

The Impact of Relationship Marketing Strategy on Ethical Values of SMEs in Malaysia: The Perspective of Customer Service Officers

Nelson Oly Ndubisi

nelson.ndubisi@buseco.monash.edu.my

Elsa Satkunasingam

elsa.satkunasingam@buseco.monash.edu.my

Ting Ding Hooi

ting.ding.hooi@buseco.monash.edu.my

Monash University Malaysia

ABSTRACT

This paper aims to discuss the impact of the relationship marketing strategy on ethical values from the perspective of customer service officers (CSO) of SMEs in Malaysia. Specifically, the paper examines the impact of relationship marketing underpinnings namely, trust, competence, commitment, communication and conflict handling on ethical behaviours of customer service officers in the Malaysian outsourcing sector. Structured questionnaire was used in the study to collect data from 180 respondents. Factor and multiple regression analyses techniques were used to process the data. Findings are that trust, commitment, communication and preemptive conflict handling are significantly associated with ethical behaviour. Thus relationship marketing strategy can lead to ethical behaviours among customer service officers in this sector.

Key Words: Relationship marketing underpinnings, Ethical values, Customer service officers, Outsourcing, SMEs, Malaysia.

INTRODUCTION

The intense competitive nature of today's business environment has resulted to a greater need for firms to build closer relationships with customers. However, this important competitive edge cannot be consummated without high ethical values on the part of the services provider. High ethical standards would ensure that customers' needs and aspirations are captured in the overall service design and delivery by the organization. In the case of outsourcing services, which is the focus of the present study, maintaining a high ethical standard is necessary to ensure that the outsourcing services provider complies with the principal's standard of service and benefit proposals made to the customers. Secondly, since outsourcing requires an individual or organization (the principal) to hand over its services or obligations to customers or part of it to another (the agent), selecting a highly ethical agent (with customer service officers with high ethical values) who is able and willing to serve the principal's customers as would the principal himself is crucial. It has been suggested that the desire to build a good and lasting relationship with customers would help to improve the ethical values or behaviours of service providers. In this paper, we examine the impact of relationship marketing strategy on ethical values of customer service officers in the outsourcing services industry in Malaysia. The central variable in the study is ethical values. A model that depicts the key underpinnings of relationship marketing namely, trust, competence, commitment, communication and conflict handling and their influences on ethical values was formulated and tested in the context of the Malaysian outsourcing services sector.

LITERATURE REVIEW

Ethics

According to Svensson and Wood (2003), the concept of ethics is "a complex one that is predicated on an interchange of views about the individual belief systems among the citizens of any culture". The term "ethics" derives from the ancient Greek word "ethikos", which means "the authority of custom and tradition" (Grace and Cohen, 1998, p. 3). However, De George (1999, p. 20) describes ethics as "a systematic attempt to make sense of our individual and social moral experience, in such a way as to determine the rules that ought to govern human conduct, the values worth pursuing, and the character traits deserving development in life". While Velasquez (1998,

p. 11) defines ethics as “the activity of examining one’s moral standards or the moral standards of a society, and asking how these standards apply to our lives and whether these standards are reasonable or unreasonable”.

The definitions above focus on the “concepts of values and morals, making sense of, or a quest for understanding of, a diverse range of emotions and human interactions” (Svensson & Wood, 2003). Although it has been suggested that it is not possible to have a universally recognized definition of ethics, there are various philosophical opinions about those elements that constitute ethics. Various schools of thought approach the topic of ethics from different view points (Svensson & Wood, 2003). These schools of thought can comprise, but are not restricted to, utilitarianism, deontology, egoism, virtue and the ethics of character (De George, 1999). One philosophical perspective is no more acceptable than the others, but each contributes in its own way to possible understandings of the many nuances of the concept of ethics (Svensson & Wood, 2003).

Business ethics is a controversial issue which is regarded as an essential part of daily business life. Besides, the significance of ethics in business has been justified by proposing that majority of the people wish for a good society (Takala & Uusitalo, 1996). Ethical considerations are playing significant roles in the operation of an economy in various ways. For instance, the economic activities are depending on what people in that economy prefer to do, while the human’s ethics will influence what they prefer to do (Sen, 1991). Besides, ethical considerations are of profound importance for the nature and functioning of any economy (Takala & Uusitalo, 1996). Therefore, ethics is a fundamental influence on people’s behavior.

In the field of marketing, practitioners are required to examine from the ethical viewpoint on how they should deal with consumers, challengers, suppliers, and the government due to the social pressures (Takala & Uusitalo, 1996). Nowadays, many managers are willing to search for the means or methods which would assist them to resolve the ethically troublesome issues face by their company. Besides that, they are also willing to arrange the necessary changes so that their actions would be consistent with the social responsibilities perceived by them (Krugman and Ferrell, 1981). In contemporary business life, it is increasingly necessary for marketers to examine their ethical responsibilities (Norris and Gifford, 1988). High ethical values in the principal-agent relationship such as in outsourcing situation would ensure that the agent (SMEs in this situation) represents the principal well by providing satisfactory services.

