RELATIONSHIP QUALITY: ITS ANTECEDENTS AND CONSEQUENCE IN THE CONTEXT OF RETAILER-SUPPLIER RELATIONSHIP IN BANGLADESH

MOHAMMED TAREQUE AZIZ

Thesis Submitted to the

Othman Yeop Abdullah Graduate School

Of Business, Universiti Utara Malaysia,

In Fulfillment of the Requirement of the Degree of

Doctor of Philosophy

PERMISSION TO USE

In presenting this thesis in fulfilment of the requirements for the degree of doctor of philosophy from Universiti Utara Malaysia, I agree that the University Library may make it freely available for inspection. I further agree that permission for copying of this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisor, in her absence, by the Dean of Othman Yeop Abdullah Graduate School of Business. It is understood that any copying or publication or use of this thesis or parts thereof for financial gain shall not be allowed without my written permission. It is also understood that due recognition shall be given to me and to Universiti Utara Malaysia for any scholarly use which may be made of any material from my thesis.

Request for permission to copy or to make other use of materials in this thesis, in whole or in part, should be addressed to:

Dean

Othman Yeop Abdullah Graduate School of Business

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

Malaysia.

ABSTRAK

Kualiti perhubungan memainkan peranan yang sangat penting dalam membangunkan hubungan perniagaan. Oleh itu, adalah penting untuk membangunkan model kajian bagi menjelaskan kualiti perhubungan tersebut. Kajian ini mengkaji pengaruh faktor-faktor peramal seperti penyertaan dalam membuat keputusan, komunikasi, kos penamatan, kos penukaran, dan kos operasi ke atas kualiti perhubungan peruncit dengan pembekal dalam industri peruncitan di Bangladesh. Kajian ini juga turut mengkaji hubungan di antara kualiti perhubungan peruncit dan kesannya terhadap kesetiaan kepada pembekal.Seterusnya kajian ini mengenalpasti peranan penyederhanaan tempoh perhubungan ke atas perhubungan di antara kualiti perhubungan dan kesetiaan.Pengumpulan data kajian menggunakan tinjauan secara pos ke atas 121 peruncit bebas di seluruh wilayah di Bangladesh. Dapatan kajian ini menunjukkan tiga faktor penentu iaitu kos penamatan, kos penukaran dan kos operasi (disusun mengikut keutamaan) mempunyai hubungan yang signifikan dengan kualiti perhubungan peruncit. Kajian ini juga mendapati bahawa kualiti perhubungan peruncit mempengaruhi kesetiaan terhadap pembekal. Walau bagaimanapun, tempoh perhubungan didapati bertindak sebagai penyederhana dalam perhubungan di antara kualiti perhubungan peruncit dengan kesetiaan kepada pembekal.

ABSTRACT

Relationship quality plays a very important role in shaping business relationships. Therefore it has become imperative to develop research models to explain relationship quality. This study investigated the influence of antecedent factors such as participation in decision making, communication, termination cost, switching cost and operational cost on retailers' relationship quality in the context of retailers' relationships with their suppliers in Bangladesh's retail industry. This study also investigated the relationship between retailers' relationship quality and its impact on loyalty towards the suppliers. This study further identified the moderating role of relationship duration on the relationship between relationship quality and loyalty. Data for this study was collected using mail survey from 121 independent retailers in all over the geographic territory of Bangladesh. The study establishes that three antecedent factors namely termination cost, switching cost and operational cost (by order of importance) to have significant relationship with retailers' relationship quality. Consequently, the study also indicated that retailers' relationship quality significantly influences their loyalty toward their suppliers. Nevertheless, duration of relationship was able to significantly moderate the relationship between retailers' relationship quality and their loyalty toward their suppliers.

ACKNOWLEDGEMENTS

First of all, I would like to express my deepest respect and gratitude to Allah (S.W.T.) for giving me the opportunity to pursue and complete my doctoral studies. Then, I would like to express my heartfelt thanks to my supervisor Dr. Nor Azila Mohd Noor. If I were asked about who would be my best role model in life, it would have been Dr. Azila, straight down the line. She has taught me not only to become a dedicated researcher, but also, more importantly how to become an academician too. All through the past years, she has always been very patient and supportive. While giving me lots of freedom to handle situations and solve problems in my own way, she never abandoned me or allowed me to walk down roads with futility. Without Dr. Azila's great mentoring, my doctoral studies would never be the same.

I thank my family. I do not have enough words to fully express my gratitude to any of them. I deeply thank my wife (Samira Shams) and my sons (Ishrag & Ifrad) for supporting me with their love and patience. I also want to thank my parents (Azizul Hoque & Begum Zannatun Nahar) for their prayers and making every moment of my life so enjoyable. I owe all of them my accomplishments. In the end my vote of thanks also goes to all the managers and officials of the retail companies of Bangladesh who gave me their valuable time, effort and information for the research.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF ABBREVIATIONS

1. PQS	Price Quality & Services
2. RQ	Relationship Quality
3. RM	Relationship Marketing
4. USA	United States of America
5. UK	United Kingdom
6. B2B	Business to Business
7. B2C	Business to Consumers
8. SET	Social Exchange Theory
9. GDP	Gross Domestic Products
10. CEO	Chief Executive Officer
11. BSCI	Business Social Compliance Initiative
12. RELQUAL	Relationship Quality
13. PDM	Participation in Decision Making
14. COM	Communication
15. TEC	Termination cost
16. SWC	Switching cost
17. OPC	Operational cost
18. LOY	Loyalty
19. RD	Relationship Duration
20. SPSS	Statistical Package for Social Sciences
21. BD	Bangladesh
22. KMO	Kaiser Meyer Olikin’s value
23. MSA	Measures of sampling adequacy
24. PCA	Principal component analysis

CHAPTER ONE

INTRODUCTION

1.1 **Introduction**

This chapter provides overall information on the background of the study, problemstatements, research objectives, research questions and key terms definition. In the end researcher also discusses on the contribution of the study.

1.2 Background of the study

With the ever growing dominance of super centers and specialty shops, retail industry has become a part of every modern day to day activities of urban population. Mintel (2004) stated that retailing is a large, diverse and dynamic sector of the economy. The definition of the word *RETAIL* is connoted from the French word *Retallier*. The meaning of the word is to cut a piece off or breaking the bulk. Weitz (2009) defined retailing by saying that "Retailing is the set of business activities that adds value to the products and services sold to consumers for their personal or family use". Retailers are the final business in a supply chain that links manufacturers to consumers. Retailers provide important functions that increase the value of the products and services they sell to consumers and facilitate the distribution of those products from the manufacturers. According to Weitz (2009) retailing are the

combinations of value creating functions such as; providing an assortment of products and services, breaking bulk, holding inventory, and providing services.

In retail industry keeping and maintaining customer relationships have been a significant phenomenon on over the years. Athanasoupoulou (2008) stated that it is five times more expensive to get a new customer, than to keep the current one. While Reichheld and Sasser (1990) mentioned that companies can increase 100% of their profits just by retaining 5% more of their customers. In acquiring and protecting customer base the importance of relationship marketing has been significant. To have a cutting edge over the competitors, companies have depended upon relationship marketing for years.

In retail industry, retailer-supplier relationship plays a crucial role in retailers' supply chain management. A long term relationship between retailers and their supply chain members has been suggested by strategic partnership process. As building buyer-seller relationship has become recognized and appreciated in all the functional areas of business,Dwyer et al. (1987) confirmed it'simportance for efficient business improvements. Mentzer et al. (2000) described within the retail perspective that,there is a combination of operational partnering on one side and strategic partnering on the other side of business relationships.

From the competitive retail marketing perspective, Fliedner and Vokurka (1997) mentioned that retailers can improve their supply chain agility by forming

cooperative strategies with their suppliers, bringing success in competitive markets. Therefore in order to attain competitive advantage, the importance of enhancing the quality of retailer-supplier relationship plays a crucial role.

The versatility of the retailer-supplier relationship also required attention from the research point of view in attaining organizational effectiveness and efficiency. Valasmakis and Groves (1996) recommended that strong partnerships between buyers and sellers positively influenced company's ability to deliver reliably and flexibly to meet consumer needs, as opposed to a non-partnering relationship. Under such a volatile scenario maintaining the relationship quality has become a difficult but essential agenda for the modern day retailers.

Now- a- days it is increasingly important for the buyers to have strong relationships with their suppliers to cope with the competitions. As Parsons (2002) stated that these days businesses are increasingly dependent on their relationships with their suppliers and they need to ensure high standards. Garcia (2008) reminded professionals that although long term client partnerships involved critical work, still they offered benefits to both sides through expansion and growth of business. In achieving organizational success,Morgan and Hunt (1994) mentioned about the importance of establishing, developing and maintaining of relationships between exchange partners. Ongoing high quality business relationships have been recognized as a source of competitive advantage (Hennig et al. 2000; Palmer, 2002), as the relationships themselves become asset that comprises global value delivered to customers.

In managing customer retention and satisfaction, buyers need to develop their ability to assess and control their relationships with their suppliers (Barnes, 2001; Palmer, 2002). Market place trends such as globalization, enhanced competition, ever increase in demands by the customers, technological advancements, and similarity in products and service offerings emphasized on relationship marketing in contrary to the traditional marketing mix approach (Gummesson, 2000; Christopher, 1996; Gruen, 1997; Paun, 1997).

Like every other major businesses, retailers have strategies. According to Weitz (2007) retail strategy involved three approaches/elements. The first approach involved the retailer's commitment of resources toward the target market. The second approach involved the product assortments the retailers plan and the third is the retailers base upon which he built a sustainable competitive advantage over its competitors. In addressing these three elements the retailer needs to have an effective and efficient supplier support system based upon partnering and corporate relationships. In the case of complex, customized and involving many relatively unsophisticated buyers,the importance of relationship marketing as a critical component was postulated by Crosby et al. (1990). These entire phenomenons are very much evident within the retail marketing scenario. As consumers attached increased importance to the relational properties of their interactions with their retailers, the predominant role of relationship marketing has become evident within current retail environment (Crosby et al., 1990; Dorsch et al., 1998). As a result of that, relationship quality between the retailers and their suppliers has become an imperative element for retail companies all over the world.

Like the rest of the world, developing countries experienced profound impact by the globalization of retailing. Researchers working on the globalization strategies of transnational retailing like, Currah and Wrigley (2004) and Wrigley et al. (2005) have identified this impact. Many times in developing countries, the expansion of the modern retailing formats have been named as "Supermarket Revolution". This phenomenon had potentially important consequences for the economic development and poverty reduction strategies of these nations. Being at the forefront of world business scenario, the retail industry is making fundamental impacts on the world economy, with greater impact upon Bangladesh being a third world country.

Being a third world country, retail trade is synonymous to traditional business in Bangladesh. Hussain and Ara (2004) stated that retail has never been perceived as an industry in Bangladesh. They also mentioned that in Bangladesh retail has always been considered as an individual or family business entity with a very limited scope of organized expansion. Bangladesh is a country situated on the southern part of Asia with a land mass of 55598 sq miles (Wikipedia, 2008). Northern, eastern and western side of the country is covered with the territory of India, while Myanmar is on the south-east part of the national border. Bangladesh is an active member of the United Nations, Commonwealth and SAARC federations. It is a developing nation with the socio-cultural endowment and heritage with thousand years in the making. Bangladesh has six administrative districts they are Dhaka, Chittagong, Rajshahi, Khulna, Barisal and Sylhet. The retail revolution started to take place in all these administrative head quarters while local and indigenous retailers in Bangladesh started to open up their operations during the mid 80's. A few local retailers who took the lead at that time to popularize and promote retail culture among the urban

population of the country were BRAC-Aarong, Westecs, Kay Kraft, Cat's eye, Nondon, PQS, Agora, Halvetia, Mr. Burger, Euro Hut, Swiss, Quality, Shwarma House and Coffee House. These locally groomed retail brands played a major role in shifting the mindset of the middle and upper middle class segments toward retail consumption.

In Bangladesh the retail stores are mainly concentrated in the major cities and they have supermarket like characteristics. In describing the geographic distribution of the retail stores in Bangladesh, Kibria (2009) stated that the number of superstores was still low and mostly centralized in the capital with a continuous trend of establishing semi-superstores in the other major cities of the country. Hussain and Ara (2004) declared that organized retail outlets in Bangladesh were relatively few and remained concentrated in the major cities. They also numbered these retail superstores operating in Bangladesh as 30 (22 out of these 30 were located in the capital city Dhaka), most of which had supermarket kind of operations. Superstores like Agora, PQS, Nondon, Meena Bazaar and Family Needs are growing in Bangladesh. Although information regarding the size of Bangladesh's retail market was insufficient, yet it is clear that millions earned their livelihood from this industry. As there have not been many studies in this field,it has been difficult to find out any sort of written references upon the subject of development, challenges and growth of retail sector in Bangladesh.

In Bangladesh the global retailers have come up with their complex organizational structures with large distribution, supported with multiple retail outlets. Local retailers have established their retail outlets as auxiliary business units to their other

principal business enterprises. The same phenomenon has been described by Findlay, Paddison and Dawson (1990) in their book Retail environments in developing countries in the following manner "in less developed countries fixed shop retailing is only one element, and sometimes a minor one among a large mix of institutions and the economic structure of the retail sector remains dominated by the small scale retailers".

Under the auspices of this kind of business environment, Bangladeshi retailers have mostly opted for the retail ventures as a supporting business to their principal businesses. Almost all of the retail entrepreneurs of Bangladesh have put retail as their secondary business, providing support to their principal business ventures. Majority portion of these retailers have inherited their investment capital and other start up resources from their forefathers, who had always looked at retailing from the perspective of secondary wings to their primary business enterprises. The manpower involved in the retail trade has mostly come from educated backgrounds, starting from higher secondary school upto university level.With each passing year retail industry is gaining recognition and acceptance as one of the major business industry in Bangladesh.

1.3 Problem statement:

There has been remarkable growth in retailing activities and buyer seller relationships over the years. Due to the expansion of retailing from the 1990s, retail has turned into a global phenomenon (Dawson & Mukoyama, 1994; Goldman, 2001; Moore & Fernie, 2004). From the industrial perspective exponential growth of retail

industry has been recorded by Fortune 500and Templeton Global Performance Index (Gestrin, 2000). Retail with more than 15 million employees (in USA alone) had an estimated $4.3 trillion in sales complemented with an increase of 3 % in the year 2009, making it one of the largest industries in the world by number of businesses and number of employees (Plunkett Research, 2010). Liberalization in the 1990s led to this rapid expansion of retailers in a range of developing countries, notably in Southeast Asia (Humphrey, 2007). Humphrey (2007) also mentioned about the contribution of modern retailing formats as an instrument for development and poverty reduction measures in these developing countries. Despite of the potential growth, the retail industry is not without challenges. Etgar and Moore (2007) clearly identified that expansion of retailers has been accompanied by numerous retail failures. Hudgeon (2006) postulated that most of these enterprises failed to manage their relationship with their suppliers and maintain these relationships healthy.Researchers like Palmer and Quinn (2007) mentioned about the growing evidence of retailers failures, while Burt and Sparks (2004) revealed hundreds of cases of divestments due to business failures by retailers. Most of these failures were in the grocery, food and large scale retail businesses.

The empirical studies investigating the relationship crisis between the retailers and their suppliers, in general and in particular in Bangladesh, have been less than encouraging. Ismail (2009) mentioned that the nature of marketing relationship was not clear and still studies were required to identify the potential benefits coming out of that.The fact of empirical testing being slower than the theoretical development of relationship marketing was acknowledged by Samiee and Walters (2003).In this context, Hennig-Thurau et al. (2002) proclaimed that nearly two decades have passed

since the first mentioning of the relationship marketing concept by Berry (1983), but the concept was still in vague more than ever. In Bangladesh, lack of reasonable or comprehensive data supported by little or no market information on the retail sector (Kibria, 2009; Hussain & Ara, 2004) has warranted immediate empirical study in relationship marketing to overcome this shortcoming.

To address the scarcity of studies in relationship marketing, there have been a lot of studies in relationship quality but still a need exists to develop a model which can be acceptable from the B2B perspective. Athanassopolou (2009) stated that there is no universally accepted framework for relationship quality(RQ). Genevive et al. (2008) re-confirmed that there has been no published paper that provides a conceptual model of relationship quality from the customer's perspective in a B2B setting, although there is severe necessity to adopt such viewpoint. Many researchers like Rosen and Suprenant (1998); Naude and Buttle (2000); Hennig-Thurau (2000); Hennig-Thurau et al. (2001); Walter et al. (2003); Woo and Ennew (2004) and Huntley (2006) also have asserted the under exploration of the relationship quality concept and the need to develop a universally accepted relationship quality framework in the organizational settings. Wang (2006) enhanced the scarcity of relationship quality studies when he stated that little research has studied how to develop relationship quality in the organizational settings. Based upon this scenario, Athanasoupoulou (2008) strongly recommended that future research in relationship quality should develop a universally accepted framework on relationship qualitywith a more conclusive research method. She also emphasized upon validating the results of this framework in other industrial settings of relationships (ie; retail industry). The

proposed study aims to fill this research gap by conductingan empirical research on the issue.

To date most of the studies on relationship quality has been conducted in western countries. Majority of the studies on buyer-supplier or distributor channel relationships were conducted in the developed countries. Frazier and Rody (1991) did a study inUSA, Johansen et al.'s (1991) research was in Europe while Johansen (1993) researched relationship qualityin Japan. The need to develop an universally accepted relationship quality framework and its necessity to test it empirically in countries other than these developed countries have become a major research requirement over the past few years. Athanasoupolou (2009) mentioned that most relationship quality research analyzed either the US or European markets. Roslin and Melewar (2001) mentioned about the scarcity of relationship marketing studies in developing countries by stating that the previous studies on relationship marketing mostly concentrated on industrial contexts of thedeveloped countries,ignoring the potential contribution of relationship constructs in the developing countries distribution network. This scenario has given rise to the question of applicability of the existing studies on a universal scale.

From the contribution point of view, Athanasoupolou (2009) suggested future researchers to conduct their studies in non-western settings and conceptually validating those frameworks across other countries (ie; Bangladesh) and industrial contexts (ie; retailer-supplier relationship). For the sake of integration of knowledge into a universally accepted theory of channel anddistribution system (ie; involving retailer-supplier relationship quality) Kale (1986) also suggested future researchers to

conduct studies on aspects affecting channel and distribution members of cultures other than western developed countries (ie; Bangladesh). This study aims at addressing these gaps in the literature, as well as making practical contribution to Bangladesh's retail industry by exploring relationship quality within the retailer-supplier domain.

Furthermore not many efforts have been devoted to further explore the underlying factors by which relationship quality could be developed. The urgency of identifying the antecedents of relationship quality has been well documented in recent documents (Alak & Alnawas, 2010; Rajaobelina & Bergeron, 2009; Parker & Bridson, 2000). Athanassopolou (2008) explained the reasons of variations in antecedents of relationship quality studies by stating that the variations were there because of versatility to the types of products or services and to the types of relationships and characteristics under examination. She also mentioned that in determining the antecedents of relationship quality both exchanging parties characteristics, the traits of the relationship itself, and their products or services attributes played the dominant role. For example, Lin and Ding (2006) found relational selling behavior, perceived network quality and service recovery as antecedents among the internet service providers of Taiwan. Retail bank customers overall satisfaction was considered as an antecedent of relationship quality by Ndubisi (2006). Carr (2006) tested information service quality among information services departments of USA as an antecedent to relationship quality. Leonidou et al. (2006) identified uncertainty, distance and conflict for the exporters and importers of USA while Park and Deitz (2006) considered adaptive selling behavior as

antecedents of relationship quality for the automobile manufacturers and their sales personnel.

Moreover, Dwyer and Oh (1987) mentioned that marketing research had largely neglectedthe relationship aspect of buyer-seller behavior, while the lack of attention to the antecedent conditions and processes for buyer seller exchange relationships had been a serious omission in the development of marketing knowledge. Parker and Bridson (2002) stressed that greater understanding of relationship quality should enable both buyers and suppliers to establish antecedents for the development of a relationship and those attributes that are preferred from both the parties to enhance the relationship. Recently Genevive et al. (2008) recommended the importance and necessity of determination of antecedents and consequences of relationship quality in a B2B setting. The present study tries to fill this research gap by conducting this study with the hope of recommending and validating a few important antecedents to relationship quality in a B2B setting (ie; retailer-supplier relationship).

Regarding the issues involving the antecedents of relationship qualitythere has been a scarcity of facilitating information sharing and utilization because of the absence of participation in decision making within the B2B domain (Deshpande & Zaltman, 1982).More critically stating, Lin and Tseng (2006) mentioned that clear evidence of inefficient integration of organizational resources affecting the relationship quality exists, due to the lack of participation in decision making between the B2B partners. In the case of communication, Mohr and Nevin (1990) identified communication quality as one of the major causes of problems among parties involved in business relationships in determining relationship quality. Ndubisi (2006) identified

ineffective delivery of communication as one of the major concern in attaining overall customer satisfaction in the B2B domain in recent years.

Earlier, Dwyer et al. (1987) highlighted about the importance of switching cost by mentioning that the buyer's anticipation of switching costs gave rise to the buyer's interest in maintaining the relationship. Under this circumstance Sharma and Patterson (2000) postulated that B2B partners could not exit the relationships, although sometimes it deemed necessary, for higher switching costs acting as a barrier to exit relationships.Therefore there is a lack of understanding in switching costs role in determining relationship quality between B2B partners. On the other hand,Ping (1997) argued that retailer's interest to maintain relationship with their suppliers wished to increase retailers relationship termination cost leading to a sharp increase in the areas of training, contracts and pledges (Anderson & Weitz, 1992). These issues in retailing contributed towardfurther studies on retailer's participation in decision making, their lack of communication, overwhelming impact of the switching and relationship termination costs with their suppliers.

Relationship duration has been of interest to relationship marketing researchers for some years now. In a number of studies, the effect of age of the relationship on the level of relationship quality has been examined (Anderson & Weitz, 1989; Doney & Cannon, 1997; Ganesan, 1994; Kumar et al., 1995). These studies have delivered mixed results on the effect relationship age has on relationship quality. Grayson and Ambler (2002) identified that there is a value in research that focuses on the differences between short and long term relationships. Verhof et al. (2002) stated that

lack of knowledge on how long and short term relationships influence relationship quality creating incompetency among the managers to develop specific strategies.

Little systematic efforts have been devoted to understand the impact of retailers' relationship quality on loyalty toward their suppliers. Most of the studies conducted tend to be focused on the consequences of relationship quality on factors other than loyalty, like export performance (Lages et al., 2004), performances in distribution and supply chain (Fynes et al., 2004), relationship intentions (Venetis & Ghauri, 2004), behavioral intentions (Bennett & Barkensjo, 2005), economic and non-economic satisfaction (Farrelly & Quester, 2005), willingness to recommend (Huntley, 2006), salesperson's job performance and satisfaction (Park & Deitz, 2006), strategic performance (Ramaseshan et al., 2006), intention to expand business with suppliers propensity to leave the relationship (Ulaga & Eggart, 2006), positive reciprocal user behavior (Carr, 2006), and enduring psychological benefits of customers, employee satisfaction, customer retention, relationship exploitation, instructor success and reputation and new service ideas (Athanassoupolou, 2008).

Although loyalty has been largely studied in the consumer context, financial products and in the banking sectors (Nelson, 2007; Cunningham, 1956; Dick & Basu, 1994; Farley 1964; Fournier, 1998; Jacoby, 1971; Sirgy & Samli, 1985), it is yet to be investigated in the B2B context (Rauyruen, 2000), particularly in the retail industry. Omar et al. (2010) mentioned about the urgency of developing and testing a comprehensive model that integrates relationship quality constructs such as trust, satisfaction and commitment with loyalty context. In addition to these, the necessity to incorporate loyalty as a consequence of relationship quality has been established

by Nelson (2006) when he strongly suggested that future research should investigate the consequence of loyalty in other industrial settings (ie; retail).

Several major international retailers have been facing serious relationship problems with Bangladeshi retail suppliers. These relationship quality issues have been highlighted in different international forums as well as these company's official websites. World class retail companies like Metro (Disha Uppal, DWWORLD.DE, 2008), Swedish telecom retailer Ericsson (neurope.au, 2009), Swiss retail company Migros (Federation of Migros Cooperatives -Zurich' 2008), TESCO and ASDA (www.Talking Retail' Dec, 2008) have shown serious relationship compliance issues and deterioration of the quality of their relationship with their Bangladeshi suppliers in the very recent years. Therefore, from the industry perspectives too resolving the relationship quality issues require immediate attention.

Consequently, the problem this research intends to address is "What are the underlying factors that enhance the relationship quality between retailers and their suppliers and to what extent does relationship quality influence loyalty among the retailers towards their suppliers".

1.4 Research objectives

This study is posited to be exploratory in nature and aims to develop a better understanding of relationship quality and its organizational and cost related antecedents and loyalty as a consequence between retailers and their suppliers' relationship. The study has been anticipated based upon the ground that relationship

quality is an essential element to the success in ongoing retailer-supplier relationship and several factors as antecedent, contributing to the quality of the relationship, ultimately ensuring and enhancing loyalty among the retailers. General objective of this study is to investigate the antecedents and consequences of relationship quality between retailers and their suppliers. The specific objectives are as follows:

1. To determine the level of relationship quality between retailers-suppliers, as perceived by the retailers in Bangladesh.
2. To investigate the influence of organizational and cost related factors on the relationship quality in retailer-supplier relationships.
3. To investigate the relationship between relationship quality and loyalty.
4. To investigate whether relationship duration moderate the effects of relationship quality on loyalty.

1.5 Research questions

Thisresearch aims at expanding the ever growing knowledge stream on relationship quality by examining the theoretical model in retailer-supplier relationship quality. The research objectives are narrated through the research questions followed herewith:

1. What is the level of relationship quality among retailers and suppliers in Bangladesh?

2. To what extent do the organizational& cost related factors influence the retailers and suppliers' relationship quality?
3. What is the relationship between relationship quality and its relational consequence of loyalty?
4. Does relationship duration moderate the relationship between relationship quality andloyalty.

1.6 Definition of key terms

There have been several important terms being mentioned repeatedly in the study. Those terms are defined in brief manner as follows:

Retail is the sale of goods to end users, but for the use and consumption by the purchaser. (About.com: Retail Industry, 2010).

Relationship marketing is a process where the main activities are to create a database including existing and potential customers, to approach these customers differentiated and customer specific information, and to evaluate the life term value of every single customer relationship and costs of creating and maintaining them (Copulinsky & Wolf, 1990).

Relationship quality is the degree of appropriateness of the relationship to fulfill the needs of the customer associated with the relationship (Hennig, Thurau & Klee, 1997).

Participation in decision making is a combination of items like suppliers encouragement of ideas, suggestions, opinion, involvement in decision making, consultation, and appreciation of concerns (Dwyer & Oh, 1987).

Relationship duration has been defined as the historical length of a relationship increasing continuity of expectations and the level of cooperation between organizational partners (Heide & John, 1990).

Relationship termination cost has been referred as the cost of ending the relationship with an exchange partner (Persons, 1997).

Communication has been defined as the human activity that creates and maintains relationships between the different parties involved (Lages et al., 1005).

Switching cost has been defined as the psychological and emotional cost or becoming a new customer of a new firm (Kim et al., 2003).

Loyalty is the proportion of times a purchaser chooses the same product or service in a specific category compared to the total number of purchases made by the purchaser in the category, under the condition that other acceptable products or services are conveniently available in this category (Neal, 1999).

Trust has been defined as one party's belief that its needs will be fulfilled in the future by actions undertaken by the other party (Anderson & Weitz, 1989).

The commitment between the exchanging partners in a B2B setting is reflected in their intentions to continue with the long term relationship (Ganesan, 1994).

Satisfaction has been defined as the result of cognitive and affective evaluation, based upon total purchase and consumption, where some comparison standard is compared to the actually perceived performance (Davies, 2006).

Social exchange theory has been defined as a useful theoretical basis upon which firms maintain or exit relationships depending upon expectations about costs and benefits of the relationship (Thiabut & Kelly, 1959).

1.7 Significance of the study

This study is directed toward contributing to the theoretical, practical and methodological use of relationship quality in retail industry. From the theoretical perspective, the need to evaluate relationship quality has emerged as a strategy for retaining customers in a highly competitive environment (Meng & Elliot, 2008). Although recent research efforts (Woo & Ennew, 2005; Caceres & Paparoidamis, 2004) shed light in the business to business area, in fact, the issue of relationship quality in B2B contexts has remained undefined and relatively unexplored (Woo & Ennew, 2004). Vesel and Zabkar (2010) mentioned that relationship quality has certainly been one of the criteria according to which retailers can select the best customers in a B2B setting. The performance of the entire supply chain of the company is positively and significantly affected by the stronger buyer-supplier relationships (Maloni & Benton, 2000). Again Hsiao et al. (1993) postulated that for

business success, establishing and managing effective relationships with the external suppliers at every link in the supply chain is imperative. Han et al. (1993) found that business collaboration with the exchange partnersenhanced the firm's ability to compete by shortening its product development time, lowering manufacturing and operating costs and managing quality and productivity improvements.

To emphasize the importance of studying retailer-supplier relationship quality, Perumal (2009) mentioned that distribution and channel members are requiredto createbetter quality of relationships in order to deliver their products and serviceswith effectiveness and efficiency to their end users. He also identified the need to conduct studies on exchange relationships rather than transaction specific relationships for better organizational performance (Abdul, 2005; Homburg & Rudolph, 2001). Athanassopolou (2006) stated that relationship marketing emphasized that the interaction between relationship partners is the most important source of market knowledge for marketers. Smith (1998) re-confirmed the need to conduct this study by mentioning that retailer-vendor relationships are a critical success factor for organizational and supply chain performance. This study responds to the need for empirical research on relationship quality between retailers and their suppliers, ultimately contributing to the body of ever growing relationship marketing literature.

While collaborating with the suppliers, retailers need to have competitive advantages by acquiring competitive edge to sustain in the market place. Recent articles have focused on the tough financial times many businesses are weathering, offering tips for building success through relationship building, particularly in the B2B settings

(Cobb, 2008). To have a cutting edge over the competitors, retail companies have depended upon relationship marketing for years. In this context, Lee (2008) mentioned that maintaining good relationships with current clients is critical while relationship marketing provides marketers with vital information on their relationship partners. In marketing research, it has been proven that there are some intangible aspects of a relationship between buyers and sellers which cannot be duplicated by their competitors, as buyers can gain competitive advantage by building enhanced relationships with their suppliers (McKenna 1991; Reichheld 1993; Vavra 1992). To attain competitive advantages the retailers are heavily depending upon the quality of their relationships with their suppliers.

In addition to the building of cooperative strategies with their suppliers, retailers need to emphasize upon developing partnership with their suppliers. One sector in consumer marketing that has attracted obvious interest in developing relational strategies is the retail sector (Egan, 2000), calling for additional research on retail relationships (Athanasopolou, 2009). The role of the suppliers also changed while strategic suppliers added value by introducing new product capabilities for retailers to consider. Forward-thinking suppliers have reinvented their roles as vital participants in the retail product lifecycle, thereby becoming strategic partners to the retailers (Brandel, 2006). With this scenario on the background, retailers have committed to enhance their relationship with their suppliers not only to ensure better customer service, but also to implement their business strategies for gaining competitive advantages.

Enhancing relationship quality in the retail industry not only helps to implement strategies but also ensures after sales supports for the end users. From the B2B perspective, the retailers expect a continuous and versatile kind of after sales support from their suppliers. Based upon this assumption, Czeipel (1990) stated that focus on inter-personality and scarcity of objective measures in evaluating service quality has made stronger customer relationship important and essential for the organization.To increase the buyer firm's ability to compete by shortening its product development time, lowering manufacturing and operating cost and managing quality and productivity improvements, Han et al. (1993) emphasized upon enhancing collaborative relationship with the suppliers.Gwinner et al. (1998) mentioned that empirical evidence proved the nature and extent of the impact of relationship quality was scarce,while the academicians (Berry, 1995) repeatedly stated the importance of relationship marketing practices. With this study the researcher intends to contribute to the better and clearer understanding of the relationship marketing paradigm,while developing a framework for evaluation where relationship quality matters between the retailers and their suppliers.

In developing the framework of retailer-supplier relationship, Parker and Bridson (2002) stated that retailer–supplier relationship characteristics and antecedents have previously been examined in isolation or in association with other variables to develop causal relationships. They also recognized that there is a need to fully understand the key constructs and preferred attributes that an organization requires a potential trade partner to exhibit, before entering a buyer-supplier relationship. Hsiao et al. (2004) specifically mentioned that the two important factors affecting current retail supply chain are buyer-seller relationships and its antecedents. Conceptual

models for relationship quality have been proposed by previous authors (Crosby et al, 1990; Hennig-Thurau and Klee, 1997; Lages et al., 2005), but they failed to gain general acceptance over the years (Myhal & Murphy, 2007).

Furthermore, Myhal and Murphy (2007) confirmed that none of these studies were done using the customer's point of view in a B2B setting. Wren and Simpson (1996) echoed the same message by mentioning that the literature within the buyer-supplier relationship arena has been largely scattered and disjointed. Parker and Bridson (2002) strengthened their recommendation by mentioning that greater understanding of buyer-supplier relationships should enable both buyers and suppliers to establish requisite antecedents for the development of a relationship quality and those attributes that are preferred from both the parties to enhance the relationship quality.

From the theoretical contribution's point of view, Athanasoupolou (2009) also confirmed that a notable scarcity of empirical studies to understand the antecedents of relationship qualitypersists in relationship marketing literature, while the existing studies are not consistent across different environments. The present study will expand the empirical research on antecedents of relationship quality by testing key variables previously identified in literature in recognition to address these gaps in knowledge relating to relationship quality.

Various categories of factors have been found as antecedents of relationship quality. However, to the best of our knowledge, no single study has simultaneously investigated organizational, time and cost related factors and built a multivariate model of relationship quality. Therefore, the unique contribution of the present study

would be to assess the relative influence of organizational and cost related factors (such as participation in decision making, communication, switching cost and termination cost) by including and testing them simultaneously in this relationship qualitymodel. Simultaneous inclusion of antecedent variables sheds lights on their relative importance, especially benefitting in directing efforts towards enhancing relationship qualityin buyer-seller relationship. Thus, this study will contribute to the ever expanding stream of relationship marketing literature and issues on the influencing factors of relationship qualityby empirically testing and validating previous findings in retail settings.

While it is well established that enhancing relationship quality with their suppliers is mandatory for the retailers to develop synergy across the supply chains by increasing the collective market share by using suppliers resources and to have a positive effect on a firm's financial performances (Brandel, 2006; Luo, 1997), yet existing studies in this area do not empirically address the critical issues on the impact of relationship qualityon the retailer's loyalty toward their suppliers as the concept of loyalty has not been studied in the B2B context (Rauyruen, 2000). This lack of studies in this area has given rise to many unresolved issues with respect to the conceptualization and measurement of the perception of relationship qualityon loyalty formation (Parasuraman, 1998; Shellhase et al., 1999). Despite the fact that loyalty clearly had managerial implications, significant conceptual and empirical gaps remained in this area (Chaudhuri & Hollbrook, 2001; Lau & Lee, 1999; Oliver, 1999; Fournier & Yao, 1997), particularly the concept of loyalty in a B2B context has not been clearly explored (Caceres & Paparoidamis, 2007). An in-depth understanding of the impact

of relationship qualityupon loyalty should give a clearer theoretical perspective on which strategies to concentrate in ensuring retailer's loyalty toward their suppliers.

Studies on channel relationships have been centered on the western developed countries. Only recently have such research moved beyond this narrow confinement (Perumal, 2009). Hsiao et al. (2004) stated that the available western literature on relationship marketing, particularly on channel relationships, cannot completely portray the real scenario of Asian countries. Johnson et al. (1999) noted that research on distribution channels has focused almost exclusively in relationships within western cultures such as the USA, Scandinavia, Europe and Australia. In this account the researcher would like to point out the fact that majority of the previous researcheswere conducted on distributor- buyerrelationships in Western developed economies. For example, Johnson et al. (1993) investigated a Japanese distributor of US manufactured consumer products and Frazier and Rody (1999) studied inter-firm relationships in industrial product channel in Europe. Under this scenario Perumal (2009) questioned about the applicability of these studies universally across various countries. He also encouraged the progressive study of buyer/retailer-seller relationships on channel structures and application of their findings to other countries. Considering loyalty, Omar et al. (2010) stated that most of the past studies on loyalty programs were conducted within the US and the UK market and they also argued that the stability and applicability of past findings across different national/ settings remain largely untested. In recognition to that, Noordhoff et al. (2004) indicated that it would be fruitful to embark a study in Asian market. Under these circumstances the researcher considered it to be imperative to investigate and find out whether the same evidence exists within the context of retailer-supplier

relationships in Bangladesh.Based upon the finding of this study there would be a scope to establish and determine relationship structures in Bangladesh's retail industry and evaluate their consistency with the previous studies. This scenario clearly portraits the necessity to conduct the study while retailers are raising relationship quality issues with their suppliers in Bangladesh.

From the practical point of view,the proposed study can be considered as animportant tool for the development of retail industry in Asia in general and in the context of Bangladesh in particular, where not very much study has been carried before. Gosen et al. (2005) recommended further research on the possible interaction effects of organizational variables on quality outcomes in developing countries (ie; Bangladesh). Considering the scenario Geyskens et al. (1999) recommended to conduct additional theoretical as well as empirical studies in different industrial contexts (ie; retailer-supplier scenario). In addition to that Hennig-Thurau et al. (2002) acknowledged the serious research gap of relationship quality in the ever increasing global economical context and recommended it's explorationoutside the realm of the western developed countries to fill this gap. This study attempts to contribute to an expanding research stream that already included findings from USA, UK and by adding the Bangladesh perspectives. This is important to investigate these issues within the context of Bangladesh in response to the criticism that empirical findings gathered from the developed countries may not be consistent for developing countries, with the requirement for further research to show their applicability. The present study would like to fill this gap by conducting a relationship study byexploring antecedents of the quality of retailer-supplier relationships, as perceived by the retailers.

With regard to the practical contribution of the study, the scenario of the retail industry in Bangladesh should be taken into consideration. With ever increase in the population of the country and changes in the consumption pattern, retail industry of Bangladesh expanded. According to Ahmed and Chowdhury (2009) 23% of Bangladesh's GDP comes from wholesale and retail trade with a significant part of Bangladesh's employment coming from the retail sector (Hussain & Ara, 2004). The mindset of the retailers in Bangladesh can be explained through the comments of the US retailer Frank Budwey, whose family has been in the local retail business since 1922, owning Budwey's locations on Kenmore Avenue and in North Tonawanda. He quoted that "We have been fighting to stay alive against Tops and Wegmans and now here comes Wal-Mart. There is no new population coming into this area, so somebody has to go down". Competition in retail industry has been intense all over the world. The impact of giant retailers has been sometimes negative for the small time retailers. By recognizing such situation Fickinger in Tribune Business News Washington (2009) commented by saying- "You will see sweeping store closures and some bankruptcies". Under these circumstances retailers are keen to protect and enhance the quality of their relationships with their suppliers, more than ever before.

Retail industry in Bangladesh is in its embryonic stage. The volume of retail transactions is also big undoubtedly, however, the retail sector in Bangladesh is pre-dominantly informal or unorganized and there are no reasonable or comprehensive official data on the sector (Kibria, 2009). Hussain and Ara (2004) stated that the amount of market information on retail industry in Bangladesh is very low in number. Lack of data on the retail sector has motivated the researcher to undertake this study as a knowledge contribution to the existing retail literatures within the

context of Bangladesh. The retailers are already facing problems and challenges with their suppliers in different functional areas of business. World's leading retail company Wal Mart in its "Journal for International Sourcing" mentioned that "Wal Mart's procurement and sourcing systems have failed with suppliers in Bangladesh, China and other countries". Mignano (2008) stated that this pattern of negative force with the Bangladeshi suppliers have resulted in Wal Mart's inability to tackle the core problem with its suppliers in Bangladesh. Saleh (2008) emphasized about the necessity to investigate the distributor-seller commitment and its determinants by stating that the development country context remains unexplored in investigating the distributor-supplier commitment and its determinants in relationship quality.

Metro, Germany's leading retail giant, also faced serious relationship problems with Bangladeshi retail suppliers. Eckhard Cordes, the CEO of the Dusseldorf based firm admitted that there had been problems with the Bangladeshi suppliers. He quoted by saying "the suppliers in Bangladesh did not work according to our high and mandatory social standards, this was shown in an independent enquiry in 2005" (Disha Uppal, DWWORLD.DE, 2008). Swedish telecom retailer Ericsson promised swift action at factories operated by its Bangladeshi suppliers. Ericsson's Head of Communications Henry Stenson stated that the the poor conditions in Bangladesh are unacceptable and his company deeply regrets that they haven't had better internal inspections" (neurope.au, 2009). In his presentation at the Human Rights Watch Conference on 3rd March' 2008 at the Swiss Re Center for Global Dialogue in Ruschlikon, Mr. Herbert Bolliger (CEO of the number 1 Swiss retail company Migros) stated that "there are four countries which members of the BSCI actually regard as high risk countries: Bangladesh, Burma, North Korea and Colombia. We

will only enter into a business relationship with suppliers in these countries if a BSCI audit has been carried out beforehand". BSCI is "Business Social Compliance Initiative" which is now being accepted by more than 100 European retail companies who require their suppliers to comply with this standard (Federation of Migros Cooperatives -Zurich' 2008). World's leading retailers like TESCO and ASDA have also showed their overgrowing concern for their relationship with their Bangladeshi suppliers (www.Talking Retail' Dec, 2008).

From the methodological contribution's perspective, there has been no consensus existed concerning the constructs that form relationship quality (Kumar et al., 1995). There has been general agreement that customer satisfaction with the service provider's performance, trust in the service provider, and commitment to the relationship with the service provider firm are key components of relationship quality (Crosby et al., 1990; Dorcsh et al., 1998; Garbarino & Johnson, 1999; Smith, 1998). Nevertheless trust, commitment and satisfaction has been extensively examined in different contexts (Coote et al., 2003; Morgan & Hunt, 1994; Zineldin & Johnson, 2000), and findings are not conclusive in all research directions. Based upon these findings, the present study, would like to further validate the degree of influence of trust, commitment and satisfaction as relationship qualitydimensions in the retailer-supplier domain.

Furthermore, the application of the RELQUAL scale in retail industry can be a unique research proposition. It is a fact that relationships in an international context cross over national boundaries, which phenomenon is highly unlikely in the domestic context. Therefore these relationships get affected by the new social, cultural and

other environmental values and differences. Hence it would be important to test the RELQUAL scale in other international settings in order to assess its stability across different samples and contexts. Payan et al. (2009) and Lages et al. (2004) strongly recommended that the future researchers should test the measurement of the RELQUAL scale in other industrial settings (ie; retail) and replication of the study in different country or continental context (ie; Bangladesh & Asia) in order to continue refining and validating the scale. The present study fills this gap by applying the RELQUAL scale to measure the relationship quality between the retailers and their suppliers, within the third world context (ie; Bangladesh).

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter sheds light on the ideas ofrelationship marketing, particularlywithin the B2B setting. It will be followed by discussions on general concept of relationship quality and several factors that have been studied as antecedents of relationship quality. The antecedent variables chosen as the independent variables for this study will be discussed. Last but not the least, this chapter reviews a wide range of previous studies on the consequences of relationship quality and finally, the research framework and hypotheses will be proposed.

2.2 Relationship Marketing (RM)

There has been a major shift in the conception of marketing fundamentals. As the relationship marketing concept has developed there has been a movement away from the traditional adversarial transaction cost analysis approach to buyer supplier relationships,based upon cooperation (Wilson, 1995). The interaction and network approach of industrial marketing and modern services marketing approaches, especially by the Nordic schools, clearly views marketing as an interactive process in

a societal context where relationship building and management is a vital cornerstone. In the marketing mix paradigm (with its 4 Ps) the seller becomes the active part, while the buyer becomes passive. In this concept there exists no personalized relationship between the manufacturer and the marketers.This particular viewpoint does not explain or elaborate the reality of retail marketing requisites.

The concept of relationship marketing was first introduced by Berry (1983).He described the concept from the services marketing perspective.The major goals of RM in creating mutual benefits and values by reaching objectives for both the buyers and the sellers were agreed upon by other researchers. Gronroos (1990) defined Relationship Marketing (RM) by stating, "Relationship Marketing (RM) is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. This is achieved by mutual exchanges and fulfillment of promises". In the relationship marketing literature other researchers defined RM in the following manner:

a) "RM has the aim of building mutually satisfying long term relations with key parties-customers, suppliers, distributors- in order to earn and retain their businesses." (Patrick et al., 2007)
b) Baran et al. (2008) defined relationship marketing as an ongoing process of engaging in cooperative and collaborative activities and programs with immediate and end user customers to create or enhance mutual economic value at reduced cost, so that the objectives of all parties involved are met."
c) "RM involves the identification, specification, initiation, maintenance and dissolution of long term relationships with key customers and other parties,

through mutual exchange, fulfillment of promises and adherences to relationship norms to satisfy the objectives and enhance the experience of the parties concerned." (Malley, 1997)

Relationship marketing researchers have emphasized that relationships are partnerships. According to Ismail (2009) "The emphasis is on social bonding, co-operation, and joint problem solving, sharing resources and activities, and basing relationship on common goals while claiming that long term relationships are mutually beneficial". Rachjaibun (2007) defined the relationship marketing paradigm asa way to enhance customer satisfaction through the relationships. However the concept of managing relationships is not a new one in business.Without using the term relationship marketing most of the entrepreneurs built and managed their businesses. If we look into the historical perspective we will discover that in ancient trading, creating and maintaining relationships were given utmost importance.In the middle-east there is a very popular saying "As a merchant, you'd better have a friend in every town".

