The challenge of business context for customer relationship management

Harri Terho
Turku School of Economics and Business Administration
Department of Marketing
Rehtorinpellonkatu 3
20500 Turku, Finland
e-mail: harri.terho@tukkk.fi
Tel. +358-2-481 481, fax +358-2-481 4280, e-mail: harri.terho@tukkk.fi

Aino Halinen
Professor of marketing
Turku School of Economics and Business Administration, Finland
Rehtorinpellonkatu 3, 20500 Turku, Finland

Abstract

This paper discusses the role of company external context in customer relationship management re-search. Paper is conceptual and based on a thorough literature analysis. We argue that in relationship management literature, the influence of external company context on relationship management systems and their performance has not received necessary attention. Our main point is that the current contextual measures used in research do not work since they ignore the relational nature of company context. This is because the current research uses environmental measures that are based on the idea of markets as the dominating governance form of transactions – an issue that is totally incompatible with the idea of relationship management. We review the contributions of the two currently dominating approaches to the external context in business marketing research (the environmental view and the interaction and network view). Based on a literature analysis we argue that new contextual concepts are needed to advance the study of customer relationship management. As a result we introduce the concept of relational customer context and suggest five key dimensions as the most influential ones in this context. We hope that the concept can act as a means to diffuse IMP-based ideas to the current quantitative research in the area. Avenues for empirical research are suggested.

Keywords: customer relationship management, relational context, CRM, company environment, customer base

Introduction

Research Gap

The management of relationships is one of the key areas in business-to-business marketing at the moment. Companies have recently made considerable investments in various relationship management systems such as key account management, customer portfolio analysis and CRM-systems. Also in research these issues have been widely recognised: the management of relationships has been stated to be one of the key themes in the "new dominant logic of marketing" and of high priority in current agenda of marketing research (Day 2004; Vargo and Lusch 2004).

Past research has contributed significantly to our knowledge of relationship management *systems (for key account management* see e.g. Boles, Johnston and Gardner 1999; McDonald, Millman and Rogers 1997; Pardo 1997; *for customer portfolio analysis* see e.g. Fiocca 1982; Johnson and Selnes 2004; Zolkiewski and Turnbull 2002; *for CRM-systems* see e.g. Campbell 2003; Lindgreen 2004; Payne and Frow 2005). Most of the earlier contributions have concentrated on describing the systems and identifying factors that affect their implementation. More recently also performance issues have attracted researchers' attention (Eng 2004; Homburg, Workman and Jensen 2002; Jayachandran, Sharma, Kaufmann and Raman 2005; Reinartz, Kraft and Hoyer 2004; Ryals 2005).

Several researchers have suggested that relationship marketing is context-dependent which means that different kinds of relationship marketing are potentially appropriate in different business contexts (Blois 1996; Brodie, Coviello, Brookes and Little 1997; Grönroos 1995; Li and Nicholls 2000; Möller and Halinen 2000; Rao and Perry 2002). Similarly, it is reasonable to expect that the business context is an important determinant of the use and performance of customer relationship management systems. The argument of context dependency also receives considerable support from the IMP School's interaction and network research where the relational context has been found to play a key role in buyer-seller interaction (e.g. Anderson, Håkansson and Johansson 1994).

Interestingly, if one examines current research concerning customer relationship management and management systems it is easy to see that company context has not been very central aspect in research. The emphasis of empirical research has been in company internal arrangements and capabilities (Boulding, Staelin, Ehret and Johnston 2005; Homburg, Workman and Jensen 2002; Leek, Turnbull and Naude 2002). Very little is known about the *company external context* and its role in explaining why and what relationship management systems are used in companies, how they are implemented, or how the external context possibly affects the performance outcomes of various relationship management tools and systems. The few existing studies that have examined relationship management contextually have used industry and environment explanations in studying relationship management systems (Jayachandran, Sharma, Kaufmann, Raman 2005; Reinartz, Kraft, Hoyer 2004). Based on environmental context-measures they have found only weak or even no support for the role of the external context in customer relationship management. Clearly, there exists an evident contradiction between the suggestions that the company external context is a key determinant of relationship management activities and the empirical findings indicating that environment does not play any significant role in these efforts.

The purpose and contribution of this research

In this paper we will discuss the role of the company external context in customer relationship management. Our main point is that the contextual measures used in current relationship management research do not work since they do not take the relational nature of company context into account. We argue that new contextual approaches are needed to reveal the influence of contextual factors on relationship management activities. In this paper we will therefore present new ideas on how to approach company contexts in relationship management research. More specifically, we will propose an alternative view on company external context and introduce new concepts to be used in investigating the influence of external factors on relationship management activities and their performance.

The contribution of the paper is twofold. On the other hand, we aim to advance *customer relationship management research* by suggesting new relational concepts to approach company external context to be used in empirical research. We argue that the IMP Interaction and Network Approach that has stressed the role of relationships in business context can contribute notably to relationship manage-

ment research in this area. On the other hand, we aim to make an input to the IMP research that has been accused of being overwhelmingly descriptive and producing few explanations. We believe that the IMP Research could benefit from the broadening of its methodology and use of its key ideas in explanatory, quantitative research enabling comparisons of different contexts. It would be beneficial to both domains of research (Customer relationship management as well as IMP Research) to use the ideas produced in the IMP Research in order to build valid constructs and measures for company external context.

The paper is conceptual in nature and based on thorough literature analysis. It should be noted that even though the ideas of this paper can be broadened to supplier side as well it will focus particularly to *customer* relationship management.

The structure of this paper

The structure of this paper is following: *First,* we discuss the relevance of context in studying relationship management, and point out the gaps in current relationship management research concerning contextual explanations. *Secondly,* we analyse more carefully the two currently dominant approaches to company external context, the environmental and the interaction and network view, and the central concepts they offer to analyze company contexts. Also the strengths and weaknesses of these concepts in grasping the differences of company external contexts are discussed. *Thirdly* we summarise our findings of the literature review and explicate the need for new contextual concepts and measures in relationship management research. *Fourthly,* in order to fill this gap we suggest a new context of relational context for studying the surrounding context of a company. More specifically, we identify five key dimensions for future empirical research. *Finally*, we summarize our findings and discuss implications for future research.

Relationship management – a context dependent phenomenon

Next we will discuss shortly the role of context in explaining customer relationship management and its business outcomes. The company external context is assumed to play a key role in explaining the success of relationship management systems. Next the logic of contingency explanations and the role of context in relationship management are discussed shortly.

The role of company context in customer relationship management

There has been a strong tradition in marketing arguing that the context in which a company is acting has an important influence on the link between management and performance. The central idea in this tradition is based on contingency theory which suggests that the successful management is a context-dependent issue and that there is no one optimal way of managing (Wetherbe and Whitehead 1977, p. 20). Rather, the high performing management is contingent on company external and internal context (e.g. Lawrence and Lorsch 1969; Miles and Snow 1978). In other words, company profits will be maximized if appropriate organizational structures are depicted and management is tailored to the particular context of the company. Hence, the fit between management and context is assumed to affect the outcomes of management.

