Sveriges lantbruksuniversitet
Swedish University of Agricultural Sciences

Department of Economics

Indicating relationship success

- Finding new agricultural Business-to-Business partners by evaluating the potential for relationship success

Vilhelm Ektander
Erik Ryssén

Master's thesis · 30 hec · Advanced level
Agricultural Programme – Economics and Management
Degree thesis No 796 · ISSN 1401-4084
Uppsala 2013

Indicating relationship success
- Finding new agricultural business-to-business partners by evaluating the potential for relationship success

Vilhelm Ektander
Erik Ryssén

Supervisor: Hans Andersson, Swedish University of Agricultural Sciences, Department of Economics

Examiner: Karin Hakelius, Swedish University of Agricultural Sciences, Department of Economics

Credits: 30 hec
Level: A2E
Course title: Independent project/degree in Business Administration
Course code: EX0536
Programme/Education: Agricultural Programme – Economics and Management
Faculty: Faculty of Natural Resources and Agricultural Sciences

Place of publication: Uppsala
Year of publication: 2013
Name of Series: Degree project/SLU, Department of Economics
No: 796
ISSN 1401-4084
Online publication: http://stud.epsilon.slu.se

Key words: *Business-to-Business, Relationship Marketing, Market expansion, The US*

Sveriges lantbruksuniversitet
Swedish University of Agricultural Sciences

Department of Economics

Acknowledgements

We would like to direct special thanks to Väderstad-Verken AB for giving us this opportunity. Further we are very grateful for the support provided by Lars Thylén and Clas Asknert. An additional thanks is addressed to the 50 dealership companies that participated in the study. Without their cooperation this study would never be possible.

Lastly we would like to thank our supervisor Professor Hans Andersson at the Department of Economics at the Swedish University of Agricultural Sciences.

Vilhelm Ektander Erik Ryssén

Uppsala, 2013

Abstract

When a company seeks to enter a new market, the multiple choices of possible new business relationships exist. Further, establishing new relationships is a time-consuming procedure associated with high uncertainty and high costs. Hence, if the firm does not succeed in pinpointing the most suitable business partners to collaborate with, the firm may both forfeit other possible good relationships, as well as resources invested. Based on this notion the aim of this thesis is to explore how a manufacturing company can base the selection of future dealership Business-to-Business partners by evaluating indicators of a possible business relationship's potential to become successful.

The choice of focusing on the Business-to-Business relationship between a manufacturer and a dealership company originates from being influenced by the issues facing the Swedish agricultural machinery manufacturer Väderstad-Verken AB, who is putting attention to explore the US market. The method of the study is conducted as a multi-strategy design, where both qualitative and quantitative data was collected in eight states in the United States. In conjunction with existing theoretical findings in the research field of Relationship Marketing, the collected empirical data supports the model developed in this study.

The main finding is that the model provides is a number of measurable indicators *Relationship Benefits*, and *Trustworthiness*. Enabling an evaluation, these two indicators are further decomposed into the sub-indicators Service Benefits, Image Benefits, Flexibility Benefits, Cost Benefits, Shared Values, Communication, and Opportunistic Behavior.

By illustrating how a company, in an initial phase may look forward and evaluate the potential for relationship success, the study has brought additional focus to the dynamics of a Business-to-Business relationship.

Sammanfattning

I det skede då ett företag önskar att expandera sin verksamhet till en ny marknad, är valmöjligheten rörande valet av nya affärspartners mycket omfattande i antal. Då etablering av nya affärsrelationer är en tidskrävande process förenad med en stor osäkerhet och höga kostnader, ökar vikten av att finna *rätt* partner från början. Vid ett misslyckande av detta riskerar företaget att förlora resurser samt att, på grund av åsidosatt fokus, gå miste om andra potentiellt goda affärsrelationer. Baserat på denna insikt, har denna uppsats som mål att utforska hur ett tillverkande företag kan basera valet av framtida återförsäljar-samarbetspartners på en utvärdering av huruvida en möjlig relation indikerar en god potential för framgång.

Valet att fokusera på affärsrelationen mellan en tillverkare och en återförsäljare är en följd av att ha blivit inspirerade av den svenska lantbruksmaskinstillverkaren Väderstad-Verken AB. Detta då företaget i dagsläget lägger en stor vikt vid att utforska den amerikanska marknaden. Den valda metoden i denna studie utgörs av en multi-strategy design, där både kvalitativ och kvantitativ data har samlats in i åtta amerikanska delstater. I kombination med teoretiska perspektiv från forskningsfältet Relationship Marketing, har detta empiriska material understött framtagandet av studiens modell.

Denna modells huvudsakliga bidrag ligger i att presentera de mätbara indikatorerna *Relationship Benefits* och *Trustworthiness*. För att möjliggöra en utvärdering bryts dessa två indikatorer vidare ner till del-indikatorerna Service Benefits, Image Benefits, Flexibility Benefits, Cost Benefits, Shared Values, Communication, and Opportunistic Behavior. Genom att använda mätinstrument för att utvärdera dessa del-indikatorer, ger studien ett ökat fokus till den dynamik som råder inom en affärsrelation. Därmed illustreras hur ett företag som söker efter nya affärspartners, i ett initialt skede, har möjligheten att blicka framåt och utvärdera potentialen för framgång i ett möjligt samarbete med en given affärspartner.

Table of Contents

1 Introduction

The following chapter aims to lay the basis for the thesis by introducing the topic and emphasizing problems connected to it. In the latter part of the chapter the purpose, research questions and delimitations are presented.

1.1 Background

Trade between countries has been increasing during the last centuries and the interest of international business has never been more popular than in our days (Nordström, 1991). Due to this globalization, the world market has been subject to massive change during the last decades, putting the companies in different parts of the world closer to each other than ever (Wattanasupachoke, 2002). Being closer has further led to firms being interdependent on each other, meaning that the market performance of one company depends on functioning relationships to others (Håkansson and Snehota, 1995; Ford *et al.*, 2009). This provides opportunities for firms to participate in an internationalized process to entry new markets.

Earlier research (Hörnell *et* al., 1973; Johanson & Vahlne, 1977) viewed the entry of a firm in a new foreign market as a process of overcoming the barriers of country boarders. Such barriers could be cultural differences between countries, language related distance, and problematic information flows between countries. The market entry was according to these studies a matter of overcoming the barriers - climbing over the country boarder - and becoming an insider in the country market. This view perceives the country market as a faceless entity.

The research of today has another approach to the foreign market entry process. Instead of associating the internationalization with an entry to the country market as a whole, the perspective has turned to put relationships and business networks in focus (Johanson & Vahlne, 2003; Gummesson & Polese, 2009). This means that the previous faceless country market now is viewed as a complex network of relationships between interacting suppliers, manufacturers, intermediaries, customers as well as other stakeholders. All barriers connected to the foreign market entry are consequently associated with entering the network by the concept of relationship establishment and development. In the process of overcoming the barrier to the foreign market is according the issues of obtaining information about the business networks in that market an initial step.

1.2 Problem background

An outsider of a business network can only recognize the existence of the network, but is not able to identify its structure and characteristics (Johanson & Vahlne, 2003). Every network is complex and unique in its structure, and the only ones having knowledge about the network are the insiders in the specific network. Each of them has information about their own relationships and maybe the relationships that their partners are involved in. However, due to the complexity, the information about the relationships structures further away in the network is restricted even to them.

Information about *adaptations*, *social interaction*, *routines* and *conflicts* are examples of characteristics of a business network that is only visible to the insiders (Håkansson &

Snehota, 1995). The first characteristic, concerning adaptations, consists of information about how the firms within the network are adapting their businesses to each other. These adaptations may e.g. be mutual adaptations of logistics, product features, as well as marketing activities. The second characteristic concerns information about how the social interactions between the firms in the network occur. The most important social aspect concerns the trust that the firms share through personal relationships with each other. The third characteristic involves information about how the firms in the network have built up mutual routines and ways of doing business together. These routines are constructed to make the business relationships more efficient and minimize waste time when it comes to e.g. ordering and delivery procedures. The fourth characteristic concerns information about the existence of conflicts within the network. These conflicts may e.g. occur if two firms face problems in cooperating with each other. Within the network, conflicts are however not always negative. The reason is that their relationship may become strengthened in the long run.

The only way an outsider firm can learn about characteristics of a business network, such as the four examples presented above, is to interact with insiders and thereby induce them to disclose the information they have about the structure of the relationships in the network (Johanson & Vahlne, 2003). Through such a process the outsider firm can connect information bit by bit, in order to reach a wider understanding of the existing network. Further in the process of overcoming the barrier to the foreign market the obtained information about network structures will be of high relevance (Håkansson & Snehota, 1995). This information is, further on in the process, the foundation for the upcoming relationship initiation to actors in selected networks.

1.3 Problem

The barrier regarding expanding business into a new foreign market is according to research of today, the process of establishing new relationships, creating a business network in the new country market (Johanson & Vahlne, 2006). However, when being a company seeking to enter a new market, the choices of possible new business relationships are multiple in numbers. Meaning that the new market consists of a wide range of possible business partners, all with different characteristics as well as different abilities to create beneficial business opportunities for the entering company. Establishing new relationships are a time-consuming procedure associated with high uncertainty and high costs (Johanson & Vahlne, 2006). Hence, if the firm does not succeed in pinpointing the most suitable business partners to cooperate with, will the firm both forfeit other possible good relationships, as well as be charged with high costs.

1.4 Case company

A case company, further being the inspiration behind the research conducted, supports this study. This case company is the agricultural machinery manufacturer Väderstad-Verken AB, founded in 1962 in the village Väderstad located in southern Sweden (www, Väderstad, 1, 2013). Today the company has grown into an international company with 1 000 employees, 13 global subsidiaries, and a turnover in 2012 of 240 million euros (www, Väderstad, 2, 2013). Of the 1000 employees, 200 of them operate internationally while the remaining 800 employees are based at the headquarters in Väderstad.

In 2007 the company initiated the Tempo planter project, that five years later ended up being the largest research and development project ever conducted in the firms history (www, Väderstad, 3, 2013). Tempo was introduced in the market in 2012, and is a high-speed planter for crops demanding precision drilling with high capacity. Such crops are e.g. corn, soybean, sunflower, and cotton. What differs the Tempo from its main competitors is its ability to, through a pressurized system, transport the seed with precision and accuracy all the way down to the soil (pers., comm., Thylén).

The last year Väderstad have launched Tempo in suitable markets where the compatible crops are grown (pers., comm., Thylén). Further the company, through introducing Tempo, seeks to establish operations into new markets in the coming years. The main market of interest is the US agricultural market, which includes a high level of production of crops compatible with Tempo.

Being in such a position, Väderstad realizes the need to establish new Business-to-Business relationships and to create a network in the US market (pers., comm., Thylén). The main identified benefit of having such a network is the possibility to establish business relationships with local dealers in the new foreign market, giving Väderstad the possibility to reach a wide range of customers. Aldersson (1995) explain a dealer in a business network as an intermediary actor in the supply chain who, with relationships to both suppliers and customers, brings together the diverse supply provided by multiple manufacturers with the various customer demands. Because of this business relationship, the manufacturers interacting with the dealer gain from benefits of not needing to manage multiple customer relationships, but instead focusing on the business-to-business relationship with the dealer (Ford *et al.*, 2009). Consequently, Väderstads' current position can be categorized as a firm seeking to enter a new foreign market through establishing Business-to-Business relationships with dealership companies in the new market.

1.5 Aim

The aim of this thesis is to explore how a manufacturing company can base the selection of future dealership Business-to-Business partners by evaluating indicators of a possible business relationship's potential to become successful.

Research questions

- Which dealership characteristics indicate the potential for success of a possible Business-to-Business relationship between a manufacturer and a dealership company?

- How is the influence from the indicators structured in a stepwise development process?

- What relationship exists between the level of relationship success, and factors not involved in the relationship between two business partners? Such as: Market Area, Years in Business, Number of Employees, Locations, and Average Farm Size?

2 Literature Review

The following chapter aims to present a review of the research field by illustrating the development as well as presenting relevant findings and concepts. The chapter has its starting point in Business-to-Business marketing, evolving into Relationship marketing, and then further focusing on what builds a successful relationship.

2.1 Business-to-Business Marketing

In their extensive review of how the field of Business-to-Business Marketing (B2B Marketing) has evolved in the last four decades Backhaus *et al.* (2011) finds that the research field has transformed from a narrow spectra in the seventies, to a more wide spread of subfields today. Earlier research is according to the authors, still the foundation for the research of today. However, the research field has over time become more diverse with different branches of subfields, some of which with influences from other fields of research.

The early foundation in the field was based on the work of Webster and Wider in 1972 as well as of Robinson *et al.* in 1967. Their research provided a base for future research by focusing on the way organizations behave as a buyer when executing transactions and exchanges from other businesses (Webster & Wind, 1972; Robinson *et al*., 1967). This topic was labeled Organizational Buying Behavior.

To clarify the developments in the field from the seventies up till today, Backhaus *et al*. (2011) examined how frequently researchers in the field of B2B Marketing have cited and co-cited other studies. Their finding is that the current views of B2B Marketing have evolved to mainly focus on the way the organizations manage and develop their relationships, as well as how the organizations interact and become dependent on other companies.

Vargo and Lusch (2004) define this development as a shift from focusing on transactions to instead having a relationship focus. Ulaga and Eggert (2006) further explain this development in the research field by stating that in the past decades the nature of Business-to-Business relationships has emerged as a significant area in both the research- as well as in the practice based field. This is a turn in the field that is also identified by Morgan and Hunt (1994), further connecting this so called *Relationship Marketing*, to a shift where the context of the firm is put into a business network of multiple firms interacting with each other.

2.2 Relationship Marketing

An initial step in exploring the field of Relationship marketing is the definition of the concept. In their article Morgan & Hunt (1994) stressed a need to define the concept in a way that involves the whole field of business-to-business marketing actors that meets the firm. According to the authors this has been a shortcoming in the overall definition of the concept This means that different researchers, attached to specific research fields such as industrial marketing, service marketing, finance, etc., have found definitions of Relationship marketing suited for their own specific fields. In doing so they fail to provide a definition that contributes a general application, relevant for several types of firms all with different business relationships in focus (Morgan & Hunt, 1994). By that, Morgan & Hunt (1994) aimed to define the concept with a general approach. This ended up in the following definition:

"Relationship marketing refers to all marketing activities directed toward establishing, developing, and maintaining successful relational exchanges" (Morgan & Hunt, 1994, p. 22).

This is a definition that has been recognized further in research in the last decade. For example, Grönroos (1997) elaborates on the definition by including a clarification of different stages of the relational process; distinguishing between the establishing, the maintaining and enhancing, and the termination of the business relationship. This definition is stated as follows:

"The process of identifying and establishing, maintaining, enhancing, and when necessary terminating relationships with customers and other stakeholders, at a profit, so that the objectives of all parties involved are met, where this is done by a mutual giving and fulfillment of promises" (Grönroos, 1997, p. 407).

Such elaborations on the definition have furthermore been performed by e.g. Sheth & Parvatiyar (2000), and Gummesson (2002). However, as identified by Grönroos (1997), the structure of the definition by Morgan & Hunt is kept, even though elaborations are performed. This is a structure that involves *the process of a relationship* between business partners - including the establishment, the maintaining and the development of the relationship - as well as the necessity of the relationship to be *successful*.

2.3 The process of a Business-to-Business relationship

A well-cited article regarding the relationship process is Dwyer, *et al.* from 1987 (Backhaus, *et al*., 2011). In the article Dwyer *et al* (1987) present a schematic model for the establishment of a business-to-business relationship, circling around five main phases. These are illustrated in Figure 1.

Figure 1. The relationship process in five phases. Own modification.

The first phase, labeled *Awareness*, involves the process where one business part recognizes the other business part as a potential business partner (Dwyer *et al.*, 1987). In this phase no actual interaction between the two parties has yet occurred. This leads into the second phase of relationship establishment, called *Exploration*, where the business partners initiate the relationship by recognizing possible opportunities as well as benefits that a potential business relationship might bring. This phase may vary in time depending on the parties' perceptions of the need to further test and evaluate each other. The third phase, named *Expansion*, includes an increased level of interdependence where the partners have found a common ground to build their relationship on. The level of interdependency in the relationship reflects a higher level of risk for the parties, having a greater possibility to affect each other's performance. The fourth phase, defined as *Commitment*, refers to a time where the two partners have established a well-functioning relationship, with a high level of satisfaction and interdependency. In this phase the business relationship is stable and the partners share a high level of commitment to each other. The fifth phase, called *Dissolution*, regards the ending of the business relationship. As seen in Figure 1, a transition into this phase may occur directly from any of the other phases, meaning that the relationship may be ended at any phase of the relationship process.

Similarly to the five phases model by Dwyer *et al*., have Ford *et al*. (2009) presented a model including stages that they call *Pre-relationship stage*, *Exploratory stage, Developing stage,* and *Stable stage*. Further the authors argue that the relationship may stop evolving or end at any stage in the process. Explaining the stages in the relationship process Ford *et al*. further constitutes that in the first stage several assessments of a potential relationship are evaluated. Such assessments may include evaluations of what the partners might gain from a relationship, which adaptations that would have to be made, as well as a evaluation of the other partys' trustworthiness (Ford *et al*., 2009). In the second, exploratory stage, the partners execute time investments to learn about each other with an aim to decrease the distance between them, and developing a common ground to build a relationship on. Still are the companies not committed to each other, nor have the developed routines of doing business together. Coming into the third stage, the developing stage, the relationships has become a base for mutual learning and trust. This is built by investing as well as by adaptations. In the fourth stage, the stable stage, the business relationship is rigid and well functioning with common routines for doing business together in a satisfactory manner. At any stage of the relationship process the partners may interrupt their business relationship. Motives for such a decision can be based on the fact that one or both of the partners experience a change in requirements that is not met by the existing relationship. Further more such a decision can be based on the assertion that the relationship is impossible to develop, due to that one or both partners having insufficient resources for further extending the relationship. These resources may be both monetary as well as non-monetary.

Furthermore, Johanson & Vahlne (2003) state a connection between learning and commitment. This means that throughout the process of a relationship, where the business partners learn about each other gradually in order to find a common way of doing business together. This process will also gradually enhance the level of commitment between the parties.

2.4 Developing a successful Business-to-Business relationship

The process leading to stability in a business relationship is, as noted in the illustrations in Figure 1, going through multiple phases/stages where the partners stepwise build a functioning relationship between them through increasing investments and commitments. Based on such a notion, that a functioning relationship is developed through stages, Morgan & Hunt (1994) sought to theorize what distinguishes a success in such a relationship building process, as opposed to a failure. This implies that the authors lay the main foundation for an urge among researchers to find characteristics leading to a success in relationship marketing. The result of Morgan & Hunt´s research was *"The Key Meditating Variable Model of Relationship Marketing"* presented in 1994 in the article *"The Commitment-Trust Theory of Relationship Marketing"*. An article which, according to Backhaus *et al (2011)*, is one of the top-three most cited articles in the research field of Business-to-Business Marketing, during the last two decades.

2.4.1 The Key Meditating Variable Model of Relationship Marketing

Wilson & Jantrania (1994) states that the foundation for an evolving and proceeding in a relationship is the degree of trust that the partners share. Anderson & Narus (1990) define trust in a business relationship as *"the firm's belief that another company will perform actions that will result in positive outcomes for the firm as well as not take unexpected actions that result in negative outcomes"* (Anderson & Narus, 1990, p. 45). The concept of trust is further emphasized as a key factor in the Business-to-Business relationship setting by Morgan & Hunt (1994), stating that the trust, defined as one partner having confidence to rely on its business partner, is the main element for relationship commitment.