Relationship Marketing Underpinnings

The concept of relationship marketing has emerged within the field of service marketing and industrial marketing (Berry, 1983; Jackson, 1985; Christopher et al., 1991; Gummesson, 1991). Berry (1983) viewed Relationship marketing is a strategy to attract, maintain and enhance customer relationships (Berry, 1983) and other partners, at a profit, so that the objectives of the parties involved are met (Gronroos, 1994). This is achieved by a mutual symbiosis and fulfillment of promises (Ndubisi, 2003). The interaction and network approach of industrial marketing and modern service marketing approaches, clearly views marketing as an interactive process in a social context where relationship building and management are a vital underpinning (Bagozzi, 1975; Webster, 1992). Kotler (1992) suggested that companies must move from short-term transaction-oriented goal to long-term relationship-building goal. Kavali et al. (1999) indicated that relationship marketing is about healthy relationships characterized by trust, equity, and commitment. Other scholars (e.g. Morgan & Hunt, 1994; Crosby et al., 1990; Ndubisi, 2006) have documented the following constructs namely, trust, competence, commitment, conflict handling and communication or sharing of secrets as key underpinnings of relationship marketing.

Moorman et al. (1993) defined trust as “...a willingness to rely on an exchange partner in whom one has confidence. A betrayal of this trust (by the supplier or service provider) could lead to defection. Gronroos (1990) asserted that the resources of the seller - personnel, technology and systems – have to be used in such a manner that the customer’s trust in the resources involved and, thus, in the firm itself is maintained and strengthened. Schurr and Ozanne (1985) defined the term as the belief that a partner’s word or promise is reliable and a party will fulfil his/her obligations in the relationship. Other authors have defined trust in terms of opportunistic behaviour (Dwyer et al. 1987), shared values (Morgan & Hunt 1994), mutual goals (Wilson 1995), making and keeping promises (Bitner 1995), uncertainty (Crosby et al. 1990), and actions with positive outcomes (Anderson & Narus 1984). Indeed, one would expect a positive outcome from a partner on whose integrity one can rely on confidently (Morgan & Hunt 1994). A consciousness of trust is expected to be positively correlated with ethical values hence, the following hypothesis:

H1: There is a significant positive relationship between perceived need for trust and ethical values.

Competence is defined as the buyer's perception of the supplier's technological and commercial competence (Anderson & Weitz, 1989). From this definition, there are four items that are linked to competence; the supplier's knowledge about the market for the buyer, ability to give good advice on the operating business, ability to help the buyer plan purchases and ability to provide effective sales promotion materials. The National Retail Merchants Associations reported that businesses lose approximately 20 percent of their customers each year (Rakstis, 1996), most of which arise from issues relating to incompetent service delivery. This undermines the significance of customer retention for a number of reasons, for example, 65 percent of the average company's business comes from its present customers (Vavra, 1992), small increases in customer retention rates can lead to dramatic increases in profits (Reichheld, 1996), it cost five to six times to attract a new customer than to retain an existing one (Rosenberg & Czepiel, 1983; Ndubisi, 2003), and the whole idea of CRM. Customer service officers who desire to be competent are more likely to behave ethically, hence, the following hypothesis:

H2: There is a significant positive relationship between perceived need for competence and ethical values.

Commitment is one of the important variables for understanding the strength of a marketing relationship, and it is a useful construct for measuring the likelihood of customer loyalty as well as for predicting future purchase frequency (Gundlach et al., 1995; Morgan and Hunt, 1994; Dwyer et al., 1987). Wilson (1995) argued that commitment is the most common dependent variable used in buyer-seller relationship studies. Moorman et al. (1992) defined commitment as an enduring desire to maintain a valued relationship. This implies a higher level of obligation to make a relationship succeed and to make it mutually satisfying and beneficial (Gundlach et al., 1995; Morgan and Hunt, 1994). Since commitment is higher among individuals who believe that they receive more value from a relationship, highly committed customers should be willing to reciprocate effort on behalf of a firm due to past benefits received (Mowday et al., 1982) and highly committed firms will continue to enjoy the benefits of such reciprocity. Customer service officers who are pursuit of high level of commitment will exhibit more ethical values. The next hypothesis to be verified is:

H3: There is a significant positive relationship between perceived need for commitment and ethical values.