The contingency thinking can be criticised as being deterministic and suggesting passive adapting to the context. We therefore base our view to the moderate neo-contingency view which stresses that the fit to the context can be a result of both adapting to contextual pressures and actively shaping the context by company strategic decisions (cf. Miles and Snow 1978). Similarly, we adopt a view that it can be difficult to make a clear-cut line between a company and its context. The boundaries are likely to be blurred (Anderson, Håkansson, and Johanson 1994, p. 4). This is in accordance with the neo-contingency view where a company may on the one hand affect, and on the other hand be affected by its context.

In order to make sense of the idea of contingency explanations in relationship management three central constituents can be distinguished: the relationships management activities, the company internal structure and arrangements ("internal context"), and the surrounding outer context ("external context"). For simplicity, we distinguish between company internal and external context. However, as discussed above in practice it is very difficult to do the distinction between these two aspects as for example the

customer relationships a company is having are always formed in interaction. In order to stress this issue we use dash line the figure 1 between internal and external context. Based on this simplifying division we suggest two general aspects of fit that moderate the outcomes of customer relationship management (see figure 1).
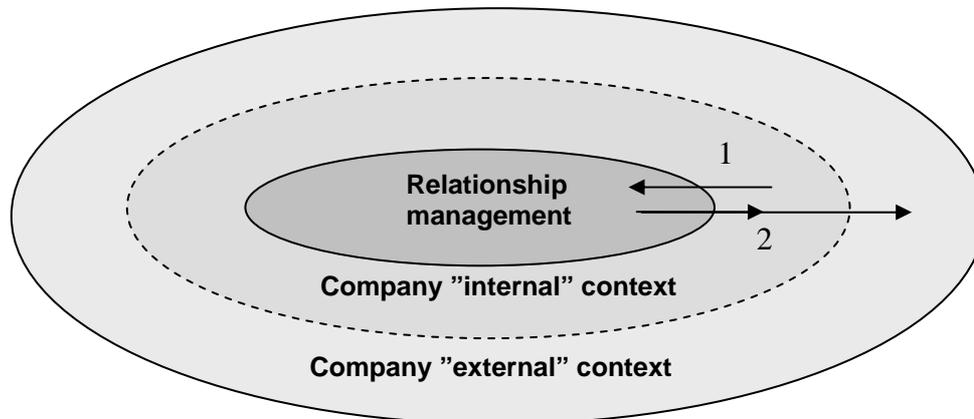
Figure 1 Possible moderator effects in relationship management

First of all, it can be asked *does the company have appropriate organisational structures and internal processes that support relationship management activities* (see arrow 1 in figure 1)? Current empirical research on customer relationship management has concentrated on company internal organisational arrangements and their support for the implementation of relationship management systems (Campbell 2003; Jayachandran, Sharma, Kaufmann, Raman 2005; Raman and Rashupati 2004; Reinartz, Kraft, Hoyer 2004). Such issues as the role of management involvement, organisational structure, culture, management systems, interdepartmental relationships and use of CRM-technology have been extensively studied. Hence we will not discuss this aspect of fit in this paper.

Secondly, based on our frame one can examine the question of fit also another way around – *whether the company's relationship management activities match with the contingencies of its operating context* (see arrow 2 in figure 1)? Here, two aspects of fit can be distinguished: whether the focal company's relationship management activities are *in congruence with the* company strategy, and whether they match with the requirements of the external context? It could be speculated that certain relationship management practices suit better to some type of external contexts than others.

The required fit between company strategy and relationship management activities is generally emphasised in literature, but the fit with external context has received only limited attention in research. A couple of empirical studies have been made where the company external context possible moderating role between a customer relationship management system and its outcome has been in focus. Both the study of Jayachandran and colleagues (2005) and that of Reinartz and colleagues (2004) have examined the role of certain environmental dimensions on relationship management. The clear result has been that the environment does not play any significant role in the outcomes of relationship management activities. However, we argue that this is not because of the insignificance of external context for relationship management but because of the used environmental dimensions that did not take into account the relational nature of the context. Both the small number of studies concerning the role of the context and the weak results received can potentially be explained by the lack of appropriate conceptual tools and measures for the effect of external context. Arguably, new contextual measures approaching the company external context from a relational perspective are urgently needed.

In the next section the existing research approaches to company external context are reviewed. The review is based on two dominating views found in B-to-B relationship research – the IMP related Interaction and Network Approach and the traditional environmental view.

Two dominant views to study company context

As the business marketing literature has provided a great number of theoretical accounts of business environment and its interplay with the company there is a need to position our study within these. Mattsson (1997) has discussed the three classic governance forms of transactions, namely *hierarchy, relationships, and market*, at different levels in economic systems, i.e. in *micro, meso and macro leve*l. This classification provides a good starting point for positioning our ideas.

	Market	**Relationship**
Micro	Transactions	Dyad
Meso	***Submarket, Segment***	***Net, Focal net***
Macro	Market	Markets as networks

Figure 2 Governance forms for transactions at different levels of in economic systems (based on Mattsson 1997, 453)

As we concentrate on relationship management the market and the relationships are the two most relevant governance forms to deal with. The market is based on the idea of classical economics and refers to the situation where the transactions take place at arm's length. This involves competition among a number of actors (potential buyers and sellers) who bargain opportunities for exchange of resources, price being the primary coordinative mechanism in exchange. In contrast to markets, the relationships as a governance form is primarily based on the ideas of Neo-Austrian economics and refers to a situation where transactions among actors involve bilateral (rather than unilateral) coordination of plans and activities. Interaction between buyers and sellers coordinates exchange and mutuality extends beyond the mere fulfilment of the agreed terms of exchange (Ebers 1997, p. 14; Li and Nicholls 2000, pp. 456-457).

The contextual concepts used in marketing research follow the logic of these two approaches to governance. Roughly generalising the IMP related interaction and network research is based on the idea of relationships as a dominant form of governance whereas the relationship management literature, originating from the relationship marketing thinking, is basing its ideas on the notion of market as a dominant governance form.

One of Mattsson's (1997, p. 453) key arguments is that relationship marketing (and management) research has not paid attention to the nature of the context in which companies aim to build relationships. *Research has remained silent about the meso and macro levels of the economic system, assuming implicitly that the idea of market segmentation and the market form or governance are the only valid views for dealing with customer interface. Customer relationship management occurs, though, in the context of customer relationships and typically within a historically evolved customer base.* The meso level, the context of customer relationships, is particularly interesting when studying customer relationship management systems, and is therefore examined closer in this paper. We will focus to the meso level as there is a wide body of literature concerning the management of individual relationships in the micro level, and as the macro level, in contrast, is not of primary importance as we aim at contributing to managerially relevant customer relationship management research on a business unit, or company level.

In the following we confront the classic market–based environmental view with that of IMP view. Both of these approaches are examined shortly, the central contextual concepts used in each approach are reviewed, and their strengths and weaknesses for relationship management research are discussed. By comparing the environmental and the interaction and network view we aim at pointing out a gap in current research with respect to contextual tools to study the relationship management at the meso level.

The environmental view – concepts used to study the company external context

Customer relationship management research has largely based its analysis of the context to a concept of environment originating from organisational theory. The traditional definition for environment has been "anything not part of the organisation itself" (Miles 1980, p. 195). We argue that this environmental view is based on the classic idea of markets as a dominating governance form. Next, we re-

view shortly the central concepts used to measure context in environmental view. This is done based on the extensive work of Bourgeous (1980) who has brought together the central aspects used to study environment. Based on his work three views can be distinguished with respect to how research has approached environment.

