

# **THE STATE OF EMPIRICAL BUSINESS RELATIONSHIP ENDING RESEARCH**

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## **ABSTRACT**

Ending of business relationships has now been of academic interest for over 30 years. The number of contributions has grown and thus it is time to elaborate on the current state of empirical knowledge on the phenomenon. We follow the ideas of Merton (original from 1949, expanded 1967) on middle range theory and aim to discover if empirical business relationship ending research has developed an empirically grounded theory of limited scope. In the review, we focus on articles that include either qualitative or quantitative empirical data, collected by the author/s of the article. We ask the following research question: What is the state of the theory development on business relationship ending?

## **INTRODUCTION**

Ending of business relationships has now been of academic interest for over 30 years. The first researchers within the field of business-to-business relationships to acknowledge the phenomenon were Ford (1980) who discussed the final stage of business relationships and Dwyer et al. (1987) who named the ending as a dissolution phase (Dwyer et al. 1987). A review by Tähtinen and Halinen (2002) found that the discussion on business and consumer relationship endings started, although quite slowly, for over 30 years ago, namely 1980. The number of contributions has grown and thus it is time to elaborate on the current state of knowledge on the phenomenon as well as suggest directions for future research.

The aim of the present study is to conduct a systematic review of the empirical research on business relationship ending. We follow the general development of science, from theory development, to its critique, and integration of fragmented knowledge (see Albert & Anderson, 2010), focusing on the two latter aspects. We aim to categorize the level of growth that research on business relationship ending has achieved. For this, we will use an analytical scheme developed by sociologists Wagner and Berger (1985), which distinguishes three types of theoretical activities, namely orienting strategies, unit theories, and theoretical research programmes. In addition, we aim to ‘codify’ the empirical knowledge produced so far, this is a process

suggested by a leading contemporary sociologist Robert K. Merton (1967) when discussing about the development of social science through middle range theories.

The research field includes features of fragmentation. Researchers have used various different concepts, e.g. dissolution, termination, exit, switching behaviour, divorce, deterioration relationship, ending, fading relationship, and failure when referring to the phenomenon (see Tähtinen & Halinen, 2002). Hence, the field is in a need for conceptual clarification. In addition, since Tähtinen and Halinen (ibid.) suggested the use of ‘ending’ as a general concept, referring to all kinds of endings, and other terms to a more specific use, it is now possible to see if such differentiation has progressed.

This paper is based on articles dealing with business-relationship ending and four central concepts: *dissolution*, *ending*, *exit*, and *termination*. Tähtinen and Halinen (ibid.) suggest that ‘dissolution’ should be used to refer to ending processes, ‘ending’ to be used as a general concept referring to all kinds of endings, ‘exit’ to a single actor’s disengagement from a system of relationships, ‘termination’ to deliberate and decided endings and finally ‘switching’ to such endings where the partner is substituted for another. The fifth central concept, switching, was thus excluded from this paper as it focuses not only ending a relationship but also starting a new one, in other words replacing a relationship.

The goal is to see how empirical studies have advanced theory development within the field of business-relationship ending (the arrow in Figure 1). We follow the ideas of Merton (original from 1949, expanded 1967) on middle range theory and aim to discover if empirical business relationship ending research has developed an empirically grounded theory of limited scope<sup>1</sup> (Merton 1967, 63), i.e. middle range theory. Merton (1967) differentiates theoretical and empirical research without limiting the nature of empirical data or the nature of data analysis. Therefore, we focus on articles that include either qualitative or quantitative empirical data, collected by the author/s of the article. We ask the following research question: What is the state of the theory development on business relationship ending?

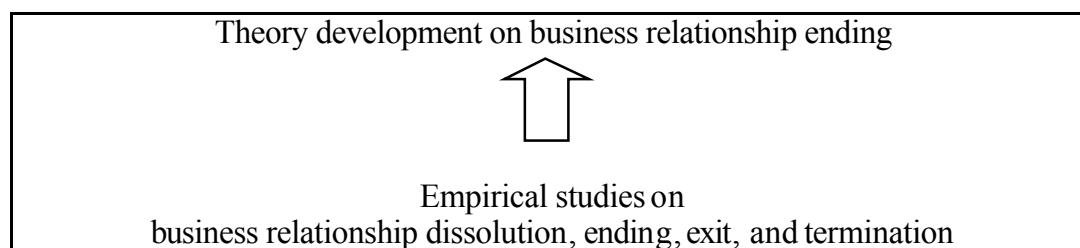


Figure 1. *The focus of this study*

The paper continues by presenting the methodology and the descriptive results. Thereafter the state of research is discussed, gaps are presented and the state of theory development is evaluated. We conclude with suggestions on future research efforts.

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<sup>1</sup> Although Merton (1967, 64) talks about limited scope of middle range theories, he does not suggest that their generalizability would be limited, quite the contrary.