Communication refers to the ability to provide timely and trustworthy information. Both content and style in communication are important in building quality relationship with customers. Sheth (1975) noted the distinction between content and style in communication suggested that the latter recognises the importance of ritualistic behaviour patterns in shaping the outcomes of buyer/seller interactions. Communication is also about mutual disclosure or sharing of secrets. Derlega et al. (1987) remarked that among the behaviours often noted as important in establishing and maintaining interpersonal relationship is mutual disclosure. The authors argued that the perception that another party is engaging in disclosure behaviour toward oneself that is not being reciprocated often is read as a weakness on the other party's part and may lead to an unhealthy relationship. That is to say mutual disclosure is a reciprocal concept. Moreover, the frequency of communication (or contact intensity) is vital. Contact intensity reflects an effort on the part of the salesperson (banking service provider) to keep the communication channels open with the customer and exhibit a commitment to the relationship (Williamson, 1983). Efforts to "stay in touch" with the customer have been identified as a key determinant of relationship maintenance in wholesale banking (Greenwich Associates, 1987; Crosby et al., 1990). Anderson and Narus (1990) argued that there is a new view of communications as an interactive dialogue between the company and its customers that takes place during the pre-selling, selling, consuming and post-consuming stages. When there is effective communication between customer service officers and customers, the former are more likely to behave ethically, as unethical values will be easily exposed in a situation of open and free flowing communication. This forms the basis for the next hypothesis.

H4: There is a significant positive relationship between perceived need for efficient communication and ethical values.

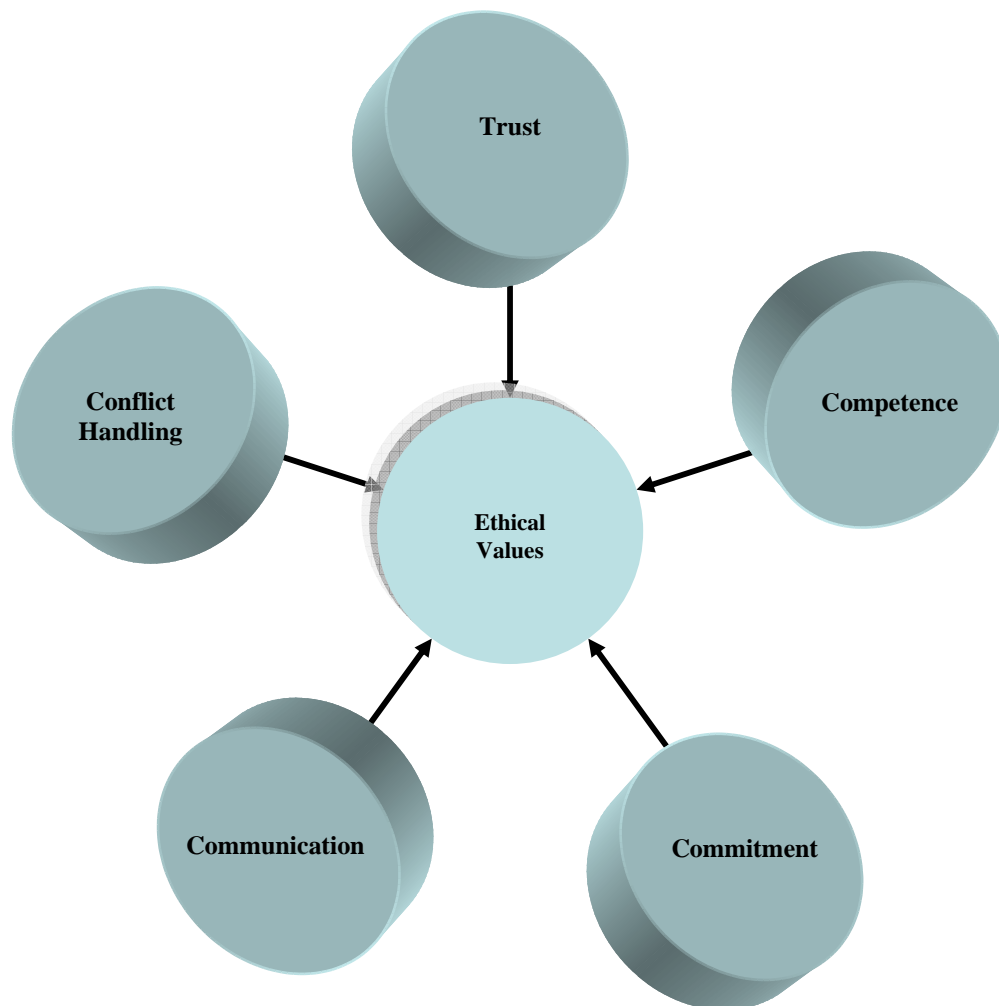
Dwyer et al. (1987) defined conflict handling as the supplier's ability to minimize the negative consequences of manifest and potential conflicts. Conflicts handling reflects the supplier's ability to avoid potential conflicts, solve manifest conflicts before they create problems and the ability to discuss openly, solutions when problems arise. How conflicts are handled will ensure loyalty, exit or voice. Rusbult et al. (1988) concluded that the likelihood that an individual will engage in these behaviours depends on the degree of prior satisfaction with the relationship, the

magnitude of the person's investment in the relationship and an evaluation of the alternatives one has. Ndubisi (2006) reported significant relationship between conflict handling and customer loyalty.