The first view, _environment as objects,_ examines the different domains of environment and separates between _general and task environment_. This view is based strongly to the idea of objective measurement of the environment. The _general_ environment reflects macro level issues such as economic, demographic, and socio-cultural conditions. In contrast to this, the _task environment_ approximates the economists' concept of industry and includes different sectors such as the customers, suppliers, competitors, regulatory groups, and sometimes also the technological component a firm is facing (Dill 1958, Duncan 1972). In the field of marketing Achrol, Reve and Stern (1983, p. 57) have developing further the concept of task environment to primary task environment which is comprised of directly connected actors, and to secondary task environment which in turn is comprised of actors that are indirectly connected to focal actor(s)

The second view is also objective and concentrates to _attributes of environment_. A huge number of different dimensions, or attributes related to task environment has been distinguished in research (c.f. Pfeffer and Salancick, 1978, 68; Aldrich 1979). However, most classics have emphasised two issues over others: first of all the _structural attributes_ (e.g. complexity, heterogeneity, and diversity _referring to the number and diversity of external factors facing the organisation_) and secondly the _change-related attributes_ (dynamism, volatility and turbulence of environment, _referring to the frequency and unpredictability of change_) (c.f. Bourgeous 1980, p. 33–35; Duncan 1977, p. 314-317; Thompson 1967, p. 69–70; see also Achrol 1991, p. 78; Ganesan 1994, p. 5–6; Klein Frazier and Roth 1990, p. 199–200; Miller and Friesen 1982, p. 3).

The third view, _environment as perceptions_, concentrates to firm internal, subjective perceptions of environment. The perceived uncertainty that has been highly central issue especially in strategic management research represents the subjective view of environment. _Uncertainty_ refers to the degree to which an individual or organisation cannot anticipate or accurately predict the environment (Pfeffer and Salancik 1978, 67; see also Ashill and Jobber 1999, 523). The uncertainty is keenly related to company decision-making and it is _based on perceived attributes of environ_ment (in contrast to objective measures). These dimensions of uncertainty have been used also in channel and business marketing studies (e.g. Achrol and Stern 1988).

Clearly, these environmental measures provide strong tools for research aiming at explanations and enable the comparisons of different environments. Further, they provide a basis for managerially oriented explanations as they are based on focal firm point of view.

Environmental context measures used in the relationship management research

The use of environmental context-measures has a long tradition in marketing. It has been the base of measuring context in b-to-b marketing research such as industrial buyer-seller relationships (Cannon and Perreault 1999; Dahlstrom, Dwyer and Chandrashekaran 1995; Selnes and Sallis 2003), marketing channels (Achrol, Reve and Stern 1983; Dwyer and Oh 1987), or market orientation (Achrol 1991; Jaworski and Kohli 1993; Slater and Narver 1994). Relationship management research has followed the tradition by studying the objective facts of companies' environment or the perceived uncertainty in companies' environment (e.g. Jayachandran, Sharma, Kaufmann, Raman 2005; Reinartz, Kraft, Hoyer 2004). The used environmental measures involve measures such as the industry, competitive intensity, or environmental dynamism. However, the research has found that environment has no statistically significant effect, or only a very weak effect, on companies' customer relationship management.

Strengths and weaknesses of the environment-view in studying relationship management

The above overview of literature reveals several _strengths_ of the environmental-view to _the study of customer relationship management at company level_.

First of all, the environmental concepts offer a clear way of delimiting one's view on the context. In other words, one can easily concentrate to some clear-cut areas of the context such as the customer base, or attributes such as turbulence, dynamism, or competitive intensity. This enables managerially

oriented explanations and provides strong analytical tools for comparing different types of customer contexts/relational contexts. Secondly, the focal firm perspective to environment can be considered as strength when looking for managerially relevant explanations.

From the perspective of customer relationship management also some severe _weaknesses_ can be found from the environmental view. The reasoning behind the traditional definition of environment is that there exists a clear boundary between the firm-internal and the objective firm-external environment. However, enactment theory, resource-dependency theory, and the IMP–related research have strongly criticised this view and argued that the boundary between the firm and its surrounding environment is often diffused (Anderson, Håkansson and Johanson, 1994; Håkansson and Henjesand and Waluszewski 2004; Håkansson and Snehota, 1989). The idea of external environment implicitly suggests that the environment is "given", and is something "out there" that a firm cannot affect. (Anderson, Håkansson and Johansson 1994, p. 1–4; Brownlie 1994). Clearly, the concept of environment as a mix of external forces without a face is based on the idea of market as the central governance form for exchange. In this view, the cooperative side of relationships between buyers and sellers is ignored.

In summary we argue, that the current environmental measures used in marketing are not suited for customer relationship management research. This is because of there is a major incompatibility between the environmental view adopted and the focus of research: customer relationship management. Studying customer relationship management implies the idea that the seller has relationships with its customers, in other words, that the nature of the context in which it operates is relational. Nevertheless, existing relationship management research has adopted an environmental view on the context and used environmental measures that focus on general characteristics of the market, not relationships. We argue that this is the main reason why the environmental context measures have not generated expected results. They simply concentrate to wrong issues.

The interaction and network view

The interactions and network approach (the view of the IMP tradition) takes a totally different view to context and provides a model of markets as networks consisting of interconnected relationships between buyers and sellers (see e.g. Johansson and Mattsson 1994; Mattsson 1997). This means that also the external context is seen in a different light compared to mainstream research. The network view has challenged the traditional view of markets as described in economic theory by questioning its atomistic view of business actors and the static nature of the model (Ford and Håkansson 2006). In other words, network view abandons the view of markets as a dominant way of governance in transactions. In the network approach, markets are described as structures of relationships between companies and market processes as interaction between active and purposeful actors within these relationships (ibid). The existence and the connectedness of business relationships are taken as starting points for theory development. Companies and their relationships are seen to be embedded in social, technological, regional and other structures. Networks are seen to be inherently dynamic and they emerge and evolve in a continuous interactive process between actors as a result of actions and reactions by involved actors. _In summary, the IMP interaction and network view has adopted the idea of relationships as the dominant governance form for exchange._

The interaction and network approach has been strong in providing in-depth descriptions of how business markets function and how the interdependence and interconnectedness of business actors and other business-related actors affect business. The IMP research started from the study of dyadic exchange and interaction between single actors (e.g. Håkansson 1982), i.e. the micro-level of economic systems in Mattsson's classfication. Later, it has provided a significant amount of studies concerning the _role of connected relationships_ for business, covering the meso and macro levels of exchange. In meso level the central aspect has been the research of focal nets (e.g. Anderson, Håkansson and Johanson 1994; Håkansson, Havila and Pedersen 1999). The focus of IMP research lies much in providing detailed description and thorough understanding (McLoughlin and Horan 2002, p. 541). In this respect it differs clearly from the environmental approach to context that has often an explicit focus on explanation. Moreover, the network approach has been interested in describing and understanding _systems_ rather than individual companies and their managerial problems (see McLoughlin and Horan 2002, p. 537).