Relationship marketing has emerged as a major theme in marketing. Its central focus is the establishment, development and maintenance of relationships between exchange partners (Morgan & Hunt, 1994). This new marketing paradigm has a strategic meaning. Gummesson (2002) incorporated interactions, relationships and networking as basic elements of relationship marketing. Copulinsky and Wolf (1990) gave a more practical oriented definition of relationship marketing by stating that the process of relationship marketing creates a database including existing and potential

customers, approaching these customers using differentiated and customer specific information about them, and evaluating the life term value of every single customer relationship. Inter organizational relationship has been a major subject under studies within the doctrines of sales and marketing, distribution channel management, research and innovation, product and service management, and retailing (Regatz et al., 1997; Vlasmakis & Grooves, 1996).

The strategic implications of relationship marketing result in the versatilities of different kinds of relationships in the B2B settings, particularly in the retail arena. Lambert et al. (1996) categorized retailer-supplier partnerships in three types. Firstly they are planned and coordinated activities with partnership on a very limited basis and for a short term period. Secondly partnership included integration of business activities between retailers and suppliers, and thirdly partnership denoted an ongoing and stable integration with adequate significance. Mentzer et al. (2000) identified another kind of relationship which had operational partnering on one sideand strategic partnering on the other side.

The strategic variations of business partnerships led to the point where relationship marketing becomes a very important business phenomenon. The importance of relationship marketing has been recognized to a growing context over the years. Kotler (1991) stated that urgency of moving from short term transaction oriented goal to long term relationship building.He also stated that, “A paradigm shift, as used by Thomas Kuhn occurred when a field’s practitioners are not satisfied with the field’s explanatory variables or breadth. What I think we are witnessing today is a

movement away from a focus on exchange – in the narrow sense of transaction – and toward a focus on building value chain relationships and marketing networks.…we start thinking mostly about how to hold on to our existing customers…our thinking therefore is moving from a marketing mix focus to a relationship focus".

Therefore, over the years the critical conservativeness of marketing transaction paradigm observed and acknowledged a shift toward the relationship based marketing away from the transaction based marketing within different industrial settings (Gronroos, 1989; Wilson, 1995).

2.3 Relationship Quality (RQ)

The concept of relationship quality has arisen from theory and research in the field of relationship marketing (Crosby et al., 1990; Dwyer et al., 1987), in which the ultimate goal is to strengthen already strong relationships and to convert indifferent customers into loyal ones (Berry & Parasuraman, 1991).

Gummesson (1987) was the pioneer who introduced the concept of relationship quality to the academicians by defining the quality of interactions between thecompany and its consumers. There is no unified definition of relationship quality (Rauyruen & Miller, 2007; Robie et al., 1984). Gronroos (2000) defined relationship quality as the dynamics of long term quality formation in ongoing customer

relationships. He also suggested that from the customers' point of view relationship quality is the continuously developing quality perceptions over time. The term was further defined by Hennig-Thurau and Klee (1997) as the degree of appropriateness of a relationship to fulfill the needs of the customer associated with the relationship. Relationship quality was elaborated by Crosby et al. (1990) as a general evaluation of relationship strength and the extent to which a relationship meets the expectations of the exchanging parties, determined by the success or failure of their previous events.

Marketing and purchasing literature has given considerable amount of attention to buyer-supplier relationships (Olsen & Ellram, 1997). Relationship quality was termed as an assortment of intangible values that enhance the product or service, resulting in expected transactions between the buyers and the sellers (Levitt, 1986). Gummesson (1987) quoted relationship quality as the true quality of interaction between a buyersbeing interpreted in terms of accumulated value. Hennig et al. (1997) postulated that to fulfill the needs of the customer associated with the relationship quality is the degree of appropriateness. Smith (1998) defined relationship qualityas a tool for providing overall assessment of relationship strength meeting the expectations of both the buyers and the sellers, based on a history of successful or unsuccessful encounters or events. The overall depth and climate of inter-firm relationships was termed as relationship qualityby Johnson (1996).From the perspective oftimelineGronroos (2000) defined relationship qualityas the key dynamic element for forming long term quality in an ongoing customer relationship. Finally,in fine tuning distinction between service quality and relationship quality,

Roberts et al. (2003) postulated that relationship qualitydiffered significantly from service quality with a better prediction capability of behavioral intentions.

Retailer-supplier relationship works like a two way sword. It has an asymmetrical naturewithin itself. It also can create a “win-win” situation for both the parties. For example Bloom and Perry (2001) analyzed the data from 1988 to 1994 and surprisingly found out that there are opportunities for suppliers to become beneficiaries of Wal-Mart's power, not just be victim of this power. While small-share suppliers found it an attractive strategy to partner with Wal-Mart, to trade off initial financial suffering for the enjoyment of the fruits of the partnership later. Although the finding was about the retail giant like Walmart, yet it can be assumed from the statement that a supplier can also turn the quality of its business relationship with the retailer toward its favor, implicating its importance. Again the same echo of comment came out from Corsten and Kumar (2005) when they stated that small suppliers do benefit from collaborative relationships with large retailers. Moore (1993) argued that both high power firms and low power firms are now evolving into business ecosystems, which refer to the business systems formed by the interactions of firms and their environment. According to Moore (1993) firms, regardless of their powers, now ne*ed* to co-evolve with others in the ecosystem because firms share fates with each other in the ecosystem. Therefore from these discussions it can be concluded that the true form of relationship quality determined the level of commercial and business cohesiveness retailers and suppliers should had between them.

The quality of relationship between retailers and their suppliers, more or less, depended upon the different types of relationships they had. One type of retailer-supplier relationshipwas the transaction based relationships where companies conducted transactions on a one time basis. Other type of relationships wererepeated transactions, long term relationships, buyer-seller relationships, strategic alliances (ie; joint venture), network organizations and vertical integration (Webster, 1992). As an example,companies like The Limited, Benetton, and Giordanoare vertically integrated apparel retailers with both manufacturing and retailing operations. On the other hand retailers like Liz Claiborne havecooperative partnerships with suppliers for on time delivery of their products to the market place. So, it can be mentioned that based upon the different industry and sector representations relationship quality has been evolving over the years.

The dimensions of relationship quality have been considered for the proposed study is trust, satisfaction and commitment. These three dimensions have been described in the following paragraphs.

2.3.1 Trust

Trust is one of the most widely researched and accepted concept in relationship marketing (Dwyer et al., 1987; Ganesan, 1994), and hence has an important influence in the development of business relationship (Anderson & Weitz, 1989). Ulaga and Eggert (2006) stated that trust is a pivotal constituent of relationship

quality. Saura et al. (2009) postulated that for trust to become operational in B2B setting, parties needs to be vulnerable to a certain extent. They also mentioned about the existence of vulnerability between the interfirm exchange relationships because of the higher level of interdependency needed for achieving the desired results.

The researcher has decided to adapt this scale for the proposed study because trust is a behavioral intention that reflects some reliance upon the exchange partner. Therefore high level of trust makes sure that the firm focuses on the long-time benefits of the transactions (Doney & Cannon, 1997; Ganesan, 1994). Studies report that trust results from the expertise, reliability or intentionality of an exchange partner (Moorman et al., 1993). Parasuraman et al. (1985) introduced trust as a critical success factor in successful relationships while, customers need to feel safe in dealings with suppliers and need to be assured that their interaction is confidential in that they are able to trust their suppliers. Finally, Industrial Marketing and Purchasing Group viewed trust as central in their studies in relationship marketing (Ford, 1990; Hakansson, 1982). Therefore, we theorized that trust is a mandatory dimension of relationship quality.

2.3.2 Satisfaction

In a B2B context Geyskens et al. (1999) mentioned that an organization's transacting relationship with its exchange partners is portrayed with the positive affective state called satisfaction. In inter-organizational research satisfaction has been termed as an

important construct by Skinner et al. (1992). McNelly and Rust (1992) suggested that organizations will enjoy satisfaction in the relationships with their exchange partners because of perceptions of compatibility between organizations (Anderson & Narus, 1990). Davis (2006)defined satisfaction as the result of cognitive and affective evaluation, based upon total purchase and consumption with a pre-defined standards compared to the actually perceived performance. Dwyer and Oh (1987) suggested that the more satisfied buyers have higher quality of relationship with vendors. As opposed to that a customer who is dissatisfied a service provider cannot expect to have a good relationship with that provider (Rachjaibun, 2007).

Lages et al. (2005) considered satisfaction with a relationship to be a key dimension of relationship quality. Literature suggests that members of high quality relationships are more satisfied with roles assumed and performed by each of the two parties in the exchange process (Crosby et al., 1990). This definition is consistent with that of Anderson et al. (1994), who proposed that satisfaction is an overall evaluation based on long-term experience of purchasing and consuming a product or service. In fact, satisfaction has been considered one of the major factors determining relationship quality in many previous studies (Bejou et al., 1996; Crosby et al., 1990; Dorsch et al., 1998; Lagace et al., 1991; Roberts et al., 2003; Wray et al., 1994). When in a channel relationships one member's goals are largely contributed by another member, the second will consequently be more satisfied with the overall relationship with the first (Kumar et al., 1992). Hence, meeting or exceeding the performance goals results in satisfaction with the partner, and thus satisfaction is a close proxy for perceived relationship quality (Anderson & Narus, 1990). Retail researchers have examined channel members satisfaction from a variety of perspectives, but with no

common ground (Geyskens & Steenkamp, 2000; Lewis & Lambert, 1991; Ping Jr, 2003; Schul et al., 1985).

2.3.3 Commitment

In their premiere study in relationship marketing Dwyer et al. (1987) defined commitment as an implicit or explicit pledge of relational continuity between exchange partners. Another study by Morgan and Hunt (1994) suggested that commitment by a firm toward its exchange partner will be enhanced by maximum efforts, only when it will consider the relationship is of utmost importance. Based upon this rationale Wilson (1995) argued that commitment would only be compulsory in nurturing and strengthening buyer-seller relationship if both the exchanging partners can ensure maximum benefits by staying with each other.

Saura et al. (2009)mentioned aboutorganizational commitment as a very old and widely researched variable in the literature of organizational relationships. According to Gilliano and Bello (2002) if the channel members hold mutual commitment toward each other then this commitment can play the key role in achieving valuable outcomes. In B2B context commitment can be termed as a firm’s resolution to complete a task that it had promised to its business partner, although many differences of opinions remained in conceptualizing commitment by both the exchanging parties. Morgan and Hunt (1994) endured the desire to maintain the relationship because it reflects a committed partner who wants the relationship to

endure indefinitely and is willing to work at maintaining it. Thus, Wilson (1995) assured by stating that to enhance buyer-seller relationship commitment can play the leading role in making sure that both the exchanging partners can gain benefits from the relationship. He also mentioned that in due course of time commitment can be transformed into a relational norm with which both the exchanging parties can measure their relationship. Under these circumstances Ramaseshan et al. (2006) implied that strong commitment between the exchange partners will result in bringing high value and stronger benefit to the relationship in the future.

2.4 Antecedents of relationship quality

A review of work in the area of relationship quality indicates that a substantial number of studies have examined the antecedents of relationship quality (Athanossopolou, 2008; Papassapa & Miller, 2007; Lin & Ding, 2006; Ndubisi, 2006; Carr, 2006; Huang & Chiu, 2006; Leonidou et al., 2006; Ulaga & Egert, 2006; Bennett & Barkesjo, 2005). All these studies focused on different organizational, time and cost related factors (Cheng et al., 2008; Lin & Tseng, 2006; Parsons, 2002; Ruyter et al., 2001; Zineldin & Jonsson, 2000; Sharma & Patterson, 2000).

In recent years Rajaobelina and Bergeron (2009) investigated client's knowledge, sellers' customer orientation, domain expertise and buyer-seller similarity as antecedents of relationship quality. In their study all, except buyer-seller similarity, showed positive relationship with relationship quality. Athanassopolou (2008) conducted a case study in establishing relationships between quality of the offer,

servicescape, providers' reputation, relationship duration, and the power of entertainment to relationship quality. She agreed with previous research on relationship qualityand presented few unique concepts, applicable for athletic services. She observed that the behaviors of customers and employees were related to the dimensions of relationship quality(Huntley, 2006; Farrelly & Quester, 2005; and Venetis & Ghauri, 2004). She established the fact thata few antecedents of relationship qualitylike the quality of the offer and the role of the servicescape became an antecedent to the elements of service quality (Wong & Sohal, 2002; Roberts et al., 2003; Venetis & Ghauri, 2004). In her thesis she also proved that duration of relationships influenced the quality of different types of relationships (Friman et al., 2002; Scanlan & McPhail, 2000; Doney & Cannon, 1997; and Smith, 1998).She recommended for future validation of her findings through empirical research. Lin and Ding (2006) studied expertise, selling behavior, network quality and service recovery as antecedents of relationship qualityin the IT sector. In their study the issue of gender acceptability in determining relationship qualitybecame prominent.

In the banking industry, Ndubisi (2006) proved that overall customer satisfaction could predict relationship qualityas bank employees could create quality relationships with customers by satisfying them in deed and in speech. Ulaga and Eggert (2004) explored the integration of performance based measures such as relationship value into relationship quality. Bennett and Barkensjo (2004) investigated the quality of charitable organization's relationship marketing upon relationship qualityand concluded that possessing exceptionally good relationship marketing impacted significantly upon relationship quality, leading to a positive

word of mouth. Parker and Bridson (2002) examined the impact of organizational antecedents upon relationship qualityand confirmed that the buyer-supplier relationship characteristics, organizational antecedents and performance outcomes have previously been examined in isolation or in association with other variables to develop causal relationships. They also mentioned thatthese variables provided a holistic conceptual examination of the forces at play within a complex environment such as Australian fresh produce industry and concluded that further investigation of these variables would be necessary to determine relationship quality.

However, despite the extensive studies undertaken, results of these studies indicate that the antecedent factors being analyzed were inconclusive, and tend to vary across different industry settings (Rajaobelina & Bergeron, 2009). Greater understanding of relationship quality recognizes the need to bridge these knowledge gaps as it would enable both buyers and suppliers to establish antecedents for the development of relationships and those attributes that are preferred from both the parties to enhance the relationship (Parker & Bridson, 2002). With the objectives of answering these calls, the proposed study investigates antecedents of relationship quality.

2.4.1 Organizational factors

The independent variables of this study have been categorized as organizational and cost factors. Zihaly (2001) defined organizational factors as factors in the enterprise those have an influence on the level of organizational culture, motivation, and employees skills, leading to the quality of the relationships. These are the factors those affect the organization and the environment it operates within. Participation in

decision making and communication are the factors those directly affect the level of channel relationships, ultimately affecting organizational culture.

2.4.1.1 Participation in decision making

The first organizational factor to be considered as an antecedent to relationship qualityin this study is participation in decision making. The important role of participation in decision making between the buyers and the sellers has been the subject of numerous studies (Lin & Tseng, 2006; Sheu et al., 2006; Chang et al., 2003; Dreu & West, 2001). Participation in decision making is defined as two or more chain members working together to create a competitive advantage through sharing information, making joint decisions, and sharing benefits which results from greater profitability of satisfying customer needs than acting alone (Simatupang & Sridharan, 2002). Sheu et al. (2006) mentioned that participation in decision making has been a good indicator of successful relationships. In buyer-seller relationship it has been evident that the functional conflicts of inter-organizational relationships were reduced by participation in decision making, ultimately leading to the improvement of inter-organizational relationship quality (Henderson, 1990; Lee & Kim, 1999).

Participation in decision making stimulated the exchange and integration of information (Stasser & Titus, 1987), simultaneously reducing resistance to change and facilitating team members' commitment to team decisions (King et al., 1992). Participation also fosters learning through the acquisitions, sharing, and combining knowledge (Edmondson, 1999). Latham et al. (1994) stated that participative

decision making had a positive effect on organizational performance, because with greater participation in decision making business entities seem to perform more efficiently (Walker & Reukert, 1987). These statements depict the importance vis-à-vis the urgency of incorporating participation in decision making as an antecedent of relationship qualityin this study.

A participative supplier–retailer relationship may play a leading role in building a participative retailing environment where a retailer can look for guidance from its suppliers and ensures desired outcomes from the suppliers end (Chang et al., 2003). Retail is a business where the providers work directly with the end users. As a consequence of that specifically knowing the customer's wants and needs are a prerequisite for retailer'scommercial success. A retailer's attention to the market will directly affect how effectively it serves its customers and its overall business performance, as a performance oriented supplier requires its retailer to be customer oriented by attending to customer's needs and providing superior services to the customers (Chang et al., 2003). So participation by both the retailers and the suppliers in making decisions can become a strategic tool for the retailers in gaining customer satisfaction, leading to customer loyalty.

As the exchange partners have trust on each other, through the process they build confidence upon the trust worthy partner to be depended upon (Morgan & Hunt, 1994). It has been argued that participation in decision making generated the social support needed for new ideas to be pursued and implemented (Mumford & Gustafson, 1988). Therefore the research literature suggested that participation in

decision making has been critical for a team's ability to turn new ideas and individually held knowledge into innovative procedures, services and products (Dreu & West, 2001), all of which are critical factors in retailing success.

Dwyer et al. (1987) first applied participation in decision making as a relationship quality antecedent and found positive relationship with relationship quality, confirming that within the B2B domain participation in decision making can surely play a crucial role in enhancing relationship quality. Based upon previous market research literatures, Deshpande and Zaltman (1982) denoted that participation in decision making had positively influenced information sharing and utilization by including, suppliers encouragement of ideas, suggestions, opinions, involvement in decision making, consultation, and appreciation of concerns (Dwyer & Oh, 1987).

Despite the importance of participation in decision making in determining relationship quality, its study in the third world country has been neglected over the years. Most of the studies involving participation in decision making were conducted in industries and countries like automotive industry in USA (Chang et al., 2003; Dwyer & Oh, 1987), supply chain professionals in New Zealand (Simatupang & Sridharan, 2004); postal service members in The Netherlands (Dreu & West, 2001), industrial and green manufacturing firms in Taiwan (Lin & Tseng, 2006; Cheng et al., 2008), while participation in decision making by all the parties has been one of the main strategic elements in Asian countries (Bass et al., 1995). These circumstances warranted the inclusion of participation in decision making as an

antecedent to relationship qualityin the proposed retailer-supplier relationship quality study.

Previous researchers recommended the inclusion of participation in decision making in determining relationship quality. Pfeffer (1994) argued that by widening the circle of people who participate in making decisions, organizations can achieve competitive advantagesby sharing information between the exchange partners. Selnes (1998) suggested that future research should explore relationship marketing in the perspective of participation in decision making. Recently, Athanassopolou (2009) has confirmed that participation in decision making has been applied as an antecedent to relationship quality only once (i.e; Dwyer & Oh, 1987) over the years. Whereas the importance of participation in decision making in the retail industry has been great, as participative retailer-supplier relationship plays a major role in building a participative retailing environment encouraging the retailer's participation in decision makingfrom its suppliers to enhance the long term and value added relationships ensuring organizational performance (Chang et al., 2003).

Ashmos et al. (1998) and Tracey and Tan (2001) elaborated the concept of supply chain member participation strategy by emphasizing greater involvement of suppliers in particular. Research suggested that managing supplier involvement well can lead to better supplier performance, improved manufacturing, and product and process advancement that in turn enhance customer service and firm performance (Vonderembse & Tracey, 1999; Shin et al., 2000). In previous relationship marketing studies it has been indicated that to ensure its success the organization needs to

actively concentrate on developing enhanced supplier participation (Narasimhan & Das, 1999; Vicekery et al., 2003; Neubert et al., 2004; Gunasekaran & Ngai, 2004). Based upon the importance of incorporating participation in decision making between the retailers and their suppliers along with the scarcity of its application in determining relationship quality in the B2B setting, it has been considered as an antecedent in this proposed study.

2.4.1.2 Communication

Communication has been defined as the ability to exchange information and ideas with business partners fostering cooperation and trust in relationships (Perrien & Ricard, 1995). Marketing literature has acknowledged the importance of researching communicationas Weick (1987) identified communication as the essence of the organization.

A substantial number of studies (Lages et al., 2005; Kim et al., 2001; Kiang et al., 2000; Peterson et al., 1997) conducted on potential antecedents of relationship quality demonstrated a significant influence of communication on the level of relationship quality in the buyer-seller domain. Studies have shown that communication plays a crucial role in building relationship quality between buyers and sellers. Athanassopolou (2006) stated the importance of communication as an antecedent of relationship quality by mentioning that communication plays a very important role in determining successful relationships. Peterson et al. (1997) reported that communication between buyers and sellers provided information about the

availability and characteristics of seller's products and services to prospective buyers. This suggests that the better flow of communication ultimately enhanced the transaction process leading to a quality relationship between the buyers and the sellers.

The necessary role of communication in building buyer-seller relationship is further demonstrated by Cetindamar et al. (2005). They highlighted the important role of communication as an essential pre-requisite to generate relationship quality between buyers and sellers. They postulated that in a retailer-supplier relationship establishing communication mechanism ensured effective management of collaboration between the partners by building trust and sharing knowledge, which are essential for their business success. Similarly Lages et al. (2004) stated that frequent, considerable, confidential and strategic exchange of information between buyers and sellers can strengthen relationship quality. Thus it can be argued that communication can enhance the capability to judge the relationship quality between buyers and sellers, which can ultimately benefit the organizations by sharing useful business information to develop business transactions.

The importance of communication in determining relationship quality has been widely recognized in relationship marketing. Weick (1987) mentioned communication as an essence of the organizations, while an open and trustworthy communication are essential to positive interactions while breakdown in relationships can be caused by a lack of understanding and knowledge of each partner's business and market. Communication is denoted as a very important element in making inter-firm exchanges successful. Like Bleeke and Ernst (1993)

postulated that without good and frequent communication it is highly unlikely that a carefully designed relationship will sustain on a long run. On the other hand, Etgar (1979) postulated that inefficient communication may lead to inter-firm conflicts, as a result of misinterpretation and reciprocal dissatisfaction.

Between various channel and distribution companies' communication has been a necessary element over the years.Mohr and Nevin (1990) termed communication as anadhesive that keeps channelsof distribution together. Frazier and Summers (1984) denoted communication as the process that enhanced the transmission of persuasive information between organizations, whilethrough this organizations fosteredparticipative decision-making and coordinated their inter firm commercial programs (Anderson & Narus, 1990).

The role of communication between two parties is of that of a bridge as communication linked the individual with the organization itself.Based upon this it can be stated that communication is critical for organizational success as it highlightedmajor aspects of organizational functioning (Kapp & Barnett, 1983; and Mohr & Nevin, 1990). Therefore in building relationship quality communication is valued as an imperative element.

Generally, it can be concluded that communication plays a pivotal role in determining relationship quality in a B2B setting. Parker and Bridson (2002) stated the urgency to include communication in determining relationship quality while they mentioned that communication is crucial to the buyer –supplier relationship, as without it there can be no relationship. In a B2B setting Calantone and Schatzel

(2000) re-confirmed that organizations spent their managerial and financial resources in maintaining and developing communication channels, ultimately building these as theprimary beneficial factors toward a strong relationship. Thus it can be summarized that communication has a very important and demanding role in enhancing organizational relationship quality.

2.4.2 Cost factors

According to BusinesDirectory.com (2010) cost factors are valuations in terms of money of (1) effort, (2) material, (3) time consumed, (4) risk incurred, and (5) opportunity foregone. Ruyter et al. (2001) supported the same definition for determining cost factors as antecedents of relationship quality.

2.4.2.1 Relationship termination cost

Bennet (2010) defined cost as the total money, time and resources associated with a purchase or activity. Parsons (1997) defined relationship termination cost as the cost of ending the relationship with an exchange partner. The amount of investments in the relationship influences the termination costs.

Morgan and Hunt (1994) mentioned that termination cost resulted from the perceived lack of comparable potential alternative partners, relationship dissolution expenses, and/or substantial switching costs. These expected termination costs portray an ongoing relationship as important, ultimately strengthening the quality of the

relationship.With the term "expected" it is perceived that businesses relationships within the B2B context have the characteristics of uncertainty and risk.Under these circumstances, as the termination costs that are actually very high, a business partner might remain unaware of this truth and not consider enhancing the quality of his relationship with his trading partner.As opposed to that he may face a very low total costs and unfoundedly might fear being terminated and more involved with the relationship, in the long run strengthening the quality of the relationship. Under these circumstances Heide and John (1988) and Jackson (1985) assumed that a terminated party will seek an alternative relationship leading to over dependence. Such costs are exacerbated by idiosyncratic investments, that is, investments that are difficult to switch to another relationship (Heide & John 1988). Based upon the discussion above it can be concluded that the expectation of total terminations costs enhances relationship quality.

Friman et al. (2002) analyzed and posited that in a B2B setting the relationship between the buyer and the seller should be ended as soon as the benefits are no longer expected. They also mentioned that the anticipation of termination cost seems to increase the interest in maintaining the relationships. Zineldin and Jonsson (2000) mentioned that if supplier-dealer relationships are substantial, they are not easy to change quickly and changes are likely to incur significant costs both in disruption and in developing new relationships, while a common assumption in the relationship literature portrays that a terminated party will look for the next available alternative and incur additional costs to procure one. Persons (1997) stated that relationship termination cost referred to the cost of ending the relationship with an exchange partner. He also mentioned that termination costs were influenced by the amount of

investments in the relationship while Wilson (1995) emphasized about the importance of termination cost in relationship quality by mentioning the investments in capital improvements, trainings and equipment-could not be recovered from a terminated relationship. Friman et al. (2000) stated that in a business to business relationship one party provides another with resources and support, while in exchange the other party contributes monetary rewards.

If the interdependence between buyer and seller is high, the cost of ending the relationship may be high too (Pardo & Salle, 1994). As in a B2B context the more the buyer depends upon his suppliers for products and services, the more his organizational resources are deployed in successfully maintaining the relationship. In the case of termination of this relationship the buyer loses far more than losing this relationship, he loses all his tangible and intangible investments with this supplier over the years. Morgan and Hunt (1994) confirmed that it is certainly possible that no change of business partnership would occur after the relationship dissolves. As an example the situation of a terminated distributor or supplier might be considered. Once the relationship is terminated he may decide (willingly or unwillingly) to discontinue carrying the product lines, even though an alternative relationship is yet to be established. In this situation there nevertheless will be costs incurred from termination.

Morgan and Hunt (1994) first tested this variable as an antecedent to relationship quality and found positive relationship confirming the idea that expected termination cost led to an ongoing relationship. Anderson and Weitz (1989) also found that as the

stakes increased in relationship, the relationship is less likely to be terminated. Zineldin and Jonsson ((2000) proved that relationship termination costs led to higher quality of relationships between the Swedish lumber dealers and their suppliers. Ping (1997) also found that increasing termination cost of the distributors ultimately affected their relationship quality with their suppliers.

Previous researchers have considered relationship termination cost as an antecedent to relationship quality in industries like automobile distributors (Morgan & Hunt, 1994), service entrepreneurs (Friman et al., 2002), purchasing managers (Parsons, 1997), and national lumber dealers (Zineldin & Jonsson ,2000) but, to the best of our knowledge, it has never been tested in the retailer-supplier domain before. Furthermore this variable has been tested in several western countries such as USA (Morgan & Hunt, 1994; Ping, 1997) and Sweden, Australia and UK (Friman et al., 2002) and none were conducted in any third world context. As majority of these previous studies have been conducted in western developed countries, their consistency and applicability in another third world country (i.e; Bangladesh) can be a relevant extension of knowledge. Therefore to fill this gap, relationship termination cost is chosen as a potential antecedent of relationship quality to be investigated in the present study.

2.4.2.2 Switching cost

Switching cost is a critical issue for retailers who prefer to change their suppliers. Ina situation of high switching costs, dissatisfied customers are forced to stay with the

service provider. Staying with the same supplier may discourage the retailer from recommending the supplier to other retailers or encourage the retailer to make negative comments to the supplier. In contrast, in a situation of low switching costs, a dissatisfied customer may switch to another supplier at any time (Lam et al., 2004). Jones et al. (2007) defined switching cost as the sacrifices or penalties consumers feel they may incur in moving from one provider to another. Switching costs are closely related with the change of providers, as they might not always incur immediately upon switching (Meng & Elliott, 2006). So it can be stated that the highly anticipated switching costs may lead to an ongoing relationship being viewed as important, thus producing strong quality of existing relationships between the buyers and the sellers.

As an antecedent to relationship qualityswitching cost has been selected in the proposed study.Burnham et al. (2003) stated that switching costs involved psychological or emotional inconveniences because of the loss of identity and breaking of bonds between exchange partners.They also identified that itconsisted of personal relationship loss and brand relationship costs.Researchers in relationship marketing have argued that by leading to better customer retention and creating advantages for the firms,switching costs createdpositive relationship outcomes for both the buyers and their sellers (Vasudevan et al., 2006). Dwyer et al. (1987) observed due to switching cost an alteration is made in supplier's business setting up costs with their buyers/dealers. Vasudevan et al. (2006) mentioned that the cost of finding an alternative replacement supplier, who can provide the same or better performance than the current supplier, defined switching cost. Barry et al. (2008) postulated that switching cost are the costs that deter customers from changing to a

competitors service. Switching costs are the costs of changing from one supplier to another. On the same connotation switching cost is defined as the additional costs required to terminate a current relationship and securing an alternative (Ping, 1993; Sharma & Patterson, 2000; Yanamandram & White, 2006). Vasudevan et al. (2006) mentioned the importance of switching cost by stating that exiting from a relationship means losing a friendly and comfortable association, which can be detrimental for the buyers/retailers.

Recently the concept of switching cost has been expanded to apply to marketing relationship strategy context (Rachjaibun, 2007). Lee and Cunningham (2001) postulated that the costs of acquiring information about other possible service providers, perception of the customers of risk in selecting a new provider, and the possibility to travel further to get a new service provider portrayed switching costs for the company. Dwyer et al. (1987) postulatedthat the buyer's anticipation of high switching costs gave rise to the buyer's interest in maintaining a quality relationship. Switching cost may include the psychological and emotional cost of becoming a customer of a new firm (Kim et al., 2003). Jackson (1985) described switching cost as the costs experienced by the buyers when they switched vendors or suppliers by observing that in considering possible changes from one firm to another, a buyer would consider the relative switching costs of the available choices. In terminating the running relationship and acquiring an alternative one Porter (1980) conceptualized switching cost as an additional cost with it’s perception of magnitude, while Dick and Basu (1994) stated that the domain of switching cost is comprised of both financial and non financial costs also. In addition to that Sharma and Patterson (2000) concluded that switching cost also involved psychological and emotional

costs. This domain included the loss of loyalty benefits as a result of ending a relationship (Rachjaibun, 2007).

Storbacka et al. (1994) stated that when a party starts up a new business relationship a significant amount of his effort, time and money is deployed in building the relationship. This creates a considerable barrier to the dissatisfied buyer from taking any action against the suppler.In the same way Lee (2001) defined mentioned that the cost incurred by changing providers would not incur if the buyer stayed with their current provider. The costs of acquiring information about alternative suppliers, the buyer's perceptions of risk in selecting a new supplier, and the probability to explore more to get a new supplier have been identified as key components of switching cost by Lee and Cunningham (2001). Similarly Lee (2001) defined switching cost as the costs that the customers need to pay for changing providers that they would not incur if they would have stayed with their current provider. Under these circumstances due to the high switching costs Ping (1993) termed the decision to leave an ongoing relationship as "complicated". In addition to that, Ping (1994) and Porter (1980) also suggested that a relationship may continue because of the buyer perceiving the potential switching cost to be very high, even if the relationship is not a satisfactory one.

Thiabut and Kelly (1959) postulated that for the continuance of a current relationship the perception of possible searching costs, to be incurred for the determination of a new supplier, plays a crucial role.The same way Sharma and Patterson (2000) narrated that switching cost can sometimes be considered as the perceptionof the

“Devil you know is better than the devil you don’t”. According to Bloom et al. (1978) through this process the buyer avoids the upcoming psychological stressand the uncertainty associated with that. Porter (1980) explained this dilemma by mentioning that for a relationship which is not working, switching cost may act as a barrier for both the parties to exit. These obstacles of switching,in the long run motivate a buyer or a retailer to continue with the current relationship, although the relationship may seem imperfect.

From an overall perspective majority of the previous studies found switching cost to have a positive relationship with relationship quality. Patterson and Smith (2001) observed positive relationship between switching cost and relationship quality. Sharland (1997) established switching cost as a significant determinant to maintain relationship quality among outsourcing professionals. Similarly, Caruana (2004) also established positive relationship between switching cost and relationship quality. Yang and Patterson (2004) as well as Ruyter et al. (2001) examined the effects of switching cost on relationship quality and found positive relationship between them. In the same context Vein et al. (2004) developed a conceptual framework linking relationship qualityand switching cost constructs in a B2B service setting and proved their positive relationship. Because of the high switching cost Gronhaug and Gilly (1991) argued that dissatisfied customers may even remain loyal because of high switching costs. Vasudevan et al. (2006) confirmed the positive relationship between switching cost and the relationship quality in the Indian manufacturing context. Sharma and Patterson (2000) confirmed that switching cost acted as an independent variable to relationship quality with positive relation.

However in some cases, switching cost has been found to deliver mixed results to relationship quality. Meng and Elliott (2006) and Burnham et al. (2003) did not found any relationship of switching cost with relationship quality. Burnham et al. (2003) observed that sometimes dissatisfied buyers did not switch to alternative suppliers. This scenario prevailed in the situations when the switching costs were too high for the buyers. Based upon these findings, Vasudevan et al. (2006) commented that the dissatisfied firms could still maintain relationship with the suppliers, provided it could manage the switching costs. So when the switching cost becomes high for the customer or the buyer, he has to think about not making the decision to switch from the existing supplier to a new one. Because in this case it would not be a cost effective decision as the return from the alternative supplier might be lower than the previous supplier. Consequently this decision brings detrimental impact upon the cost figures of the company, leading to a more cohesive approach toward the existing supplier, ultimately enhancing the relationship quality.

Apart from no relationships in the previous studies, one study found the role of switching cost upon relationship quality to be insignificant. In their study on hotel industry Bowen and Shoemaker (2003) proved that switching cost had insignificant impact upon relationship quality. These mixed and inconsistent findings in the relationship marketing literature have given rise to the question that whether switching cost will produce positive relationships between the retailers and their suppliers or not, particularly in a third world context? To fill this research gap, this study will consider switching cost as an antecedent to relationship quality.

Switching cost is a factor that holds high potential in ascribing relationship quality. Although there have been numerous studies to explore the relationship between switching cost and relationship quality, unfortunately the results produced were inconsistent. Rachjaibun (2007) and Crosby et al. (1990) also recommended incorporating switching cost as an antecedent to relationship quality and establishingits relationship with relationship quality. Therefore, switching cost is chosen as a potential antecedent of relationship quality to be investigated in the present study.

Switching cost include psychological and emotional cost of becoming a customer of a new firm (Kim et al., 2003; Sharma & Patterson, 2000; Yamandaram & White, 2006). The domain of switching cost has been comprised of both monetary and non-monetary costs (Dick & Basu, 1994) while, this domain included loss of loyalty as a result of ending a relationship (Rachjaibun, 2007).

2.5 Loyalty as a consequence to relationship quality

Besides the antecedents of relationship quality, another area in relationship quality studies that generated much interest is the consequences of relationship quality.

From the organizational perspective there have been several outcomes of relationship quality. Fynes et al's. (2004) study resulted in components like supply chain performance. Lages et al. (2005) established export performance (Lages et al., 2005); while Woo and Ennew (2004) and Bennett and Barkensjo (2005) found service

quality as consequences of relationship quality. Crosby et al.(1990) and Boles et al. (2000) found sales effectiveness and Huntley (2006) established increase in sales as a consequence of relationship quality. Storbacka et al. (1994), Scanlan and McPhail (2000) and Friman et al. (2002) proved relationship longevity as an outcome of relationship quality. On the other hand increased perceived service quality came out in the studies by Woo and Ennew (2004) and Bennett and Barkensjo (2005).

Lin and Ding (2009) found that relationship qualitysignificantly and positively influenced loyalty, while relational selling behavior, perceived network quality and service recovery simultaneously influenced relationship qualityre-establishing Bhattacherjee's (2001) findings that information services determined continuance with user satisfaction. Bennett and Barkensjo (2005) found out those organizations which were excellent in listening to clients and which interacted with clients in such a manner as to make them feel valued, wanted and part of the organization, were regarded as possessing exceptionally good relationship marketing, leading to higher recommendation for future business as well as positive word of mouth. Woo and Ennew (2004) proved that the probability of continued exchange within the buyer-seller domain was determined with relationship quality, ultimately ensuring service quality within the organization. The strong and direct impact of relationship quality upon organization's word of mouth communication was established by Hennig-Thurau et al. (2002). In addition to these streams of consequences of relationship quality, de Ruyter et al. (2001) established that in the market for high technology products and services, relationship quality ultimately led to buyer's loyalty intentions. In their study Boles et al. (2000) postulated that relationship quality was a

successful predictor of salesperson effectiveness among the communication professionals.

The consequences of relationship qualitywere different because of the relationship of the parties under question and the nature of the industries as Athanassopolou (2008) mentioned that these variables were related to the parties in relationship, the relationship traits and product attributes. This versatility of consequences of relationship quality has led to the question of identification and selection of the most appropriate consequence of relationship quality(Rajaobelina & Bergeron, 2009).

The importance of loyalty has been well documented in previous studies in relationship marketing. Yee (2008) postulated that loyalty has been considered and recognized as the most important factor holding positive effects on company's profit and ensuring loyal customer base. Bodet (2008) stated that customer loyalty became an essential concern and a strategic obsession for many professionals in the B2B sector, while Heskett (2002) pointed loyalty as the "sine qua non of an effective business strategy". In his study Saura et al. (2009) found out that loyal customers take cooperative actions resulting in mutual benefits for both the exchanging parties and increasing competitiveness and reducing transaction costs.

Gummesson (1997) in his earlier study found compelling evidence to suggest that the main reason why businesses lose loyalty of their customers is that they simply do not pay sufficient attention to their relationship with their customers. While transaction customers are highly volatile and have little loyalty, relationship customers have far more potential for loyalty as they are often prepared to pay a premium price for a range of reliable goods and services (Newell, 2000). Chen (2007) identified loyalty

as a golden rule of business and mentioned that it holds the key to long term profitability.

In a B2B context, Day and Wensley (1983) stated that by developing relationships with their customers, suppliers added to the differentiation of their products and give customers a reason to remain loyal. Ismail (2009) emphasized the importance of considering loyalty in a B2B setting by stating that retaining loyal customers was less cost intensive than gaining new ones and that expenses for customer care decreased during later phase of the relationship in life cycle due to the growing expertise of the experienced customers. Rauryen (2007) postulated the importance of incorporating loyalty in relationship qualitystudy by confirming that relationship quality could influence customer loyalty. Retaining existing customers rather than expensively seeking new ones can have a major impact on profitability because Bowen and Shoemaker (2003) stated that a small increase in loyal customers could result in substantial increase in profitability.

It is predicted that Relationship Quality has influence upon loyalty and by enhancing and maintaining relationship quality organizations can attain customer loyalty and ensure high level of profitability (Baran et al., 2008; Woo & Ennew, 2004). Researchers considered loyalty as an essential element of the research model in the B2B setting, as it highlights the need whether to build up customer loyalty as the need for better quality of relationships (Yee, 2008). Yee (2008) also mentioned that a key elementof relationship marketing is enhancingcustomer loyalty by developing continuous relationship with the customers. In an organizational setup, Zineldin (2006) postulated that a company benefits from customer's loyal behavior while loyalty is a relative set of mind precluding to some other suppliers, as a customer

could be loyal to more than one competing supplier at a single point of time. Fassott (2004) confirmed the positive relationship of relationship quality and loyalty in an e-retailing context. Ling and Ding (2006) proved that relationship quality positively influenced loyalty while this finding was re-confirmed by Rauryen (2007). The loss of loyalty had been recorded as a consequence off ending relationship by Rachjaibun (2007). In explaining the requirements of relationship quality Wong and Sohal (2002) emphasized the importance of relationship quality upon loyalty. In the hotel and airline industries Pritchard et al. (1999) observed strong ties between relationship quality, as an antecedent,and loyalty. Athanassopolou (2006) suggested that future researchers should measure the impact of factors (ie; loyalty) upon relationship quality.

While studies discussed above found positive results regarding relationship quality and loyalty, there are also studies producing inconclusive findings. For example, Zineldin (2006) stated that in a B2B setting satisfied customers were not necessarily always loyal customer. After satisfied customers purchased from a company once, next time they had a natural incentive to buy from the same again, rather from the competitors. Storbacka et al. (1994)found that long term relationships did not necessarily required positive commitment from the customers and this distinction was important as it challenged the idea that customer satisfaction led to long lusting relationships. Their findings supported the study by Storbacka and Luukinen (1994), where in a study of retail banking, customer satisfaction was higher among the most unprofitable customers in the customer base. They also postulated that relationship quality seemed to be a function of the relationship volume too.

On the other hand, Doney and Cannon (1997) found that relationship quality was not related to supplier's choice in maintaining loyalty. This is because the level of trust differed between selected and unselected suppliers, as trust did not explain any additional variance in purchase choice after controlling for previous experience with the supplier and supplier performance. The direct influence of trust on loyalty has been questioned by Grayson and Ambler (1999), while Ball et al. (2004) criticized the relationship between trust and loyalty by mentioning that trust-loyalty relationship may be weak in some markets or industry as suppliers' loyalty differed from one industry sector to another. Davis (2006) found negative relationship between satisfaction and loyalty as satisfaction did not automatically translate into loyalty as satisfaction failed to generate further purchase behavior. DelVachhio (1998) found in a sales personnel study relationship quality did not have a direct affect upon loyalty as the sales people apparently were more influenced by what he or she received rather than what he or she contributed. Yen et al. (2009) did his study on tourism industry and found that, with regard to trust, satisfaction and commitment, loyalty was driven by commitment only as the visitors revisited much often and spend more budgets with a service provider when they committed to a relationship with this service provider. Their loyalty was not significantly driven by trust and satisfaction as it was controlled by lower switching cost and more attractive attractions. Saura et al. (2009) supported the previous findings by Tian et al. (2008), Shabbir et al. (2007) and Ulaga and Eggert (2006) confirming that satisfaction and commitment positively influenced loyalty, but trust did not. Their research showed as satisfaction and commitment had impact on intention to continue and expand business with the suppliers, they could be considered as major factors. This way both the buyers and the sellers were benefited bybuilding a sustained relationships as their

sales and profits enhanced, ultimatelyleading to increased opportunities for potential business growth.

Literatures, thus far, have established the fact that the nature of relationship quality and loyalty is still inconclusive and under research (Lem et al., 2004;Srideshmukh et al., 2002), and therefore warrants further studies. Since this study involved retailers as the unit of analysis and together with the fact that loyalty is a critical issue in retail industry (Lin & Ding, 2006), it is therefore imperative that empirical research be conducted on issues regarding relationship quality and customer loyalty.

2.6 Relationship duration as a moderator between RQ and Loyalty

Dorsch et al. (1998) defined relationship duration as the number of years the customer-vendor relationship exists. Heide and John (1990) and Mohr and Speckman (1994) suggested that the historical length of a relationship increases continuity of expectations, which in turn, increases the level of cooperation in terms of coordination and joint problem solving. Relationship duration has been of interest to relationship marketing researchers for some years now. In a number of studies the effect of duration of relationship on the level of relationship qualityhas been examined (Anderson & Weitz, 1989; Doney & Cannon, 1997; Ganesan, 1994; Kumar et al., 1995). Only recently have studies investigated the moderating effect of relationship duration on the effects that relational construct like relationship qualityhas on relationship outcomes (ie; Loyalty) (Verhoef et al., 2002). These moderating effects are of particular interest from a theoretical and managerial perspective.

There have been numerous studies attempted to determine and measure the influence of relationship duration on relationship quality (Athanassopolou, 2008; Smith, 1998; Doney &Cannon, 1997; Ping, 1997; Bejou et al., 1996). Capabilities to create competitive advantages are internally developed in a firm over a longer period of time (Barney, 1991), while many proactive managers took advantages of partnering with suppliers and distributors in the value chain to create competitive advantages (Saleh, 2008).Moreover, a study on the moderating effects relationship duration might suggest explanations for diverging findings with regard to the effect of relational constructs (Gruen et al., 2000; Verbeke et al., 1999). From the point of view of management, knowledge on relationships can help managers to develop specific strategies. Gaining such knowledge is relatively easy since customer's information files can be used to determine their age of relationship with the organization (Verhoef et al., 2002).

Several studies have emphasized the importance of relationship duration in influencing organizational relationships. Heide and John (1990) and Mohr and Spokman (1994) suggested that the historical length of a relationship increased continuity expectations, which in turn, increased the level of cooperation. In a B2B context when exchange relationship has a history, the outcomes of previous business episodes provide a framework for subsequent interaction and longer relationships facilitating the buyer's ability to predict the supplier's future behavior (Doney & Cannon, 1997).

Sheu et al. (2006) argued that retaining customers is vital for organization's profitability as, only after a required time period customers become profitable for the

organization. Within the athletic industry, Athanassoupoulou (2008) observed that with years passed, relationship with the customers with their service providers became stronger. Doney and Cannon (1997) stated that when exchange relationships have a history in the B2B setting, the outcomes of the previous business episodes provide a framework for subsequent interaction. Kumar et al. (1995) predicted that age played a vital role in shaping relationship quality while Frazier (1983) and Dwyer et al. (1987) argued that exchange partners tended to focus on expected rewards and investments over a period of time. It is believed that good quality relationship improved the chance that relationship continued (Crosby et al., 1990), because Athanassopolou (2008) postulated that the longer a customer stayed with a company the closer his relationship got to the company, ultimately ensuring more loyalty. As the customer spends more time with the service provider or the seller he learns the way the business functions, about the company's products and services and by virtue of that, a social relationship between the buyer and seller develops.

