# How Do Emotions Influence Supplier Switching in Outsourcing Contexts?

Carole Donada and Gwenaëlle Nogatchewsky
donada@essec.fr
Essec Business School Paris, BP 50105,
95021 Cergy Pontoise Cedex, France
(33) 1- 3443 - 3309

nogatchewsky@yahoo.fr
Paris Dauphine University, DRM-CREFIGE, CNRS UMR 7088
Place du Maréchal de Lattre de Tassigny, 75116 Paris, France
(33) 1- 4086 - 0622

**Abstract**

This research analyzes how, in addition to switching costs and relational norms, emotions such as happiness, empathy, anger or frustration also influence the likelihood of supplier switching. The paper presents a model based on three theoretical perspectives, namely Transaction Cost Economics, Relational Exchange Theory, and Emotional Theory. The study was conducted in hotels and restaurants in two tourist areas in Asia and Europe: the Antalya Coast in Turkey and the French Riviera. The findings provide evidence of the predominant role of emotions in supplier-switching decision-making. In particular, the study shows that, as well as switching costs and relational norms, positive emotions also act as switching barriers. However, negative emotions have no effect on switching decisions.

## 1. Introduction

"*Our market is hypercompetitive and since we have outsourced 75% of our product manufacturing, our suppliers are the ones that set profit margins. Needless to say, decisions to switch suppliers are very strategic!*"(Purchasing Manager at an Automobile Equipment Manufacturer).

In the context described by this purchasing manager, suppliers' actions may significantly threaten the performance of firms that outsource. Consequently, such firms must be very vigilant with respect to selecting their suppliers and they must have the means to switch suppliers freely. Yet, the developing of supply-chain partnerships also drives firms to promote continuity in buyer-supplier relationships and, consequently, to limit supplier switching. Therefore, supplier-switching decision-making is a salient topic.

In exploring this topic over the past decades, researchers have provided useful insights into the factors driving supplier switching in outsourcing contexts and business-to-business relationships (Wathne et al., 2001; Ganesan, 1994; Hauglanb, 1999; Anderson and Weitz, 1989). They have developed conceptual models within two theoretical perspectives: Transaction Cost Economics (TCE) and Relational Exchange Theory (RET). The empirical results of their studies highlight the influence of both economic and relational factors on supplier switching. In particular, they confirm the negative influence of switching costs acting as switching barriers, and the positive effects of relational norms acting as "relationalism" facilitators (Anderson and Weitz, 1992; Crosby *et al.*, 1990; Ganesan, 1994; Grayson and Ambler, 1999; Jap, 2001; Joshi and Stump, 1999).

Surprisingly, no emotional factors have been taken into account in these research papers. However, customer behavior scholars acknowledge the key role of such spontaneous mental states arising from the appraisal of events (van Dolen et al., 2004; Zeelenberg and Pieters, 2004, Chebat and Slusarczyk, 2005). Their studies highlight that emotions influence purchasing and post-purchasing decision-making because they are "*fuels for drives, for all motion, every performance, and any behavioral act*" (Fonberg, 1986). More precisely, researchers acknowledge that the influence of emotions depends on both their nature (positive or negative) and their intensity (Babin *et al*., 1998). Thus, according to Emotional Theory, Business to Consumer studies show how strong positive emotions such as happiness, love or empathy, and strong negative emotions such as hate, sadness or anger, influence purchasing and post-purchasing decision-making in opposite ways. It is perhaps an unfortunate oversight that the findings of this Business-to-Customer (B2C) research are not sufficiently studied by scholars of marketing channels and strategic management.

This research paper addresses this gap by analyzing the role of emotions in supplier switching in outsourcing contexts. It complements the findings of previous studies by showing that emotions also influence supplier switching. The statistical validation of our conceptual model brings into light the complex reality facing the manager in charge of outsourcing relationships. For those who are primarily assessed according to high performance criteria, this study indicates that, in addition to other economic and relational criteria, emotional aspects such as happiness, satisfaction or frustration do influence the continuity of a relationship with a supplier. Likewise, from a supplier's perspective, this study shows how a supplier can continue to work with a buyer firm if it handles positive emotions, switching costs, and relational norms.

