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Exporter-importer business relationships: Past empirical research and future directions

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ABSTRACT

We present a systematic and comprehensive review of the extant empirical literature on exporter-importer business relationships during the period 1975–2017. The review covers 196 articles published in academic journals, which were content-analyzed with their theoretical background, research design, scope of research, sampling/data collection methods, data analysis, and thematic areas covered. Our findings reveal that this line of research is characterized by: (a) a sound theoretical foundation, the most frequent theories being the behavioral paradigm, transaction cost economics, and relational exchange theory; (b) heavy emphasis on formalized, statistical, cross-sectional, and causal research designs; (c) focus on single-country studies, conducted mainly in Europe, Asia, and North America; (d) a tendency to employ probabilistic samples, of a relatively large size; (e) an adoption of relatively sophisticated methods to purify and analyze data collected; and (f) an emphasis on topics relating to behavioral and structural relational dimensions, followed by external and internal influences. Guidelines for researchers focusing on exporter-importer relationships are provided, as well as suggestions for potential new research topics.

1. Introduction

Exporting and importing have been the traditional and most common methods of exchanging products and services across countries since time immemorial (Samiee, Leonidou, & Aykol, 2014). However, although the economists' explanations of international trade have been primarily based on the inter-dependencies between nations with regard to their factors of production, business scholars have emphasized the critical role of relational aspects in the exchange process between exporters and importers as a means of complementing their resources, integrating their activities, and achieving their goals (Leonidou, 2003; Obadia & Vida, 2011). Most importantly, the exporter-importer (E-I) relationship does not solely consist of financial transactions, but also of behavioral interactions that are responsible for its performance and long-term viability (Hallén & Sandström, 1991).

As opposed to domestic seller-buyer relationships, the E-I relationship is characterized by: (a) greater geographical, psychological, and cultural distance, which makes the process of monitoring and evaluating the business partner a rather difficult and dubious task (Anderson & Gatignon, 1986; Li & Ng, 2002a); (b) higher environmental uncertainty, complexity, and dynamism, which restricts information flow, creates insecurities concerning partner involvement, and leads to a misalignment of goals (Dou, Li, Zhou, & Su, 2010); (c) more adaptations in terms of structural, strategic, and operational aspects, which often require the extensive use of financial, human, and allied resources (Ford, 1984; Leonidou, Palihawadana, Chari, & Leonidou, 2011); and (d) higher levels of perceptual differences between the interacting parties, which may cause misunderstandings, disagreements, and tension, that can jeopardize its overall effectiveness and efficiency (Homburg, Krohmer, Cannon, & Kiedaisch, 2002).

Despite these idiosyncrasies in E-I relationships, their initiation, development, and sustainment are of paramount importance to international business managers on four major grounds: *first*, they facilitate entry and solidify presence in foreign markets, which helps to reap the advantages associated with exporting (e.g., economies of scale) or importing (e.g., lower costs) (Katsikeas & Leonidou, 1996; Leonidou, 2003); *second*, they provide the nucleus of the firm's foreign operations, since they govern the elements (e.g., products, information, money) of the exchange process between exporters and importers (Håkansson, 1982); *third*, they largely determine the firm's internationalization process by decreasing distance and uncertainty, increasing learning and investments, and building network connections (Leonidou, 2003); and *fourth*, they can enhance performance levels for both exporters and importers, through better coordination and integration of resources,

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capabilities, and skills for selling/sourcing their products in a volatile business environment (Bello, Chelariu, & Zhang, 2003; Ford, Gadde, Håkansson, & Snehota, 2011).

The academic community has swiftly responded to this phenomenon by producing a growing number of studies since the mid-1970s, when the first article on the subject was published by Håkansson and Wootz (1975). Although at times several attempts were made to review this body of knowledge, their focus was either on theoretical dimensions of the E-I relationship (Saleh, Ali, Quazi, & Wickramasekera, 2015; Samiee et al., 2014) or specialized aspects of it, such as the quality of the E-I relationship (Leonidou, Samiee, Aykol, & Talias, 2014). As yet, no study has been conducted to review extant empirical research on E-I relationships that would: (a) assess and establish trends of theoretical, methodological, and thematic characteristics of this line of research; (b) synthesize the extant knowledge and assess the status of the pertinent literature; and (c) identify research gaps and suggest ways of how to overcome them.

The aim of this study is to provide such a systematic and holistic review of the extant empirical research on E-I relationships, from its inception up to the present time.[1] More specifically, we want to perform a chronological analysis of the theoretical background, research designs, scope of research, sampling/data collection methods, data analysis, and thematic areas investigated. In doing so, we intend to evaluate the progress and the current state of the pertinent literature along each of these dimensions; diagnose any problematic issues and make suggestions for their improvement; and highlight research gaps and set future research directions, indicating how these gaps could be filled.[2]

Our study contributes to the international business field in several ways. First, it sheds light on the theoretical, methodological, and empirical aspects of E-I relationships, which is one of the most investigated issues in either exporting (Leonidou & Katsikeas, 2010) or importing (Aykol, Palihawadana, & Leonidou, 2013) research over the last decades, due to its critical role in achieving success in the global marketplace. Our review helps to provide an integrated, organized, and synthesized inventory of knowledge on E-I relationships, which could serve as a useful reference point for: (a) academic researchers, who want to study this phenomenon further, as well as neophyte researchers, who seek to acquire fundamental knowledge on the subject; (b) educators, who could incorporate vital and updated input in their international business/marketing courses; and (c) export and import executives, who could benefit from the findings and implications of this line of research.