Conflict handling requires cooperative behaviour from exchange partners. Cooperative versus competitive behaviour has been linked to perceptions of trust and satisfaction in negotiation contexts (Pruiit, 1981). Crosby et al. (1990) argued that the extent to which another party is expected to behave cooperatively in part reflects the rules of problem/conflict resolution. According to Evans and Beltramini (1987), in a negotiation setting, cooperative versus competitive intentions have been found to be linked to satisfactory problem resolution. With respect to ethical values of customer service officers, the quest of satisfactory conflict resolution would be a driving force. These arguments lead to the fifth hypothesis:

H5: There is a significant positive relationship between perceived need for satisfactory conflict handling and ethical values.

Figure 1 is the schema of the model that is proposed and verified in this paper. The model depicts an effort to identify the structural characteristics of ethical behaviours using the relationship marketing approach. The model is consistent with previous conceptualizations (e.g. Dwyer et al., 1987; Crosby et al., 1990; Wong and Sohal, 2002) and integrates variables from services marketing and social psychology literatures. The independent variables include the following relationship marketing underpinnings namely, trust, competence, commitment, communication and conflict handling. The dependent variable is ethical values. The objective of the research includes understanding the impact of trust, competence, commitment, communication and conflict handling on ethical values of customer services officers in the outsourcing sector of the Malaysian economy.

Figure 1: The Schema of the Research Model

METHODOLOGY

The population of this study was customer services officers in the outsourcing services sector in Kuala Lumpur, Malaysia. The list of outsourcing customer services officers provided by a major outsourcing firm in Kuala Lumpur was used as the study's sampling frame. Respondents' participation was strictly voluntary. With the authorization from the top management, around 400 customer service officers were approached to participate in the survey. However, only 200 accepted the invitation and completed the survey form. Of this number only 180 usable responses were recorded as the balance (20) were voided due to incomplete data. This is 45 percent of the population identified from the sampling frame.

Some of the questionnaire items were adapted from prior sources/literature and the rest were developed for the present study. Communication, commitment and conflict handling items were adapted from Morgan and Hunt (1994). Competence and trust items were adapted from Ndubisi and Chan (2005) and Churchill and Surprenant (1982) respectively. Ethics items were developed for the study as there are no suitable existing items. Factor analysis and reliability analyses were conducted to ascertain the validity and internal consistency of the measures. Table 2

shows the results of these tests. The Multiple Regression Model was employed to predict the constructs' relationships.

RESULTS AND DISCUSSION

The demographic profiles of the respondents are shown in Table 1. The results show that there are more female customer service officers responding to the survey than their male counterparts. This may demonstrate the willingness of more women than men to participate in volitional exercises. The distribution of respondents along racial lines is fairly even. Age distribution show that Gen Y officers responded most followed by Gen X and then Baby boomers. Income-wise, most of the respondents earn between 2000 to 4000 Ringgit per month. This is plausible because most of the respondents are young (Gen Y) and have just started their career not long ago.

Table 1: Respondents' Demographic Profiles

Demographic Variables		Count	Percentage
Gender:	Male	76	42
	Female	104	58
Race:	Malay	63	35
	Chinese	42	23
	Indian	62	35
	Other	13	7
Education:	Secondary education or less	42	23
	High school/ Diploma	85	47
	Degree/Professional qualification	48	27
	Post graduate degree	5	3
Age:	18-28 years	138	77
	29-42 years	40	22
	43-60 years	2	1
Monthly income:	2000 - 3999.99	173	96
	4000 – 5999.99	5	3
	8000 – 9999.99	2	1

Factor Results

Table 2 shows the key dimensions, items, loadings, communalities and Cronbach's Alpha estimates. The results presented here were based on parsimonious sets of variables guided by conceptual and practical considerations: the acceptance of factor loadings of 0.50 and above – this level is considered practically significant and cross loadings (Hair et al., 1998). The oblique factor rotation was employed for all the analyses because it represents the clustering of variables more accurately (Hair et al., 1995, p.382), and because the factors are conceptually linked, which requires correlation between the factors (Hair et al. 1998, p.127). This technique of rotation is more suitable for the need of this study than the orthogonal rotation, which keeps factors uncorrelated throughout the rotation process.

