for such an approach is well expressed by Håkansson and Snehota (1995, p.5):

„We need models, descriptive, explanatory or normative, that embrace relationships (...). We need descriptive models that take into account the elements of relationships, the processes that form relationships, and that capture the consequences of their connectedness. We need maps where relationships are identified and put in relation to other important constructs in business studies, such as costs, revenues, innovations and strategies. *We need explanatory models where relationships are either the explained or the explaining variables.*“ (italics not in original text)

In addition to the theoretical advantages of developing a governance-based relationship taxonomy a certain number of additional arguments hint to the existence of differentiated approaches to relationship marketing in management practice. I limit my discussion to the following six points:

1. *The strategic necessity for differentiation*

Today, many companies apply relational strategies. Whenever numerous competitors on a market follow an identical strategic option – and circumstantial evidence supports this assumption – mutual neutralization threatens the strategy's effectiveness. In customer's eyes, the competing companies lose their distinct profiles. Differentiation of relational policies is a potential way out of this dilemma. Otherwise, competition might move back to variables such as price – a competitive factor marketing strategists wanted to move away from by stressing relational tools.

2. *The strategic potential for differentiation*

Relationship marketing offers marketers a large number of instruments they can employ in the relationship marketing mix (Diller, 1995b). According to the needs of the individual customer relationship, these instruments may be combined and prioritized in a large variety of ways. Hence, companies dispose of the strategic possibility to create various types of relational policies, enabling them to choose differentiated approaches to the competition for the customer. Similar to market orientation (Kohli and Jaworski, 1990), relational orientation is a multidimensional and continuous construct.

3. *Companies' internal resource restrictions*

In customer-focused competition, companies do not dispose of the same resources. They have to cope with resource restrictions. We observe important differences in financial, technological, organizational and human capital. The resource based view of the firm explains these differences: Barney argues that in a market in which all companies dispose of homogeneous, identical, perfectly mobile and unlimited resources, no competitor can gain a competitive advantage (Barney, 1991). However, since in reality resources are heterogeneous, scarce, and imperfectly mobile, the strategic options vary. In addition, limited resources for relationship marketing also limit companies' strategic options. Accordingly, we may expect them to pursue heterogeneous relational strategies (Hunt, 2000).

4. *divergence in goal systems between companies*

Companies formulate goal functions in order to direct activities, motivate employees, define decision criteria and dispose of control variables (Wöhe, 1990). For profit-oriented companies, the overall goal resides in profit maximization or at least in superior financial performance as compared to relevant competitors (Hunt, 2000). In order to achieve this goal, management defines sub-goals that form hierarchical goal systems. Goal systems as well as the means to achieve various sub-goals may differ tremendously from one company to another (Mayo, 1945, Barnard, 1968).

5. *operative restrictions inside companies*

Rieker (1995) describes inter-organizational relationships as feedback loops as defined by systems theory. He argues that such feedback loops are exposed to internal (e.g. functional egoism, organizational frictions) and external (e.g. competitors, suppliers, third parties) disturbances that influence the implementation of relational strategies (operative restrictions). Ouchi (1980, p.130) speaks of the „impossibility of achieving a completely cooperative effort“ that characterizes intra-company cooperation. The behavioral theory of the firm (Simon, 1955, March and Simon, 1958, Cyert and March, 1995) and resource dependence theory (Pfeffer and Salanczik, 1978) explain the phenomenon through the fact that companies are structured as coalitions of individuals. Inside the company, different „subcoalitions“ pursue goals that are more or less compatible. Because of each subcoalition pursuing the goals it prioritizes, perfect goal harmonization is rare. Marketing pursues customer-related goals. These goals might be in conflict with other subcoalitions' respective goals which, in turn, may impact the relational strategy's efficiency and effectiveness.

6. *cultural divergence between companies*

Ad 6. In a recent study, Kiedaisch (1997) shows that domestic and international relationships differ concerning variables such as trust or control. He identifies a cultural influence on relationship marketing. Even if we bear in mind that the concept of organizational culture differs from national culture, research proves that organizational behavior is influenced by corporate culture (Deshpandé and Webster, 1989). Corporate culture comprises values and beliefs shared by a company's employees (Day, 1994). These values and beliefs determine what is considered to constitute adequate behavior in specific situations. As a consequence, one can expect differences between two supplier companies' corporate cultures (cultural divergence) to lead these companies to show divergent relational behaviors toward customers.