The duration of relationship has been proven to influence relationship quality in several occasions (Friman et al., 2002; Scanlan & Mcphil, 2000; Bejou et al., 1996). Empirically Anderson and Weitz (1989) found that a channel member's quality of relationship in a buyer increased with the age of relationship as they demonstrated that trust and expectations of continuity increased as relationships matured. In a dealer-supplier context, Ping (1997) found positive relationship between relationship duration and relationship quality. Wray et al. (1994) also found out that trust developed after a certain time for a buyer to check out the seller's ability to honor promises. Johnson (1992) supported and confirmed the notion that relationship duration would positively relate to the distributor's relationship quality with the

suppliers. From these positive findings it can be summarized that as years passed with one particular channel member the dependency and reliability upon each other increased, leading to an enhanced relationship with more commitment from all the involved parties.

Despite of the positive relationship between relationship duration and relationship quality there have been several studies that showed non-significant or no relationship between relationship duration and relationship quality. In contrary to the previous findings, Smith (1998) found that relationship duration was not a significant predictor of relationship quality as scarce company resources could safely be taken from mature relationships to invest new ones. Again, Kumar et al. (1995) confirmed no main effects of relationship duration upon relationship quality as they found out that organizational relationships of any age could attain high levels of relationship quality. Doney and Cannon (1997) also declared that relationship duration was un-related to relationship quality because they found out that in industrial relationships the length of the time the salesperson called on the buying firm, were unrelated to the buying firm's trust on the supplier firm. Lagace et al. (1991) and Sheu et al. (2006) found that relationship duration was not critical to retailer supplier relationship, as more in depth discussion with industry experts revealed that relationship duration might be insufficient to influence retailer-supplier relationship.

Apart from the positive and negative results found in previous studies, one study by Dorsch et al. (1998) observed a mixed result as they observed that the relationship between relationship duration and quality among the buyers and their suppliers

differed across different vendor strata. When their customers reported that the duration of their relationship with their vendors was about the same for their best and typical vendors while shortest with their worst vendors. While, Grayson and Ambler (1997) did not report a moderating effect of relationship duration upon relationship quality.

During a business relationship the customer gains experience with the provider and his products/services within several transactions. Generally the longer the relationship lasts the more transactions have taken place. Thus, the longer the relationship duration, the more experience the customer has gained. Consequently, this experience plays a major role in shaping his forthcoming relationship with the providers or suppliers. In addition to these, in response to Athanassopolou (2008) and Wong and Sohal's (2002) suggestion to incorporate relationship duration in the studies of relationship qualitythe researcher aims to conduct further research in this area with a view to establish the moderating role of relationship duration upon the relationship between relationship qualityand loyalty. Taken together the studies discussed provide evidence for the notion that the effect of dimensions of relationship qualityhas been time dependent. Therefore in the proposed study the researcher would like to investigate the moderating effect of relationship duration on the effect that relationship qualityhave on retailers loyalty. In doing so we extend current knowledge by studying the moderating effect of relationship duration.

2.7 Research Framework

The primary focus of this study is on the individual retailers. In addition to that the research seeks to explore the antecedents and consequence of the retailer'srelationship quality with their suppliers. The proposed research framework is presented below in Figure 2.1, based upon our literature review.

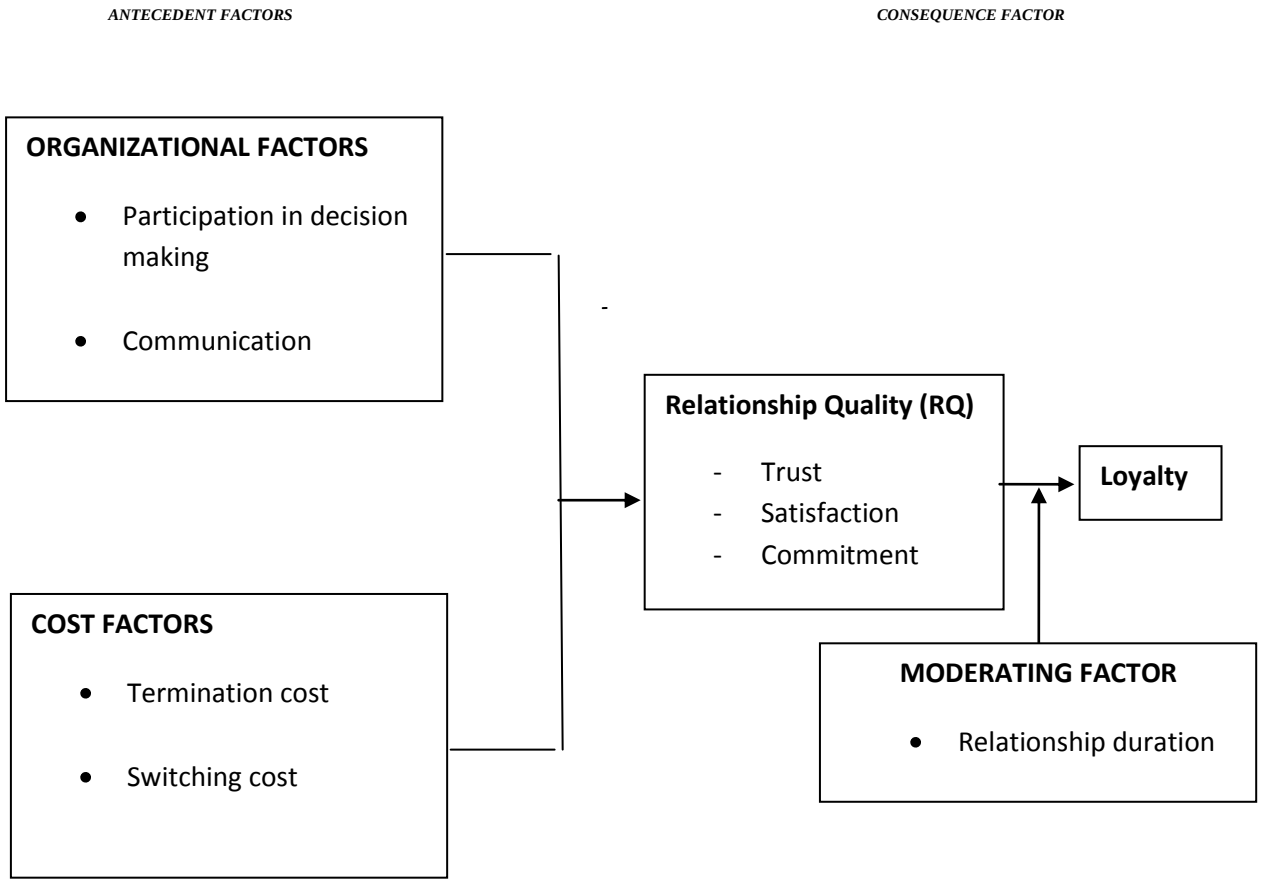


Figure 2.1: Theoretical Framework

The theoretical framework for the proposed study is derived upon the theoretical propositions made by Homans' Social Exchange theory (1974). Social exchange theory evolved from Thorndike's (1932) work on the development of reinforcement theory and Mill's (1923) marginal utility theory. Homans was the founder of behavioral sociology and the exchange theory. His exchange theory was enforced to

better explain social behavior and relationships (ie; relationships between retailers and their suppliers).

In business-to-business (B2B) or inter-organizational relationships both economic as well as social factors exists.With SET the researchers can have access to a theoretical foundation to justify the relationship between these factors.If we look into the previous studies then it can be observed that SET has been used to explore and explainrelationships likecontracts, vertical integration, joint ventures and licensing agreements(Dwyer et al., 1987; Anderson & Narus, 1990)within the B2B context. In most of the retailer–supplier relationships there are existence of contractual or licensed obligations, controlling the relationships.

The basic premises ofsocial exchange theory justifies that in a business to business exchange relationship both the parties need to provide each other with valued resources, considering exchange equitable (Blau, 1964; Lawler & Thye, 1999). In this aspect Blau (1964) stated that as long as their current exchange relationship remains more attractive than other available alternatives, parties will keep on continuing their relationship with their exchange partners.In SET one party voluntarily offers a favor to the other party, in the process a situation is created where the other party is obligated to reciprocate. This way the inter-organizational relationship process initiates.After this stage the shared system of norms and beliefs enhanced the relationship(Nooteboom, 1996). SET also generated the idea of maintaining relationships between exchange partners by necessitating the need for one party to adapt to the need of it’s business partner. In addition to thatJohanson et al. (1991) suggested one party’s willingness for the modification of changing specific

behaviors in matching the other party's expectations, referring to the change in their relationship patterns based upon their behavior.

One of the key assumptions of social exchange theory is that on the basis of their expectations of mutually beneficial relationships being advantageous,individuals continue to establish social relations (Perumal, 2009). Social exchange theory has also been identified as a useful theoretical basis for explaining customer loyalty (Wangenheim, 2003). Gassenheimer et al. (1995) denoted the predictive role of SET by mentioning that with the capacity of relational norms and values SET offered the capabilities to compare the progression of the relationships between organizations.

With reference to the previous discussions, it can be stated that SET explains how and why participation in decision making and inter organizational communication process influence the quality of the B2B partner's relationships. Thiabut and Kelly (1959) postulated that social exchange theory has been established as a useful theoretical basis upon which firms maintain or exit relationships depending upon expectations about costs and benefits of the relationship. Therefore, it can be perceived that both the cost related antecedents (termination cost and switching cost) determine the quality of the relationship between partners in business transactions.Based upon these observations SET argued that functional participation with any relationship reflected the level of quality of the relationship between business partners. It also seemed to be providing an appropriate theoretical framework for evaluating relationship quality between retailers and their suppliers.

Lambe et al. (2001) postulated that SET is used to explain how antecedents contribute to a business-to-business exchange structure characterized as relational exchanges, and then look at the consequences of relational exchange variables. Firms who receive outcomes that meet or exceed their expectations, and are equal to or superior to outcomes available from alternatives are likely to remain in the relationship (Thibaut & Kelly, 1959). Thibaut and Kelly (1959) also stressed that a customer may remain in a less rewarding relationship because the social, emotional, or costs (ie; switching cost or termination cost) associated with moving to the better alternatives are too high. In their study on switching behaviors among Norwegian SME clusters, Weaver and Dickson (1999) found that the social attachments of the organizational relationship may also establish behavioral norms against which opportunistic departures may be judged.

One of the basic SET assumption is that the parties in relationships will build and develop relationships with the expectation that there will be rewards at the end of the terms (Blau, 1968), based upon the results of their relationships over a certain period of time. After a review of the social exchange theory literature, Lambe et al. (2001) postulated that those outcomes are compared over time to other exchange alternatives to determine dependence on the exchange relationship. Thus organizational, time and cost related factors can enhance business partner's relationship with each other to maintain the exchange relationship.

According to social exchange theory (SET), firms maintain or exit exchange relationships depending upon expectations about costs and benefits of the relationship, weighted against the expected benefits of alternative relationships

(Thibaut & Kelley 1959). Therefore, when a firm has multiple options, it will choose the most beneficial relationship, and it will remain as long as expectations regarding costs and benefits regarding the current relationship surpass a certain threshold (Wangenheim, 2003). Therefore the cost factors (ie; termination cost and switching cost), determining the expectations about future costs and benefits, influence the quality of the relationship depending on the past experiences.

Social exchange theory leads to the pertinence of organizational factors like management and resources. Perumal (2009) mentioned that social exchange theory explicitly highlighted the interactive nature of people with organizations at the core of every organizational relationships, thus organizations gain a certain level in the quality of these interactions from an exchange relationship. In the organization, one may place more emphasis on economic rewards while another is concerned with trust in the trading partner (Lambe et al., 2001). They also postulated that positive exchange interactions over time also produced relational exchange norms (ie; communication and participation in decision making) that govern the exchange partners' interactions. For example, supply chain partnerships may strengthen because they produce positive feelings about their suppliers' organizational and cost related factors.

The proposed relationship between relationship quality and loyalty was also supported by social exchange theory. According to this theory, both parties to the exchange are motivated to provide value to the other party commensurate with the value gained (Sirdeshmukh et al., 2003). Therefore, suppliers are likely to reciprocate a retailer delivering social relational benefits (ie; trust, commitment and satisfaction).

Increments in trust, satisfaction and commitment increased the social embeddedness of the supplier--retailer relationship, thereby enhancing the retailers' loyalty toward their suppliers.

In the aspect of consequence to relationship quality, Thibaut and Kelley (1959) stated that social exchange theory considers a behavioral approach to exchange logic and the order of relationship through the patterning of interdependencies and the resultant consequences (ie; loyalty). Homans (1961) clearly stated that SET proposed social interactions involving rewards and costs. He also mentioned that with SET tangible and intangible activities in inter-firm exchange relationships are also pre-disposed. SET assumes that self-interested actor who transact with other self-interested actors to accomplish individual goals, cannot achieve alone (Lawler & Thye 1999). One major observation in SET is it considers exchange of benefits as the basic foundation of human behavior. Therefore it can be concluded that social exchange theory established and sustainedthe process of reciprocation in exchange relationships, leading to antecedents and consequences.

From the contribution's point of view, the incorporation of organizational and cost factors in the study enhances the assumptions by Lawler and Thye (1999) that supply chain partnerships thrives because they produce positive feelings such as confidence, while exchange dynamics have a more central role in social exchange than typically assumed. Thisis in line with the previous study by Emerson (1962) and Jancic and Zabker (2002) that SET accommodates the process of building affects in exchange transactions. The proposed framework, comprised of organizational and cost factors in affecting the relationship quality in a retail setup, explains the SET assumptions that exchange partners without any other alternative may be forced into further

exchanges with a business partner in order to conceptualize how the outcomes are being judged. As, Thiabut and Kelly (1959) clearly pointed out that a business partner may remain in a less rewarding relationship because the social, emotional or cost related factors associated with moving to a better alternative are too high.

2.8 Development of hypothesis:

Previous studies suggested that a company's participation in decision making is derived from the attitude of management taking part in decision making with their external suppliers. According to Chang et al. (2004) in a participative retailer-supplier relationship a participative retailing environment is created through joint decision making process. This participative environment creates a level playing ground for both the retailers as well as the supplier to come forward and make decision based upon their mutual understandings of the situations and perspectives in hand, which are significant factors in making business units perform better (Walker & Reukert, 1987).

Research results have shown that participation in decision making not only reduces functional conflicts between the buyers and sellers, but also improve their relationship quality (Henderson, 1990). The more and more both the buyers and the sellers participate in making their business decisions the chance of misunderstandings disappear. Ultimately strengthening the quality of their relationship and gaining more confidence to trust each other in the process (Morgan & Hunt, 1994). Therefore empirical evidence indicates that it is reasonable to expect

that participation in decision making plays a significant role in enhancing the relationship quality in the B2B setting, as participation in decision making encourages generation of ideas by the suppliers, involvement in decision making, consultation and appreciation of concerns for each other (Dwyer & Oh, 1987) . Thus this study hypothesized the following:

H1: Suppliers participation in decision making as perceived by the retailers is positively related to relationship quality.

Borrowing from Athanossopolou (2006), communication is defined as being a very important factor for successful relationships. Several authors have suggested that the role of communication is imperative in enhancing the relationship quality between the buyers and the sellers (Ball et al., 2004; Roberts et al., 2003; Parker & Bridson, 2002). Communication has been considered as the driver for relationship quality in several studies. Holland and Baker (2001) suggested that communication as being the heart of the quality of the relationship between the buyer and the seller. As being mentioned by Bleeke and Ernst (1993) communication needs to be considered as an essential element in making inter-firm relationship successful.

Studying the effects of relationship marketing on repeat purchase and word of mouth, Kim et al. (2001) found that communication resulted in higher relationship quality; leading to greater commitment, more repeat purchase and positive word of mouth. Focusing on the B2B set up, this implies that with constant and continuous flow of communication between the buyer and the seller, the relationship quality is likely to improve. By having a smooth and constant communication the retailers can have the

access to share product and service ideas as well as competitive information from their suppliers. Therefore, this study hypothesizes that:

H2: Communication is positively related to retailer's relationship quality with their suppliers.

As mentioned by Persons (1997) relationship termination cost refers to the cost of ending the relationship with an exchange partner which is influenced by the amount of investments in the relationship. Wilson (1995) stated that the importance of termination cost to relationship quality is significantly important as buyers' investments in such things as capital improvements, trainings and equipment cannot be recovered if the relationship terminates. So to avoid a situation like that buyers tend to save the relationship with their suppliers to protect their company from spending.

Termination costs are all expected losses from termination of the relationship and result from the relationship dissolution expenses. The higher these costs are more likely the partners will be motivated to maintain the relationships (Morgan & Hunt, 1994) since it may be costly to work with the existing partners than to end the relationship and start over with another exchange partner. If these costs are low, the relationship quality may not be strong. For instance, a terminated supplier will discontinue with a retailer carrying an entire line of products and the retailers shall have to search or find an alternative supplier to support his business.

In the retail industry buyers viewed termination costs led to an ongoing relationship very important. This consideration generated the need to enhance the relationship

quality with the suppliers. As many retail businesses are facing uncertainty now a days and looking forward to retain their customers (Vesel & Zabkar, 2010), terminating existing suppliers and the associated costs of finding and establishing relationship with another supplier might come high for the retailer. Therefore we hypothesize that:

H3: Relationship termination cost is positively related to relationship quality.

Switching cost corresponds to the psychological and emotional cost of becoming a customer of a new firm (Yanamandram & White, 2006; Sharma & Patterson, 2000). Generally switching cost is associated with the cost of changing from one supplier to another supplier and the additional cost required securing an alternative supplier (Ping, 1993). Generally switching cost is associated with relationship quality (Caruna, 2004; Ruyter et al., 2001) and prior research on switching cost suggests that switching cost is positively related to relationship quality (Bowen & Shoemaker, 1998, Kim et al., 2003).

Switching cost is the result of customers' dissatisfaction with a service provider (Rachjaibun, 2007). In the B2B context when a buyer is not happy with the seller then he decides to change the existing seller and take recourse to another one. Vasudevan et al. (2006) stated that the intentions of staying in the relationships would be higher when the cost of switching is high. Establishing a new relationship represents some sort of investment of effort, time and money which constitutes a significant barrier to the customer's taking action (Storbacka et al., 1994). Therefore it can be assumed that in the retailer-supplier kind of relationship if the switching cost is high then there is more probability that the retailer will remain in the

relationship with his supplier to avoid any further investment, which may he had to incur if there was a switch from one supplier to a new one. As a result of that the following hypothesis is proposed:

H4: Switching cost if positively related to relationship quality.

Relationship quality constructs like trust, commitment and satisfaction are frequently posited to improve customer loyalty (Ruben et al., 2007; Ball et al., 2004; Ling & Ding, 2005; Taylor & Hunter, 2003). The argument is that if the relationship quality between the retailers and their suppliers are strong then the retailers will continue to have loyalty toward the suppliers, ultimately leading to repeat purchase from the retailers.

The study by Fassott (2004) demonstrated that relationship quality is an important characteristics leading to loyalty. Ziethmal et al. (1996) emphasized the importance of measuring loyalty of customers to evaluate their potential to continue or discontinue with a supplying organization. Empirical evidence supported the link between relationship quality and loyalty, while Doney and Cannon (1997) showed that a buyer firm's quality of relationship affects the buyer's anticipated future interaction with the supplier. Studies by Kim (2005) as well as Srideshmukh et al. (2002) also offered empirical supports for the relationship between relationship quality and loyalty. In an online context Yoon (2002) demonstrated that better quality of relationship influenced the buyers future purchase intention, leading to enhanced loyalty.

In relation to retail context, given the highly competitive nature of the industry, with multiple suppliers operating with many products and numerous choices, the market is a buyers' market. Under such an environment, understanding the varying needs of retailers or buyers and customizing product offerings will enhance future repeat purchase by the retailers. Furthermore the retailers typically stick by suppliers who have served them well and then will remain loyal toward them. Therefore this study proposes that:

H5: Relationship quality is positively related to loyalty.

Relationship duration has been studied extensively with relationship qualityin a variety of industrial settings (Smith, 1998; Ping, 1997; Lagace et al., 2004, Bejou et al., 1996). With the increase in the period of relationship between the buyer and the seller, the cohesiveness between them starts to increase. Like Athanassopolou (2006) stated that the longer period of time a buyer stays with a supplier, the closer their relationship gets and the more loyal the buyer becomes.

Anderson and Weitz (1989) emphasized upon the age of the relationship by mentioning that older relationships passes through and survived phases of adjustments and accommodations. Therefore, a longer history together enables the buyer and the supplier to accept each others' characteristics and commercial behaviors. As Doney and Cannon (1997) stated that partner firms are more familiar with relationships with longer durations and more comfortable operating within the historical context of an older relationship.

In order for the retailer to gain a certain level of trust, satisfaction and commitment, he must develop and maintain his relationship with his suppliers. As a part of this process the supplier and the retailer both will be able to build a relationship based upon mutual dependency and commitment. Thus, in a B2B context, the longer the buyer stays with the seller it facilitate the buyers ability to predict about the future behavior pattern of the seller, ultimately leading to a better quality of relationship. By virtue of that, longer relationships provide a stable situation for building and enhancing the quality of the buyer-seller relationship. Thus it can be proposed that the length of the relationship between the retailer and their suppliers has a moderating effect on the impact that relationship qualityhas on retailer's level of loyalty toward their suppliers. Based upon these premises this study hypothesizes that:

H6: The relationship between relationship quality and loyalty is moderated by relationship duration.

2.9 Summary

The social exchange theory explains the linkages between organizational and cost related factors and retailer's relationship quality with their suppliers. The social exchange theory focuses on the acceptability of exchange outcomes from supplier that is expected to result in high level of relationship quality among the retailers. Study hypotheses were generated based on the empirical evidence as discussed in the literature review and the theoretical foundation above.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

The methodology of the research is narrated in this chapter.The research design, variables' operationalisation, the sample and the population of the study andthe data collection procedures will be described in the following chapter. This chapter also reports on the aspects regarding the proposed pilot test.The statistical techniques used for the analysis of data will be discussed briefly at the end of the chapter.

3.2 Research Design

This study is correlational in nature. The study was conducted with the intention to obtain a good grasp of the relationship quality between the retailers and suppliers. As the data was collected once, this study was ofcross- sectional nature to answer the research questions. The researcher employed survey method because it is strongly believed that survey research is best adapted to obtain personal and social facts, beliefs, and attitudes (Kerlinger, 1973). The unit of analysis for this study was the

retailers, limited to individual retail companies in Bangladesh. In this study each retailer's response was treated as individual source of data.

Regarding the selection of the best methodology for research,Zikmund (2003) clearly stated that there is none.The researchers approach was guided by the objectives and the questions of the proposed research.Zikmund (2003) also stated that for researchers there lies a probability of compromise between two aspects of choices and options in making the decision to adopt methodology for the research. Therefore resources availability and the researcher's possession of skills can best determine the methods.

3.3 Operationalisation of variables

Loyalty was operationalized as a single dimension namely the buyer's willingness to continue buying from the same supplier in the future from Saura et al.(2009) and DelVechhio's (1998) studies. This variable consisted of five items on a five point Likert scale. The respondents were asked about their intention to continue buying from the supplier in the future, to find out about their willingness to buy the same type of products from the same supplier, possibility of purchasing more frequently in the future, the retailers dependability on the supplier for future decisions and probability of buying from the same supplier again. Saura et al.'s (2009) scale has reliability of 0.93 while DelVechhio's (1998) scale has reliability of 0.85.

Relationship quality was operationalised by using three dimensions namely trust, satisfaction and commitment. Trust was referred to as one party's belief that its needs will be fulfilled in the future by actions taken by the other party (Anderson & Weitz, 1989). Davis (2006) defined satisfaction as the result of cognitive and affective evaluation, based upon total purchase and consumption, where some comparison standard is compared to the actually perceived performance. Commitment has been depicted as a customers' long term orientation toward a business relationship grounded on emotional bonds (Geyskens et al., 1999).

The proposed study has antecedent factors categorized into two major sections namely organizationaland cost related factors. The first component reflects the factors which are guided by management's participation and sharing of information by both the retailers as well as the suppliers. This consisted of two factors; participation in decision making and communication. Participation in decision making has single dimension, operationalized as the extent to which the retailers are involved actively in decision making with their suppliers (Chang et al., 2007). Communication has also been operationalized with a single dimension as the extent of the retailer's sharing of information with their suppliers (Ndubisi, 2006; Smith 1998).

The second component cost factors consisted of relationship termination cost and switching cost. Relationship termination cost has been operationalized as all the relevant costs related with ending the retailers relationship with the supplier

(Zineldin & Jonsson, 2000). Switching cost has been operationalized as the cost and time required selecting an alternative supplier (Sharma & Patterson, 2000).

The proposed moderator component, time factor consists of one variable namely relationship duration. Relationship duration was operationalized as the number of years the retailer is commercially associated with the supplier (Ndubisi, 2006).

Ruben et al. (2007) mentioned that there has been no clear consensus on the dimensions of relationship quality constructs. Previous researchers used items inconsistently to describe relational constructs. In this aspect Julie (2006)stated that most of the studies on relationship qualitybased on the empirical context under investigation and they lacked specific attempts to fully develop a relationship quality constructsas well as practical measures. Throsten et al. (2000) mentioned that closer examination of literature revealed most authors did not feel the need to closely define the relationship quality construct. Many researchers have described relationship quality as a higher order concept consisting of trust (Bejou et al., 1996; Crosby et al., 1990; Drosby et al., 1990; Dwyer & Oh, 1987, Kumar et al., 1995; Moorman & Zaltman, 1992; Wray et al., 1994), satisfaction (Crosby et al., 1990, Dwyer & Oh, 1987; Hennig-Thurau & Klee, 1997, Lin & Ding, 2005) and commitment (Kumar et al., 1995 and Dwyer & Oh, 1987). Various studies have been conducted to identify the appropriate dimensions of relationship quality over the years, but the findings were not consistent as the dimensions of relationship qualitywere industry and context specific. This versatile application of dimensions of relationship qualityhas

given rise to the issue of further exploration of the relationship qualitydimensions to find out their suitability and applicability, particularly for the retail industry.

In recent years Rodriguez and Callarisa (2006) confirmed that relationship quality could be successfully measured with satisfaction, trust and commitment. Ulaga and Eggert (2006) strongly denoted that although definitions vary slightly across study contexts relationship quality is typically assessed through some combination of commitment, trust and satisfaction, while Ismail (2009) mentioned that these three core variables are interrelated rather than independent in constructing relationship quality. Echoing the same findings Roberts et al. (2003) postulated that inter firm relationship quality depended on trust, affective commitment, and customer satisfaction. Yee (2008) narrated the importance of satisfaction, trust and commitment by mentioning that they could be joined together as a relationship quality construct of higher order. In relationship marketing literature researchers presupposed that better relationship quality can be an integration of satisfaction, trust and commitment (Ruben, 2007; Gerrard & Lawrence, 1997; Nelson, 2007). Rauyeren and Miller (2007) considered these three dimensions unique, although consumers comprehended them as a group together.So it can be postulated that trust, satisfaction, and commitment are coherently joined together in conceptualizingquality of relationship (Yang & Wu, 2008). After almost two decades of research in consumer markets, the basic conceptualizations of trust, satisfaction and commitment as relationship qualitydimensions have significantly prevailed in most of the studies (Vesel & Zabkar, 2010).

At the same time Lages et al. (2004) in their primary study on RELQUAL scale formation recommended to test the stability of their scale (comprised of trust, satisfaction, and commitment) in differentcountry, sample and industry context. They also suggested that it was worth studying other types of relationship to find out whether the same items hold together or not, particularly in a buyer-supplier relationship. Based upon these recommendations the researcher has considered trust, satisfaction and commitment as the dimensions of relationship qualityin the proposed study

The following below summarizes the number of items, variables and the dimensions used to measure the variables.

Table: 3.1

Total items, dimensions and variables

Variables	Dimensions	Total number of items
Loyalty (Saura et al., 2009; DelVechhio, 1998)	Buyer's willingness to continue buying from the same supplier in the future	5
Relationship Quality (Payan et al., 2009; Kim et al., 2005))	Trust Satisfaction Commitment	5 5 5
Participation in decision making (Chang et al, 2007)	The extent to which the retailers are involved actively in decision making with their suppliers	5
Communication (Ndubisi, 2006)	The extent to which the suppliers provide and share information with their suppliers	5
Relationship Duration (Ndubisi, 2006)	Number of years the retailer is buying form the supplier	1
Switching cost (Sharma & Patterson, 2000)	the cost and time required to choose an alternative supplier by the retailer	5
Relationship termination cost (Zineldin & Jonsson, 2000)	All the relevant costs related with ending the retailers relationship with the supplier	5

3.4 Measurement of instrumentation

The researcher measured all the variables in this study by applying multiple items drawn from previous research, except relationship duration.Based upon the sample and local scenario phrasing of the items were modified for better understanding.The research has attained consistency among variables,thus avoiding confusion among respondents by the use of five point Likert scales (Ackfeldt & Coole, 2003; Ingram et al., 1991).

The consequence of relationship quality (Loyalty) has been defined by Corstjen and Lal, (2000) as repeatedly visiting stores and purchasing established brand name products. Loyalty has been commonly measured by having a strong relationship with the supplier, less possibility of switching to another supplier in the near future, doing more business in the coming years, recommending the brand to someone, saying positive things about the company, relying on the same supplier for the same types of products, continuation with the existing supplier, and premium choice in new products (Saura et al., 2009; Yee, 2008; Hennig-Thurau et al., 2002). In the proposed study, retailer's willingness to continue buying from the same supplier in the future has been considered as the dimension of measuring loyalty.

To date, The RELQUAL scales is the only scale that has been routinely used to measure relationship quality within the B2B settings. Recent emergence of

relationship marketing paradigm hasrecognized the ever increasing importance of managing, developing and evaluating relationships by marketing academicians and practitioners (Berry, 1995; Sheth & Parvatiyar, 1995). There have been several studies measuring relationship quality in the B2B domain. Roberts at al. (2003) measured relationship qualitybetween service firms and their customers.RQ has been measured for manufacturers and distributors by Dorsch et al. (1998) and Kumar et al. (1995). Bejou et al. (1996) measured relationship qualitybetween salespeople and their customers. Butno empirically proven and tested scale has been found to measure relationship quality within the retail sector (to the researcher's best of knowledge). Based upon this scenario Samiee and Walters (2003) expressed their deep concern about the empirical testing of relationship quality frameworks by mentioning that the conceptual growth of new frameworks has been faster than their empirical testing, while hard data on these aspects is lacking. This study intends to empirically assess the quality of the relationship in a retailer-supplier domain and thus contribute by filling this gap in relationship marketing literature.

In recent years a cross cultural RELQUAL scale has been developed by Payan et al. (2009) and Kim et al. (2005) to test the relationship quality between suppliers and their distributors and consumers and brand retailers in Sweden, the USA and South - Korea. Like the previous other RELQUAL scales their scale was presented as an "umbrella construct" model consisting of satisfaction, trust and commitment, along with other dimensions. Payan et al. (2009) claimed that their RELQUAL scale hold higher level ofinterest for business practitioners, offering a structure of dimensions contributing toward the organizational effort of maintaining satisfactory level of relationship quality within the areas of distribution and channel management.

Payan et al. (2009) mentioned in their RELQUAL literature that inter-organizational relationship quality mostly included the first order constructs of trust, satisfaction and commitment. Holmlund (2008), as well as Moliner et al. (2006) also validated the previous statement of Payan et al. (2009). Out of the available RELQUAL scales Payan et al.'s (2009) scales are the scales seemed carefully developed to measure the suppler-distributor relationships, which in turn was close to the area of study of the proposed research. Under this circumstance the researcher adapted the RELQUAL scale (trust-satisfaction-commitment constructs -as these three have been selected as the RQ dimensions) from Payan et al. (2009)and Kim et al.'s (2005) RELQUAL scales to measure the relationship quality between retailers and their suppliers.

Payan et al. (2009) stated about the importance of RELQUAL scale for business practices by mentioning that the RELQUAL scale provided the structure of dimensions within the organizational settings, needed to maintain satisfactory level of relationship quality with the suppliers (Payan et al., 2009). The RELQUAL scale is comprised of three dimensions these are trust, satisfaction and commitment. There are three items in each of these dimensions. Payan et al. (2009) developed their RELQUAL scale by taking recourses of the sources of Andaleeb (1995) for satisfaction, Zaheer et al. (1998) for trust and Morgan and Hunt (1994) and Anderson and Weitz (1992) for commitment. Each retailer will be asked about the issues regarding the level of their trust, commitment and satisfaction toward their suppliers. However, to suit the purpose of the proposed study some words of the scale have been modified to be accepted by Bangladesh's retail industry. The three dimensional scales (trust, commitment and satisfaction) adapted from Payan et al. (2009) and Kim

et al. (2005) have the minimum reliability of 0.70. The items to measure the relationship quality has been shown in Table: 3.2 below:

Table: 3.2

The Relationship Quality Measure (RELQUAL scale)

Items
Commitment
(1) We intend to do business with this supplier well into the future
(2) We are dedicated to continuing to do business with this supplier
(3) We are resolute about future intent to do business with this supplier
(4) We want to maintain a long term relationship with the supplier
(5) We have chosen this supplier for practical reasons
Satisfaction
(1) Our firm is comfortable about its relationship with this supplier
(2) The relationship between the two firms is positive
(3) Our relationship with this supplier reflects a happy situation
(4) Performance of the supplier is better than we expected
(5) Using the supplier is a good experience for us
Trust
(6) This supplier has always been fair in its negotiations with us
(7) We can rely on this supplier to keep promises made to us
(8) This supplier is trust worthy
(9) We trust the supplier
(10) The supplier works hard for our well being

Source: Adapted from Payan et al. (2009)& Kim et al. (2005)

Loyalty was measured using the instruments developed by Saura et al. (2009) and DelVecchio (1998). Because these studies focused on the effects of relationship quality on retailers' loyalty, the retailers' perception of his firm's future continuity with the supplier is a relevant way to measure this construct (Saura et al., 2009). The scales have shown that they have high reliability of 0.93 and 0.85. It consists of five items on a five point Likert scale ranging from "1=strongly agree" to "5=strongly disagree". The instruments have been modified a little for their application in the retail industry. The items to measure loyalty are shown in table 3.3 below.

Table: 3.3

Loyalty

Items
We intend to continue buying the suppliers' products in the future
The next time I need the same type of product I shall purchase it from the same supplier
We shall continue buying products from this supplier more frequently in the future
We will probably buy products from this supplier again
The supplier can be counted on to go along with our decisions on most occassiosn.

Source: Adapted from Saura et al. (2009)

Participation in decision making was measured using the instruments developed by Deshpande and Zaltman (1982), Hernandez-Espallardo and Arcas-Lario (2003) and Walker and Reukert's (1987) participation index. Because this study focuses on the effects of participation in decision making on relationship quality, the retailers'

perception of the firm's participation in the decision making is a relevant way to measure this construct (Chang et al., 2003). It requires the respondents to assess the extent of their involvement in decision making with their suppliers. Both the scales have shown that they have high reliability exceeding 0. 82 as the reliability of the scales adapted from Chang et al. (2007) is 0.82 and Dwyer and Oh (1987) has 0.86. It consists of five items on a five point Likert scale ranging from "1=strongly agree" to "5=strongly disagree". The instruments have been modified a little for their application in the retail industry. The items to measure participation in decision making are depicted in table 3.4.

Table: 3.4

Participation in decision making measures

Items
We are involved in the set up of the commercial goals with your supplier.
Our supplier takes into account your suggestions
We perform an active role in the decision making
Our ideas for ordering, selling and servicing are welcomed by the supplier
We have to ask your supplier before we do anything in your business

Source: Adapted from Chang et al. (2007) & Dwyer and Oh (1987)

Communication was measured using scales developed by Ndubisi (2006) and Smith (1998) with minor modification in the wording. The instrument is composed of five

items that focused on retailers' indication of accuracy, timeliness, usefulness, and novelty of information provided by their suppliers. Items for each scale will be scored on a five-point Likert scale, ranging from "1=strongly agree" to "5=strongly disagree". The internal reliabilities reported by Ndubisi (2006) and Smith (1998) were 0.70 and 0.63, respectively. The items used to measure communication on relationship quality are depictedin the table 3.5.

Table: 3.5

Communication measures

Items
The supplier provides timely and accurate information
The supplier provides useful advice
The supplier provides information on new retail products and services
The supplier talks candidly with us
Our communication with the supplier is open and honest

Source: Adapted from Ndubisi's (2006) and Smith (1998)

Relationship duration was measured using an adapted instrument developed by Leuthesser (1997). It involves only one single item with an open ended answer option. In this measure the retailer will be asked to indicate the number of years they have been taking products and services from their supplier. The scale adapted & used

by Ndubisi (2006) had a reliability of 0.70. The item used to measure relationship duration is depicted in table 3.6.

Table: 3.6

Relationship Duration

Items
For how many years you have been buying from the target supplier?

Source: Adapted from Leuthesser (1997)

Switching cost was measured using an adapted instrument developed by Ping (1993). It involves five items on a five point Likert scale ranging from "1=strongly agree" to "5=strongly disagree". The internal reliabilities of the instruments reported by Sharma & Patterson (2000) was 0.80. The item used to measure switching cost is depicted in table 3.7.

Table: 3.7

Switching cost

Items
On the whole, it would cost me a lot of time and energy to find an alternative supplier
We would lose a lot of information about my company, business and market issues if I change the supplier
It is risky to change as the new supplier may not give good products and services
We would feel frustrated if I terminated my current relationship with the supplier
Considering everything the cost to stop doing business with this supplier and start up with a new supplier would be high

Source: Adapted from Sharma and Patterson (2000)

Termination cost was measured using an adapted instrument developed by Mayer and Allen (1984), Dwyer et al. (1987) and Heide and John (1988). It involves five items on a five point Likert scale ranging from "1=strongly agree" to "5=strongly disagree". The internal reliabilities of the instruments reported by Zineldin and Jonsson (2000) was 0.96. The item used to measure termination cost is depicted in table 3.8.

Table: 3.8

Termination cost

Items
If we could not buy our stock from our present major supplier, we would likely be purchasing from an alternative supplier. This is a comparison of our major supplier with this alternative supplier concerning the following items
(1) Our present supplier is much better than our next alternative supplier, concerning Transaction cost
(2) Our present supplier is much better than our next alternative supplier, concerning administrative leadtime
(3) Our present supplier is much better than our next alternative supplier, concerning tied up capital
(4) Our present supplier is much better than our next alternative supplier, concerning delivery time
(5) Our present supplier is much better than our next alternative supplier, concerning product quality

Source: Adapted from Zineldin and Jonsson's (2000)

The demographic information to be captured in this study isretailersduration of relationship, annual revenues, and the number of stores the retailers have in all over Bangladesh. In all of these questions the retailers were required to write in the space provided in the questionnaire right next to the question. The measures of the variables in this study are summarized in Table 3.9 below.

Table: 3.9

Measurement Characteristics

Variables	Scale	Sources
Loyalty	Likert scale 1-5	Saura et al. (2009)&DelVechhio (1998)
Relationship Quality	Likert scale 1-5	Payan et al. (2009)& Kim etal. (2005)
Participation in decision making	Likert scale 1-5	Chang et al. (2007) Dwyer and Oh (1987)
Communication	Likert scale 1-5	Ndubisi (2006) Smith (1998)
Relationship Duration	Open Ended	Ndubisi (2006)
Switching cost	Likert scale 1-5	Sharma and Patterson (2000)
Termination cost	Likert scale 1-5	Zineldin and Jonsson (2000)
Retailers' company information (company's years in retail business,approximate annual revenue, and number of stores the company have in Bangladesh)	Open Ended	Dalela (2009)

3.5 Study population and sample

The population of this study was all the retailers in Bangladesh. The retailers' sampling frame was based upon the listing of all the retailers in the most recent (Edition 2009-2010) "Bangladesh Business Directory (Yellow Page)". This is an exclusive business directory and commercial database published by Datazone Telephone Directory (Pvt) Ltd, 53, Motijheel C/A, Modern Mansion (10th floor), Dhaka, Bangladesh, Tel: 0088-02-7174290, email: datazone@dhaka.net, web: www.businessdirectorybangladesh.com. This yellow page is one of the leading, acknowledged and most appreciated commercial and business database in Bangladesh. In this directory there are a total number of 2452 retailers enlisted under different categories. In a major distributor-supplier relationship study Dwyer and Oh (1987) considered "The Yellow Page" as the sample frame.

The retail industry provided a formidable and legitimate ground for the proposed studybecause retail sector has been one of the biggest source of employment in Bangladesh (Hussain & Ara, 2004), and over the years there has been very limited number of empirical research on retailer-supplier relationship quality in this particular area. Also extensive research in the past have established the fact that the relationship between retailers/buyers and suppliers are characterized by low cooperation, low trust and high conflict (Anderson & Weitz, 1989; Bleeke & Ernst, 1991; Dwyer et al., 1987; Stern & Reve, 1980), leading to asymmetrical buyer-supplier relationships in the market place (Dwyer & Walker, 1981; Johnston &

Bonoma, 1984; Michman, 1974). Therefore to understand the relationship quality between the retailers and the suppliers, from the retailers perspective, the retailers who are officially enlisted in the "Yellow page directory" constitute the sample frame and each individual retailer is being considered as the sample units for this proposed study.

The hypotheses were tested with sample from the retail industry, where the retailers are dealing with suppliers. Regarding the criteria for selection of the sampling frame, Hague and Harris (1993) mentioned the following points must be fulfilled:

(1) A list of all the members of the defined population should be in the sample frame
(2) At the time of the study the frame should be complete and up-to-date
(3) Each element should not be listed more than once in the frame
(4) For the sake of stratifying the sample the frame should contain adequate means.

This study requireda comprehensive list of all enlisted retailers in Bangladesh. Bangladesh Business Directory (2009-2010) contains an up dated list of all the retailers in different administrative districts of the country. The directory also contained comprehensive information for the identification of the retailer's names, location and contact information. It was found out that there were two thousand, four hundred and fifty two (2452) enlisted retailers mentioned in the directory. Based on

Berman & Evans (2007) the categories of the retailers can be divided into four major categories. They aredescribed in the table 3.10as follows:

Table: 3.10

Retail Sector Representation	Number of retailers	Percentage (%)
1. Department store	496	20.20
2. Specialty store	1441	58.76
3. Convenience store	174	7.09
4. Food & Restaurants	341	13.90
Total:	2452	100 %

A sample size of 70 retailers wasrequired for the study. The rule of thumb for sample size determination by Roscoe (1975) in Sekaran (2000) is multiplying the number of variables by ten (10). This study has seven (7) variables, thereforethe minimum sample size required was seventy (70). However to ensure this minimal response number and taking into account that survey method has poor response rate (Nik Kamariah, 1995), the research distributed300 questionnaires to ensure that the minimum number of response is attained.

Based upon the retailers categorizationand the number of companies in the database the 300 respondents have been selected following Sekaran's (2003) proportionate random sampling method. As the researcher mailed the questionnaires to 300 retailers, each retail categories have been represented by the number of retailers in the following table 3.11:

Table: 3.11

Number of retailers selected for data collection, based upon their categories

Serial	Retail categories	Retailers numbers	Percentage
01	Department store	60	20.20
02	Specialty store	177	58.76
03	Convenience store	21	7.09
04	Food & restaurants	42	13.90
	Total	300	100

3.5.1 Retailers' selection of the supplier for answering the questionnaire

Retailers in Bangladesh may have multiple suppliers. In that case, there was an issue of selection of the supplier, whom the retailer would be referring to at the time of filling up of the questionnaire. In this kind of scenario, where multiple suppliers or distributors are involved, Dorsch et al. (1998) in their study of buyer-supplier relationships suggested that respondents should select vendors/suppliers who accounted for at least 10% of the business transacted with the respondent's companies during the previous 12 months or vendors/suppliers with whom they had business transactions for a minimum of 1 year. The same phenomenon of sample

profiling compared favorably with those reported in related studies by Dorsch and Kelley (1994).

In another buyer-supplier relationship study, Wang (2006) mentioned that in responding to the questionnaire, all buyers were asked to consider a specific supplier with which they had a relationship for over a year. In addition to this, each buyer was specifically asked to think of only one particular supplier of their choice at the time of responding to the questionnaire provided.

Parsons (1997) in her study of determining relationship quality during the sales process in a B2B settings sent mail surveys to organizational buyers with an instruction to describe their relationships they had with one of their suppliers using relationship quality as a ***priori*** distinctions. According to ***Thinkexist.com*** the definition of priori meant "Applied to knowledge and conceptions assumed, or presupposed, as prior to experience, in order to make experience rational or possible". Parsons (1997) explained her idea of selecting this rationale by stating the objective to have each buyer rate their relationships with any of their suppliers that varied in importance and quality. To give an example she mentioned that a buyer may be asked to describe the relationship that have with a supplier that they have good relationship with and with whom it is important to have a relationship.

Based upon these rationale and recommendation by Dorsch et al. (1998), Dorsch and Kelley (1994), Wang (2006) and Parsons (1997) the researcher instructed all of the respondents to select the suppliers who have the following characteristics:

(1) The vendor/supplier who accounted for at least 10% of the business transacted with the respondent's companies during the previous 12 months, and/or,
(2) Vendors/suppliers with whom they had business transactions for a minimum of one year, and/or,
(3) Vendors/suppliers with whom they have a good relationship and with whom it is important for his business to have a relationship.

3.6 Data Collection Procedures

For the present study multi stage probability sampling was followed as the sampling procedure. As mentioned earlier, data was collected by questionnaire from the retailers located in various administrative divisions of Bangladesh. Data from the official business directory (2009-2010) shows that in December' 2009 there are 2452 retail companies enlisted under the retail categories.As the researcher faced time and resource constraints it had been decided to choose 300 companies out of these 2452 companies. Furthermore it was comparable to the previous studies in the supply chain domain (Ping, 1997; Parsons, 2002; Smith, 1998).