Concepts used to measure company context in interaction and network research

As the chain of connectedness in networks is without limits and can span over several relationships indirectly connected to a focal firm (Håkansson and Snehota 1995a, p. 19) a boundary specification problem necessarily arises. The focus of the network research is hard to distinguish, since networks extending farther and farther away are basically "invisible" in their nature (Anderson, Håkansson and Johanson 1994, p. 4). Mostly, the context is approached by analytical models such as ARA for opening up the network structures (Håkansson and Snehota 1995a). There are though some meso-level concepts that can be applied in research aiming at explanations and comparisons such as the network context, network horizon and relationship context. The *network horizon* refers to the extensiveness of the actor's view on the network and the *network context* to the part of the network that the actor perceives relevant (Anderson et al. 1994; Håkansson and Snehota 1989, p. 192). *Relationship context* in turn is the set of directly connected business relationship being unique for each relationship (Håkansson, Havila and Pedersen 1999, p. 445). These concepts help to delimit the focal network from the broader environment (Anderson, Håkansson and Johanson 1994), by using managers' perceptions as a defining factor.

The complexity caused by the interconnectedness makes research on networks methodologically complicated. Thus, the research has inevitably concentrated on the analysis of only some focal actors and relationships at one point in time or longitudinally. As network approach's focus lies much in the understanding of networks, qualitative methods for studying the company contexts dominate. Only few exceptions exist where the network context has been examined quantitatively. Even there the focus has been on few key relationships of a firm (Blankenburg Holm, Eriksson and Johanson 1996; Holm, Johansson and Thilenius 1995).

Strengths and weaknesses of the interaction and network view in studying relationship management

The IMP-approach has contributed significantly to our understanding of how business markets function and how business relationships are embedded in larger network. Its relational view has several <u>strengths</u> from the view point of customer relationship research. First of all, it takes the existence and interconnectedness of relationships as a starting point in describing the market. This corresponds to the contemporary realities in business markets where the relationships are a dominating form of governance (c.f. Håkansson 1982). Second, it has given faces to the otherwise faceless environment by describing business context as networks of relationships between known buyers and sellers. This has helped in creating understanding of how a company can *affect* and also is *affected by* the surrounding context. Thirdly, the IMP tradition has described the mechanisms and processes through which companies interact with each other and thus with their "external" context. This provides a concrete view point on company context: it is not only related to the general nature of a number of attributes but to the uniqueness of each relationship and broader contextual forces mediated through these relationships.

Nonetheless, the IMP tradition has also some severe <u>weaknesses</u> from the perspective of customer relationship management research. First of all, the key question here is how well the IMP network theory acknowledges the variety of relational customer contexts and contributes to the comparisons of different contexts? We argue that even though the dominating governance form of transactions in current business would be the relationship, companies' relational context differs notably from each others. All contexts where companies act are not equally networked, i.e. formed of intensive, heterogeneous relationships with well-known parties, but rather composed of multiple actors with whom a company may have either very intensive but also more distant relationships, or even only arms-length exchange (cf. Easton & Araujo 2003). By describing business contexts as networks and by concentrating to a few key relationships in empirical studies easily gives a fairly unified picture of the context. Actors, activities and resources are in all circumstances connected to other actors, activities and resources which in turn provide little help in *differentiating among various contexts*. The unavoidable solution to concentrate on those relationships that are perceived relevant (i.e. network context) leads to a situation where very detailed knowledge and deep understanding about key relationships is given but only little information about the more general differences of companies' relational contexts is provided.

The second weakness is that the network theory even questions the possibilities of relationship management in networked business environments. It argues that the environment of connected actors can

be influenced and manipulated by a firm (Anderson et a. 1994) but that managerial autonomy is significantly restricted. A lively debate has been going on about this. The industrial network theory seems to suggest that the management of relationships as an attempt of getting control over relationships is not possible and not even advisable (see e.g. Håkansson and Ford, 2002; Wilkinson and Young, 2002). The best one can do is to try to manage *in* the network, i.e. to seek to influence others where possible and to benefit from their resources, initiatives and creativity (Håkansson and Ford, 2002). As all companies are seen to act in some sort of networks of interdependent relationships, one could ask, what the IMP tradition then offers for companies who have recently invested in various relationship management systems, and thus seek to get control over their customer relationships in various ways. Are all endeavours to manage customer relationships doomed to fail in network-like business environments? (For alternative views see e.g. Möller, Rajala and Svahn 2005.)

It can be concluded that the aim in in-depth understanding has had a major influence to the IMP research which has concentrated strongly to studying only limited number of relationship at a time and the aim has been at the understanding of exchange in networked contexts. Hence, the managerial contribution has been mainly in the management of individual relationships embedded in broader network of relationships mainly by increased understanding of interaction taking place in networks. Hence as this paper is focusing to customer relationship management research in broader meso level aiming at *explanations* rather than *in-depth understanding* it is easy to see that the current analysis tools for approaching networks are not well suited for customer relationship management research concerning whole company wide customer relationship management systems such as CRM, or customer portfolio analysis.

Next we will summarise the above discussed contextual approaches used to research company contexts. Based on our review on current contextual measures and their strengths and weaknesses we point out where and how the future research could provide new contextual understanding to the field of customer relationship management.

A need for new conceptual tools for dealing with the relational context

Based on the review of current dominant approaches and their central concepts to approach companies external contexts it can be concluded that neither of the approaches alone satisfies the needs to measure the role of context on customer relationship management activities. The IMP interaction and network view focuses on understanding deeply some specific, unique situations and aims at analysing a few key relationships at a time, whereas the environmental view offers a broader perspective on context and concentrates on providing environmental explanations. When contingency explanations for customer relationship management and its performance are sought, the environmental view may first seem an attractive approach to adopt. However, it neglects the importance of interactive long-term relationships and concentrates on "faceless" external market forces and can consequently be criticised for concentrating a very general level context and offering an overly deterministic view of the context. The IMP tradition, in turn, has not been able to provide tools for distinguishing variance in different relational contexts. In order to provide context-specific knowledge to managers it would be necessary to reach beyond the evident conclusion of network studies that ultimately there are always some actors and relationships that affect business and that are beyond the influence of the focal actor.

The review revealed three important weaknesses in current research from the point of view of providing contingency explanations for relationship management activities.

First, the results of the current relationship management research indicate that the external context does not play any significant role in companies' customer relationship management efforts. We argue that this due to the weaknesses of the environmental measures used in this research. The nature of the context has not been seriously addressed and the environmental measures have been based on an implicit assumption of markets as the dominating governance form in contemporary business markets. As a consequence, the environmental measures concentrate on rather abstract, faceless, company external issues such as turbulence in markets, technological change or level of competition in the focal company's industry. We argue that the most relevant contingency factors that affect customer relationship management are found much closer, namely from the characteristics of the focal firm's customer relationships. The broader environmental pressures can be seen to be mediated through customer relationships to the focal company. Hence, the contextual measures in relationship

management research should be based on the idea of _relationship as the dominant governance form,_ and consequently, the measures should concentrate more specifically to customer relationships.