Table 2: Factor and Reliability Analyses

Key Dimensions and Items	Loadings	Communalities	Reliability Estimates
F1 – Trust (Eigenvalue = 6.95; Variance = 34.76%)			0.79
CSOs should be concerned with the privacy of the customers' transactions.	0.53 (4.61)	0.52	
CSOs should ensure that their promises to customers are reliable under all circumstances.	0.75 (4.52)	0.70	
CSOs should act consistently to provide quality service.	0.56 (4.75)	0.69	
CSOs should fulfill their obligations to customers under all circumstances.	0.79 (4.22)	0.68	
CSOs should maintain customers' confidence under all circumstances.	0.50 (4.65)	0.66	
F2 – Competence (Eigenvalue = 1.99; Variance = 9.93%)			0.79

CSOs should constantly be in touch with market trends that affect their customers.	0.74 (4.38)	0.67	
CSOs should use best practices processes to support customers.	0.75 (4.43)	0.73	
CSOs should constantly gather feedback on how to improve current business solutions.	0.78 (4.38)	0.70	
CSOs should obtain information about new product development in their customers' business.	0.70 (4.33)	0.56	
F3 – Commitment (Eigenvalue = 1.54; Variance = 7.68%)			0.80
CSOs should provide personalized services to customers whenever necessary.	0.74 (3.29)	0.65	
CSOs should be flexible when serving their customers.	0.90 (3.94)	0.79	
CSOs should be flexible when their customers' needs change.	0.80 (3.81)	0.79	
F4 – Communication (Eigenvalue = 1.39; Variance = 6.97%)			0.50
CSOs should provide their customers with accurate information.	0.57 (4.73)	0.68	
CSOs should keep customers informed about the status of their transactions.	0.56 (4.33)	0.62	
CSOs should openly discuss solutions when problems arise.	0.76 (4.23)	0.69	
F5 – Preemptive Conflict Handling (Eigenvalue = 1.01; Variance = 5.02%)			0.65
CSOs should avoid potential conflict with their customers.	0.82 (4.26)	0.73	
CSOs should identify potential areas of conflict and resolve them before problems arise.	0.61 (4.28)	0.70	
F6 – Ethical Values (Eigenvalue = 1.00; Variance = 4.59%)			0.80
CSOs should remain trustworthy although the customer may not seem to be very reliable.	-0.57 (4.16)	0.75	
CSOs should ensure that they remain competent as far as possible although the customer does not disclose sufficient information.	-0.78 (3.96)	0.76	
CSOs should remain fully committed to customer service and the relationship with customer although the customer is not fully committed.	-0.72 (4.01)	0.74	
Total Variance = 68.95% KMO = 0.862			
Note: The figures in parenthesis are mean values			

The results of the factor analysis show that 20 items loaded well on six dimensions namely, trust, competence, commitment, communication, preemptive conflict handling and ethical value with total variance of 69 percent. High communalities were also observed, which indicates that the total amount of variance an original variable shares with all other variables included in the analysis is high. The internal consistency of the instrument was tested via reliability analysis. Reliability estimates (Cronbach's Alpha) for the construct's dimensions are as follows: Trust (0.79), Competence (0.79), Communication (0.50), Commitment (0.80), Preemptive Conflict Handling (0.65), and Ethical Value (0.80) suggesting a high degree of reliability. Except for the communication items (0.50) with slightly problematic scale, the results is .50 where according to Hair et al., 1998, scale below .60 implies lower limit of acceptability.

The first underlying dimension (F1) was made up of items that relate to 'trust'. Five items (see Table 2) loaded on this factor and describe the views of customer service officers on the need for trustworthiness in the firm-customer relationship. The second dimension (F2) consisted of items that relate to 'competence'. This factor includes four items that measure the importance of customer service officer's competence in building customer relationship. The

third dimension (F3) was called ‘commitment’ and comprised of three items addressing the officers’ customer service flexibility and willingness to personalise services when needed. The fourth dimension (F4) comprised of items relating to ‘communication’ such as; providing accurate information and openness of the customer service officer at all times including when problems arise in the course of the transaction. Pre-emptive conflict handling was the fifth factor (F5) and included two items related to the pro-active steps taken by customer service officers to address potential conflicts. Ndubisi (2006) had suggested that organisations should take proactive steps by pre-empting conflicts instead of a reactive option of fixing manifest problems. The last underlying dimension (F6) was ethical value. The three items that measure this construct expresses the necessity for customer services officers to behave ethically at all times irrespective of the customer’s behaviour.

Association between Variables

Regression analysis was used in testing for associations. The results of the regression analysis in Table 3 shows that trust, competence, commitment, communication, and pre-emptive conflict handling contribute significantly ($F = 23.14$; $p = .000$) and predict 40% of the variations in ethical standards of customer service officers. These dimensions predict a significant change in ethical values.