The random selection for the data collection was done with the assistance of Statistical Package for the Social Sciences (SPSS) package windows version 15. Firstall the 2452 retail companies codes were entered into the computer.Secondly, all the department stores, specialty stores, convenience stores and food & restaurants retailers wereseparately put into different tables. Then, based upon their percentage representation they were selected by using the random table. After the selection of the 300 companies questionnaires were distributed. As the purchase or procurement managers of the retail companies handled the suppliers, the questionnaires were mailed to the Purchase or Procurement Managers of the selected retail companies with a return envelope along with a forwarding self explanatory letter about the introduction, guidelines and instructions for their clear and precise understanding. For the data coding purposes, the data when the questionnaires were distributed to the retailers were noted at the back of each questionnaire for future references and further perusal. The accompanying forwarding letter contained a request from the researcher asking for retailers' quick response and cooperation. The letter is attached as appendix A1. The letter also explained the research contractguaranteeing respondents full autonomy and ensuring full confidentiality. A time period of two weeks were provided to all the respondents for completing the questionnaires. They were also requested to complete the questionnaires and mail back the completed questionnaire to the researchers designated address using the enclosed pre-stamped envelopes.

3.6.1 Survey approaches

In marketing research there have been many kinds of survey methods used by researchers.Dillman (2000) suggested four survey approaches. They were mail survey, face-to-face interview, telephone interview, and internet interview. In mail survey bias can be avoided as there is no room for any sort of personal communication between respondents and interviewer. As mail survey suits a situation where the respondents are located in dispersed geographic locations and the cost of this is minimal, mail survey method were adopted for this study. Dillaman (2000) mentioned that the strength of mail survey is that it makes sure that the respondents are anonymous and it through this anonymity less bias is attained.

Romano (1989) cautioned about the selection of research methodologies by stating that at the time of selecting research methodology the researcher's decision should not be dictated by the popularity and regularity of approaches.He also recommended that researchers should consider only relevance or usefulness of the research, while the accomplishment of the research objectives should determine the appropriate research methodology.

Survey method of research was selected as it compared to be more appropriate for the proposed studythan other available methods. The researcher followed the reasons mentioned by Perumal (2009) for selection of survey method, as those were also

applicable for this study. The reasons were: (1) intention to collect original data from a large population,which is difficult to interview, (2) to measure the perceptions of retail managers (3) lowering time and money, and (4) applicability ofhypothesis testing. As the respondents at the management level are relatively bias free in expressing their opinions without the presence of an interviewer, the mail survey approach will be more convenient for the respondents. Through this method data can be collected from managers located in dispersed geographical areas, as a virtue of that quantitative analysis could be done. This study calls for respondents located all over the country while most of them are busy from their day to day business schedules and it would be difficult to organize face to face or telephone interviews with them.With this survey method the findings can be generalized to represent the population under study (Galliers, 1992).

The issue of non-response has always been one of the majorproblems of mail survey. This phenomenon has implications on the data obtained from the sample, both quantitatively and qualitatively. As eliminating non-response totally is almost impossible the researcher took measures to minimize non-response by careful questionnaire design and layout.

3.7 Pilot Study

Before deciding on the actual instrument to be utilized in this study, a pilot study was conducted using a convenience sample of 30 retailers from Dhaka city in Bangladesh. The retailers for the pilot study were selected based upon their geographic locations, to save time and money. The purchase or procurement managers from these 30 retail companies came to take part in the pilot study. The researcher sat with the respondents while they completed the questionnaire to identify difficulties in wording, to answer respondents questions and generally to check on the ease of completion. The reliability test for each instrument was calculated using the pilot study data.

One of the criteria for selection of past instruments was internal consistency of the scales using Cronbach's Alpha reliability coefficients. The results on measures for the pilot study are shown in table 3.12. Reliability estimated ranged from .69 to .97 are generally considered sufficient for research purposes (Nunally, 1978). The pilot test also identified several problems such as the questionnaire content, understanding of items and time taken. Some vague sentences were noted and corrected.

Each respondent took approximately 25 minutes to complete the entire questionnaire. As expected, there were some confusion on the sentences in the questionnaire, thus

some amendments were made to the final version. The final version of the questionnaire was 7 pages long (refer to Appendix A2).

Table: 3.12

Reliability coefficients for multiple items in Pilot study (n=30)

Variables	Cronbach's Alpha (α)
Participation in decision making	.73
Communication	.75
Loyalty	.69
Termination cost	.81
Relationship Quality (RQ)	.82
Switching cost	.97

3.8 Data Analysis

To analysis data and test the hypotheses statistical tools and methods wereutilized from SPSS (windows version 17). To test the goodness of measure we used factor and reliability analysis. To describe the characteristics of respondents the researcher took recourse to descriptive statistics.Both the non response bias and relationship quality performed by the respondents between different company's profiles were checked with the test of difference. The relationships between variables were

described with correlation analysis.Finally regression analyses were applied to test the impact of relationship quality on loyalty and the influence of antecedent factors on relationship quality.

3.8.1 Factor and reliability analysis

In empirical research, understanding the dimension of variables in the framework is an important step for data analysis (Hair et al., 1998). To identify the structure of interrelationships or correlation within a large number of items, the application of factor analysis takes place.Factors, also known as common underlying dimensions, are defined by the factor analysis (Hair et al., 1998). As recommended by Hair et al. (1998), the cut-off point for significant factor loadings was .30 in the proposed research.

Barlett test of sphericity were used to determine the appropriateness of factor analysis. This test examinedwhether sufficient number of significant correlations existedamong the variables or not?Through this test the researcher attainedthe statistical probability of whether the correlation matrix has significant correlations among at least some of the variables (Hair et al., 1998). In addition to these measures of sampling adequacy (MSA) were also tested to quantify the degree of correlations among the variables along with the appropriateness of the conducted factor analysis.

Hair et al. (1998) recommended that the measuresmay be interpreted based upon the following guidelines:

a) Meritorious:.80 or above
b) Middling: .70 or above, middling
c) Mediocre: .60 or above
d) Miserable: .50 or above
e) Unacceptable: below .50

For each variable MSA values were examined and those values which fell within the unacceptable range were excluded from the study. After all the individual variables reached the level of acceptance, then before the final decision to continue with the factor analysis was made the overall MSA was evaluated.

Based upon the recommendations by Nunally (1978) the internal consistency of the measurement reliability analysis wererun on the factors extracted.The desired reliability coefficient expected were closer to 1.Sekaran (2000) noted that reliability less than .60 is considered to be poor, those in the .60 range was acceptable, and those over .80 are good.

However for the purpose of the present study a minimum reliability (Cronbach's Alpha) value of .50 has been set, which is the threshold recommended by Nunally (1978). For the early stage of a research, as in this case, Nunally (1978) further

suggested that reliabilities of .50 to .60 are indicative of instrumental reliability (Wright et al., 1997). The minimum of .50 is consistent with other researchers such as Nicholson and Goh (1983) and Wright et al. (1997).

Before the items were submitted for reliability test, all the negative worded items in the questionnaire will be reversed.As Pallant (2001) suggested, if coefficient alpha turns smaller than .70, the item with the lowest corrected item to total correlation will be removed until the .70 level is achieved.

3.8.2 Descriptive statistics

To assure a feel for the data the researcher took recourse to descriptive statistics (mean values and standard deviations) for all the variables.This way all the raw data were transformed into a format which was easier for interpretation.

3.8.3 Test of differences

The researcher conductedt-test test to find out allsignificant differences between the early and the late responses of the data received on organizational profiling.

Company's information was transformed into categorical variables for t-test to determine if two categorical variables were related (Pallant, 2001).

3.8.4 Correlation Analysis

The proposed study examined the relationship between relationship quality with the antecedent variables. The relationship strength and direction in between the two variables were described with Pearson correlation.As one variable increases with the increase of the other one then it will denote a positive correlation, on the other hand s one variable decreases with the decrease of the other one then it will denote a negative correlation. A perfect correlation of 1 or -1 indicated that the value of one variable can be determined exactly by knowing the value of the other variables. As opposed to that a"O" correlation denotedno relationship between the two variables.

3.8.5 Multiple Regression

Pallant (2001) stated that a more sophisticated extension of correlation is multiple regressions.He also mentioned that to explore the predictive ability of a set of independent variables on one dependent variable it is a very reliable tool. For testing the stated hypotheses multiple regressions analysis wereused.In addition to that the

loyalty variance explained by relationship quality and the variance of relationship quality explained by the antecedent factors were also examined through this analysis.

Before proceeding with the analysis the researcher examinedthe primary assumptions of the linearity, normality of the error terms distribution and homoscedasticity.As multiple regression is sensitive in nature to outliners, Pallant (2001) stated that the standardized residual values would be above 3.3 (or less than -3.3). With SPSS package version 17, case wise diagnostics in regression analysis weredone.To minimize the effect of outliers they were discarded from the data set.The degree of multicollinearity and its effect on the results were examined before regression results were considered valid.As a result of that the variance inflation factor (VIF) and the condition indices for all the variables were examined. Hair et al (1998) suggested that VIF should be closed to 1.00 indicating little multicollinearity. They alsorecommended the cutoff value of 10.00 as an acceptable VIF.

CHAPTER FOUR

FINDINGS

4.1 Introduction

This chapter presents the results of the data analysis. Firstly, this chapter describes overview of data collection. Secondly, it presents profile of the respondents. It then follows with analysis on goodness of measures to test the validity and reliability of the variables. Finally, the results of the hypotheses testing are presented.

4.2 Overview of data collected

4.2.1 Response rate

For data collection purposes, 300 questionnaires were distributed to retailers in all over Bangladesh. Out of this number, 142 were returned. Twenty one questionnaires were incomplete. Thus, a total of 121 were usable and used for subsequent analysis, giving a response rate of 40.33 percent. It was tremendous effort, hard work and extra financial cost that this response rate was obtained. The sample size appeared to be adequate and response rate obtained was comparable to several studies in the

retail and distribution channel industries. Respective response rates for such studies were 35 percent (Verhof et al., 2002), 45 percent (Gounaris & Venetis, 2002) and 28 percent (Kumar et al., 1995).

4.2.2 Test of Non-response bias

As is the case in any study relying on voluntarily participation, there is always possibility that respondents and non-respondents differ in some significant manner (Matteson et al., 1984). Due to the difficulty associated with the identification of non-respondents' characteristics in anonymous research, an alternative test of non-response bias was conducted.

According to Armstrong and Overton (1977) non-respondents were assumed to have similar characteristics to late respondents. This procedure involves breaking the sample to early responses (that is, returns received within two weeks after distribution) and late responses (those received after two weeks of distribution).

There were 42 respondents classified as "early response" and 79 as "late response". Their responses on the variables used in this study were compared using independent t-test to detect any significant differences with respect to the study variables.

Table: 4.1

Results of independent t-test for early and late response

Variables	Early response Mean	Late response Mean	Sig *
Organizational factors			
Participation in decision making	2.0238	2.0285	.67
Communication	1.7738	1.6582	.37
Cost related factors			
Switching cost	2.9619	2.6152	.15
Termination cost	2.1587	2.0970	.41
Operational cost	2.0119	1.9684	.10
Loyalty	.9524	1.9842	.19
Relationship Quality	1.6369	1.8456	.08

*p<.05

Table 4.1 displays the results of t-test for both groups. The results revealed no variables tested produced significant means-test differences (at the five percent level of significance) between early and late responses. Since all the variables showed no significant result, there is no reason to say that the population variances are equal. For this study the t-test results indicated that serious sampling bias does not appear to be a problem. Thus, we can conclude that non-response bias will not significantly affect the generalizability of the findings of the study. The full SPSS output is attached in Appendix B1.

4.3 Profile of the respondents

This section provides background information on the retailers those participated in the survey. The characteristics examined included the verification of the retailers about the nature of their business, as in Bangladesh there are many retailers who participate in wholesale business side by side with their retail business from the same business holdings number. Also the retailers were asked about their last years (Year 2010) annual business turnover as well as the total number of retail outlets they had in all over the geographic territory of Bangladesh.

The findings about the respondent's last year's sales value are depicted in Table 4.2. Regarding the respondents last year's (2010) sales majority (56 out of 121) of the respondents (46.3%) had their sales between US $ 71000 to 140000. So the random selection of the retailers was dominated by retailers earning in the mid level. Second

highest response (24%) came from retailers whose sales value fall within the range of US $ 150000 to 700000, followed by the retailers who (19%) sold between US $ 15000 to 70000. Out of all the respondents only one respondent (representing .8%) had an annual sales of US $ 14000 in the year 2010, while on the other extreme side twelve respondents (9.9%) had sales between US $ 710000 to 1500000. These findings have been rather similar to the findings by Dalela (2009) in a relationship study within a B2B domain.

Table 4.2

Respondent's last year's (2010) annual sales volume

Amount (in US $)	Frequency	Percent
1 – 14000	1	.8
15000-70000	23	19
71000-140000	56	46.3
150000-700000	29	24
710000-1500000	12	9.9
Total	121	100

Regarding the number of outlets or stores respondents have, the findings are described in the Table 4.3. Here it can be commented that the majority of the respondents (61.2%) have stores between one to eight outlets. Followed by twenty

nine respondents (24%) having stores between nine to sixteen outlets. Only a small number of respondents (18) have more than sixteen stores all over Bangladesh. This scenario clearly establishes the findings by Hussain and Ara (2004) where they claimed that in Bangladesh retailing has always been considered as an auxiliary business supporting the major businesses with limited presence in only the major cities. In the end it can be derived from these findings that in Bangladesh retailers are not expanding at a rate they are supposed to do and their expansions are mostly concentrated in the major cities only.The full SPSS output is attached in Appendix B2.

Table 4.3

Respondent's number of retail outlets in all over Bangladesh

Number of outlets/stores	Frequency	Percent
1 – 8	74	61.2
9-16	29	24
17-24	7	5.8
25-32	6	5
33-40	5	4
Total	121	100

4.4 Goodness of measure

4.4.1 Construct validity

As mentioned in chapter 3, most of the items used to measure the variables have been borrowed from the literature. Even though the borrowed measurements (ie; Payan et al., 2009) have been confirmed of its discriminant and convergent validity, it is felt necessary to re-examine the validity of these measures. This is because this study is undertaken in Bangladeshi context which may be different from that of USA or any other western countries. The existing literatures on relationship quality have been done in other countries, particularly in the western countries where the environment and culture are entirely different from Bangladesh.

In order to ascertain whether the measurements used in this study have construct validity, that is, measure what they are supposed to measure, exploratory factor analysis was conducted on all items measuring the constructs of relationship quality, participation in decision making, communication, switching cost, termination cost and loyalty. As the variable relationship duration had only one open ended question, factor analysis was not conducted on this measure.

4.4.2 Results of Exploratory factor Analysis

For factor analyses purposes, the items in the questionnaire are grouped into four components. The first component was relationship quality, consisting of items in Section E of the questionnaire. The second component comprised of organizational factors, consisting of items in Section B of the questionnaire. The third component comprised of cost related factors, consisting of items in Section D of the questionnaire, and the fourth component comprised of loyalty factor, consisting of items in Section F of the questionnaire.

Factor analysis was based on principal component method with Varimax rotation for all components. The results for each factor analysis conducted are summarized in tables 4.4, 4.5, 4.6 and 4.7.

4.4.2.1 Organizational factors

For the organizational factors, factor analysis was conducted based on ten questions on participation in decision making and communication. As shown in table 4.4 for all the 10 items, the overall value of Kaiser-Meyer-Olikin was found to be .64, while the Bartlett's test of sphericity result was highly significant (p=.000), which indicated the assumptions of factor analysis were met.

A step by step factor analysis revealed that the factor loadings of six items (PDM1, PDM2, PDM3, PDM4, COM1 & COM3) were between .59 to .87. These loadings were greater than .50 which is the minimum level required for a sample size 120 and above (Hair et al., 1998). The factor analysis showed there were four items (PDM 5, COM 2, COM 4 and COM 5) whose factor loadings were below the required level. A common practice is to delete these items to increase the scales reliability (Hair et al., 1998). Therefore these items were deleted from subsequent analysis.

After deleting the four items the measures of the organizational factors produced Kaiser-Meyer-Olikin value of .74 with the highly significant Bartlett's test of sphericity result (p=.000) . At this stage all the MSA values were between .50 to .92. While after Varimax rotation the organizational factors produced four factors capturing 77.236 percent of the variance.

On the basis of the factor analysis, two distinct factors were determined. One with the items PDM 1, PDM2, PDM3 and PDM4.The other one with the items COM 1 and COM 3. To ensure their use in the multiple regression analysis their reliability value (the Cronbach Alpha) was calculated and came out to be .82 and .73, respectively, which are acceptable level for data reliability (Hair et al., 1998).

In general, results of the exploratory factor analysis on the main organizational factors proposed in the conceptual framework indicated dimensions almost similar

with the original dimensions, their original names were kept as their labels.The full SPSS output is attached in Appendix B3.

Table: 4.4

Summary of factor analysis for organizational factors

Items	Loadings	
	1	2
Our ideas for ordering, selling, and servicing are welcomed by the supplier	.93	
We are involved in the set up of the commercial goals with the supplier	.90	
Our supplier takes into account our suggestions	.87	
We perform an active role in decision making		.77
The supplier provides information on new retail products		.89
The supplier provides timely and accurate information		.87
Eigenvalue	4.634	
Percentage of variance	77.236	
Kaier-Meyer-Olikin (KMO)=	.74	
Bartlett's test of sphericity: Approx Chi square=	371.547	
Df= 15, Sig= .00		

4.4.2.2 Cost factor

As shown in Table 4.6, for all the 10 items, the overall value of Kaiser-Meyer-Olikin was found to be .82. Furthermore, the result of the Bartlett's test of sphericity was highly significant (p=.00), which indicates the assumptions of factor analysis were met. The items were tested by principal component analysis and rotated by varimax rotation with Kaiser-Meyer-Olikin method. At the initial stage, item TEC 2 and TEC 1 had loadings on component 2 and 3 together, but after the varimax rotation all the three components had distinct loadings along the three components. The results indicated three factors or components loading with eigenvalues more than1. These factors captured 66.37 percent of the total variance of the items. A total of five items loaded on first factor, with the factor loadings between .87 to .93. Three items loaded on the second factor with the factor loadings between .70 to .83, while the remaining two items loaded on the third factor with loadings between .85 to .87. These loadings were greater than .50 which is considered to be the minimum level required for this study (Hair et al., 2006). The reliability analysis conducted shows the alpha values between .60 to .95 for all the three factors. The first factor measures the cost of switching between suppliers, while the second factor measures the cost of terminating or ending the relationship with the suppliers. Therefore the original names for both these two factors were retained. For the third factor the two items are concentrated upon the administrative and product delivery costs, therefore they were given the new label as "Öperational Cost".The full SPSS output is attached in Appendix B4.

Table : 4.5

Summary of factor analysis for cost factors

Items	Loadings		
	1	2	3
Considering everything, the cost of stop doing business with this supplier and start up with a new supplier would be high	.93		
It is risky to change as the new supplier may not give good products and services	.92		
We would lose a lot of information about our company, business and market issues if we change the supplier	.90		
On whole it would cost a lot of time and energy to find an alternative supplier	.89		
We would feel frustrated if we terminate our current relationship with the supplier	.87		
Our present supplier is much better than our next alternative supplier		.84	
Our present supplier is much better than our next alternative supplier concerning delivery time		.72	
Our present supplier is much better than our next alternative supplier,			.70

concerning tied up capital	
Our present supplier is much better than our next alternative supplier, concerning administrative lead time	.87
Our present supplier is much better than our next alternative supplier, concerning product/service quality	.85
Eigenvalue	7.69
Percentage of variance	76.932
Kaiser-Meyer-Olikin (KMO)=	.825
Bartlett's test of sphericity: Approx Chi-Square=	776.354
Df= 45, Sig= .00	

4.4.2.3 Loyalty factor

The loyalty scale was found to be unidimensional based on component factor analysis. As shown in the factor analysis, out of all the five item's initial factor loadings of one item (Loy 5) had a very low value (.285). Once it was removed the Kaiser-Meyer-Olikin value reached .65, exceeding the recommended value of .50 (Hair et al., 2006) and Bartlett's test of sphericity was significant (p=.00). All the MSA values ranged from .62 to .70. Principal component analysis revealed the presence of only one distinct component with 2.32 factors with an eigenvalue of 58.061. We had to accept this variance as further removal of the lowest loaded item

(Loy 4) increased the variance to 66.07 but another remaining item (Loy 2) becomes less than .5 (.43). So the four items had to be remained. The reliability value (Cronbach Alpha) was calculated at .71. The full SPSS output is attached in Appendix B6.

Table 4.6

Summary of factor analysis for loyalty factor

Items		Loadings
		1
We intend to continue buying the suppliers products in future		.65
Next time when we'll need the same type of product I'll purchase it form the same supplier		.51
We shall continue buying from this supplier more frequently in future		.68
We shall probably buy products from this supplier again		.49
Eigenvalue		2.32
% of variance		58.01
Cronbach's Alpha		.71
Kaiser-Meyer-Olikin's Measure of Sampling Adequacy		.653
Bartlett's test of sphericity:	Approx Chi square	145.948
	df	.000

4.4.2.4 Relationship Quality (RQ) factor

For the RQ factors, factor analysis was conducted based on the fifteen questions on retailer's level of relationship quality. These fifteen items represented three dimensions of RQ (Trust, satisfaction and commitment).

Further analysis followed by the basic guidelines mentioned by Hair et al., (1998) satisfying the conditions of having sufficient correlations among the factors (not more than .30), MSA values from anti image matrices (values over .50), KMO and Bartlett's test of sphericity and the component matrices values reaching the accepted level of factor loading (.50). The exploratory factor analysis was carried out in several steps, to attain the optimum number of factors for further analysis.

At the initial stage for all the fifteen items, the overall value of Kaiser-Meyer-Olikin was found to be .78. A close inspection of the individual, MSA value of all the items within acceptable range, that is between .58 to .92. Furthermore, the result of the Bartlett's test was highly significant (p=.00), which indicated the assumptions of factor analysis were met. In the total variance table 3 dimensions explained 53.293% of the cumulative variances, which is the acceptable level by Hair et al. (1998). In the communalities table item RQ 12 came out well below the required level of 0.5 according to Hair et al. (1998). Therefore, it was deleted for the next step of factor analysis.

In the next stage, for the remaining fourteen items, the overall value of Kaiser-Meyer-Olikin was found to be .75. A close inspection of the individual items, MSA value of all the items were within acceptable range, that is between .57 to .89. Furthermore, the result of the Bartlett's test came out to beof highly significant (p=.00). In the variance table 3 factors explained 54.727% of the accumulated variance, which is well accepted according to Hair et al., (1998). After varimax rotation through the rotated component matrix 3 distinct and unique dimensions of RQ emerged. Based upon their cross loadings the following factors were retained for further regression analysis. To determine the reliability of these items the Cronbach's alpha came out to be at the accepted level (.82). Table 4.7 shows the final RQ items with their factor loadings.

Table: 4.7

Factor and Reliability analysis on relationship Quality

Items	Factor loadings			
	1	2	3	
We have chosen this supplier for practical reasons	.78			
We are resolute about future intent to do business with this supplier	.68			
The relationship between two firms is positive	.68			
Using the supplier is a good experience for me	.64			
Performance of the supplier is better than expected	.62			
We trust this supplier		.90		
This supplier is trustworthy		.86		
The supplier works hard for my wellbeing		.58		
Our firm is comfortable with the supplier			.51	
Our relationship with the supplier reflects a happy situation			.72	
We are dedicated to continuing to do business with the supplier			.63	
We intend to do business with the supplier well into the future			.56	
We want to maintain a longterm relationship with the supplier			.56	
The supplier has always been fair in negotiation with us			.45	
Eigenvalue				1.306
% of variance				54.727
Cronbach's Alpha				.82
Kaiser-Meyer-Olikin's Measure of Sampling Adequacy				.75
Bartlett's test of sphericity: Approx Chi square				667.189
df				91
Sig				.00

On the basis of the factor loadings, all the 3 factors, namely trust, satisfaction and commitment remains as dimensions of Relationship Quality. The full SPSS output is attached in Appendix B5.

4.4.3 Reliability Test

Table 4.8 below summarizes the reliability test of the measures (after taken into consideration of deleted items). As shown , the Cronbach's Alpha of the measures were all comfortably above the lower of acceptability, that is β> .50. Hence all the measures were highly reliable.The full SPSS output is attached in Appendix B7.

Table 4.8

Reliability Coefficients for the variables in the study

Variables	Number of items	Reliability
Participation in decision making	4	.82
Communication	2	.74
Switching cost	5	.95
Termination cost	3	.60
Operational cost	2	.72
Loyalty	4	.71
Relationship Quality	14	.82

4.5 Descriptive analysis of the main variables

This section presents descriptive statistics for the main variables in the present study. Statistics such as mean, standard deviations, minimum and maximum were calculated for independent and dependent variables. All the variables used in this study were measured using five point scale. The results are shown in table 4.9.

For ease of interpretation, the range of the five point Likert scale was categorised into equal size categories of low, moderate and high. From the table below, the mean value of relationship quality fall within the value of 4.1989. This indicates that the respondents tend to exhibit high level of relationship quality with their suppliers. For the antecedent variables , out of all the five antecedent variables four hold the values between the range of 1.98 to 4.19. Only operational cost show a very low value of 2.80. This indicates that from an overall perspective respondents tend to have high level of perception on most of the organizational and cost related variables, except operational cost.

In order to answer the first research question, ie; "to determine the level of relationship quality between the retailers-suppliers, as perceived by the retailers in Bangladesh", the following table shows the mean and standard deviation of the relationship quality among respondents. It is important to highlight that the respondents tend to be satisfied with the quality of their relationship with their suppliers. This is shown by the mean score of 4.19 on a five point scale.

Furthermore, the standard deviation of .29 indicates that statistically, the variations of relationship quality among respondents are slightly low.

Table 4.9

Descriptive statistics of the main variables

Variables	Mean	Std. Deviations
Participation in decision making	3.906	.28175
Communication	4.1884	.32995
Switching cost	2.8000	.84538
Termination cost	2.1185	.37233
Operational cost	1.9835	.35901
Loyalty	4.0182	.24495
Relationship Quality	4.1989	.28389

Although it is not stated as the objective of the present study, it is also interesting to explore if the level of relationship quality differs across profile of the responding retail companies. This is investigated in the following section to understand further the level of relationship quality among the retailers.

The differences in the level of relationship quality among retailers were explored in terms of retailer's annual turnover and their number of outlets in Bangladesh. Analysis of variance (ANOVA) was used to test the differences between these variables. Table: 4.10 summaries the results of the test.

Table: 4.10

Relationship quality by retailer's annual sales turnover and their no. of outlets

Variable	Categories	M	F value (p value)
Annual sales turnover	<BDT 10,00,000	1.5	1.605 (.152)*
	BDT 1 mil – 5 mil	1.7	
	BDT 5 mil – 10 mil	1.5	
	BDT 10 mil – 50 mil	1.6	
	BDT 50 mil – 100 mil	1.7	
Number of outlets	1	1.5	.751 (.610)*
	2	1.6	
	3	1.6	
	4	1.5	
	5	1.6	

Note: *P> .05, N=121

Table 4.10 shows that the level of retailer's relationship quality was found to be different based upon retailers annual sales turnover (in the year 2010), but showed no significant relationship between retailers number of outlets and annual sales turnover with their perceived relationship quality with their suppliers. The full SPSS output is attached in Appendix B8.

4.6 Correlation Analysis

Table 4.11 provides a summary of the results from correlational analysis. The computation of the Pearson correlation coefficient was performed to obtain an understanding of the relationship between all the variables in the study. The values of the correlation coefficients (r) given in Table 4.11 indicate the strength of the relationships between variables. As shown in Table 4.11 overall correlation values of the variables showed correlations coefficients with values below .5. These generally indicate weak associations between variables.

Table: 4.11

Pearson's Correlations for study variables

	PDM	COM	SWC	TEC	OPC	LOY	RQ	RD
PDM	1.0							
COM	.15	1.0						
SWC	.04	.10	1.0					
TEC	.03	.19	.24	1.0				
OPC	.03	.01	.17	.32	1.0			
LOY	.06	.05	.04	.04	.07	1.0		
RQ	.05	.02	.22	.14	.11	.14	1.0	
RD	.02	.06	.08	.03	.03	.08	.04	1.0

Note: P < .05

PDM= Participation in Decision Making; COM= Communication; SWC= Switching Cost, TEC= Termination Cost ;OPC= Operational Cost; LOY= Loyalty, RD= Relationship Duration;RQ= Relationship Quality.

Operational costshows significant correlation with termination cost (r=.32), although the value is well below .5. Termination cost and switching cost shows correlation (r=.24), however the association is low. Relationship quality shows significant correlation with switching cost, however the association is weak (r= .22). With regards to the other variables, the correlation is generally positive but weak. It gives indication that relationship quality is not the major (or only) variable influencing loyalty. On the other hand majority of the antecedents are statistically significantly correlated with relationship quality with correlation values ranging from .01 to a high of .32.The full SPSS output is attached in Appendix B9.

4.7 Hypotheses testing

4.7.1 Re-statement of hypotheses

In light of the results of the factor analysis, some amendments have to be made to the statement of hypotheses stated earlier. The hypotheses tested in this study are as follows:

(i) Relationships between organizational factors and relationship quality:

Hypothesis 1a: Participation in decision making is positively related to retailers relationship quality with their suppliers.

Hypothesis 1b: Communication is positively related to retailers relationship quality with their suppliers.

(ii) Relationships between cost related factors and relationship quality:

Hypothesis 2a: Termination cost is positively related to retailers relationship quality with their suppliers.

Hypothesis 2b: Switching cost is positively related to retailers relationship quality with their suppliers.

Hypothesis 2c: Operational cost is positively related to retailers relationship quality with their suppliers.

(iii) Relationship between relationship quality and loyalty:

Hypothesis 3: Relationship Quality (RQ) is positively related to retailers' loyalty toward their suppliers.

(iv) Relationship between duration of relationship and relationship quality and loyalty

Hypothesis 4: Relationship duration moderates the relationship between relationship quality and retailers' loyalty toward their suppliers.

4.8 Hypotheses testing

In order to answer the second and third research questions, that address the relationship between relationship quality and loyalty as well as the influence of organizational and cost related factors on relationship quality, regression analyses were conducted. However, before conducting the analysis, the data were first examined to detect whether there is any serious violations from the basic assumptions underlying the regression analysis, namely linearity, normality and homoscedasticity (Hair et al., 1998).

The first assumption, linearity is assessed through an analysis of partial plots. The plots in Appendix B show the relationship between a single independent variable to the dependent variable. A visual examination of the plots indicated that there was no obvious U-shaped or other curvilinear relationship. Thus, meeting the assumption of linearity for each independent variable.

The next assumption deals with homoscedasticity. As suggested by Hair et al. (1998), to show the existence of homoscedasticity, diagnosis is made by plotting the residuals (studentized) against the predicted dependent values and comparing them to the null plot. The scatter plots in Appendix B show no discernible patterns, thus, indicating homoscedasticity in the multivariate (the set of independent variables) case.

The final assumption, that is normality is examined by normal probability-plot (P-P) of the residuals. From the normal p-p plot in Appendix B, the values fall along the

diagonal with no substantial or systematic departures, indicating that the residuals are about normal distributed.

Overall, inspection on data revealed that there was no serious violation of the basic assumptions. Therefore, the use of regression for subsequent analysis is appropriate.

The interpretation of the regression analysis is based on the standardized coefficient beta (β) and R^2 which provides evidence whether to support or not to support the hypotheses stated earlier in the chapter.

4.8.1 Regression analysis on the influence of antecedent variables on relationship quality

Table 4.12 provides evidence on the influence of antecedent factors on relationship quality. The F- statistic ($F= 24.70$, $p<.01$) indicates that the relationship between independent and dependent variables is significant. The adjusted R^2 indicates that the antecedents account for 49 percent of the variation in relationship quality. Out of the five independent variables included in the regression equation, three variables (the cost related factors) emerged as significant predictors of relationship quality. These are termination cost, switching cost and operational cost.

This test reveals evidence to support the hypotheses for termination cost, switching cost and operational cost. Consistent with the hypotheses, termination cost, switching

cost and operational cost are found to have positive influence on relationship quality. However, there is insignificant evidence to support the influence of participation in decision making and communication (the organizational factors). Thus, these two variables are found to have insignificant effects on relationship quality.

Based on the results, hypotheses 2a, 2b and 2c are supported. This leads to the conclusion that all the cost related factors play an important role in determining relationship quality. On the other hand, the other antecedent variables, participation in decision making and communication, are found to have no significant influence on relationship quality. Therefore, hypotheses 1a and 1b were rejected.

To investigate which of the antecedent factors has the most influence on relationship quality, we referred to the beta values. Based on the size of the beta, the predictor variables exercising the most influence on relationship quality were, termination cost (β=.44), followed by switching cost (β=.38), and operational cost (β=.31).

Table: 4.12

Summary of multiple regression analysis for factors influencing relationship quality

Antecedents	B	SE B	β
Communication	.04	.03	.04
Termination cost	.28	.06	.44*
Switching cost	.23	.05	.34*
Operational cost	.03	.03	.31*
Participation in decision making	.28	.04	.07

Note: Adjusted R^2 = .49; F=24.70; *p<.01

B=Unstandardized Coefficient; SE B= Standard error of coefficient; β= Beta coefficient.

For the regression of independent variables on relationship quality, the variance inflation factor (VIF) and tolerance value for all the independent variables were examined to detect multicollinearity. The VIF should be close to 1.00 to indicate little or no multicollinearity (Hair et al., 2006). Hair et al. (2006) suggested a cut off value of 10.00 as an acceptable VIF. The VIF values for all the independent variables indicated less than 10.00. From the tolerance and VIF values shown in the output indicates no multicollinearity effect among independent variables on dependent variables. The full SPSS output is attached in Appendix B10.

4.8.2 Regression analysis on the influence of relationship quality on loyalty

Table 4.13 provides evidence on the influence of relationship quality on loyalty. The F- statistic (F= 206.991, p<.01) indicates that the relationship between independent and dependent variable is significant. The adjusted R^2 indicates that relationship quality account for 63 percent of the variation in loyalty.

This test reveals evidence to support the hypotheses for relationship quality and loyalty. Consistent with the hypotheses, relationship quality is found to have positive influence on loyalty.

Based on the results hypotheses 3 is supported. This leads to the conclusion that relationship quality plays an important role in determining loyalty.

Table: 4.13

Summary of multiple regression analysis for relationship quality's influence upon loyalty

Antecedent	B	SE B	β
Relationship Quality (RQ)	1.32	.09	.79*

Note: Adjusted R^2 = .63; F=206.991; *p<.01

B=Unstandardized Coefficient; SE B= Standard error of coefficient; β= Beta coefficient.

For the regression of relationship quality on loyalty, the variance inflation factor (VIF) and tolerance value for the independent variable was examined to detect multicollinearity. The VIF should be close to 1.00 to indicate little or no multicollinearity (Hair et al., 2006). Hair et al. (2006) suggested a cut off value of 10.00 as an acceptable VIF. The VIF values for the independent variable indicated less than 10.00. From the tolerance and VIF values shown in the output indicates no multicollinearity effect among independent variable on dependent variable.The full SPSS output is attached in Appendix B11.

4.8.3 The moderating role of relationship duration upon RQ and Loyalty

To test Hypotheses 4, a test of moderation hypotheses required a hierarchical regression. To test the moderating role of duration of relationship between relationship quality and loyalty, three continuous variables were considered. A predictor variable (RQ), an outcome variable (Loyalty) and a hypothesized moderator variable (Relationship Duration). The objective was to test the interaction between the IV (RQ) and proposed moderator (relationship duration). To test the moderating role of relationship duration, an interaction term (RQ x Relationship Duration) was created, and it was entered after entry of RQ and Relationship Duration in SPSS. Then, if addition of the new RQ x Relationship Duration variable resulted in a significant increase in R^2, it can be claimed that a moderating effect of relationship duration on the relationship between RQ and Loyalty has been confirmed. To avoid multicollinearity problem due to the creation of a new variable by multiplying two existing variables, "Standardizing by centering process" (Body & Limayem, 2004) was carried out. By this method the values of RQ and Relationship Duration was converted to Z scores, having mean zero and standard deviation one. This process has the additional advantage of reducing the problem of multicollinearity by reducing the size of any high correlation of RQ or Relationship Duration with the new interaction variable (RQDuration).

In the model summary shown in table 4.14 (the SPSS output), the R^2 change is .641, when the interaction variable is added (model 2) to the predictor and moderator variables. This change is highly significant, F(2, 118)= .641, p= .000. This

significant interaction tells us that our presumed moderator indeed moderates the effects of the predictor (RQ) on the outcome variable (Loyalty). Therefore, hypotheses 4 isaccepted.The full SPSS output is attached in Appendix B12.

Table: 4.14

Model summary of the Hierarchical regression to determine the moderating role of relationship duration upon the relationship between relationship quality and loyalty

Variable	R^2	R^2 difference	Beta	F-value
RQ x Loy	0.635	---------	-------	------
RQ x RD	0.641	0.006	0.076	105.19

Notes: RQ = Relationship Quality, RD = Relationship Duration, Loy = Loyalty

Dependent variable = Loyalty; n= 121; *p<0.05

4.9 Summary of findings

The test of non response bias revealed no statistically significant difference between early and late responses. Therefore, the issue of non-response bias did not significantly affect the generalizability of the findings of this study.

Descriptive statistics showed that in general respondents have a higher level of relationship quality with their suppliers. To examine the relationships between relationship quality and loyalty as well as the factors influencing respondents to develop relationship quality with their suppliers, regression analysis were conducted. Presented below is the summary of the findings from hypotheses testing:

Hypotheses	Accept/Reject
Hypothesis 1a: Participation in decision making is positively related to retailers relationship quality with their suppliers.	Reject
Hypothesis 1b: Communication is positively related to retailers relationship quality with their suppliers.	Reject
Hypothesis 2a: Switching cost is positively related to retailers relationship quality with their suppliers.	Accept
Hypothesis 2b: Termination cost is positively related to retailers relationship quality with their suppliers.	Accept
Hypothesis 2c: Operational cost is positively related to retailers relationship quality with their suppliers.	Accept
Hypothesis 3: Relationship quality (RQ) is positively related to retailers' loyalty toward their suppliers.	Accept
Hypothesis 4: Relationship duration positively moderates the relationship between relationship quality and retailers' loyalty toward their suppliers.	Accept

CHAPTER FIVE

Discussion and conclusion

5.1 Introduction

This chapter begins with a summary of the study's findings. It is then followed by a discussion of the findings. Both the theoretical and managerial implications together with limitations are also discussed. Finally, a conclusion of the study is drawn after presenting the limitation of the study as well as suggestions for future research.

5.2 Recapitulation of the study's findings

To attain business success in distribution or channel management, effective management of buyer-seller relationship has been recognized as being critical. As channel industries are complicated with continuous stream of transactions in nature, successful management of relationships will be one of the most critical components to look after. Most previous studies, however, reported mixed findings regarding the roles of switching cost, relationship duration, termination cost and loyalty in the buyer-seller relationships. This study extends the concepts of relationship quality, its antecedents and consequences in the relationship marketing literature between the retailers and their suppliers in the Bangladeshi retail industry.

Based upon the previous research in relationship marketing (Dwyer et al., 1987; Parker & Bridson, 202; Jineldin & Jonsson, 2000; Rachjaibun, 2007; Lin & Ding, 2009), a theoretical model of retailer-supplier relationship was developed to show proposed testable relationship among the study constructs. The proposed research model was a field study examining the relationships between the retailers and their suppliers within the retail industry. As noted in chapter 3, the sample frame was designed to include retailers from all over the geographic territory of Bangladesh and the research instrument used was adapted from previous field studies. The hypothesized relationships shown in the study's theoretical model were tested and the study findings were presented. Furthermore, a descriptive summary of the operationalisation of variables was also provided.

Specifically this study investigated the antecedents of relationship quality and its impact upon organizational loyalty. The first objective of this study is to determine the level of relationship quality between retailers-suppliers, as perceived by the retailers in Bangladesh. The second objective is to investigate the influence of organizational and cost related factors on the relationship quality in retailer-supplier relationships. The third objective is to investigate the relationship between relationship quality and loyalty. And the fourth objective is to investigate whether duration of relationship moderates the effects of relationship quality on loyalty.

Based upon the study's objectives, four specific research questions were investigated in the study: (1) what is the level of relationship quality among retailers and their suppliers in Bangladesh? (ii) To what extent do the organizational and cost related

factors influence the retailers and suppliers relationship quality? (iii) What is the relationship between relationship quality and its relational consequence of loyalty? and, (iv) Does duration of relationship moderate the relationship between relationship quality and loyalty?

The summary of findings for each objective is narrated below:

(1) Responding to the first research objective, this study found that retailers tend to perceive a higher level of quality in their existing relationship with their suppliers.

(2) For the second research objective, this study proposed five hypotheses related to organizational and cost related factors. The regression analysis undertaken revealed that out of the five hypotheses tested, three (only the cost related factors) were supported. These included switching cost, termination cost and operational cost.

(3) To answer the third research objective which is related to the consequence of relationship quality on loyalty, the findings supported the hypothesis.

(4) With regards to the fourth research objective, the findings indicated that for the hypothesis related to the moderating effect of relationship duration upon the relationship between relationship quality and loyalty was supported.

5.3 Discussion

In this section the discussion on the results of this study begins with addressing the level of retailers' relationship quality and relationship between the antecedent factors and retailers' relationship quality. Then, it is followed by the impact of relationship quality on loyalty. Consequently, the discussion also covers the moderating effect of relationship duration on the relationship between relationship quality and loyalty.

5.3.1 Level of relationship quality by the retailers

To answer the first research question, this study attempted to explore relationship quality in a business-to-business scenario in the retail industry. The overall findings demonstrated that retailers tend to perceive high level of relationship quality with their suppliers.This is in line with the findings by DelVecchio (1998). The high level of relationship quality, as perceived by the retailers, indicated that they feltthe quality of their relationship with their suppliers were up to the level where they were happy and satisfied with the existing relationships.The plausible reason to this scenario is perhaps because retailers who are satisfied with their relationship quality with their suppliershave built a level of trust and gained satisfaction upon their suppliers,eventuallyenhancingthe overall quality of relationship in the long run.

5.3.2 The effects of antecedent factors on relationship quality

The second research question relates to the antecedent factors of relationship quality.It has been observed in this study that each component namely organizational and cost related factors is represented by two and three factors, respectively. For organizational factors two factors were hypothesized and both factors, namely participation in decision making and communication, were not found to be in a significant relationship with relationship quality. For cost related factors two factors were hypothesized in the beginning. But after the exploratory factor analysis a new factor was revealed taking two items from the factor named termination cost. Being another cost related factor, the new factor has been named as operational cost, because of the nature of the questions it represented. The effects of the antecedent factors have been described based upon their two separate categories in the following manner.

5.3.2.1 The effects of cost related factors upon relationship quality

Of all the antecedents included in the regression equation, only three emerged as significant predictors of relationship quality. Based upon β values and in order of importance these are termination cost, switching cost and operational cost. As hypothesized, all these three factors have positive influence on relationship quality. This information can be used by the suppliers to focus on the relative importance of cost for terminating the relationship, cost for switching to an alternative supplier as

well as controlling the operational costs in working business relationships with the retailers.

As was discussed earlier and based upon the β values, this study shows that termination cost is the strongest factor to have positive impact on relationship quality. This means that the greater the emphasis placed by the suppliers on termination cost, the higher will be the level of relationship quality of the retailers. According to the Key Mediating Variable (KMV) model of relationship marketing the more losses that are expected of a relationship termination, the more committed the different parties will be to each other (Friman et al., 2000 and Morgan & Hunt, 1994). Therefore the positive relationship between relationship termination cost and relationship quality exists when the retailer felt it would be too expensive or difficult to end a relationship, ultimately leading to an increase in the importance of that relationship. As Woodside et al., (1992) suggested that relation specific investments make it more difficult to end a relationship. In this case, the retailers may have developed a sense that a great deal of time and money has already been invested and that these investments may not be recovered if the relationship ends as Wilson (1995) suggested. There may also be a high degree of interdependence between the retailers and their suppliers that may eventually lead them to compromise and cooperate before ultimately terminating the relationship. This phenomenon validates the earlier studies by Padro and Sale (1994) and Zineldin and Jonsson (2000). Under these circumstances retailers are more likely to try to make a relationship work or stay in a bad situation longer before ending the relationship if the cost of terminating is high.

Based upon the βvalues from the regression models, switching cost is ranked as the second strongest factor influencing relationship quality. The results of this study revealed that switching cost positively affects relationship quality. This means that with the higher switching costs the intentions to stay and maintain the quality of a relationship were much higher. This result is in line with the previous studies by Bowen and Shoemaker (1998), Ruyer et al. (2001), and Sharma and Patterson (2000). The positive relationship between switching cost and relationship quality may be indicative of the fact that due to the high degree of dependence on the existing suppliers the retailers do not take resort to coercive measures to ensure full functioning relationship with better quality. This phenomenon reported in the present study supports Frazier et al., (1989) study where they stated that in such situations both the parties perceive the relationship as positive and agreeable to remain and nurture in the relationship for both their future organizational benefits. These findings confirms the ideas expressed by Jackson (1985) and Porter (1980) that the cost and pain of changing the supply source leads to relationship maintenance and saving the relationship from dissolution, ultimately enhancing the quality of the relationship between both the parties.

The third most influencing variable was the new cost related factor named "operational cost". Being a cost related factor, it has shown significant impact upon relationship quality being in line with the other two cost factors. Operational cost determines the level of relationship quality retailers hold toward their suppliers. This is probably because as the operational cost becomes higher, the retailers start to perceive that they have already made investments in developing / installing the administrative procedures and quality management functions in their management

system. They also continue to assume that these procedures in purchasing products and services from their suppliers have reached an optimum level. In case of any change in the current supplier would lead to additional expenditure in this area. Therefore, if they can maintain the relationship with their current supplier then it would save them from incurring additional cost. As a result of that the quality of their relationship with their supplier becomes important and valuable to them. This finding is in line with the study by Alexander (2002) where he established the fact that cost related factors positively influenced relationship quality.