## METHODOLOGY

We have done a systematic review of articles dealing with ending of business-to-business relationships. To find these articles we used two electronic databases, namely Business Source Premier and Emerald. The search words used were combinations of 'relationship' and 'dissolution', 'termination', 'exit', and 'ending'. The search that was limited to abstracts of articles published in English in peer-reviewed academic journals, was conducted in February 2011, and resulted in totally 771 articles: 177 articles with 'relationship dissolution', 131 articles with 'relationship ending', 254 articles with 'relationship exit', and finally 209 articles with 'relationship termination'. At this stage both conceptual as well as business-to-consumer articles were included.

To limit the material to empirical studies on business relationship endings, abstracts of each article were read through by both researchers to check whether the article dealt with business relationship ending or consumer relationship ending and whether it was theoretical or empirical in nature, indicating clearly how quantitative or qualitative methods were applied. In some cases, also parts of the articles were read to assess its eligibility for the full review. Thus, from these groups, studies on consumer relationships and theoretical studies on business relationships were excluded from the consideration set.

In addition to the grouping and exclusion described above, we read through the remaining abstracts and in some cases the whole article, to evaluate if the article elaborated on relationship ending between business to business buyers and sellers. This reading proved more exclusion necessary. Thus, articles focusing on retention or service recovery evaluation, the exit of investors or venture capitalists from a company, termination of contracts and their influence on the number of terminations, as well as studies that discussed the legislation and its influence on, for example, termination clauses in franchising contracts were excluded from the consideration set. Also those studies were excluded that, in spite of their titles and key words, focused on keeping business relationships alive, instead of studying their ending. Finally, the result was 45 articles that focus on ending of business-to-business relationships.

As our focus in this paper is on empirical research we made a systematic analysis of each of the 45 articles to see

1. What terms/concepts are used frequently?
2. Which journals see the issue as interesting?
3. Has the field grown over the years and who are the researchers?
4. Whose view of the phenomenon the studies present?
5. Which method/s are used?
6. How international and cross-sector is the empirical data?
7. What research topics are in focus?

After giving answers to these descriptive questions, we consolidate the current knowledge on business relationship ending and discuss its state.

# RESULTS

## Descriptive results

Because of the four key concepts that we applied in the data search, we can first say a few words about the terminology the field is using. As Table 1 shows, the most common concept that research uses to refer to the phenomenon is relationship dissolution (51 %). If we add the articles were dissolution and exit (3 studies), dissolution and ending (2 studies), and dissolution, ending and termination (1 study) are used, it becomes even more obvious that ‘dissolution’ is the dominating concept. Thus, it seems that the call for to use ‘ending’ as a general concept has not been successful.

Table 1. *Articles focusing on relationship dissolution/ending/exit/termination*

<b>Concepts</b>	<b>No. of articles</b>
Relationship dissolution	23
Relationship termination	6
Relationship exit	5
Relationship ending	5
Relationship dissolution and exit	3
Relationship dissolution and ending	2
Relationship dissolution, ending and termination	1
<b>Total</b>	<b>45 articles</b>

The high number of different journals (29), where the 45 articles on business relationship ending are published, is interesting. As can be seen from Table 2, only three journals, namely *Industrial Marketing Management*, *Journal of Business & Industrial Marketing*, and *Journal of Business-to-Business Marketing* have published more than two articles on this theme. Thus, no single journal ‘advocates’ especially this research topic. On the other hand, the topic seems to address interest in a wide variety of journals, both in marketing, communications, sociology and management disciplines, as well as in specialized (e.g. *Journal of Advertising*, *Journal of Retailing*) and non-specialized (e.g. *Academy of Management Journal*, *Journal of Marketing Research*) journals. Moreover, the topic has received research interest in different continents (e.g. *Journal of the Academy of Marketing Science*, *European Journal of Marketing*).

Table 2. *Journals that have published business relationship ending articles*

<b>Journal</b>	<b>number of articles</b>
Industrial Marketing Management	6
Journal of Business & Industrial Marketing	5
Journal of Business-to-Business Marketing	3
European Journal of Marketing	2
Journal of Business Research	2
Journal of Relationship Marketing	2
Journal of Retailing	2
Service Industries Journal	2
Academy of Management Journal	1
Administrative Science Quarterly	1
American Sociological Review	1
Corporate Communications	1
International Journal of Bank Marketing	1
International Journal of Entrepreneurial Behaviour and Research	1
Journal of Advertising	1
Journal of Advertising Research	1
Journal of Consumer Behaviour	1
Journal of Financial Services Marketing	1
Journal of Higher Education Policy & Management	1
Journal of Innovation & Technology Management	1
Journal of International Marketing	1
Journal of Marketing Communications	1
Journal of Marketing Management	1
Journal of Marketing Research	1
Journal of Sport Management	1
Journal of the Academy of Marketing Science	1
Managing Service Quality	1
Marketing Management Journal	1
Marketing Science	1

When we look closer at the years when the articles are published, we can see, for example, that the first article (based on empirical work) published, was as late as 1988, and that 2004 and 2006 are the peak years with 5 respectively 6 articles. However, as Figure 2 shows, the number of empirical articles has not been in a steady growth. The peak on 2004 can be explained by a special issue on Journal of Marketing Management.