The concept of relationship commitment in the Business-to-Business setting is defined as *"an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it; that is, the committed party believes the relationship is worth working on to ensure that it endures indefinitely"* (Morgan & Hunt, 1994, p. 23).

These two concepts, trust and relationship commitment, built the foundation for the Key Mediating Model of Relationship Marketing (hereafter mentioned as the KMV Model) by Morgan & Hunt. Building the model, Morgan & Hunt were inspired by earlier research in the late eighties and early nineties which had tested the correlation between different input characteristics in a business relationship, with outcomes indicating a successful business relationship (Bollen & Long, 1992; Anderson & Weitz, 1989; Chatman, 1991). Originating from the earlier research, the authors argued that the trust and relationship commitment are key variables in the understanding of how a successful business relationship is built. This means that Morgan and Hunt (1994) argue that the presence of trust and relationship commitment is essential to build successful relationships. Finding characteristics that lead to successful relationship marketing is by that, focused on finding the characteristics that enhance these two key variables. The KMV Model is illustrated in Figure 2.

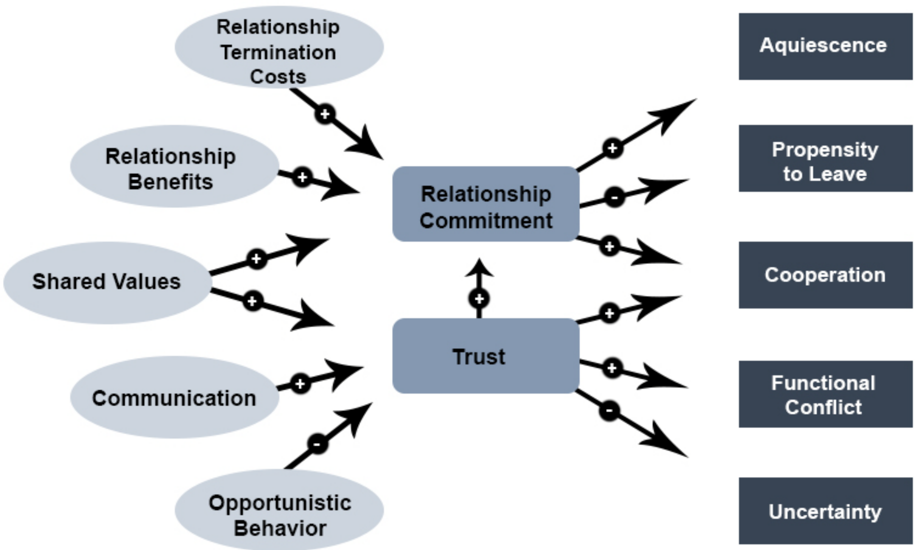


Figure 2. Morgan & Hunt (1994), "Key Mediating Variable Model of Relationship Marketing". Own modification.

As observed in Figure 2, the key variables have a central role in the theoretical framework. On the left-hand-side are the input characteristics of business relationship, which Morgan &

Hunt derive from the earlier model of Bollen & Long (1992). These characteristics are labeled as Precursors of Relationship Commitment and Trust (Morgan & Hunt, 1994). As seen in the illustration, the precursors called Relationship Termination Costs and Relationship Benefits directly influence Relationship Commitment. Shared Values directly influence both Relationship Commitment and Trust, while the precursors Communication and Opportunistic Behavior directly influence Trust. All the direct influences are illustrated as arrows in Figure 2. To each arrow is also a plus or minus sign attached, illustrating whether the influence is positive or negative in its nature.

The five precursors of relationship commitment and trust, derived from the model, all differ in there characteristics. The first precursor, called Relationship Termination Costs, is focused on all expected losses the company will be charged with in the case of a termination of the relationship (Morgan & Hunt, 1994). Such losses will e.g. be greater if the company, as an effect of a lack of alternative business partners in a certain geographical area, is highly dependent on an ongoing relationship with a business partner. Consequently, high termination costs directly influence the relationship commitment level positively.

The second precursor, called Relationship Benefits, involves both monetary as well as non-monetary benefits that the company may receive from having a relationship with a specific business partner (*Ibid*). Examples of relationship benefits are presented as possibly higher product profitability or performance, as well as higher degree of customer satisfaction, as an effect of a relationship with a specific business partner. If the benefits of a business relationship are perceived as high, relative to other potential business relationships, the level of relationship commitment is estimated to be positively influenced. The third precursor, called Shared Values, deals with the extent to which the business partners share common perceptions about policies, goals, and what behaviors that are appropriate, important, as well as right or wrong in the relationship context (*Ibid*). A high level of shared values directly positively influences both the level of trust as well as the level of relationship commitment in the business relationship. The fourth precursor, called Communication, focuses on the quality of communication that exists between the business partners. Communication from a specific business partner that is perceived as reliable, timely, and relevant will have a direct positive influence on the level of trust in the business relationship. The fifth precursor, labeled Opportunistic Behavior, also directly influences the level of trust in the business relationship. This is a measure of the willingness of a business partner to mainly serve its own self-interest, instead of adhering to the needs of the other business partner as well. A higher degree of opportunistic behavior may influence the level of trust in the business relationship negatively.

Further, as mentioned above, there is also a correlation where Trust directly influences Relationship Commitment (*Ibid*). This implies that a higher degree of trust in the business relationship will influence the level of relationship commitment positively. In the same way a low level of trust is expected to undermine the level of relationship commitment.

On the right-hand-side in Figure 2, the outcomes indicate a successful business relationship. These are as well derived on earlier research and are according to Morgan & Hunt (1994) labeled as Outcomes of Relationship Commitment and Trust. The first outcome is labeled Acquiescence, and involves the acceptance the business partners have of each other, in terms of e.g. policies and requests. The level of relationship commitment positively influences this outcome. The second outcome, called Propensity to Leave, is a measure of the partners' willingness to end the relationship in a near future. The correlation is expected to be negative, indicating that a high level of relationship commitment lowers the propensity to leave. The third outcome, called Cooperation, deals with the way that the business partners together work toward a common goal. Compared to the outcome acquiescence, which is a reactive outcome, cooperation is a proactive outcome were the partners build ways of working together. As an example Morgan & Hunt (1994) states that if a firm agrees to a partners existing advertising concept at the time when it is already performed, there is a high level of acquiescence. If the partners on the other hand, together in an early stage plan and perform a common advertising plan, there is a high level of cooperation. Both the level of trust as well as the level of relationship commitment directly positively influences the level of cooperation.

The fourth outcome is called Functional conflict, focuses on the way that the partners deal with upcoming conflicts and disagreements in the business relationship (Morgan & Hunt, 1994). If a conflict is handled in a functional way is it possible to draw positive outcomes from a conflict, where the partners solve a problem to gain in the long run. If the level of trust is high the conflicts may be more functional and better handled in the relationship. The fifth and last outcome, is called Uncertainty is a measure of the level to which the partners have trustworthy information to make decisions, and are able to rely on the other business partner. A high level of trust implies a decrease of the level of uncertainty in the business relationship.

Further elaborating on the KMV Model, Morgan and Hunt (1994) illustrate the indirect influences that the precursors have on the outcomes. This meaning that e.g. a high level of relationship termination costs will indirectly, through the direct influence on relationship commitment, influence both the outcomes acquiescence, prosperity to leave, as well as cooperation. Since trust has a direct influence on relationship commitment will, as seen in Figure 2, all the three precursors influencing trust have an indirect influence on all the five outcomes.

In the presentation of the model Morgan and Hunt (1994) were able to empirically prove the validity of Relationship Commitment and Trust as key variables as well as how precursors, collected from earlier empirical research, are correlated to them, further resulting in outcomes for a successful relationship. However, the authors identify some weaknesses in their model. This is identified in terms of a low degree of explanation for the correlation between the precursor called Relationship benefits and the key variable Relationship Commitment. As a consequence the authors are unable to support such a hypothesized correlation. This is a result that the authors motivate by critically turning to their method for measuring the level of relationship benefits in their empirical study. The measure used by Morgan and Hunt, was a comparative study conducted as an evaluation of the relationship benefits concerning a business partners existing supplier relationship compared with potential benefits of an alternative supplier. The authors identify that such a method of study, may result in a biased research findings if the interviewed business partner e.g. have insufficient information about the alternative suppliers.

Further, the authors identify that the comparative method fails to measure the degree of satisfaction that is connected to a specific level of relationship benefits (Morgan & Hunt, 1994). Instead it induces the interviewee to compare existing relationship benefits in an absolute term with potential benefits of an alternative relationship. Doing so the authors are not able to present a relative measurement for the level of satisfaction that the different relationship benefits bring, but instead a measure of the actual absolute amount of different benefits that the interviewed business partner experience.

The findings of Morgan and Hunt provided a base for future research where researchers have applied, tested, and elaborated further on the model. For example Morris & Carter (2005) applied the KMV Model on logistics and supplier performance, finding a support for the model, and Friman *et al*. (2002) tested the model in an international business-to-business setting and found empirical support for the model.

Concerning the inability to prove the direct influence of relationship benefits, researchers also deal with the perceived importance of a high relationship commitment level. Leek *et al*. (2002) provide such findings, stating on an empirical basis that the conceived importance of relationship commitment may differ between the partners in a business relationship. In their research the authors concluded that a supplier in a relationship, due to a higher degree of dependence, is more concerned about the increased relationship commitment than the customer. The customer in such a relationship may consist of, e.g., an intermediary partner, such as a dealership firm in the supply chain. Such finding is, by Kelly & Scott (2011) related to the KMV model, emphasizing that the fact that Morgan and Hunt based their model on a customer firm could be part of an explanation of the result concerning relationship benefits.

2.4.2 Relationship Commitment examined further

The concept of Relationship commitment have, in the last decades, evolved further but has been questioned in general terms regarding its ability to explain the nature of the motives to why business partners are attached to each other (Geyskens *et al*., 1996; Gilliland & Bello, 2002; Kelly & Scott, 2011; Liu *et al*., 2010). Referring to the KMV Model of Morgan and Hunt, Geyskens *et al.* (1996) identify a need to diversify the general relationship commitment concept by distinguishing the commitment into two separated categories. The motive behind such a distinction is that the authors experience a need to separate between what a business partner *needs* and *desires*. The two categories by Geyskens *et al*. (1996) are labeled *Calculative Commitment* and *Affectively Commitment*. The calculative commitment is in this respect the degree of which a business partner perceives a *need* to maintain a business relationship, as an effect of high costs associated with ending the relationship. Affectively commitment, on the other hand, refers to the degree the business partner *desires* and wants to maintain the business relationship. Such desire is based on a more personal level where the business partner enjoys having a relationship with the other party. According to the authors, these two categories of relationship commitments are independent of each other, meaning that no correlation exists directly between them.

Further developing the distinction of the concept, Gilliland & Bello (2002) conceptualize a model including the correlations between the relationship commitment categories and precursors directly influencing them. Differing from Geyskens *et al*. (1996), Gilliland & Bello (2002) re-label the category previously called *Affectively Commitment* as *Loyalty Commitment*. A part of the model by Gilliland & Bello (2002) is illustrated in Figure 3. The main focus in the illustration is put on the precursors and relationship commitment variables, however excluding the outcomes.

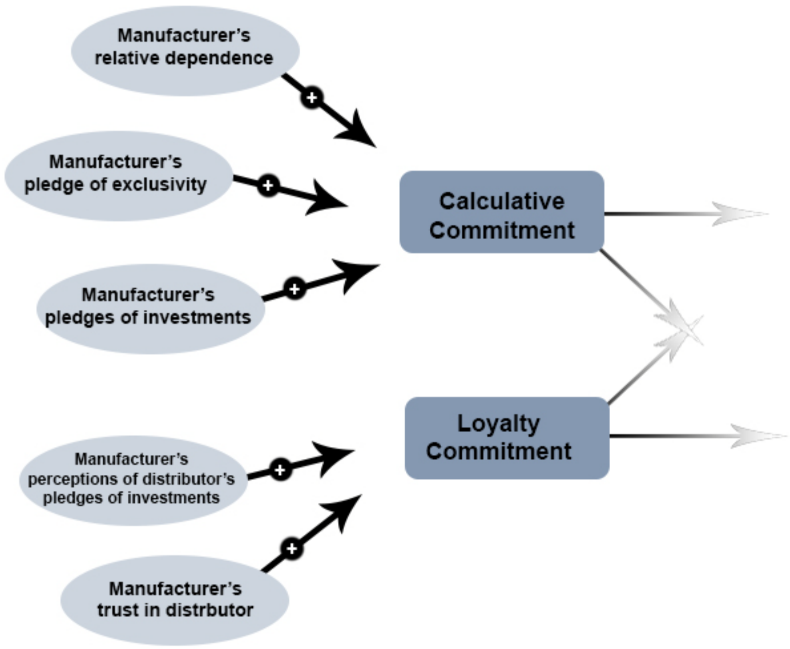


Figure 3. A partial illustration of the model by Gilliland & Bello (2002), conceptualizing relationship commitment in correlation to five precursors. Own modification.

As seen in Figure 3, Gilliland & Bello (2002), separates the calculative commitment with the loyalty commitment, further illustrating how different precursors directly influence the two variables. The study of the authors is based on a business relationship between a manufacturer and a distributor, taking the initial perspective of the manufacturer.

Three precursors in the model do, as illustrated in Figure 3, directly influence the calculative commitment. These three are characterized by the *need* motivation, while the other two is characterized by the motivation of *desire* (Gilliland & Bello, 2002). The first precursor, labeled Manufacturer's relative dependence, is a measure of the degree to which the manufacturer is more dependent upon the business relationship than the distributor. Such a degree is high if the manufacturer more highly relies on the distributor to be able to gain economic opportunities, than vice versa. This can also e.g. be a result of the manufacturer experiencing a low level of possible substitute distributors in the given market area. The higher the relative dependence is, the more will the manufacturer have to lose if the relationship is ended. Hence, the level of calculative commitment level is positively influenced by this precursor. The second precursor, labeled Manufacturer's pledge of exclusivity, deals with the fact that a manufacturer may demand exclusivity from the distributor, in terms of not allowing the distributor to arrange agreements with competing manufacturers. Since the exclusivity contract is an agreement between the business parties the calculative commitment is directly positively influenced by such an arrangement. The third and last precursor influencing the calculative commitment is the Manufacturer's pledge of investments. This precursor focuses on whether the manufacturer has invested time and money into the relationship, concerning e.g. the development of training programs, specific advertising, the production of selling aids, etc. Such time and monetary investments directly influence the calculative commitment positively. The explanation is that it would result in a greater loss to the manufacturer in case of a termination of the business relationship.

The second category of precursors is proved to directly influence the loyalty commitment, which is based on a desire to maintain the business relationship (Gilliland & Bello, 2002). The first precursor in this category is labeled the Manufacturer's perceptions of distributor's pledges of investments, and refers to a situation similar to the one concerning the third precursor influencing the calculative commitment. However, in this case is the precursor a measure concerning the distributors level of investments into the business relationship instead of the manufacturer. Investments of the distributor will signal that the distributor relies on the manufacturer as well as intend to maintain the business relationship further. If the manufacturer has high perceptions of this, the manufacturers desire to maintain the relationship will be enhanced, meaning that the loyalty commitment is positively influenced. The final precursor in the model is labeled Manufacturer's trust in distributor. Labeling trust as a precursor instead of a variable brings a contrast to the KMV Model by Morgan & Hunt. Gilliland & Bello (2002) as well, emphasize a correlation between the level of trust and relationship commitment, however in their conceptualization this correlation only regards a positive direct influence on the loyalty commitment and not on the calculative commitment.

Drawing on the concept of dividing the relationship commitment into distinguished categories, Kelly & Scott (2011), developed the notion further introducing a third category. This third category is labeled *Normative Commitment*, and is a variable meaning that the business partners desire to maintain the relationship as an affect of shared values and common goals. Based on this distinction of three types of relationship commitments, the authors conceptualized and developed an own model. The starting point of the model originates from Relationship Benefits, a concept that could not be proved regarding its correlation to relationship commitment by Morgan & Hunt (1994). An extended analysis provided by Kelly & Scott (2011), highlights an undiscovered feature found in the results to the KMV Model. This feature consist of the notion that the result of the correlation calculations in the model show that, even if not being significantly correlated to Relationship commitment, the precursor Relationship benefit is proved to be significantly correlated with the precursor called Relationship termination costs. With this notion in mind, and further assessing the recent development in the research field the authors are able to provide extended insights to the concept.

2.4.3 The concept of Relationship Benefits developed

In their article Morgan & Hunt (1994) defined relationship benefits as *"benefits from partnerships that add value"*. This view has been developed further in the research field in the last decades, where the concept of the relationship benefits ability to create value has been assigned a more central role in the development of a successful relationships (Ulaga & Eggert, 2006; Ravald & Grönroos, 1996; Holm *et al*., 1999; Barry & Terry, 2008). This is a focus where the concept of developing relationships that create value to the company, as well as to the supply chain as a whole, is of importance (Frels *et al*., 2003). However, still the connection to relationship benefits remains, whereas the relationship benefits is the underlying creator of the relationship value (Ulaga & Eggert, 2006; Kelly & Scott, 2011).

In the last decades, several researchers have elaborated on examples of relationship benefits that are perceived to create value to the company. Ravald & Grönroos (1996) identify such benefits from brand and image, benefits from possible product tailoring, benefits regarding product quality, benefits from supporting services, and the reduction of both monetary and non-monetary costs. Further, benefits from cooperative advertising and superior logistics services are identified by Fontenot & Wilson (1997). Benefits related to cost reduction are emphasized by Cannon & Homburg (2001). Through categorizing the benefits into two main categories, Walter *et al*. (2003) distinguish between direct functions and indirect functions. In this, the direct functions concerns benefits from delivering quality, reduced purchasing costs, and market coverage. While, on the other hand, indirect functions concerns benefits from a greater market access, the use of the partners information and knowledge, as well as the possibility of creating ideas for innovation in cooperation with the business partner. Similarly to Walter *et* al. (2003), Ulaga & Eggert (2006) categorize identified relationship benefits into main categories. These categories are labeled Core benefits, Operational benefits, Sourcing benefits, as well as, benefits from low Direct-, Acquisition-, and Operating costs. Barry & Terry (2008) elaborated further on the categories regarding benefits from cost reduction, labeling them as Cost advantage and Switching costs.

The developments in the research field, regarding Relationship Benefits, were assessed by Kelly & Scott (2011), further elaborating on categories that aim to combine the findings of previous research. This resulted in four categories named *Cost benefits, Service Benefits, Image Benefits*, and *Flexibility Benefits*. Cost benefits refer to the ability, of a business relationship, to provide benefits regarding reduction of costs by improved procedures and systems. Service benefits relate to benefits regarding the enhancement of service delivery that a relationship may bring. This may occur if the business may benefit from e.g. a well functioning sales and support department of business partner. Image benefits refer to the benefits that a relationship may bring, regarding branding, image, reputation and promotion. Finally, Flexibility benefits concern the relational benefits from a possible enhancement of the responsiveness to the market, customer demands, and competitor actions. Further this category also includes benefits related to the business partner's possible market knowledge and competitive positioning.