Table 3: Predictors of Ethical Standards

Variables	Beta	t-value	p-value
Trust	.154	2.052	.042
Competence	.119	1.671	.096
Commitment	.147	2.207	.029
Communication	.169	2.134	.034
Preemptive Conflict Handling	.254	3.408	.001
$R^2 = .40$ $F = 23.14$ $\text{Sig. } F = .000$			

The results in the table show that there is a significant relationship (at 5 percent significance level) between trust, commitment, communication and preemptive conflict handling and ethical values of customer service officers. There is no significance evidence at 5 percent significance level for a relationship between competence and ethical value. These are evidences to accept hypotheses 1, 3, 4 and 5 and to reject hypothesis 2. Thus, there is a significant link between customer service officers’ ethical values and perceived need for trustworthiness, commitment, communication and conflict handling. Competence is a weak predictor of ethical value, plausibly because competence here reflects CSOs’ market and service knowledge and skill may be low but not resulting from negligence or deliberate attempt to be unethical. The positive sign of the estimates respectively shows that the higher the level of trust, competence, commitment, communication and conflict handling, the more ethical the values of customer service officers would be.

IMPLICATIONS AND CONCLUSION

The key contributions of this study are: (1) the unveiling of the significant impact of the relationship marketing underpinnings, namely trust, commitment, communication and conflict handling on ethical values of customer service officers of SMEs in the outsourcing sector. These findings are important as extant literature have not considered the link between the relationship marketing strategies and ethical value.

The theoretical implication of this study lies in the strong evidence for the determinant power and structure of the underpinnings of relationship marketing namely, trust, commitment, communication and conflict handling on ethical value. Thus, the relationship marketing theory can be applied in measuring the antecedents of ethical values of customer service officers in the outsourcing industry in Malaysia. By outsourcing, an organization entrusts its activities or part of it to another party and expects the latter to represent it well. This is in line with the expectation or assumption of the agency theory. The focus of the agency theory is on determining the optimal contract that governs the relationship between a principal (in this case the outsourcer) and an agent (the outsourcing service provider) (Jensen & Mecklin, 1976; Ndubisi & Kahraman, 2005). When the principal knows what the agent has done, a behaviour-based contract which purports that the principal is buying the agents behaviour is appropriate, but if the principal does not know what the agent has done, one of the two options available to the principal is to contract on the basis of the outcomes of the agent’s behaviour. Both behaviour and outcome-based contracts will be useful in outsourcing as the former ensures that the agent is ethical in the service process and the latter ensures that the resulting output satisfies the customers of the principal. However, whether the agent represents the principal well enough is another issue altogether. This is why it is very important for officers in the outsourcing sector to be very

ethical. Otherwise, the principal may not receive value for the fee paid to the agent to serve its customers. This is a significant contribution to the body of knowledge in relationship marketing, outsourcing and business ethics especially in Malaysia.

This research has some implications on customer relationship management by outsourcing services providers. Firstly, outsourcing services providers, who are keen to create an ethical culture in the organisation may begin in its hiring process. They should look out for potential employees with high ethical values. These can be located by evaluating their perceived need and quest for trustworthiness, commitment, communication, and conflict handling in dealing with customers. Customer service officers who possess these qualities as the study shows are more likely to behave ethically towards both internal customers (the outsourcer) and the external customers (clients of the outsourcer). Beyond the hiring stage, successful officers should be made to appreciate the need to be concerned about the security of transactions, provide quality services, show respect to customers, fulfil obligations to customers, and strive to enhance customers' confidence in the bank. These actions would lead to increased trust in the organization and its services and officers. Second, commitment to service and customer relationship, as well as open, timely and honest communication is other strategies that outsourcing services providers desiring to create high ethical values among officers may pursue. Lastly preemptive conflict handling is an important ethical value driver. In the past, a number of organizations depended on reactive conflict resolution mechanisms, such dedicated complaint tele-fax lines, quick responses to manifest problems, cash refunds and product or service repairs or replacement, but these steps may still leave the customer with some losses. This is why the preemptive conflict handling strategy is preferred to sense and forestall the occurrence of problems or the transition of conflicts into problems. The search for these qualities may begin during the hiring process, or inculcated in successful candidates during the training process. Moreover, customers' opinion can be sought to identify those employees that they consider outstanding in their ethical values – those they deem most trustworthy, genuinely and deeply interested in sensing and preventing sources of conflicts, those with strong commitment to service and customer relationship, and those that provide customers with reliable and timely information. These officers should be recognized and awarded prizes, as such recognition will create a higher level of motivation for them to behave more ethically and to serve customers better.