5.3.2.2 The effects of organizational factors upon relationship quality

The dimensions of participation in decision making and communication did not show significant effect on relationship quality.From the results, it can be argued that the impact of the organizational factors, ie; participation in decision making and communication on relationship quality are subsumed by the impact of the cost related factors (termination cost, switching cost and operational cost). It is apparent from the β values of the multiple regression analysisshowing that simultaneous examination of antecedents makes some of the antecedents less important. For example, two of the five antecedents did not show significant relationships to relationship quality. This may happen due to the overriding effects of termination cost, switching cost and operational cost on relationship quality due to the subsumed effect of participation in decision making and communication factors.

In the retail industry, participation in decision making is an important factor in maintaining and enhancing relationship quality between the retailers and their suppliers. However, the present study findings demonstrated that participation in decision making is not significantly related to retailer's relationship quality with their suppliers. This indicates that, even if the retailers and their suppliers participate in making business decisions, it will not make any impact on the relationship quality. In other words, it means that a participatory decision making process by the suppliers does not influence retailers relationship quality. This could be related to the expectation of the retailers upon the current level of participation in joint decision making processes not being met. Thus, the present study is in marked contrast to the findings by Dwyer and Oh (1987) and Cheng et al. (2007), who generally found that participation in decision making by the B2B partners is related to a tendency to increase retailer's relationship quality.

Similarly, the findings in the present study indicate that communication does not significantly influence retailer's relationship quality. This finding is contrary to the findings by Ndubisi (2006) and Parsons (2002). Specifically the result shows that perception of communication with the supplier is not associated with retailer's relationship quality. One plausible explanation for the non significant relationship between communication and relationship quality is,in Bangladesh too much dependency upon the standard operating procedures and processes in conducting business transactions have drifted both the retailers and their suppliers apart. Therefore, their basic communicative environment has been less utilized. This is consistent with the findings by Rasila (2009) where she concluded that the business partners want to keep the amount of operative information to a minimum to utilize

the alternative channels to send and receive information effectively, undermining the importance of communication process in building relationship quality among the B2B partners.

5.3.3 The impact of relationship quality on loyalty

The third research question is related to the relationship between relationship quality and loyalty and its consequence. The result of regression analysis in this study supports the contention that relationship quality influences loyalty. It was revealed in the findings of the study that relationship quality positively and significantly influenced retailer's loyalty toward their suppliers. Therefore, it is apparent that retailers value and consider relationship quality as an important prerequisite for building loyal relationships. This is because good relationship quality influences customer loyalty (Hennig-Thurau & Klee, 1997) while making the B2B buyers to stay with the current service providers (Liu et al., 2010). Further, in this continuing relationship, better quality of relationship quality provides a guarantee to the retailer's perception to the fact that the supplier can be relied upon for future transactions. Thus, relationship quality can be recognized as an important determinant of the longevity of the relationships (Hennig-Thurau, 2000). The findings helped to articulate our understanding of loyalty and lent credence to the common sense belief that it has a basis in any relationship quality.

It can be concluded that the findings of this study are in line with Lin and Ding (2009), Baran et al. (2008) and Rauryen (2007), who found relationship quality positively affects loyalty in channel relationships. This is also consistent with Saura et al.(2009) who found that relationship quality lead towards behavioural intentions to maintain and intensify the re-purchase relationships. The present study indicates that when retailers are satisfied with the quality of their relationships with their suppliers they tend to have greater loyalty toward their supplier.

5.3.4 Moderating effect of relationship duration on the relationship between relationship quality and loyalty

The fourth research question of this study is "Does relationship duration moderates the relationship between relationship quality and loyalty?"The present study extends the previous research by suggesting that relationship duration plays a moderating role in influencing the impact of relationship quality on loyalty. The result revealed that relationship duration significantly moderates the relationship between relationship quality upon loyalty. In other words, a retailer whose loyalty towards his suppliers is influenced by the quality of his relationship with his supplier will be moderated by the years in business with the supplier.

The above mentioned result provides evidence that the interaction of relationship duration with customer's loyalty is significant. This suggests that relationships with longer longevity can attain high levels of loyalty from the customers, which is

similar to the findings by Gounaris and Venetis (2002)'s study on the B2B domain. They have shown that to ensure business loyalty from the buyers by enhancing relationship quality, the period of transaction relationship between the B2B partners played a pivotal role. This indicates that, duration of relationship between the retailers and their suppliers is important in attaining the relationship's qualityin the B2B domain. The study further suggests that the longer the retailers have the suppliers under their portfolios;an assuranceremains that the quality of their relationship will attain their loyalty toward the supplier.

5.4 Contributions of the research

The research and its findingshave given rise to significant theoretical and methodological contributions while providingseveral managerial implications. These contributions and implications are discussed further below.

5.4.1 Theoretical contribution

From the theoretical perspective, one of the major contributions of this research is in identifying multiple ways through which organizational and cost related factors impact on relationship quality, particularly in the context of retail industry where the issue of retailer's loyalty plays a pivotal role in enhancing and maintaining long term relationships.

The present research contributes to the literature by investigating the issue of relationship quality within the context of retail industry where the availability of multiple suppliers dominates retailer's decision making criterions. It demonstrates how suppliers can influence the quality of their relationships with the retailers. The proposed study answers to the recommendation by Athanasopolou (2009) in developing a framework for RQ on retail relationships, representing industry specific factors. In the process this study helps to build theory concerning relationship quality and provide some insights toward the building and maintaining of effective relationship quality in the retail industry.

The study also validates the importance of the cost related factors like switching cost, termination cost and operational cost in influencing relationship quality. The existence of switching cost, termination cost and operating cost are essential to enhance the relationship quality of the retailers with their suppliers rather than the other organizational factors. While prior works on antecedent variables relationship quality are carried out in Western countries, the present study proved that these factors hold true in Bangladeshi retail industry. Therefore, it would appear that some findings obtained in the west can be generalized to third world Asian settings as well (at least to Bangladesh), thus validating initiatives and efforts to test western findings using local samples.

On the other hand, no significant influence of organizational factors (ie; participation in decision making and communication) were found in this study. These findings strengthened the very recent assertions made by Athanasopolou (2009) that in retail

relationships the antecedent factors affecting RQ may differ from one country to another. In addition to that the antecedent may be significant in one industry and might not be in other industries. This supports Myhal and Murphy (2007) that antecedents of relationship quality are heterogeneous based upon the variety of industries within which the research takes place.

This study goes one step further by investigating the previous research evidence gathered from the studies conducted in the western developed countries and validated their consistency in a third world settings. This contributes to the very recent research recommendations by Perumal (2009) where he encouraged the progressive study of buyer-seller relationships on channel structures while applying their findings to other developing countries. This is significant because it extends the knowledge of successful relationship quality attained by empirically demonstrating variables within a new set of framework in a different country and industry context.

5.4.2 Methodological contribution

Apart from theoretical contributions, this study also contributes to the methodological perspective. Although the relationship quality (RELQUAL) scales developed by Kim et al. (2005) has gained acceptance in research measuring relationship quality, Payan et al. (2009) and Lages et al. (2004) have raised the issue of the acceptability of this scale transcending national boundaries as they are affected by social, cultural and other environmental differences. In this study the RELQUAL

scale structure derived from exploratory factor analysisunderlying communality among dimensions.

In addition to obtaining respondents evaluations of the three dimensions, the factor model captures a higher level of variance among them, reflecting an overall assessment of relationship quality between the retailers and their suppliers. Based upon several previous studies (Leuthesser, 1997; Dorsch et al., 1998; Roberts et al., 2003) this study tested the validity of the umbrella construct (Trust, satisfaction and commitment) of RQ. These previous studies have assessed relationship quality using multiple dimensions, while this study started with the most dominant constructs of RQ (trust, satisfaction and commitment). Eventually after the exploratory factor analysis all the three dimensions have been aggregated to RQ. This finding is in line with the previous findings by Hennig-Thurau et al. (2002). In this context the study by Wong and Sohal (2002) need to be mentioned as their study was also conducted in the retail industry, which is in line with the current research.

This research creates a new and unique RELQUAL scale that measures relationship quality in retail industry. At a time when researchers are challenging to present studies with practical implications (MSI, 2004), we expect that the RELQUAL scale is able to align real world constraints with methodological soundness and contribute to further advancement of the fields of retailing and relationship marketing. Therefore, the previous researchers working to develop RELQUAL scales proposed the addition of new items and factors in order to continue refining the existing RELQUAL scales. Specifically based upon Lages et al.(2004) and Robert et al.'s

(2003) recommendation in developing and applying the RELQUAL scale while analyzing with the antecedents and consequences of relationship quality, this study tried to develop the RELQUAL measurement items and test them empirically for the retail practitioners.

5.4.3 Managerial implications

Along with the theoretical and methodological contributions, this study also contributes to the development of several managerial implications. A few key implications are provided on how managers of retail companies, in particular, can manage the quality of their relationship with their suppliers in an effective way. For these retail professionals the business goal is to establish, maintain and enhance the quality of their relationship with their suppliers for longer period of time instead of maximizing short term benefits, while relationship marketing helps retailers and suppliers to build, develop and keep a continuous process of relationship building. Retailers-suppliers should devote their attention to relationship quality specifically, in order to increase their mutual benefits rather than dividing them. Both suppliers and retailers look for enhanced quality of relationships in order to maximize their profits, minimize their costs and ultimately lead to long term relationships attaining business loyalty. The results of this research would help retailers and their suppliers to understand the importance of relationship quality in establishing and improving long term relationships. By these measures the suppliers will be able to allocate their scarce resources as a tool to enhance the quality of relationships.

Perceptions of a retailer's relationship quality are important to suppliers for three reasons. First, suppliers who are partnering with the retailers in the highly competitive retail industry may be able to create greater value for end customers and thereby gain a competitive advantage by maintaining the quality of the relationship with the existing retailers. Second, suppliers may be able to improve their own levels of performance through trickle-up effect, which means that when retailer's quality of the relationship improves, by virtue of the dependent retailer-supplier relationship, it will lead to supplier's sales improvement. Finally, relationship quality becomes relevant because of the concern given to the importance of relational market base which appears to be imperative for current business competencies, especially in the area of managing relationship between organizations.

Furthermore, to attain greater focus in creating working relationships by promoting relationship quality, the managers can evaluate the relative importance of antecedent variables. To be more specific, this study found that relationship termination cost by the retailers is the most important predictor of relationship quality, followed by switching cost and operational cost. These factors give the retailers the ability to influence their relationship quality with their suppliers. This implies that in order to improve relationship quality among suppliers, it should start with the effort made by the retailers in controlling the cost factors.

The finding of this study gives an insight to Bangladeshi suppliers for managing the cost factors with their retailers carefully. Specifically, cost of relationship termination has been examined as the most significant indicator to enhance quality of relationship to have a long term satisfying business transaction. When Bangladeshi

retailers felt that ending the relationship would be too expensive or difficult, the importance of that relationship is increased. Nevertheless, local suppliers interested in relationship quality may wish to increase retailer's cost-of-exit to help stimulate retailer's intention to maintain relationship quality. In many of these cases, the retailers as well as the supplier have already invested a great deal of time, money and other organizational resources in building the relationship, so that taking an exit has turned out to be an expensive option. The relation specific investments those make the relationship termination cost high may involve investments in primary asset acquisition, human resource training and development, physical infrastructure development, research & development in invention and promotion of retail products and services, and above all, contractual obligations. Based upon this scenario there may be a higher degree of interdependence between the Bangladeshi retailers with their suppliers, ultimately leading both of them to eventually compromise and cooperate before terminating the relationship. In the end, it can be concluded that because of these mobility barriers an additional benefit arises in maintaining the quality of the relationships, particularly within a Bangladeshi context.

Secondly, in the retail industry the products and services being offered by the suppliers can be provided by numerous vendors in the distribution chain. In a situation like this changing the supplier to another can be a crucial decision for the retailer, as there are several types of switching costs involved in making the final decision on behalf of the switch. As the supplier has been working with the retailer over a certain period of time there are many areas where both of them are involved, particularly in providing sales and customer related services and ensuring customer satisfaction. In the retail sector, quality of the products and timely delivery to the

retail outlets play a vital role in attaining customer appreciation. Once a supplier builds a certain level of understanding with the retailer, the retailer tends to develop dependency on the supplier for ensuring all these services. Therefore, at the time of making a decision of changing the current supplier and start a new relationship with a new one becomes a difficult one for the retailer. Specifically, if the costs related to time and organizational resources become too high for the retailer to go for a new suppler, he tries his best to maintain and enhance the quality of his relationship with the current one.

In addition to these findings, the new antecedent factor, operational cost, also influences the quality of retailer's relationship. When in the organization the administrative and product/service delivery cost becomes high then the retailers tend to stick to the existing suppliers for ensuring the current flow of goods and services, because a non continuance of these may increase service efficiency as well as hamper customer services. Under this kind of situation the retailers build inertia to hold on to the current supplier, ultimately leading to the enhancement of the relationship quality. Thus, operational cost plays a major role in determining and shaping the ways the quality of relationship is formed and carried into the future.

Apart from the antecedent factors in determining retailer's relationship quality, the results show that retailer's relationship quality leads to a higher level of loyalty in the relationship. A practical implication of the results of this study is that greater quality of relationship would ensure retailer's higher level of loyalty toward their suppliers. As the retailers tend to build the quality of their relationship with their suppliers,by virtue of that, their organizational commitment to continue future business

transactions is also strengthened. Based on the findings by Saura et al. (2009), research on B2B relationships showed that loyal customers tend to take cooperative actions that will result in mutual benefits for both the parties, increasing competitiveness and reducing transaction costs, ultimately leading to a more enjoyable quality of relationship between the business partners. The findings of the present study confirm the direct significant effect of relationship quality on increasing retailer's business loyalty as a result of retailer's recognition to the role of assessing and building relationship quality with their suppliers.

Finally, this study also discovered relationship duration's ability to significantly moderate the relationship between relationship quality and retailer's loyalty. When the duration of the relationship was incorporated in the analysis the result produced a very strong case for this particular factor. By this, it can be confirmed that as the relationship ages and there is an increased level of intimacy between the retailers and their suppliers, somehow it enhanced the level of loyalty retailers hold for their suppliers. One speculative explanation for this result might be the fact that when the relationship with his suppliers become stronger, the retailers comfort and confidence will enhance the quality of their relationship leading to a higher degree of loyalty toward the supplier.

5.5 Limitations and future research directions

This study demonstrates some interesting findings on the antecedents and consequence of relationship quality. Still there are several limitations of the study, which are needed to be mentioned. The sample of the retailers is taken from one

industry, which is in a growing stage. This means that majority of the firms are going through the establishment and development phases, only a few firms are in the mature stage. Consequently, the results of this study cannot be generalized to other industries such as, agriculture, pharmaceuticals, health and others. Additional research on factors affecting relationship quality should be expanded to different types of industries/sectors such as wholesale trade, pharmaceuticals, textiles and electronics etc.

Another important limitation of this study is that it is cross sectional in nature. The nature of data collection is a cross sectional study whereby the data is collected at one point of time. However, an attempt was made to minimize such problem by using a well established scale for most constructs, and pre- testing the questionnaire to ensure that there was no perceived overlap between the different variables. Additional research must be done longitudinally in order to assess the impact of determinants and consequences over time.

Longitudinal studies that use both quantitative and qualitative techniques are recommended in order to further understand changes in cost related factors and retailers operational nature over a period of time. These kinds of studies could result in explanatory variables, which have not been taken into account in this study. Also longitudinal studies would provide valuable input in investigating the impact of channel strategies taken by supplier firms that are aimed at enhancing the degree of relationship quality and loyalty.

The current study only involves local retailers rather than foreign retailers. Clearly, there is a potential for research that will help to understand the national differences that may exist in perceptions of retail industry. As a result of that there might be the identification and development of new instruments that reflect alternative cultural view of relationship. As an example, Asian measures of relationship elements might be based on local values and norms. Other factors like economical, social as well as political factors might also be explored as the moderator.

A review of the models from which the constructs used in this study were borrowed indicates that there is fundamental support for alternative model representing a further exploration of the antecedents. Since the impact of behavior issues on relationship quality has already been demonstrated in this current study, an additional research is needed to fully understand the impact of such issues like contractual obligations, outlet locations and customer behavior pattern. Further, interpersonal factors in relationship need to consider how these can be used to determine relationship quality. Other aspects of relationship might be service level, administrative lead time, response strategies and product/service quality.

5.6 Conclusion

Through this study the researcher tried to shed light into some prediction factors that have significant effects in explaining the variation in relationship quality and its consequences in the retail industry. With the research findings additional evidence to the growing body of knowledge concerning the importance of relationship based approach has been attempted. With regards to the factors influencing relationship

quality, several inferences can be concluded from the findings. The regression analysis reveals that out of the five antecedent variables, only three variables, namely termination cost, switching cost and operational cost are significantly related predictors of relationship quality. The present study suggests these factors as important determinants of retailer's relationship quality. In addition to that, it was revealed that the quality of the retailer's relationship positively influenced their loyalty toward their suppliers. Also, it was revealed that retailer's duration of relationship with their suppliers had significant impact on the level of their loyalty they developed, due to the quality of their relationships.

The findings from this study give academicians and practitioners a much stronger basis than intuition and anecdotes for recommending the wisdom of adopting and implementing relationship marketing approach. To be specific, from the supplier firm's executives and managers perspective the findings would assist in developing and implementing a unique set of managerial actions of a relationship based strategy that can potentially contribute toward enhancing the level of relationship quality. Also, the findings could be useful not only for supplier firms but also other organizations towards precise thinking and decision making to enhance relationship quality. Specifically the RELQUAL scale that has been developed and tested could assist the retail company managers in assessing and measuring the level of their relationship quality with their suppliers, ultimately providing them with a very effective and time worthy tool to re-adjust and re-shape their existing relationship based approaches with their B2B partners as well as suppliers. In view of that the researcher tried to place some suggestions through the above discussion section for the purpose of enhancing relationship quality and it's consequence. Preferably the

management should take initiative in the way that has been suggested under discussion section for the purpose of harmonizing the retailer-supplier relationship.

In addition to these there must be a rightful desire within both the supplier and the retailer to understand each other, to feel the importance of the relationship, and arrive at decisions those are acceptable to each party besides working together towards progress of both in terms of specific organizational goals and long term relationship.

Overall, this chapter presents an overview of the discussion and conclusions that were derived from the results of a statistical analysis of hypotheses. It also presents brief, alternative explanations for findings, implications that one hope may be pertinent to antecedents and consequence of relationship quality. Limitations of the research and recommendations for future research are also presented.

REFERENCES

Abdul-Muhmin, A.G. (2005).Instrumental and interpersonal determinants of relationship satisfaction and commitment in industrial markets, *Journal of Business Research,* 58, 618-628.

Ackfeldt, A.L. and Coole, L.V. (2003).A study of organizational citizenship behavior in a retail setting, *Journal of Business Research,* 58, 151-159.

Ahmed, K.,and Chowdhury, T-A.(2009). Performance evaluation of SMEs of Bangladesh, *International Journal of Business and Management,* 4(7), 128-130.

Al-Alak, Basheer.,and Alnawas, Ibrahim. (2010).Evaluating the effect of marketing activities on relationship quality in the banking sector: the case of private commercial banks in Jordan. *International Journal of Marketing Studies,* 2(1), 79-85.

Alexnder, C. (2002). Stakeholder relationship importance and quality: An empirical investigation.Unpublished doctoral thesis, *University of Albany, USA.*

Andaleeb, S. (1995).Dependence relations and the moderating role of trust: implications forbehavioural intentions in marketing channels.*International Journal of Research inMarketing,* 12, 157-72.

Andaleeb, S. (1996).An experimental investigation of satisfaction and commitment inmarketing channels: the role of trust and dependence.*Journal of Retailing,* 72 (1),77-93.

Anderson, E., Fornell, C. and Lehmann, D.R.(1994). Customer satisfaction, market share and profitability: Findings from Sweden. *Journal of Marketing*, 58, 53-66.

Anderson, E. and Weitz, B. (1989).Determinants of continuity in conventional industrial channel dyads, *Journal of Marketing Science*, 8(4), 310-323.

Anderson, E. and Weitz, B. (1992).The use of pledges to build and sustain commitment indistribution channels.*Journal of Marketing Research,* 29(1),18-34.

Anderson, J.C. and Narus, J.A. (1990).A model of distributor firm and manufacturer firmworking partnerships, *Journal of Marketing,* 54(1),42-58.

Armstrong, J. & Overton, T.S. (1977).Estimating non-response bias in mail surveys. *Journal of Marketing Research*, 4, 396-402.

Ashmos, D.P., Duchon, D., Mcdaniel, R.R. and Huonker , J.W. (2002). Participation as a simple managerial rule. *Journal of Management Studies,* 39(2), 189-206.

Athanasopoulou, P. (2006). Determining relationship quality in the development ofbusiness-to-business financial services.*Journal of Business to Business Marketing,* 13(1),87-120.

Athanasopoulou, P. (2008). Antecedents and consequences of relationship quality in athletic services.*Emerald Group Publishing Limited,* 18(5), 479-495.

Athanasopoulou, P. (2009). Relationship Quality: a critical literature review and research agenda. *European Journal of Marketing,* 43(5/6), 583-610.

Ball, D., Coelho, P. S., and Machas, A. (2004). The role of communication and trust in explaining customer loyalty: An extension to the ECSI model. *European Journalof Marketing, 38*(9/10), 1272.

Baran, R.J., Galka, D.P. and Strunk (2008), Principles of Customer Relationship Management, *Thomson South-Western*, 13.

Barry, J.M., Dion, P. and Johnson, W. (2008).A cross-cultural examination of relationship strength in B2B services.*Journal of Services Marketing,* 22(2),114-35.

Barney, J. (1991). Firm resources and sustained competitive advantage. *Journal of Management,* 17(1), 99-120.

Bass, S., Calyton, B. and Pretty, J. (1995).Participation in strategies for sustainable economic development. *Environmental Planning Issues,* 7, 35-56.

Bejou, D., Wray, B. and Ingram, T.N. (1996).Determinants of relationship quality: an artificial neural network analysis.*Journal of Business Research,* 36(2), 137-43.

Bennett, R. and Barkensjo, A. (2005).Relationship quality, relationship marketing, and client perceptions of the levels of service quality of charitable organizations.*International Journal of Service Industry Management,* 16(1),81-106.

Bennet, J. (2010).*Siteresources.worldbank.org*publications, 2010.

Berman, B. and Evans, J. (2007).*Retail Management: A strategic approach*.Pearson International Edition.

Berry, L.L. (1983). Relationship marketing in emerging perspectives on service marketing.*American Marketing AssociationPublications,* 25-28

Berry, L.L. (1995). Relationship marketing of services growing interest, emerging perspectives. *Journal of the Academy of Marketing Science,* 23(4), 236-45.

Berry, L.(1983).Emerging perspectives of services marketing.*American MarketingAssociation, Chicago, IL* , 25 – 28 .

Berry L. (1995).Relationship marketing of services – growing interest, emerging perspectives.*Journal of Academy of Marketing Science,* 23 (4), 236-45.

Berry, L. and Parasuraman, A. (1991). Marketing Services: Competing Through Quality.*TheFree Press,* New York, NY.

Beverling, K-K. (2009).Investigating the true return on investment: A descriptive analysis of public relations agency-client relationships using the RELQUAL scale. Unpublished doctoral thesis.*Michigan State University.*

Bhattacherjee, A. (2001). Understanding information system continuance: An expectation-confirmation model. *MIS Quarterly,* 25(3), 351-370.

Blau, P.M. (1964). Exchange and power in social life.*John Wiley and Sons,* New York, NY.

Bleeke J. and Ernst, D. (1993).Collaborating to Compete. New York: John Wiley & Sons.

Bloom, P.N and Perry, V.G. (2001). Retailer power and supplier welfare: the case of Wal-Mart. *Journal of Retailing,*77(3),379–96.

Bloom, B.L., Asher, S.J. and White, S.W. (1978). Marital disruption as stressor: A review and analysis. *Psychological Bulletin,* 85, 867-894.

Bodet, G. (2008).An investigation of the influence of consumer value on service elements contribution to satisfaction.*Journal of Targeting, Measurement and Analysis for Marketing,* 17(3), 205

Body, A-L.and Limayem, Z. (2004).The impact of CRM on customer loyalty: The moderating role of web site characteristics.*Journal of Computer Mediated Communications,* Issue 2004.

Boles, J.S., Johnson, J.T. and Barksdale, H.C. (2000).How salespeople build quality relationships: a replication and extension.*Journal of Business Research,* 48(1),75-81.

Bolliger, H. (2008). Human rights: Challenges for the retail industry and practical solutions. *Conference paper presented at the Swiss Re Center for global dialogue in Ruschlikon,* Federation of Migros cooperatives Zurich Publications.

Bowen, J.T. and Shoemaker, S. (1998). Loyalty: a strategic commitment.*Cornell Hotel andRestaurant Administration Quarterly,* 39(1),12-25.

Brandel, M. (2006).Lessons in leadership.*Computerworld,* 40(40), 39-42.

Brent D. and Ruben.(2007). Excellence in Higher Education Guide: An integrated Approach to Assessment, Planning and Improvements in Colleges and Universities.*Nacubo publication,* USA.

Brown, S. and Burt, S. (1992). Conclusion – retail internationalization: past imperfect, future imperative.*European Journal of Marketing*, 26(8/9), 80-84.

Burnham, T., Frels, J. and Mahajan, V. (2003).Consumer switching costs: A typology, antecedents and consequences.*Journal of the Academy of Marketing Science,* 31,109-26.

Burt, S. and Sparks, L. (1995).Understanding the arrival of limited line discount stores in Britain.*European Management Journal*, 13 (1), 110-19.

Caceras, R. C. and Paparoidimas, N. (2007).Service quality, relationship satisfaction, trust, commitment and business-to-business loyalty.*European Journal of Marketing*, 41 (7/8), 837-848.

Calantone R. and Schatzel K. E. (2000).Strategic foretelling: communication-based antecedents of a firm's propensity to preannounce. *Journal of Marketing*; 64 (1), 17-31.

Cannon J. P. and Homburg C. (2001).Buyer-supplier relationships and customer firm costs.*Journal of Marketing,* 65 (1), 29-43.

Carr, C.L. (2006). Reciprocity: the golden rule of IS – user service relationship quality andcooperation. *Communications of the ACM,* 49(6), 77-83.

Caruana, A. (2004). The impact of switching costs on customer loyalty: a study among corporate customers of mobile telephony.*Journal of Targeting, Measurement and Analysis for Marketing,* 12(3), 256-68.

Cetindamar, D., Catay, B. and Basmaci, O.S. (2005).Competition through collaboration: insights from an initiative in the Turkish textile supply chain.*SupplyChain Management,* 10(4), 238-40.

Chaudhuri, A. and Holbrook, M.B. (2001).The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty.*Journal of Marketing*, 65 (2).

Chee, L.K. and Peng, N.K. (1996). Csutomer orientation and buyer satisfaction: The Malaysian housing market. *Asia Pacific Journal of Management*, 13 (1), 101-116.

Chang, Y-C., Solomon W-P.and John, R. (2004). Conflict and Trade: The Relationship Between Geographic Distance and International Interactions. *Journal ofSocio-Economics.,* 33, 491-509.

Chen, C. (2007). Consumer trust in an e-retailer: an integrative model directed toward customer retention.Unpublished doctoral thesis, *University of Arizona, USA.*

Cheng, J.H., Yeh, C. and Tu, C. (2007).Trust and knowledge sharing in green supply chains.*Supply Chain Management: An International Journal*, 13,283-295.

Churchill, G.A. (2001). Marketing research: Methodological foundations (7th ed), *Mason-OH,* South Western Publications.

Christopher, J.C. (1996). Counseling's inescapable moral visions.*Journal of Counseling and Development,* 75, 17-25.

Cobb, C. (2008). Dollars and sense: Agency pros prepared for Rocky economic times.*Public Relation Tactics, 37-52.*

Cooper, Martha C. and John T. Gardner (1993).Good Business Relationships: More Than just Partnerships or Strategic Alliances? *International Journal of Physical Distribution and Logistics Management,* 23(6), 14-26.

Copulinsky, J.R. and Wolf, M.T. (1990).Relationship marketing: positioning for the future. *Journal of Business Strategy,* 11,16-20.

Corsten, D. and Nirmalya K. (2005).Do Suppliers Benefit from Collaborative Relationships with Large Retailers? An Empirical Investigation of Efficient Consumer Response Adoption.*Journal of Marketing*, 69 (3), 80-94.

Cronbach, L.J. (1951). Coefficient alpha and the internal structure of tests.*Psychometrika,* 16, 297-334.

Crosby, L.A., Evans, K.R. and Cowles, D. (1990).Relationship quality in services selling: an interpersonal influence perspective.*Journal of Marketing,* 54(3),68-81.

Cunningham, R.M. (1956). Brand loyalty-what, where and how much? *Journal of Marketing,* 2, 206.

Currah, A. and Wrigley, N. (2004).Networks of organizational learning and adaptationinretailTNCs,*availableat:www.ingentaconnect.com/bpl/glob/2004/0000004/00000001/art0001*

Czepiel , J . A .(1990). Service encounters and service relationships: Implications for research. *Journal of BusinessResearch* , 20(1), 13 – 21 .

Dalela, V. (2009). A study of relationship repair in a business to business context,Unpublished doctoral thesis. *University of Alabama, USA.*

Davis, E-R. (2006).The role of logistics service quality in creating customer loyalty. Unpublished doctoral thesis, *The University of Tennessee,* USA.

Dawson, J.A. and Mukoyama, M. (2003).Concepts, dimensions and measurement of the retail internationalization process.Paper presented at the Second SARD Workshop, Osaka, November.

Day, G.S. and Wensley, R. (1988).Assessing advantage: A framework for diagnosing competitive superiority.*Journal of Marketing*, 52(2), 1-20.

DelVecchio, S-K. (1998). The quality of salesperson-manager relationship: The effect of latitude, loyalty and competence.*The Journal of Personal Selling and Sales Management,* 18(1), 31-33.

de Ruyeter, K., Moorman, L. and Lemmink, J. (2001). Antecedents of commitment and trust incustomer-supplier relationships in high technology markets.*Industrial Marketing Management*, 30(3), 271-86.

Deshpande, R. and Zaltman, G. (1982).Factors affecting the use of market research information: a path analysis.*Journal of Marketing Research*, 19(1), 14-33.

Dick, A.S. and Basu, K. (1994).Customer loyalty: towards an integrated conceptual framework. *Journal of the Academy of Marketing Science,* 22(2), 99-113.

Dickerson, K.G. and Dalecki, M. (1991). Apparel manufacturers perceptions of vendor retailer relationships.*Clothing and Textile Research Journal,* 9(3), 7-14.

Dillman, D.A. (2000). Mail and internet survey: the tailored design method, New York: John Wiley Publications.

Doney, P.M. and Cannon, J.P. (1997).An examination of the nature of trust in buyer-seller relationships.*Journal of Marketing,* 61(2), 35-51.

Dorsch, M.J., Swanson, S.R. and Kelley, S.W. (1998).The role of relationship quality in thestratification of vendors as perceived by customers.*Journal of the Academy of MarketingScience,* 26(2), 128-42.

Dreu, C- K. and West, M. (2001). Minority dissident and team innovation: The importance of participation in decision making.*Journal of Applied Psychology*, 86(6), 1191-1201.

Duarte, M. and Davies, G. (2004).Trust as mediator of channel power. *Journal of MarketingChannels,* 11(2/3), 77-102.

Dwyer, F.R. and Oh, S. (1987).Output sector munificence effects on the internal politicaleconomy of marketing channels.*Journal of Marketing Research,* 24(4),347-58.

Dwyer, F.R., Schurr, P.H. and Oh, S. (1987).Developing buyer-seller relationships.*Journal ofMarketing,* 51, 11-27.

Edmondson, A. (1999). Psychological safety and learning behavior in work teams. *Administrative Science Quarterly,* 44, 350-383.

Egan, J. (2000). Drivers to relational strategies in retailing.*International Journal of Retail and Distribution Management,* 28(8),379-386.

Ellram, L.M, and Cooper, M. (1990). Supply chain management, partnerships, and the shipper: Third party relationship.*International Journal of Logistics Management,* 1(2), 1-10.

Etgar, M. (1979). Sources and types of intra channel conflict.*Journal of Retailing,* 55(1), 61-78.

Etgar, M. and Moore, D. (2007). International expansion and retail sales: an empirical study. *International Journal of Retail and Distribution Management,* 36(4), 241-243.

Farley, J.U. (1964). Why Does 'Brand Loyalty' Vary Over Products? *Journal of Marketing Research,* 1(4), 9-14.

Farrelly, F.J. and Quester, P.G. (2005).Examining important relationship quality constructs of the focal sponsorship exchange.*Industrial Marketing Management,* 34(3), 211-19.

Fassott, G. (2004). CRM tools and their impact on relationship quality and loyalty in e-retailing.*International Journal of Internet Marketing and Advertising, 1,* 331-349.

Findlay, A.M., Paddison, R. and Dawson, J.A. (1990).Retailing environments in developing countries.*London and New York: Routledge.*

Fliedner, G. and Vokurka, R.J. (1997).Agility: competitive weapon of the 1990s and beyond. *Production and Inventory Management Journal,* 38(3), 19-24.

Fournier, S. (1988). Consumers and their brands: Developing relationship theory in consumer research.*Journal of Consumer Research,* 24, 343-373.

Fournier, S. and Yao, J.L.(1997). Reviving brand loyalty: a conceptualization within the framework of consumer brand relationships.*International Journal of Research in Marketing,* 14 (5).

Ford D. (1990).*Understanding Business Markets: Interaction, Relationships and Networks*.Londres,Academic Press.

Frazier, G.J. (1983). Inter organizational exchange behavior of marketing channels: a broadened perspective.*Journal of Marketing,* 47, 68-78

Frazier, G.L. and Rody, R. (1991).The use of influence strategies in interfirm relationships in industrial product channels.*Journal of Marketing,* 55, 52-69.

Frazier, G.L. and Summers, J.O. (1984). Interfirm influence strategy and their application within their distribution channels.*Journal of Marketing,*48, 43-55.

Friman, M., Garling, T., Millet, B., Mattsson, J. and Johnston, R. (2002).An analysis ofinternational business-to-business relationships based on the commitment-trust theory.*Industrial Marketing Management,* 31, 403-9.

Fynes, B., deBurca, S. and Marshall, D. (2004).Environmental uncertainty, supply chain relationship quality and performance.*Journal of Purchasing and Supply Management,* 10(4-5), 179-90.

Gaassenheimer, J.B., Calantone, R.J. and Schully, J.I. (1995). Supplier involvement and dealer satisfaction: Implications for enhancing channel relationships.*Journal of Business and Industrial marketing,* 10(2), 7-19.

Galliers, R.D. (1992). Choosing information system research approaches in R. Galliers Information systems research-issues, methods and practical guidelines.Blackwell Publications UK.

Ganesan, S. (1994).Determinants of long-term orientation in buyer-seller relationships.*Journal of Marketing*,58(2),1-19.

Garbarino, E. and Johnson, M.S. (1999).The different roles of satisfaction, trust, and commitment in customer relationships.*Journal of Marketing,*63(2),70-87.

Garcia, T. (2008). Long term client partnerships demand extra effort.*PR Week,* 11,(7), New York.

Genevive, M-C., and Murphy, F- K. (2008).Retaining customers through relationship quality: a service marketing case.*Journal of Services Marketing,* 22/6, 445-453.

Gerrard, M. and Lawrence S. (1997). Retail relationships and store loyalty: A multilevel perspective.*International Journal of Research in Marketing*, 14(5).

Gestrin, M. (2000). The globalization of retail: on your marks.*European Retail Digest,* 26,6-9.

Geyskens, I., Steenkamp, J.B.E.M. and Kumar, N. (1998).Generalizations about trust inmarketing channel relationships using meta-analysis.*International Journal of Research inMarketing,* 15(3), 223-48.

Geyskens, I., Steenkamp, J.B.E.M. and Kumar, N. (1999).A meta-analysis of satisfaction inmarketing channel relationships.*Journal of Marketing Research,* 36(2), 223-38.

Goff, B.G., Boles, J.S., Bellenger, D.N. and Stojack, C. (1997).The influence of salesperson selling behaviors on customer satisfaction with products.*Journal of Retailing,* 73, 171-83.

Goldman, N. (2001). Social Inequalities in Health: Disentangling the Underlying Mechanisms. *Annals of the New York Academy of Sciences,* 954, 118–139.

Gosen, J., Babbar, S., and Prasad, S. (2004). Quality in developing countries: the role of international and organizational factors.*International Journal of Quality and Reliability Management*, 22(5), 452-464.

Gounaris, P., and Venetis, K. (2002).Trust in industrial service relationships: behavioral consequences, antecedents and the moderating effect of the duration of the relationship. *Journal of Services Marketing,* 16 (7), 640-650.

Grayson, K. and Ambler, T. (1999).The Dark Side of Long-Term Relationships in Marketing Services.*Journal of Marketing Research* 36(1), 132–141.

Gronhaug, K. and Gilly, M.C. (1991).A transaction cost approach to consumer dissatisfactionand complaint actions.*Journal of Economic Psychology,* 12(1), 165-83.

Gro¨nroos, C. (1990). Relationship approach to marketing in service contexts: the marketing and organizational behavior interface. *Journal of Business Research,*20(11), 3-11.

Gruen, T.W. (1997). Relationship marketing: the route to marketing efficiency and effectiveness. *Business Horizons,* 40(6), 32-8.

Gruen, T., John, O. and Frank, A. (2000).Relationship marketing activities, commitment, and membership behaviors in professional associations.*Journal of Marketing*, 64 (3), 34-49.

Gummesson, E. (2002).*Total Relationship Marketing*, 2nd ed., Butterworth-Heinemann, Oxford Publications.

Gunasekaran, A. and Ngai, E.W.T. (2004). Information systems in supply chain integration andManagement.*European Journal of Operational Research,* 159(2),269-95.

Gwinner, K.P., Gremler, D.D. and Bitner, M.J. (1998). Relational benefits in services industries: the customer's perspective.*Journal of the Academy of Marketing Science,* 26(2),101-14.

Hair, J.F., Black, W.C., Babin, B.J., Anderson, R.E. and Tatham, R.L. (2006).*Multivariate DataAnalysis*, 6th ed., Prentice-Hall, Upper Saddle River, NJ.

Han, S.-L., Wilson, D.T. and Dant, S. (1993).Buyer-seller relationships today.*IndustrialMarketing Management*, 22(4), 331-8.

Hague, P. and Harris, P. (1993).*Sampling and statistics*, Kogan Publications (UK).

Hakansson, H. (1982).*International marketing and purchasing of industrial goods*, New York, NY, Wiley.

Heide, J.B. and John, G. (1990). Alliances in industrial purchasing: the determinants of jointaction in buyer-supplier relationships.*Journal of Marketing Research*, 27, 24-36.

Henderson, J.C. (1990). Plugging into strategic partnerships: the critical is connection, *SloanManagement Review*, 31(3), 7-18.

Hennig-Thurau, T. (2000).Relationship quality and customer retention through strategic communication of customer skills.*Journal of Marketing Management*, 16(1/3), 55-79.

Hennig-Thurau, T. and Klee, A. (1997).The impact of customer satisfaction and relationshipquality on customer retention – a critical reassessment and model development.*Psychology & Marketing*,14(8),737-65.

Hennig-Thurau, T., Walsh, G. and Wruck, O. (2001). An investigation of the factors determiningthe success of service innovations: the case of motion pictures.*Academy of MarketingScience Review*, 2001(6), 1-15.

Hennig-Thurau, T., Gwinner, K.P. and Gremler, D.D. (2002). Understanding relationship marketing outcomes: an integration of relational benefits and relationship quality. *Journal of Service Research*, 4(3), 230-47.

Hennig-Thurau, T. and Ursula H. (2000).Why customers build relationships with companies. *Journal of Marketing Management*, 16, 369-91.

Hernandez-Espallardo, M. and Arcas-Lario, N. (2003).The effects of authoritative mechanisms of coordination on market orientation in asymmetrical channel partnerships.*International Journal of Research in Marketing*, 20(2),133-52.

Heskett, J- L. (2002). Southwest airlines: An industry under siege.*Harvard Business School Case*, 803-133.

Holland, J., and Baker, S. M. (2001).Customer participation in creating site brand loyalty.*Journal of Interactive Marketing, 15*(4), 34-45.

Holmlund, M. (2007).A definition, model, and empirical analysis of business to business relationship quality.*International Journal of Service Industry Management,* 19(1), 32-62.

Homans, G (1961).*Social Behavior: Its Elementary Forms*. New York: Harcourt, Brace and World Publications.

Homburg, C., and Rudolph, B. (2001). Customer Satisfaction in Industrial Markets: Dimensionaland Multiple Role Issues.*Journal of Business Research*, 52(1), 15-33.

Hsiao, M.J., Purchase, Sharon. and Rahman. (2004).The impact of buyer-supplier relationship and purchasing process on the supply chain performance: a conceptual framework.*IMP Group Publications*, 3-7.

Huang, H.H. and Chiu, C.K. (2006).Exploring customer satisfaction, trust and destination loyalty in tourism.*Journal of American Academy of Business,* 10(1),156-9.

Hudgeon, (2006). Vendor management is a critical business discipline. Gartner Research/Andy Kyte, 3-5.

Humphrey, J. (2007). The supermarket revolution in developing countries: tidal wave or tough competitive struggle? *Journal of Economic Geography,* 7, 433-450.

Huntley, J.K. (2006).Conceptualization and measurement of relationship quality: linking relationship quality to actual sales and recommendation intention.*Industrial MarketingManagement,* 35(6),703-14.

Hussain, Sayed.and Ara, Ferdousi. (2004). Bangladesh retail food sector report.*USDA Foreign Agricultural Service GAIN report no: BG 4001, 3-6.*

Ingram, T.N., Lee, K.S. & Lucas, G.H. (1991). Commitment and involvement assessing a sales force typology. *Journal of the Academy of Marketing sciences*, 19, 187-197.

Ismail, S-T. (2009).The effects of relationship marketing on organizational outcomes an applied study in Jordanian insurance companies.*European Journal of Social Sciences*, 12(2), 176-179.

Jackson, B.B. (1985). Build customer relationships that last.*Harvard business review*, Nov-Dec.

Jacoby, Jacob. (1971). Brand loyalty: A conceptual definition.*American Psychological Association,* 6, 655-656.

James, Moore. (1993).A business eco systems: A proven model, *Harvard Business Review.*

Jap, S.D., Manolis, C. and Weitz, B.A. (1999).Relationship quality and buyer-seller interactions in channels of distribution.*Journal of Business Research*, 46(3), 303-13.

Jineldin, M. (1995). Bank-company interactions and relationships: some empirical evidence. *International Journal of Bank Marketing,* 13(2),30-40.

Jineldin, M. and Jonsson, P. (2000). An examination of the main factors affecting trust/commitment in supplier –dealer relationships: An empirical study of Swedish wood industry. *The TQM Magazine,* 12(4), 245-266.

Johanson, J., Hallen, L., and Seyed-Mohamed, N. (1991). Interfirm adaptation in business relationships.*Journal of Marketing,* 55 (2),29-37

Johnson, J.L. (1999). Strategic integration in industrial distribution channels: managing theinterfirm relationship as a strategic asset.*Journal of the Academy of Marketing Science,*27(1), 4-18.

Johnson, J.L, Sakano, T., Cote, J.A, & Onzo, N. (1993). The exercise of interfirm power and its repercussions in US-Japanese channel relationships.*Journal of Marketing,*57(2), 1-10.

Jones, M.A., Reynolds, K. E., Mothersbaugh, D.L. and Beatty, S.E. (2007).The positive and negative effects of switching costs on relational outcomes.*Journal of Service Research*, 9 (4), 335-355.

Julie K- H. (2006).Conceptualization and measurement of relationship quality:Linking relationship quality to actual sales and recommendation intention.*Industrial Marketing Management,* 35,703 – 714

Kale, S.H. (1986).Dealer perceptions of manufacturer's power and influence strategies in a developing country. *Journal of Marketing Research,* 387-393.

Kapp, J., and Barnett, G. (1983).Predicting organizational effectiveness from communication activities: A multiple indicator model.*Human Communication Research,* 9(3), 239-254.

Kerlinger, F.M (1973).*Foundations of behavioral research*, New York: Holt Rinehart & Winston.

Kibria, Asjadul., (2009). The Daily Star Online version, Issue: Jan'29.

Kim, W. G., Han, J. S., and Lee, E. (2001). Effects of relationship marketing on repeat purchase and word of mouth. *Journal of Hospitality & Tourism Research, 25*(3), 272-288.

Kim, M., Kliger, D., and Vale, B. (2003).Estimating switching costs: The case of banking.*Journal of Financial Intermediation, 12*(1), 25.

King, N., Anderson, N., and West, M.A. (1992). Organizational innovation: A case study of perceptions and processes. *Work and stress*, 5, 331-339.

Kotler, P. (1991).Presentation in the trustees meeting of the marketing science institute in November, Boston.

Kumar, N., Scheer, L.K. and Steenkamp, J.E. (1995).The effects of supplier fairness onvulnerable resellers.*Journal of Marketing Research*, 32(1), 54-65.

Lages, C., Lages, C.R. and Lages, L.F. (2004). The RELQUAL scale: a measure of relationshipquality in export market ventures.*Journal of Business Research*, 58(8),1040-8.

Lam, S. Y., Shankar, V., Erramilli, M. K., & Murthy, B. (2004). Customer value, satisfaction, loyalty, and switching costs: An illustration from a business-to-business service context. *Journal of the Academy of Marketing Science, 32*(3), 293-311.

Latham, G.P., Winters, D.C., and Locke, E.A. (1994). Cognitive and motivational effects of participation: A mediator study. *Journal of Organizational Behavior*, 15, 49-63.

Lau, G.T. and Lee, S.H. (1999).Consumers trust a brand and the link to the brand.*Journal of Market Focused Management*, 26 (3).