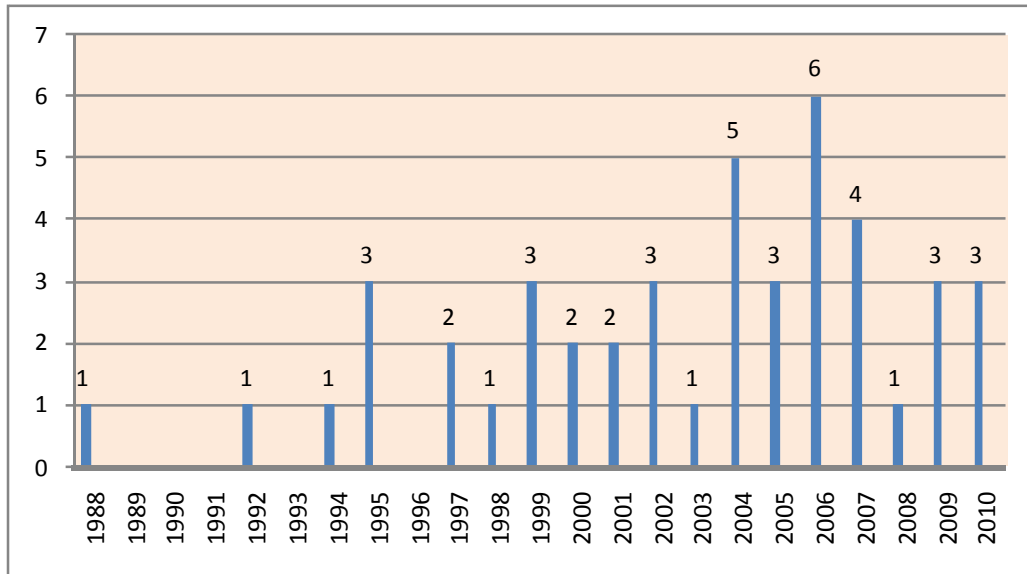


Figure 2. *Timing of empirical business relationship ending articles*

We end this section by looking at the researchers: Who are they? In addition, do they seem to have a continuing interest in the topic, in other words, have they published several times. As Table 3 shows, only 8 of the 81 researchers have published several empirical articles within the ‘ending theme’.

Table 3 *Authors of the empirical articles on business relationship ending*

Alajoutsijärvi	Hibbard	<b>Pressey (3 articles)</b>
Baker	Hill	Prince
Banting	Hobbs	<b>Purchase (3 articles)</b>
Beloucif	<b>Holmlund-Rytkönen (2 articles)</b>	Purinton
Bennett	Horne	Qui
<b>Blois (2 articles)</b>	Jap	Rolfes
Cambra Fierro	Jensen	Rosen
Cavusgil	Johanson	Ryan
Curran	Järvelin	Salo
Davies	Järvinen	Seabright
Donaldson	Kumar	Selassie
Fam	Kayande	Smith
Farrelly	Levinthal	Stern
Faulkner	Matear	Strandvik
Fearne	Mathews	Tuominen
Fichman	Mayo	Tuusjärvi
Fisher	Mittilä	<b>Tähtinen (2 articles)</b>
Gedeon	Möller	Ulkuniemi
Giller	Olaru	<b>Vaaland (4 articles)</b>
Goodwin	Olkkonen	Verbeke
Griffith	O’Malley	Waddell
Günter	Paradis	Waller
Hallén	Perrien	Wang
Harris	<b>Ping (4 articles)</b>	Wilkinson
Haugland	Polo Redondo	Worthington
Havila	Poole D.	Zhang
Heffernan	Poole N.	
<b>Helm (2 articles)</b>		

## Methodological choices

Figure 3 illustrates which type of actors that are studied in the 45 articles. One-sided view of the relationship ending prevails as 19 of the 45 studies have collected data only from either the sellers or the buyers. In addition, 8 studies have collected data from both buyers' and sellers' representatives, however, not on their mutual relationships, therefore also adding to the one-sided view on the phenomenon. In 11 studies dyadic data from specific relationships are collected. We also found three studies were third members of the relationship or the net were studies, thus providing views from both/all active actors. Moreover, there are also four studies that take a network view, and thus have aggregate data on relationship endings within a business field.