The present research was conducted in a service industry: the hotel and restaurant industry. More precisely, the sample was a list of hotels and restaurants in two tourist areas in Asia and Europe: the Antalya Coast in Turkey and the French Riviera. Interviews with hotel managers were first conducted in a semi-structured format. Then, questionnaires were administered. The final database contains 65 usable questionnaires.

The paper is organized into three sections. We begin by presenting the conceptual model. It theoretically examines the extent to which economic, relational and emotional factors act as switching barriers. It proposes hypotheses linking switching costs, relational norms, and positive and negative emotions to the likelihood of supplier switching. It also includes hypotheses emphasizing the moderating effect of positive and negative emotions on economic and relational factors driving supplier switching. We then outline the methodology and the empirical variables. Finally, we report the results and discuss the implication of our findings.

## 2. Model and Hypotheses

This section presents a model based on three theoretical perspectives, namely Transaction Cost Economics, Relational Exchange Theory, and Emotional Theory. According to these perspectives, six hypotheses suggest that the likelihood of supplier switching is: directly and negatively related to the buyer's switching costs (H1); negatively related to the relational norms governing the exchange between the buyer and the supplier (H2); negatively related to the buyer's positive emotions (H3); and positively related to the buyer's negative emotions (H4). The model also includes the impact of the moderating effects of positive and negative emotions on the buyer's switching costs and relational norms (H5 & H6).

### *2.1. Supplier Switching Decision-making*

Supplier-switching decision-making is an increasingly salient topic for two reasons: hyper-competition drives suppliers into permanent competition with each other to reduce costs; and, at the same time, there is a need to build sustainable partnerships to optimize supply chains. Over the past decades, a number of researchers have examined the reasons leading firms to promote continuity in their buyer-supplier relationships. Their works refer to economic and relational theories to examine the influence of investments and of specific competences (Anderson and Weitz, 1992; Heide and John, 1990; Jap, 2001; Joshi and Stump, 1999), of the quality of the relational process and of trust (Anderson and Weitz, 1989; Crosby *et al.*, 1990; Doney and Cannon, 1997; Grayson and Ambler, 1999), or of asymmetries of dependence (Ganesan, 1994; Lusch and Brown, 1996) on the willingness of partners to continue their relationships. The empirical findings show either the predominance of economic factors or the preponderance of relational factors. For instance, Cannon and Homburg (2001) show that the continuity of a relationship with a supplier and the growth in purchases from that supplier always depend on the suppliers' capacity to cut the buyer firm's costs. Wathne *et al.* (2001) also show that pricing, breadth of product range or transfer costs considerably trump relational variables. These findings are criticized by scholars of the relational approach; they emphasize the role of trust and of relational norms in the continuity of a buyer-supplier relationship. Such debate among researchers leads us to suggest a model that integrates the economic factors (switching costs) and the relational factors (relational norms) of supplier switching decision-making in equal measure. In addition, and in line with previous studies in Business-to-Consumer research, we set out to explore the influence of emotional factors on supplier-switching decision-making.

### *2.2. Switching Costs*

TCE is the implicit or explicit fundament of most research into exchange partner switching decision-making (Rindfleich and Heide, 1997). It indicates that the characteristics of transactions (uncertainty, frequency, and degree of specific assets) as well as the characteristics of the parties and the environment in which they occur (small numbers, opportunism, and bounded rationality) entail transaction costs. Transaction costs include both the direct costs of managing exchanges and the opportunity costs of making inferior decisions. Opportunity costs include switching costs that result from prior partner-specific investments in physical assets, organizational procedures, and/or employee training (Heide and John, 1990). Switching costs encompass both monetary expenses and the psychic costs incurred in the expenditures of time and effort to end a relationship and secure an alternative one.

In the context of outsourcing relationships, a firm that has invested in idiosyncratic assets and developed organizational routines for dealing with its existing supplier will be motivated to maintain its relationship to save on switching costs (Heide and Weiss, 1995). Therefore, the level of switching costs is a disincentive for this buyer firm to explore new suppliers. A lower degree of switching costs enables the buyer to replace a current supplier more easily. Conversely, a higher degree of switching costs reduces the attractiveness of alternatives and acts as a switching barrier for the buyer. Under such conditions, the likelihood of supplier switching is negatively related to the buyer's switching costs.

H1. The likelihood of supplier switching is negatively related to the buyer's switching costs.