Concerning the paths of direct correlations leading to a successful outcome of a business relationship, Kelly & Scott (2011) conceptualize a framework as well. As mentioned earlier, the authors highlighted an undiscovered feature of the KMV Model regarding a correlation between Relationship benefits and Relationship termination costs. Further elaborating on relationship termination costs, Kelly & Scott (2011), emphasize that such a variable is directly influenced by the level of relationship benefits. This is motivated by the urge of a business partner to invest in the business relationship as an effect of identified benefits. By this Kelly & Scott conceptualize and find empirical support to a model, putting the four categories of Relationship Benefits as the initial precursor further influencing the level of the relationship commitment categories, through two secondary precursors labeled Trust and Relationship Investments. The variable labeled Relationship Investment in this model is by that related to Morgan and Hunt's definition of Relationship termination costs.

3 Conceptualized Theoretical Framework

The following chapter the theoretical perspectives presented in the Literature Review is summarized, and combined into the building of the theoretical foundation of this study.

3.1 Summary of the Literature Review

The Literature Review regarding the Relationship marketing field presented two main perspectives of the business relationship. The first perspective is the emphasis on the step-by-step process through which a successful Business-to-Business relationship is developed. This perspective involves the theoretical frameworks by the frequently cited study conducted by Dwyer *et al*. (1987), as well as a further development by Ford *et al*. (2009). The second perspective concerns the characteristics that such a successful business relationship is built on. This perspective involves three main conceptualized models, introduced by Morgan & Hunt (1994), Gilliland & Bello (2002), and Kelly & Scott (2011). All of which have a base in empirical research, both conducted by the authors' themselves, as well as by referring to other researchers in the field.

To provide an overview of these conceptualized models presented in the Literature Review, is a summary presented in Table 1. The summary illustrates the differences between the models, by clarifying the different precursors, as well as the variables that the three groups of researchers identify.

Table 1. Summary of the conceptual models from the Literature Review. Own creation.

Authors	Precursors	Secondary Precursors	Variables
Morgan & Hunt (1994)	• Relationship Termination Costs • Relationship Benefits • Shared Values • Communication • Opportunistic Behavior	*None*	• Relationship Commitment • Trust
Gilliland & Bello (2002)	• Manufacturer´s relative dependence • Manufacturer´s pledge of exclusivity • Manufacturer´s pledge of investments • Manufacturer´s perceptions of distributor´s pledges of investments • Manufacturer's trust in distributor	*None*	• Calculative Commitment • Loyalty Commitment
Kelly & Scott (2011)	• Relationship Benefits	• Trust • Relationship investment	• Instrumental Commitment • Affective Commitment • Normative Commitment

3.2 The model of this study

An important factor needed to be recognized regarding the presented conceptualizations by Morgan & Hunt (1994), Gilliland & Bello (2002), and Kelly & Scott (2011) is viewed as the fact that in the creation and testing of these models the unit of analysis was based on existing relationships between business partners who already had reached a successful and stable relationship. This is where this study differs. Instead of clarifying what *precursors* that *have* created an *existing* successful business relationship, this study takes an interest in clarifying *indicators* that *potentially may* create a *new* successful business relationship. Relating to the step-by-step models of the business relationship process by Dwyer *et al*. (1987) and Ford *et* *al*. (2009), the perspective of this study starts from the first stages with a focus looking forward. The models by Morgan & Hunt (1994), Gilliland & Bello (2002), and Kelly & Scott (2011) instead are seen as standing in the late stages, looking back at how they got there. Hence, a connection is provided between the step-by-step model of the relationship process, and the conceptualized models regarding the building of a successful business relationship.

A company planning to enter a new market, and by that seeking to establish new business relationships, is perceived as having multiple choices regarding to whom these relationships should be established with. In that position the company is seen as having the possibility to initiate multiple numbers of relationship processes, thereby starting a large number of first stages in the step-by-step model. To find the most suitable business partners to develop an actual relationship with, thereby continuing to the next stages in the step-by-step model, the evaluation process performed in the first stage is perceived as important.

This study has the ambition to provide a model regarding this evaluation processes that a business performs in the first stage of the business relationship. Doing so is the identified connection between the step-by-step models of Dwyer *et al*. (1987), and Ford *et al*. (2009), as well as, the conceptualizations of the building of a successful relationship by Morgan & Hunt (1994), Gilliland & Bello (2002), and Kelly & Scott (2011) combined. In this process the step-by-step models are regarded as a useful framework for theorizing the stages in the development process, and at the same time the conceptualizations are perceived as theorizing what leads a business relationship to shift from one stage to another.

In the step-by-step models by Dwyer *et al*. (1987), and Ford *et al*. (2009) the first step, called Awareness or the Pre-relationship stage, is characterized by how business party recognizes another. Thereafter the second step involves an evaluation of potential gains that a relationship could bring the prospective party, as well as an estimation of the other company's level of trustworthiness. If these estimates are evaluated as high, the second step may be followed by the third step, where the business partners invest resources into building the relationship. Following, the fourth step is where the level of commitment and mutual routines are built, further leading to the business relationship becoming stable and successful.

Through elaborating on the key concepts in this model, a link to the conceptualizations is identified. A summary of the conceptualizations is illustrated in Table 1. A link between the actions in the first two steps of the step-by-step relationship process and the precursors in the conceptualizations is identified. This link is motivated by the precursors being the initial factors proved to increase the business partners' willingness to further develop the relationship, ultimately influencing the level of commitment and trust that the business partner assigns to the relationship. Further the actions in the third stage of the step-by-step model are viewed as related to the secondary precursors in the conceptualizations. The link between them is identified since the third step is the step where the partners initiate investments into a relationship. The willingness to perform such a process is influenced by the evaluations originates from the first stage, which is connected to a direct link between the precursors and the secondary precursors in the conceptualizations. The relationship is further expanded, into the fourth step, where the business partners commit and find their basis for working together. Once again the willingness to perform such a development process is influenced by the previous stages, further relating to the conceptualizations where e.g. the level of the variable commitment is proved to be influenced by both precursors (Morgan & Hunt, 1994; Gilliland & Bello, 2002) as well as secondary precursors (Kelly & Scott, 2011).

As mentioned above, this study differs to the approach of the conceptualizations in the sense that it has the ambition of evaluating how indicators of today may serve as a base for the development of a future relationship, instead of evaluating precursors from the past that have lead to an existing relationship. By this approach, there is a need to transform the set of precursors to a set of indicators.

3.2.1 Transforming the set of precursors to a set of indicators

The model in this study is presented in Figure 4.

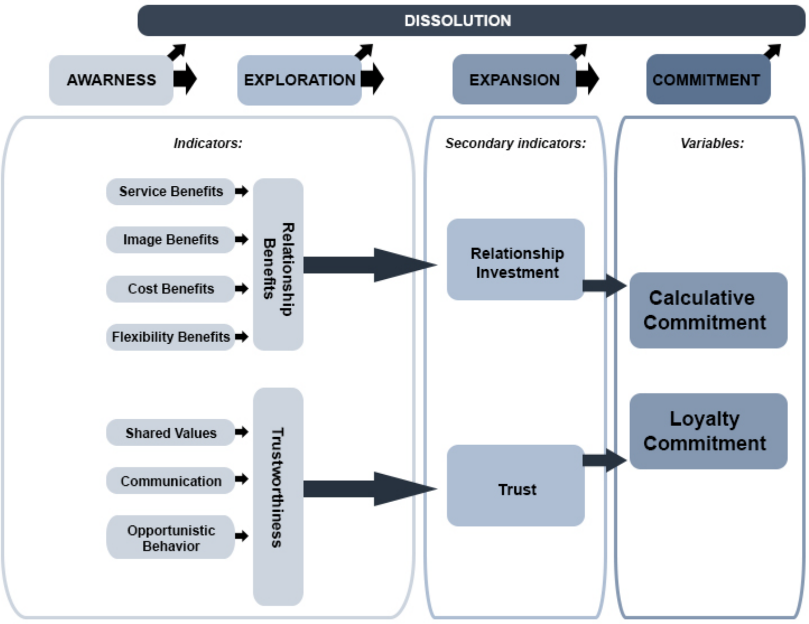


Figure 4. The theoretical model of this study. Own creation, based on expansion of Morgan & Hunt (1994), Gilliland & Bello (2002), Kelly & Scott (2011), Dwyer et al. (1987), and Ford et al. (2009).

Building on Morgan & Hunt (1994), a set of precursors is presented with the labels Relationship termination costs, Relationship benefits, Shared values, Communication, and Opportunistic behavior. As illustrated by Kelly & Scott (2011), the authors were not able to find evidence of correlation between relationship benefits and the variable relationship commitment. However there was an undiscovered correlation between relationship benefits and relationship termination costs. Based on this notion Kelly & Scott (2011) focused on the resource investment part of the Relationship termination costs concept, further stressing this precursor being brought one step forward into being a secondary precursor. Such an action is performed in the model of this study as well, leading to a three phased correlation were relationship benefits directly influence relationship investments, further directly influence the commitment level in the relationship. According to the first link, Relationship benefits => Relationship investments, is supported by both Morgan & Hunt (1994), and Kelly & Scott (2011). Whereas the first authors do this unintentionally, the latter authors do this by intention. The same holds for the second link, Relationship investments => Commitment, proved by all three conceptualizations. In this case Gilliland and Bello do so by defining the investments into investments by distributor, and investments by manufacturer. Thereby the first indicator labeled Relationship benefits, as well as the secondary indicator labeled Relationship Investments is recognized to be importance for the development of the model in this study. Further breaking down the indicator labeled Relationship benefits the model applies the four sub-indicators of relationship benefits presented by Kelly & Scott (2011).

The precursors left in the conceptualization by Morgan & Hunt (1994) are the precursors influencing trust. In the conceptualization by the authors, Trust is identified as a variable that directly influence the level of commitment. Referring to the conceptualizations by Gilliland & Bello (2002), and Kelly & Scott (2011), the level of trust is viewed in a slightly different way. Gilliland & Bello (2002) treat Trust as a precursor that directly influence commitment, while Kelly & Scott (2011) treat trust as a secondary precursor that influence the level of commitment. In the model of this study Trust is treated as a secondary indicator directly influencing the level of commitment. Such a correlation, Trust => Commitment, is proved by all three conceptualizations.

Further, Shared values, Communication, and Opportunistic behavior are treated as sub-indicators that directly influence the secondary indicator labeled Trust, through an additional indicator, labeled Trustworthiness. As illustrated by Morgan & Hunt (1994), the correlation that Shared values, Communication, and Opportunistic Behavior have with Trust is supported. This means that setting Trustworthiness as a middle-part does not effect the correlation that these factors have to each other. Instead such a structure is seen as a suitable way of collecting the overall perception of the new business partners' way of being trustable or not.

By this the model of this study applies all precursors from Morgan & Hunt (1994) and Kelly & Scott (2011), but only three out of five precursors presented by Gilliland & Bello (2002). The two remaining precursors, not applied in the model, concern relative dependence, and pledge of exclusivity. Such elimination is motivated by the difficulties of transforming such precursors of an existing relationship into indicators of a potential relationship. The level of relative dependence is seen as irrelevant in a scenario where a relationship still do not exist. The possible arrangements regarding exclusivity is perceived as not becoming realized in the first step of the relationship process. Instead such arrangements may arise when the partners find the routines for working together.

From the conceptualizations the concept of commitment has been presented in three separate ways. Morgan & Hunt (1994) use one single category named Relationship Commitment, Gilliland & Bello (2002) uses two categories labeled Calculative- and Loyalty Commitment, and Kelly & Scott (2011) distinguish between three categories called Instrumental-, Affective-, and Normative Commitment. This study applies the categorization by Gilliland & Bello (2002), which is a development of the concept that is based on the work of Morgan and Hunt (1994). This categorization is motivated by distinguishing between commitment that is based on a *desire* and a commitment that is based on *need*. In the model in Figure 4, the pathway implying a need start from the sub-indicators linked to Relationship Benefits and end up in the variable Calculative Commitment. The second pathway reflecting a desire starts from the sub-indicators linked to Trustworthiness and ends up in the variable Loyalty Commitment. When examining the categorization performed by Kelly & Scott (2011), the category, by Gilliland and Bello named as Loyalty Commitment, is divided into two. Undoing that division is seen as not affecting the concept.

3.2.2 Appling the Model to the manufacturer-distributor relationship

The developed model in Figure 4 illustrates the potential development of a business relationship. In this aspect the concept of being *potential* distinguishes the model from others. This implies that the model illustrates how a company, if being matched with a suitable business partner, may develop a successful relationship. In this sense the level of relationship success largely depend on to what level the business partners are right for each other. A level seen as possible to evaluate already before a business relationship is initiated.

Consequently the model is applied by mainly focusing on the first stages, called Awareness and Exploration, whereas the third and fourth stage merely serve as illustrations of how the relationship potentially may develop into success if the business partner is evaluated as a suitable match.

In the model the indicators, Relationship Benefits and Trustworthiness, are divided into the sub-indicators labeled Service benefits, Image benefits, Cost benefits, Flexibility benefits, Shared values, Communication, and Opportunistic behavior. To be able to evaluate a business partner according to these sub-indicators, there is a need to further concretize what each sub-indicator actually is a measure of in practice. Such a decomposition build on the study by Kelly & Scott (2011), as well as Morgan & Hunt (1994), involving an empirical gathering of data used to test their conceptualizations. In Table 2, are these decomposed factors labeled as *Measurements*.

Table 2. The Indicators and Sub-indicators decomposed into Measurements, and Interview guide.

Indicators	Sub-Indicators	Measurements	Interview guide
Relationship Benefits	*Service Benefits*	*Effectiveness of after-sales service*	-- --
		Customer service skills	-- --
		Marketing skills	-- --
	Image Benefits	*Effectiveness of promotions*	-- --
		Reputation in serviced markets	-- --
		Recognized brand name	-- --
	Cost Benefits	*Ability to reduce costs*	-- --
		Estimation of sales volume	-- --
	Flexibility Benefits	*Ability to customize services to meet customer needs*	-- --
		Responsiveness to competitors actions	-- --
		Introduction of new products/services	-- --
Trustworthiness	*Shared Values*	*Perceived optimal relationship structure*	-- --
	Communication	*Quality of communicated information*	-- --
	Opportunistic Behavior	*Approach to Opportunistic Behavior*	-- --

The collective evaluation of the measurements thereby constitutes the perception of the existence of the Sub-indicators, which further collectively provide an overall perception of the Indicators. By drawing the concept one step further, the evaluation of the measurements will be based on specific interview questions attached to each measurement. These interview questions are illustrated as the Interview guide in Table 2. This section is still left blank in the table, which illustrates that the selections of these interview questions will differ depending on what business industry the company is operating in.

In the following section the sub-indicators of the model are posted as hypotheses. By taking these into the empirical setting, as well as a further empirically assess the model; the intention is to improve the empirical applicability of the theoretically based version of the model of this study, presented in Figure 4.

3.3 Hypotheses

In the following section the theoretical model is extended to hypotheses. A hypothesis is a claim, or an assumption/guess with a strong relation between the dependent and independent variable (Denscombe, 2009). The independent and dependent variables are defined by the literature review and conceptualized framework according to Figure 4. While the empirical outcome largely stem from the response of the interviewees.

H:1 *Service Benefits have a direct positive influence on Relationship Benefits of a Business-to-Business relationship (Kelly & Scott, 2011, Fontenot & Wilson, 1997), which further leads to a successful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If a dealership company can provide a service benefit for a manufacturer, the relationship between them is more likely to be successful.

H:2 *Image Benefits have a direct positive influence on Relationship Benefits of a Business-to-Business relationship (Kelly & Scott, 2011; Ravald & Grönroos, 1996), which further leads to a successful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If a dealership company can provide an image benefit for a manufacturer, the relationship between them is more likely to be successful.

H:3 *Flexibility Benefits have a direct positive influence on Relationship Benefits of a Business-to-Business relationship (Kelly & Scott, 2011), which further leads to a successful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If a dealership company can provide a flexibility benefit for a manufacturer, the relationship between them is more likely to be successful.

H:4 *Cost Benefits have a direct positive influence on Relationship Benefits of a Business-to-Business relationship (Kelly & Scott, 2011; Cannon & Homburg, 2001), which further leads to a successful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If a dealership company can provide a cost benefit for a manufacturer, the relationship between them is more likely to be successful.

H:5 *Shared Values have a direct positive influence on Trustworthiness in a Business-to-Business relationship (Morgan & hunt, 1994), which further leads to a successful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If a dealership company shares values with a manufacturer, the relationship between them is more likely to be successful.

H:6 *Communication has a direct positive influence on Trustworthiness in a Business-to-Business relationship (Morgan & Hunt, 1994), which further leads to a successful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If the communication between a dealership company and a machinery manufacturer is well developed, the relationship between them is more likely to be successful.

H:7 *Opportunistic Behavior has a direct negative influence on Trustworthiness in a Business-to-Business relationship (Morgan & hunt, 1994), which further leads to an unsuccessful relationship (Morgan & Hunt, 1994; Gilliland & Bello, 2002; Kelly & Scott, 2011).* If a dealership company reveals an opportunistic behavior in the relationship with a machinery manufacturer, the relationship between them is more likely to be unsuccessful.

4 Method

The following chapter presents the method utilized to fulfill the aim of the study. Doing so sets the structure for the following gathering, presenting, and analyzing of data.

4.1 Choice of method

In this study empirical data is collected through personal interviews with 50 agricultural dealership companies located in eight states in the United States. This data will, by the choice of research method, be used to test the hypotheses as well as empirically assess the process of finding solutions to the research questions of the study.

There are two main approaches for conducting research. These two are called *quantitative* and *qualitative* methods. The main difference between them consists of the characteristic of the questions in the research, the researchers' role, as well as the underlying intention of the study (Robson, 2011). A quantitative research method generally has a base in quantifiable numerical measures and intends to draw generalized understandings at an aggregate level where common tendencies and correlations are investigated (Kvale, 1997). Hence, the findings from such a research is concerned with the characteristics of a group, rather than taking an interest at the individual level (Robson, 2011). Further, the researchers' standpoint in the quantitative method is a detached position; i.e. to secure that the researcher will not effect and influence the result of the material examined.

The qualitative method, on the other hand, intends to create an understanding on a more individual level, where individual experiences and characteristics described by the interview subject are of interest (Brinkmann & Kvale, 2009). The qualitative research method does not intend to generalize, but instead to create an understanding and description of qualitative aspects in the world of the interviewee. Further the core of the research is placed on words, not putting the main focus on numerical measures (Kvale, 1997). In contrast to the quantitative method, the researcher applying a qualitative method is to a large extent involved in the flexible process of the data collection (Robson, 2011). This implies that the researchers' ability to interpret information without bias is essential to secure the validity and reliability of the qualitative data (Kvale & Brinkmann, 2009).

In this study both research methods are applied in a setting where the qualitative research method provide the basis for the quantitative method. The quantitative method is then applied with an intension of providing an extended understanding of the phenomena. Such a link between the two research methods is identified by Robson (2011), emphasizing the complexity tied to the fact that a researcher, conducting a quantitative method, needs to incorporate his or her own judgment in the process of selecting data for the analysis. This means that the researcher decides which information should be considered as a valid measure of the variables of interest, as well as how this information should be statistically tested. Thereby the quantitative research relies on qualitative judgments, based on the researchers' interpretation of the reality. In this study a mixed method is applied. The qualitative method aims to describe the reality based on experiences and descriptions of the world of individuals. The quantitative method, based on the qualitative findings, is then applied with the intention to draw addition a generalizable conclusion.