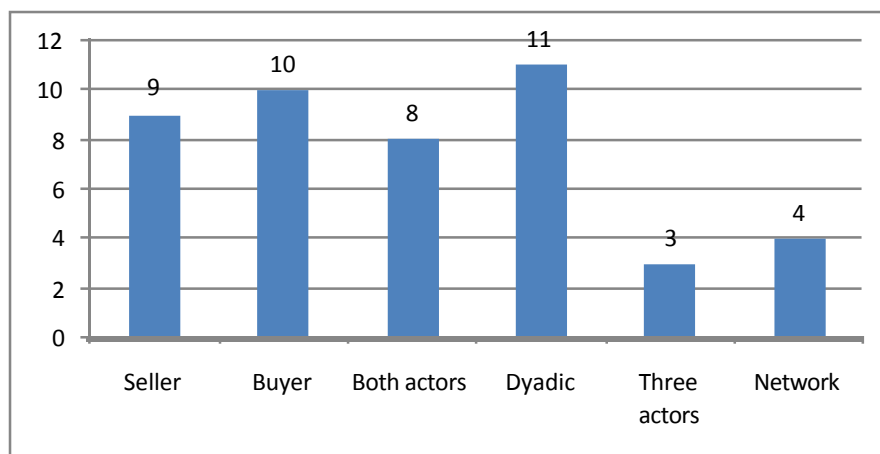


Figure 3. *The view on the phenomenon*

Methodologically the research field does have variation; both qualitative and quantitative data are used, as well as multiple methods. The slight majority of studies (25 pieces) apply qualitative methods, which can be considered as a sign of the early phase of the research field; theory development efforts prevail over theory testing. Case studies using interviews and archival sources of data, as well as studies using interview data are common. Archival sources of data include not only company reports and minutes of meetings, but also data from court cases and from media. Observations are highly rare (2 studies) and only a single study (Salo et al., 2009) reports to have collected narrative data. In addition, Holmlund-Rytönen and Strandvik (2005) present and apply a Negative Critical Incident mapping (NCIM) technique and Perrien, Paradis & Banting (1995) Nominal Group technique.

From the 45 studies, 19 apply quantitative methods and mostly survey data, but also a few studies rely on secondary data sources such as industry associations' data, public data, and annual reports. Existing data sets have allowed the use of event history analysis and even case-control design, commonly used in the field of medicine but very rarely in business studies. The limitation of the event history analysis is the existence and availability of such industry records that have information on the companies' relationships and the changes in them. Collecting data from company

press releases and annual reports are also options, although time-consuming ones. Only four studies combine both qualitative and quantitative data, three combine interviews with survey data, and Zang, Griffith and Cavusgil (2006) analyse data on legal cases both qualitatively and quantitatively.

Concerning the geographical coverage of the studies, we can see that most of them collect empirical data only from one country (27 studies), of these 7 studies concern Finland and 6 studies the UK (see Table 4). Totally 24 different countries are covered in the studies.

Table 4. *The geographical coverage of business relationship ending studies*

<b>The country of origin of the empirical data</b>	<b>No. of articles</b>
Finland	7
UK	6
Norway	3
Germany	2
US	1
Australia	1
Canada	1
China	1
Hong Kong	1
Netherlands	1
Russia	1
Spain	1
Sweden	1
Sweden, Germany, France	1
US & UK	1
US & Norway	1
US & several non-US parties (from China, Japan, Thailand, Korea, Italy, France, Germany, the Czech Republic, the Netherlands, Canada and the United States, Mexico, Argentina)	1
Australia & NZ	1
Australia, Malaysia, Singapore, Hong Kong	1
The information was not provided	2

Another limitation relates to the influence of context on the phenomenon. Even though several types of industries are covered by the studies, only few industries have been under scrutiny of researchers in several studies (see Table 5). Advertising is in focus in five studies which cover Australia, Hong Kong, the Netherlands, UK, and US. Other industries that appear more than twice are hardware retailing (4 studies), mechanical engineering (3 studies), oil industry (3 studies), and sponsoring (3 studies). In the hardware retailing, we see that it has been in the interest of a single researcher, using more or less a single data set on different studies. This is the case also oil industry. There are also studies that have collected data from various industries (9 studies). However, only one of them is of quantitative nature, providing results that can be statistically generalized over industries.



Table 5. *The business field coverage of relationship ending studies*

<b>Industry</b>	<b>No. of articles</b>
various	9
advertising	5
hardware retailers	4
mechanical engineering	3
oil industry	3
sponsoring	3
banking	2
auditor-client relationships	2
insurance	2
manufacturing	2
services	2
education	1
food industry	1
legal industry	1
printing	1
roofing material suppliers	1
shipyard & oil company	1
telecommunications / housing	1
wine production	1
Grand Total	45

### **Research topics**

The topics or the focus of the studies under review were categorised into seven groups shown in Table 6. The main interests of the articles were: triggers or reasons to end the relationship, other factors influencing or attenuating the process, stages or sub-processes of the ending process, influence of ending to individuals or networks, exit communication strategies, third parties influence on the ending, and categorizing the types or nature of ending.