Summarizing, different arguments lead to the expectation that relationship marketing as a strategic meta-option is being implemented and practiced in different(iated) ways. In the next section, I develop the dimensions of two constructs: relational behavior and relationship quality. They represent the key constructs used in the empirical study I will discuss subsequently.

RELATIONAL BEHAVIOR AND RELATIONSHIP QUALITY

Dimensions of relational behavior

To study to what extent two companies' relational policies differ we examine their relational behavior. Alternative approaches are possible. For example, one could focus on the instruments a company employs or on the structural design it opts for. However, from a customers point of view, the relational behaviors a supplier shows in interactions are the most direct and observable manifestations relationship marketing policy. Hence, this research relies on companies' relational behavior in order to study whether differentiated approaches coexist within the strategic meta-orientation.

Relational behavior is a multi-dimensional construct. Although in the extant literature the construct has received considerable attention, its dimensionality remains subject to discussion. (e.g. Leuthesser and Kohli, 1995). One of the most complete schemes for classifying relational behaviors has been developed in the relational contracting literature (e.g. Macneil, 1978, 1980, 1981, Dwyer et al., 1987, Heide, 1994). In his comprehensive review of the field, Ivens (2001, 2002) shows that from this heterogeneous stream of literature, a total of ten behaviors emerges as being central to the study of B2B relationships. Table 1 provides a short characterization of these ten behaviors.

Norm	Description
long-term orientation (LTO)	the desire and utility of an economic actor of having a long-term relationship with a specific exchange partner (Ganesan, 1994)
role integrity (ROLE)	maintenance of complex multidimensional roles forming a network of relationships (Kaufmann, 1987, p.76)
relational planning (PLAN)	proactive and bilateral goal setting for joint future action; plans subject to adaptation (Palay, 1984, Heide, 1994)
Mutuality (MUT)	the actors' attitude that the realization of one's own success passes through the partners' common success (Dant and Schul, 1992)
Solidarity (SOL)	preservation of the relationship, particularly in situations in which one partner is in predicament. (Kaufmann and Stern, 1988, Achrol, 1997)
Flexibility (FLEX)	the actors' readiness to adapt an existing implicit or explicit agreement to new environmental conditions (Noordewier, John, and Nevin, 1990)
information exchange (INFO)	the parties' readiness to proactively provide all information useful to the partner (Heide and John, 1992)
conflict resolution (CONF)	application of flexible, informal and personal mechanisms to the resolution of conflicts (Kaufmann, 1987)
Restraint in the use of power (POW)	expectation that no actor will apply his legitimate power against the partner's interest (Kaufmann and Dant, 1992)
Monitoring behavior (MON)	ex-ante and ex-post control or supervisory actions in business relationships (Noordewier, John, Nevin, 1990)

Table 1: Aspects of relational behavior

These ten constructs constitute the basis for the empirical study which aims at identifying relational styles.

Relationship quality

Along with the identification of differentiated approaches to relationship marketing (relational styles), a second goal of this research is to verify whether a causal link exists between the relational style a company applies in a customer relationship and relationship specific outcome variables. Numerous authors consider relationship quality to be an appropriate indicator of relationship success (e.g. Bejou et al., 1996; Kiedaisch, 1997; Werner, 1997, Hennig-Thurau, 2000). It is generally conceived of as a three-dimensional construct including satisfaction, trust, and commitment. Garbarino and Johnson (1999) show that satisfaction, trust, and commitment are not only three important indicators of relationship quality. They are also distinct, complementary variables. On the basis of the extant relational contracting literature (e.g. Kaufmann, 1987) we can also expect the dimensions of relational behaviour to directly influence satisfaction, trust, and commitment. Given this paper's perspective, we expect customer-perceived relationship quality to be influenced by supplier's relational behaviour.

satisfaction: Geyskens and Steenkamp (2000) interpret satisfaction in B2B relationships as a two-dimensional construct. They distinguish between economic and social satisfaction. The first dimension refers to „evaluation of the economic outcomes that flow from the relationship“, the other to „psychosocial aspects of (the) relationship“ (p.13).

