



Relationship Quality in Industrial marketing- Literature Review and Future Agenda

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Abstract

In the domain of relationship marketing, quality of relationship is considered a very important element. In industrial marketing domain, the importance of relationship marketing is well established. The current study examines the role of relationship quality in industrial marketing literature and throw light on the important dimensions of relationship quality and also the various contexts in which the variable is studied.

Introduction

The establishment, development, and maintenance of successful relational exchanges, known as relationship marketing (RM) have become a central focus of marketing exchanges (Griffith, 2016). Early marketing research on the relationship between buyer and seller were focused on economic transactions which now has shifted towards behavioral interactions between the parties involved (Leonidou, Samiee, Aykol, & Talias, 2014). Relationship marketing is critical when service is complex, customized, delivered over a continuous stream of transactions, and involves many unsophisticated buyers (Crosby, Evans, & Cowles, 1990). In the study of relationship marketing, relationship quality emerged as a central construct (Smith, 1998).

The development of a long-term, mutually beneficial relationship has gained the interest of both practitioners and academicians in the last two decades (Kumar, 1996). In this context, quality of relationship or Relationship Quality gained prominence as an important factor. Athanasapoulou (2009) points out that when relationship quality is good, the relationship is successful and vice versa. The concept of relationship quality came into prominence in 1987 through the work of Dwyer (1987). Dwyer along with Oh proposed that relationship quality is reflected in satisfaction and trust of one's exchange partner and minimal optimism (Dwyer & Oh, 1987). From 1995, a lot of researches began to form around the concept of relationship quality (Athanasopoulou, 2009). This literature review focuses on relationship quality studies in the industrial marketing domain.

Review Methodology & Organizing Framework

The articles were sourced by searching databases such as EBSCO, Google Scholar, Web of Science, Jgate, ProQuest, and Research Gate to identify all researches which were done on the area of Relationship Quality. The search were narrowed down to relationship quality in the domain of industrial marketing or business to business marketing. The author used the following keywords: Relationship quality in business market, Relationship quality in industrial markets, and Relationship quality in b2b marketing for searching the articles. Once the articles are sourced, quality check is done to select the article from top-rated journals. Journals which are listed in ABDC and Web of Science were considered for review. A total of 120 articles were included in this review. The literature review followed a concept-driven systematic review methodology which assess the current literature repository to specify research questions which aid in advancement of future knowledge in the domain of relationship quality (Webster and Watson's 2002; Vashisht, D., Royne, M. B., & Sreejesh, S. 2019). The author also used the 4 Ws (What, Where, Why

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How) framework in this study to present a systematic framework of understanding the variable under study (Callahan 2014; Rosado-Serrano, Paul, & Dikova, 2018)

Review Discussion

Concept of relationship quality

Relationship Quality is conceptualized as the degree of appropriateness of a relationship to fulfill the needs of the customer associated with that relationship (Hennig-Thurau & Klee, 1997). Initial periods of study on Relationship Quality were focused on the satisfaction and trust in salesperson's interaction with the customer (Crosby et al., 1990). Relationship Quality determines how a firm develops, derive financial benefits/costs and finally how it ends the relationship (Holmlund, 2008). Although researches on relationship quality are vast and popular, researchers shy from giving a concrete definition of the construct. Holmlund (2008) suggest that researchers assume an intuitive understanding of the concept and hence sophisticated discussions on concept definition is rare. Holmlund defines Perceived Relationship Quality as "Perceived relationship quality is the joint cognitive evaluation of business interactions by significant individuals in both firms in the dyad."

One of the earlier attempts to conceptualize relationship quality was made by Crosby who viewed relationship quality as the salesperson's ability to reduce perceived uncertainty by the customers (Crosby et al., 1990). Relationship quality was also defined in parallel to product quality by applying the same dimensions used to conceptualize product quality. Thus relationship quality was conceptualized as the degree of appropriateness of a relationship to fulfill the needs of the customer associated with the relationship (Hennig-Thurau & Klee, 1997).