### *2.3 Relational Norms*

Building on research conducted by Thibaut and Kelley (1959) and MacNeil (1980), relational exchange theorists have developed a social conception of exchange. They postulate that firms cooperate over time to achieve mutual gain rather than behaving opportunistically to satisfy their own immediate economic interest. In this context, the concept of relational norms has received a great deal of attention. Relational norms are defined as shared values and expectations about appropriate or inappropriate behavior from exchange partners. According to Heide and John (1992, p. 34), "*relational exchange norms are based on the expectation of mutuality of interest, essentially prescribing stewardship behavior, and are designed to enhance the wellbeing of the relationship as a whole*". The norms commonly presented in the literature are multidimensional: perfect exchange of information between partners, expectation of continuity, communication, solidarity, cooperation, flexibility allowing adaptations to unforeseen changes, and assistance to partners (Aulakh and Kotabe, 1996; Gundlach *et al.*, 1995; Heide and John, 1992; Noordewier *et al.*, 1990).

In outsourcing relationships, the existence of such norms is an *ex ante* indicator of the harmony of the parties' interests, which, in turn, reduces the risk of opportunistic behavior. *Ex post*, relational norms act to enable the judging of conformity of parties' actions to established standards (Ivens and Blois, 2004). From the buyer's point of view, relational norms favor the supplier's conformity and commitment, operate as safeguards against its opportunism, limit the negative effect of the parties' asymmetrical dependence and improve the effectiveness of cooperation over time (Joshi and Arnold, 1997; Joshi and Stump, 1999). Similar to switching costs, relational norms then represent a disincentive to explore new suppliers. This suggests a negative relationship between the likelihood of supplier switching and the strength of the relational norms governing the exchange.

H2. The likelihood of supplier switching is negatively related to the relational norms governing the exchange.

### *2.4 Emotions*

Emotion is a complex term that has no single, universally accepted definition. Etymologically, it is formed from two Latin words: *e - movere*. The actual word emotion comes from Old French (1534) *esmovoir* meaning "to stir up" or "to disturb". Descartes used it in his Treatise and regarded emotion as the antithesis of reason. Commonly defined, emotion corresponds to a spontaneous mental state arising from an appraisal of events. It is expressed positively by love, happiness, empathy, and negatively by hate, sadness, anger, etc. (Zeelenberg, and Pieters, (2004); Watson and Telegen, 1985; Russell, 1979). Based on both these positive and negative dimensions, consumer behavior researchers highlight the role of consumers' emotions in post-purchase decisions such as expressing their loyalty to a service provider (Chebat and Slusarczyk, 2005), complaining (Stephens and Gwinner, 1998), and displaying satisfaction or dissatisfaction (Dube and Morgan, 1998; Mano and Oliver, 1993; Oliver, 1993; Phillips and Baumgartner, 2002).

With regard to the specific topic of supplier-switching decision-making in outsourcing contexts, researchers have uncovered emotional factors in a broad manner. However, it seems relevant to examine more closely the effect of the nature and the importance of emotions within a B2B perspective.

The model proposed in this study suggests two effects: a direct emotional effect on the likelihood of supplier switching; and an impact of the moderating effects of positive and negative emotions on the buyer's switching costs and relational norms. These suggest the following hypotheses:

H3. The likelihood of supplier switching is negatively related to the buyer's positive emotions.

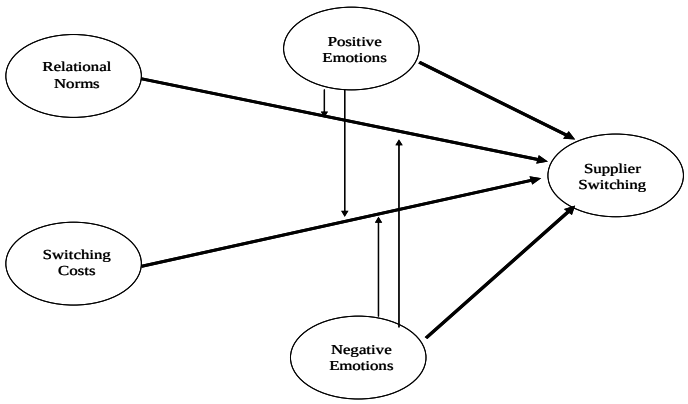
H4. The likelihood of supplier switching is positively related to the buyer's negative emotions.