Lawler, E.J., and Thye, S.R.(1999). Bringing emotions into social exchange theory.*Annual review of sociology.*25, 217-244.

Lee, D.Y. (2001).Power, conflict and satisfaction in IJV supplier-Chinese distributor channels.*Journal of Business Research*, 52, 149-160.

Lee, J.N. (2001). The impact of knowledge sharing, organizational capability and partnership quality on is outsourcing success.*Information and Management*, 38(5),323-35.

Lee, J. (2008). Extra care for current clients is tops in a downturn.PR Week, 11(31), 6, New York.

Lee, J. and Kim, Y. (1999). Effect of partnership quality on IS outsourcing success: conceptual framework and empirical validation.*Journal of Management Information System,*15,29-61.

Leonidou, L.C., Barnes, B.R. and Talias, M.A. (2006). Exporter-importer relationship quality: the inhibiting role of uncertainty, distance, and conflict.*Industrial Marketing Management*, 35(5),576-88.

Leuthesser, L. (1997). Supplier relational behavior: an empirical assessment.*IndustrialMarketing Management*, 26(3),245-54.

Levitt , T . (1986). The Marketing Imagination.The Free Press, New York, USA.

Levy, Michael.and Weitz, Barton. (2009). Retailing Management (7th ed).McGraw Hill Publications, New York, USA.

Lewis, M.C. and Lambert, D.M. (1991).A model of channel member performance, dependence and satisfaction. *Journal of Retailing*, 67(2), 205-225.

Lin, C.P. and Ding, C.G. (2006).Evaluating group differences in gender during the formation of relationship quality and loyalty in ISP service.*Journal of Organizational and End User Computing*, 18(2),38-62.

Lin, C. and Tseng, H. (2006).Identifying the pivotal role of participation strategies and information technology application for supply chain excellence.*Industrial Management and Data Systems*, 106(5), 739-756.

Liu, C-T., Guo, Y-M.and Lee, C-H. (2010). The effects of relationship quality and switching barriers on customer loyalty. *International Journal of Information Management*, jjim-988, 1-3.

L.O' Malley, M. Patterson, and M. Evans(1997).Intimacy or Intrusion?The PrivacyDilemma for Relationship Marketing in Consumer Markets.*Journal of Marketing Management* 13,541-559

Luo, S. (1997). Flexibility and revenue management in supply chains, Unpublished doctoral thesis. The University of Texas at Dallas, USA.

Maloni, Michel J., and Benton, W.C. (2000). Power influences in the supply chain.*Journal of Business Logistics*, 21(1), 49-74.

Malley, M. (1997).Mergers and acquisitions.*Hotel and Motel Management*, 212(20),36-46.

Matteson, M.T., Ivancevich, J.M. and Smith, S.V. (1984).Relation of a type A behavior to performance and satisfaction among sales personnel.*Journal of Vocational Behavior*, 25, 203-214.

McNeil, I. (1980). The New Social Contract, an Inquiry into Modern Contractual Relations. New Haven, CT: Yale University Press.

McKenna, R. (1991).Relationship marketing-successful strategies for the age of the customer.Addison Wesley, Reading, MA.

Meng, Juan.and Elliott, Kevin A. (2006).Journal of Applied Business and Economics. 26(14), 36-39.

Menon, A., Bharadwaj, S.G. and Howell, R.D. (1996). The quality and effectiveness of marketing strategy: effect of functional and dysfunctional conflict in intra-organizational relationships.*Journal of Academy of Marketing Science*, 24(4), 299-313.

Mentzer, J.T., Min, S. and Zacharia, Z.G. (2000).The nature of interfirm partnering in supply chain management.*Journal of Retailing*,76(4),549-68.

Mignano, M. (2008). Walmart's international sourcing: A primer for activities. Online version is available on Walmartwatch.com.

Mills, J-S. (1932). *On Social Freedom: or the Necessary Limits of Individual Freedom Arising Out of the Conditions of Our Social Life.* Oxford Publications.

Mintel. (2004). Coffee – UK.,Mintel International Group Limited Publications, London.

Mohd Noor, Nor Azila.(2005). Customer orientation behavior of agents in life insurance industry in Malaysia.Unpublished doctoral thesis.University of Science Malaysia (USM), 35-56.

Mohr, J and Nevin, JR. (1990). Communication strategies in marketing channels: a theoretical perspective.*Journal of Marketing*,54,36-51

Mohr, J., and Speckman, R. (1994). Characteristics of partnership success: partnership attributes, communication behavior, and conflict resolution techniques. *Strategic Management Journal*,15,135-152.

Moller, K.E.K. and Wilson, D.T. (1995). Business Marketing: An Interaction and NetworkPerspective.Kluwer Academic Publishers, Dordrecht.

Moliner, M.A., Sanchez, J., Rodriguez, R.M. and Callarisa, L. (2007). Perceived relationshipquality and post-purchase perceived value: an integrative framework. *European Journal of Marketing*, 41(11/12), 1392-422.

Moore, C.M., and Fernie, J. (2004).Retailing within an international context in international retail marketing.Burlington Publications, USA.

Moliner, M. A., Sanchez, J., Rodriguez, R. M. andCallarisa, L. (2006). Relationship quality with a travel agency: The influence of the post purchase perceived value of a tourism package. *Tourism &Hospitality Research,* 7 (3), 194-211.

Moorman, C., Zaltman, G. and Deshpande´, R. (1992). Relationships between providers and users of market research: the dynamics of trust within and between organizations.*Journal ofMarketing Research,* 29(3),314-28.

Morgan, R.M. and Hunt, S.D. (1994).The commitment-trust theory of relationship marketing.*Journal of Marketing*, 58(3), 20-38.

MSI Index.(2004). Retrieved from www.msiindex.com.

Mumford, M. D. and Gustafson S. B. (1988). Creativity syndrome: Integration, application and innovation.*Psychological Bulletin*, 103, 27-43.

Myhal, Genevive., Fikyeong, Kang. and Murphy, John A. (2007).Retaining customers through relationship quality: a service business marketing case.*Journal of Service Marketing*, 22(6), 445-453.

Narasimhan, R. and Das, A. (1999). Manufacturing agility and supply chain management practices.*Production &Inventory Management Journal*, 41(1),4-10.

Naude´, P. and Buttle, F. (2000).Assessing relationship quality.*Industrial Marketing Management*, 29(4), 351-61.

Nelson, Oly Ndubisi. (2007). Relationship marketing and customer loyalty.*Journal of Marketing Intelligence and Planning*, 25(1), 98-106.

Ndubisi, N.O. (2006).A structural equation modeling of the antecedents of relationship qualityin the Malaysia banking sector.*Journal of Financial Services Marketing*,11,131-41.

Neal, W. D. (1999). Satisfaction is nice, but value drives loyalty. *Marketing Research,11*(1), 20.

Nelson, M. W. (2006). Ameliorating conflicts of interest in auditing: Effects of recent reforms on auditors and their clients.*Academy of Management Review* 31(1), 30–42.

Newell, F (2000).Loyalty.com: Customer Relationship Management in the New Era of Internet Marketing.McGraw-Hill, New York, NY.

Neubert, G., Ouzrout, Y. and Bouras, A. (2004). Collaboration and integration through information technologies in supply chains.*International Journal of Technology Management*, 28(2),259-73.

Nicholson, P.G. and Goh, S.C. (1983).The relationship of organization structure and interpersonal attitudes to role conflict and ambiguity in different work environments.*Academy of Management Journal*, 26 (1), 148-155.

Nik Kamariah, N.M. (1995). Determinants of sales performance in insurance industry: A cross cultural comparison between the United kingdom and Malaysia. Unpublished doctoral thesis.University of Aston. UK.

Noordhoff C., Pauwels P and Odekerhen Shroder G, (2004).The effect of computer card programs: A comparative study in Singapore and The Netherlands.*International Journal of Service Industry Management*, 15 (4).

Nooteboom, B. (1996). Trust, opportunism and governance: A process and control model. *Organizational Studies*, 17, 985-1010.

Nunally, J C. (1978).Psychometric methods. New York: McGrawhill Publications.

Olsen, R.F. and Ellram, L.M. (1997).A portfolio approach to supplier relationships.*Industrial Marketing Management,* 26(2), 101-113.

Oliver, R.L. (1999). Whence consumer loyalty? *Journal of Marketing,* 63, 33-44.

Omar, N.A., Wel, A.C.H., Musa, Rosidah.and Nazri, M.A. (2010). Program benefits, satisfaction and loyalty in retail loyalty program: Exploring the roles of trust and program commitment.*IUPPublications*, 7-18.

Oppenheim, A.N. (1999).Interviewing, questionnaire design and attitude measurement.Heinemann Publications, UK.

Pallant, J. (2001). SPSS survival manual: a step by step guide to data analysis using spss for windows (version 17). Maryborough, Victoria, Australia: McPherson's Printing Group.

Palmer, W. (2002).Website Usability, Design, and Performance Metrics.*Information Systems Research, 13*(2), 151-167.

Palmer, Mark. and Quinn, Barry. (2007). The nature of international retail divestment. Emerald publications.

Parasuraman, A. (1998). Customer service in business to business market: an agenda for research.*Journal of Business and International Marketing*, 13 (4).

Pardo, C & Salle, R. (1994). Strategic interplays of an actor in a relationship with a distributor. *Industrial Marketing Management,* 23, 403-418.

Parker, Melina.and Bridson, Kerrie. (2002).Expanding the buyer-supplier relationships definition: Its antecedents and relationship with performance outcomes.*ANZMAC Conference Proceedings, 2081-2085.*

Parsons, A. (1997). Antecedents and consequences of relationship importance and relationship quality during the sales process.Unpublished doctoral thesis, University of Massachussetes.

Parsons, A. (2002). What determines buyer-seller relationship quality? An investigation from the buyer's perspective. *Journal of Supply Chain Management,* 38(2), 4-12.

Papassapa, R. and Miller, K.E. (2007).Relationship quality as a predictor of B2B customerLoyalty. *Journal of Business Research,* 60(1),21-31.

Parasuraman, A., Zeithaml, V. and Berry, L. (1985).A conceptual model of service quality and its implications for future research.*Journal of Marketing*, 49(4), 41-50.

Park, J.E. and Deitz, G.D. (2006). The effect of working relationship quality on salesperson performance and job satisfaction: adaptive selling behavior in Korean automobile sales representatives. *Journal of Business Research*, 59(2),204-13.

Patrick, G.F., Peiter, A.J., Knight, T.O., Coble, K.H. and Baquet, A.E. (2007). Hog producers risk management attitudes and desire for additional risk management education.*Journal for Agricultural and Applied Economics,* 39, 671-687.

Patterson, P.G,.Johnson, L.W. and Spreng, R.A. (1997).Modeling the determinants of customer satisfaction for business to business professional services.*Journal of the Academy of Marketing Science,* 25, 4-17

Patterson, P.G. and Smith, T. (2001).Relationship benefits in service industries: a replication in asoutheast Asian context. *Journal of Services Marketing*,15(6),425-43.

Paun, D.A. (1997). A study of 'best' versus 'average' buyer seller relationships.*Journal of Business Research*, 29(1),13-21.

Payan, J.M., Svensson, G. and Hair, J. (2009).A cross cultural RELQUAL scale in supplier distributor relationships of Sweden and USA. *International Marketing Review*,27(5),541-561.

Perumal, S. (2009), Antecedents and consequences of relationship satisfactionamong national car dealers in Malaysia.Unpublished doctoral thesis, University Utara Malaysia.

Perrien, J. and Ricard, L. (1995). The meaning of a marketing relationship: a pilot study. Industrial marketing management, 24 (3), 317-327.

Peterson, R.A., Balasubramanian, S. and Bronnenberg, B J. (1997).Exploring the implications of the internet for consumer marketing.*Journal of Academy of Marketing Sciences,* 25(4), 329-346.

Pfeffer, J. (1994).Competitive Advantage through People.Harvard Business School Press, Boston, MA.

Ping Jr, Robert A. (1997). Voice in business to business relationships: cost of exit and demographic antecedents.*Journal of Retailing,* 73(2), 261-281.

Ping, Robert A. (1993).The effects on satisfaction and structural constraints on retailer exiting, voice, loyalty, opportunism, and neglect. *Journal of Retailing,* 69, 320-352

Ping, R-A. (1997). Voice in business to business relationships: cost of exit and demographic antecedents. *Journal of Retailing,* 73 (2),261-281

Pritchard, Mark., Mark E.Havitz.and Dennis R. Howard (1999).Analyzing the commitment –loyalty link in service contexts. *Journal of the Academy of Marketing Science,* 27,333-48.

Porter, E. M. (1980).Competitive Strategy.Academic Press, New York, NY.

Rachjaibun, Nitta. (2007). A study of antecedents of E-Relationships Quality in hotel websites.Unpublished doctoral thesis, Oklahoma State University.

Ragatz G., Handfield R. and Scannell T. (1997).Success Factors for Integrating Suppliers into New Product Development.*Journal ofProduct Innovation Management,* 14,190.

Rajaobelina, L. and Bergeron, J. (2009).Antecedetns and consequences of buyer seller relationship quality in the financial services industry. *International Journal of Bank Marketing,* 27(5), 359-380.

Ramaseshan, B., Yip, L.S. and Pae, J.H. (2006).Power, satisfaction and relationship commitment in Chinese store-tenant relationship and their impact on performance.*Journal of Retailing,* 82(1), 63-70.

Rasila, H. (2010). Customer relationship quality in landlord-tenant relationship.*Property Management,* 28 (2), 84-87.

Rauyruen, P. and Miller K.E. (2007).Relationship quality as a predictor of B2B customer loyalty.*Journal of Business Research,* 60(1),21-31.

Reicheld, S.P. (1993). Loyalty based management. *Harvard Business review,* 64-73.

Reicheld,F.andSasser,W.E.(1990). Zero defections: quality comes to service.*Harvard Business Review,* 68,105-111.

Roberts K., Varki S. and Brodie, R. (2003).Measuring the quality of relationships in consumer services: an empirical study.*European Journal of Marketing,* 37 (1/2),169-196.

Robie, C., Ryan, A.M., Schmieder, R.A., Parra, L.F. & Smith, P.C. (1998).The relation between job level and job satisfaction.*Group and Organization Management,* 23 (4), 470-495.

Rodriguez, R. and Callarisa, L. (2006).Perceived value of the purchase of a tourism product.*Journal of Tourism Management,* 27(3).

Roscoe, J.T. (1975). Fundamental research statistics for the behavioral sciences (2^{nd}ed).New York, Holt Rinehart & Winston.

Romano, R. (1989). What went wrong with directors and officers liability insurance? *Delaware Journal of Corporate Law,* 14, 1-27.

Rosen, E. D. and Supernant, C. (1998). Evaluating relationships: Are satisfaction and quality enough? *International Journal of Service Industry Management,* 9(2), 103-125.

Roslin, R.M. and Melewar, T.C. (2001). Supplier retailers relationships in grocery distribution in Malaysia: Indications of dominance, conflict, and cooperation.*Journal of Asia-Pacific business,* 3(2), 5-36.

Ruben, C., Caceres, C. and Nicholas, G. (2007).Service quality, relationship satisfaction, trust, commitment and business-to-business loyalty.*European Journal of Marketing,* 41(7/8), 836-867.

Ruyter, K., Moorman, L. and Lemmink, J. (2001).Antecedents of commitment and trust in customer-supplier relationships in high technology markets.*Industrial Marketing Management,* 30, 271-286.

Salant, P. and Dillman, D.A. (1994).How to conduct your own survey. Chichester: John Wiley Publications.

Saleh, Md Abu. (2008). Bangladeshi industrial importers commitment to their suppliers: Implications for foreign investment. Queensland University of Technology Publications, 2-11.

Samiee, S. and Walters P.G. (2003). Relationship marketing in an international context: a literature review. *International Business Review,* 12 (2), 193-214.

Saura, I.G..Deltoro, M. and Taulet, A.C. (2009).The value of B2B relationships.*Industrial Management and Data Systems,*109(5),593-609.

Scanlan, L. and McPhail, J. (2000).Forming service relationships with hotel business travellers: the critical attributes to improve retention. *Journal of Hospitality & Tourism Research,*24(4), 491-513.

Schul, P., Little, T. and Pride, W (1985).Channel climate: its impact on channel member satisfaction. *Journal of Retailing,* 61(Summer),9-38.

Sekaran, U. (2003). Research methods for business (4thed). New Jersey: John Wiley and Sons.

Selnes, F. (1998).Antecedents and consequences of trust and satisfaction in buyer-seller relationships.*European Journal of Marketing,* 32(3/4),305-22.

Sengupta, A. (2008). Emergence of modern Indian retail: an historical perspective. *International Journal of Retail &Distribution Management,* 36(9), 689-691.

Shabbir, H., Palihawadana, D. and Thwaites, D. (2007).Determining the antecedents and consequences of donor-perceived relationship quality – a

dimensional qualitative research approach.*Psychology & Marketing,*24(3),271-93.

Sharland, A. (1997). Sourcing strategy: the impact of costs on relationship outcomes.*International Journal of Physical Distribution & Logistics Management,* 27(7),395-409.

Sharma, N. and Patterson, P-G. (2000). Swithicng costs, alternative attractiveness and experience as moderators of relationship commitment in professional, consumer services.*International Journal of Service Industry Management,* 11(5),470-490.

Shellhase, R., Hardrock, P. and Ohlwein, M. (1999).Customer satisfaction in business to business marketing: the case of retail organizations and their suppliers.*Journal of Business & Industrial Marketing,* 14 (5/6).

Sheth, J. and Paravatiyar, A. (1994).Relationship Marketing Theory, Methods and Applications.*Center for Relationship Marketing,* Emory University, Atlanta, GA.

Sheu, C., Yen, H.and Chae, B. (2006). Determinants of supplier-retailer collaboration: evidence form an international study. *International Journal of Operations and Production Management,* 26(1), 24-49.

Shin, H., Collier, D.A. and Wilson, D.D. (2000).Supply management orientation and supplier/buyer performance. *Journal of Operations Management,* 18(3),317-33.

Simatupang, T-M.and Sridharan, R. (2005). The collaboration index: a measure for supply chain collaboration.*International Journal of Physical Distribution and Logistics Management,* 35 (1), 44-62.

Sirdeshmukh, D., Singh, J. and Sabol, B. (2002).Consumer trust, value and loyalty in relational exchange.*Journal of Marketing,* 66(1), 65-69.

Sirdeshmukh, D. and Singh, J. (2003). The Web of Trust: Joint Influence of Online, Frontline, and Company Policies on Consumer Trust, Value and Loyalty.*Case Western Reserve University,* Weatherhead School of Management, Cleveland, Ohio 44106, U.S.A.

Sirgy, J.M. and Samli, A.C. (1985).A path analytic model of store loyalty involving self-concept, store image, geographic loyalty, and socioeconomic status.*Academy of MarketingScience,* 13,265-91.

Skinner, S T., Gassenheimer, J.B. and Kelley, SW. (1992).Cooperation in supplier dealer relations. *Journal of Retailing*, 68,174-193

Smith, J.B. (1998). Buyer-seller relationships: similarity, relationship management, and quality. *Psychology & Marketing*, 15(1), 3-21.

Smith, A., Sparks, L., Hart, S. and Tzokas, N. (2004). Delivering customer loyalty schemes in retailing: exploring the employee dimension.*International Journal of Retail and Distribution Management,* 32(4), 190-204.

Snyder, R. A. and Morris, J. H. (1984).Organizational communication and performance.*Journal of Applied Psychology*, 69, 461–465.

Stasser, G. and Titus, W. (1987). Effects of information load and percentage of shared information on the dissemination of unshared information during group discussion.*Journal of Personality and Social Psychology*, 53, 81-93.

Stern, L.W. and Reve, T. (1980).Distribution channels as political economics: a framework for comparative analysis.*Journal of Marketing,* 44,52-64.

Storbacka, K., Strandvik, T. and Gro¨nroos, C. (1994). Managing customer relationships for profit: the dynamics of relationship quality.*International Journal of Service Industry Management,* 5(5), 21-38.

Sudman, S. and Bradburn, N.M., (1982).Asking questions. London: Jossey-Bass Publications.

Taylor, S.A. and Hunter, G. (2003). An exploratory investigation into the antecedents satisfaction, brand attitude, and loyalty within the eCRM industry.*Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 16, 19-35.

Thibault, J.W. and Kelley, H.H. (1959).The social psychology of groups.John Wiley Publications, NY.

Thorndike, L.E. (1932).Human learning.*Journal of Nervous and Mental Diseases*, 75(5), 589.

Tian, Y., Yat-Sen, S., Lai, F. and Daniel, F. (2008).An examination of the nature of trust in logistics outsourcing relationship, empirical evidence from China.*Industrial Management &Data systems,* 108(3), 346-67.

Tracey, M. and Tan, C.L. (2001).Empirical analysis of supplier selection and involvement, customer satisfaction, and firm performance.*Supply Chain Management: An International Journal,* 64(4), 174-88.

Ulaga, W. and Eggert, A. (2006). Relationship value and relationship quality: broadening thenomological network of business-to-business relationships.*European Journal of Marketing*, 40(3/4), 311-27.

Uppal, Disha. (2006). Metro ends work with Bangladeshi suppliersavailable at http://www.dw world.de/dw/article/0,,5214148,00.html.

Valsamakis V. and Groves, G. (1996). Supplier-customer relationships: Do relationships perform better? *Journal of Fashion Marketing and Management,* 1(1), 9-25.

Vasudevan, H., Gaur, S. and Shinde, R-K.(2006). Relational switching costs, satisfaction and commitment.*Asia Pacific Journal of Marketing and Logistics,*18(4), 342-347.

Vavra, T. (1992).After marketing: How to Keep Customers for Life through Relationship Marketing.*Business One Irwin, Burr Ridge,* IL.

Venetis, K.A. and Ghauri, P.N. (2004). Service quality and customer retention: building long-term relationships. *European Journal of Marketing,* 38(11/12),1577-98.

Verbeke, W., Veldkamp, H., Bagozzi, R. and Harris, P. (1999). Is trust a key concept in explaining resource allocations by retailers? *Working paper*, Erasmus University, Rotterdam.

Verhoef, P-C., Franses, H-P.and Hoekstra, J-C. (2002). The effect of relational constructs on customer referrals and number of services purchased from a multiservice provider: Does age of relationship matter?".*Journal of the Academy of Marketing Sciences,* 30 (3), 202-216.

Vasel, P. and Zabkar, V. (2010).Comprehension of relationship quality in the retail environment.*Managing Service Quality,* 20(3), 213-235.

Vickery, S.K., Jayaram, J., Droge, C. and Calantone, R. (2003). The effects of an integrativesupply chain strategy on customer service and financial performance: an analysis of directversus indirect relationships. *Journal of Operations Management,* 24(1),523-39.

Vonderembse, M.A. and Tracey, M. (1999).The impact of the supplier selection criteria andsupplier involvement on manufacturing performance.*The Journal of Supply Chain Management: A Global Review of Purchasing and Supply,* 35(3), 33-39.

Walker, O.C. and Ruekert, R.W. (1987). Marketing's rolein the implementation of business strategies: a critical review and conceptual framework.*Journal of Marketing,* 51(3),15-33.

Walter, A., Muller, T., Helfert, G. and Ritter, T. (2003).Functions of industrial supplier relationships and their impact on relationship quality.*Industrial Marketing Management,* 32(2), 159-69.

Wang, Q. (2006). Asymmetrical buyer-supplier relationships: The role of perceived benevolence.Unpublished doctoral thesis, University of Florida.

Wangenheim, F.V. (2003). Situational characteristics as moderators of the satisfaction-loyalty link: an investigation in a business-to-business

context.*Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior,* 16,145-56.

Webster, F.(1992).The changing role of marketing in the corporation.*Journal of Marketing,* Vol 56, 26-38.

Weick, K.E. (1987). Organizational culture as a source of high reliability. *California Management Review,* 29,112-27.

Wilson, D.T. (1995).An integrated model of buyer-seller relationships.*Journal of Academy of Marketing Sciences,* 23, 335-345.

Wong, A. and Sohal, A. (2002).An examination of the relationship between trust, commitmentand relationship quality.*International Journal of Retail & Distribution Management,*30(1),34-50.

Woo, G.K. and Cha, Y. (2002).Antecedents and consequences of relationship quality in hotelIndustry.*International Journal of Hospitality Management,* 21(4),321-38.

Woo, K. and Ennew, C.T. (2004). Business-to-business relationship quality: an IMP interaction-based conceptualization and measurement. *European Journal of Marketing,*38(9/10),1252-1271.

Woodside, A. and Davenport, W. (1992).The effect of salesman similarity and expertise on consumer purchasing behavior.*Journal of Marketing Research,* 11, 5-17.

Wray, B., Palmer, A. and Bejou, D. (1994).Using neural network analysis to evaluate buyer-seller relationships.*European Journal of Marketing,* 28(10),32-48.

Wren, B.M. and Simpson, J.T. (1996). A dyadic model of relationships in organizational buying:a synthesis of research results.*Journal of Business & Industrial Marketing,*11(3/4),63-79.

Wright, N.D., Pearce, J.W. and Bushbin, J.W. (1997). Linking customer service orientation to competitive performance: Does the marketing concept really work? *Journal of Marketing Theory,* 5(4), 23-34.

Wrigley, N., Coe, N.M. and Currah, A.D. (2005). Globalizing retail: conceptualizing thedistribution-based transnational corporation (TNC), *available at: www.andrewcurrah.com/PHG2005.pdf*

Wyatt, G.E. (1992).The socio-cultural context of African American and White.*Journal of Social Issues,* 48, 77-91.

www.talking retail.com.(2008). Retrieved from http://www.talkingretail.com.

Yanamandram, V. and White, L. (2006).Switching barriers in business-to-business services: A qualitative study.*International Journal of Service IndustryManagement, 17*(2), 158.

Yang, Z. and Peterson, R. T. (2004). Customer perceived value, satisfaction, and loyalty:The role of switching costs. *Psychology & Marketing, 21*(10), 799.

Yang, D.J and Wu, J.M (2008).Relationship Quality of International New Ventures in Marketing Channel: A Conceptual Framework for Their Antecedents and Outcome.*WebJournal of Chinese Management Review,* 11(2), 200-206.

Yee, K. (2008). Customer perceived quality, relationship quality and business loyalty,Unpublished Master's thesis, University of Malaya.

Yen, T-F., Liu, H. and Tuan, C. (2009). Managing relationship efforts to influence loyalty: An empirical study of the sun lonk sea forest and recreational park.*International Journal of Organizational Innovation,* 2(2), 185-190.

Yoon, S-J (2002).The antecedents and consequences of trust in online purchase decisions.*Journal of Interactive Marketing,* 60, 47-63.

Zaheer, A., McEvily, B. and Perrone, V. (1998).Does trust matter? Exploring the effects ofinterorganizational and interpersonal trust on performance.Organization Science, 9 (2), 141-59.

Zeithmal, V., Leonard, L. and Parasuraman, A. (1996).The behavioral consequences of service quality, *Journal of Marketing,* 60, 31-46.

Zikmund, W.G. (2003).*Business Research Methods*, Mason:Thompson Publications.

Zihaly, G. (2001). Organizational factors of CP measures in the corporate sector.*Hungarian Cleaner production center, ERCP 2001,* Lund University Publication, Sweden.

APPENDIX: A1

MAIL SURVEY COVER LETTER

Dear Survey Recipient:

I am a doctoral candidate at University Utara Malaysia in the Othman Yeop Abdullah Graduate School of Business. I am writing to ask your assistance in conducting a study about retailer-supplier relationship quality in Bangladesh. For the purpose of this study your organization has been chosen as a survey respondent. The results from this study will be used to complete my PhD dissertation.

The study is being conducted to try to understand retailer-supplier relationships in order to provide retail organizations, like yours, with ideas on how to maintain and improve their relationships with their suppliers. I believe it is important to look at the quality of retailer-supplier relationships from the retailers' point of view. I am hoping that your experience will provide me with valuable insights into the nature of the retailer-supplier relationships.

The attached survey should not be difficult to complete and should not take more than 15-20 minutes to finish. You only need to circle the answers and answer a few short questions. A postage paid envelope has been included for you to return your

completed survey at no cost to you. Returning the questionnaire is your consent to participate.

Please know that your participation is voluntary. You are not obligated to answer any question with which you feel uncomfortable. All responses will remain confidential. Your answers will be combined with those of many others and used for statistical analysis. While I cannot offer you monetary incentives, along with this mail I have attached a complimentary ball point pen and a writing pad, as a gesture of my appreciation for your time, attention and cooperation. I would also like to say that I would be more than happy to share the results of this study with you when it is completed. If you are interested in receiving a copy of the results, attach your business card to the survey when you return it to me.

I would appreciate if you could complete this survey as soon as possible and preferably within a week of receiving it. Thank you so much for taking the time to read this letter and I hope you can find the time to complete the attached survey. Should you have any enquiry, please call me at +88-01713303354 or +88-8917705. Also if you have any issues you want to share with me you can email me at tazizdab@yahoo.com.

Yours sincerely,

Mohammed Tareque Aziz

Doctoral Candidate

Matric no: 92575

Othman Yeop Abdullah Graduate School of BusinessBangladesh.

PO Box: 06010, Sintok

University Utara Malaysia

Kedah Darul Aman, Malaysia.

Contact address in Bangladesh

25A Lake Drive Road

Sector:7,Uttara,Dhaka:1230

APPENDIX: A2

MAIL SURVEY QUESTIONNAIRE

March 1, 2011

Dear respondent, please bear in mind that this study is completely voluntary and confidential! All of your responses shall not be revealed to your suppliers, employers, or competitors. In retailer-supplier relationships, retailers and suppliers can be different in terms of their dependency upon each other. Please think of one supplier with whom you have been doing business for more than one year, or who accounted for at least 10% of the business transacted with you during the previous one year, or you can even think about a supplier whom you consider it is important for you to have a business relationship.

Please keep in mind that there is no right or wrong answers. Please do not be concerned about giving different answers to questions that seem similar. There is some redundancy built into the statements to account for the fact that some people may read and interpret the statement differently.

1. Are you in retail business? Yes No

2. What was your company's annual sales volume last year (approximately)

Less than BDT 10,00,000 ☐

BDT 1 million – 5 million ☐

BDT 5 million – 10 million ☐

BDT 10 million – 50 million ☐

BDT 50 million – 100 million ☐

3. How many stores does your company have in Bangladesh? _____

A) Level of your participation with your supplier in making business decisions

In this section we are interested in knowing the level of your company's participation with your supplier at the times of making joint decisions regarding your mutual commercial transactions. All these questions should be answered with respect to the particular supplier you selected initially.

		Strongly agree			Strongly disagree	
1.	We are involved in the set up of the commercial goals with our supplier	1	2	3	4	5
2.	Our supplier takes into account our suggestions	1	2	3	4	5
3.	We perform an active role in decision making	1	2	3	4	5
4.	Our ideas for ordering, selling, and servicing are welcomed by the supplier	1	2	3	4	5
5.	We have to ask our supplier before we do anything in our business	1	2	3	4	5

B) Level of communication you and the supplier share in conducting your regular business transactions

In this section we are interested in knowing the level of communication you and your supplier shares in conducting your day to day regular business transactions. All these questions should be answered with respect to the particular supplier you selected initially.

		Strongly agree			Strongly disagree
1.	The supplier provides timely and accurate information.	1	2	3	45
2.	The supplier provides useful advice	1	2	3	45
3.	The supplier provides information on new retail products and services	1	2	3	45
4.	The supplier talks candidly with us	1	2	3	45
5.	Our communication with our supplier is open and honest	1	2	3	45

C) The time period you have been in business relation with the supplier conducting commercial transactions

In this section we are interested in knowing the number of years you have been taking products and services from the supplier. All these questions should be answered with respect to the particular supplier you selected initially.

1. For how many years you have been buying from the target supplier? _ _ _ _ _ _

D) The cost of switching from the target supplier to an alternative one

In this section we are interested in knowing the cost of switching from the supplier to another one. All these questions should be answered with respect to the particular supplier you selected initially.

		Strongly agree			Strongly disagree
1.	On whole it would cost a lot of time and energy to find an alternative supplier	1	2	3	45
2.	We would lose a lot of information about our company, business and market issues if we change the supplier	1	2	3	45
3.	It is risky to change as the new supplier may not give good products	1	2	3	45
4.	We would feel frustrated if we terminate our current relationship	1	2	3	45
5.	Considering everything, the cost to stop doing business with this supplier and start up with a new supplier would be high	1	2	3	45

E) The cost of terminating or ending the relationship with the supplier

In this section we are interested in knowing the cost of ending or terminating the relationship with the target supplier in terms of monetary, administrative, capital, time and product quality. All these questions should be answered with respect to the particular supplier you selected initially.

If we could not buy our stock from our present major supplier, we would likely be purchasing from an alternative supplier. This is a comparison of our major supplier with this alternative supplier concerning the following items

		Strongly agree			Strongly disagree
1.	Our present supplier is much better than our next alternative supplier, concerning Transaction cost	1	2	3	45
2.	Our present supplier is much better than our next alternative supplier, concerning administrative lead time	1	2	3	45
3.	Our present supplier is much better than your next alternative supplier, concerning tied up capital	1	2	3	45
4.	Our present supplier is much better than our next alternative supplier, concerning delivery time	1	2	3	45
5.	Our present supplier is much better than our next alternative supplier, concerning product/service quality	1	2	3	45

F) Quality of Relationship between you and your target supplier with reference to the level of your Trust, Commitment and Satisfaction toward your supplier in conducting your regular business transactions

In this section we are interested in determining the quality of your relationship with your target supplier within the reference of your trust, commitment and satisfaction toward the supplier. All these questions should be answered with respect to the particular supplier you selected initially.

		Strongly agree			Strongly disagree
1.	We intend to do business with this supplier well into the future	1	2	3	45
2.	We are dedicated to continuing to do business with this supplier	1	2	3	45
3.	We are resolute about future intent to do business with this supplier	1	2	3	45
4.	We want to maintain a long term relationship with this supplier	1	2	3	45
5.	We have chosen this supplier for practical reasons	1	2	3	45
6.	Our firm is comfortable about its relationship with the supplier	1	2	3	45
7.	Our relationship with this supplier reflects a happy situation	1	2	3	45
8.	Performance of the supplier is better than we expected	1	2	3	45
9.	Using the supplier is a good experience for me	1	2	3	45
10.	The relationship between the two firms is positive	1	2	3	45
11.	The supplier has always been fair in its negotiation with us	1	2	3	45
12.	We can rely on this supplier to keep promises made to us	1	2	3	45
13.	This supplier is trust worthy	1	2	3	45
14.	We trust this supplier	1	2	3	45
15.	The supplier works hard for my well being	1	2	3	45

G) Level of loyalty by the retailer toward the supplier

This last section assesses your level of loyalty toward your target supplier for your all forthcoming business transactions All these questions should be answered with respect to the particular supplier you selected initially.

		Strongly agree			Strongly disagree
1.	We intend to continue buying the suppliers products in the future	1	2	3	45
2.	Next time when we'll need the same type of product I'll purchase it from the same supplier	1	2	3	45
3.	We shall continue buying from this supplier more frequently in the future	1	2	3	45
4.	We shall probably buy products from this supplier again	1	2	3	45
5.	The supplier can be counted on to go along with my decisions on most occasions	1	2	3	45

BACKGROUND INFORMATION

Your company's name: _____

Address: _____

Telephone: _____

Email: _____

(All the information you provided in this survey will be only accessible to the University researchers, and will not be revealed to any third party, ie; your supplier, competitor or any other external agencies)

THANK YOU FOR YOUR PARTICIPATION IN THIS SURVEY.

Appendix B1: Independent samples T- test for Response Bias

T-Test

Group Statistics

Gr		N	Mean	Std. Dev	Std. Error Mean
PDM	Early	42	2.0238	.33042	.05098
	Late	79	2.0285	.30484	.03430
COM	Early	42	1.7738	.61686	.09518
	Late	79	1.6582	.49707	.05592
SWC	Early	42	2.9619	.79907	.12330
	Late	79	2.6152	.71881	.08087
TEC	Early	42	2.1587	.44926	.06932
	Late	79	2.0970	.32534	.03660
OPC	Early	42	2.0119	.34016	.05249
	Late	79	1.9684	.36987	.04161
LOY	Early	42	1.9524	.31351	.04838
	Late	79	1.9842	.26355	.02965
RQ	Early	42	1.6369	.39122	.06037
	Late	79	1.6456	.45750	.05147

Independent samples Test

Leven's Test for equality for variance

	F	Sig
PDM Equal variances assumed	.185	.668
Equal variance not assumed		
COM Equal variances assumed	.824	.366
Equal variance not assumed		
SWC Equal variances assumed	2.142	.146
Equal variance not assumed		
TEC Equal variances assumed	.673	.414
Equal variance not assumed		
OPC Equal variances assumed	2.70	.103
Equal variance not assumed		
LOY Equal variances	1.688	.196

	assumed Equal variance not assumed		
RQ	Equal variances assumed Equal variance not assumed	3.107	.081

Independent Samples Test

t-test for equality of means

		t	df	Sig (2-tailed)	Mean Difference
PDM	Equal variances assumed	.078	121	.938	.00467
	Equal variance not assumed	.076	78.097	.940	.00467
COM	Equal variances assumed	1.118	121	.266	.11558
	Equal variance not assumed	1.047	69.82	.299	.11558
SWC	Equal variances assumed	2.429	121	.017	.34671
	Equal variance not assumed	2.351	76.43	.021	.34671
TEC	Equal variances	.867	121	.388	.06168

	assumed Equal variance not assumed	.787	64.417	.434	.06168
OPC	Equal variances assumed Equal variance not assumed	.634 .650	121 90.043	.528 .517	.04355 .04355
LOY	Equal variances assumed Equal variance not assumed	.591 .560	121 72.236	.556 .577	.03180 .03180
RQ	Equal variances assumed Equal variance not assumed	.104 .109	121 95.699	.917 .913	.08322 .08322

Independent Samples Test

		t-test for Equality of means	
		95% Confidence Interval of the Difference	
	Std error Difference	Lower	Upper
PDM Equal variances assumed	.05994	-.12336	.11402
Equal variance not assumed	.06145	-.12700	.11766
COM Equal variances assumed	.10338	.-08912	.32028
Equal variance not assumed	.11040	-.10461	.33577
SWC Equal variances assumed	.14273	.06409	.62934
Equal variance not assumed	.14746	.05306	.64037
TEC Equal variances assumed	.07118	-.07925	.20262
Equal variance not assumed	.07839	-.09490	.21827

OPC	Equal variances assumed	.06873	-.09254	.17964
	Equal variance not assumed	.06698	-.08952	.17662
LOY	Equal variances assumed	.05381	-.13834	.07475
	Equal variance not assumed	.05674	-.14490	.08131
RQ	Equal variances assumed	.08322	-.17346	.15613
	Equal variance not assumed	.07933	-.16614	.14802

Appendix B2: Respondent profile

Annual sales volume

Annual sales volume

N	Valid	121
	Missing	0

Annual sales volume

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than BDT 10,00,000	1	.8	.8	.8
	BDT 1 mill to 5 mill	23	19.0	19.0	19.8
	BDT 5 mill to 10 mill	56	46.3	46.3	66.1
	BDT 10 mill to 50 mill	29	24.0	24.0	90.1
	BDT 50 mill to 100 mill	12	9.9	9.9	100.0
	Total	121	100.0	100.0	

How many stores u have in BD

Statistics

How many stores u have in BD

N	Valid	121
	Missing	0

How many stores u have in BD

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	74	61.2	61.2	61.2
	2.00	29	24.0	24.0	85.1
	3.00	7	5.8	5.8	90.9
	4.00	6	5.0	5.0	95.9
	5.00	5	4.1	4.1	100.0
	Total	121	100.0	100.0	

Appendix B3: Factor Analysis for Organizational factors

Step # 1

Correlation Matrix

		PDM1	PDM2	PDM3	PDM4	PDM5	COM1	COM2	COM3	COM4	COM5
Correlation	PDM1	1.000	.671	.595	.822	.080	-.119	-.066	.012	-.157	-.158
	PDM2	.671	1.000	.550	.802	.021	-.189	-.143	-.097	-.130	-.059
	PDM3	.595	.550	1.000	.592	.192	-.178	-.112	-.117	-.206	-.070
	PDM4	.822	.802	.592	1.000	.201	-.188	-.088	-.024	-.134	-.069
	PDM5	.080	.021	.192	.201	1.000	-.039	.070	-.031	-.049	-.025
	COM1	-.119	-.189	-.178	-.188	-.039	1.000	.248	.584	.168	.153
	COM2	-.066	-.143	-.112	-.088	.070	.248	1.000	.225	.146	.210
	COM3	.012	-.097	-.117	-.024	-.031	.584	.225	1.000	.020	.390
	COM4	-.157	-.130	-.206	-.134	-.049	.168	.146	.020	1.000	.384
	COM5	-.158	-.059	-.070	-.069	-.025	.153	.210	.390	.384	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.644
Bartlett's Test of Sphericity	Approx. Chi-Square	461.389
	df	45
	Sig.	.000

Anti-image Matrices

		PDM1	PDM2	PDM3	PDM4	PDM5	COM1	COM2	COM3	COM4	COM5
Anti-image Covariance	PDM1	.277	.007	-.109	-.136	.092	-.001	-.028	-.048	-.019	.095
	PDM2	.007	.316	-.065	-.143	.132	-.022	.039	.049	.022	-.031
	PDM3	-.109	-.065	.551	-.012	-.117	-.016	.035	.074	.110	-.082
	PDM4	-.136	-.143	-.012	.183	-.126	.042	.001	-.027	-.012	-.015
	PDM5	.092	.132	-.117	-.126	.847	-.014	-.077	.023	.017	.022
	COM1	-.001	-.022	-.016	.042	-.014	.572	-.096	-.313	-.152	.129
	COM2	-.028	.039	.035	.001	-.077	-.096	.883	-.024	-.037	-.095
	COM3	-.048	.049	.074	-.027	.023	-.313	-.024	.489	.175	-.255
	COM4	-.019	.022	.110	-.012	.017	-.152	-.037	.175	.744	-.294
	COM5	.095	-.031	-.082	-.015	.022	.129	-.095	-.255	-.294	.624
Anti-image Correlation	PDM1	.738[a]	.022	-.279	-.602	.190	-.003	-.057	-.130	-.042	.227
	PDM2	.022	.757[a]	-.155	-.596	.255	-.051	.073	.125	.046	-.070
	PDM3	-.279	-.155	.848[a]	-.037	-.171	-.028	.050	.143	.172	-.140
	PDM4	-.602	-.596	-.037	.676[a]	-.320	.129	.002	-.089	-.033	-.044
	PDM5	.190	.255	-.171	-.320	.279[a]	-.020	-.090	.035	.021	.030
	COM1	-.003	-.051	-.028	.129	-.020	.539[a]	-.135	-.592	-.232	.216
	COM2	-.057	.073	.050	.002	-.090	-.135	.799[a]	-.037	-.045	-.128
	COM3	-.130	.125	.143	-.089	.035	-.592	-.037	.444[a]	.290	-.462
	COM4	-.042	.046	.172	-.033	.021	-.232	-.045	.290	.455[a]	-.432
	COM5	.227	-.070	-.140	-.044	.030	.216	-.128	-.462	-.432	.428[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

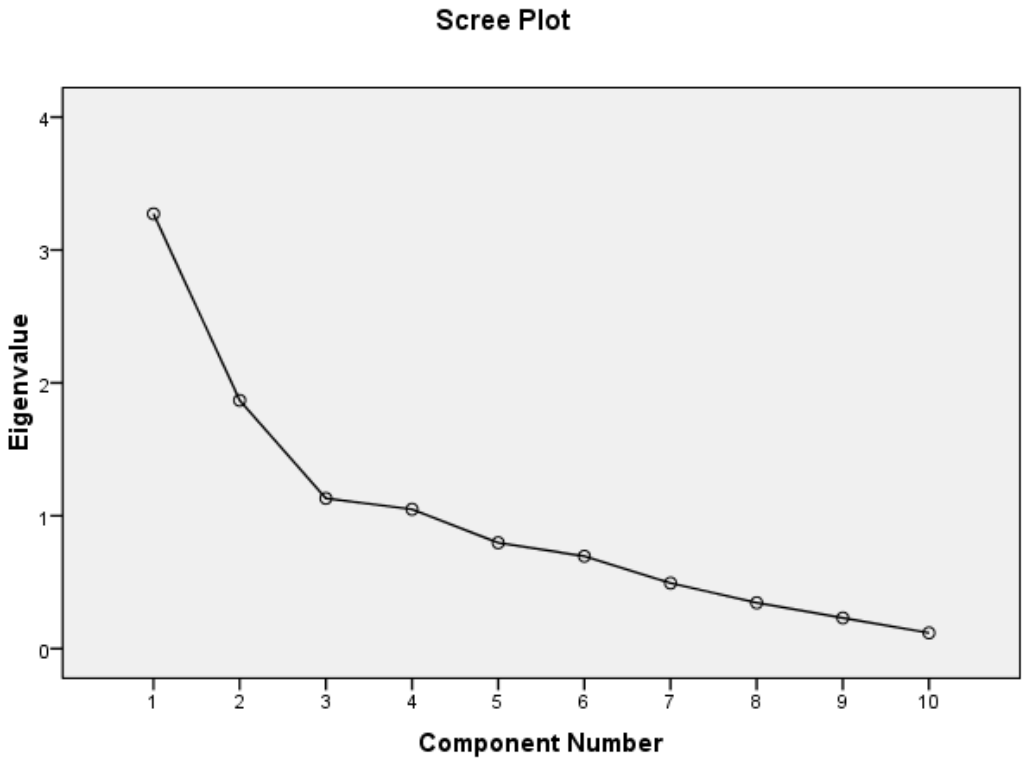
	Initial	Extraction
PDM1	1.000	.804
PDM2	1.000	.793
PDM3	1.000	.615
PDM4	1.000	.880
PDM5	1.000	.861
COM1	1.000	.715
COM2	1.000	.429
COM3	1.000	.806
COM4	1.000	.740
COM5	1.000	.679

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.273	32.728	32.728	3.273	32.728	32.728	3.058	30.582	30.582
2	1.869	18.688	51.416	1.869	18.688	51.416	1.757	17.572	48.153
3	1.131	11.310	62.726	1.131	11.310	62.726	1.433	14.329	62.483
4	1.049	10.487	73.213	1.049	10.487	73.213	1.073	10.730	73.213
5	.797	7.966	81.180						
6	.695	6.952	88.132						
7	.493	4.930	93.061						
8	.345	3.450	96.512						
9	.231	2.307	98.818						
10	.118	1.182	100.000						

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component			
	1	2	3	4
PDM4	.886			
PDM1	.841			
PDM2	.833			
PDM3	.763			
COM3		.758		
COM1		.619		
COM5		.591		
COM2				
COM4			.735	
PDM5				.902

Extraction Method: Principal Component Analysis.

a. 4 components extracted.