Secondly, the current _relational_ context measures (from the IMP research) concentrate on some specific areas of the context and on a very limited number of actors at a time. The used concepts themselves such as the network horizon or the network context delimit the view to a few specific actors at each point in time. Consequently, we argue that there are currently _no relational concepts or measures_ that can be used for investigate the _broader relational context at the meso level of the economy._ This is a severe problem if one wants to study companies' broader, company-wide and strategic customer relationship management systems such as CRM-systems or customer portfolio analysis that involve a great number of customers simultaneously.

The third point relates to the second one. It can be said that the current relational (IMP related) measures aim to create in-depth understanding of company contexts. This means that they are constrained to rather local explanations. However, there is a clear need for _both_ understanding and explanation-oriented research. In order to enable explanations the measures should also enable _comparisons_ of different contexts. Business markets are relational in nature but it is important to note that there still exists wide variety in how firms can relate to their customers (Andersson and Narus 1991). It seems clear that there are currently no relational, meso-level context measures available that would capture this variation and that could be used to compare the different relational contexts in which companies are operating.

In a nutshell, we argue that new contextual measures are needed that take into account both customer relationships and the variety of relational contexts. More specifically, a gap exists for contextual measures that are 1) based on the idea of relationships as the dominating governance form of transactions and thereby acknowledges the relational nature of the external context; 2) That describe the meso level and hence enable the research of company wide customer management systems, and 3) that are suitable for explanations and enable comparisons between different relational contexts. In the next section our suggestions for such measures are presented.

The relational customer context and its dimensions

In order to propose new conceptual tools for investigating the influence of context, we first need to specify our focus, the relational customer context, until we are ready to introduce the five key dimensions of it. Our ideas are conceptual and based on existing environmental and IMP-related literature.

The delimitation of relational customer context

First of all the concept of _context_ rather than environment is used to denote the domain of interaction and interdependencies actors are embedded in (cf. Brownlie 1994, p. 710). This is clear as we have stated that the new contextual concepts should be based on the idea of relationships as the dominant governance form of transactions on business markets (cf. Mattsson 1997). This implies that the relationships between buyers and sellers, the interactive nature of these relationships and the interdependence and connectedness between different business actors are taken into account. Hence our conceptualisation is based on a relational view of business markets in accordance with the markets-as-networks theory of industrial markets.

We adopt a _focal company view_ to the relational context and focus especially on one particular area of the context, namely customer relationships. As noted earlier research on relationship management has not paid attention to the meso-level of the context. Hence our suggestions do not focus on some central buyers and sellers and the characteristics of their relationships but rather on the characteristics of the company's whole customer base. By using the concept of relational customer context we refer to the focal firms' relationships with its customers.

We may distinguish issues that _affect_ the relational context (such as type of products/services in exchange, industry, market structure, etc.) in contrast to issues that _reflect_ it (the customer relationships per se). Even though it can be sometimes difficult to distinguish these issues from each other, we delimit ourselves only to the central aspects that reflect the characteristics of relational customer contexts. We assume that the relationships mediate the broader contextual pressures to the focal firm,

like the effects of suppliers, competition or product complexity. The various contextual factors are present in our examination through the customer relationships. This is a clear difference to current approaches that concentrate examining these very broad general level issues in focal company's surrounding context.

It is clear that the customer base of a company may be a wide and complex totality having numerous different facets. Hence it will be impossible to create one well defined measure that would sufficiently reflect the focal company's customer context. The current environmental view has usually based its analysis of context to different well defined attributes of environment i.e. different dimensions of uncertainty. This kind of view offers a good *methodological* starting point for distinguishing variance in companies' relational contexts. Hence we argue that a reasonable solution is to approach the relational customer context through selected dimensions that reflect its central nature. *Next, we will present the central dimensions of relational customer context based on theoretical literature.*

The dimensions of relational customer context

Both environmental and IMP-related literatures are used together as a backbone for suggesting the central dimensions of relational context. A large number of different dimensions related to task environment have been distinguished in environmental research Several classics (e.g. Bourgeous 1980, p. 33–35; Duncan 1977, p. 314-317; Thompson 1967, p. 69–70; see also Achrol 1991, 78; Ganesan 1994, p. 5–6; Klein Frazier and Roth 1990, p. 199–200 Miller and Friesen 1982, p. 3) have, however, emphasised two dimensions affecting companies uncertainty over the others: first, the *structural attributes* referring to the number and variety of external factors facing the organisation, and secondly, the *change-related aspects*, referring to the frequency and unpredictability of change.

The IMP-related research, in turn, has emphasised the interconnectedness of relationships and made a distinction between directly connected and indirectly connected relationships (cf. Anderson, Håkansson and Johanson, 1994, see also Achrol, Reve and Stern 1983, p. 57). Based on these emphases we suggest that the key dimensions of the relational customer context should reflect both the structural and change-related aspects of the focal firm's customer base and besides the directly connected customer relationships also consider the indirect, third party influences on customer relationships.

Based on the literature review we distinguish between five core dimensions in a focal company's relational customer context. These are: 1) the broadness of the focal firm's customer base, 2) the overall complexity of customer relationships, 3) interconnectedness of customer relationships, 4) dependency on customers, and 5) turbulence of customer relationships (see figure 3).

```
        ⬭ Broadness of customer base ⬭

      ⬭ Complexity of customer relationships ⬭

  ⬭ Interconnectedness of customer relationships ⬭

        ⬭ Dependency on customers ⬭

      ⬭ Turbulence of customer relationships ⬭
```
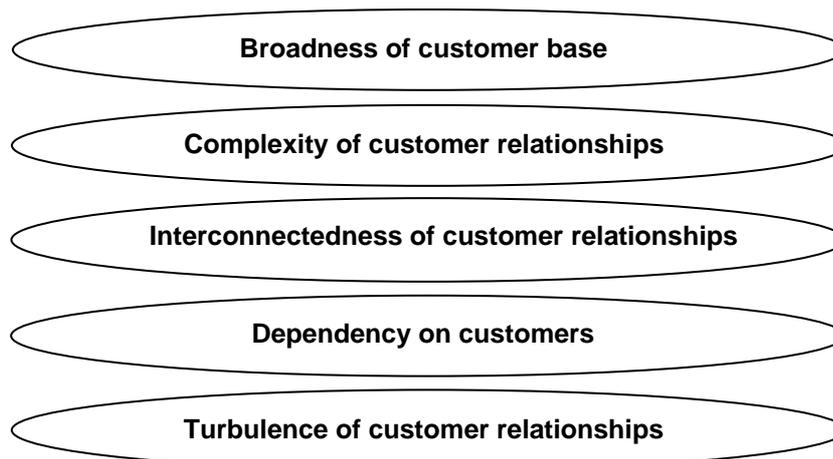
Figure 3. Key dimensions of the relational customer context

The four first dimensions reflect widely the structural characteristics of a focal firm's relational context with its customers, while the fifth concentrates on change. The third dimension captures the influence of indirect relationships while the others tackle some particular aspect of the direct customer relationships each. Overall the suggested dimensions deal with the quantity and quality of customer relationships, their interrelationships and the turbulence present in the customer base. The proposed dimensions are intended to be the most powerful factors in seeking explanations for the use and perform-

ance of customer relationship management systems and activities. We however want to stress that their relevance is likely to depend on the type of relationship management system in focus, and not all dimensions are expected to be important in all contexts.