trust: Anderson and Narus (1986, p.326) define trust as „the (customer) firm's belief that another company will perform actions that will result in positive outcomes for the firm as well as not take unexpected actions that would result in negative outcomes for the firm.“ Trust is an attitude that influences behaviour in the sense that in a decision situation, a manager can choose between certain alternatives that imply costs (for contracting, monitoring etc.) and trusting behaviors. The choice of trusting behaviours reduces costs and thus transaction efficiency (Ganesan, 1994, Volery and Mensik, 1998).

commitment: like trust, relationship commitment is generally interpreted as an attitude. *Morgan and Hunt* define the construct as „an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely“ (1994, p.23). This definition reveals two core aspects. Commitment expresses a value judgement. Committed customers believe a relationship to be of high value. In addition, commitment stabilizes relationships because the actors involved are ready to make certain efforts in order to preserve the relationship (Moser, 1996, p.34).

The next section presents the empirical study in which I examine whether (1) it is possible to identify different relational styles and whether (2) effects of relational styles on relationship quality exist.

EMPIRICAL STUDY

Research design

The study is based on a written survey among managers involved in professional purchasing processes. In order to control for environmental influences it was conducted in a business-to-business setting. Two industries were selected. The packaging industry represents a classical industrial goods market whereas the market research sector was chosen as an industrial service market. In both industries, long-term relationships play an important role.

Questionnaires were distributed to purchasing managers for packaging goods on the leading German trade show „FachPack 2001“. Potential participants were identified at the entrance, asked to complete the questionnaire at their office and to return it within four weeks. Only German participants were included in the final sample in order to control for cultural bias in this study. On the market research side questionnaires were sent out to those members of the leading German market research association (BVM) who are concerned with the purchasing process of market information. Participants were asked to select one important supply relationship and to answer all questions referring to this one supplier. Selection criteria were relationship duration (at least two years) and the supplier's economic importance to the customer company.

The response rate for the packaging sample was 28.5 %. In the market research sample it amounts to 31.9%. Empirical results are based on a total of 297 questionnaires. These questionnaires are completely filled-in. An analysis of potential non-response effects (Armstrong and Overton, 1977, comparison of early vs. late responses) revealed no significant differences concerning the core constructs.

Basic characteristics of the data set

The different facets of relational behaviour resp. relationship quality were measured on multi-item scales. The operationalization was based upon the extant literature (c.f. Ivens, 2001). In order to reduce overlap between scales used in previous studies, certain scale items were eliminated. The complete questionnaire is available from the author upon request. Scale reliability was tested in two steps. First, coefficient alpha was calculated. Results for both sub-samples as well as for the complete sample are documented in table 2. All scales fulfil the generally accepted criterion of $\alpha > 0.7$.

Coefficient alpha, basis: n = 297 (sample 1 „market research“, n = 206, sample 2 „packaging“, n = 91)				
multi-item-scale	no. of items	sample 1	sample 2	total sample
trust	6	0,8539	0,8896	0,8623
solidarity	5	0,7886	0,8512	0,7866
long-term orientation	4	0,9321	0,9252	0,9303
information exchange	5	0,7642	0,8692	0,8076
flexibility	6	0,9279	0,8760	0,9104
monitoring	4	0,8038	0,9070	0,8418
planning behavior	4	0,8749	0,9008	0,8824
mutuality	6	0,8691	0,9139	0,8860
conflict resolution	4	0,7365	0,7431	0,7368
restraint in use of power	3	0,8670	0,8596	0,8608
commitment	5	0,8392	0,8781	0,8434
economic satisfaction	4	0,8680	0,8969	0,8720
social satisfaction	4	0,9173	0,8641	0,9080

Table 2: scale reliability

In addition to the alpha test, each scale was submitted to confirmatory factor analysis in order to verify its reliability and validity. Results (*factor reliability, average variance extracted, and t-values*) are documented in table 3. Again, most scales fulfill the required criteria (c.f. Homburg and Baumgartner, 1998).