The borderline between triggers of relationship ending and other influencing factors is not a clear cut. The logic applied here is that triggers or reasons to end the relationship take place before the ending process begins and influential factors place their effect on the course of the process and therefore on its own, would not have started it. Attenuating factors, on the other hand, may exist before the ending process starts (e.g. strong personal relationships) and may even stop it or they may appear during of the process (e.g. cooperative conflict response behaviour). We note also, that the order of events and factors was not always clear in the articles studied. However, we find the categorisation applied here useful since it allows taking aspects of time into consideration when trying to understand the complex phenomenon.

Table 6. *The research topics of empirical business relationship ending studies*

The study focuses on	No. of Articles
Triggers or reasons to end the relationship	29*
Other influencing or attenuating factors	23
Ending process (stages, sub-processes, response options)	8
Influence of ending to individuals or network	5
Exit communication strategies	3
Third party influence on relationship ending	3
Type or nature of ending	2

\* Many articles had more than a focus, thus the total exceeds the number of articles

As the table shows, most of the studies focus on triggers or reason to end a relationship (29 studies) or on other influencing or attenuating factors (23 studies). The process of ending is in focus in 8 studies. The other four categories have got less attention.

## THE CURRENT KNOWLEDGE ON BUSINESS RELATIONSHIP ENDING AND ITS LIMITS

This section compiles the results of the studies to show the current knowledge on the phenomenon as well as to reveal research gaps for the future studies. Figure 4 compiles the areas where research has made progress. However, not all the aspects have received equal interest, which is visualized also in the figure. The stronger the line of the box, the more research has been focusing on the issue. The most studied aspect is where the ending process starts and the least studied are the third party influence, exit communication and the nature of ending; the outcome of the process.

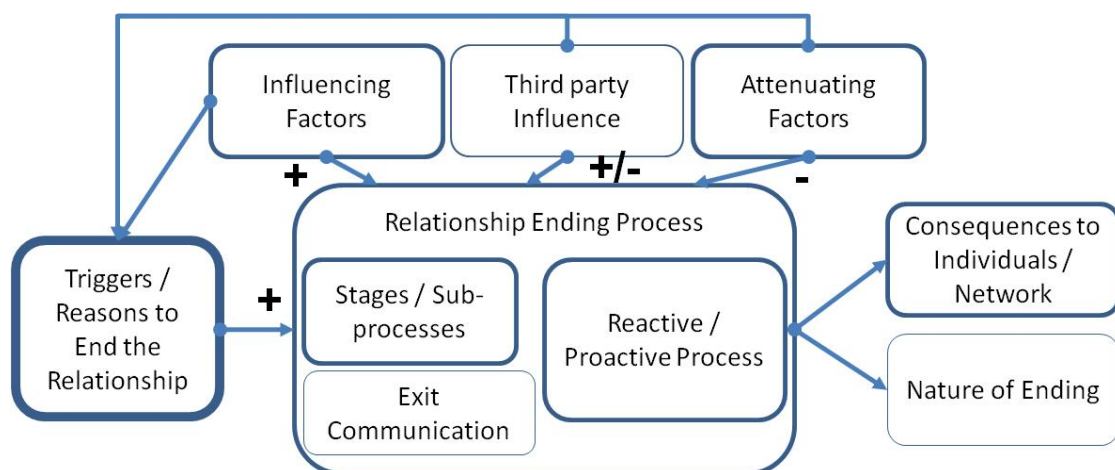


Figure 4. *The current knowledge on business relationship ending*

The categorization that Figure 4 visualises is partly based on existing research on business relationship ending process and partly emerged from the data. The

theoretical inspiration stems from a very early work by Tähtinen and Halinen-Kaila (1997) where they present the logic of separating the immediate reasons of ending from factors influencing the process and the process and its outcomes. The studies we examined brought more details into this basic categorization, and thus sub-categories on stages/ sub-processes, exit communication, the nature of the process as reactive or proactive, as well as the consequences to individuals and network (instead of only the dyad) were added. Thus, the logic of the current knowledge can be described as acknowledging the existence of both such factors that can increase or decrease the possibility of relationship ending and the reason(s) for relationship ending. Moreover, the view of the process includes different stages or sub-processes the ending may go through, of which the communication process seems to be the most important as it has been studied of its own. Moreover, the process; what stages take place and in which order (if any) are suggested to be different if the ending has been a proactive decision to avoid potential problems, or if the reasons for ending is related to the relationship or the other party's failures in it. Thus, the reasons influence the way the process proceeds, as well as the influencing factors, or influencing third actors. Finally, the history influences how the dyad comes out of the process and what effects the process has on the individuals or network actors involved.

We acknowledge that Figure 4 is based on an ontological view of business relationships being processes, and therefore their endings are also viewed as processes. It also reflects a view of processes building up structures, which, once in existence, shape the processes. This is reflected in the separation of ending process and the factors and actors influencing the process.

