



Functions of industrial supplier relationships and their impact on relationship quality

Achim Walter^{a,*}, Thilo A. Müller^{b,1}, Gabriele Helfert^{c,2}, Thomas Ritter^{d,3}

^a*Institute for Corporate Strategy and Innovation Management, University of Karlsruhe, D-76128 Karlsruhe, Germany*

^b*Technical University Berlin, Institute for Technology and Innovation Management, HAD 29, Hardenbergstrasse 4-5, D-10623 Berlin, Germany*

^c*Marketforce GmbH, Adickesallee 63, D-60322 Frankfurt/Main, Germany*

^d*Department of International Economics and Management, Copenhagen Business School, Howitzvej 60, DK-2000 Frederiksberg, Denmark*

Abstract

Although recent scholarly work on business relationships often discusses relationship quality as a major issue, especially with regard to the phenomenon of vendor stratification, there is still little empirical research on this important construct. In this paper, the authors provide a thorough conceptualization of relationship quality and its possible antecedents, i.e., the direct and indirect functions of the relationship for the customer. Drawing on an empirical base of 230 buyer questionnaires, the authors show that the extent to which a supplier fulfills direct and indirect functions in a relationship has a direct positive impact on the relationship quality perceived by the customer. This impact is especially strong when the customer can easily replace the supplier or, in other words, when the supplier faces competition. The findings are discussed and the authors provide managerial implications for decision-makers from both buyer and supplier organizations.

© 2002 Elsevier Science Inc. All rights reserved.

Keywords: Functions of relationships; Customer-supplier relationships; Relationship quality; Trust; Commitment; Satisfaction; Vendor satisfaction

1. Introduction

In business-to-business markets, long-term orientation has become one of the main issues in relationships between customers and their suppliers (e.g., Refs. [18,24,37]). Durable relationships with selected suppliers are seen as sources of a stronger competitive position. Long-term relationships with suppliers enable firms to be more efficient in procurement as well as more effective in delivering quality and/or in reducing transaction costs [46]. As a consequence, companies are beginning to formally acknowledge and reward differences among their qualified suppliers in order to develop and sustain long-term, cooperative relationships [20].

To develop a set of relationships with qualified suppliers that strengthen the competitive position, customers must be able to recognize important differences between these sup-

pliers. As a meaningful construct that captures integral features of a supplier relationship, the concept of relationship quality from a customer's perspective has received increasing attention by researchers during the past decade (e.g., Refs. [18,39,40]). Dorsch et al. [20] found in their study that relationship quality can be used as a basis for the development and implementation of effective preferred supplier programs. Findings of Crosby et al. [18] suggest that a customer's perceived relationship quality contributes to a lasting bond with the supplier. Relationship quality is a higher-order construct often encompassing three distinct, although related dimensions of business relationships: trust, commitment and satisfaction [20]. The determination of relationship quality with a supplier is an important point when the customer decides about developing and maintaining a long-term relationship with this supplier or not.

Given the variation in relationship quality an important question arises from a managerial perspective: What are the supplier's inputs that lead to a high relationship quality? In order to identify noticeable antecedents of relationship quality that allows industrial customers a more strategic management and selection of important supplier relationships, a functional view on relationships is helpful. Scholars already presented various approaches to describe relationship func-

* Corresponding author. Tel.: +49-721-608-3433; fax: +49-721-608-6046.

E-mail addresses: achim.walter@wiwi.uni-karlsruhe.de (A. Walter), thilo.mueller@tim.tu-berlin.de (T.A. Müller), gabi_helfert@force-group.com (G. Helfert), tr.int@cbs.dk (T. Ritter).

¹ Tel.: +49-30-314-26088; fax: +49-30-314-26089.

² Tel.: +49-69-95930-244; fax: +49-69-95930-333.

³ Tel.: +45-3815-2518; fax: +45-3815-2500.

tions in business-to-business markets [2,15,29]. In our study, we propose a concept of direct and indirect functions of supplier relationships and we analyze their impact on relationship quality.

In Section 2, we will present our conceptualization of the major theoretical constructs of the study: direct and indirect functions in a supplier relationship, and relationship quality. Furthermore, we introduce the theoretical framework of the constructs and hypotheses. In Section 3, we will provide a description of the sample, the method and the outcomes of our empirical study. Finally, we discuss theoretical and managerial implications as well as limitations of our study.

2. The model

The model incorporating the research hypotheses is shown in Fig. 1. Direct and indirect functions of industrial supplier relationships are hypothesized to be related to relationship quality perceived by the customer. Moreover, we hypothesize that functions of industrial supplier relationships are moderated by the availability of alternative suppliers.