The only scale to fail the tests is the one measuring conflict behaviour. Given its low score in the alpha test, this outcome reveals measurement problems. Two alternative solutions exist. The scale can either be withdrawn from the study. This approach would make sense if a company's power behaviour could easily be explained through the other behavioural constructs integrated in our study. However, regression analysis led to the results that the remaining nine constructs merely account for 19.6% in the variance of a supplier's power behaviour. Given that the elimination of this aspect would imply a serious limitation to our aim to cover a large variety of relational behaviours, we opted for a second approach. The four scale items measuring power behaviour were submitted to exploratory factor analysis (principal component analysis). The two-dimensional solution explains 82.3% of variance. Each factor represents two items. Accordingly, we decided to maintain power behaviour in the analysis by defining two distinct constructs. Factor 1 was labeled CONF A, factor 2 became CONF B. Whereas CONF A reflects the formality of a company's conflict resolution processes, CONF B measures how extensive conflict analysis and solution processes are. As a consequence of this decision, the subsequent analysis contains eleven relational behaviour scales.

scale	FR	AVE	t-values
trust	0,89	0,58	10,12 < t < 15,18
solidarity	0,82	0,50	09,11 < t < 16,33
long-term orientation	0,94	0,80	16,20 < t < 22,26
information exchange	0,85	0,53	11,33 < t < 17,04
flexibility	0,93	0,68	13,72 < t < 19,90
monitoring	0,88	0,66	12,74 < t < 20,36
planning behaviour	0,89	0,68	18,66 < t < 21,85
mutuality	0,92	0,66	11,20 < t < 16,99
conflict resolution	0,68	0,41	02,51 < t < 08,87
restraint in the use of power	0,87	0,70	13,20 < t < 22,92
commitment	0,85	0,53	10,57 < t < 16,16
economic satisfaction	0,88	0,64	12,90 < t < 18,76
social satisfaction	0,92	0,74	13,85 < t < 18,74

Table 3: goodness criteria¹

In order to determine whether the number of aspects included in the study could possibly be reduced, an exploratory factor analysis (principle component analysis) of the eleven constructs measuring relational behaviour was conducted. The results indicated that applying either Kaiser criterion and the scree test, a two-dimensional solution best represented the data.² Seven variables (long-term orientation, solidarity, information exchange, mutuality, planning, role integrity and flexibility) loaded high on factor 1 whereas 4 variables (monitoring, power use, and the two aspects of conflict behaviour) loaded high on factor 2. This constellation is plausible. It is in accordance with Kaufmann's (1987) theoretical classification of seven relational constructs into norms that create value and norms that control value-claiming behaviour. Hence, I decided to label the two dimensions "value creation" and "value claiming". A close parallel is observable with two principles or (core processes) which receive considerable attention in the strategic management literature (e.g. Ghosh and John, 1999, Porter, 1996). However, the factors identified merely explain 53% of the variance in the data. With each additional factor extracted, the variance explained augments only slowly. Hence, in order to preserve as much information as possible about potential variations in companies' relational behaviour it has been decided to maintain all eleven constructs in the study.

¹ According to Homburg and Baumgartner (1998) FR should be > 0.6, AVE > 0.5 and t-values > 1.645.

² KMO value = 0.85, anti-image test 18.2% < 25%, Bartlett-test negative at significance level < 0.01.

Relational styles

Cluster analysis was used in order to examine whether relationship marketing is a monolithic strategic meta-option or whether different relational styles exist. In a first step, the whole data set was submitted to single-linkage clustering (SLC) using similarity measures. SLC tends to form small clusters and to create chain structures. It permits the elimination of elements that do not fit well into a cluster structure. The remaining elements were then clustered using a method that tends to form larger, clearly distinct samples such as complete-linkage or average-linkage clustering (CLC resp. ALC) (Büschken and von Thaden, 1999). As a result of SLC, 70 cases were removed from the total sample. The eliminated cases represent relational behaviour that are untypical compared to the remaining 227 cases. 62% of the eliminated relationships stem from the market research sub-sample, 38% stem from the packaging sample. This percentage distribution is approximately proportional to the two sub-samples relative importance. The cases concerned are heterogeneous concerning variables such as customer industry, turnover or relationship duration. Hence, we suspect no systematic error.