4.2 Multi-strategy research design

There are multiple ways of combining the two research methods, when conducting a multi-strategy method (Robson, 2011). Thereby, Robson (2011) identifies three main ways of designing the multi-strategy method. These are either to treat the quantitative method as the primary, to treat the qualitative method as the primary, or to treat the two as equals. The first design, where the quantitative method is prioritized, is structured in a way that quantitative findings are expanded through applying a descriptive and explanatory qualitative method to interpret the generalized results of the study. The second design is a contrary to the first design, meaning that this design is structured in a way such that qualitative findings are expanded through secondary applying a quantitative method with an aim to draw generalized conclusions. The focus of such a research design is primarily to explore a phenomenon. The third research design is structured in a way where the two research methods is applied independently, in order to enable a two-folded base for analysis where the results is drawn by a comparison of the two.

According to Robson (2011), the main benefits of applying a multi-strategy research design is the ability to combine the strengths from both methods in order to deliver a more comprehensive and complete picture of the research topic. Further, such combinations are identified as highly valuable when seeking to draw an understanding of a real world phenomenon where the complexity is often high. This implies that an analysis applied in a multi-strategy design may be required to obtain a high level understanding. Such a motive is viewed as suitable for this study, where the phenomenon of interest lies in the complexity of obtaining an understanding of the evaluation of the potential for success in a Business-to-Business relationship. By studying this phenomenon, the first intention is to draw conclusions about the nature of indicators that enhance the potential for success in a Business-to-Business relationship. This first intention is conducted through understanding the quality of the reality explored and experienced on an individual level. Secondly, the study intents to provide a generalized understanding of whether quantifiable factors, not associated with an actual relationship may, affect the potential for success.

Thereby this study applies a research design that is structured by regarding the qualitative method as the primary aspect, while the quantitative method is a secondary aspect in order to expand the explored understanding. This multi-strategy research design is by Robson (2011) labeled as a *Sequential exploratory design*.

Mason (2006), while stating benefits of a multi-strategy research design, also stresses the complications tied to the concept. Such complications exist in the possibility of the design to generate unfocused and disjointed results. Further, Bryman (2004) identify that problems may occur if it is not possible to integrate and link the findings to the two research methods, as well as if the researcher reveals a lack of structure in the research design. Avoiding the complications of the mixed-strategy research design Mason (2006) states that the researcher *"need to have a clear sense of the logic and purpose of their approach and of what they are trying to achieve, because this ultimately must underpin their practical strategy not only for choosing and deploying a particular mix of methods, but crucially also for linking their data analytically"* (Mason, 2006, p. 3).

4.3 Choice of strategy for the collection of data

When having decided the overall research method of a study, the next phase involves the selection of the strategy for collecting data (Robson, 2011). In this phase the researcher chooses between four main strategies, which are *Survey, Interviewing, Observing,* or *Testing*.

The survey strategy is commonly conducted by sending out postal or electronic mail to a larger number of respondents (Robson, 2011). The questions in the survey are standardized with fixed response alternatives. The survey strategy means that the researcher and the subject do not interact with each other in a personal setting. The second strategy, being the Interview, has its base in the daily life conversion between individuals, but adapting a professional setting where knowledge is co-created in the interaction between the individuals (Kvale & Brinkmann, 2009). In the research interview the interviewing party in the conversation defines the conversation, as well as controls the situation. Depending on the desirable depths of the responses in the interview, three main interview categories are distinguished (Robson, 2011). The first category is the fully structured interview, where the questions are predetermined and asked in a fixed order, following a strict wording. The construction of the questions in a fully strict interview is close to the questions of a survey. However, it differs in the sense that the questions in the fully structured interview allow open responses from the interviewee. The second interview category is the semi-structured interview, where the interviewer applies an interview guide with questions and a ordering of questions asked. However the wording and ordering of the questions are not predetermined, meaning that the interviewer may alter the questions depending on the flow of the interview. Furthermore, the interviewer may add additional unplanned questions with the intent to follow-up on the answers provided by the interviewee. The third interview category, called the unstructured interview, consists of an interview where the structure is informal and the conversion concerns and develops within a specific area. The questions are not predetermined in the unstructured interview.

The third strategy is the observation strategy, and has its base in observing actions, behavior, and characteristics of the real world in order to interpret and obtain an understanding based on these observations (Robson, 2011). The observation strategy is commonly applied as a support and complement to a primary strategy of data collection. By comparing data obtained from another strategy with data from observations the researcher is able to validate or dismiss a result. The fourth and final strategy for collecting data is the testing strategy, where the researcher seeks to measure individual views, attitudes, propensities, and opinions (Robson, 2011). To perform such a measurement it is common that researchers apply a Likert scale testing, where the respondents are asked to valuate a statement from their own perception of the world in a scale ranging from 1 to 5. The 1 in such a construct may i.e. represent that the respondent strongly disagrees with the statement, while the 5 represents that the respondent strongly agrees. From the summarized result of the Likert scale testing the respondents may be ranked or categorized for further analysis.

A common practice, also applied in this study, is the use of multiple strategies for collecting data. By that, the researcher is able to collect both qualitative and quantitative data simultaneously (Robson, 2011). Such a procedure is of interest in this study, where the understandings obtained from qualitative data are to be extended with secondary findings provided by quantitative data. While doing so, the strategies semi-structured interviews, as well as testing are applied in this study. The semi-structured interview are motivated by their ability to provide a setting for collecting data where the interviewer is able to modify the questions asked as a response to the flow of the interview (Robson, 2011). This is a feature that a fully structured interview, as well as a standardized survey, would be unable to provide. Further an unstructured interview is perceived as not fulfilling the demand of obtaining comparable data.

The testing strategy is conducted through including Likert scales into the semi-structured interviews. The numerical findings from the Likert scales generate the generalized quantitative results of the study used to answer the third research question in the study.

4.4 The semi-structured interviews and testing strategy combined

The decision to mainly collect data via interviews raises possible complications associated to this strategy. Robson (2011) stresses that, although providing a good base for the gathering of rich and informative data, the interviews also create obstacles that need to be considered. Such an obstacle is the high extent of time that an interview consumes, meaning that choosing to perform interviews for collecting data forces the researcher to accept a lower amount of respondents. The interview strategy also demands a high level of preparations from the researcher, who in advance to the interviews has to make arrangements, scheduling visits, and plan the available time for the project. As a researcher, these obstacles have to be identified and dealt with, to by that achieve the desirable result of the data collection process.

Regarding the testing strategy for collecting data, obstacles concerning a Likert scale testing exist as the possibility of bias in the graded answers by the interviewee (Robson, 2011). Such bias may e.g. exist as a tendency of the respondent to agree with posted statements, implying that the reliability of the results is reduced. To prevent this bias, the statement that the respondent is asked to grade, may be initiated by an introducing discussion of the topic. In this study this obstacle is avoided by the way that the semi-structured interviews and the Likert scale testing is linked to each other in the interview guide. This implies that the semi-structured interview will be the foundation of the conversation. The Likert scale tests are incorporated as closing questions of the different topics covered in the interview. Thereby, the qualitative questions from the semi-structured strategy of interviewing constitute the introduction to the discussion of the topic. The respondents are then asked to grade the statements in a Likert scale testing.

4.4.1 Selection of respondents

When selecting the respondents for interviews, the researcher may either apply a randomized selection, or a selection based on specific characteristics (Denscombe, 2009). Further the number of respondents needs to be adjusted to match the research at hand. A too low number may result in an inability to draw reliable and valid conclusions, while a too large amount makes it harder to interpret the huge amount of data (Kvale, 1997).

This study applies a selection of the respondents by their specific characteristics of a dealership company. The first criterion refers to the dealership company’s existing operation, concerning agricultural machinery brands that the dealership company distributes. The dealership companies selected should not have contracts that require exclusivity with existing manufacturing brands. Secondly, a geographical criterion is introduced in the selection process. The dealership companies selected need to be located in areas in the United States where there is a high level of production of crops that are suitable for the machinery type labeled *planter*. The motive behind these two criteria is to secure that the dealership companies selected are able to establish a new Business-to-Business relationship with a new agricultural manufacturer. At the same time as their current market position and location is likely to provide them with demand for planters.

With the two main criteria in mind the respondents of this study where selected through a comprehensive Internet search based on manufacturer homepages, dealer locating homepages, as well as on homepages of farm industry associations. To geographically overview the respondents the dealership companies of interest where then plotted using the mapping service provided by Google. This service also made it possible to plan the trip regarding the scheduling and arrangements needed.

4.4.2 Interview quality

The data collected in the interviews builds the base for the analysis of the research question. Consequently the quality of the interviews is of high importance (Kvale & Brinkmann, 2009). The concept of establishing interview quality includes both parties in the interview setting. This means that not only the interviewer but also the respondent is involved in the delivery of quality. However, Kvale & Brinkmann (2009) emphasizes that ensuring quality from the respondent, strongly depends on the interviewers ability to interact with the respondents in the interview. The interviewer is therefore, the main research instrument in the collection of data by conduct qualitative semi-structured interviews. Being a well prepared interviewer demands that the interviewer has a good knowledge of the topic, is structured, is open to adapt the interview in response to the flow of the conversation, has the ability to steer the interview in a desired direction, as well as, have the ability to interpret data both during and after the interview is conducted.

Becoming a skilled interviewer can be achieved in several ways. In this, reading interview research, as well as, observing and analyzing actual interviews serves as some examples (Kvale & Brinkmann, 2009). However, the most prominent way of gaining such ability is to exploit experiences from own conducted interviews. To obtain such experience the researcher may conduct pilot interviews in advance to the actual interview.

In order to improve the interview quality in this study, pilot interviews were conducted with Swedish dealership companies prior to the actual interviews in the United States. Knowledge about the topic of planter machinery and related crops were obtained through education provided by the case company in the study. Furthermore, have additional knowledge about the US agricultural market, as well as the dealership structure been obtained through Internet searches.

4.4.3 Ethical aspects

Through the scientific data collection in the interview, the researcher attempts to gain the richest knowledge possible from the respondent. However, there are ethical aspects (Brinkmann & Kvale, 2005). This is a dilemma where the interviewer desires to gather the highest level of knowledge possible, while he or she at the same time must respect the personal integrity of the respondent. Ethical aspects concerning personal integrity, require that the interviewer needs to present clear questions to the respondent, who at the same time shall not be deceived, or prompted to answer questions that he/she does not want to answer (Robson, 2011). In addition the researcher, in an early phase of the interview, present the intension of the interview, as well as the respondents' role in the study (Robson, 2011).

Furthermore there are confidentiality and anonymity issues regarding the identity of the respondents' (Robson, 2011). Being able to promise the respondent anonymity a handling is often crucial in the qualitative interview research (Kvale & Brinkmann, 2009). Such a promise has to be incorporated in the research process and the researcher needs to consider the wording and formulations so that information about the respondents will not be revealed in the report. The confidentiality in a report also creates a conflict in respect to the principles of scientific research (Kvale, 1997). This is the case, when the confidentiality reduces the possibility to validate and repeat the research. However, the confidentiality at the same time enables the interview quality to increase. The increase in interview quality may appear as an effect of the respondent incentives to provide richer and more sincere answers due to the awareness of confidentiality.

4.4.4 Interview guide

Prior to the empirical interviews, the Literature Review is conducted, in order to build a theoretical framework for the study. The material for the Literature review and theoretical basis was gathered from databases available at SLU, such as PRIMO, Web of Science, Scopus, Jstor, Science Direct, LUKAS, LIBRIS, and Epsilon. Searching the databases keywords were used, these are: Business-to-Business, Relationship Marketing, Market Entry, Internationalization, Market establishment, Business Network, Relationship commitment, Relationship Trust, Relationship Benefits, B2B, and Service Marketing.

From the Literature Review the theoretical model of a business relationships' development into success, was created and presented in Figure 4. To concretize the model into a practical setting, concerning a manufacturers' business relationship with a dealership company, the model is broken down in Table 2. Thereby each of the indicators and sub-indicators of the model in Figure 4 is broken down to measurements. At this level the model is seen as applicable on a more general setting, where the industry of the manufacturer and the dealership company yet not is specified. To be able to test this model seven hypotheses are presented in chapter 3.3. These hypotheses aim to test the correlation between the sub-indicators and the concept of relationship success in a given industry. The next step is then to specify the industry of interest.

This study concerns the agricultural machinery industry in the United States. This implies that the questions of the interview guide are adapted to suit that setting. By doing so, 49 main questions are presented in the Interview guide in Appendix 1. As seen in the Interview guide the multi-strategy method is incorporated. Qualitative questions are followed by questions for conducting statistical tests using a Likert scale. Further questions concerning the hypotheses are incorporated in the blue fields after each section in the interview guide. These sections are divided by sorting the questions according to sub-indicators from the model in Figure 4.

Prior to the actual interview starts, an introduction of ourselves and the aim of the study is presented. Further is the outline of the interview procedure described, and the concept of confidentiality is dealt with. To further increase interview quality the respondent, is in the end of the interview, asked if he/she has any questions or something to add. Notes are taken during the interviews, and after each interview the data is interpreted and summarized. To improve the quality of the conversation some opening background questions about the dealership company are asked to the respondent at the start of the interview.

4.5 Analysis of the data collected

From the interviews data, and quantitative numerical data are collected. These two streams of data are subsequently analyzed using separate methods.

4.5.1 Qualitative data

To enable the possibility to analyze the comprehensive amount of qualitative data it is necessary that the researchers, prior to the collection of data, define the structure for the analysis of the empirical qualitative data (Kvale & Brinkman, 2009). In this process, Robson (2011) emphasizes the notion that generally there is no optimal way of how to approach this matter, but rather the attributes of the study define the rules. In this study the theoretical perspective has provided a set of indicators and sub-indicators, which serve as a basis for structuring the qualitative data. As an effect of having a large amount of qualitative data from 50 separate interviewees, the presentation of the empirical data will further be structured by providing summarized opinions, perceptions, and characteristics of the interviewees. To further extend the perspective, particular attention is brought to some specific interviewees, thereby providing a deeper understanding and an extended base for further analysis.

4.5.2 Quantitative data

The aim of the quantitative data collected is to enable an analysis of the existence of correlations, thereby gaining a generalized understanding. According to Sen & Srinivasan (1990), regression analysis can be used to measure the strength of how two or more variables are correlated and dependent on each other. This method may be utilized to obtain a generalized understanding and statistical test of the relationship according to the theoretical model. In such an analysis one variable is defined as the dependent while one or more variables are defined as the explanatory variables (Gujarati & Porter, 2009). The authors present the theorized function of a linear regression, as follows:

$$E(Y|\, X_i) = \beta_1 + \sum_{i=n} \beta_i X_i$$

In the equation β_1 stands for the intercept, while β_i estimate how the coefficient affect the dependent variable Y (Gujarati & Porter, 2009). In this study, where quantitative statistical test is viewed as a secondary method, the use of a linear regression analysis is practiced. More complex regression modeling techniques would have enabled a more comprehensive quantitative result, however taking focus from the main qualitative method in the study. The important ability of the linear regression analysis to provide a generalized perspective to the qualitative data is perceived as adequate.

The selected factors defined as explanatory variables (i.e. X_i's) in this study are *Market Area, Years in Business, Number of Employees, Locations,* and *Average Farm Size.* Market Area is measured as geographical radius of the market of the dealership store. Years in Business are measured as number of years, up to the year 2013, since the company was founded. Number of Employees is measured in the dealership store where the interview was conducted; possible additional stores are not included. Locations are measured as the total number of stores that the dealership company owns. Average Farm Size is measured by asking the interviewee to estimate the number of acres that a typical customer on average farm. These factors are selected because they are seen as easily quantifiable, as well as easily accessible in a interview setting.

As dependent variables are the graded values of *Relationship Benefits*, *Trustworthiness*, *Service Benefits*, *Image Benefits*, and *Flexibility Benefits* from Figure 4 used. The sub-indicators labeled *Shared Values*, and *Communication* are however not utilized. This as an effect of the graded scales between 1-5 tied to these sub-indicators is perceived as too small to support a statistical finding, The other sub-indicators includes a graded scale between 1-15. The indicator Relationship Benefits constitutes of a graded scale between 1-55, and the indicator Trustworthiness includes a graded scale between 1-15. This difference in scales is motivated by the fact that the sub-indicators linked to Trustworthiness includes one measurement, while the sub-indicators linked to Relationship Benefits includes three measurements each.

The regression analysis may be conducted using statistic tools such as Microsoft Excel, SPSS, or Minitab (Gujarati & Porter, 2009). In this study Minitab is used. The degree of explanation and statistical validity of the regressions are determined by evaluating the R^2-value and the P-values for specific β_i's. The R^2-value is illustrated as a percentage value between 0-100 that is a measure of the fit of the data to the estimated regression function (Gujarati & Porter, 2009). The higher the percentage is the better is the fit. The P-value is defined as the appropriateness to reject the null hypothesis, H_0: $\beta_i = 0$, meaning that the result is treated as statistically insignificant. On the other hand, H_1: $\beta_i \neq 0$ means that the result is treated as statistically significant. The P-value takes a value between 0-1, whereas closeness to 0 indicates a high level of significance.

4.6 Delimitations

As an effect of the magnitude of the study, limitations have been incorporated. Firstly, the viewpoint of the theoretical base in this study is limited to mainly focus on theory regarding Relationship Marketing in a Business-to-Business setting. Thereby, theoretical perspectives concerning the relationship a company or organization have to its customers is excluded in this study.

Secondly, the geographical area for the collection of empirical data is limited to eight states in the United States. Such a limitation is motivated by both restrictions in time, as well as the fact that empirical data is sought to be obtained from the region in the United States where the production of corn and soybean is the most intense. The restriction in time, where the data was collected in a total period of four weeks, further leads to the third limitation regarding an inability to extend the number of interviews.

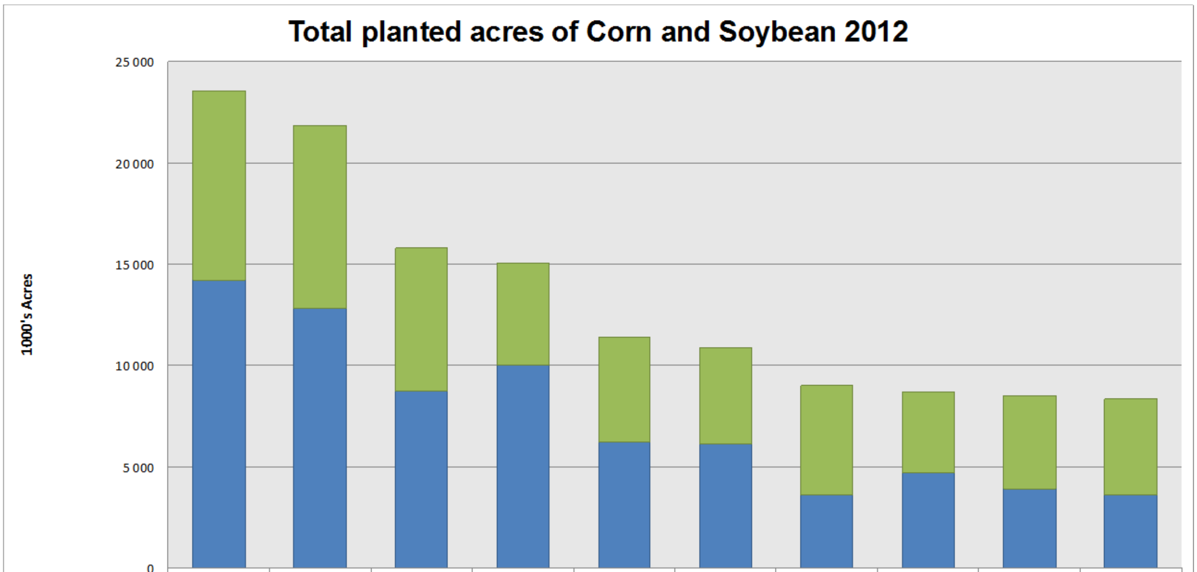
5 Empirical Background

The following chapter provides a background to the empirical setting in which the data have been collected in. Further an identified complication regarding the collection of data in the empirical setting is lifted.