Next, we will discuss each main category from Figure 4, and relate the studies more closely to the categories. As already said, the far most studied aspect of business relationship ending relates to the question of why relationships end. It can be stated that some relationships carry a seed of dissolution in them already at the time of their establishment. Such relationships include a misfit between the parties in important aspects (see Table 7). However, most research attention has been directed to the question of what triggers an ending process (e.g. Zang et al., 2006) or why an ending decision has been made (e.g. Salo et al., 2009), or what increases intention to exit (e.g. Ping, 1995). As Table 7 shows, the list of such reasons is almost endless.

However, one needs to bear in mind that only 11 studies applied dyadic data, although the perceptions of the actors on the reasons of their relationship ending may vary considerably. For example, a buyer may perceive that the too high prices were the reason for them to look for another supplier and thus end the relationship. For the supplier, the price level may be a direct result of currency fluctuations, increasing price for a raw material, or it may be an excuse to get rid of a demanding and therefore not profitable customer. If the data is acquired solely from the buyer, the real reason for the relationship ending may not be found.

Table 7. *Studies on triggers/ reasons to end*

<b>Triggers and reasons to end</b>	<b>Articles</b>
<b>Predisposing factors / Structural triggers</b>	
Misfits between parties, difference in visions or philosophies, asymmetry, capability gaps	Beloucif, et al. 2006, Bennet 1999, Farrelly 2000, Heffernan & Poole 2004, Olkkonen & Tuominen, 2006
Differences in cultural background	Pressey & Selassie 2007
<b>Precipitating factors</b>	Olkkonen & Tuominen 2006
<b>Precipitating factors related to the parties</b>	
Need to integrate channels,	Zang et al. 2006
Focus on short-term gains	Zang et al. 2006
Organisational policies	Perrien et al 1995
Accountability-induced status anxiety	Jensen 2006
<b>Precipitating factors related to their dyad</b>	
Dyad is not profitable, too little revenue, low sales volume	Beloucif et al. 2006, Bennet 1999, Harris & O'Malley 2000, Helm 2004, Holmlund & Hobbs 2009, Ping 1995, Pressey & Selassie 2007, Worthington & Horne 1995
Poor service quality, or failure in maintaining service quality, too high requirements for delivery aspects	Bennet 1999, Helm 2004, Salo et al. 2009, Verbeke 1988
Dissatisfaction, low satisfaction	Ping 1994, Ping 1999, Polo Redondo & Cambra Fierro 2007, Pressey & Selassie 2007
Differences in perceptions of opportunism, fairness, contribution	Farrelly 2010, Tuusjärvi & Blois 2004, Wang et al. 2010
Lack of net value	Helm 2004
Lack of customer attractiveness	Helm 2004
Mistrust, lack of commitment	Farrelly 2010, Harris & O'Malley 2000, Heffernan & Poole 2004, Pressey & Selassie 2007
Relationship stress	Holmlund-Rytkönen & Strandvik 2005
Poor personal relationships	Bennet 1999, Gedeon et al. 2009, Pressey & Selassie 2007
Badly managed communication	Heffernan & Poole 2004, Salo et al. 2009
<b>Precipitating factors related to the network /industry</b>	
Market uncertainty	Zang et al. 2006
Discovery of better alternatives,	Beloucif et al. 2006, Ping 1994, Polo Redondo & Cambra Fierro 2007, Zang et al. 2006
<b>Precipitating events / changes related to the parties</b>	
Ownership changes	Beloucif et al. 2006, Pressey & Selassie 2007, Zang et al. 2006
Key personnel changes	Beloucif et al. 2006, Bennet 1999, Pressey & Selassie 2007
Changes in resource needs of a party & failure to respond to them	Farrelly 2010, Seabright et al. 1992
<b>Precipitating events / changes related to the dyad</b>	
De-stabilization of relational norms	Smith 2002
Conflicts & assertive conflict communication & competing	Beloucif et al. 2006, Purinton et al. 2007
Major breach of contract	Worthington & Horne 1995
Major bad publicity on the dyad	Worthington & Horne 1995
Negative emotions	Gedeon et al. 2009
Service failures	Beloucif et al. 2006,

<b>Precipitating events / changes related to the network</b>	
Legislation changes	Harris & O'Malley 2000
Environmental changes	Smith 2002

Other factors (see Table 8) that can be influential on the course of the ending process (i.e. place their effect on the course of the process) are, for example fragility of the relationship (Hallén & Johanson, 2004) or age of the relationship (Wang et al., 2010).

Table 8. *Studies on other factors influencing relationship ending*

<b>Other factors influencing relationship ending</b>	<b>Articles</b>
Competition, power and institutional forces	Baker et al. 1998
Fragility of the relationship, mutual ignorance	Hallén & Johansen 2004
Thin networks	Hallén & Johansen 2004
Interdependency	Hallén & Johansen 2004, Hibbard et al. 2001, Wang et al. 2010
Cultural issues	Pressey & Qui 2007, Vaaland et al. 2004
Better alternatives	Polo Redondo & Cambra Fierro 2007
Differences between actors within a company	Smith 2002
Misfit in size	Bennet 1999,
Competitor orientation	Bennet 1999,
Powerfull marketing personnel	Bennet 1999,
Age of the relationship	Wang et al. 2010, Zang et al. 2006

If we instead look at attenuating factors, i.e. factors that may exist before the ending process starts (see Table 9), we find, for example, personal relationships (Beloucif et al., 2006) and environmental changes (Bennet, 1999) that can influence the relationship ending.