H5. Positive emotions moderate the importance of (a) a buyer's switching costs and, (b) relational norms.

H6. Negative emotions moderate the importance of (a) a buyer's switching costs and, (b) relational norms.

All these hypotheses lead to the following model (Figure 1).

Figure 1. Antecedents of Supplier Switching




## 3. Method

*3.1 Sampling and Data Collection*

We test the hypotheses in the context of buyer-supplier relationships within the hotel and restaurant industry. The unit of analysis is the relationship between the buyer (i.e. the hotel and restaurant) and its supplier (housekeeping, gardening, room service staff, food and beverages, decorating). The study was conducted in two tourist areas in Asia and Europe: the Mediterranean coast near the city of Antalya in Turkey and the French Riviera near the towns of Cannes and Saint-Tropez. First, interviews with five hotel and restaurant managers were conducted in a semi-structured format. This qualitative approach helps to comprehend the drivers of the industry, design and pre-test the survey. Then, questionnaires were administered to hotel and restaurant managers. Sixty-five usable questionnaires were obtained (30 in Turkey and 35 in France).

The hotel and restaurant industry presents several opportunities for exploring the research question. When the firms do not belong to chains that stringently impose standardized procedures across all their business units, managers in charge of supplier relationships are free to select their suppliers according to their needs. Moreover, they have not set up sophisticated information systems for designing their purchasing processes. Purchases therefore come under the full responsibility of managers who select their suppliers and freely decide whether to switch. Finally, the reputation and, consequently, the economic performance of the hotels and restaurants is indirectly but very heavily dependent on suppliers' bids. As a result, supplier switching may be a key decision impacting the performance of the buyer firm.

*3.2 Measures*

Empirical variables were defined in reference to evaluation, including consideration of item response distributions, estimates of scale reliabilities previous studies conducted into Business-to-Business relationships. As recommended by Churchill (1996), the directionality of several items was reversed to improve the psychometric properties of the measures. A first version of the questionnaire was tested during a pilot study conducted at a conference on hospitality management. The pilot study provided a basis for a thorough statistical, item-total correlation, and item scale discrimination. As a result of these evaluations, several scale items were modified, deleted, or added prior to the final survey. The final scale items, bibliographic references and statistical reliability indices are listed in Table 1.

**Table 1 – Scale, Reliability, and References**

| **Concept**<br>Number of items – Scale Format | **Scale** | **Alpha** | **References** |
|---|---|---|---|
| **Switching Decision**<br>5 items – 7 pts LRF (Likert Response Format) | The buyer considers switching its supplier in the near future | .95 | Ping (1994) |
| **Switching Costs**<br>4 - 7 pts LRF | The cost of stopping business with the supplier and of starting up with another supplier would be high | .89 | Ping (1994) |
| **Relational norms**<br>5 – 7 pts LRF | The buyer expects the supplier to conform to the relational norms (flexibility, continuity, information sharing, assistance, partnership) | .91 | Aulakh and Kotabe (1996), Heide and John (1992), Joshi and Arnold (1997), Noordewier *et al.* (1990), Gundlach *et al.* (1995) |
| **Positive Emotion**<br>7 – 7 pts LRF | As a result of relationship performance relative to the goal, how intensely the buyer feels: excited, delighted, happy, glad, satisfied, proud, self-assured | .92 | Brown, Cron and Slocum (1997) |
| **Negative Emotion**<br>7 – 7 pts LRF | As a result of relationship performance relative to the goal, how intensely the buyer feels: angry, frustrated, sad, disappointed, depressed, worried, uncomfortable | .93 | Brown, Cron and Slocum (1997) |

Four control variables are also included in the analysis for model specification purposes: the number of employers in the hotel or restaurant (size), the nationality, the logarithm of the number of years the buyer had been purchasing items from the supplier (duration), and the degree of customization of the product/service supplied to the buyer (customization). As too many inaccurate answers to the control variables "duration" and "customization" were observed, we unfortunately had to exclude them from the model.

## 4. Findings and Discussion

### *4.1. Findings*

All independent variables were factors analyzed prior to their introduction in a moderated multiple linear regression. Table 2 reports the correlations between the variables.