The first dimension of relational context is the *broadness of the focal firm's customer base* (cf. Tuominen, Rajala and Möller 2000, p. 140–141). A company can choose to create relationships to some few selected customers, or it can aim not to rely on any single customer but seek to a broader customer base (Homburg, Workman and Krohmer 1999, 5).The broadness of the customer base refers to how broad or narrow customer base the company targets in marketing. This is an aspect that affects inevitably the nature of relationships the focal firm is having with its customers and affects probably also the way how companies use customer relationship management systems. The broadness of customer focus reflects the structural complexity of directly connected customer relationships.

Secondly, even though the number of customers is a central aspect of relational context it tells only little about the nature of relationships the focal firm is having. Hence, the second dimension concentrates on the overall *complexity of focal firm's customer relationships*. In environmental literature complexity has referred to "the number and diversity of external factors facing the organization" (Bougeous III, 1980) or "the few vs. large number of factors all of which may be different in task environment" (Ashill and Jobber 1999, p. 524). Here, the focus is different; our focus is in quality than the quantity of relationships. Hence, the complexity of customer relationships refers to their nature as strong or intensive. We argue that there will be notable differences in the companies' overall relationship complexity (c.f. industry relationship bandwidth - Anderson and Narus 1991). The measure of overall complexity of customer relationships can be based to the various divisions of relationships presented in literature (e.g. Johnson and Selnes 2004; Lambert, Emmelhainz and Gardner, 1996; McNeil 1980; Ring and Van De Ven 1992; Webster 1992). Both the broadness of the customer base and the complexity of relationships relate to the structure of the customer context.

The third dimension, *interconnectedness* of *customer relationships*, is also structural but moves the focus to indirectly connected relationships. By interconnectedness we refer to the perceived number and pattern of connections to third parties among the focal firm's customer relationships (c.f. Pfeffer and Salancik 1978, p. 68). Here, the focus is especially on the third parties that are generally perceived as influential for customer relationships. Indirect connections e.g. to customers' customers, to the other suppliers and partners, or other customers may influence dramatically focal company's customer relationships. It is expected that in some companies customer relationships are more connected to third parties than in others (e.g. customers of ICT-services vs. insurances). There are some measures of interconnectedness in IMP research, but these measures stay at a dyadic level (e.g. Blankenburg Holm, Eriksson and Johanson 1996). We focus, in contrast, to the perceived overall interconnectedness of customers in the focal firm's portfolio of customers.

The fourth structural dimension is also related to the indirect context of the focal firm. *The focal firm's dependence on customers* has traditionally been recognised as a highly central issue in business markets. Pfeffer and Salancik (1978) state that dependence is about the extent that the focal firm's main output is controlled by a relatively few customers. Alternatively one can adopt the view of Buchanan (1992) who states that the key determinant of dependency is the absence of alternatives. Both aspects can be adapted to the research depending on its focus. Are some customers buying moist of focal company's outputs, or are there only very few alternatives to focal firm's current customers?

The fifth and final dimension we distinguish in relational context is related to change rather than structure in contrast to the four above dimensions. The environmental dynamism or turbulence is often stated to be the main dimension of environmental uncertainty (e.g. Bourgeous 1980). The measures related to turbulence and dynamism in environmental research examine how frequent, and/ or unpredictable change is in the market environment. For the relational context we suggest that the *turbulence in customer relationships* is the key issue. Again, two aspects can be distinguished here – the rate of change in the composition of the focal firm's customer base, and the rate of change in customer preferences (c.f. Jaworski and Kohli 1993, p. 57).

The measurement of the relational customer context

We have suggested five central dimensions that reflect the relational context of customers. Next we will discuss shortly the measurement of the relational dimensions. Arguably, the most fruitful way to

measure a company's relational context is to ask managers' subjective perceptions of the key dimensions. The managers' perceptions of the context are likely to form the foundation for their decisions concerning customer relationship management as well. Decision-makers hardly have complete information available, but ideally it can be assumed that the relationship management systems are formed on the basis of managers' perceptions of the key contingencies affecting relationship management. Instead of the objective context, we expect managers' subjective perceptions of the context to be most influential input in the customer relationship management.

Even though our interest is in finding valid contextual explanations for companies' relationship management activities we do not propose that the relational context has a one-way effect on these efforts. Rather, this research adopts a moderating midway position with respect to the context's effect on firms. The relational context is seen as a result of both contextual pressures and the focal firm's strategic decisions regarding its business and relationships (Miles and Snow 1978). Hence our approach is by no means deterministic – rather we want to emphasise that the nature of the relational context is largely a result of company's strategic choices. This is also an important reason for subjective measurement of context.

It should be noted that large companies who have many business units may act in several different kinds of relational contexts. Hence we argue that when studying the influence of context on companies' customer relationship management activities the focus should be in *business unit level.* It is also in the business unit level that the customer relationship management systems are usually implemented*.*

Finally, we want to stress that the concept of relational customer context and its dimensions are aimed at approximating the overall characteristics of focal firm's customer relationships. Naturally this kind of measurement violates the particularities of each individual relationship and the variety present in customer relationships. Still, we argue the proposed ideas of the relational customer context can contribute to customer relationship management literature by enabling context-driven explanations and also comparisons between different contexts. We want to emphasise that both understanding and explanations are needed to advance research in relationship management. The concept of relational customer context is suggested to provide new kinds of tools for quantitative relationship management research in particular.

Summary and implications for future research

Relationship management has become a widely recognised issue in current business marketing research. In recent years research has contributed significantly to our knowledge of various customer management systems and even their performance. However the focus of this research has been much in the company internal arrangements. Only few studies exist that have investigated the role of external context in companies' customer relationship management. The apparent result has been that context has no statistically significant effect, or only a very weak effect, on companies' customer management activities. However, we have strong reasons to believe that the external context plays an important role in explaining the use and performance of relationship management. We argue that the failure of empirical research is a result of the evident weaknesses the used contextual measures entail.

Relationship management research has used environment-related measures such as the industry type, competitive intensity, or environmental dynamism when studying customer relationship management systems empirically. Arguably, the adopted environmental view and the used measures are based on the idea of markets as the dominating governance form of transactions and therefore the studies have missed the relational nature of company context in business markets. We argue that the use of broad, strictly external environmental measures is simply incompatible with the thinking behind relationship management. The other dominant approach, the interaction and network view, has provided concepts for studying relational contexts but has focused on understanding some specific relationships and thereby failed in providing tools for contextual explanations and comparisons of different relational contexts.

Based on a thorough literature analysis on the two dominant approaches in current business marketing research we have pointed out a conceptual gap in the analysis of company external contexts.

More specifically, there is a clear need for new contextual concepts that could be used in the study of relationship management and that 1) would consider the relational nature of customer contexts, 2) would concentrate on the broader company wide relational level (instead of single relationships or the whole market), and 3) could be used for explanations and comparisons.

In this paper a new concept of relational customer context is therefore put forward. As the companies' relational context is a complex totality we suggest that it is reasonable to approach it through its most central dimensions. Based on the literature we identify five dimensions in the relational customer context: 1) the broadness of the focal firm's customer base, 2) the overall complexity of customer relationships, 3) interconnectedness of customer relationships, 4) dependency on customers, and 5) turbulence of customer relationships. These dimensions cover both structural and change-related aspects of a firm's customer context and take also into account the influence of indirect relationships in this setting.