Rotated Component Matrix[a]

	Component			
	1	2	3	4
PDM4	.933			
PDM1	.888			
PDM2	.876			
PDM3	.751			
COM3		.891		
COM1		.831		
COM4			.847	
COM5			.773	
PDM5				.913
COM2				

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

Step # 2

Correlation Matrix

		PDM1	PDM2	PDM3	PDM4	COM1	COM2	COM3	COM4	COM5
Correlation	PDM1	1.000	.671	.595	.822	-.119	-.066	.012	-.157	-.158
	PDM2	.671	1.000	.550	.802	-.189	-.143	-.097	-.130	-.059
	PDM3	.595	.550	1.000	.592	-.178	-.112	-.117	-.206	-.070
	PDM4	.822	.802	.592	1.000	-.188	-.088	-.024	-.134	-.069
	COM1	-.119	-.189	-.178	-.188	1.000	.248	.584	.168	.153
	COM2	-.066	-.143	-.112	-.088	.248	1.000	.225	.146	.210
	COM3	.012	-.097	-.117	-.024	.584	.225	1.000	.020	.390
	COM4	-.157	-.130	-.206	-.134	.168	.146	.020	1.000	.384
	COM5	-.158	-.059	-.070	-.069	.153	.210	.390	.384	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.673
Bartlett's Test of Sphericity	Approx. Chi-Square	443.484
	df	36
	Sig.	.000

Anti-image Matrices

		PDM1	PDM2	PDM3	PDM4	COM1	COM2	COM3	COM4	COM5
Anti-image Covariance	PDM1	.288	-.009	-.103	-.141	.001	-.021	-.052	-.022	.096
	PDM2	-.009	.339	-.051	-.148	-.021	.055	.049	.021	-.037
	PDM3	-.103	-.051	.567	-.034	-.018	.025	.080	.116	-.082
	PDM4	-.141	-.148	-.034	.204	.044	-.012	-.026	-.011	-.013
	COM1	.001	-.021	-.018	.044	.573	-.098	-.314	-.151	.129
	COM2	-.021	.055	.025	-.012	-.098	.890	-.022	-.036	-.094
	COM3	-.052	.049	.080	-.026	-.314	-.022	.490	.175	-.256
	COM4	-.022	.021	.116	-.011	-.151	-.036	.175	.744	-.295
	COM5	.096	-.037	-.082	-.013	.129	-.094	-.256	-.295	.625
Anti-image Correlation	PDM1	.764[a]	-.027	-.255	-.582	.001	-.041	-.139	-.047	.226
	PDM2	-.027	.803[a]	-.117	-.562	-.047	.100	.120	.042	-.081
	PDM3	-.255	-.117	.871[a]	-.099	-.032	.035	.151	.179	-.137
	PDM4	-.582	-.562	-.099	.715[a]	.130	-.028	-.083	-.027	-.036
	COM1	.001	-.047	-.032	.130	.538[a]	-.138	-.592	-.232	.216
	COM2	-.041	.100	.035	-.028	-.138	.812[a]	-.034	-.044	-.126
	COM3	-.139	.120	.151	-.083	-.592	-.034	.443[a]	.290	-.463
	COM4	-.047	.042	.179	-.027	-.232	-.044	.290	.452[a]	-.433
	COM5	.226	-.081	-.137	-.036	.216	-.126	-.463	-.433	.428[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

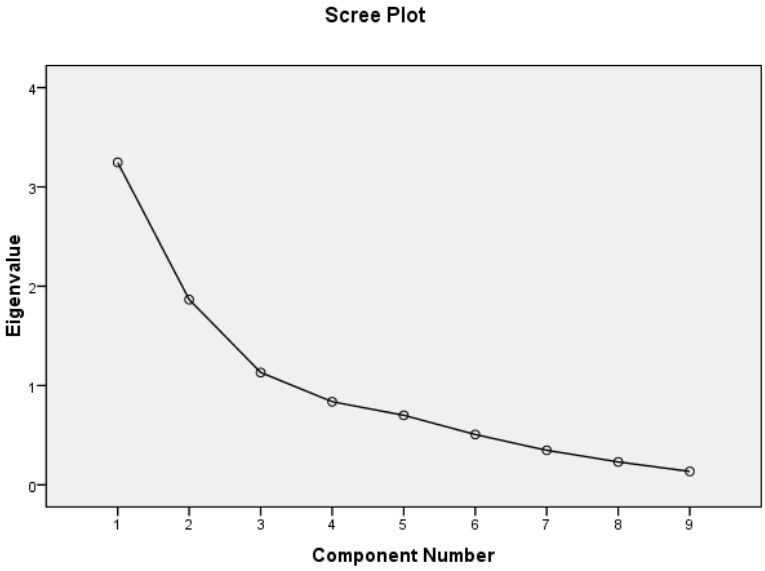
	Initial	Extraction
PDM1	1.000	.804
PDM2	1.000	.770
PDM3	1.000	.597
PDM4	1.000	.875
COM1	1.000	.709
COM2	1.000	.281
COM3	1.000	.792
COM4	1.000	.737
COM5	1.000	.677

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.247	36.078	36.078	3.247	36.078	36.078	3.038	33.760	33.760
2	1.866	20.728	56.806	1.866	20.728	56.806	1.799	19.989	53.749
3	1.131	12.564	69.369	1.131	12.564	69.369	1.406	15.621	69.369
4	.837	9.298	78.668						
5	.700	7.781	86.448						
6	.507	5.631	92.079						
7	.347	3.859	95.938						
8	.231	2.563	98.502						
9	.135	1.498	100.000						

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component		
	1	2	3
PDM4	.882		
PDM1	.843		
PDM2	.839		
PDM3	.757		
COM3		.758	
COM1		.617	
COM5		.590	
COM2			
COM4			.733

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Rotated Component Matrix[a]

	Component		
	1	2	3
PDM4	.934		
PDM1	.888		
PDM2	.869		
PDM3	.757		
COM3		.887	
COM1		.828	
COM2			
COM4			.847
COM5			.762

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

Step # 3

Correlation Matrix

		PDM1	PDM2	PDM3	PDM4	COM1	COM2	COM3	COM4
Correlation	PDM1	1.000	.671	.595	.822	-.119	-.066	.012	-.157
	PDM2	.671	1.000	.550	.802	-.189	-.143	-.097	-.130
	PDM3	.595	.550	1.000	.592	-.178	-.112	-.117	-.206
	PDM4	.822	.802	.592	1.000	-.188	-.088	-.024	-.134
	COM1	-.119	-.189	-.178	-.188	1.000	.248	.584	.168
	COM2	-.066	-.143	-.112	-.088	.248	1.000	.225	.146
	COM3	.012	-.097	-.117	-.024	.584	.225	1.000	.020
	COM4	-.157	-.130	-.206	-.134	.168	.146	.020	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.742
Bartlett's Test of Sphericity	Approx. Chi-Square	389.941
	df	28
	Sig.	.000

Anti-image Matrices

		PDM1	PDM2	PDM3	PDM4	COM1	COM2	COM3	COM4
Anti-image Covariance	PDM1	.303	-.003	-.097	-.147	-.021	-.007	-.017	.030
	PDM2	-.003	.341	-.057	-.149	-.014	.050	.043	.004
	PDM3	-.097	-.057	.578	-.036	-.001	.013	.060	.097
	PDM4	-.147	-.149	-.036	.204	.049	-.014	-.040	-.021
	COM1	-.021	-.014	-.001	.049	.601	-.084	-.348	-.117
	COM2	-.007	.050	.013	-.014	-.084	.905	-.079	-.100
	COM3	-.017	.043	.060	-.040	-.348	-.079	.624	.085
	COM4	.030	.004	.097	-.021	-.117	-.100	.085	.916
Anti-image Correlation	PDM1	.788[a]	-.009	-.232	-.590	-.050	-.013	-.040	.057
	PDM2	-.009	.806[a]	-.129	-.567	-.031	.091	.093	.008
	PDM3	-.232	-.129	.910[a]	-.105	-.002	.018	.100	.134
	PDM4	-.590	-.567	-.105	.707[a]	.141	-.033	-.112	-.048
	COM1	-.050	-.031	-.002	.141	.588[a]	-.114	-.569	-.157
	COM2	-.013	.091	.018	-.033	-.114	.796[a]	-.105	-.110
	COM3	-.040	.093	.100	-.112	-.569	-.105	.523[a]	.112
	COM4	.057	.008	.134	-.048	-.157	-.110	.112	.676[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

	Initial	Extraction
PDM1	1.000	.808
PDM2	1.000	.755
PDM3	1.000	.599
PDM4	1.000	.866
COM1	1.000	.719
COM2	1.000	.304
COM3	1.000	.698
COM4	1.000	.109

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.193	39.917	39.917	3.193	39.917	39.917	3.055	38.187	38.187
2	1.665	20.814	60.731	1.665	20.814	60.731	1.804	22.545	60.731
3	.988	12.350	73.081						
4	.815	10.183	83.264						
5	.507	6.336	89.601						
6	.387	4.837	94.438						
7	.310	3.870	98.308						
8	.135	1.692	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component	
	1	2
PDM4	.903	
PDM2	.858	
PDM1	.856	
PDM3	.771	
COM4		
COM3		.809
COM1		.765
COM2		

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Rotated Component Matrix[a]

	Component	
	1	2
PDM4	.929	
PDM1	.899	
PDM2	.860	
PDM3	.758	
COM1		.840
COM3		.834
COM2		.546
COM4		

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Step # 4

Correlation Matrix

		PDM1	PDM2	PDM3	PDM4	COM1	COM2	COM3
Correlation	PDM1	1.000	.671	.595	.822	-.119	-.066	.012
	PDM2	.671	1.000	.550	.802	-.189	-.143	-.097
	PDM3	.595	.550	1.000	.592	-.178	-.112	-.117
	PDM4	.822	.802	.592	1.000	-.188	-.088	-.024
	COM1	-.119	-.189	-.178	-.188	1.000	.248	.584
	COM2	-.066	-.143	-.112	-.088	.248	1.000	.225
	COM3	.012	-.097	-.117	-.024	.584	.225	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.747
Bartlett's Test of Sphericity	Approx. Chi-Square	380.749
	df	21
	Sig.	.000

Anti-image Matrices

		PDM1	PDM2	PDM3	PDM4	COM1	COM2	COM3
Anti-image Covariance	PDM1	.304	-.003	-.102	-.147	-.018	-.003	-.020
	PDM2	-.003	.341	-.059	-.150	-.014	.051	.043
	PDM3	-.102	-.059	.589	-.035	.011	.025	.053
	PDM4	-.147	-.150	-.035	.205	.048	-.017	-.039
	COM1	-.018	-.014	.011	.048	.616	-.100	-.350
	COM2	-.003	.051	.025	-.017	-.100	.916	-.071
	COM3	-.020	.043	.053	-.039	-.350	-.071	.632
Anti-image Correlation	PDM1	.785[a]	-.010	-.242	-.589	-.042	-.006	-.047
	PDM2	-.010	.804[a]	-.132	-.567	-.030	.092	.093
	PDM3	-.242	-.132	.918[a]	-.099	.019	.033	.086
	PDM4	-.589	-.567	-.099	.707[a]	.135	-.039	-.108
	COM1	-.042	-.030	.019	.135	.594[a]	-.134	-.561
	COM2	-.006	.092	.033	-.039	-.134	.807[a]	-.093
	COM3	-.047	.093	.086	-.108	-.561	-.093	.540[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

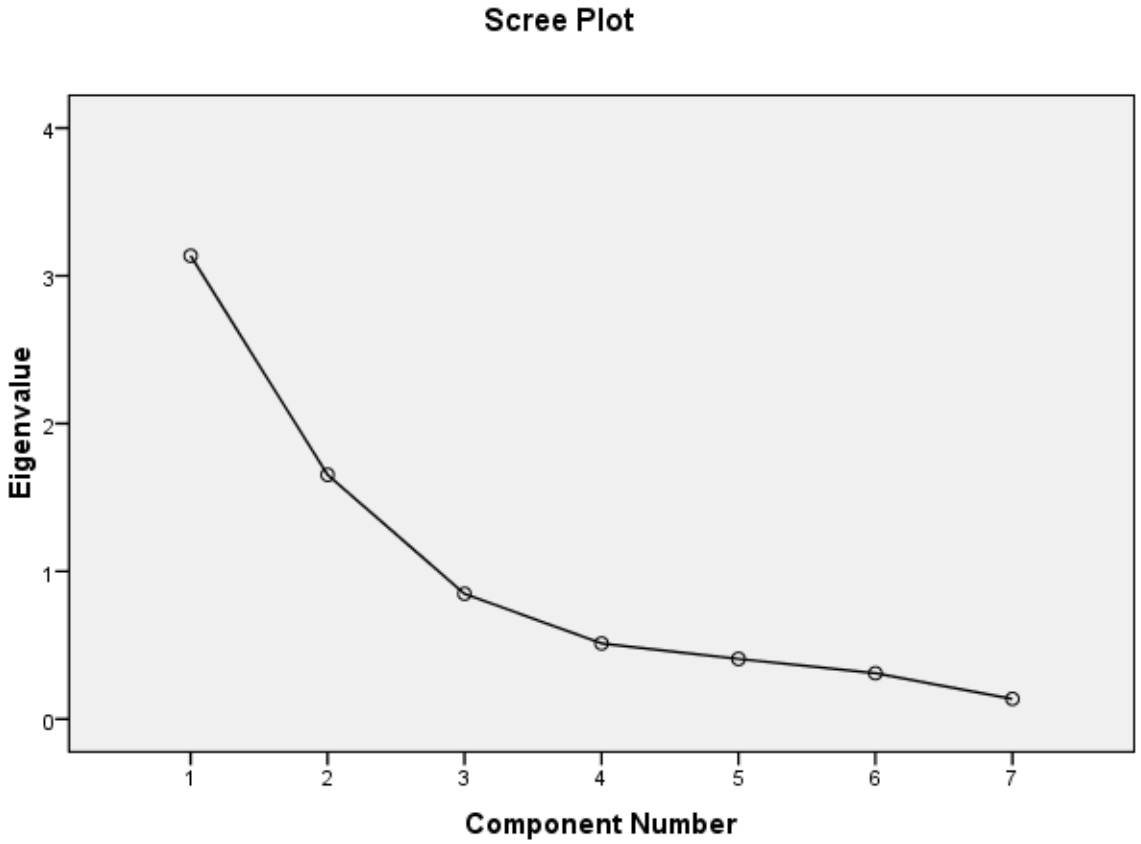
	Initial	Extraction
PDM1	1.000	.810
PDM2	1.000	.764
PDM3	1.000	.595
PDM4	1.000	.874
COM1	1.000	.722
COM2	1.000	.292
COM3	1.000	.732

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.136	44.804	44.804	3.136	44.804	44.804	3.028	43.251	43.251
2	1.653	23.611	68.414	1.653	23.611	68.414	1.761	25.163	68.414
3	.848	12.108	80.522						
4	.511	7.306	87.829						
5	.406	5.806	93.635						
6	.310	4.424	98.059						
7	.136	1.941	100.000						

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component	
	1	2
PDM4	.913	
PDM2	.867	
PDM1	.863	
PDM3	.768	
COM3		.830
COM1		.774
COM2		

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Rotated Component Matrix[a]

	Component	
	1	2
PDM4	.933	
PDM1	.900	
PDM2	.865	
PDM3	.758	
COM3		.855
COM1		.840
COM2		.534

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Step # 5

Correlation Matrix

		PDM1	PDM2	PDM3	PDM4	COM1	COM3
Correlation	PDM1	1.000	.671	.595	.822	-.119	.012
	PDM2	.671	1.000	.550	.802	-.189	-.097
	PDM3	.595	.550	1.000	.592	-.178	-.117
	PDM4	.822	.802	.592	1.000	-.188	-.024
	COM1	-.119	-.189	-.178	-.188	1.000	.584
	COM3	.012	-.097	-.117	-.024	.584	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.740
Bartlett's Test of Sphericity	Approx. Chi-Square	371.547
	df	15
	Sig.	.000

Anti-image Matrices

		PDM1	PDM2	PDM3	PDM4	COM1	COM3
Anti-image Covariance	PDM1	.304	-.003	-.102	-.147	-.019	-.021
	PDM2	-.003	.344	-.061	-.150	-.008	.048
	PDM3	-.102	-.061	.589	-.034	.014	.055
	PDM4	-.147	-.150	-.034	.205	.047	-.040
	COM1	-.019	-.008	.014	.047	.627	-.368
	COM3	-.021	.048	.055	-.040	-.368	.637
Anti-image Correlation	PDM1	.785[a]	-.009	-.242	-.589	-.043	-.048
	PDM2	-.009	.805[a]	-.135	-.566	-.018	.103
	PDM3	-.242	-.135	.917[a]	-.098	.024	.090
	PDM4	-.589	-.566	-.098	.707[a]	.131	-.112
	COM1	-.043	-.018	.024	.131	.561[a]	-.582
	COM3	-.048	.103	.090	-.112	-.582	.495[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

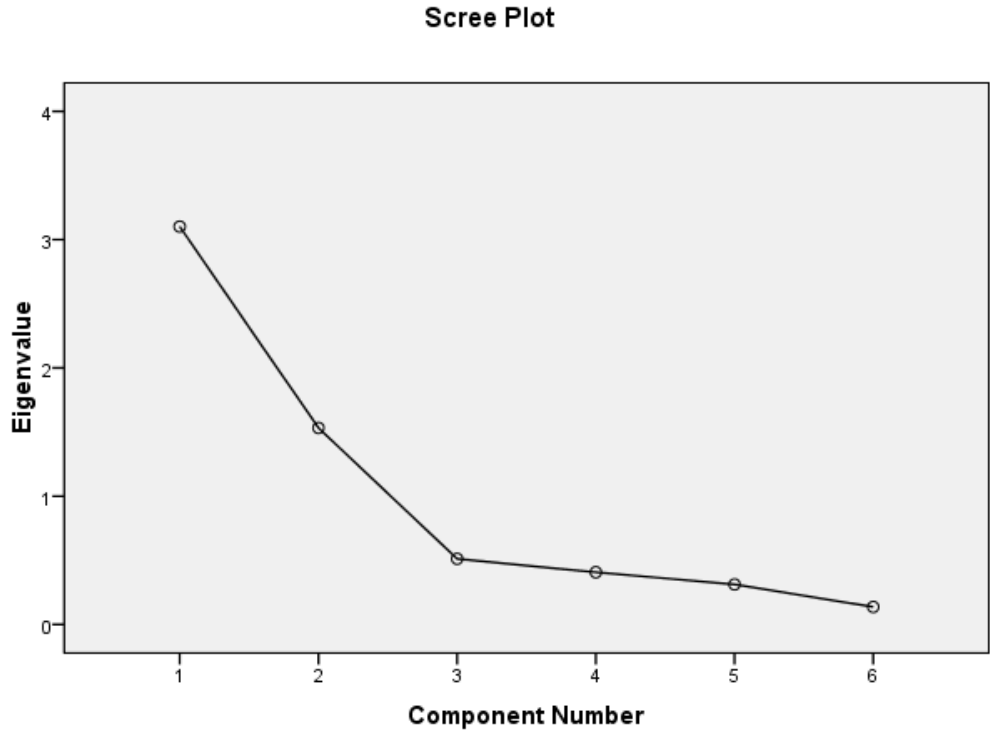
	Initial	Extraction
PDM1	1.000	.809
PDM2	1.000	.763
PDM3	1.000	.596
PDM4	1.000	.874
COM1	1.000	.785
COM3	1.000	.807

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.102	51.700	51.700	3.102	51.700	51.700	3.033	50.544	50.544
2	1.532	25.536	77.236	1.532	25.536	77.236	1.602	26.692	77.236
3	.511	8.525	85.761						
4	.406	6.774	92.535						
5	.312	5.194	97.729						
6	.136	2.271	100.000						

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component	
	1	2
PDM4	.922	
PDM1	.874	
PDM2	.870	
PDM3	.772	
COM3		.881
COM1		.824

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Rotated Component Matrix[a]

	Component	
	1	2
PDM4	.934	
PDM1	.899	
PDM2	.868	
PDM3	.760	
COM3		.898
COM1		.874

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 3 iterations.

Appendix B4: Factor analysis for cost related factors

Step # 1

Correlation Matrix

		SWC1	SWC2	SWC3	SWC4	SWC5	TEC1	TEC2	TEC3	TEC4	TEC5
Correlation	SWC1	1.000	.750	.794	.754	.835	.178	-.025	.133	.164	.184
	SWC2	.750	1.000	.813	.794	.822	.154	.089	.224	.118	.224
	SWC3	.794	.813	1.000	.777	.839	.132	.030	.198	.123	.142
	SWC4	.754	.794	.777	1.000	.793	.174	.174	.240	.268	.296
	SWC5	.835	.822	.839	.793	1.000	.058	.076	.181	.100	.268
	TEC1	.178	.154	.132	.174	.058	1.000	.139	.368	.522	.271
	TEC2	-.025	.089	.030	.174	.076	.139	1.000	.174	.252	.573
	TEC3	.133	.224	.198	.240	.181	.368	.174	1.000	.317	.127
	TEC4	.164	.118	.123	.268	.100	.522	.252	.317	1.000	.480
	TEC5	.184	.224	.142	.296	.268	.271	.573	.127	.480	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.825
Bartlett's Test of Sphericity	Approx. Chi-Square	776.354
	df	45.000
	Sig.	.000

Anti-image Matrices

		SWC1	SWC2	SWC3	SWC4	SWC5	TEC1	TEC2	TEC3	TEC4	TEC5
Anti-image Covariance	SWC1	.236	-.007	-.042	-.044	-.085	-.075	.062	.065	-.021	.013
	SWC2	-.007	.237	-.063	-.075	-.049	-.043	.002	-.028	.052	-.015
	SWC3	-.042	-.063	.216	-.039	-.061	-.018	-.011	-.003	-.012	.060
	SWC4	-.044	-.075	-.039	.253	-.032	.028	-.061	-.018	-.083	.005
	SWC5	-.085	-.049	-.061	-.032	.161	.072	.017	-.040	.041	-.074
	TEC1	-.075	-.043	-.018	.028	.072	.631	.013	-.187	-.211	-.051
	TEC2	.062	.002	-.011	-.061	.017	.013	.616	-.091	.043	-.286
	TEC3	.065	-.028	-.003	-.018	-.040	-.187	-.091	.770	-.113	.097
	TEC4	-.021	.052	-.012	-.083	.041	-.211	.043	-.113	.542	-.193
	TEC5	.013	-.015	.060	.005	-.074	-.051	-.286	.097	-.193	.476
Anti-image Correlation	SWC1	.880[a]	-.031	-.186	-.181	-.434	-.194	.163	.153	-.060	.038
	SWC2	-.031	.906[a]	-.279	-.308	-.251	-.112	.006	-.066	.144	-.044
	SWC3	-.186	-.279	.904[a]	-.168	-.325	-.049	-.029	-.008	-.036	.187
	SWC4	-.181	-.308	-.168	.912[a]	-.161	.069	-.155	-.040	-.225	.015
	SWC5	-.434	-.251	-.325	-.161	.839[a]	.227	.053	-.115	.139	-.266
	TEC1	-.194	-.112	-.049	.069	.227	.655[a]	.021	-.268	-.361	-.093
	TEC2	.163	.006	-.029	-.155	.053	.021	.577[a]	-.133	.075	-.528
	TEC3	.153	-.066	-.008	-.040	-.115	-.268	-.133	.718[a]	-.175	.161
	TEC4	-.060	.144	-.036	-.225	.139	-.361	.075	-.175	.664[a]	-.380
	TEC5	.038	-.044	.187	.015	-.266	-.093	-.528	.161	-.380	.616[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

	Initial	Extraction
SWC1	1.000	.820
SWC2	1.000	.834
SWC3	1.000	.858
SWC4	1.000	.823
SWC5	1.000	.893
TEC1	1.000	.714
TEC2	1.000	.762
TEC3	1.000	.519
TEC4	1.000	.668
TEC5	1.000	.801

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.486	44.863	44.863	4.486	44.863	44.863	4.178	41.776	41.776
2	2.063	20.632	65.495	2.063	20.632	65.495	1.818	18.181	59.957
3	1.144	11.437	76.932	1.144	11.437	76.932	1.697	16.975	76.932
4	.762	7.625	84.557						
5	.474	4.739	89.296						
6	.350	3.503	92.799						
7	.241	2.411	95.209						
8	.199	1.994	97.203						
9	.162	1.620	98.823						
10	.118	1.177	100.000						

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component		
	1	2	3
SWC5	.903		
SWC4	.902		
SWC2	.889		
SWC3	.884		
SWC1	.868		
TEC4		.711	
TEC5		.639	
TEC2		.608	-.591
TEC1		.599	.513
TEC3			

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Rotated Component Matrix[a]

	Component		
	1	2	3
SWC5	.939		
SWC3	.922		
SWC2	.905		
SWC1	.898		
SWC4	.873		
TEC1		.839	
TEC4		.716	
TEC3		.704	
TEC2			.871
TEC5			.854

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Appendix B5: Factor analysis for Relationship Quality

Step # 1

Correlation Matrix

		RQ1	RQ2	RQ3	RQ4	RQ5	RQ6	RQ7	RQ8	RQ9	RQ10	RQ11	RQ12	RQ13	RQ14	RQ15
Correlation	RQ1	1.000	.372	.330	.318	.243	.354	.301	.207	.364	.395	.188	.209	.166	.171	.178
	RQ2	.372	1.000	.168	.270	.000	.217	.265	.161	-.035	.089	.092	.060	.175	.152	.087
	RQ3	.330	.168	1.000	.228	.533	.268	.268	.384	.392	.357	.155	.289	.270	.265	.149
	RQ4	.318	.270	.228	1.000	.123	.249	.321	.264	.284	.219	.075	.146	-.010	-.058	.114
	RQ5	.243	.000	.533	.123	1.000	.299	.187	.284	.448	.505	.000	.327	.345	.360	.250
	RQ6	.354	.217	.268	.249	.299	1.000	.549	.389	.514	.507	.225	.362	.188	.228	.188
	RQ7	.301	.265	.268	.321	.187	.549	1.000	.107	.318	.274	.244	.245	.058	.110	.327
	RQ8	.207	.161	.384	.264	.284	.389	.107	1.000	.266	.334	.066	.270	.177	.184	.100
	RQ9	.364	-.035	.392	.284	.448	.514	.318	.266	1.000	.568	.283	.457	.406	.371	.282
	RQ10	.395	.089	.357	.219	.505	.507	.274	.334	.568	1.000	.148	.369	.385	.408	.319
	RQ11	.188	.092	.155	.075	.000	.225	.244	.066	.283	.148	1.000	.164	.195	.209	.231
	RQ12	.209	.060	.289	.146	.327	.362	.245	.270	.457	.369	.164	1.000	.384	.350	.301
	RQ13	.166	.175	.270	-.010	.345	.188	.058	.177	.406	.385	.195	.384	1.000	.908	.339
	RQ14	.171	.152	.265	-.058	.360	.228	.110	.184	.371	.408	.209	.350	.908	1.000	.436
	RQ15	.178	.087	.149	.114	.250	.188	.327	.100	.282	.319	.231	.301	.339	.436	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.771
Bartlett's Test of Sphericity	Approx. Chi-Square	708.355
	df	105
	Sig.	.000

Anti-image Matrices

		RQ1	RQ2	RQ3	RQ4	RQ5	RQ6	RQ7	RQ8	RQ9	RQ10	RQ11	RQ12	RQ13	RQ14	RQ15
Anti-image Covariance	RQ1	.653	-.215	-.071	-.071	-.002	-.018	-.001	.030	-.081	-.103	-.046	.004	.019	-.006	-.007
	RQ2	-.215	.670	-.050	-.135	.061	-.071	-.082	-.035	.172	.030	-.001	.026	-.055	.011	.006
	RQ3	-.071	-.050	.577	-.015	-.223	.077	-.091	-.164	-.052	.012	-.071	-.024	-.001	-.006	.070
	RQ4	-.071	-.135	-.015	.712	.021	.049	-.111	-.131	-.110	-.027	.037	.008	-.021	.057	-.043
	RQ5	-.002	.061	-.223	.021	.542	-.010	.002	-.007	-.050	-.120	.139	-.026	-.002	-.014	-.045
	RQ6	-.018	-.071	.077	.049	-.010	.439	-.219	-.163	-.115	-.107	-.031	-.057	.033	-.026	.094
	RQ7	-.001	-.082	-.091	-.111	.002	-.219	.539	.140	-.002	.030	-.059	-.026	.029	-.007	-.156
	RQ8	.030	-.035	-.164	-.131	-.007	-.163	.140	.688	.038	-.044	.016	-.066	.010	-.011	-.008
	RQ9	-.081	.172	-.052	-.110	-.050	-.115	-.002	.038	.429	-.090	-.098	-.083	-.053	.026	-.013
	RQ10	-.103	.030	.012	-.027	-.120	-.107	.030	-.044	-.090	.495	.028	-.005	-.002	-.019	-.059
	RQ11	-.046	-.001	-.071	.037	.139	-.031	-.059	.016	-.098	.028	.821	.004	-.006	-.011	-.087
	RQ12	.004	.026	-.024	.008	-.026	-.057	-.026	-.066	-.083	-.005	.004	.686	-.054	.028	-.094
	RQ13	.019	-.055	-.001	-.021	-.002	.033	.029	.010	-.053	-.002	-.006	-.054	.150	-.128	.054
	RQ14	-.006	.011	-.006	.057	-.014	-.026	-.007	-.011	.026	-.019	-.011	.028	-.128	.145	-.095
	RQ15	-.007	.006	.070	-.043	-.045	.094	-.156	-.008	-.013	-.059	-.087	-.094	.054	-.095	.659
Anti-image Correlation	RQ1	.850[a]	-.325	-.116	-.105	-.003	-.033	-.002	.044	-.153	-.182	-.062	.006	.061	-.018	-.011
	RQ2	-.325	.579[a]	-.081	-.196	.102	-.131	-.137	-.051	.321	.053	-.002	.038	-.172	.036	.009
	RQ3	-.116	-.081	.797[a]	-.024	-.400	.152	-.164	-.261	-.105	.022	-.103	-.039	-.003	-.020	.113
	RQ4	-.105	-.196	-.024	.755[a]	.034	.087	-.180	-.187	-.199	-.045	.049	.011	-.065	.178	-.062
	RQ5	-.003	.102	-.400	.034	.832[a]	-.020	.003	-.011	-.105	-.232	.209	-.043	-.007	-.052	-.075
	RQ6	-.033	-.131	.152	.087	-.020	.757[a]	-.451	-.297	-.265	-.230	-.051	-.105	.128	-.103	.176
	RQ7	-.002	-.137	-.164	-.180	.003	-.451	.721[a]	.229	-.004	.058	-.088	-.043	.103	-.027	-.261
	RQ8	.044	-.051	-.261	-.187	-.011	-.297	.229	.761[a]	.070	-.076	.021	-.096	.030	-.036	-.012
	RQ9	-.153	.321	-.105	-.199	-.105	-.265	-.004	.070	.831[a]	-.196	-.165	-.153	-.207	.103	-.024
	RQ10	-.182	.053	.022	-.045	-.232	-.230	.058	-.076	-.196	.902[a]	.044	-.008	-.006	-.071	-.104
	RQ11	-.062	-.002	-.103	.049	.209	-.051	-.088	.021	-.165	.044	.796[a]	.005	-.016	-.033	-.118
	RQ12	.006	.038	-.039	.011	-.043	-.105	-.043	-.096	-.153	-.008	.005	.922[a]	-.170	.088	-.139
	RQ13	.061	-.172	-.003	-.065	-.007	.128	.103	.030	-.207	-.006	-.016	-.170	.655[a]	-.870	.172
	RQ14	-.018	.036	-.020	.178	-.052	-.103	-.027	-.036	.103	-.071	-.033	.088	-.870	.665[a]	-.307
	RQ15	-.011	.009	.113	-.062	-.075	.176	-.261	-.012	-.024	-.104	-.118	-.139	.172	-.307	.760[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

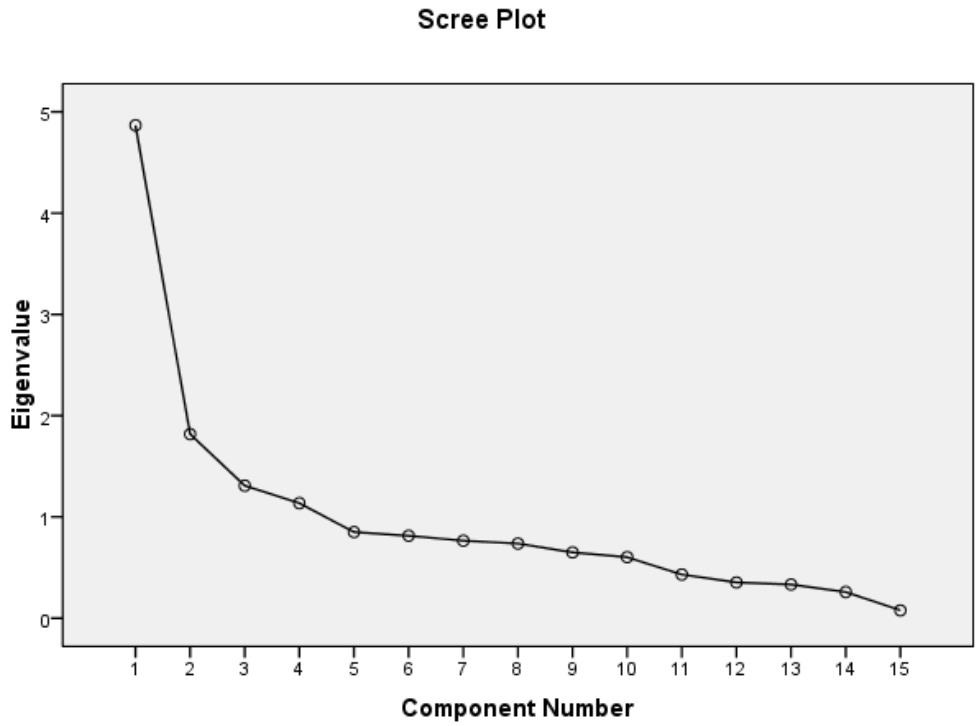
	Initial	Extraction
RQ1	1.000	.504
RQ2	1.000	.833
RQ3	1.000	.530
RQ4	1.000	.482
RQ5	1.000	.637
RQ6	1.000	.606
RQ7	1.000	.643
RQ8	1.000	.468
RQ9	1.000	.682
RQ10	1.000	.595
RQ11	1.000	.471
RQ12	1.000	.424
RQ13	1.000	.882
RQ14	1.000	.903
RQ15	1.000	.469

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.867	32.448	32.448	4.867	32.448	32.448	3.097	20.646	20.646
2	1.818	12.120	44.568	1.818	12.120	44.568	2.231	14.871	35.517
3	1.309	8.725	53.293	1.309	8.725	53.293	2.101	14.008	49.525
4	1.136	7.575	60.868	1.136	7.575	60.868	1.701	11.343	60.868
5	.850	5.667	66.535						
6	.814	5.429	71.964						
7	.765	5.100	77.064						
8	.737	4.916	81.980						
9	.649	4.329	86.309						
10	.602	4.016	90.325						
11	.431	2.873	93.198						
12	.353	2.352	95.549						
13	.332	2.215	97.764						
14	.258	1.722	99.486						
15	.077	.514	100.000						

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component			
	1	2	3	4
RQ9	.744			-.317
RQ10	.739			
RQ6	.668	.325		
RQ5	.624		-.471	
RQ3	.608		-.325	
RQ12	.607			
RQ1	.550	.365		
RQ7	.518	.441	.305	
RQ15	.505		.353	
RQ8	.489		-.357	
RQ14	.633	-.634		
RQ13	.619	-.624		
RQ4	.371	.576		
RQ11	.349		.481	-.343
RQ2		.356	.469	.634

Extraction Method: Principal Component Analysis.

a. 4 components extracted.

Step# 2

Descriptive Statistics

	Mean	Std. Deviation	Analysis N	Missing N
RQ1	1.9917	.37629	121	0
RQ2	1.8512	.52696	121	0
RQ3	2.0909	.34157	121	0
RQ4	2.0083	.41825	121	0
RQ5	1.3884	.58269	121	0
RQ6	1.9835	.56249	121	0
RQ7	1.8595	.50507	121	0
RQ8	1.9669	.53125	121	0
RQ9	2.0992	.55385	121	0
RQ10	1.7603	.65859	121	0
RQ11	1.8512	.57244	121	0
RQ13	1.2066	.42656	121	0
RQ14	1.2231	.41808	121	0
RQ15	1.6777	.58044	121	0

Correlation Matrix

		RQ1	RQ2	RQ3	RQ4	RQ5	RQ6	RQ7	RQ8	RQ9	RQ10	RQ11	RQ13	RQ14	RQ15
Correlation	RQ1	1.000	.372	.330	.318	.243	.354	.301	.207	.364	.395	.188	.166	.171	.178
	RQ2	.372	1.000	.168	.270	.000	.217	.265	.161	-.035	.089	.092	.175	.152	.087
	RQ3	.330	.168	1.000	.228	.533	.268	.268	.384	.392	.357	.155	.270	.265	.149
	RQ4	.318	.270	.228	1.000	.123	.249	.321	.264	.284	.219	.075	-.010	-.058	.114
	RQ5	.243	.000	.533	.123	1.000	.299	.187	.284	.448	.505	.000	.345	.360	.250
	RQ6	.354	.217	.268	.249	.299	1.000	.549	.389	.514	.507	.225	.188	.228	.188
	RQ7	.301	.265	.268	.321	.187	.549	1.000	.107	.318	.274	.244	.058	.110	.327
	RQ8	.207	.161	.384	.264	.284	.389	.107	1.000	.266	.334	.066	.177	.184	.100
	RQ9	.364	-.035	.392	.284	.448	.514	.318	.266	1.000	.568	.283	.406	.371	.282
	RQ10	.395	.089	.357	.219	.505	.507	.274	.334	.568	1.000	.148	.385	.408	.319
	RQ11	.188	.092	.155	.075	.000	.225	.244	.066	.283	.148	1.000	.195	.209	.231
	RQ13	.166	.175	.270	-.010	.345	.188	.058	.177	.406	.385	.195	1.000	.908	.339
	RQ14	.171	.152	.265	-.058	.360	.228	.110	.184	.371	.408	.209	.908	1.000	.436
	RQ15	.178	.087	.149	.114	.250	.188	.327	.100	.282	.319	.231	.339	.436	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.749
Bartlett's Test of Sphericity	Approx. Chi-Square	667.189
	df	91
	Sig.	.000

Anti-image Matrices

		RQ1	RQ2	RQ3	RQ4	RQ5	RQ6	RQ7	RQ8	RQ9	RQ10	RQ11	RQ13	RQ14	RQ15
Anti-image Covariance	RQ1	.653	-.215	-.071	-.072	-.002	-.018	-.001	.030	-.083	-.103	-.046	.020	-.006	-.007
	RQ2	-.215	.671	-.049	-.136	.063	-.070	-.081	-.032	.180	.031	-.002	-.054	.010	.010
	RQ3	-.071	-.049	.578	-.015	-.225	.076	-.093	-.168	-.057	.011	-.071	-.003	-.005	.068
	RQ4	-.072	-.136	-.015	.712	.021	.050	-.111	-.132	-.112	-.027	.037	-.021	.057	-.043
	RQ5	-.002	.063	-.225	.021	.543	-.012	.001	-.009	-.055	-.121	.140	-.004	-.014	-.049
	RQ6	-.018	-.070	.076	.050	-.012	.444	-.225	-.172	-.126	-.109	-.031	.029	-.024	.089
	RQ7	-.001	-.081	-.093	-.111	.001	-.225	.540	.139	-.005	.030	-.059	.028	-.006	-.163
	RQ8	.030	-.032	-.168	-.132	-.009	-.172	.139	.694	.031	-.045	.016	.005	-.009	-.018
	RQ9	-.083	.180	-.057	-.112	-.055	-.126	-.005	.031	.439	-.093	-.100	-.062	.030	-.025
	RQ10	-.103	.031	.011	-.027	-.121	-.109	.030	-.045	-.093	.495	.028	-.002	-.019	-.061
	RQ11	-.046	-.002	-.071	.037	.140	-.031	-.059	.016	-.100	.028	.821	-.006	-.012	-.088
	RQ13	.020	-.054	-.003	-.021	-.004	.029	.028	.005	-.062	-.002	-.006	.155	-.131	.049
	RQ14	-.006	.010	-.005	.057	-.014	-.024	-.006	-.009	.030	-.019	-.012	-.131	.146	-.094
	RQ15	-.007	.010	.068	-.043	-.049	.089	-.163	-.018	-.025	-.061	-.088	.049	-.094	.672
Anti-image Correlation	RQ1	.845[a]	-.325	-.116	-.105	-.003	-.033	-.002	.045	-.154	-.182	-.062	.063	-.019	-.011
	RQ2	-.325	.575[a]	-.079	-.197	.104	-.128	-.135	-.047	.332	.053	-.002	-.168	.033	.014
	RQ3	-.116	-.079	.785[a]	-.023	-.402	.149	-.166	-.266	-.113	.021	-.103	-.010	-.017	.109
	RQ4	-.105	-.197	-.023	.749[a]	.034	.088	-.179	-.187	-.200	-.045	.049	-.064	.177	-.062
	RQ5	-.003	.104	-.402	.034	.819[a]	-.025	.001	-.015	-.113	-.233	.209	-.014	-.048	-.082
	RQ6	-.033	-.128	.149	.088	-.025	.740[a]	-.458	-.310	-.286	-.232	-.051	.112	-.095	.164
	RQ7	-.002	-.135	-.166	-.179	.001	-.458	.706[a]	.226	-.011	.058	-.088	.097	-.023	-.270
	RQ8	.045	-.047	-.266	-.187	-.015	-.310	.226	.746[a]	.057	-.077	.021	.014	-.028	-.026
	RQ9	-.154	.332	-.113	-.200	-.113	-.286	-.011	.057	.808[a]	-.199	-.166	-.239	.118	-.046
	RQ10	-.182	.053	.021	-.045	-.233	-.232	.058	-.077	-.199	.894[a]	.044	-.008	-.070	-.106
	RQ11	-.062	-.002	-.103	.049	.209	-.051	-.088	.021	-.166	.044	.785[a]	-.016	-.034	-.119
	RQ13	.063	-.168	-.010	-.064	-.014	.112	.097	.014	-.239	-.008	-.016	.642[a]	-.871	.152
	RQ14	-.019	.033	-.017	.177	-.048	-.095	-.023	-.028	.118	-.070	-.034	-.871	.652[a]	-.298
	RQ15	-.011	.014	.109	-.062	-.082	.164	-.270	-.026	-.046	-.106	-.119	.152	-.298	.760[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

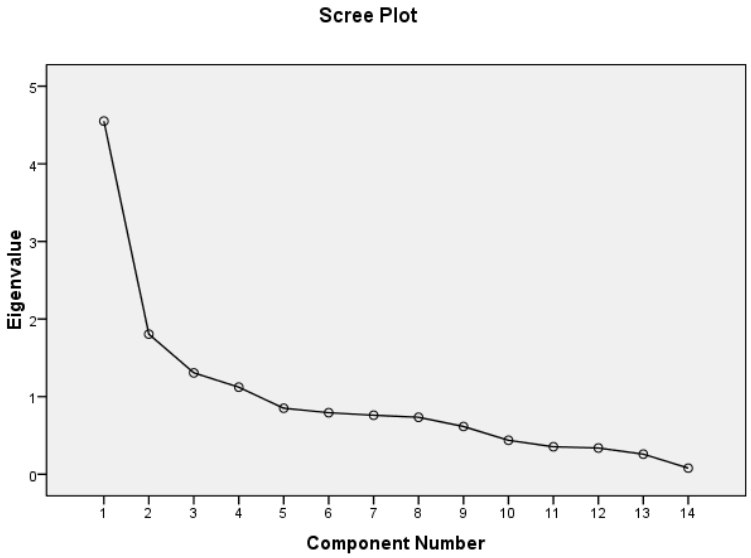
	Initial	Extraction
RQ1	1.000	.454
RQ2	1.000	.411
RQ3	1.000	.501
RQ4	1.000	.470
RQ5	1.000	.655
RQ6	1.000	.550
RQ7	1.000	.562
RQ8	1.000	.404
RQ9	1.000	.570
RQ10	1.000	.601
RQ11	1.000	.361
RQ13	1.000	.819
RQ14	1.000	.874
RQ15	1.000	.429

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.551	32.505	32.505	4.551	32.505	32.505	3.001	21.437	21.437
2	1.805	12.893	45.398	1.805	12.893	45.398	2.408	17.198	38.635
3	1.306	9.329	54.727	1.306	9.329	54.727	2.253	16.092	54.727
4	1.122	8.013	62.740						
5	.850	6.071	68.811						
6	.792	5.660	74.471						
7	.760	5.428	79.899						
8	.734	5.241	85.140						
9	.615	4.390	89.530						
10	.437	3.123	92.653						
11	.354	2.527	95.180						
12	.338	2.413	97.593						
13	.258	1.846	99.439						
14	.079	.561	100.000						

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component		
	1	2	3
RQ10	.745		
RQ9	.737		
RQ6	.672	.315	
RQ5	.626		-.485
RQ3	.616		-.340
RQ1	.568	.342	
RQ7	.528	.430	.314
RQ15	.500		.353
RQ8	.491		-.364
RQ14	.630	-.658	
RQ13	.611	-.644	
RQ4	.384	.568	
RQ11	.354		.486
RQ2	.310	.333	.451

Extraction Method: Principal Component Analysis.

a. 3 components extracted.