Table 9. *Studies on factors attenuating relationship ending*

<b>Other factors influencing relationship ending</b>	<b>Articles</b>
<b>Factors attenuating relationship ending</b>	Olkkonen & Tuominen 2006
<i>Structural</i>	
Competition, power and institutional forces	Baker et al. 1998
Environmental changes	Bennet 1999, Hallén & Johansen 2004
Few alternatives	Helm et al. 2006, Ping 1995
<i>Situational</i>	
Regular dialogue or interaction	Beloucif et al. 2006, Harris & O'Malley 2000
Personal relationships	Beloucif et al. 2006, Gedeon et al. 2009, Seabright et al. 1992
Helping client	Beloucif et al. 2006
Closeness	Fam & Willer 1999
Bonding	Fam & Willer 1999
Both view relationship as successful	Harris & O'Malley 2000
Commitment	Harris & O'Malley 2000
High satisfaction	Ping, 1994, Ping 1997, Ping 1999
Relationship quality has been high	Hibbard et al. 2001
High interdependency	Hibbard et al. 2001
High asymmetric dependency	Zang et al. 2006
High revenue from the relationship	Ping 1995
Keeping the customer from a competitor	Helm et al. 2006
Avoiding the costs of attracting new customers	Helm et al. 2006
Cost of exit	Ping 1997, Ping 1999, Worthington & Horne 1995
Cooperative conflict response behaviour, collaboration	Purington et al. 2007

Research includes also contradictory results on the factors influencing relationship ending. Studying relationship ending at the level of network, Baker et al. (1998) conclude that competition is one of the forces that support or undermine the existing exchange relationships in the US advertising markets. In the same continent, Perrien et al. (1995) found that, at a dyadic level, relationship ending does not depend on the competition at Canadian banking business, but on the sellers' organisation and policies. The different views may be a result of different levels of analysis, methods and detail in the data applied. Likewise, we find conflicting results concerning the influence of structural and social bonds; although several studies (Beloucif et al. 2006, Gedeon et al. 2009, Seabright et al. 1992) suggest that personal relationships and bonding in general (Fam & Willer 1999) attenuate relationship ending, Verbeke shows no evidence of that when studying advertising business in the Netherlands. The explanation for both the contradictions may also lie in the contingencies related to the nature of advertising business and its continuous demand for new and creative solutions which seem to lead to quite high rate of relationship ending.

In addition to the factors and events that either act as reasons or triggers to relationship ending or otherwise influence it, also other actors than the parties in the dyad seem to be influential in the process. So called third actors have been under study, and the results suggest that such actor can be influential already in the beginning of the relationship (Pressey & Qiu 2007) and thus be invited to resolve the problems in the relationship. However, the influence of the third actors may save the relationship but also quite the opposite, increasing the speed of the ending (Salo et al. 2009, Vaaland & Purchase 2005).

The process of ending has received some research interest. Here, the studies mainly fall into two categories. First, where the process is studied in terms of different responses to the ending triggers following Hirschman's (1970) Exit-Voice-Loyalty framework. Those studies either focus on the factors influencing on the choice of those responses (e.g. Hibbard et al., 2001), or see the loyal behaviour, voice, relationship neglect options as antecedents to relationship exit (Ping, 1999) and survival (Purinton et al., 2007). Second, the process is studied on the level of actions and sub-processes, such as communication, recovery, aftermath (Holmlund & Hobbs, 2009), re-evaluation and renegotiations (Polo Redondo & Cambra Fierro, 2007), recovery (Salo et al., 2009) or bargaining process (Mittilä et al., 2002) that take place during ending. Thirdly, Zang et al. (2006) propose two processes, depending on the nature of the triggers, namely proactive and reactive ending. Reactive ending may include recovery attempts that change the course of the process towards continuation of the relationship and the proactive ending is suggested to be more straightforward path.

The final category relates to the behavioural and cognitive defence mechanisms that employees use when they are committed to a relationship which higher management is ending (Ryan & Blois, 2010). Taken together, the process studies reveal that once the process of relationship ending is triggered, it includes various sub-processes, different routes, and it may also end in recovery of the relationship. Thus, the nature of the process is far from determined, although the studies incorporate only a limited number of the factors and events that influence the course of the process.