The natural next step is the empirical testing of the concept of relational customer context. This means that one should develop measurement scales for the dimensions of relational context and check the validity of the concept empirically. In case of positive empirical evidence, the next step would be to use the concept and its dimensions in studying the influence of context on relationship management systems and their performance in varying company contexts. We are planning to conduct a survey on companies' customer portfolio analysis practices in the near future where the concept will be tested.

Our paper is aimed to contribute to the relationship management research but is also gives an input to the IMP research on business relationships. We hope that the concept of relational context can act as a means to diffuse IMP-based ideas to the current quantitative research in the area. This is an important aspect since the current quantitative measures used in relationship management research are based on the idea of markets as the dominating governance form of transactions even in business-to-business contexts. This hardly corresponds the true nature of business markets. Similarly, we propose a need for IMP research to develop new concept for comparisons of different contexts.

Our contribution is primarily theoretical and hopefully inspires future research in the area. We also believe that managerially relevant knowledge can be produced by paying more attention to the contextual factors and their role in explaining the success of relationship management activities.

Achrol, Ravi S. (1991), "Evolution of the Marketing Organization: New Forms for Turbulent Environments," *Journal of Marketing,* 55(4), 77–93.

Achrol, Ravi S. and Louis W. Stern (1988), "Environmental Determinants of Decision-Making Uncertainty in Marketing Channels," *Journal of Marketing Research,* 25(1), 36.

Achrol, Ravi S., Torger Reve and Louis W. Stern (1983), "The Environment of Marketing Channel Dyads: A Framework for Comparative Analysis," *Journal of Marketing,* 47(4), 55-67.

Aldrich, Howard E. (1979), *Organizations and environments.* Englewood Cliffs, N.J: Prentice-Hall.

Anderson, James C. and James A. Narus (1991), "Partnering as a Focused Market Strategy," *California management review,* 33(3), 95–113.

Anderson, James, Håkan Håkansson and Jan Johanson (1994), "Dyadic Business Relationships within a Business Network Context," *Journal of Marketing,* 58(4), 1–15.

Ashill, Nicholas J. and David Jobber (1999), "The Impact of Environmental Uncertainty Perceptions, Decision-Maker Characteristics and Work Environment Characteristics on the Perceived Usefulness of Marketing Information Systems (MkIS): A Conceptual Framework," *Journal of Marketing Management,* 15(6), 519–540.

Blankenburg Holm, Desiree, Kent Eriksson and Jan Johanson (1996), "Business Networks and Cooperation in International Business Relationships," *Journal of International Business Studies,* 27(5), 1033.

Blois, Keith J. (1996), "Relationship Marketing in Organizational Markets: When is it Appropriate?" *Journal of Marketing Management,* 12(1-3), 161-173.

Boles, James, Wesley Johnston and Alston Gardner (1999), "The Selection and Organization of National Accounts: A North American Perspective," *Journal of Business and Industrial Marketing,* 14(4), 264–276.

Boulding, William, Staelin Richard, Ehret, Michael and Johnston, Wesley (2005), "A Customer Relationship Management Roadmap: What Is Known, Potential Pitfalls, and Where to Go," *Journal of Marketing*, 69(4), 155–166.

Bourgeois, L. J.,III (1980), "Strategy and Environment: A Conceptual Integration," *Academy of Management Review,* 5(1), 25-39.

Brodie, Roderick, Nicole Coviello, Richard Brookes and Victoria Little (1997), "Towards a Paradigm Shift in Marketing? An Examination of Current Marketing Practices," *Journal of Marketing Management*, 13(5), 383-406.

Brownlie, Douglas (1994), "Organizing for Environmental Scanning: Orthodoxies and Reformations," *Journal of Marketing Management,* 10(8), 703-723.

Buchanan, Lauranne (1992) "Vertical Trade Relationships: the Role of Dependence and Symmetry in Attaining Organisational Goals," *Journal of Marketing Research,* (24)1, 65–75.

Campbell, N. and M. Cunningham (1983), "Customer Analysis for Strategy Development in Industrial Markets," *Strategic Management Journal,* 4(4), 369-380.

Cannon, Joseph P. and William D. Perreault Jr. (1999), "Buyer-Seller Relationships in Business Markets," *Journal of Marketing Research,* 36(4), 439-460.

Dahlstrom, Robert, Robert Dwyer and Murali Chandrashekaran (1995), "Environment, Structure and Performance in Interfirm Exchange," *Journal of Business-to-Business Marketing,* 2(2), 37-58.

Dill, William R. (1958), "Environment as an Influence on Managerial Autonomy," *Administrative Science Quarterly,* 2(4), 409-443.

Duncan, Robert B. (1972), "Characteristics of Organizational Environments and Perceived Environmental Uncertainty," *Administrative Science Quarterly,* 17(3), 313-327.

Dwyer, F. R. and Sejo Oh (1987), "Output Sector Munificence Effects on the Internal Political Economy of Marketing Channels," *Journal of Marketing Research,* 24(4), 347.

Easton, Geoff and Luis Araujo (2003), "Evaluating the Impact of B2B e-Commerce: A Contingent Approach," *Industrial Marketing Management,* 32(5), 431-439.

Ebers, Mark (1997) "Explaining inter-organizational network formation," in: *The formation of interorganizational networks*, Ebers, Mark eds. Oxford: Oxford University Press, 3–40.

Eng, Teck-Yong (2004), "Does Customer Portfolio Analysis Relate to Customer Performance? An Empirical Analysis of Alternative Strategic Perspective," *Journal of Business and Industrial Marketing,* 19(1), 49.

Fiocca, Renato (1982), "Account Portfolio Analysis for Strategy Development," *Industrial Marketing Management,* 11(1), 53-62.

Ford, David and Håkan Håkansson (2006), "IMP – some Things Achieved: Much More to do." *European Journal of Marketing,* 40(3-4), 248-258.

Ganesan, Shankar (1994), "Determinants of Long-Term Orientation in Buyer-Seller Relationships," *Journal of Marketing,* 58(2), 1–18.

Day, George S. (2004), "Invited Commentaries on "Evolving to a New Dominant Logic for Marketing"," *Journal of Marketing,* 68(1), 18-27.

Grönroos, Christian (1995), "Relationship Marketing: The Strategy Continuum," *Journal of the Academy of Marketing Science,* 23(4), 252-254.

Håkansson Håkan (eds.) (1982). International Marketing and Purchasing of Industrial Goods. New York: John Wiley & Sons.

Håkansson, Håkan and David Ford (2002), "How should Companies Interact in Business Networks?" *Journal of Business Research,* 55(2), 133-139.

Håkansson, Håkan, Virpi Havila and Ann-Charlott Pedersen. (1999), *"Learning in Networks,"* Industrial Marketing Management, (28)5 443-452.

Håkansson, Håkan and Ivan Snehota (1989), "No Business is an Island: The Network Concept of Business Strategy," *Scandinavian Journal of Management,* 5(3), 187-200.

Håkansson, Håkan and Ivan Snehota (1995b), "Relationships in Business," *in Developing Relationships in Business Networks.* Håkan Håkansson, eds.London: Routledge, 1-23.