**Table 2 – Correlations**

| | Supplier Switching | Switching Cost | Relational Norms | Positive Emotions | Negative Emotions |
|---|---|---|---|---|---|
| Supplier Switching | | | | | |
| Switching Cost | -.338(**)<br>*.006* | | | | |
| Relational Norms | -.251(*)<br>*.043* | -.329(**)<br>*.008* | | | |
| Positive Emotions | -.345(*)<br>*.005* | .146<br>*.247* | .282(*)<br>*.023* | | |
| Negative Emotions | .062<br>*.622* | -.203<br>*.105* | -.016<br>*.898* | -.525(**)<br>*.000* | 1 |

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Due to multi-correlation problems, we re-input the independent variables in a factor analysis with Varimax rotation. Then, regression analyses were run to estimate the resulting model (Table 3).

**Table 3 – Regression Analyses**

| | Model 1 | | | Model 2 | | |
|---|---|---|---|---|---|---|
| | *β* | *T* | *Sig* | *β* | *t* | *Sig* |
| (Constant) | | . | 1 | | . | 1 |

| | | | | | | |
|---|---|---|---|---|---|---|
| | | 000 | .000 | | 000 | .000 |
| Switching Cost | -.376 | **-3.534** | .001 | -.282 | **-2.720** | .009 |
| Relational Norms | -.261 | **-2.457** | .017 | -.247 | **-2.396** | .020 |
| Positive Emotions | -.327 | **-3.072** | .003 | -.306 | **-2.987** | .004 |
| Negative Emotions | -.070 | -.659 | .512 | .126 | 1.210 | .232 |
| Switching Cost * Negative Emotions | | | | -.009 | -.085 | .933 |
| Switching Cost * Positive Emotions | | | | -.239 | **-2.294** | .026 |
| Relational Norms * Negative Emotions | | | | .199 | 1.895 | .063 |
| Switching Cost * Positive Emotions | | | | -.229 | **-2.125** | .038 |

*$R^2$ adj= 40.1; F= 6.346; sig= .000*

In the first regression analysis (Model 1), only the four main effects (switching cost, relational norms, positive emotions, and negative emotions) are input into the regressions to examine their direct impact on supplier switching. The set of independent variables explains 56% of the total variance. As expected, switching cost, relational norms, and positive emotions are negatively related to supplier switching. Negative emotions have no significant effect.

In the second regression analysis (Model 2), we add the moderator variables and notice that the coefficients of the regression increase. The set of variables explains 69% of the total variance. Again, negative emotions have no significant effect (direct effect or moderating effect). And, no evidence is found to support the control variables.

### *4.2. Discussion*

Although no evidence is found to support two of the hypotheses, taken as a whole, the results provide some evidence supporting the conceptual model presented in Figure 1. In particular, our results support the existence of some economic and relational variables that directly impact supplier switching, allowing us to confirm previous empirical studies and theoretical propositions. The results also provide evidence of the predominant role of positive emotions in supplier-switching decision-making.

The evidence that supports H1 suggests that the likelihood of supplier switching is negatively related to the buyer's switching cost. We then confirm that a firm forecasting sunk costs in terms of time, money, and effort spent switching suppliers is motivated to maintain its relationship with that supplier. This result is in line with TCE assumptions.

The evidence that supports H2 stresses relational exchange assumptions about the importance of relational norms in relationship continuity. It suggests that the likelihood of supplier switching is negatively related to the relational norms governing the exchange. Relational norms represent a disincentive to explore new suppliers and limit switching because operators favor relational exchanges with a few selected suppliers they have come to trust and

appreciate over the course of their interactions. They are reluctant to switch suppliers and they retain those who they believe will not hesitate to “give a helping hand” in the event of unforeseen circumstances. Finally, relational norms favor the supplier’s conformity and commitment.

Our study provides partial results relating to the role of emotions in supplier switching. While positive emotions influence supplier switching negatively (H3), the direct effect of negative emotions is not validated (H4). The results also strengthen the evidence that positive emotions moderate the influence of economic and relational factors. Moreover, the statistical analyses emphasize the moderating role of positive emotions (H5).

The influence of positive emotions raises the question of the role of emotional factors in supplier switching, and more generally in business-to-business relationships. It encourages the development of new models integrating both traditional factors (economic and relational) and psychological factors in switching decisions. It also highlights the benefits of reviewing previous business-to-consumer studies in greater depth and integrating their contributions in strategic management models.