In conclusion, this research found that trust, commitment, communication and conflict handling can determine ethical values among customer service officers of SMEs in the outsourcing industry. Officers who appreciate the need to behave trustworthily, show commitment to service and customer relationship, communicate efficiently, and preempt sources of conflicts, are more likely to behave more ethically.

REFERENCES

- Anderson, E. and Weitz, B. (1989), "Determinants of continuity in conventional industrial channel dyads", *Marketing Science*, Vol. 8, No. 4, pp. 310-324.
- Anderson, J.C. and Gerbing, D.W. (1988), "Structural equation modeling in practice: A review and recommended two-step approach", *Psychological Bulletin*, Vol. 103, No. 3, pp. 411-423.
- Anderson, J.C. and Narus, J.A. (1984), "A model of the distributor's perspective of distributor-manufacturer working relationship", *Journal of Marketing*, Vol. 48, pp. 62-74.
- Anderson, J.C. and Narus, J.A. (1990), "A model of distributor firm and working partnerships", *Journal of Marketing*, Vol. 54, No. 1, pp. 42-58.
- Bagozzi, R., (1975), "Marketing as exchange", *Journal of Marketing*, Vol. 39, October, pp. 32-39.
- Becker, H.S. (1960), "Notes on the concept of commitment", *American Journal of Sociology*, Vol. 66, No. 1, pp. 32-40.
- Berry, L.L. (1983), "Relationship marketing", in Berry, L.L., Shostack, G.L., and Upah, G.D. (Eds), *Emerging perspectives of services marketing*, 25-28, American Marketing Association, Chicago, IL.
- Bitner, M.J. (1995), "Building service relationships: Its all about promises", *Journal of the Academy of Marketing Science*, Vol. 23, No. 4, pp. 246-251.
- Christopher, M., Payne, A. and Ballantyne, D. (1991), *Relationship marketing: Bringing quality, customer service and marketing together*, Butterworth, London.
- Churchill, G.A and Surprenant, C. (1982), "An investigation into the determinants of customer satisfaction", *Journal of Marketing Research*, Vol. 19, No. 4, pp. 491-504.
- Crosby, L.A. and Stephens, N. (1987), "Effects of relationship marketing on satisfaction, retention and prices in the life insurance industry", *Journal of Marketing Research*, Vol. 24, November, pp. 404-411.
- Crosby, L.A., Evans, K.R. and Cowles, D. (1990), "Relationship quality in services selling: An interpersonal influence perspective", *The Journal of Marketing*, Vol. 54, pp. 68-81.
- Derlega, V.J., Winstead, B.A., Wong, P.T.P. and Greenspan, M. (1987), "Self-disclosure and relationship development: An attributional analysis", in Roloff, M.E. and Miller, G.R. (Eds.), *Interpersonal process: New directions in communication research*, Sage Publications, London.
- Dwyer, F.R. and Oh, S. (1987), "Output sector munificence effects on the internal political economy of marketing channels", *Journal of Marketing Research*, Vol. 24, No. 2, pp. 347-358.
- Dwyer, F.R., Schurr, P.H. and Oh, S. (1987), "Developing buyer-seller relationships", *Journal of Marketing*, Vol. 51, pp. 11-27.
- Evans, K.R. and Beltramini, R.F. (1987), "A theoretical model of consumer negotiated pricing: An orientation perspective", *Journal of Marketing*, Vol. 51, April, pp. 58-73.
- Greenwich Associates (1987), *Large corporate banking survey*, Greenwich, CT.
- Gronroos, C. (1990), "Relationship approach to the marketing function in service contexts: The marketing and organizational behavior interface", *Journal of Business Research*, Vol. 20, No. 1, pp. 3-12.
- Gronroos, C. (1994), "From marketing mix to relationship marketing: Towards a paradigm shift in marketing", *Management Decision*, Vol. 32, No. 2, pp. 4-20.
- Gummesson, E., (1991), "Marketing revisited: The crucial role of the part-time marketers", *European Journal of Marketing*, Vol. 25, No. 2, pp. 60-67.
- Gundlach, G.T., Achrol, R.S. and Mentzer, J.T. (1995), "The structure of commitment in exchange", *Journal of Marketing*, Vol. 59, No. 1, pp. 78-93.
- Hair, J.F., Jr., Anderson, R.E., Tatham, R.L., and Black, W.C. (1998), *Multivariate Data Analysis*, Prentice Hall, Inc., New Jersey.
- Jackson, B.B. (1985), "Building customer relationships that last", *Harvard Business Review*, Vol. 63, Nov-Dec., pp. 120-128.
- Jensen, J., Meckling, W. (1976), "Theory of the firm: managerial behavior, agency cost and ownership structure", *Journal of Financial Economics*, Vol. 3, pp.305-60.
- Kavali, S., Tzokas, N.X. and Saren, M.J. (1999), "Relationship marketing as an ethical approach: Philosophical and managerial considerations", *Management Decision*, Vol. 37, No. 7, pp. 573-581.
- Kotler, P. (1992), "Its time for total marketing", *Business Week ADVANCED Executive Brief*, p. 2.
- Krugman, D. M. and Ferrell, O. C. (1981), "The organizational ethics of advertising: Corporate and agency views", *Journal of Advertising*, Vol. 10, No. 1, pp. 21-48.
- Moorman, C., Deshpande, R. and Zaltman, G. (1993), *Relationship between providers and users of market research: The role of personal trust*, Marketing Science Institute, Cambridge, MA.