Håkansson, Håkan, Inge-Jan Henjesand and Alexandra Waluszewski (2004), "Introduction: rethinking marketing." *in Rethinking Marketing Developing a New Understanding of Markets,* Håkan Håkansson, Debbie Harrison and Alexandra Waluszewski, eds.Chichester: Wiley, 1-12.

Håkansson, Håkan and Ivan Snehota (1995a), "Analysing Business Relationships." *in Developing Relationships in Business Networks.* Håkan Håkansson, eds.London: Routledge, 24-49.

Holm, Ulf, Jan Johanson and Peter Thilenius (1995), "Headquarters' Knowledge of Subsidiary Network Contexts in the Multinational Corporation," 25(1,2), 97.

Homburg, Christian, John P. Workman Jr. and Ove Jensen (2002) "A Configurational Perspective on Key Account Management," *Journal of Marketing*, 65(2), 38–60.

Homburg, Christian, John Workman and Harley Krohmer (1999), "Marketing's Influence within the Firm," *Journal of Marketing,* 63(2), 1–17.

Jaworski, Bernard J. and Ajay K. Kohli (1993), "Market Orientation: Antecedents and Consequences," *Journal of Marketing,* 57(3), 53.

Jayachandran, S, S. Sharma, P. Kaufman, P. Raman (2005). "The role of relational information processes and technology use in customer relationship management," *Journal of Marketing,* 69(4) 177-192.

Johanson, Jan and Lars-Gunnar Mattsson (1994), "The Markets-as-Networks Tradition in Sweden," *in Research Traditions in Marketing,* Gilles LaurentGary Lilien and Bernard Pras, eds. Boston: Kluwer Academic Publishers, 321-346.

Johnson, Michael D. and Fred Selnes (2004), "Customer Portfolio Management: Toward a Dynamic Theory of Exchange Relationships," *Journal of Marketing,* 68(2), 1-17.

Klein, Saul, Gary L. Frazier and Victor J. Roth (1990), "A Transaction Cost Analysis Model of Channel Integration," *Journal of Marketing Research,* 27(2), 196–208.

Lambert, Douglas M., Margaret A. Emmelhainz and John T. Gardner (1996), "Developing and Implementing Supply Chain Partnerships," *International Journal of Logistics Management,* 7(2), 1-17

Lawrence, P. R. and Lorsch, J. W. (1967). "*Organization and environment; managing differentiation and integration,"* Harvard University: Boston.

Leek Sheena, Peter Turnbull, Peter Naudé (2002) "Managing business to business relationships: an emerging model," *Journal of Customer Behaviour,* 1(3), 357–375.

Li, Fuan and J. A. F. Nicholls (2000), "Transactional or Relationship Marketing: Determinants of Strategic Choices," *Journal of Marketing Management,* 16(5), 449-464.

Lindgreen, Adam (2004) "The design, implementation and monitoring of a CRM programme: a case study," *Marketing Intelligence and Planning*, 22(2), 160–186.

Macneil, Ian R. (1980), *The New Social Contract. An Inquiry into Modern Contractual Relations.* New Haven: Yale University Press.

Mattsson, Lars-Gunnar (1997), ""Relationship Marketing" and the "Markets-as-Networks Approach" - A Comparative Analysis of Two Evolving Streams of Research," *Journal of Marketing Management,* 13(5), 447-461.

McDonald, Malcolm, Tony Millman and Beth Rogers (1997), "Key Account Management: Theory, Practice and Challenges," *Journal of Marketing Management,* 13(8), 737-757.

McLoughlin, Damien and Conor Horan (2002), "Markets-as-Networks: Notes on a Unique Understanding," *Journal of Business Research,* 55(7), 535-543.

Miles Raymond E. and Charles, C. Snow. (1978) *"Organizational strategy, structure, and process,"* New York: McGraw-Hill.

Miles, Robert H. (1980), *Macro organizational behavior.* Santa Monica: Goodyear Publishing Company, Inc.

Miller, Danny and Peter H. Friesen (1982), "Innovation in Conservative and Entrepreneurial Firms: Two Models of Strategic Momentum," *Strategic Management Journal,* 3(1), 1-25.

Möller, Kristian and Aino Halinen (2000), "Relationship Marketing Theory: Its Roots and Direction," *Journal of Marketing Management,* 16(1-3), 29.

Möller, Kristian, Arto Rajala and Senja Svahn (2005) "Strategic business nets – their type and management," *Journal of Business Research,* 58(9) 1274–1284.

Pardo,Catherine (1997), "Key Account Management in the Business to Business Field: The Key Account's Point of View," 17(4), 17.

Payne, Adrian and Pennie Frow (2005) "Strategic Framework for Customer Relationship Management," *Journal of Marketin*g, Vol. 69(4), 167–176.

Pfeffer, Jeffrey and Gerald R. Salancik (1978), *The external control of organizations a resource dependence perspective.* New York: Harper and Row.

Rao, Sally and Chad Perry (2002), "Thinking about Relationship Marketing: Where are we Now?" *Journal of Business and Industrial Marketing,* 17(7), 598.

Reinartz, Werner, Manfred Kraft and Wayne Hoyer (2004) "The customer relationship management process: Its measurement and impact on performance," *Journal of Marketing Research*, 41(3), 293-305.

Ring, Peter S. and Andrew van de Ven (1992), "Structuring Cooperative Relationships between Organizations," *Strategic Management Journal,* 13(7), 483-498.

Ryals Lynette (2003) Making customers pay: measuring and managing customer risk and returns. *Journal of Strategic Marketing* Vol. 11, No. 3, 165-175.

Ryals, Lynette (2005) "Making Customer Relationship Management Work: The Measurement and Profitable Management of Customer Relationships" *Journal of Marketing,* 69(4), 252–261.

Selnes, Fred and James Sallis (2003), "Promoting Relationship Learning," *Journal of Marketing,* 67(3), 80–95.

Slater, Stanley F. and John C. Narver (1994), "Does Competitive Environment Moderate the Market Orientation-Performance Relationship?" *Journal of Marketing,* 58(1), 46–55.

Thompson, James D. (1967), *Organizations in Action.* New York: McGraw-Hill.

Tuominen, Matti, Arto Rajala and Kristian Möller (2000), "Intraorganizational Relationships and Operational Performance," *Journal of Strategic Marketing,* 8(2), 139-160.

Vargo, Stephen L. and Robert F. Lusch (2004), "Evolving to a New Dominant Logic for Marketing," *Journal of Marketing,* 68(1), 1-17.

Webster, Frederick E. (1992), "The Changing Role of Marketing in the Corporation," *Journal of Marketing,* 56(4), 1–17.

Wetherbe, Jim and Carlton Whitehead (1977), "A Contingency View of Managing the Data Processing Organisation," *MIS Quarterly,* 1(1), 19-25.

Wilkinson, Ian and Louise Young (2002), "On Cooperating Firms, Relations and Networks," *Journal of Business Research,* 55(2), 123-132.

Zolkiewski, Judy and Peter Turnbull (2002), "Do Relationship Portfolios and Networks Provide the Key to Successful Relationship Management?" *Journal of Business and Industrial Marketing,* 17(7), 575–597.