5.1 The US Agricultural market

In the United States there is 357 023 500 acres of arable land (www, USDA, 1, 2013), and the three most planted crops are corn, soybean, and wheat (www, USDA, 2, 2013). Measured in acres planted of these crops in 2012, 97 155 000 acres were planted with corn, 77 198 000 acres planted with soybean, and 55 736 000 acres with wheat. Consequently, the crops corn and soybean, that are suitable for the planter Tempo, constitute 48.8 percent of the total planted arable land in the US in 2012. Regarding the production intensity of these crops a few states in the US stand out as high producers. The production of the two crops in these main states is illustrated in Figure 5.

In Figure 5 both the individual acres of corn and soybean, as well as the total acres that these two crops represent together in each state are presented. Illustrating the production intensity of the two crops further are the planted acres divided on county level presented in Appendix 2. The production level statistics as well as the production intensity level in the states serve on a the basis for selecting the geographical area in this study. Based on this are Iowa, Illinois,



	Iowa	Illinois	Minnesota	Nebraska	Indiana	South Dakota	Missouri	Kansas	Ohio	North Dakota
SOYBEAN PLANTED	9350	9050	7050	5050	5150	4750	5400	4000	4600	4750
CORN PLANTED	14200	12800	8750	10000	6250	6150	3600	4700	3900	3600

Figure 5. Total planted acres of corn and soybean in the ten most intensively producing states. Own creation.

Minnesota, Nebraska, Indiana, South Dakota, and Missouri are selected. These states have both among the highest total production as well as intensity. According to the map presented in Appendix 2, North Dakota is not one of the largest producers in terms of total acres planted in the state. However, the production intensity in some counties in the southeastern part of the state is very high. Such high intensity lifts the interest for North Dakota; hence, the state is included in the study. In total the study thereby include eight states.

5.2 Identified complication in the Interview Guide

Already in the early stage of the interview processes a problem was identified regarding two of the sub-indicators. These sub-indicators are Cost Benefits, and Opportunistic Behavior. The problem that was acknowledged concerned the possibility to acquire *good* reliable answers to the questions linked to these sub-indicators. Regarding Cost Benefits the complication was based on the fact that the dealership companies were not willing to disclose information about the cost structures with their existing manufacturers. Further a majority of the interviewed companies did point out that each cost structure depends on specific variables linked to each specific business relationship, meaning that it is not possible to provide a forecast of how such a structure would be configured in terms of a new potential Business-to-Business relationship. The only measureable variable identified as a Cost Benefit, from the initial phase, is the administrative cost reduction for the manufacturer if the dealership company has multiple locations. To base a graded value on that measurement alone, is perceived not to provide a reliable value of the sub-indicator. Therefore, given incomplete information concerning the two parties characteristics, it is not possible to derive cost-related benefits that a certain dealership company would provide to a manufacturer.

Regarding the sub-indicator Opportunistic Behavior, the information obtained from the interviews was found to be arranged in a manner where the interviewee either answered *Yes*, or *No*, regarding the importance-, and the presence of an egoistic behavior in the existing relationships that they have to manufacturers. This mean that the information obtained does not create sufficient understanding of whether the specific dealership company behaves in an opportunistic way or not, but rather about how they perceive the matter. Therefore these two sub-indicators will be excluded in the subsequent presentation of the collected data about the indicators and sub-indicators, and instead be presented in Section 6.5.

6 Empirical Material

The following chapter presents the empirical findings from the interviews conducted in the study. The model according to Figure 4 provides the underlying structure. Data is divided into the indicators, and sub-indicators of the model. Further the respondents' perceptions regarding the hypothesized statements, as well as a statistical tests are presented. In the following chapters, the empirical material will be analyzed in relation to the theoretical findings in the Literature Review and Conceptualized Theoretical Framework.

6.1 The interviewed companies

In the study a total of 50 dealership companies were interviewed in the US. These companies are spread over the 8 states selected, and vary in number of locations, company size, geographical market coverage, years in business, number of employees, etc. In addition, the numerical measures resulting from the interviews have provided a rich set of data. This dataset is presented in its totality in Appendix 3.

Figure 6 and 7 summarize the data attributable to the two indicators Relationship Benefits and Trustworthiness.

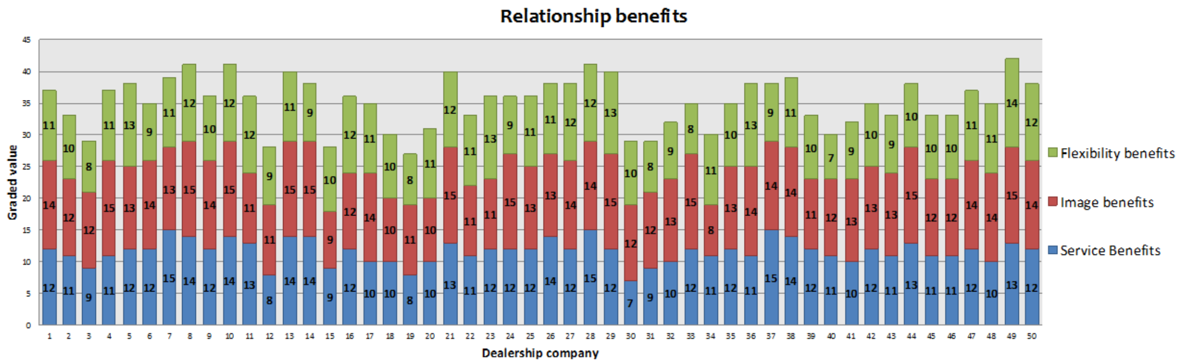


Figure 6. The numerical findings of the interviews, regarding Relationship Benefits. Own creation.

In Figure 6, the numerical findings concerning Relationship Benefits is presented. These values constitute the interviewed companies perceptions of their own ability regarding the three sub-indicators Service Benefits, Image Benefits, and Flexibility Benefits. These three sub-indicators collectively provide a value of the indicator Relationship Benefits for each firm. The maximum value of each sub-indicator is 15, which means that the maximum level of the indicator is 45. The motives behind this lies in the fact that each of the above sub-indicators all rely on three Likert Scale graded questions 1-5, which are illustrated in the Interview Guide in Appendix 1.

As observed in Figure 6, *Company 49*, has reached the highest value of 42, while *Company 19* received the lowest of 27. The average value of the Relationship Benefits of all 50 companies is 35.14.

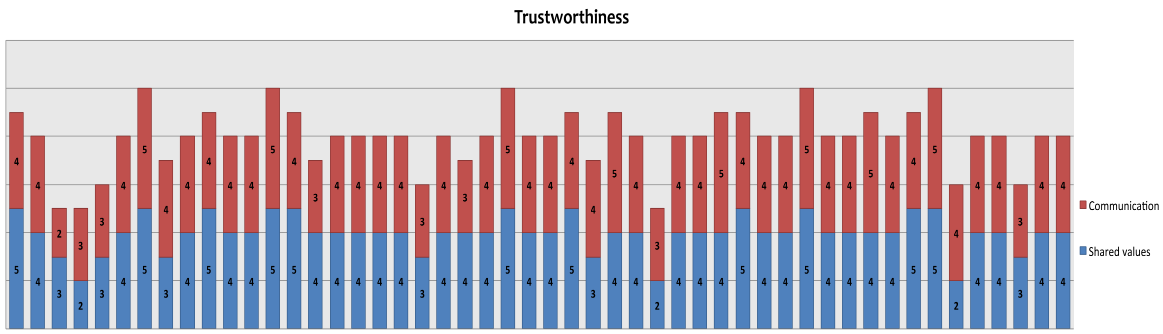


Figure 7. The numerical findings of the interviews, regarding Trustworthiness. Own creation.

In Figure 7, the results regarding Trustworthiness are presented. These values consist of the interviewed companies own perceptions of the sub-indicators labeled Shared Values, and Communication. Collectively these sub-indicators create the indicator labeled Trustworthiness. Each of the two sub-indicators is based on only one Likert Scale graded question 1-5, implying that the maximum value of each sub-indicator is 5, while the maximum value of the indicator Trustworthiness is 10. *Company 7*, *Company 13*, *Company 24*, *Company 38*, and *Company 44* of the 50 companies reached the maximum value. *Company 3*, *Company 4*, and *Company 31*, on the other hand got the lowest values of 5. The average of all 50 companies is 7.96. In Table 3, the standard deviation of the graded values linked to the sub-indicators is illustrated. The sub-indicators linked to Relationship Benefits, generally deviate more than the sub-indicators linked to Trustworthiness.

Table 3. The standard deviation of the graded values of sub-indicators. Own creation.

Indicator	Sub-indicator	Standard Deviation
Relationship Benefits	Service Benefits	1.84
	Image Benefits	1.73
	Flexibility Benefits	1.54
Trustworthiness	Shared Values	0.77
	Communication	0.62

These three figures provide a general overview of the 50 companies, in terms of the two main indicators Relationship Benefits, and Trustworthiness. However, the next sections will decompose these results into each of the 5 sub-indicators, and present a summarized understanding of what builds the observed values.

6.2 Relationship Benefits

The sub-indicators behind the indicator labeled Relationship Benefits are Service Benefits, Image Benefits, Flexibility Benefits, and Cost Benefits. The answers from the interviewees regarding these sub-indicators aim to reflect the dealership companies capacity and ability to perform in the market. As mentioned in Section 6.1 above, the sub-indicator Cost Benefits is excluded and consequently not presented in this section.

6.2.1 Service Benefits

To develop the value for a dealership company´s ability to provide a Service Benefit for an agricultural manufacturer, the measurements called *Effectiveness of after-sales service and support*, *Customer service skills*, and *Marketing Skills* are utilized.

6.2.1.1 Effectiveness of after-sales service

The first measurement behind Service Benefits concerns the after-sales part of the agricultural dealership company. The numerical findings of the 50 companies in the measurements vary around an average value of 3.74 on a 1-5 level Likert Scale. Nine companies is graded as a 5, Twenty-three companies are graded as a 4, fifteen companies are graded as a 3, two companies is graded as a 2, and one single company is graded as a 1.

Distinguishing the ten top-graded companies from the others is their superior ability to serve its customers when needed, as well as modern facilities that are well suited for the service operations. Further the employees have specialized knowledge, and the company is able to guarantee customer support and service whenever this is demanded.

The average company with a graded value between 3 and 4 differs by having a medium-sized service facility. They do have limited possibilities to provide the customers full service and support at all times. Still the operations of these companies are of a high volume, and these companies perceive that they are able to meet the service demands. A low-graded company does not have the possibility to serve the customers at all, as an effect of not having a service facility.

6.2.1.2 Customer service skills

The second measurement of the Service Benefits concerns the dealership companies' sales organization. The average of the 50 companies is 3.9, where eleven companies are graded as a 5, twenty-four companies as a 4, 14 companies as a 3, one company as a 2, and no company is graded as a 1.

The eleven top-graded companies are very active as well as proactive in their local market regarding sales. Further they systematically follow-up customer satisfaction to ensure the ability to meet customer needs in the long run. They do not have any time restrictions due to being too few sales employees. The average company, with a grade close to 4, differs from the top-graded companies by not having a high focus on working in a pro-active manner. In addition, they do not systematically follow-up customer satisfaction after a sale. Still the sales volumes of these companies are high and the organizations are well structured.

Lastly, the low-graded companies find themselves in that category as an effect of not being able to serve the customers with sales, mainly as an effect of being restricted in time available.

6.2.1.3 Marketing Skills

The third and final measurement behind the Service Benefits regards the dealership companies' ability to market the company toward the customers. Regarding this measurement fifteen dealership companies are graded as a 5, twenty-two as a 4, eleven as a 3, two as a 2, and no company as a 1. The average of the 50 companies is a value of 4.

Factors common to the fifteen companies graded as a 5 are a high dedication to marketing, which is reflected in comprehensive marketing activities and marketing budget. They have a specialized marketing employees solely devoted to working with the advertising of the company. In some cases an external partner that is hired to conduct marketing activities for the company replaces the marketing employees. The marketing employee and marketing partner constitute the main difference between the top-graded companies and the average companies with a grade close to 4. These companies conduct marketing as a secondary sidetask generally through a salesman or the owner of the company. Still these companies value marketing activities highly and are active in the market. In the lower end of the values, companies graded 2 or less, conduct marketing activities sporadically when time is available.

6.2.2 Image Benefits

To provide an understanding of a dealership company´s ability to provide an Image Benefit to an agricultural manufacturer the sub-indicators *Effectiveness of promotions*, *Reputation in serviced markets*, and *Recognized brand name* are applied.

6.2.2.1 Effectiveness of promotions

The first measurement of the dealership companies' ability to provide an Image Benefit, mainly reflects with the companies capacity to reach out to their market. Out of the 50 companies twenty-eight are graded as a 5, seventeen as a 4, four as a 3, one as a 2, and no company as a 1. The average graded value is 4.44.

The dealership companies with a grade of 5 distinguish themselves by having financial strength, providing fewer restrictions in terms of the choice of marketing channels. Furthermore, these companies perceive the attempts to reach out to the market as effective and well-functioning. The companies graded with a value around 4, are able to reach out effectively. However, they typically experience some restrictions regarding the choice of marketing channels.

The low graded companies perceive that they, due to time and financial restrictions, are not able to fully reach out to the market.

6.2.2.2 Reputation in serviced markets

The second measurement of the sub-indicator Image Benefits treats the nature of dealership companies' reputation in the market. The average graded value of the 50 dealership companies is 4.4, while twenty-six are graded as a 5, eighteen is graded as a 4, six is graded as a 3, and no company hold a graded value of 2 or 1.

The top-graded companies stand out in this matter by a perceived level of very good reputation that involves the services and support, as well as the sales side of the dealership company. The companies differ in this sense by holding a reputation that is mainly focused to one of these two sides of the company. Generally service is the main strength that contributes to the company's reputation.

The companies that are graded with a value of 3 perceive that the reputation of the company is not very high and is being improved. This is commonly an effect of a recent structural change in the organization, thereby making the routines in the operation temporary unstable.

6.2.2.3 Recognized brand name

The third measurement behind the sub-indicator Image Benefits concerns to what extent the dealership companies are well-known in the market. In contrast to the reputation that reflects *how* and *by what* the company is known for, the brand name treats *the extent* to which the company is known in the market.

The 50 companies received an average grade of 4.14, with nineteen companies graded as a 5, twenty as a 4, ten as a 3, one as a 2, and no company graded as a 1. The highest graded dealership companies are well-known in the market that they serve, which is commonly an effect of the company having been present in the market for a long period of time. Furthermore, these companies, due to a high level of recognition of their brand name, experience an expansion of the customer base from word of mouth, as well as from the fact that new customers know what they can expect from doing business with the company. The average graded dealership companies, with a grade value close to 4, are well-known by a majority in the market, but still lack in the latter aspect. Hence, they still have not been able to penetrate the market to the fullest extent.

The low graded dealership companies perceive that they still are not known in the market, and experience a difficulty in becoming an accepted actor in the region. This is often an effect of the dealership company being very recently founded.

6.2.3 Flexibility Benefits

Behind the sub-indicator that represent the dealership companies ability to provide Flexibility Benefits to the agricultural manufacturer are measurements such as *Ability to customize services to meet customer needs*, *Introduction of new products/services*, and *Responsiveness to competitors actions*.

6.2.3.1 Ability to customize services to meet customer needs

The first measurement behind the sub-indicator reveals the dealership companies' ability to answer to customer demands and needs by being flexible in providing customized services. Of the 50 dealership companies six companies hold a grade of 5, thirty a grade of 4, fourteen a graded value of 3. No company holds a graded value of 2 or 1. The average graded value is 3.84.

The six dealership companies that hold the top-grade generally put a high focus on the fulfillment of customer needs, which is reflected in a very flexible organization that is both able to conduct service and sales at the dealership store as well as in the field close to the customer. In addition, the companies offer customers to fully customize products prior to delivery. The average graded companies, with a grade value of close to 4, differ by not being as flexible and able to change the routines regarding sales and service. They do only offer some customization of products prior to delivery.

The low graded companies are even less flexible in their sales and service routines. This is mainly an effect of time restrictions due to being understaffed.

6.2.3.2 Introduction of new products/services

The second measurement that affects the sub-indicator Flexibility Benefits examines the dealership companies' ability and willingness to expand their product portfolio with new products. This concerns both the introduction of new products from existing manufacturers as well as introduction of products of new manufacturers. The average of the 50 dealership companies is a grade of 3.38. Three dealership companies hold a 5, nineteen hold a 4, twenty-two hold a 3, six hold a 2, and no company holds a 1.

The three dealership companies with a grade of 5 distinguishes themselves by extensive experience from introducing new products both from existing manufacturers as well as from new manufacturers. In addition, these companies actively strive to introduce new products, even if some of them already have an extensive product portfolio. The average dealership company with grade around 3 has a reduced capability and lower willingness to introduce new products. Typically these companies do not strive to widen their portfolio but instead focus on a fewer range of products.

The dealership companies with the lowest are mainly companies with multiple locations, but the decisions generally are made on a central level. This is, by the local dealership stores, perceived to make the introduction process a bit slower and complex.

6.2.3.3 Responsiveness to competitors actions

The third measurement behind the Flexibility Benefits examine the way the dealership company monitors and reacts to actions by their competitors. The average value of the 50 companies is 3.3. Five dealership companies are graded as a 5, nineteen as a 4, thirteen as a 3, twelve as a 2, and one company as a 1.

What characterizes the five top-graded companies is their ability of monitoring and responding to competitor actions in a systematic manner. This involves a constant follow-up and monitoring where the dealership company is well-aware of the competitors capabilities, offers, marketing activities, product-lines, etc. The average dealership companies have less focus on the actions of the competitors, and only monitor and respond at an occasional level.

The one company with the lowest grade never monitors and never responds to competitor actions. The owner of the company perceives that competitors should benefit from each other, instead of competing for the same customers.

6.2.4 The top-graded Relationship Benefit dealership company

The top-graded dealership company, regarding total graded value of the indicator Relationship Benefits is *Company 49*. To provide an extended overview is this dealership company summarized in Table 4.

Table 4 "Company 49" Summarized. Own creation.