These findings have several implications for managers in charge of buyer-supplier relationships. For those who are primarily assessed according to high performance criteria, this study indicates that emotional aspects such as happiness, satisfaction or pride influence the continuity of a relationship with a supplier. From a supplier’s perspective, this study shows that a low performance supplier can compensate for its economic weakness and continue to work with a buyer firm if it knows how to handle positive emotions.

## 5. Conclusion

Previous studies have stressed a need for exploring outsourcing contexts and delving deeper into the question of supplier choice and relationship continuity (Wathne et al., 2001; Ganesan, 1994; Hauglanb, 1999; Anderson and Weitz, 1989). By identifying several factors driving supplier switching, this paper contributes to developing our knowledge on the subject.

The arguments and findings provide evidence that, as well as switching costs and relational norms, positive emotions also act as switching barriers. The findings also strengthen the evidence that emotional factors moderate the influence of economic and relational criteria.

This paper sets out to contribute to both practice and theory in several aspects. First, this study has several implications for practitioners. Our findings must be put into the perspective of the general discourse of managers in charge of outsourcing decision-making and relationships with suppliers. Whether they belong to industrial firms, service providers or institutions, we have noticed during previous research that managers always state that they grant importance to economic criteria alone when deciding on continuing their relationships with suppliers. Some managers discretely recognize that they also manage their relationships with suppliers by establishing trust and relational norms. Notably, they mention the role of interpersonal relationships in hedging against the risk of opportunistic behavior and in fostering a kind of "relationalism" with their suppliers. In contrast, managers who acknowledge their sensitivity to factors stemming from the emotions are few and far between. In general, they concede that some emotions may play a role in other firms but that, in their cases, emotions have no influence. Yet, our findings show that positive emotions have both a direct and an indirect impact on supplier switching. From a supplier's perspective, this research shows how a supplier can continue to work with a buyer firm if it knows how to handle emotions.

Second, this study also has several implications for researchers. It complements numerous research papers on strategic management that test only the statistical influence of the economic and relational factors of a decision to switch suppliers. It shows the extent to which it may be interesting to include assumptions stemming from Emotional Theory in conceptual models. From a methodological viewpoint, this research also addresses the need for more studies on service organizations where the processes are very different from those of manufacturing industries (Mills, Hall, Leidecker and Margulies, 1983).

It is now important to expand this research into a larger database to be able to test the entire model in a structural equation modeling method. Moreover, following the examples of Ford (1990), Dwyer *et al.* (1987) or Jap and Ganesan (2000), it seems necessary to integrate longitudinal variables illustrating the different phases of an outsourcing relationship.

## References


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

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

Aulakh, P., Kotabe, M. & Sahay, A. (1996). Trust and performance in cross-border partnerships: a behavioral approach. *Journal of International Business Studies,* Special Issue, 1105-1132.

Babin, B., Darden, W. & Babin, L. (1998). Negative emotions in marketing research: affect or artifact? *Journal of Business Research, 42,* 271–285

Brown, S., Cron, W. Slocum jr J. (1997). Effects of goal-directed emotions on salesperson volitions, behaviour, and performance: A longitudinal study. *Journal of Marketing, 61* (1), 39-50

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

Chebat, J-C. & Slusarczyk, W. (2005). How emotions mediate the effects of perceived justice on loyalty in service recovery situations: an empirical study. *Journal of Business Research, 58,* 664– 673.

Churchill, G. Jr. (1996). *Marketing Research, Methodological Foundations.* New York: Pitman Publishing Inc.

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

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

Dube, L. & Morgan, M. (1998). Capturing the dynamics of in-process consumption emotions and satisfaction in extended service transactions. *International Journal Research in Marketing, 15*, (4), 309-320.

Dwyer, F., Schurr, P. & Oh, S. (1987). Developing buyer-seller relationships. *Journal of Marketing, 51* (2), 11-27.

Fonberg, E. (1986). Amygdala: emotions, motivation, and depressive states. In R. Plutchik (Eds), *Emotion: Theory, Research, and Experience* (pp. 300-365). New York: Kluwer Press.

Ford, D. (1990). *Understanding business markets: interaction, relationships, networks.* London: Academic Press.

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

Grayson, K. & Ambler, T. (1999). The dark side of long-term relationships in marketing services. *Journal of Marketing Research, 36* (1), 132-141.