Rotated Component Matrix[a]

	Component		
	1	2	3
RQ5	.770		
RQ3	.685		
RQ10	.678	.320	
RQ9	.640	.324	
RQ8	.619		
RQ14		.900	
RQ13		.865	
RQ15		.580	
RQ7			.717
RQ2			.629
RQ1	.357		.565
RQ4	.326		.557
RQ6	.507		.531
RQ11		.389	.451

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

Appendix B6: Factor Analysis for Loyalty

Step # 1

Correlation Matrix

		LOY1	LOY2	LOY3	LOY4	LOY5
Correlation	LOY1	1.000	.333	.714	.329	.363
	LOY2	.333	1.000	.393	.515	.170
	LOY3	.714	.393	1.000	.346	.349
	LOY4	.329	.515	.346	1.000	.170
	LOY5	.363	.170	.349	.170	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.703
Bartlett's Test of Sphericity	Approx. Chi-Square	164.523
	df	10.000
	Sig.	.000

Anti-image Matrices

		LOY1	LOY2	LOY3	LOY4	LOY5
Anti-image Covariance	LOY1	.469	-.016	-.288	-.053	-.106
	LOY2	-.016	.682	-.099	-.300	-.007
	LOY3	-.288	-.099	.454	-.038	-.078
	LOY4	-.053	-.300	-.038	.703	-.021
	LOY5	-.106	-.007	-.078	-.021	.851
Anti-image Correlation	LOY1	.668[a]	-.028	-.625	-.093	-.168
	LOY2	-.028	.717[a]	-.178	-.434	-.010
	LOY3	-.625	-.178	.672[a]	-.067	-.126
	LOY4	-.093	-.434	-.067	.721[a]	-.028
	LOY5	-.168	-.010	-.126	-.028	.874[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

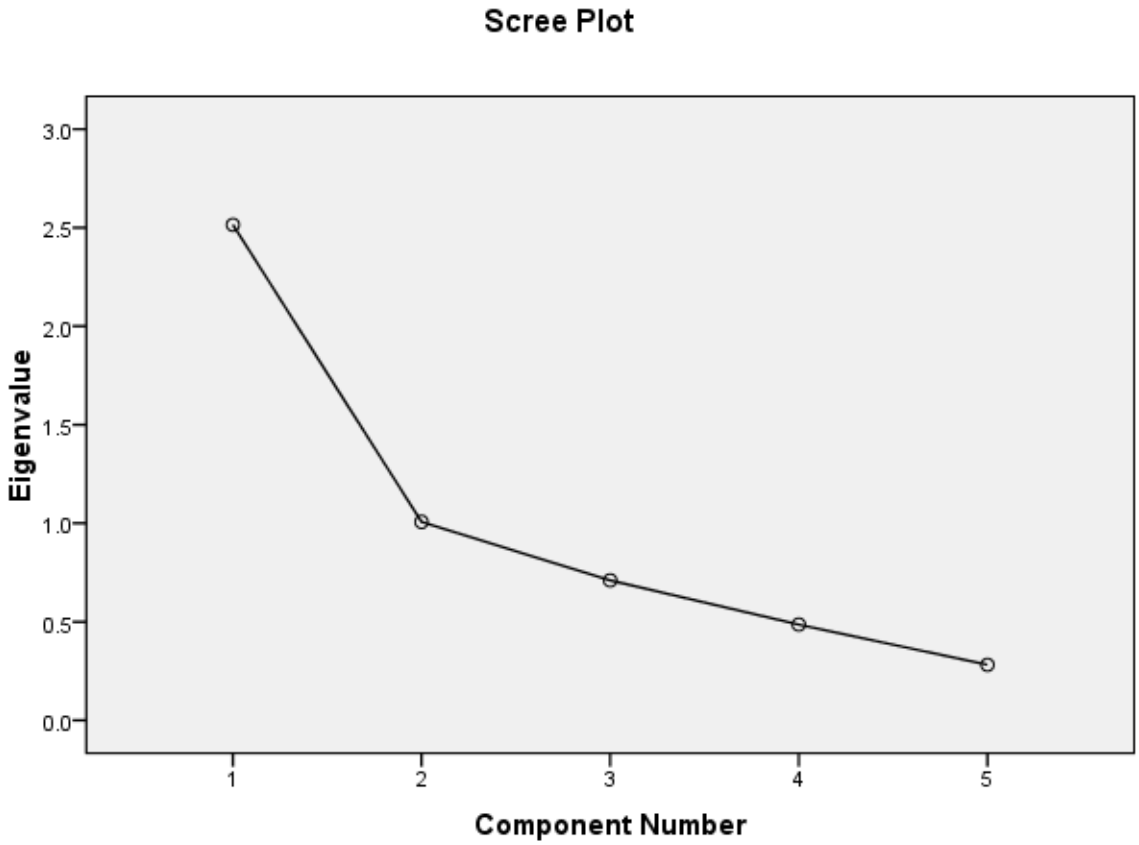
	Initial	Extraction
LOY1	1.000	.655
LOY2	1.000	.457
LOY3	1.000	.688
LOY4	1.000	.429
LOY5	1.000	.285

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.515	50.294	50.294	2.515	50.294	50.294
2	1.007	20.139	70.434			
3	.710	14.205	84.639			
4	.486	9.720	94.359			
5	.282	5.641	100.000			

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component
	1
LOY3	.830
LOY1	.810
LOY2	.676
LOY4	.655
LOY5	.534

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Step # 2

Correlation Matrix

		LOY1	LOY2	LOY3	LOY4
Correlation	LOY1	1.000	.333	.714	.329
	LOY2	.333	1.000	.393	.515
	LOY3	.714	.393	1.000	.346
	LOY4	.329	.515	.346	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.653
Bartlett's Test of Sphericity	Approx. Chi-Square	145.948
	df	6.000
	Sig.	.000

Anti-image Matrices

		LOY1	LOY2	LOY3	LOY4
Anti-image Covariance	LOY1	.483	-.017	-.311	-.058
	LOY2	-.017	.682	-.101	-.301
	LOY3	-.311	-.101	.461	-.040
	LOY4	-.058	-.301	-.040	.703
Anti-image Correlation	LOY1	.620[a]	-.030	-.660	-.099
	LOY2	-.030	.705[a]	-.181	-.434
	LOY3	-.660	-.181	.623[a]	-.071
	LOY4	-.099	-.434	-.071	.708[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

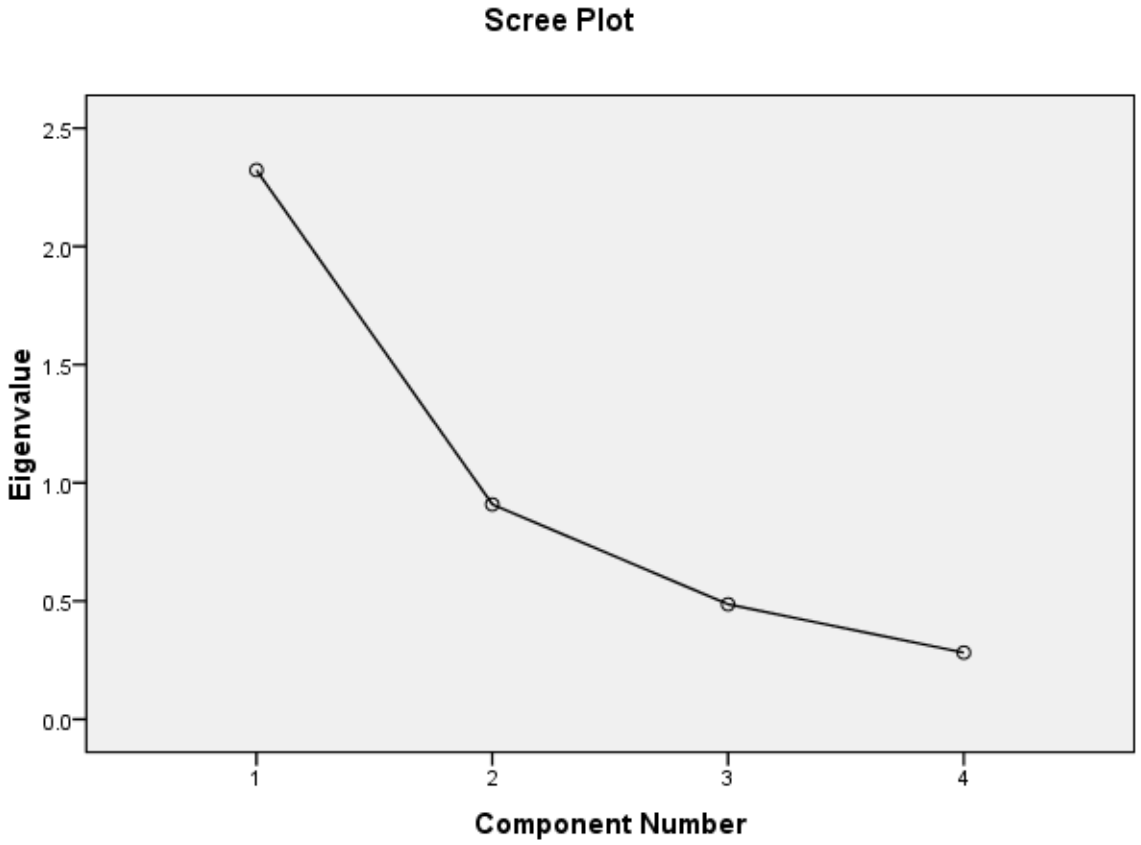
	Initial	Extraction
LOY1	1.000	.640
LOY2	1.000	.515
LOY3	1.000	.684
LOY4	1.000	.483

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.322	58.061	58.061	2.322	58.061	58.061
2	.909	22.721	80.782			
3	.487	12.163	92.945			
4	.282	7.055	100.000			

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component
	1
LOY3	.827
LOY1	.800
LOY2	.718
LOY4	.695

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Step # 3

Correlation Matrix

		LOY1	LOY2	LOY3
Correlation	LOY1	1.000	.333	.714
	LOY2	.333	1.000	.393
	LOY3	.714	.393	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.601
Bartlett's Test of Sphericity	Approx. Chi-Square	104.775
	df	3.000
	Sig.	.000

Anti-image Matrices

		LOY1	LOY2	LOY3
Anti-image Covariance	LOY1	.487	-.052	-.319
	LOY2	-.052	.840	-.147
	LOY3	-.319	-.147	.463
Anti-image Correlation	LOY1	.575[a]	-.081	-.672
	LOY2	-.081	.811[a]	-.235
	LOY3	-.672	-.235	.567[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

	Initial	Extraction
LOY1	1.000	.758
LOY2	1.000	.426
LOY3	1.000	.799

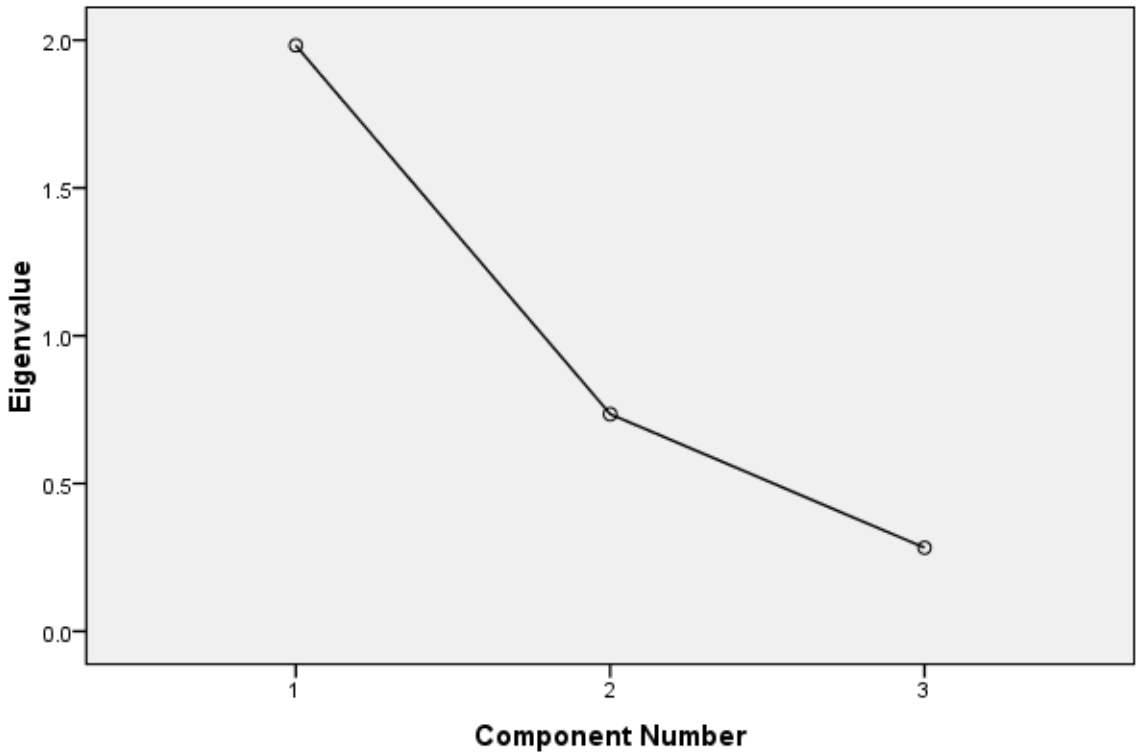
Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.982	66.079	66.079	1.982	66.079	66.079
2	.735	24.492	90.571			
3	.283	9.429	100.000			

Extraction Method: Principal Component Analysis.

Scree Plot



Component Matrix[a]

	Component
	1
LOY3	.894
LOY1	.871
LOY2	.653

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Step # 4

Correlation Matrix

		LOY1	LOY2	LOY3
Correlation	LOY1	1.000	.333	.714
	LOY2	.333	1.000	.393
	LOY3	.714	.393	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.601
Bartlett's Test of Sphericity	Approx. Chi-Square	104.775
	df	3.000
	Sig.	.000

Anti-image Matrices

		LOY1	LOY2	LOY3
Anti-image Covariance	LOY1	.487	-.052	-.319
	LOY2	-.052	.840	-.147
	LOY3	-.319	-.147	.463
Anti-image Correlation	LOY1	.575[a]	-.081	-.672
	LOY2	-.081	.811[a]	-.235
	LOY3	-.672	-.235	.567[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

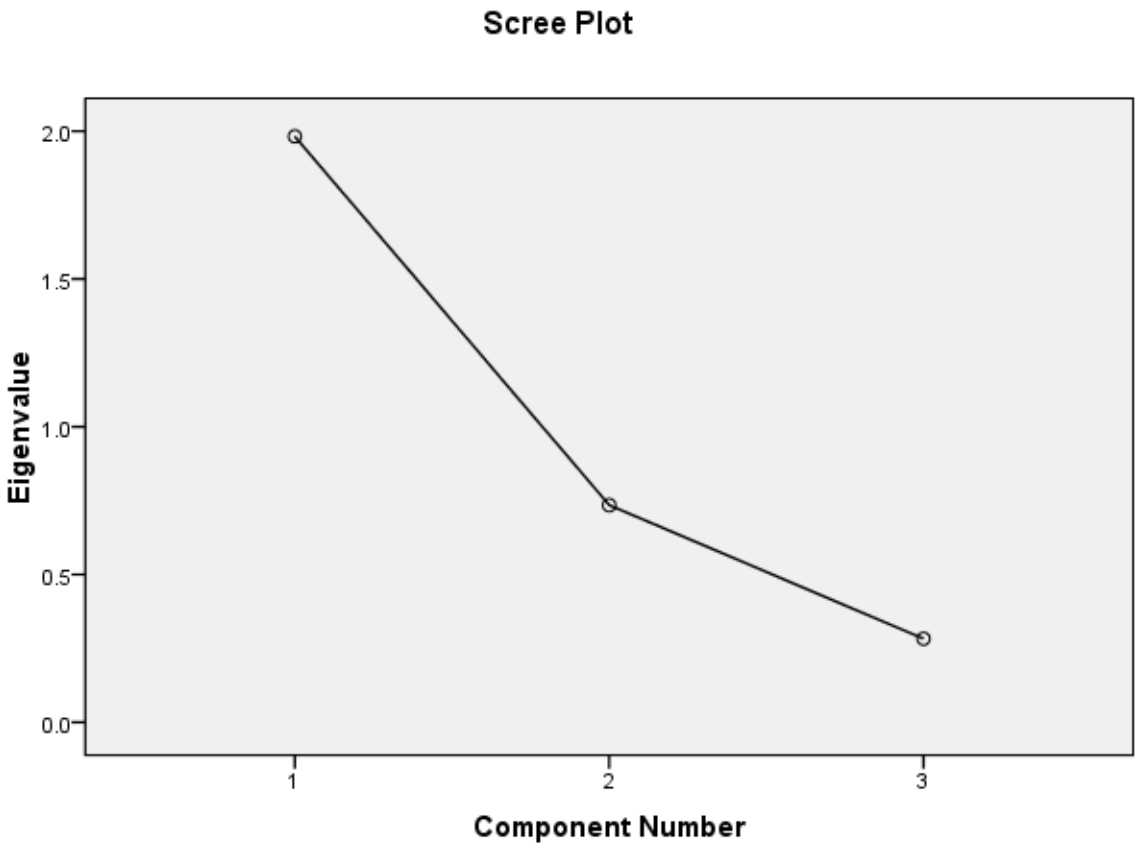
	Initial	Extraction
LOY1	1.000	.758
LOY2	1.000	.426
LOY3	1.000	.799

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.982	66.079	66.079	1.982	66.079	66.079
2	.735	24.492	90.571			
3	.283	9.429	100.000			

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component
	1
LOY3	.894
LOY1	.871
LOY2	.653

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Step # 5

Correlation Matrix

		LOY1	LOY2	LOY3	LOY4
Correlation	LOY1	1.000	.333	.714	.329
	LOY2	.333	1.000	.393	.515
	LOY3	.714	.393	1.000	.346
	LOY4	.329	.515	.346	1.000

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.653
Bartlett's Test of Sphericity	Approx. Chi-Square	145.948
	df	6.000
	Sig.	.000

Anti-image Matrices

		LOY1	LOY2	LOY3	LOY4
Anti-image Covariance	LOY1	.483	-.017	-.311	-.058
	LOY2	-.017	.682	-.101	-.301
	LOY3	-.311	-.101	.461	-.040
	LOY4	-.058	-.301	-.040	.703
Anti-image Correlation	LOY1	.620[a]	-.030	-.660	-.099
	LOY2	-.030	.705[a]	-.181	-.434
	LOY3	-.660	-.181	.623[a]	-.071
	LOY4	-.099	-.434	-.071	.708[a]

a. Measures of Sampling Adequacy(MSA)

Communalities

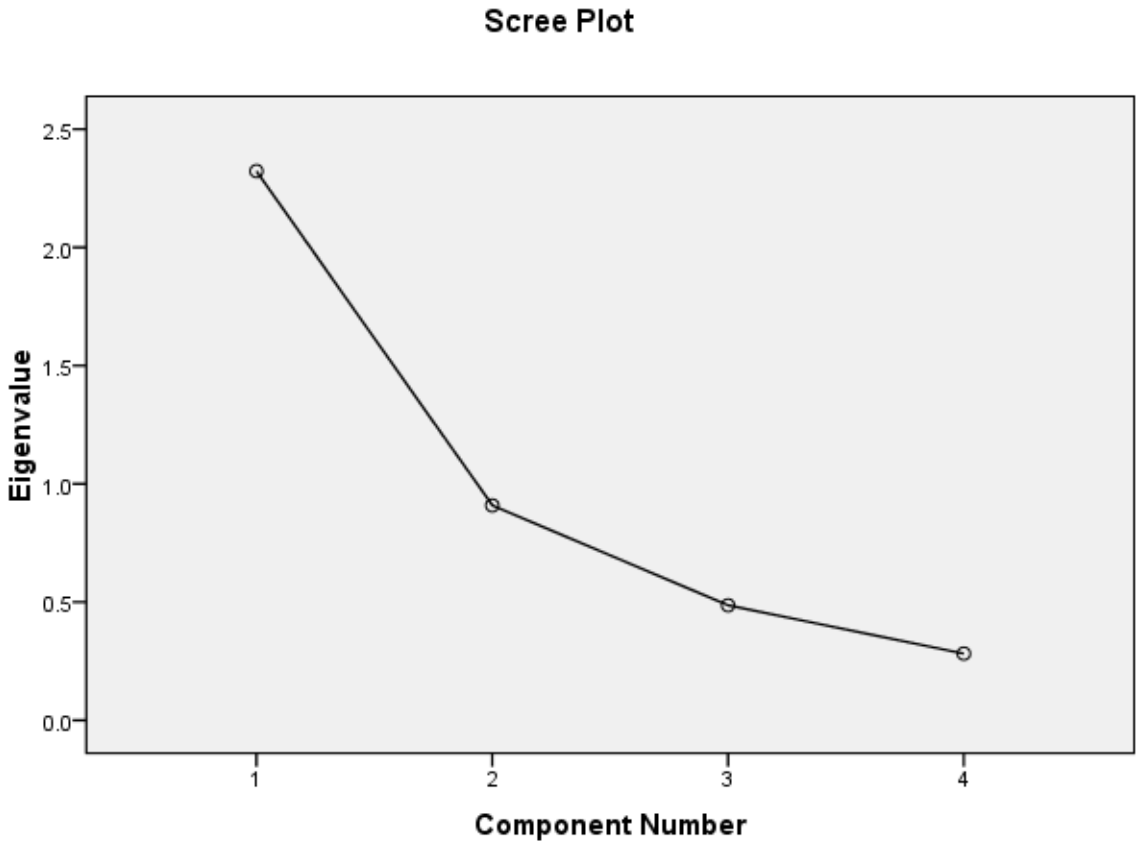
	Initial	Extraction
LOY1	1.000	.640
LOY2	1.000	.515
LOY3	1.000	.684
LOY4	1.000	.483

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.322	58.061	58.061	2.322	58.061	58.061
2	.909	22.721	80.782			
3	.487	12.163	92.945			
4	.282	7.055	100.000			

Extraction Method: Principal Component Analysis.



Component Matrix[a]

	Component
	1
LOY3	.827
LOY1	.800
LOY2	.718
LOY4	.695

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Rotated Component Matrix[a]

a. Only one component was extracted. The solution cannot be rotated.

Appendix B7: Reliability Analysis for variables after factor Analysis

Switching Cost

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.951	.952	5

Item Statistics

	Mean	Std. Deviation	N
SWC1	2.7107	.85086	121
SWC2	2.8182	.97468	121
SWC3	2.8430	.93102	121
SWC4	2.8760	.91806	121
SWC5	2.7521	.94235	121

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
14.0000	17.867	4.22690	5

Termination Cost

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.601	.669	3

Item Statistics

	Mean	Std. Deviation	N
TEC1	2.0826	.37830	121
TEC3	2.2645	.68030	121
TEC4	2.0083	.37629	121

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
6.3554	1.248	1.11699	3

Operational Cost

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.722	.728	2

Item Statistics

	Mean	Std. Deviation	N
TEC2	2.0248	.43709	121
TEC5	1.9421	.37188	121

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
3.9669	.516	.71803	2

Loyalty Factor

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.709	.757	4

Item Statistics

	Mean	Std. Deviation	N
LOY1	2.1157	.59428	121
LOY2	1.9339	.24952	121
LOY3	1.8843	.34617	121
LOY4	1.9587	.23793	121

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
7.8926	1.263	1.12399	4

Participation in Decision Making

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.823	4

Communication

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.737	2

Relationship Quality (RQ)

Case Processing Summary

		N	%
Cases	Valid	121	100.0
	Excluded[a]	0	.0
	Total	121	100.0

a. Listwise deletion based on all variables in the procedure.

Reliability Statistics

Cronbach's Alpha	N of Items
.825	14

Item Statistics

	Mean	Std. Deviation	N
RQ1	1.9917	.37629	121
RQ2	1.8512	.52696	121
RQ3	2.0909	.34157	121
RQ4	2.0083	.41825	121
RQ5	1.3884	.58269	121
RQ6	1.9835	.56249	121
RQ7	1.8595	.50507	121
RQ8	1.9669	.53125	121
RQ9	2.0992	.55385	121
RQ10	1.7603	.65859	121
RQ11	1.8512	.57244	121
RQ13	1.2066	.42656	121
RQ14	1.2231	.41808	121
RQ15	1.6777	.58044	121

Scale Statistics

Mean	Variance	Std. Deviation	N of Items

Scale Statistics

Mean	Variance	Std. Deviation	N of Items
24.9587	15.690	3.96105	14

Appendix B8: Descriptive for main variables

&

ANOVA for demographic factors

Oneway

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation	Variance
RQ	121	3.47	4.73	4.1989	.28389	.081
PDM	121	3.60	4.80	3.9058	.28175	.079
COM	121	3.20	5.00	4.1884	.32995	.109
SWC	121	1.40	4.20	2.8000	.84538	.715
TEC	121	1.00	4.00	2.1185	.37233	.139
OPC	121	1.00	4.00	1.9835	.35901	.129
LOY	121	3.40	5.00	4.0182	.24495	.060
Valid N (listwise)	121					

Test of Homogeneity of Variances

Annual sales volume

Levene Statistic	df1	df2	Sig.
2.899	6	114	.011

ANOVA

Annual sales volume

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.596	6	1.266	1.605	.152
Within Groups	89.925	114	.789		
Total	97.521	120			

Oneway

Descriptives

How many stores u have in BD

	N	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean		Minimum	Maximum
					Lower Bound	Upper Bound		
1.00	10	1.6000	1.26491	.40000	.6951	2.5049	1.00	5.00
1.25	34	1.9706	1.40314	.24064	1.4810	2.4602	1.00	5.00
1.50	41	1.5854	.99939	.15608	1.2699	1.9008	1.00	5.00
1.75	6	1.6667	.81650	.33333	.8098	2.5235	1.00	3.00
2.00	13	2.3077	1.49358	.41424	1.4051	3.2103	1.00	5.00
2.25	11	1.7273	1.27208	.38355	.8727	2.5819	1.00	5.00
2.50	6	2.0000	1.54919	.63246	.3742	3.6258	1.00	5.00
Total	121	1.8099	1.24039	.11276	1.5867	2.0332	1.00	5.00

Test of Homogeneity of Variances

How many stores u have in BD

Levene Statistic	df1	df2	Sig.
.900	6	114	.498

ANOVA

How many stores u have in BD

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	7.022	6	1.170	.751	.610
Within Groups	177.606	114	1.558		
Total	184.628	120			

Appendix B9: Correlation analysis for Variables

Correlations

		PDM	COM	SWC	TEC	OPC	LOY	RQ	RD
PDM	Pearson Correlation	1	.155	.038	.032	.033	.056	.055	.016
	Sig. (2-tailed)		.090	.680	.727	.718	.544	.552	.865
	N	121	121	121	121	121	121	121	121
COM	Pearson Correlation	.155	1	.104	.186*	.015	.047	.023	.061
	Sig. (2-tailed)	.090		.258	.041	.869	.610	.800	.503
	N	121	121	121	121	121	121	121	121
SWC	Pearson Correlation	.038	.104	1	.238	.173	.044	.219*	-.083
	Sig. (2-tailed)	.680	.258		.008	.058	.633	.016	.367
	N	121	121	121	121	121	121	121	121
TEC	Pearson Correlation	.032	.186*	.238	1	.316	.037	.145	.029
	Sig. (2-tailed)	.727	.041	.008		.000	.685	.114	.756
	N	121	121	121	121	121	121	121	121
OPC	Pearson Correlation	.033	.015	.173	.316	1	.068	.108	.007
	Sig. (2-tailed)	.718	.869	.058	.000		.460	.239	.940
	N	121	121	121	121	121	121	121	121
LOY	Pearson Correlation	.056	.047	.044	.037	.068	1	.136	.084
	Sig. (2-tailed)	.544	.610	.633	.685	.460		.138	.358
	N	121	121	121	121	121	121	121	121
RQ	Pearson Correlation	.055	.023	.219*	.145	.108	.136	1	.036
	Sig. (2-tailed)	.552	.800	.016	.114	.239	.138		.693
	N	121	121	121	121	121	121	121	121
RD	Pearson Correlation	.016	.061	.083	.029	.027	.084	.036	1
	Sig. (2-tailed)	.865	.503	.367	.756	.940	.358	.693	
	N	121	121	121	121	121	121	121	121

*. Correlation is significant at the 0.05 level (2-tailed).

Appendix B10: Multiple Regressions for Antecedents Variables

&

Relationship Quality

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	PDM, SWC, COM, OPC, TEC[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: RQ

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.720[a]	.518	.497	.16002

a. Predictors: (Constant), PDM, SWC, COM, OPC, TEC

b. Dependent Variable: RQ

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.163	5	.633	24.706	.000[a]
	Residual	2.945	115	.026		
	Total	6.108	120			

a. Predictors: (Constant), PDM, SWC, COM, OPC, TEC

b. Dependent Variable: RQ

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.163	5	.633	24.706	.000[a]
	Residual	2.945	115	.026		
	Total	6.108	120			

a. Predictors: (Constant), PDM, SWC, COM, OPC, TEC

b. Dependent Variable: RQ

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.167	.158		1.059	.292		
	COM	.041	.028	.049	1.463	.146	.922	1.084
	TEC	.281	.063	.445	4.477	.003	.879	1.138
	SWC	.235	.047	.337	4.969	.000	.914	1.095
	OPC	.035	.032	.309	1.100	.028	.947	1.056
	PDM	.280	.042	.073	6.750	.273	.963	1.038

a. Dependent Variable: RQ

Collinearity Diagnostics[a]

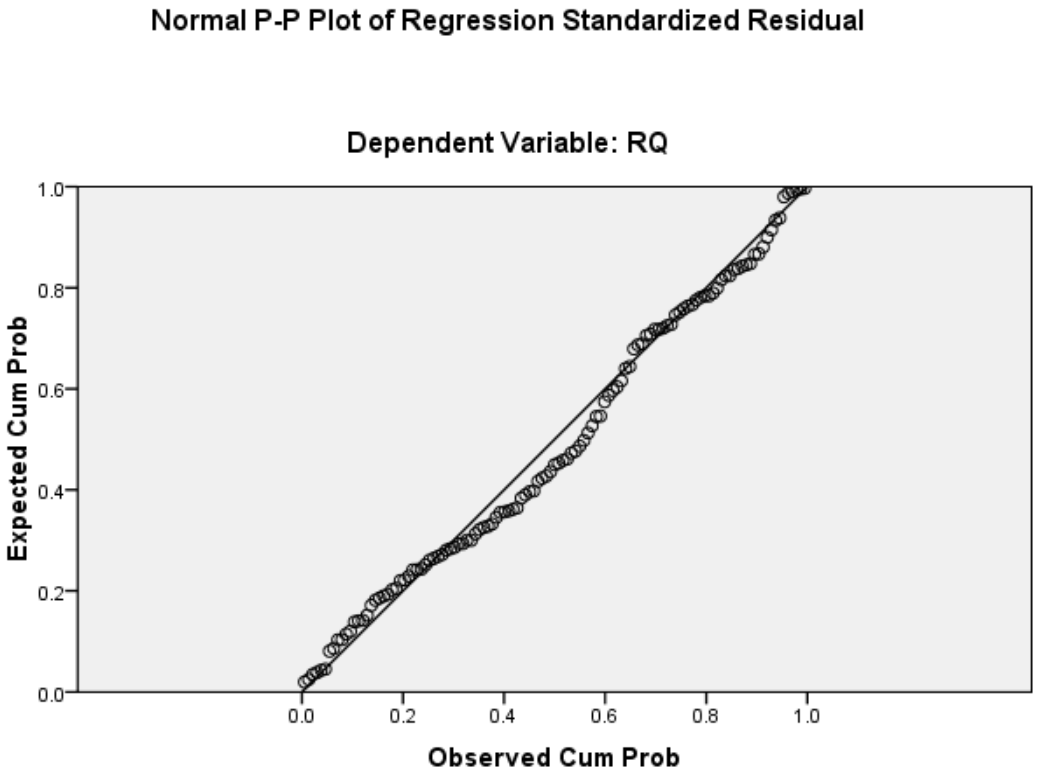
Model	Dimension	Eigenvalue	Condition Index	Variance Proportions					
				(Constant)	COM	TEC	SWC	OPC	PDM
1	1	5.824	1.000	.00	.00	.00	.00	.00	.00
	2	.084	8.351	.00	.81	.00	.01	.05	.01
	3	.039	12.170	.00	.01	.03	.27	.05	.48
	4	.031	13.810	.00	.06	.00	.08	.59	.42
	5	.016	19.058	.01	.09	.71	.50	.06	.02
	6	.007	29.139	.99	.04	.25	.14	.25	.07

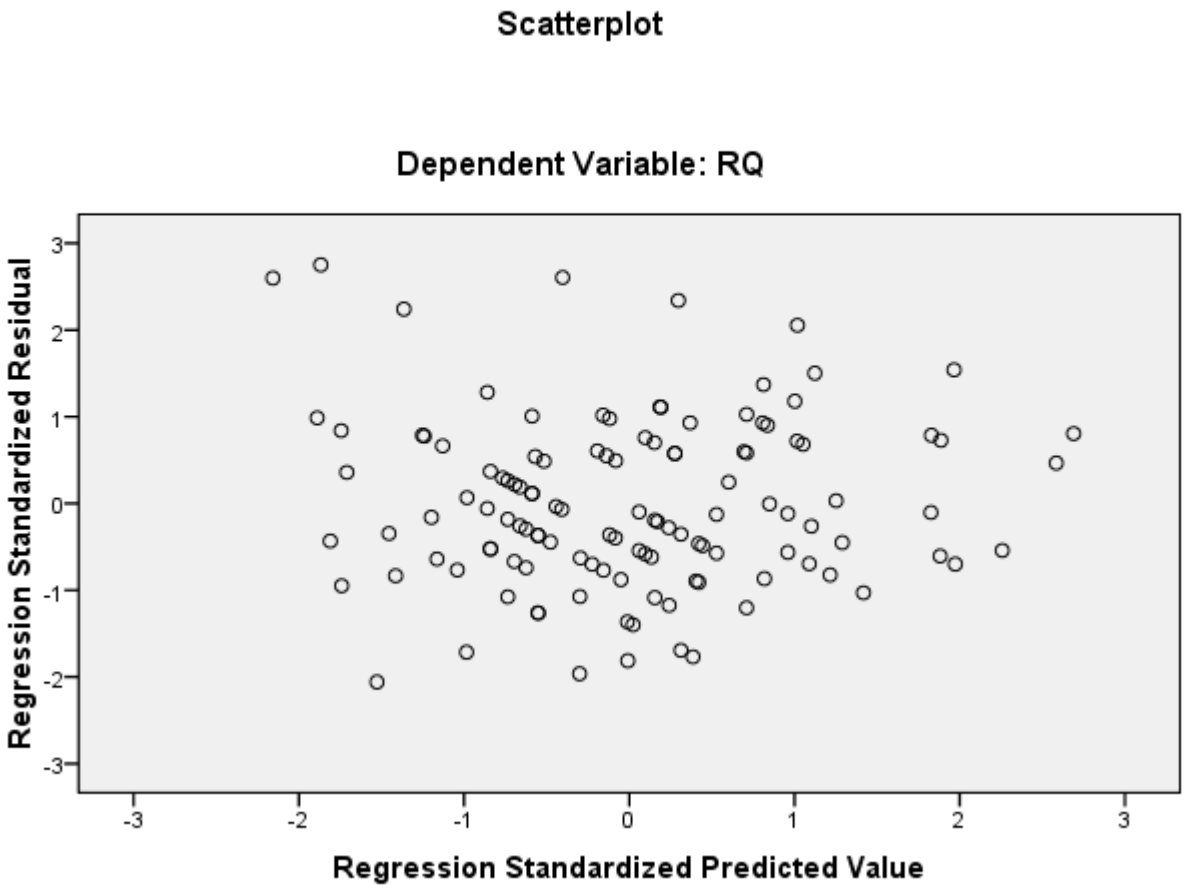
a. Dependent Variable: RQ

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	1.3700	2.1569	1.7202	.16236	121
Std. Predicted Value	-2.157	2.690	.000	1.000	121
Standard Error of Predicted Value	.016	.074	.034	.010	121
Adjusted Predicted Value	1.3487	2.1391	1.7193	.16182	121
Residual	-.32938	.44011	.00000	.15665	121
Std. Residual	-2.058	2.750	.000	.979	121
Stud. Residual	-2.190	2.810	.003	1.006	121
Deleted Residual	-.37287	.45948	.00086	.16559	121
Stud. Deleted Residual	-2.227	2.899	.005	1.017	121
Mahal. Distance	.201	24.850	4.959	3.904	121
Cook's Distance	.000	.106	.010	.018	121
Centered Leverage Value	.002	.207	.041	.033	121

a. Dependent Variable: RQ


Normal P-P Plot of Regression Standardized Residual
Dependent Variable: RQ
Expected Cum Prob
Observed Cum Prob
0.0
0.2
0.4
0.6
0.8
1.0


Scatterplot
Dependent Variable: RQ
Regression Standardized Residual
Regression Standardized Predicted Value
3
2
1
0
-1
-2
-3
-3
-2
-1
0
1
2
3

Appendix B11: Multiple Regressions for Relationship Quality

&

Loyalty

Descriptive Statistics

	Mean	Std. Deviation	N
LOY	1.9112	.38441	121
RQ	2.0122	.23045	121

Correlations

		LOY	RQ
Pearson Correlation	LOY	1.000	.797
	RQ	.797	1.000
Sig. (1-tailed)	LOY	.	.000
	RQ	.000	.
N	LOY	121	121
	RQ	121	121

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	RQ[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: LOY

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.797[a]	.635	.632	.23323

a. Predictors: (Constant), RQ

b. Dependent Variable: LOY

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.259	1	11.259	206.991	.000[a]
	Residual	6.473	119	.054		
	Total	17.732	120			

a. Predictors: (Constant), RQ

b. Dependent Variable: LOY

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.763	.187		4.080	.000		
	RQ	1.329	.092	.797	14.387	.000	1.000	1.000

a. Dependent Variable: LOY

Collinearity Diagnostics[a]

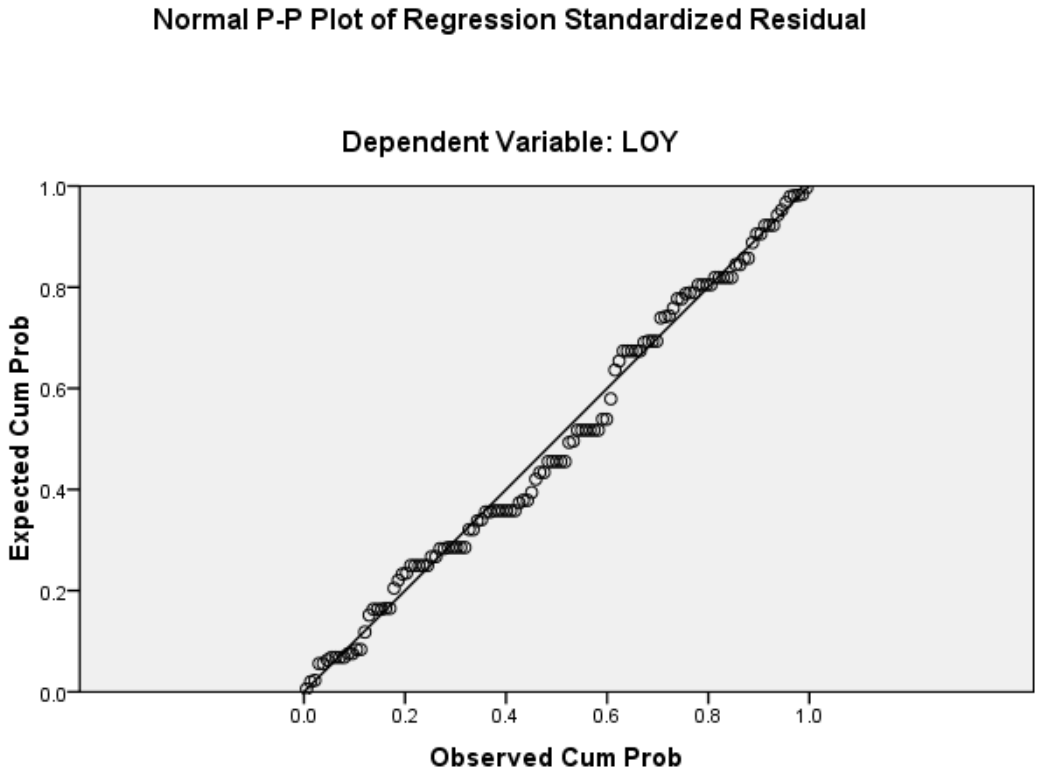
Model	Dimension	Eigenvalue	Condition Index	Variance Proportions	
				(Constant)	RQ
1	1	1.994	1.000	.00	.00
	2	.006	17.593	1.00	1.00

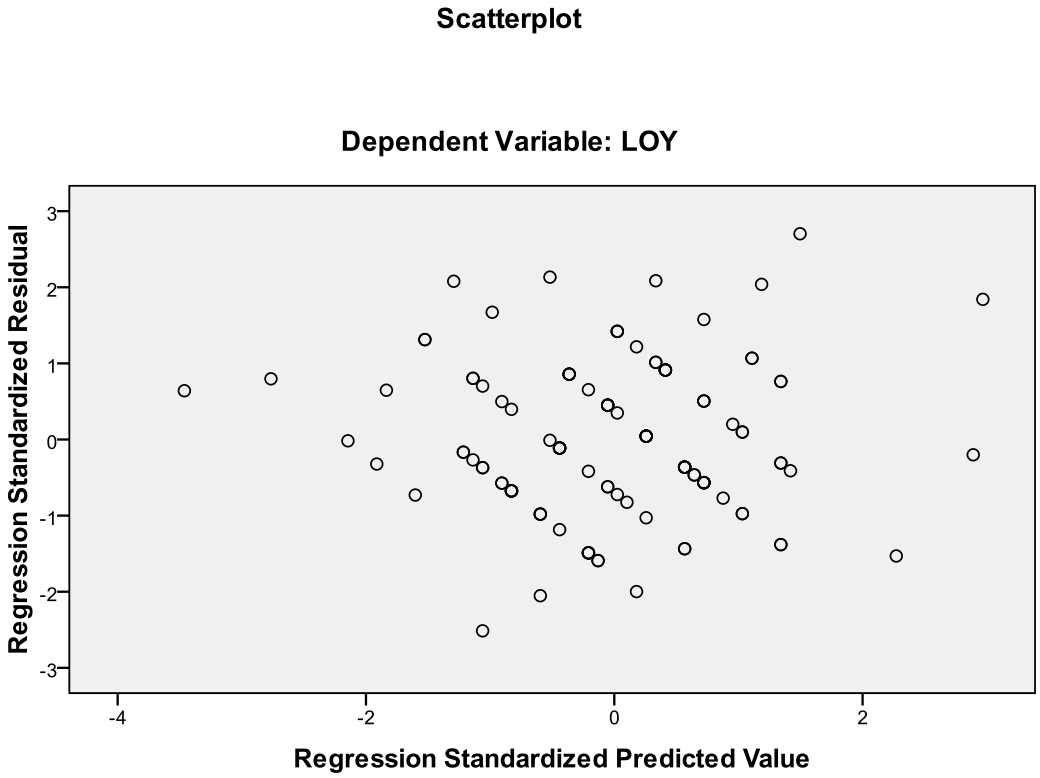
a. Dependent Variable: LOY

Residuals Statistics[a]

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	.8505	2.8205	1.9112	.30631	121
Std. Predicted Value	-3.463	2.969	.000	1.000	121
Standard Error of Predicted Value	.021	.077	.028	.010	121
Adjusted Predicted Value	.8324	2.8008	1.9106	.30673	121
Residual	-.58632	.63042	.00000	.23225	121
Std. Residual	-2.514	2.703	.000	.996	121
Stud. Residual	-2.536	2.740	.001	1.005	121
Deleted Residual	-.59684	.64787	.00052	.23651	121
Stud. Deleted Residual	-2.597	2.819	.002	1.013	121
Mahal. Distance	.001	11.989	.992	1.798	121
Cook's Distance	.000	.164	.009	.020	121
Centered Leverage Value	.000	.100	.008	.015	121

a. Dependent Variable: LOY




Scatterplot
Dependent Variable: LOY
Regression Standardized Residual
Regression Standardized Predicted Value
3
2
1
0
-1
-2
-3
-4
-2
0
2

Appendix B12: Moderating role of Relationship Duration upon the impact of Relationship Quality on Loyalty

Variables Entered/Removed[b]

Model	Variables Entered	Variables Removed	Method
1	RQRD, RQ[a]	.	Enter

a. All requested variables entered.

b. Dependent Variable: LOY

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.800[a]	.641	.635	.23238	.641	105.192	2	118	.000

a. Predictors: (Constant), RQRD, RQ

ANOVA[b]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	11.361	2	5.680	105.192	.000[a]
	Residual	6.372	118	.054		
	Total	17.732	120			

a. Predictors: (Constant), RQRD, RQ

b. Dependent Variable: LOY

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.769	.186		-4.123	.000
	RQ	1.333	.092	.799	14.472	.000
	RQRD	.032	.024	.076	1.369	.174

a. Dependent Variable: LOY