Company 49					
	SERVICE BENEFITS		*IMAGE BENEFITS*		*FLEXIBILITY BENEFITS*
GRADE	MEASUREMENT	GRADE	MEASUREMENT	GRADE	MEASUREMENT
5	**Effectiveness of after-sales service**	5	**Effectiveness of promotions**	4	**Ability to customize service to meet customer needs**
	18 employees working with service and parts support		Financial strength to use all marketing channels		Conduct a lot of service on-farm with the fleet of trucks
	2 semi-trucks to bring in/deliver machinery		Very good respons of the promotions		The salesmen are out on-farm meeting customers often
	9 service trucks for general service on farm	5	**Reputation in serviced markets**		Offer full customization of machinery prior to delivery
	1 service-truck with a crane and aircompressor		Known for taking care of their customer		Would like to be even more on-farm if possible
	1 specialized employee working with GPS-systems		Known for the extended opening hours	5	**Introduction of new products/services**
	Extended opening hours in high season		Very good reputation attached to sales and service		Have introduced a lot of new products and brands
	Service and parts support avaliable 24/7	5	**Recognized brand name**		Like to be the first-mover of new products in the market
	Frequent training of the employees		Long presence in the market, since 1936		Actively seek new good products to sell
	Big and modern workshop and spare-parts facility		Long established relationships to farmers in the market	5	**Responsiveness to competitors actions**
3	**Customer service skills**		A lot of traded in machinery from competing dealers		High competition in the market area
	3 employees working with sales		Expands their market constantly		Systematically monitors the competitors
	No systematical follow-up				Actively respond to competitors actions in the market
	Experience timely restrictions from being to few				Holds a stable market position
5	**Marketing skills**				
	Comprehensive marketing budget				
	TV, Radio, Newspaper, Internet, Billboards, Direct Mail				TOTAL GRADED VALUE
	Demonstrations of machinery				42
	Market the machinery and the service and parts support				
	Outsource the marketing to a marketing agency				

6.3 Trustworthiness

The second indicator labeled Trustworthiness includes the sub-indicators Shared Values, Communication, and Opportunistic Behavior. The answers from the interviewees regarding these sub-indicators are based on the dealership companies existing collaboration with agricultural manufacturers, as well as how they perceive that an optimal Business-to-Business relationship is structured. Since the latter sub-indicator, Opportunistic Behavior, is excluded this sub-indicator is not analyzed in this section, but instead in the following section.

6.3.1 Shared Values

The first sub-indicator reflecting the indicator Trustworthiness concerns the relational values and nature of the dealership companies' way of being a business partner. Of the 50 dealership companies eleven receive a grade of 5. Thirty companies hold a 4, six companies hold a 3, three companies hold 2, and no company holds a 1. The average grade is 3.98.

The top-graded companies distinguish themselves by being very pleased with their existing relationships to manufacturers. In addition, these companies are generally larger operators with relatively high sales volumes. They perceive themselves to be able to put demands on the manufacturer as well. The average dealerships are also pleased, and accept the existing nature of the relationships. However, they perceive that some improvements may be achieved through the common collaboration.

Nine companies with a grade of 2 or 3 are less pleased with their existing relationship and regard the structure of the relationships as a burden that restricts them, rather then supporting improvements. The main values that these dealership companies feel is lacking, is that both companies are not benefiting as much from the relationship. The explanation is effect of that the manufacturer is trying to steer the dealership companies operations in a direction that mostly favors the manufacturer, rather than the dealership company.

The information that underlies these values is based on the dealership companies' relationships with their existing manufacturers. To further expand on this perspective it is of interest to examine dealership companies' perceptions of an optimal structure of a relationship, illustrated in Figure 8.

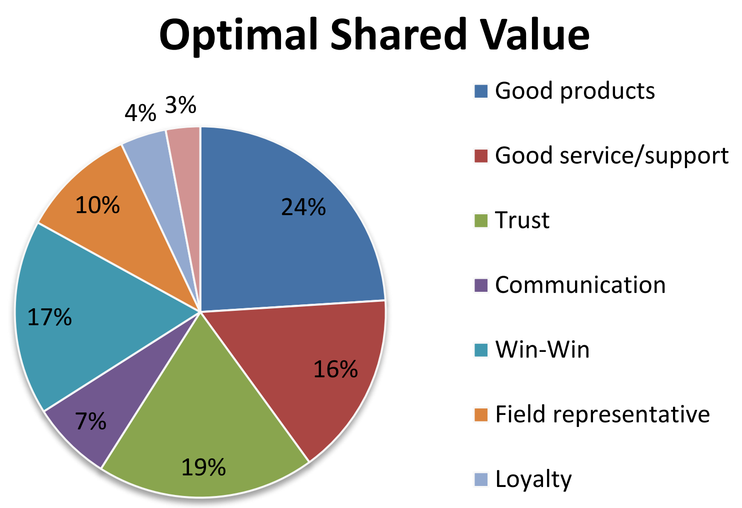


Figure 8. The 50 dealership companies two most valued structure of an optimal relationship. Own creation.

Figure 8 is obtained summarizing the 50 dealership companies perceptions of what a good long-lasting relationship is built upon. As illustrated in Figure the quality of the product, a trust in the manufacturer, as well as a structure where both parties benefit from the collaboration are valued the highest.

6.3.2 Communication

The second sub-indicator affecting the indicator Trustworthiness measure to which extent that communication is conducted in the Business-to-Business relationship between the dealership companies and agricultural manufacturers. The average grade for the 50 companies is 3.98. Eight companies hold a 5, thirty-four companies hold a 4, seven companies hold a 3, one company hold a 2, and no company holds a 1.

The answers behind theses values solely rely on the dealership companies' current relationships to manufacturers. The main difference is the frequency of personal contact, as well as the perceived possibility for the dealership company to establish a contact with the manufacturer when needed. The top-graded companies have frequent personal contacts with the manufacturer, through representatives that visit the dealerships on a monthly basis. Further, the dealership companies perceive that they are always able to contact the manufacturer when in need. When asked about the communication with the manufacturer, the top-graded dealership companies generally point out that the nature of the relationship is very good. In some cases they are personally acquainted with management at the manufacturer.

The average dealership companies generally have frequent personal contacts with the manufacturers, and they perceive that they are always able to establish an additional contact when in need. However these companies, generally differ from the top-graded companies by pointing out that the communication is not still as good as it could have been between the two business partners.

The low graded companies stand out by the fact that their personal communication with the manufacturer is not as frequent. In addition, they are experiencing difficulties to reach the manufacturer from time to time.

6.4 The sub-indicators influence on relationship success

During the interview process the dealership companies were, in addition to the qualitative questions presented above, requested to share their perceptions of whether the sub-indicators are *influencing* or *not influencing* the level of relationship success. The result of this is illustrated in Table 5. All sub-indicators, except for Opportunistic Behavior, are found to have a positive influence. Opportunistic Behavior, on the other hand, is perceived to have a negative influence, meaning that a high level of this sub-indicator will decrease the relationship success.

Table 5. The distribution of the perceived influence of the sub-indicators on relationship success. Own creation.

SERVICE BENEFITS		IMAGE BENEFITS		FLEXIBILITY BENEFITS		COST BENEFITS	
Influencing	*Not Influencing*	*Influencing*	*Not Influencing*	*Influencing*	*Not Influencing*	*Influencing*	*Not Influencing*
50	0	49	1	41	9	50	0

SHARED VALUES		COMMUNICATION		OPPORTUNISTIC BEHAVIOR	
Influencing	*Not Influencing*	*Influencing*	*Not Influencing*	*Influencing*	*Not Influencing*
39	11	50	0	50	0

6.4.1 The influence from Service Benefits

As noted in Table 5, the dealership companies provide a unified response where all interviewees perceive that their own ability to provide a service benefit for the manufacturer influences the success of the relationship. Building the indicator is the after-market service, the sales-service, and the marketing by the dealership companies. Several dealership companies identify these three activities as the core explanation to why the two parties cooperate in the first place. This means that the manufacturer relies on the dealership company to sell the product, service and support the customer when in need, as well as, through marketing activities, make the market aware of the products. Furthermore, several dealership companies identify the after-sales service side of their company as the core competitive advantage to other dealership companies. Since multiple dealership companies sell the same machinery, the after-sales service is an example of an operation in which an individual company may excel.

6.4.2 The influence from Image Benefits

According to 49 of the 50 interviewed dealership companies, Image Benefits have an influence on the level of relationship success. These dealership companies view the brand name, and customer perception of the company as the main motive behind the fact that the company has loyal customers. Furthermore, this aspect is pointed out as a result of the connection to the manufacturer, who through a positive brand name is represented in the market.

However, 1 dealership company perceives that Image Benefits does not influence relationship success. This company is *Company 34*, who is a recent founded company that currently is working on building their image and brand name. The dealership company thereby identifies a difference between Image Benefits in the long run, and Image Benefits in the short run. The interviewee acknowledges that the own company currently is not able to provide an Image Benefit for an agricultural manufacturer. However, this does not imply that the company will not be able to do so in the long run, when the company is well positioned in the market. In the long run the interviewee emphasizes that the image and brand name of the dealership company plays a substantial role for the relationship success, although not in the short run.

6.4.3 The influence from Flexibility Benefits

41 of the interviewed dealership companies recognize that the dealership company’s ability to provide a benefit to the manufacturer by being flexible in the operations and routines influences the relationship success. The interviewees emphasize the importance of a constant focus on customer demands as well as changes in the market. The link to the manufacturer is identified as to what extent that such an approach enables rapid changes, a possibility to fulfill multiple customer demands, as well as an active responsiveness to competitors in the market.

9 companies however do not agree in term of the influence of Flexibility Benefits upon relationship success. The motive behind this are commonly a situation where the dealership companies, instead of constantly expanding the market, hold an established customer-base that usually return to do business with the dealership company. Such a customer-base is built on strong long lasting relationships where loyalty is a huge factor. By gaining the loyalty, where the customers are constantly returning, the dealership companies perceive that the need to be flexible is not as important as it would have been if they where dealing with new

customer relations. An additional motive behind disregarding the influence is the importance of focusing on the own company, instead of closely following the market and competitors. Some of these companies currently hold a position as a leader in their local market.

6.4.4 The influence from Cost Benefits

All of the 50 interviewees find that the dealership companies' ability to provide a Cost Benefit for the manufacturer has an influence of relationship success. The companies generally perceive that cost is in high focus, where market-share and sales volumes are important factors. Furthermore, benefits are identified from the specific cost structure that the dealership company and the manufacturer have arranged in their contract. However, when elaborating on the thought of the appearance of Cost Benefits in a new possible business relationship, the dealership companies point out that each relationship is unique. Structures and collaborative arrangements need to be formed in a process where the terms of the collaboration are mutually decided. This means that the dealership companies were not willing to disclose more extensive information about the cost structures of their existing relationships, when not knowing the potential partner.

6.4.5 The influence from Shared Values

From Table 5 it is apparent that 39 of the 50 interviewed dealership companies perceive that having Shared Values with the manufacturer influences relationship success, while 11 companies argues for the opposite. The motives identified by dealership companies who perceive the influence, stems from the fact that the two parties need to have a common ground to build their relationship on. However, several dealership companies reveal a main insight by questioning how big that *common ground* really needs to be. Even though they are convinced of the influence that the shared values may play, these companies point out that even some common ground may be enough to maintain the relationship.

This notion is much related to the main motive behind the perception of the dealership companies that do not perceive an influence of Shared Values upon relationship success. These companies stress the fact that they do not share *all* of the values that the manufacturer conduct business after, but still they state that their is enough common ground to continue the collaboration. In general, these companies are less pleased with their existing relationship with their manufacturers, compared to the group that acknowledges the influence between this sub-indicator and relationship success.

6.4.6 The influence from Communication

The perception regarding the influence of Communication upon relationship success is unanimous from the 50 dealership companies. To communicate e.g. plans, goals, market information, and structural changes is viewed as essential by all interviewees. Furthermore, it is of importance with a frequent contact, and availability to reach each other when in need.

6.4.7 The influence from Opportunistic Behavior

Regarding Opportunistic Behavior all interviewed dealership companies identify a negative influence on this type of behavior upon relationship success. However, nine of the companies point out that they are currently exposed to such behavior from their existing manufacturer. These nine companies represent the nine lowest grade dealership companies with respect to the sub-indicator Shared Values, presented in section 6.4.1. The main motive identified by both these nine, as well as by the other companies, is the unbalance that arises if one of the parties put themselves in a position of great advantage relative to the other party. The companies further point out that such a behavior relies on an unbalanced distribution of dependency and power in the business relationship. The part holding the upper hand in terms of power is able to act opportunistically. In a new potential business relationship the power distribution is not yet fully identified, implying that the relationship needs to develop before such a behavior may be recognizable. However, the interviewees emphasize that this distribution may change during the development of the business relationship.

6.5 Statistical testing

To widen the perspective, this section includes statistical tests between the level of the graded values, and selected factors not reflected by the indicators and sub-indicators. This procedure enables elaboration and testing of the possibility that a certain level of a graded value may be explained by specific firm factors. Performing such testes aims to provide a generalized understanding of whether quantified factors, not associated with an actual relationship may correlate with the potential for success. An extended overview of the variables, including mean-values, max-values, min-values, and standard deviations, is provided in Appendix 3.

Table 6. Regression analysis - Relationship Benefits, and selected factors. Own creation.

The regression equation is:
Relationship Benefits = 30,1 + 0,000320 Average Farm Size + 0,065 Locations + 0,240 Employees - 0,0084 Years in business - 0,0048 Market area

Predictor	Coef	SE Coef	T	P	R^2
Constant	30,118	1,78	16,82	0,000	41,83%
Market Area	-0,004750	0,01395	-0,34	0,735	2,89%
Years in Business	-0,008440	0,01962	-0,43	0,669	0,96%
Number of Employees	0,240410	0,05441	4,42	0,000***	40,20%
Locations	0,064900	0,13160	0,49	0,624	9,41%
Average Farm Size	0,000320	0,00045	0,71	0,481	1,97%

As seen in Table 6, the only significant correlation is proved from *Number of Employees*. As the very low P-value illustrates, this correlation is highly significant. Further the R^2-value for this variable illustrates a measure for the spread of 40,2 %.

(*) Significant at 10% (**) Significant at 5% (***) Significant at 1%

Table 7. Regression analysis - Trustworthiness, and selected factors. Own creation.

The regression equation is:
Trustworthiness = 6,64 - 0,00039 Market area - 0,00282 Years in business + 0,0252 Employees + 0,0686 Locations + 0,000395 Average Farm Size

Predictor	Coef	SE Coef	T	P	R^2
Constant	6,6409	0,6421	10,34	0,025	24,66%
Market Area	-0,000390	0,005030	-0,08	0,939	0,03%
Years in Business	-0,002823	0,007078	-0,4	0,692	0,13%
Number of Employees	0,025180	0,196200	1,28	0,206	8,92%
Locations	0,068560	0,047450	1,45	0,156	10,40%
Average Farm Size	0,000395	0,000162	2,44	0,019**	13,11%

As seen in Table 7, the only significant correlation is proved from *Average Farm Size*. The P-value illustrates that this correlation is significant at a 5 % level. Further the R^2-value for this variable illustrates a measure for the spread of only 13,11 %.

(*) Significant at 10% (**) Significant at 5% (***) Significant at 1%

Table 8. Regression analysis - Service Benefits, and selected factors. Own creation.

The regression equation is:

Service Benefits = 9,48 - 0,00080 Market area - 0,0129 Years in business + 0,113 Employees + 0,0707 Locations + 0,000209 Average Farm Size

Predictor	Coef	SE Coef	T	P	R^2
Constant	9,481300	0,781700	12,13	0,000	48,78%
Market Area	-0,000796	0,006123	-0,13	0,897	3,93%
Years in Business	-0,012946	0,008617	-1,50	0,140	0,00%
Number of Employees	0,112570	0,023890	4,71	0,000***	42,91%
Locations	0,070670	0,057760	1,22	0,228	13,68%
Average Farm Size	0,000209	0,000198	1,05	0,297	3,22%

(*) Significant at 10% (**) Significant at 5% (***) Significant at 1%

As seen in Table 8, the only significant correlation is proved from *Number of Employees*. The P-value illustrates, that this correlation is very strong. Further the R^2-value for this variable illustrates a high measure for the spread of 42,91 %.

Table 9. Regression analysis - Image Benefits, and selected factors. Own creation.

The regression equation is:

Image Benefits = 10,2 + 0,00120 Market area + 0,0184 Years in business + 0,0830 Employees - 0,0458 Locations + 0,000028 Average Farm Size

Predictor	Coef	SE Coef	T	P	R^2
Constant	10,1829	0,8398	12,13	0,002	33,43%
Market Area	0,0011960	0,0065780	0,18	0,857	3,45%
Years in Business	0,0184200	0,0092560	1,99	0,052*	11,29%
Number of Employees	0,0830100	0,0256600	3,23	0,002***	26,86%
Locations	-0,0458100	0,0620500	-0,74	0,464	1,60%
Average Farm Size	0,0000282	0,0002124	0,13	0,895	0,20%

(*) Significant at 10% (**) Significant at 5% (***) Significant at 1%

As seen in Table 9 the variable *Number of Employees* is significant with a relatively low P-value and relatively favorable R^2-value. Further the variable *Years in Business* is proved to correlate, however with a weaker P-value and R^2-value.

Table 10. Regression analysis - Flexibility Benefits, and selected factors. Own creation.

The regression equation is:

Flexibility Benefits = 10,5 - 0,00515 Market area - 0,0139 Years in business + 0,0448 Employees + 0,0400 Locations + 0,000084 Average Farm Size

Predictor	Coef	SE Coef	T	P	R^2
Constant	10,4544	0,8553	12,22	0,282	12,86%
Market Area	-0,005150	0,00670	-0,77	0,446	0,01%
Years in Business	-0,013914	0,00943	-1,48	0,147	1,45%
Number of Employees	0,044830	0,02614	1,72	0,093*	6,36%
Locations	0,040030	0,06320	0,63	0,530	3,95%
Average Farm Size	0,000084	0,00022	0,39	0,701	0,87%

(*) Significant at 10% (**) Significant at 5% (***) Significant at 1%

As seen in Table 10, a correlation can be proved between *Number of Employees* and Flexibility Benefits. The correlation however is on a 10 % significance level, and the R^2 is very low.

Since the scales attached Shared Values, and Communication only include values between 1-5, these sub-indicators will not be statistically tested. This small scale is perceived as making it impossible to find statistically reliable results.

7 Analysis

The following chapter aims to put the literature- and theoretical perspective relative to the empirical findings in this study. The chapter circles around the theoretical model of the study presented in chapter 3, with a main ambition to, through the combination of theory and empirics, derive *what is* indicating the potential for success in a possible Business-to-Business relationship, as well as *how* such indicators are influencing success in a stepwise process.

7.1 Indicating the potential for success

With support from the theoretical perspectives by Morgan & Hunt (1994), Gilliland & Bello (2002), and Kelly & Scott (2011), as well as empirical findings regarding the interviewees perceived influence from the sub-indicators a basis for accepting all the hypotheses has emerged. The explanation is that the empirical result reveals that the majority of the interviewees acknowledge the influence of the sub-indicators; while the theoretical overview prove the connection that all the initial precursors have on relationship success.

However, as an effect of the identified complexity of the problem and a need to observe the wider perspective, such an initial acceptance is still perceived to lack to provide a full understanding of the conceptualized model of the study. The hypotheses only aid in accepting the sub-indicators involvement in the process. However to gain an understanding of the structure and applicability of the model, a deeper analysis is required. The following section thereby intends to clarify how the influence of each sub-indicator is structured in a stepwise process model, and point out the practical applications of each sub-indicator when evaluating the potential for success in a possible Business-to-Business relationship.