2.1. Relationship quality

In a highly competitive environment, customers are enhancing their efforts to maintain long-term relationships with selected suppliers in order to “reduce transactions costs and/or the uncertainty of future benefits” [18]. However, a relationship between two firms is not dichotomous, i.e., on or off. Rather, relationships can differ in many respects. In order to capture such differences, the concept of relationship

quality is discussed in different studies (e.g., Refs. [20,39,40]). Naude and Buttle [43] point out that there is not one measure of relationship quality but it is a multi-dimensional construct. However, different dimensions need to be combined to an overall relationship quality measure. This is especially relevant as Naude and Buttle find different clusters of good relationships each highlighting different aspects of quality. As such there are not only different dimensions but also different perceptions of what is good or bad. Subsequently, different authors have defined this concept rather differently.

Crosby et al. [18] consider relationship quality as a higher-order construct including trust and satisfaction. In their study of the effects of supplier fairness, Kumar et al. [39] add commitment and conflict to their conceptualization. Dorsch et al. [20] consider opportunism, customer orientation and ethical profile to define relationship quality. Referring to Crosby et al. [18] and Dorsch et al. [20], in a business-to-business context, we believe customer satisfaction, trust and commitment to be the essential constructs in order to describe what relationship quality is from the customer’s point of view.

2.1.1. Commitment

Commitment has been acknowledged in relationship marketing literature to be an integral part of any long-term business relationship (cf. Refs. [3,27,42]). Generally, it is described as a kind of lasting intention to build and maintain a long-term relationship (e.g., Refs. [3,21,41]). Along with Gundlach et al. [27], we believe commitment to entail three different dimensions: affective commitment describes a positive attitude towards the future existence of the relationship. Instrumental commitment is shown whenever

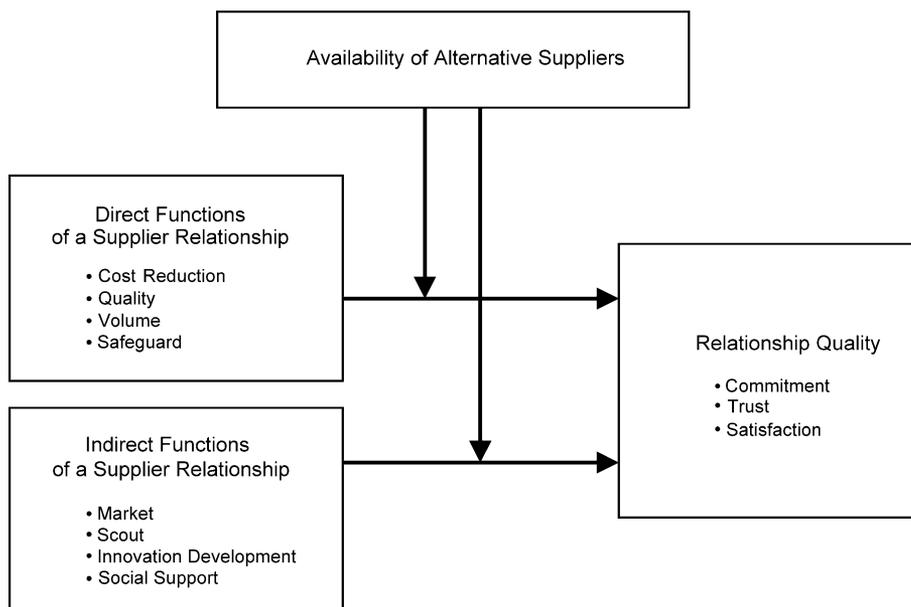


Fig. 1. Functions of industrial supplier relationships and relationship quality.

متن کامل مقاله

دریافت فوری ←

ISIArticles

مرجع مقالات تخصصی ایران

- ✓ امکان دانلود نسخه تمام متن مقالات انگلیسی
- ✓ امکان دانلود نسخه ترجمه شده مقالات
- ✓ پذیرش سفارش ترجمه تخصصی
- ✓ امکان جستجو در آرشیو جامعی از صدها موضوع و هزاران مقاله
- ✓ امکان دانلود رایگان ۲ صفحه اول هر مقاله
- ✓ امکان پرداخت اینترنتی با کلیه کارت های عضو شتاب
- ✓ دانلود فوری مقاله پس از پرداخت آنلاین
- ✓ پشتیبانی کامل خرید با بهره مندی از سیستم هوشمند رهگیری سفارشات