Gundlach, G., Achrol, R. & Mentzer, J. (1995). The structure of commitment in exchange. *Journal of Marketing, 59* (1), 78-92.

Haugland, S. (1999). Factors influencing the duration of international buyer–seller relationships. *Journal of Business Research, 46*, 273–280

Heide, J. & John, G. (1990). Alliances in industrial purchasing: the determinants of joint action in buyer-supplier relationships. *Journal of Marketing Research, 37* (1), 24-36.

Heide, J. & Miner, A. (1992). The shadow of the future: effects of anticipated interaction and frequency of contact on buyer-seller cooperation. *Academy of Management Journal, 35* (2), 265-291.

Heide, J. & Weiss, A. (1995). Vendor consideration and switching behaviour for buyers in high-technology markets. *Journal of Marketing, 59* (3), 30-43.

Ivens, B. & Blois, K. (2004). Relational exchange norms in marketing: a critical review of Macneil's contribution. *Marketing Theory, 4* (3), 239-263.

Jap, S. (2001). Perspectives on joint competitive advantages in buyer-supplier relationships. *International Journal of Research in Marketing, 18* (1/2), 19-35.

Jap, S. & Ganesan S. (2000). Control mechanisms and the relationship life cycle: Implications for safeguarding specific investments and developing commitment, *Journal of Marketing Research, 37* (2), 227–245.

Joshi, A. & Arnold, S. (1997). The impact of buyer dependence on buyer opportunism in buyer-supplier relationships: the moderating role of relational norms. *Psychology & Marketing, 14* (8), 823-846.

Joshi, A. & Stump, R.L. (1999), Determinants of commitment and opportunism: integrating and extending insights from transaction cost analysis and relational exchange theory. *Canadian Journal of Administrative Sciences, 16*, (4), 334-352.

Lusch R. & Brown, J. (1996). Interdependency, contracting and relational behavior in marketing channels. *Journal of Marketing, 60* (4), 19-38.

Macneil, I. (1980). *The new social contract*. New Haven, CT: Yale University Press.

Mano, H., & Oliver, R. (1993). Assessing the dimensionality and structure of the consumption. *Journal of Consumer Research, 20* (3), 451-466.

Mills, P., Hall, J., Leidecker, J. & Margulies, N. (1983). Flexiform: a model for professional service firms. *Academy of Management Review, 8*, (1), 118–31. ...

Noordewier, T., John G. & Nevin R. (1990). Performance outcomes of purchasing arrangements in industrial buyer-vendor relationships. *Journal of Marketing, 53* (2), 80-93.

Oliver, R., (1993). Cognitive, affective, and attribute bases of the satisfaction response. *Journal of Consumer Research, 20*, (3), 418-430.

Phillips, D. & Baumgartner, H. (2002). The role of consumption emotions in the satisfaction response. *Journal of Consumer Psychology, 12* (3), 243-252.

Ping, jr R., (1994). Does satisfaction moderate the association between alternative attractiveness and exit intention in a marketing channel? *Journal of the Academy of Marketing Science*, 22 (4), 364-371.

Rindfleisch, A. & Heide, J. (1997). Transaction cost analysis: past, present, and future applications. *Journal of Marketing, 61* (7), 30-54.

Russell, J. (1979). Affective space is bipolar. *Journal of Personality and Social Psychology, 37*, 245-356.

Stephens, N. & Gwinner, K. (1998). Why don't some people complain? A cognitive-emotive process model of consumer complaint behavior. *Journal of the Academy of Marketing Science, 26* (3), 172-189.

Thibaut, J. & Kelley, H. (1959). *The social psychology of groups*. New York: John Wiley.

van Dolen W., de Ruyter, K. & Lemmink, J. (2004). An empirical assessment of the influence of customer emotions and contact employee performance on encounter and relationship satisfaction. *Journal of Business Research, 57*, 437– 444

Wathne, K., Biong, H. & Heide, J. (2001). Choice of supplier in embedded markets: relationship and marketing program effects. *Journal of Marketing*, 65 (2), 54-66.

Watson, D. & Telegen, A., (1985). Toward a consensual strucuture of mood. *Psychological Bulletin, 98*, 219-235.

Zeelenberg, M. & Pieters, R. (2004). Beyond valence in customer dissatisfaction: a review and new findings on behavioral responses to regret and disappointment in failed services. *Journal of Business Research, 57*, 445– 455