Subsequently, the remaining 227 cases were analysed using CLC and ALC. The so-called elbow test hinted to potential solutions at 9, 4 or 2 clusters for ALC resp. 7, 4 or 3 clusters for CLC. The most appropriate solution was determined using discriminant analysis. Independent from the cluster method applied, the four cluster structure appeared to best represent the data structure. ALC classification scores were clearly superior to CLC scores. Accordingly, we chose to rely on the 4 cluster ALC solution. Its success rate for classification is 92.6%. Cluster analysis for both subsamples (following the identical approach) confirmed the superiority of the 4-cluster-solution in the two cases. Hence, although the identified clusters' relative importance varies between the two subsamples, there is evidence that the results are valid for industrial goods as well as for industrial services markets.

Figure 1 shows the profiles (arithmetic means) of the four relational style clusters across the eleven variables included in the analysis. The four styles differ more or less clearly according to the observed variable. A total of 20 intersections between profiles indicates that (in accordance with our objective) the cluster solution does not represent different levels of relationalism, but relational styles that stress different behaviours in customer interaction. 66 pairwise t-tests show that significant differences can be expected at the 1%-level for 80% of the calculated means.

Table 4 shows, that the four styles' relative importance varies. Three styles are relatively common whereas the fourth style (7% of clustered cases) represents a „niche“ style practiced by a minority of suppliers. Based upon a summary of those dimensions on which the four clusters score high (resp. low) on relationalism, it also describes the characteristics of each relational style. Cluster 1 was labeled the “value oriented style”. It shows high scores of relationalism for constructs such as solidarity, long-term orientation, information exchange, planning and mutuality. However, relationalism is particularly low for monitoring and conflict behaviour A. Scores for conflict behaviour B and power use are also comparatively low. Thinking back of the exploratory factor analysis conducted across the eleven relational variables, it becomes quite obvious that companies practicing the value-oriented style are willing to create value for their customers through strongly relational behaviours. Nevertheless, they do not forget that the objective of such a strategy is to produce value for their own company. Hence, they show strong value-claiming behaviours.

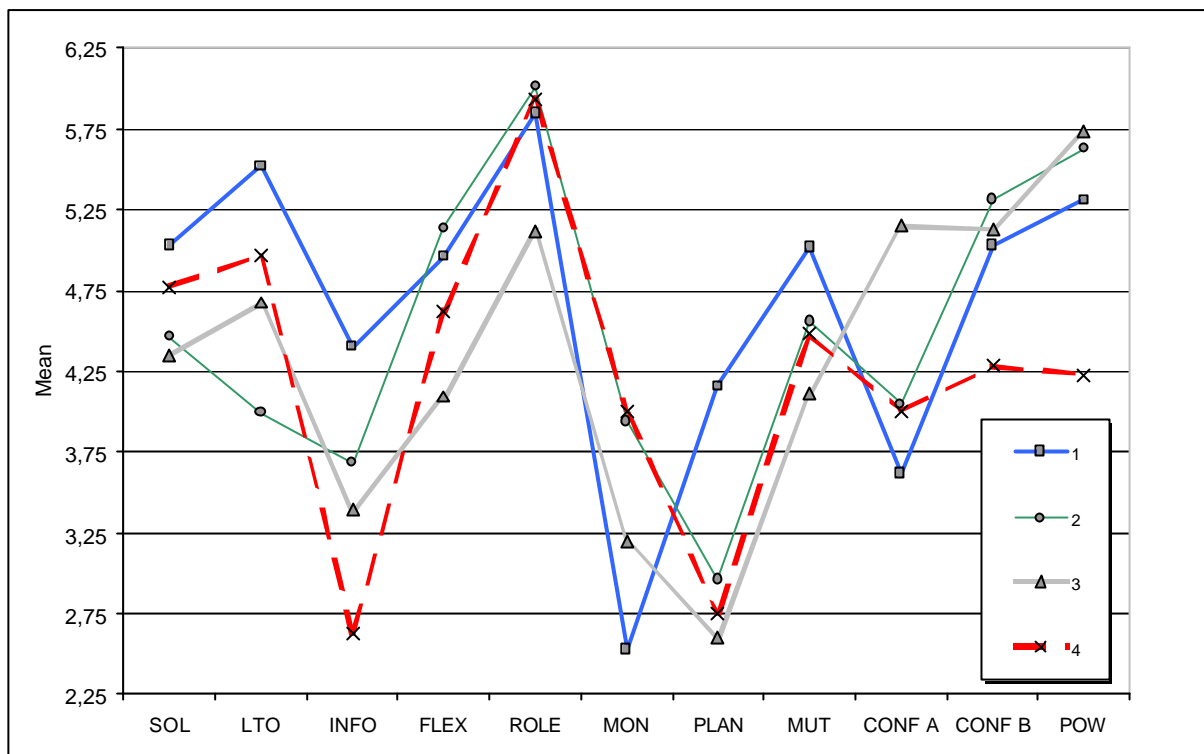


Figure 1: The four relational styles' profiles across the eleven dimensions of relational behavior.