Dimensions of Relationship Quality

Although relationship quality as a concept is widely studied, there is no consensus on the nature of dimensions of this construct. Researchers agree that relationship quality is a higher order construct. But no uniform agreement on the various dimensions is seen in the literature. In various studies, trust and commitment are considered to be key signals of relationship quality (Hewett, Money, & Sharma, 2002)

According to Hennig-Thurau & Klee, Relationship Quality comprises of three dimensions: customer's overall quality perception, trust, and commitment. Relationship Quality is a multi-dimensional, higher order construct which reflects the overall strength of a relationship (Leonidou et al., 2014). Dorsch viewed relationship quality as a higher order construct that involves trust, satisfaction, commitment, minimal opportunism, customer orientation and ethical profile (Dorsch, Swanson, & Kelley, 1998). Hewitt describes relationship quality as a higher order construct with trust and commitment as first-order constructs (Hewett et al., 2002).

The choice of dimensions of relationship quality also varies with reference to the domain of research. Although trust, commitment, satisfaction is commonly used dimensions, the choice of dimensions varies between retail and business to business domains (Athanasopoulou, 2009). According to Osobajo and Moore (2017), the definitions and dimensions of relationship quality vary with context. The concept of relationship quality can be applied in the context of interpersonal as well as inter-organizational relationships. The choice of dimensions also varies with respect to the domain of study. All literature on relationship quality agrees that it is a multi-dimensional construct or meta construct with related dimensions (Osobajo & Moore, 2017).

In a study on Turkish exporters, Ural (2009) relationship quality was measured using dimensions namely information sharing, communication quality, long-term orientation, and satisfaction. Vesel and Zabker (2010) used trust, commitment, and satisfaction as the dimensions of relationship quality. Their study posits that relationship quality strongly influences customer loyalty in the retail environment (Vesel & Zabkar, 2010).

According to a study in the industrial market, Woo and Ennew (2004) measured relationship quality using cooperation, adaptation, and atmosphere as its dimensions. In this study in industrial marketing domain, the authors studied the influence of relationship quality on service quality, customer satisfaction, and behavioral intention. (Woo & Ennew, 2004).

Barnes et.al (2016) used cooperation, commitment, and satisfaction as the dimensions for measuring relationship quality. The study found that interpersonal factors like communication, credibility etc have a positive influence on relationship quality through the variable inter-organizational trust.

Jiang and Shiu (2016) proposed the use of communication, long-term orientation, economic and social satisfaction as the dimensions of relationship quality in business to the business domain. Trust and commitment were considered as antecedents of relationship quality by the authors (Jiang & Shiu, 2016).

Hoppener, Griffith, and White (2015) conceptualized the relationship between reciprocity, relationship quality and satisfaction with performance. Dimensions of satisfaction, commitment and conflict were used to measure relationship quality.

Leonidou, Samiee, Aykol, & Talias (2014) studied the antecedents and outcomes of exporter-importer relationship quality using a meta-analysis of the literature. Relationship quality was conceptualized in the study as a construct having cooperation, commitment, and trust as the dimensions. The antecedents were identified as opportunism, conflict, communication, cultural distance, and adaptation.

Rauyruen, Miller, and Barret (2007) conceptualized relationship quality as a multi-dimensional construct with perceived service quality, trust, commitment and satisfaction as the dimensions.

Naude & Buttle (2000) identified trust, satisfaction, power, and profit as prominent dimensions of relationship quality in their study on business to business market. They conclude that no one explanation is possible on the concept of the quality of the relationship.

Relationship quality was treated as an outcome variable in a work by Johnson, Sohi & Grewal (2004) with relational knowledge store as an antecedent. The study used trust, commitment, and stability as dimensions of relationship quality (Johnson, Sohi, & Grewal, 2004).

In many studies, salesperson's role in relationship quality is significant (Hall, Lam, Mullins, Ahearne, & Boichuk, 2014; Hennig-Thurau & Klee, 1997; Kaufman, Jayachandran, & Rose, 2006; Newell, Wu, Leingpibul, & Jiang, 2016).

Directions of Future Research and Implications

The studies on relationship quality began in 1987 and lots of studies in various domains are conducted with this variable as a key element. However, the researchers were not able to come into a consensus either about the definition of the concept or the dimensions of relationship quality. In studies about relationship quality in business to business markets, there is wide disparity in the approach towards the variable. There were studies which used full framework of the variable which some studies used only a part of the framework. Extant literature suggests that trust, commitment, and satisfaction are important dimensions of relationship quality across various contexts. The reviewer is of the opinion that the lack of consensus about the dimension is because of the varying contexts under which this variable is studied. The reviewer feels that there is a gap in the literature that explores the interactions of relationship quality and brand related variables.

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