## **BUSINESS RELATIONSHIP ENDING RESEARCH – A MIDDLE RANGE THEORY?**

This section compares the state of the art on business relationship ending to the criteria of middle range theories in social science, offered by Merton (1967) and Blalock Jr (1990b) or unit theories, discussed by Wagner and Berger (1985). We see these two as siblings to each other, following Blalock Jr (1990b, 417) who connects Merton's general theory to an "orienting framework", not far from "orienting strategy (i.e. metatheoretical framework)" label used by Wagner and Berger (1985, 697). In doing this, we do not take a stand on the process of advancing theory, be it by 'codification' from middle range theories to general theory suggested by Merton (1967) and supported by Gould (1990) or letting general theory to guide the construction of middle range theories as suggested by Blalock Jr (1990a), or by bridging general theories and empirical findings as described by marketing scholars Brodie, Saren and Pels (2011). However, we aim to 'codify' the results of the individual studies on business relationship ending and doing that to organize the knowledge more systematically, to 'purify' its concepts, and to interrelate its propositions (Blalock Jr, 1990a).

Merton (1967: 39) himself describes the concept of middle-range theory as "theories that lie between the minor but necessary working hypothesis... and the all-inclusive systematic efforts to develop a unified theory... of social behaviour, social organization and social change." Comparing that definition to marketing theory, we start from the notion that there is no unified theory that would explain marketing

behaviour, its organization and change. Hunt has listed the requirements of such theory, but so far, no candidate has been put forward. Thus, we argue that any theories that marketing scholars have produced so far, lie below a unified theory. From here, we turn our investigation to what exactly 'the minor but necessary working hypothesis' stands for.

Merton (1967) refers to Conant (1947: 137) who writes "A 'working hypothesis' is little more than the common-sense procedure used by all of us everyday. Encountering certain facts, certain alternative explanations come to mind and we proceed to test them." Thus, from this description, we suggest that a middle-range theory applies an existing knowledge base to guide the empirical investigation, instead of such potential explanations that come to researcher's mind purely from her/his logical thinking. Indeed, Merton (1967: 39) states that middle-range theory is used to "guide empirical inquiry" and it "involves abstractions ... close enough to observed data to be incorporated in propositions that permit empirical testing" on a delimited aspect of phenomena. Such theories are "empirically grounded" and involve "sets of confirmed hypothesis" (Merton, 1967: 61). Based on the observation of this study, namely that roughly half of the reviewed research focuses on theory development and the rest on theory testing, business relationship ending research seems to fit into the criteria of middle-range theory discussed above.

Merton (1967: 41) continues with the following, excluding criterion; "middle-range theories have not been logically *derived* from a single all-embracing theory of social systems". That criterion in marketing, as discussed earlier, applies to all effort in developing theory, since a single theory of marketing is missing. Thus, research on business relationship ending would fit in also to this criterion. The third, descriptive criterion Merton (1967: 43) puts forth suggest that middle-range theories are "close to the research front of science", and therefore may be discovered by multiple researchers about the same time. Our assessment of business relationship ending research shows that the area is emerging since the number of empirical studies is still quite low, and the studies have been published within a period of 23 years by altogether 81 scholars. As a whole, we see that the area at least resembles what Merton (1967) describes as a middle-range theory.

## DISCUSSION

Based on our findings, the area of business relationship ending is clustered into answering the following four research questions;

- why business relationships end?,
- what factors and actors influence the ending?,
- how does the ending happen?, and finally,
- what are the results of the ending?.

Very seldom are all these questions answered in a study, leaving the interrelationships between the aspects of business relationship ending much unstudied.

So far, we have been able to provide an overview of the research field. There is still much to talk about. The most apparent current limitation of this study is connected to the acquiring the data for this review. We applied only two databases, which give us a limited number of studies. The authors found themselves missing some of the studies



they know that exists, indeed, some of which they have themselves been authoring. Thus, it is our intention to add databases that would cover more of the field.

In addition, this study lacks an analysis of how the different concepts or terms (dissolution, ending, exit and termination) are being defined and applied in the studies. Do the definitions differ or are the concepts carefully defined at all? Moreover, what are their relationships to each other; do they describe different kinds on endings that we can see on the empirical level? And thereof, how well do the definitions cover and fit the empirical data being used. For example, if termination is being used when referring to endings that are triggered by one party's decision, does the empirical data cover such endings only?

Other interesting aspects would be the historical development of the research, the theoretical choices of the studies and the aspects that were revealed only through longitudinal and dyadic methods. Following the potential changes in the field in time would be worthwhile, if the number of studies will increase in new database searches. Thus, at the time, we could not trace any particular streams in business relationship ending. Elaborating on the theoretical roots of the studies is another interesting avenue (see Tähtinen and Halinen 2002) that is also related to the methodological choices made and thereafter the findings. The current data suggests that using longitudinal methods, one can answer the question on how the ending process happens, and by using dyadic, triadic, or network data, the other influencing factors and the outcomes of the ending can only be traced. All these are among the aspects that we, so far, have little knowledge on.

In this paper we only cover studies within the field of business-to-business relationships. One way to continue would be to look at the state of knowledge on relationship ending in the field of business-to-consumer relationships.

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