



NORTH-HOLLAND

Relationship Marketing

An Agenda for Inquiry

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The impetus of this special issue of Industrial Marketing Management is the importance of relationship marketing in the effective functioning of marketing organizations. The objective of the special issue is to integrate the conceptual and empirical research in the area of business markets. The issue sought research that looked beyond the current thinking in business marketing. © Elsevier Science Inc., 1997

Recent research has highlighted the importance of developing relationships for effective marketing [1]. It has been suggested that academic research is undergoing a paradigm shift in marketing from transaction marketing to relationship marketing [2–4]. Firms are also regarding relationship marketing as critical for sustaining competitive advantage [5]. The area of relationship marketing has been strengthened by the leadership of the Center for Relationship Marketing at Emory University. This center has provided impetus for an in-depth look at relationship marketing from the perspective of both theory and practice.

The term relationship marketing encompasses some of the constructs suggested by past research [1]. These con-

structs are relational contracting [6], internal marketing [7, 8], symbiotic marketing [9], relationship marketing [10], strategic alliances [11], working partnerships [12], co-marketing alliances [13], and long-term orientation [5]. Morgan and Hunt [1] emphasize the process and their definition states “relationship marketing refers to all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges.”

We suggest that relationships lead to value creation that has become an area of interest to researchers. Firms realize that both customers and suppliers create value [14]. The value can manifest itself into access to technology, access to markets, and access to information. Firms realize that customers and suppliers provide access to value creation that will provide them with sustainable competitive advantage. Value creation can be divided into three domains (see Figure 1). The first domain is value creation through supplier partnering that forms the first set of articles for this special issue. Value creation through alliance partnering form the second set of articles. Finally, value creation through customer partnering form the third set of articles.

The issue of value creation through relationships with suppliers is examined by the first four articles. The first article is “Supplier Relationships: Emerging Issues and

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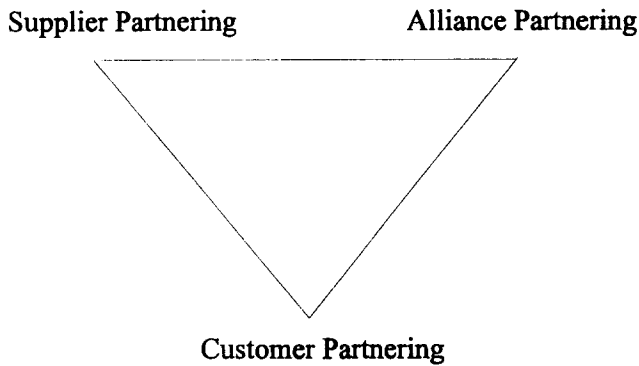


FIGURE 1. Value creation through relationships.

Challenges,” written by the co-editors of the special issue. The article proposes that effective relationship with suppliers will provide firms with next-generational competitive advantage. We suggest that this shift toward supplier relationships will change the role, processes, and strategies of firms and, therefore, new areas of inquiry will emerge. These include understanding suppliers as customers; cross-functional supplier teaming; economic value of supplier equity; supply experience curves; hub and spoke organization; bonding with suppliers; global sourcing processes; cross-cultural values in purchasing; cross-national rules and regulations; and service procurement. The second article also addresses the issue of the importance of supplier relationships and discusses the use of portfolio approaches to examine supplier relationships. This article by Rasmus Olsen and Lisa Ellram is titled “A Portfolio Approach to Supplier Relationships” (accepted by Peter LaPlaca). The authors suggest that firms should examine supplier performance to classify suppliers into groups. This classification will aid firms in designing strategies to enhance relationship with firms.

The next two articles discuss the effect of JIT and information technology on supplier relationships. In “The Effect of JIT Purchasing Relationships on Organizational Design, Purchasing Department Configuration, and Firm Performance,” by Richard Germain and Cornelia Droge, the authors suggest that JIT relationships involve close

supplier collaboration on product development and specifications, product, and information flows. Based on a survey of 200 US firms, the article suggests that JIT increases a firm’s formalization, integration, and specialization. Also firms that use JIT have enhanced performance. “Employing Information Technology in Purchasing: An Empirical Study of the Impact on Buyer-Supplier Relationships and Size of the Supplier Base,” by Rodney L. Stump, Ven Sriram, and Earl G. Graves, discusses the role of information technology on relationships. They find that information technology investments enhance buyer-seller relationships and the degree of information technology used in transaction processing affects this relationship. Interestingly, they also find that information technology investments reduce the supplier base.

The next set of two articles discuss value creation through alliance partnering, an emerging area of interest to marketers. The fifth article in the special issue is “Scope and Intensity of Logistics Based Strategic Alliances: A Conceptual Framework and Managerial Implications,” authored by Walter Zinn and A. Parasuraman. The article examines logistics based strategic alliances and proposes a typology to classify these alliances along the dimensions of scope and intensity. They also offer strategies for firms involved in strategic alliances as well as areas for future research. The next article, “Selling Alliances: Issues and Rights,” by Brock Smith, examines the issues of selling alliances, an emerging area of interest in personal selling. The issues of selling alliances at both the organizational as well as the personal level are discussed. A sample of 175 salespeople who are in sales partnerships is used to validate the expectations.

The final set of articles discuss value creation through customer partnering. “Customer Value Change in Industrial Marketing Relationships—A Call for New Strategies and Research,” by Daniel J. Flint, Robert Woodruff, and Sarah F. Gardial, addresses the issue of customer perceptions of value. The authors suggest that suppliers’ perceptions of value are changing. To design strategies that give business marketers a strategic advantage, firms need to understand customers’ present value needs, marketers’ ability to deliver value, and change in perceptions of value. The next article discusses the issue of customer perceptions of the marketer and value provided by the marketer. As firms survey their customers to determine their performance, the issue of the validity of customer evaluations comes into question. “What Information Can Relationship Marketers Obtain from Customer Evaluations of Salespeople?” (accepted by Peter LaPlaca) by

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Douglas M. Lambert, Arun Sharma, and Michael Levy, addresses this issue. The results of a survey from business customers in the health care industry suggest that buying firms that give higher evaluations to business salespeople also give higher performance ratings to the selling organization. Also, salespeople who are evaluated as being better and more credible by customers also receive superior evaluations from their managers.

The final three articles in the special issue discuss case studies in value creation through customer partnering. The first article, "Managing Business Relationships and Positions in Industrial Networks" (accepted by Peter LaPlaca) by Brian Low, examines the issues of industrial networks. The article views networks as providing access to resources and activities and examines a network in the context of a dealer for office equipment. The second article, "Building Supplier-Customer Relationships: Using Joint New Product Development," by James Comer and B. J. Zirger, examines the evolution of a supplier-customer relationship. The article examines a relationship in the case of an automobile project. The final article by Pierre Filiatrault and Jozee Lapierre, "Managing Business-to-Business Marketing Relationships in Consulting Engineering Firms," (accepted by Peter LaPlaca) examines relationships in the context of business services.

In conclusion, we feel that the articles provide a broad look at the academic research in the area of business relationship marketing. The articles in this special issue address value creation through supplier relationships, alliances, and customer relationships. The articles make an important contribution to relationship marketing thinking in the domain of business markets. The research is both

useful to managers and serves as an impetus to future research in this area. We hope that you find the articles as exciting and interesting as we have.

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