Cluster 2, too, scores high on some aspects of value creation (role integrity and flexibility). However, other behaviours (e.g. solidarity, information exchange) are relatively little relational. As compared to cluster 1, companies practicing this style appear to be focussing their relational efforts on selected core tasks: they attempt to fulfil the roles their customers expect them to fulfil on a high level. In addition, they are flexible. They pay less attention to other behaviours of potential value such as information exchange or solidarity. The low scores for long-term orientation and relationship planning even indicate neglect towards relationship maintenance. This is paralleled by high relationalism scores on the value claiming side. The conclusion is that as long as no problems arise, suppliers practicing this style show but limited relationship involvement. Hence this cluster is considered to practice a “laissez-faire” style.

The central characteristic of cluster 3 is its comparatively low score for role integrity. With a mean of 5.12 it probably remains on a tolerable level from the customer's vantage point, but clearly, customer delight is not the focal concern for this cluster. Moreover, low scores for planning, flexibility and mutuality stress that companies in this cluster only deploy restricted efforts in value creating behaviours. In value claiming (e.g. conflict behaviour A and power use), however, these companies show more relational behaviours than those in other clusters. Our interpretation is, that these companies wait for problems to arise (and threaten the relationship) in order to act up. In that case, relationship preservation guides their behaviour. After all, this seems to be a rational attitude. Because cluster 3 represents cases in which a given objective is to be achieved with minimum input, we label it the “economic” style. Note however that we will have to verify empirically whether this attitude leads to superior relationship outcomes.

Cluster 4 is similar to cluster 3 in that the companies comprised in it obtain low scores for planning and information exchange, too. The scores for solidarity, mutuality, and other value creating behaviours are in the middle between other clusters' scores. However, role integrity

is being taken seriously. In addition, cluster 4 is characterized by low relationalism in behaviours reflecting value claiming: they do apply power in order to achieve their unilateral objectives and problems are being solved using formal conflict resolution procedures. Because companies in this cluster focus on core activities in value creation and because they are concerned about preserving their own interests first, we label this cluster the “defensive” style.

Cluster	1	2	3	4
style	“value-oriented “ style	“laissez-faire” style	“economic” style	“defensive” style
features	aims at mutual value creation tough position in value claiming	reactive customer relationship management	limited input into relationship soft reaction in case of conflict	aggressive defence of own interests
focus	mutually beneficial relationship	core functions; subject-related level	relationship preservation	value preservation
+	e.g. solidarity, information, mutuality	role integrity, flexibility	conflict resolution, power reduction	monitoring
-	monitoring, conflict resolution	long-term orientation	role integrity, flexibility, mutuality	conflict resolution, power reduction
percentage	43.2 %	27.3 %	22.5 %	7.0 %

Table 4: characteristics of the four relational styles

All in all, the existence of four distinct relational styles and the analysis of the styles’ characteristics show that in relationship marketing differentiation is not only possible, it is also a reality. A question yet to be answered, however, is whether differentiation is being practiced at the company or at the relationship level. In order to answer this question, participants in the study were asked to provide their supplier company’s name. A total of 141 participants identified their supplier, 15 of which were evaluated several times. The analysis showed that for all cases of multiple evaluation, the respective supplier is classified in at least 2 clusters. Customer rankings of a leading German market research institute (evaluated by 18 different participants) were distributed across all four clusters. Hence, we conclude that companies cannot be characterized by a corporate relational style they invariantly apply to all customers. Rather, each relationship is managed on an individual basis.

