

Relationship Marketing: An Agenda for Inquiry

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The impetus of this special issue is the importance of relationship marketing in the effective functioning of marketing organizations. The objective of the special issue was to integrate the conceptual and empirical research in the area of business markets. The issue also sought research that looked beyond the current thinking in business marketing.

Recent research has highlighted the importance of developing relationships for effective marketing (c.f., Morgan and Hunt 1994). It has been suggested that academic research is undergoing a paradigm shift in marketing from transaction marketing to relationship marketing (Webster 1992; Kotler 1991; Parvatiyar, Sheth and Whittington 1992). Regarding practice, firms are also regarding relationship marketing as critical for sustaining competitive advantage (see Ganesan 1994). 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 (Morgan and Hunt 1994). These constructs are relational contracting (MacNeil 1980), internal marketing (Arndt 1983, Berry and Parasuraman 1993), symbiotic marketing (Varadrajana and Rajaratnam 1986), relationship marketing (Dwyer, Schurr, and Oh 1987), strategic alliances (Day 1990), working partnerships (Anderson and Narus 1990), co-marketing alliances (Bucklin and Sengupta 1993), and long-term orientation (Ganesan 1994). Morgan and Hunt (1994) 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 (Wilson 1995). 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 papers for the special issue. Finally, value creation through customer partnering form the third set of papers for the special issue.

The issue of value creation through relationships with suppliers is examined by the first four papers. The first paper is "Supplier Relationships: Emerging Issues and Challenges," written by the co-editors of the special issue. The paper 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 paper also addresses the issue of the importance of supplier relationships and discusses the use of portfolio approaches to examine supplier relationships. This paper 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 so as to classify suppliers into groups. This classification will aid firms in designing strategies to enhance relationship with firms.

The next two papers 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 paper 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 papers discuss value creation through alliance partnering, an emerging area of interest to marketers. The fifth paper in the special issue is "Scope and Intensity of Logistics Based Strategic Alliances: A Conceptual Framework and Managerial Implications," that is authored by Walter Zinn and A. Parasuraman. The paper 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 paper titled "Selling Alliances: Issues and Rights" is written by Brock Smith. The paper 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 papers 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. In order 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 paper 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 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 papers in the special issue discuss case studies in value creation through

customer partnering. The first paper "Managing Business Relationships and Positions in Industrial Networks" (accepted by Peter LaPlaca) by Brian Low examines the issues of industrial networks. The paper views networks as providing access to resources and activities and examines a network in the context of a dealer for office equipment. The second paper, entitled "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 paper examines a relationship in the case of an automobile project. The final paper by Pierre Filiatrault and Jozee Lapierre, titled "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 papers provide a broad look at the academic research in the area of business relationship marketing. The papers in this special issue address value creation through supplier relationships, alliances, and customer relationships. The papers make an important contribution to relationship marketing thinking in the domain of business markets. The research is both useful to managers as well as serve 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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Figure 1

Value Creation Through Relationships

Supplier Partnering