Second, it explores the chronological evolution of empirical research on E-I relationships to offer insightful trends for both scholars and practitioners in the field. For example, it identifies the most commonly used theoretical perspectives to study this phenomenon and indicates how these have evolved over time. Moreover, it demonstrates changes in the study methodologies employed by researchers on the subject (e.g., research designs, scope of research, sampling/data collection methods, data analysis) and pinpoints areas of improvement. Furthermore, it consolidates conceptually diverse topics that have been addressed in this line of research and shows how knowledge has proliferated over time. This analysis will help to refine the focus, scope, and quality of future studies on the subject and further advance the level of this field of research.

Third, it critically assesses the level of maturity of this line of research and recommends ways in which it could be further improved on theoretical, methodological, and empirical grounds, by the valuable input received from the articles reviewed. This would help to facilitate the proliferation, dissemination, and application of knowledge on the subject by various interested parties, such as: (a) conference organizers, who could propose unexplored themes to special interest groups and arrange special sessions to address various cutting edge issues relevant to E-I relationships; (b) journal editors, who could suggest potential topics for authors who intend to submit articles for publication in their journals, as well as organizing special journal issues on the subject; and (c) coordinators of professional bodies and associations (e.g., chambers of commerce), who could inform their members about critical issues in managing their relationships with foreign partners through, for example, workshops, seminars, and simulation exercises.

The remainder of the article is organized as follows: Initially, we explain the investigation method used in carrying out the present review by offering details about the scope of the review, data collection process, and data analysis procedures. We then present and discuss the findings of this review in six subsections, namely theoretical background, research design, scope of research, sampling/data collection procedures, data analysis, and thematic areas. In the next section, we draw conclusions, highlight the key findings, and provide suggestions for improvement for each aspect covered in this review. Finally, we propose directions for future research on the subject, by drawing attention to under-researched areas and identifying interesting new topics of research.

2. Investigation method

Our review covers all empirical articles published on E-I working relationships in the business literature between the years 1975 and 2017. To be included in the review, articles had to adhere the following criteria: (a) to focus exclusively on relationships between exporters and importers, rather than on other forms of international business relationships (e.g., license agreement, joint venture, strategic alliance); (b) to have been published in a journal of internationally recognized standing, rather than in an edited book, collection of readings, or conference proceedings; (c) to be in a standard, regular form, rather than a comment, reply, or editorial; and (d) to be of a purely empirical nature, rather than a conceptual, methodological, review or meta-analysis.

Articles were identified from electronic databases, namely JSTOR, ABI, EBSCO, ScienceDirect, and Web of Science, using the following keywords: “exporter-importer relationship”; “international buyer-seller/supplier relationship”; “cross-border buyer-seller/supplier relationship”; “overseas buyer-seller/supplier relationship”; “international business relationship”; and “cross-border business relationship”. In total; we were able to find 196 articles published in 43 different journals; the major contributors being the: *Journal of International Marketing* (14.8%); *International Business Review* (14.3%); *Industrial Marketing Management* (12.8%); *Journal of International Business Studies* (7.7%); and *International Marketing Review* (6.6%). In terms of time of publication; articles were classified in three periods; as follows: 1975–1997 (31 articles); 1998–2007 (76 articles); and 2008–2017 (89 articles).

Articles were content-analyzed employing a coding frame that involved six parts: (a) *theoretical background* − that is, various theoretical paradigms associated with this line of research; (b) *research design* − that is, problem crystallization, topical scope, time dimension, and variable association; (c) *scope of research* − that is, countries involved, focus region, product emphasis, industries covered, unit of analysis, and company size; (d) *sampling/data collection procedures* − that is, sampling design, data collection, sample size, response rate, and key informant; (e) *data analysis* − that is, construct evaluation, bias controls, and analytical techniques; and (f) *thematic areas* − that is, relationship initiation/dissolution, environmental influences, internal influences,

[1] To our knowledge, this study is the first to provide such a comprehensive and extensive review of the literature on E-I relationships. The only exception is a recent publication by Leonidou et al. (2014), covering 76 empirical studies, which investigates the antecedents and outcomes of E-I relationship quality. However, this is a pure *meta*-analytical study, which exclusively focuses on relationship quality issues (which is just one of the many thematic areas covered by our review).

[2] We have taken ideas on how to conduct our review from various well-cited international business reviews, such as those by Leonidou and Katsikeas (2010), Leonidou, Barnes, Spyropoulou, and Katsikeas (2010), and Aykol, Palihawadana, and Leonidou (2013). Building on prior reviews, which have been well-proven and widely-accepted by the relevant academic community, provides safeguards concerning the appropriateness of the study method used in this review.