Effects of relational styles on relationship quality

The existence of distinct relational styles is an interesting result. However, implications for marketing practice depend on whether the identified clusters differ concerning their impact on relationship success. In this study, I focus on relationship quality with its four dimensions satisfaction (economic and social), trust, and commitment as indicators for success. Oneway ANOVAs lead to the result that significant differences (< .01-level) exist between the identified relational styles’ impact on the four focal constructs measuring relationship quality. Figure 2 visualizes these results.

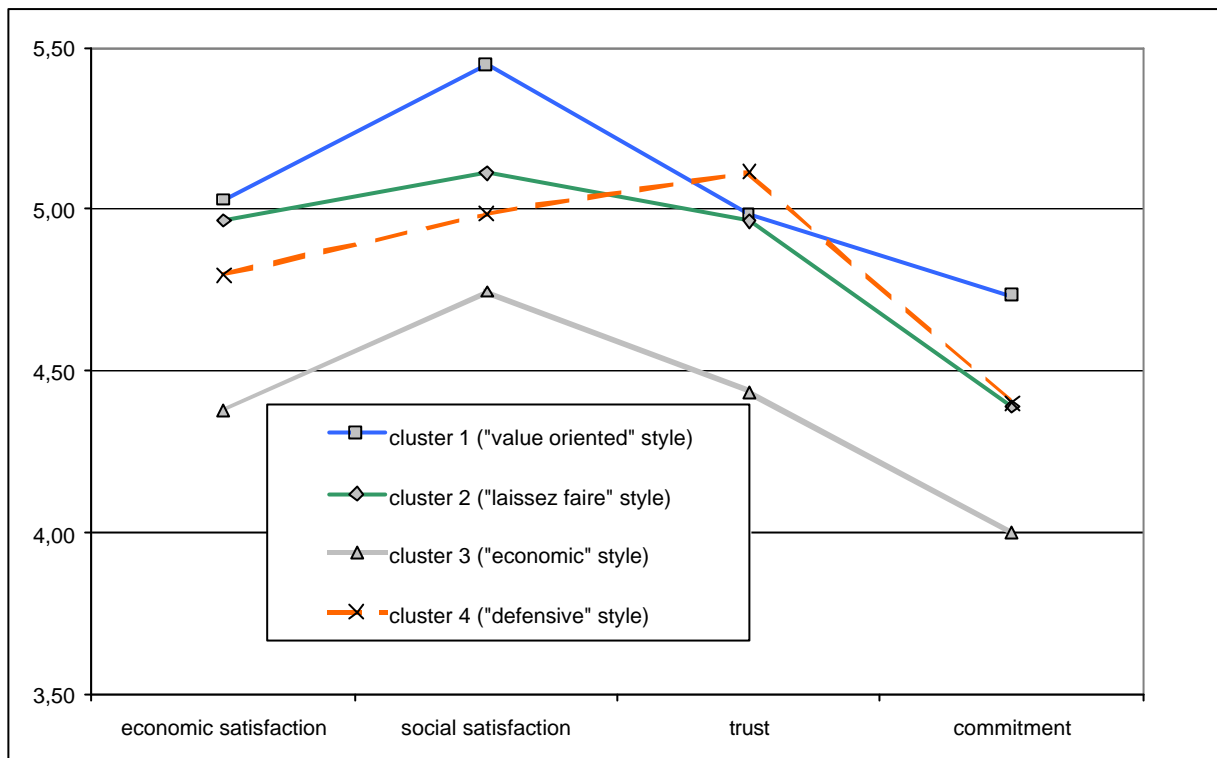


Figure 2: Differences in relational styles' impact on dimensions of relationship quality

Even though non of the four styles is absolutely superior to all others, the value oriented style (cluster 1) obtains the best scores for economic and social satisfaction as well as for commitment. Its trust score is the second highest. Hence, the overall relationship quality achieved through relational behaviours expressing this style is comparatively good. Clusters 2 and 4 do not differ tremendously, they obtain comparable scores on all four success constructs. Finally, scores for cluster 3 ("economic style") are clearly inferior to the other clusters' results.

We interpret these results as follows: companies showing relatively low relationalism in customer interactions obtain less trust and commitment from their customers. Also, they satisfy them less than their competitors. The respective suppliers' striving for interaction efficiency (e.g. limited role integrity) is being penalized by their customers. A fairly relational reaction to complaints and conflicts cannot compensate for the lack of value creation orientation. On the other hand, customers seem to appreciate cluster 1's win-win-orientation. They accept strict value claiming behaviours because of the suppliers' strong attempts to provide value through behaviours such as flexibility, solidarity, or information exchange.