In the KMV-model by Morgan & Hunt (1994), Relationship Benefits are not decomposed into separate factors, but instead treated as a whole set. In this model the researchers, were not able to prove the correlation that the relational benefits may have on the success of the relationship. However Morgan & Hunt (1994) arrived at an alternative relationship, later utilized by Kelly & Scott (2011), involving the correlation between the collected Relationship Benefits, and investments in the relationship. Morgan & Hunt defined the latter concept as Termination costs which however, angled differently, are much similar to an investment. The reason is that since the cost of termination relies on the loss of effectiveness of spent resources into a relationship. The utilization conducted by Kelly & Scott meant that the researchers defined the factor Relationship Investments as an intermediary in the pathway where Relationship Benefits cause relationship success. This correlation of pathways leading to relationship success, inspired from the research of Morgan & Hunt (1994), was empirically validated by Kelly & Scott (2011).

In the model of this study the same pathway of influences leading to relationship success is included. However, the model also utilizes the decomposition of the indicator Relationship Benefits into the four stated sub-indicators developed by Kelly & Scott (2011). The second indicator presented in the model of this study is based on the trust that a business party may have in the other party in the Business-to-Business relationship. In the KMV-model, Morgan & Hunt (1994) provided a decomposed view of the concept by lifting Shared Values, Communication and Opportunistic Behavior as factors influencing the level of trust in the relationship. Further the level of Trust was shown to, both solely as well as through Commitment as an intermediary, correlate with the relationship success. Gilliland & Bello

(2002), and Kelly & Scott (2011) utilized the findings by Morgan & Hunt (1994), although not decomposing the concept. Thereby both the correlation between Trust and relationship success, as well as the link between the decomposed factors and Trust, is theoretically proved.

By testing the hypotheses in the model of the study, the fact that each of the sub-indicators related to the two indicators, has an influencing effect on relationship success is further empirically validated, even in the case of a prospective Business-to-Business relationship. This is a finding that corresponds well to the theoretical perspective. However the empirical material further have stressed a perceived requirement to elaborate further on the pinpointing of where in the modeled stepwise pathway to relationship success the sub-indicators play the biggest role. This is performed through an initial mindset of questioning the structure of the model in the study, with an ambition to empirically bridge the theoretically based set-up of the posted model. Doing so involves the inclusion of the step-by-step development process models by Dwyer *et al.* (1987) and Ford *et al.* (2009). In this sense it is important to notice the difference of viewpoints that is utilized by the model of this study and the research by Morgan & Hunt (1994), Gilliland & Bello (2002), and Kelly & Scott (2011).

The proved relationships conducted by these researchers are based on existing relationship success, where the correlations are derived from existing data and measuring the level of existence of the precursors in a currently successful relationship. In the model utilized for this study the viewpoint is instead from the initial phase of a prospective relationship, to look forward and try to predict the potential for success by measuring indicators of today. When having accepted the involvement of the sub-indicators that should be measured, the ambition is to pinpoint at what stage of the relationship development process that the actual measurement of each sub-indicator should be conducted.

7.1.1 Relationship Benefits

As mentioned above, the model of this study utilizes the decomposition of Relationship Benefits, that Kelly & Scott (2011) theoretically proved. In their research the authors provide theoretical definitions of the precursors, which are further is supported from the empirics in this study. Kelly & Scott (2011) generally define the concept of Service Benefits as benefits regarding the enhancement of service delivery that a specific relationship may bring. In the empirical setting, from the standpoint of a manufacturer, such service delivery is based on taking the product to the market, selling the product, as well as supporting the customers with after-sale service. More specifically, such a Service Benefit is viewed in a dealership company that, if in a possible relationship with the manufacturer, would enable a rigid support of the end-customer when in need, a good sales organization with a proactive mindset, as well as a high ability to, through comprehensive marketing activities, bring the product to the market.

Image Benefits are, by Kelly & Scott (2011) defined as the collaborative benefits that a partner in a relationship may provide regarding image, brand name, reputation and promotion. Empirically such benefits are identified as the possibility of the manufacturer to gain from a dealership company's good positioning and brand name in the market.

The definition of Flexibility Benefits stem from the ability of a business partner to enhance the responsiveness to changes in the market, customer demands, as well as competitor actions (Kelly & Scott, 2011). Empirically such benefits are observed when a dealership company enables the manufacturer to provide the end-customer with customized services and support if needed, to quickly introduce new products to the market, as well as enabling a high responsiveness to actions performed by competitors. The fourth relational benefit is Cost Benefits, which by Kelly & Scott (2011) are defined as the ability of a certain business partner to, by the collaboration, provide a reduction of costs for the other business partner. Empirically putting the dealership companies' market-shares and sales volumes in focus identifies such a benefit. Thereby, all the theoretically derived sub-indicators in chapter 3 are identified in the empirical setting.

In the step-by-step development process model by Dwyer *et al* (1987), as well as by Ford *et al*. (2009) five steps of development in a Business-to-Business relationship are illustrated. The two models by the researchers are much similar to each other, although using different labels of the steps. The model in this study is inspired by both of the models, but uses the naming by Dwyer *et al.* (1987). The steps in the model reflectively evolve the relationship from being two parties recognizing the existence of each other in the first step, to becoming a successful relationship in the final step. In this process the parties gradually invest resources into building the relationship. In the first- and second step the investment is however only based in time resources, to later on in the development process also include financial investments. According to Dwyer *et al.* (1987) the risk and interdependency is thereby higher in the third *Expansion* step, and fourth *Commitment* step. Ford *et al.* (2009) identify that in the third step, the companies also start adapting to each other. From a risk-minimizing standpoint, the business partner adapting the model in this study is perceived to want to avoid developing a business relationship into the third step without having evaluated the potential for success in the relationship.

Based on such a notion the company is perceived to seek to measure all the sub-indicators as early in the development process as possible. In this situation, the restricting variable becomes the availability of reliable information. Of the four sub-indicators linked to Relationship Benefits, Cost Benefits stand out in the empirical setting, in this aspect. To be able to measure such benefits, affected by mutually decided cost structures and contractual agreements, the possible business partners need to know each other and develop a mutual understanding. In the situation of the initial first contact such an agreement is, from the empirical findings, not perceived as accessible. Instead the parties need to know each other further, as well as have identified the common ground that the relationship will be built on. The cost structure will e.g. differ depending on the width that the collaboration will take regarding estimated sales volumes. Tied to the step-by-step model by Ford *et al.* (2009), the second step called the *Exploratory stage*, need to be developed to an extent where the possible business partners have conducted time investments to decrease the distance between them, thereby getting close to a common ground.

Based on the empirical findings, in combination with the theoretical perspective, the pinpointing of the period for measurement of the sub-indicators is adjusted from the theoretically based set-up of the model in this study. This adjustment lies in moving the Cost Benefits to the end of the Exploration step, thereby signaling that the measurement of this sub-indicator is to be conducted later on in the development process, compared to the other three sub-indicators tied to Relationship Benefits. The latter three sub-indicators, due to accessibility, still remain in the initial phase of the relationship development process.

7.1.2 Trustworthiness

In the model of this study the indicator Trustworthiness is decomposed according to the KMV-model by Morgan & Hunt (1994). In their research the authors provide theoretical definitions of the precursors, which are further supported by the empirics in this study. In the empirical setting the sub-indicators are measured from existing business relationships that the interviewed companies have. This is when these sub-indicators, compared to the sub-indicators are linked to Relationship Benefits, that highly rely on the collaboration of two business parties. However, the companies further have been requested to disclose how they perceive that an optimal relationship should be structured in terms of these sub-indicators. Thereby the empirical findings signal the accessibility of information concerning the measurement.

Morgan & Hunt (1994) define Shared Values as a measure of the extent to which the business partners share perceptions of goals, and behavior that are appropriate and important for the relationship. Empirically the sub-indicator is measured after the extent to which the interviewed companies share these values with their existing business partners. Further Morgan & Hunt (1994) define Communication, as a measure of the reliability, timing, and relevancy of communicated information between two business partners. Empirically the sub-indicator is focused on the interviewed companies perception of the quality of the communication they have with existing business partners, with regard to the theoretical characteristics of communication. Performing this measurement further enables an assessment of how the companies perceive that an optimal communication is structured.

The third precursor correlating to Trust in the KMV-model by Morgan & Hunt (1994), is Opportunistic Behavior. This precursor is theoretically defined as the level of existence of self-interest in a business relationship. Apart from all other precursors, Opportunistic Behavior is negatively correlated to relationship success. Empirically this sub-indicator is identified as being hidden in the collaboration between two business partners. This means that reliable information for measuring is not disclosed in a first initial phase of a relationship process. Related to the theoretical step-by-step models by Dwyer *et al.* (1987), and Ford *et al.* (2009) the sub-indicator Opportunistic Behavior is empirically found to be similar to the Cost Benefits, in terms of accessibility. Thereby the second step in the development of the relationship need to have reached a position where the two possible business partners have invested time to decrease the distance between them, thereby finding a common ground to build the relationship on. In such a process where the parties get to know each other, the presence of Opportunistic Behavior is, given the result of the interviews in this study, identified as emerging as an effect of an identified unbalanced power- and dependency distribution.

The other two sub-indicators tied to Trustworthiness are viewed as accessible in the sense that before the actual relationship is fully initiated, the company is able to evaluate whether the way that the other party perceives that an optimal communication, and relationship structure of values, fits to the own perception of these matters.

By combining the theoretical perspective with the empirical findings a further adjustment to the theoretically based set-up of the model of this study is seen as required. Similar to the adjustment of Cost Benefits, the period for measurement of the sub-indicator Opportunistic Behavior is adjusted to the end of the Exploratory step in the model of this study. The two sub-indicators Shared Values and Communication, due to the accessibility, still remain in the initial phase of the relationship development process.

7.2 The difference between a desire and a need

As illustrated in the model, there are two separate pathways leading to relationship success. The first one is the development from Relationship Benefits, through Relationship Investment, ending up in Calculative Commitment, while the second develops from Trustworthiness, through Trust, ending up in Loyalty Commitment. The two categories of commitment are theoretically introduced by Geyskens *et al.* (1996), and then further elaborated upon by Gilliland & Bello (2002). Dividing the concept into the two categories implies a separation of a desire for commitment, and a need for commitment. The *desire* is based on the business partners personal aspect strives to maintain the relationship. The *need* is based on a perceived need to maintain the relationship, as an effect of high costs attached to ending the relationship.

An angle not explored in the theoretical perspective, which is identified as important from empirical findings one step further, are the levels of acceptance regarding the sub-indicators. Such a notion arises from examining by what a Business-to-Business relationship can be successful, even though all sub-indicators are not evaluated at a high level. This is especially obvious when examining the sub-indicators included in the theoretical pathway reflecting a desire. In this respect, the empirical findings surrounding the sub-indicator Shared Values become quite interesting.

According to the interviewed companies it is clear that the Shared Values of a common ground to build the relationship upon, only have to reach a level where it is *enough*. This implies that an existing Business-to-Business relationship can become rather successful even though the company does not share *all* the values of the business partner. From the empirics it is clear that some companies use such a notion to motivate the perception that the sub-indicator does not influence relationship success. These companies rely on the fact that they only share a low share of values with their existing business partner, but the relationship lasts. Thereby they draw on the assumption that the sub-indicator not influences relationship success. A further elaboration upon the sub-indicator, conducted by these companies, point to the notion of supporting the importance of levels of acceptance. This is the case when the companies points out that they, even though they do not share all values, share enough values to make the relationship last.

The same phenomena are empirically identified regarding the sub-indicator Opportunistic Behavior. The interviewed companies emphasize the presence of such a behavior in their existing successful relationships.

7.3 Seeking to draw a generalized understanding

Having an extensive set of qualitative and quantitative data enables a base for testing in order to obtain a generalized understanding. The result from such a test can clarify if the graded values of the sub-indicators and indicators are correlated to selected factors. If so, an additional insight to the evaluation process of the potential for success in a possible Business-to-Business relationship would be gained. In the analysis, variables with a significance level above 10% will not be included.

The first dependent variable examined is the graded value of the total Relationship Benefits. The regression presented illustrates a correlation to Number of Employees on a 1 % significance level. The p-value reveals that the relationship is proved as strong. However the R^2 indicates a relatively low degree of explanation. The same finding is also linked to the regressions where the value of the indicator Relationship Benefits is broken down into the sub-indicators Service Benefits, Image Benefits, and Flexibility Benefits. Since Cost Benefits are not measured with a grade, this sub-indicator is not included. When examining the regressions of the sub-indicators, it is clear that Service Benefits display the highest level of statistical significant to Number of employees with a very low p-value, reflecting a significance level of 1%, and a R^2-value of 42,91%. Further Image Benefits are also significant the 1% level. However with a lower R^2-value, thereby lowering the degree of explanation. The relationship between Number of Employees and Flexibility Benefits reveal a significance level of 10 %, and a very low R^2-value.

In an empirical setting these results provide a logic explanation in the sense that a higher number of employees implies that the dealership company is less likely to face restrictions in time in terms of human resources, which further means a higher sales- and service capacity. In addition, reputation and brand name might be improved, further reflecting a higher ability to customize routines. The lower degree of explanation linked to Flexibility Benefits might be a result of the fact that the extent to which the companies choose to monitor and respond to competitor actions is shown to, instead of time restrictions, rather be an effect of weather the dealership company perceive such activities to be important or not. An additional relationship, clarified when decomposing the indicator into the sub-indicators, is found between Image Benefits and the variable Years in Business. This variable, although a 10% significance level, constitutes a quite low degree of explanation. Empirically this tendency might be explained by the way that a dealership company's brand name may be more rooted in the market as an effect of a long presence in the region.

Regarding the second indicator labeled Trustworthiness, a 5% level of significance is found by the variable Average Farm Size. Empirically such a tendency might be explained by the high level of attention a dealership company surrounded by highly valuable customers, might get from the manufacturer. This implies that substantial efforts will be put into providing a relationship structure and communication between the parties.

8 Conclusions

In the following chapter conclusions will be drawn from the findings in the study. Thereby the stated aim is to be fulfilled by answering the research questions in the study.

8.1 Research Questions

Which dealership characteristics indicate the potential for success of a possible Business-to-Business relationship between a manufacturer and a dealership company?

The study reveals that the two main indicators *Relationship Benefits* and *Trustworthiness* indicate the potential for success of a possible Business-to-Business relationship. Furthermore these two indicators are decomposed into sub-indicators. The sub-indicators linked to Relationship Benefits are Service Benefits, Image Benefits, Flexibility Benefits, and Cost Benefits. In addition the sub-indicators Shared Values, Communication, and Opportunistic Behavior is linked to the indicator Trustworthiness. All the sub-indicators, except for Opportunistic Behavior, have a positive influence on the indicators.

The evaluation further relies on an additional two-step decomposition process where the sub-indicators are decomposed into measurements. To exemplify is an Interview Guide of questions applied to the agricultural industry is presented in Appendix 1.

How is the influence from the indicators structured in a stepwise development process?

From the analysis of the theoretical model of this study the influence is analyzed in an empirical setting. Doing so leads to the presentation of a modified conceptualized model in Figure 9. Before applying this model, it is however important to lift the need of evaluating how the own company relates to model. The reason is that each company is unique, thereby demanding different characteristics of a possible Business-to-Business partner. This implies that before initiating the application of the model, own preferences of optimal levels, as well as levels of acceptance regarding the sub-indicators is to be decided upon. In this study the grading process of the sub-indicators has been conducted through interviews of companies.

In a practical setting, such a process is to be conducted by the company who is applying the model. Thereby the result of the evaluation process provides a basis, reflecting the company's optimal levels for obtaining the potential of success with possible business partners.

As illustrated by the model in Figure 9 the two sub-indicators Cost Benefits, and Opportunistic Behavior are, as an effect analyzing of the theoretical model combined with the empirical findings, placed forward in the stepwise development process of the possible Business-to-Business relationship. Hence the study concludes that the accessibility of these two sub-indicators emerge when the business partners invest time in the relationship in order to decrease the distance between them. An important notion, also noted in the model, is that the evaluation of these two sub-indicators needs to precede the development of the business relationship prior to the *Expansion step*.

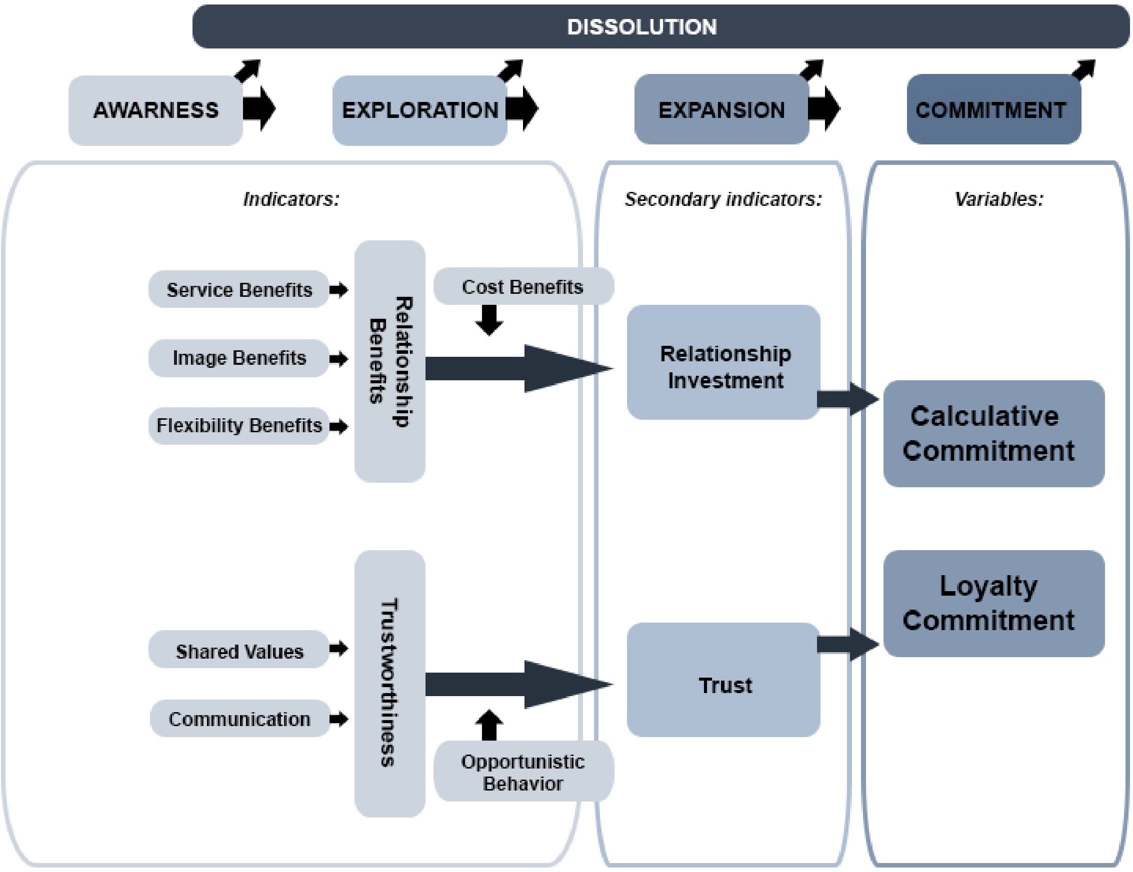


Figure 9. The theoretical model revised. Own Creation.