- 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 of Marketing Research*, Vol. 29, pp. 314-328.
- Morgan, R.M. and Hunt, S.D. (1994), "The commitment-trust theory of relationship marketing", *Journal of Marketing*, Vol. 58, pp. 20-38.
- Mowday, R., Porter, L. and Steers, R. (1982), "Organizational linkages: The psychology of commitment", *Journal of Vocational Behavior*, Vol. 14, pp. 224-247.
- Ndubisi, N.O. (2003), "Service quality: Understanding customer perception and reaction, and its impact on business", *International Journal of Business*, Vol. 5, No. 2, pp. 207-219.
- Ndubisi, N.O. (2006), "Effect of gender on customer loyalty: A relationship marketing approach", *Marketing Intelligence & Planning*, Vol. 24, No.1, pp. 48-61.
- Ndubisi, N.O. and Chan, K.W. (2005), "Factorial and discriminant analyses of the underpinnings of relationship marketing and customer satisfaction", *International Journal of Bank Marketing*, Vol. 23, No. 3, pp. 542-557.
- Ndubisi, N.O. and Kahraman, C. (2005), Teleworking adoption decision-making processes: Multinational and Malaysian firms comparison, *Journal of Enterprise Information Management*, Vol. 18, No 2, pp. 150-168.
- Pruitt, D. G. (1981), *Negotiation Behaviour*, Academic Press Inc., New York.
- Rakstis, T.J. (1996), *How to keep your customers*, Kiwanis, New York, NY.
- Reichheld, F.E. and Sasser, Jr, W.E. (1990), "Zero defections: Quality comes to service", *Harvard Business Review*, Vol. 68, Sept-Oct, pp. 105-111.
- Rosenberg, L. and Czepiel, J. (1983), "A marketing approach for consumer retention", *Journal of Consumer Marketing*, Vol. 1, No.1, pp. 45-51.
- Rusbult, C. E., Farrell, D., Rogers, D. and Mainous, A. G. (1988), "Impact of exchange variables on exit, voice, loyalty, and neglect: An integrative model of responses to declining job satisfaction", *Academy of Management Journal*, Vol. 31, pp. 599-627.
- Schurr, P.H. and Ozanne, J.L. (1985), "Influence on exchange processes: Buyers' preconceptions of a seller's trust worthiness and bargaining toughness", *Journal of Consumer Research*, Vol. 11, No. 4, pp. 939-953.
- Sheth, J.N. (1975), "Buyer-seller interaction: A conceptual framework", in Anderson, B.B. (Ed.), *Advances in Consumer Research*, Association of Consumer Research, Cincinnati.
- Svensson, G. & Wood, G. (2003), "The dynamics of business ethics: a function of time and culture – cases and models", *Management Decision*, Vol. 41, No. 4, pp. 350-361.
- Takala, T. and Uusitalo, O. (1996), "An alternative view of relationship marketing: A framework for ethical analysis", *European Journal of Marketing*, Vol. 30, No. 2, pp 45 – 60.
- Vavra, T.G. (1992), *After Marketing: Hope to keep customers for life through relationship marketing*, Business One Irwin, Homewood, IL.
- Velasquez, M. G. (1998), *Business ethics: Concepts and cases*, 4th Edn, Prentice Hall, Upper Saddle River, N.J.
- Webster, Jr. F.E. (1992), "The changing role of marketing in the corporations", *Journal of Marketing*, Vol. 56, October, pp. 1-17.
- Williamson, O.E. (1983), "Credible commitments: Using hostages to support exchange", *American Economic Review*, Vol. 73, No. 4, pp. 519-540.
- Wilson, D.T. (1995), "An integrated model of buyer-seller relationships", *Journal of the Academy of Marketing Science*, Vol. 23, No. 4, pp. 335-345.
- Wong A. and Sohal, A. (2002), "An examination of the relationship between trust, commitment and relationship quality", *International Journal of Retail & Distribution Management*, Vol. 30, No. 1, pp. 34-50.