In order to determine the relative importance of the eleven constructs reflecting relational behaviours on relationship quality, regression models were formulated for all 4 success constructs. With adjusted r^2 s between 44.2% for trust and 60.7% for economic satisfaction (significance < 0.01) the influence of the constructs studied is considerable. Cluster- and sample-level regression models confirmed these results' general validity. However, the individual relational behaviours' standardized beta-coefficients vary from model to model. Only few behaviours (role integrity, information exchange, flexibility, and solidarity) have significant effects across almost all models. Monitoring, on the other hand, is a behaviour with almost no influence on customers' perception of relationship quality constructs.

IMPLICATIONS AND LIMITATIONS

The results from the empirical study show the existence of four distinct relational styles. The identified styles differ regarding their impact on dimensions of relationship quality. Moreover, it has been shown that the relevant level of analysis is the individual customer relationship. Hence, relational behaviours and relational styles prove to be parameters of relationship marketing or – as Heide (1994) puts it – they represent strategic decision variables in their own right. These variables can be made subject to deliberate design. Firms must be aware of the fact that their “relationship marketing mix” does not only consist of instruments such as bonus programs, customer events or business gifts. It also comprises all behaviours, individual or collective, the customer is confronted with. The necessity to manage this vector of relationship marketing is stressed by our results. They clearly show that the value a customer derives from a business relationship is not only influenced by product quality or price. Relational utilities complement the “hardware”, and the “software’s” relative importance is approximately equal to that of the more tangible factors.

The behaviours considered in the context of this study have been formulated at a rather high level of abstraction. In practice, a customer interaction consists of much more concrete and specific behaviours. Not all behaviours occur in all interactions and sometimes a specific behaviour may express two or more of the constructs studied here. Nevertheless, the categories formed for the purpose of this study have proven to be helpful as well as valid and reliable measures of interaction behaviours. Moreover, this study is the first to include such a broad variety of different behaviours. The results of an exploratory factor analysis seem to indicate that although some of the constructs may be overlapping, it is difficult to reduce them to a smaller set of dimensions or factors without losing explanatory power.

The results also hint to another point. In the past, efficiency has been a major concern in marketing research and practice. Outsourcing, benchmarking or concentration on core competencies have received tremendous attention (e.g. Porter, 1996). The discussion of governance mechanisms, too, has been guided by this perspective (Heide, 1994). Efficiency certainly is an important topic in relationship marketing. But the exclusive focus on transaction costs is biased. Resource advantage theory (e.g. Hunt, 2000) argues that firms occupy positions of competitive advantage when they dispose of resource advantages. Amongst other factors, customer relationships are considered to be valuable resources. At the same time, customers only engage in relationships if they provide them value. Otherwise, they prefer discrete transactions. Hence, relationship value is a key issue in competitive strategy. Resource advantage theory posits that relationship value can be created by offering customers superior efficiency and / or effectiveness. The present study shows that certain relational behaviours help create customer value and that they thus enhance relational effectiveness from a customer point of view. From a management perspective this implies shifting focus from efficiency management to integrated value management.

The limitations of this study are at least threefold. First, the sample covered only two industries. Although the four clusters could be identified in both subsamples it remains unclear whether they constitute a general pattern or whether other forms of relational behaviour are being practiced in other industries. Second, the study has been limited to the context of domestic relationships inside Germany. This approach allowed to control for a potential cultural bias. Nevertheless, other studies (e.g. Kiedaisch, 1997) have shown that national and international business relationship do not follow the same rules. Future studies must prove whether the identified relational styles are a cultural product. Third, in order to

determine relational styles' impact on relationship success, this study focused on dimensions of relationship quality. The respective constructs were measured on the customer side. From a supplier's vantage point, relationship quality constitutes an important objective. However, it is unclear to what extent it is directly linked to economic success (contribution margins, turnover, penetration rate etc.). Future research might examine this link. Alternatively, the validity of this study might be increased by using multiple respondents on the customer side instead of focusing on one purchasing manager.

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