What correlation exists between the level of relationship success, and factors not involved in the relationship between two business partners?

From the analysis of the regressions of the relationship between the indicators and sub-indicators, and selected explanatory factors such as Market area, Years in Business, Number of Employees, Locations, and Average Farm Size, it is concluded that several of these variables play an important role. There is relatively strong statistical evidence that factors such as the factor Numbers of Employees have an impact on the Relationship Benefits. Such a tendency is the most prominent when decomposing the indicator into the sub-indicators Service Benefits and Image Benefits.

Compared to the conceptualized models presented in the theoretical perspective, the viewpoint of the Model enables to treat the Business-to-Business relationship as a process that develops. By enabling this perspective, the study has brought an expanded focus towards the dynamics of a Business-to-Business relationship, thereby illustrating how a company who is searching for new business partners, in an initial phase, may look forward and evaluate the potential for relationship success.

9 Discussion & Future research

The following chapter has the ambition to put the conclusions in chapter 8 in relation to the complexity of a practical application of the model, as well as to provide the attention to possible future research concerning the topic.

By differentiating the two main indicators in the model, Relationship Benefits may practically be regarded as *Attraction* of a possible business partner, while Trustworthiness may be treated as *Compatibility* of this possible business partner to collaborate with the own company. These two strategies are to be treated as two separate pathways. This means that a company may be *attracted* to a possible business partner without being *compatible*, and vice versa. In the study the market of interest is the intense agricultural market in the Midwest in the United States. In terms of the concept of levels of acceptance, such a market setting may reflect an acceptance of low values of Compatibility, but high levels of Attraction are demanded. This might be an effect of high competition in the market, where the dealership companies are subject to extensive pressure to perform and gain of market-shares, at the expense of lower levels of Shared Values, and the presence of Opportunistic Behavior. Consequently, Attraction is perceived as valued higher than Compatibility in the given market. In other geographical markets, as well as in other industries, such levels of acceptance might differ. If a company e.g. seeks to establish themselves in a market where corruption is present, the company might demand a high level of the indicator Trustworthiness, thereby valuing the Compatibility of the possible business partner very high. Furthermore a company entering a new market where the company name is unknown, the level of the possible business partner's *Effectiveness of promotions*, and ability to *Introduce new products/services*, might be highly valued. Thereby a company searching to establish new Business relationships need to tailor the valuation of the indicators, and sub-indicators to suit the given situation that the company face.

In the initiation of a new possible business relationship, the concept of asymmetric information further needs to be taken into account in the evaluation process. This is when the company evaluated may distort or withhold information used for the assessment procedure. In the interviews conducted in this study, incorporating discussions and follow-up questions counteracted such a behavior. Furthermore, the fact of being students conducting a research project is perceived to have helped in the matter. In a practical setting, where higher risks are attached to the initiation of a business relationship, investments of time into the conducting the evaluation process are ultimately a major factor in order to obtain reliable information. If the information is incorrect the purpose of applying the model will not be fully utilized, namely; to avoid the loss of resources tied to the development process of an unsuitable Business-to-Business relationship.

9.1 Future research

In this study the multi-strategy research method have been utilized by using the qualitative method as the primary aspect, while the quantitative method is treated as a secondary aspect to mainly enable an expanded understanding of the phenomena. In future research it would be interesting to switch the perspective, thereby mainly focusing on obtaining further quantitative findings regarding statistical relationships for a validating of the prospective model. In such a process a large sample would be preferred, thereby enabling increased degrees of explanation. Further it would be very interesting to apply the model in the setting of another industry, or other market, thereby testing the applicability of the model.

References

Literature and publications

Alderson, W. 1965. *Dynamic Marketing Behavior: A Functionalist Theory of Marketing*. Richard D. Irwin. Homewood, IL.

Anderson, J.C., Narus, J.A. 1990 A model of distributor firm and manufacturer firm working relationships, *Journal of Marketing*, Vol. 54. No.1, pp. 42–58

Anderson, E.L.M, Weitz, B. 1989. Determinants of Continuity in Conventional Industrial Channel Dyads. *Marketing Science*, Vol. 8, No. 4, pp. 310-323

Backhaus, K., Lügger, K., Koch, M. 2011. The structure and evolution of business-to-business marketing: A citation and co-citation analysis, *Industrial Marketing Management*, Vol. 40. Iss 6, pp. 940–951

Barry, J., Terry, T.S. 2008. Empirical study of relationship value in industrial services, *Journal of Business & Industrial Marketing*, Vol. 23 Iss 4, pp. 228 - 241

Bollen, K., Long, J.L. 1992. Tests for Structural Equation Models: Introduction, *Sociological Methods and Re-search*, Vol. 21. No.2, pp. 123-131

Brinkmann, S., Kvale, S., 2005. Confronting the ethics of qualitative research, *Journal of Constructivist Psychology*, Vol. 18. Iss 2, pp. 157-181

Brinkmann, S., Kvale, S., 2009. *Learning the craft of qualitative research interviewing,* SAGE Publications, London. ISBN 0761925422

Bryman, A. 2004. *Integrating Quantitative and Quantitative Research: Prospects and Limits,* Methods Briefing 11, ESRC Research Methods Programme

Cannon, J. P., Homburg, C. 2001. Buyer-Supplier Relationships and Customer Firm Costs, *Journal of Marketing*, Vol. 65, No. 1, pp. 29-43

Chatman, J.A. 1991. Matching People and Organizations: Selection and Socialization in Public Accounting Firms, *Administrative Science Quarterly*, Vol. 36. No. 3, pp. 459-484

Denscombe M, 2009, *Forskningshandboken för småskaliga forskningsprojekt inom samhällsvetenskaperna*, Studentliteratur, ISBN. 9144050046

Dwyer. F. R., Schurr, P. H., Oh, S. 1987. Developing Buyer-Seller Relationships, *Journal of Marketing,* Vol. 51. No. 2, pp. 11-27

Fontenot, R.J., Wilson, E. J. 1997. Relational exchange: A review of selected models for a prediction matrix of relationship activities, *Journal of Business Research,* Vol. 39, Iss 1, pp. 5–12

Ford, D. , Gadde, L-E., Håkansson, H., Snehota, I. 2009. *Managing business relationships*. John Wiley & Sons Ltd. Chichester, West Sussex. ISBN 978-0-470-72109-4

Frels, J.K., Shervani, T., Srivastava, R. K. 2003. The Integrated Networks Model: Explaining Resource Allocations in Network Markets, *Journal of Marketing*, Vol. 67, No. 1, pp. 29-45

Friman, M., Gärling, T., Millett, B., Mattsson, J., Johnston, R. 2002. An analysis of international business-to-business relationships based on the Commitment–Trust theory, *Industrial Marketing Management,* Vol. 31. Iss 5, pp. 403–409

Geyskens, I., Steenkamp, J-B., Scheer, L.K., Kumar, N. 1996. The effects of trust and interdependence on relationship commitment: A trans-Atlantic study, *International Journal of Research in Marketing,* Vol. 13, Iss 4, pp. 303–317

Gilliland, D.I., Bello, D.C. 2002. Two Sides to Attitudinal Commitment: The Effect of Calculative and Loyalty Commitment on Enforcement Mechanisms in Distribution Channels, *Journal of the Academy of Marketing Science,* Vol. 30 No. 1, pp. 24-43

Grönroos, C. 1997. Value-driven relational marketing: From products to resources and competencies, *Journal of Marketing Management,* Vol. 15. Iss 5, pp. 407-419

Gujarati, Damodar, N., Porter, Dawn, C., 2009. *Basic Econometrics,* 5th edition, McGraw-Hill Companies, Inc. New York. ISBN 978-007-127625-2

Gummesson, E. 2002. Relationship Marketing in the New Economy, *Journal of Relationship Marketing*, Vol. 1. Iss 1, 37-57

Gummesson, E., Polese F. 2009. B2B is not an island!, *Journal of Business & Industrial Marketing*, Vol. 24. Iss 5, pp. 337 – 350

Holm, D. B., Eriksson, K., Johanson, J, 1999. Creating value through mutual commitment to business network relationships, *Strategic Management Journal*, Vol. 20, Iss 5, pp. 467–486

Håkansson, H., Snehota, I. 1995. *Developing Relationships in Business Network*. Routledge London

Hörnell, E., Vahlne, J.-E., Wiedersheim-Paul, F. (1973). *Export och utlandsetableringar*. Stockholm: Almqvist and Wiksell. ISBN 91-20-03455-5

Johanson, J., Vahlne, J-E. 1977. The Internationalization Process of the Firm-A Model of Knowledge Development and Increasing Foreign Market Commitments, *Journal of International Business Studies*, Vol. 8. No. 1, pp. 23-32

Johanson, J., Vahlne, J-E. 2003. Business Relationship Learning and Commitment in the Internationalization Process, *Journal of International Entrepreneurship,* Vol. 1. Iss 1, pp. 83-101

Johanson, J., Vahlne, J-E. 2006. Commitment and opportunity development in the internationalization process: A note on the Uppsala internationalization process model, *Journal of International Entrepreneurship,* Vol. 46, Iss 2, pp. 165-178

Kelly, S., Scott, D. 2011. Relationship benefits: Conceptualization and measurement in a business-to-business environment, *International Small Business Journal*, vol. 30, No. 3, pp. 310-339

Kvale, S., 1997, *Den kvalitativa forskningsintervjun*, Studentlitteratur, Lund. ISBN 9789144001852

Leek, S., Turnbull, P.W., Naudé, P. 2002. Managing Business-to-Business Relationships: An Emerging Model, *Journal of Customer Behaviour*, Vol. 1, No 3, pp. 357-375

Liu, Y., Su, C., Li, Y., Liu, T. 2010. Managing opportunism in a developing interfirm relationship: The interrelationship of calculative and loyalty commitment, *Industrial Marketing Management.* Vol. 39, Iss 5, pp. 844–852

Mason, J. 2006. *Six Strategies for Mixing Methods and Linking Data in Social Science Research*, NCRM Working Paper: ESRC National Centre for Research Methods

Morgan, R. M., Hunt, S. D. 1994. The Commitment-Trust Theory of Relationship Marketing, *Journal of Marketing*, Vol. 58, No. 3, pp. 20-38

Morris, M., Carter, C. R. 2005, Relationship Marketing and Supplier Logistics Performance: An Extension of the Key Mediating Variables Model, *Journal of Supply Chain Management*, Vol. 41. Iss 4, pp. 32–43

Nordström, K. A. 1991. *The internationalization process of the firm : searching for new patterns and explanations*, Stockholm : IIB, ISBN 9197100579

Ravald, A., Grönroos, C. 1996. The value concept and relationship marketing, *European Journalof Marketing*, Vol. 30. Iss 2, pp. 19 - 30

Robinson, P. J., Faris, C.W., Wind, Y. 1967. *Industrial Buying Behavior and Creative Marketing*, Allyn & Bacon, Boston, MA.

Robson, C., 2011. *Real World Research: a resource for user of social research methods in applied settings,* 3rd edition. John Wiley and Sons Ltd,. ISBN 978-1-4051-82409

Rosenbloom, B. 1995. *Marketing Channels: A Management View*. The Dryden Press/Harcourt Brace College. Fort Worth, TX. ISBN

Sen, A., Srivastavam M., 1990. *Regression Analysis: Theory, Methods, and Applications*. New York, Spinger. ISBN 0-387-97211-0

Sheth, J., Parvatiyar, A. 2000. *Handbook of Relationship Marketing,* SAGE Publications, Inc; 1st edition. ISBN 0761918108

Vargo, S. L., Lusch, R.F. 2004. Evolving to a New Dominant Logic for Marketing, *Journal of Marketing*. Vol. 68. No. 1. pp. 1-17

Ulaga, W., Eggert, A. 2006. Value-Based Differentiation in Business Relationships: Gaining and Sustaining Key Supplier Status, *Journal of Marketing*. Vol. 70. No. 1. pp. 119-136

Walter, A., Müller, T.A., Helfert, G., Ritter, T. 2003. Functions of industrial supplier relationships and their impact on relationship quality, *Industrial Marketing Management*, Vol. 32, Iss 2, pp. 159–169

Wattanasupachoke, T. 2002. Internationalization: Motives and Consequences. *ABAC Journal*, Vol. 22. No. 3, pp. 16 – 30

Webster, F.E. Jr., Wind, Y. 1972. *Organizational Buying Behavior (Foundations of Marketing)*, Prentice-Hall, Englewood Cliffs, NJ. ISBN 0136409539

Wilson, D.T, Jantrania, S. 1994. Understanding the Value of a Relationship. *Australia Marketing Journal*, Vol. 2- No. 1, pp. 55 - 66

Internet

USDA, *United States Department of Agriculture*, http://www.usda.gov

1. *Cropland* http://www.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/technical/references/?&cid=stelprdb1041477
2. *Prospective Plantings* http://usda01.library.cornell.edu/usda/current/ProsPlan/ProsPlan-03-28-2013_revision.pdf

Väderstad, http://www.vaderstad.com

1. *Our History – 60s*, 2013-02-20. http://www.vaderstad.com/en/About-us/Our-history/60s/
2. *Facts and Figures*, 2013-02-20. http://www.vaderstad.com/en/About-us/Vaderstad-today/Facts-and-figures/
3. *Our History – 2010-2019*, 2013-02-20. http://www.vaderstad.com/en/About-us/Our-history/2010-2019/

Personal messages

Thylén, Lars, *Product Marketing Manager*, Väderstad-Verken AB. Personal meeting, 2013-01-28.

Appendix 1 – Interview guide

Company: ____ Number of employees: _________

State: _________________________________ City: _____________________________________

Brands: ____

Years in business: _________ Multiple locations: _______________________________________

Average farm size: ______________________ Market area: _______________________________

Farm production?

EFFECTIVENESS OF AFTER-SALES SERVICE

- How is your company structured? Do you have a workshop, spare-parts store, someone working with customer support?

  Workshop ☐ Spare-parts store ☐ Sales ☐ New ☐ Used ☐

- How do you service your customers when in need? On-farm service?

  On-farm ☐

  - *Based on the previous two questions:*
    How would you rate your company's effectiveness regarding after-sales service and support?

1	2	3	4	5
Very bad				*Excellent*

CUSTOMER SERVICE SKILLS

- Do you follow-up the level of customer satisfaction/service? If yes, how?

  Telephone ☐ Survey ☐

- How big proportion of the employees work with sales?

  - *Based on the previous two questions:*
    How would you grade the customer service skills of you company?

1	2	3	4	5
Very bad				*Excellent*

MARKETING SKILLS

- Do you market your company/products? How?

  Newspaper ☐ Internet ☐ Radio ☐ Mail ☐ TV ☐ Banners ☐

- Does some employee/s in your company actively work with marketing?

  Educated in marketing ☐

  - *Based on the previous two questions:*
    How would you grade the marketing skills of your company?

1	2	3	4	5
Very bad				*Excellent*

This is the end of the first section. We have talked about the way that you as a dealership company deal with the customer contact for a manufacturer. Do you think that such ability is valued as important by the manufacturer?

SERVICE BENEFITS	***Influencing - Not influencing***

EFFECTIVENESS OF PROMOTIONS

- Do you perceive that you reach your customer through marketing?

- Are you able to use the marketing channels that you want?

  - *Based on the previous two questions:*
    How would you grade the effectiveness of the promotions of you company?

1	2	3	4	5
Very bad				*Excellent*

REPUTATION IN SERVICED MARKETS

- What kind of reputation do you perceive that you have, in comparison to other dealers in the area?

- What role do you think that your reputation plays when a customer decides to choose you as a dealer?

  - *Based on the previous two questions:*
    How would you grade your reputation in your markets?

1	2	3	4	5
Very bad				*Excellent*

RECOGNIZED BRAND NAME

- Do the farmers in your area know your company?

- How often do your customers' trade-in a competing brand?

- *Based on the previous two questions:*
  Grade the statement: My company has a recognized brand name attached to business?

1	2	3	4	5
Disagrees				*Fully agrees*

This is the end of the second section. We have talked about the image of your dealership company. Do you think that the image has an influence on how the manufacturer values you as a business partner?

IMAGE BENEFITS ***Influencing - Not influencing***

ABILITY TO CUSTOMIZE SERVICES TO MEET CUSTOMER NEEDS

- Do you perceive yourself as flexible regarding selling routines? On-farm?
  On-farm ☐

- Do you perceive that you always are able to meet customer needs?

- Do offer customization of machinery prior to delivery? Making the machinery field-ready?

  - *Based on the previous two questions:*
    How would you grade the ability of your company to customize services to meet customer needs?

1	2	3	4	5
Very bad				*Excellent*

INTRODUCTION OF NEW PRODUCTS/SERVICES

- Do you have experiences from introducing a new product? Explain?

- Would you say that you have a willingness to adapt new products from the market, or do you perceive that you already have a full product portfolio?

  - *Based on the previous two questions:*
    How would you grade the ability of your company to introduce new products?

1	2	3	4	5
Very bad				*Excellent*

RESPONSIVENESS TO COMPETITORS ACTIONS

- How high is the level of competitor intensity in your area? E.g. Planters.

- Do you monitor your competitors' actions in the area?
  Visits ☐ Homepages ☐ Systematically ☐

- Do you respond to competitors' actions? If they introduce a new brand?

  - *Based on the previous three questions:*
    How would you grade the ability of your company to respond to competitor actions?

1	2	3	4	5
Very bad				*Excellent*

This is the end of the third section. We have talked about the ability of your company to adapt to changes in the market. From a manufacturer perspective, do you think that your ability to follow and adapt to the market is highly valued, and influences the relationship you have?

FLEXIBILITY BENEFITS ***Influencing - Not influencing***

ABILITY TO REDUCE COSTS

- What sales-margin do you require in a relationship with a new business partner?

- How is your company able to reduce costs for a manufacturer? Compared to other dealership companies?

  - *Based on the previous two questions:*
    How would you rate the ability of your company to reduce costs for a manufacturer?

1	2	3	4	5
Very bad				*Excellent*

ESTIMATION OF SALES VOLUME

- How high sales volume does your company reach, on a yearly basis? Different products?

- How big market-share does your company hold in serviced markets?

  - *Based on the previous two questions:*
    How would you rate the sales volume of your company?

1	2	3	4	5
Very bad				*Excellent*

This is the end of the fourth section. We have talked about the ability of your company to provide a cost benefit for a manufacturer. From a manufacturer perspective, do you think that your ability to reduce costs is highly valued, and influences the relationship you have?

COST BENEFITS ***Influencing - Not influencing***

PERCEIVED OPTIMAL RELATIONSHIP STRUCTURE

- What do you consider a long lasting relationship between a dealer and a manufacturer is built on?

  Policies☐ Culture ☐ Loyalty ☐ Trust ☐

- In contrast, what do you perceive as negative factors hindering the development of a relationship? Opportunistic behavior?

  - *Based on the previous three questions:*
    Statement: We share values with our manufacturers.

1	2	3	4	5
Disagrees				*Fully agrees*

This is the end of the fifth section. We have talked about the softer side of a business relationship, and asked about your values. Do you think that two business partners have to share values to succeed in their business relationship?

SHARED VALUES ***Influencing - Not influencing***

QUALITY OF COMMUNICATED INFORMATION

- How do you and your existing manufacturers work with planning? Goal setting? Follow-ups?

- How do you inform your existing manufacturers about developments in the market? Vice versa?

  - *Based on the previous two questions:*
    How Would you rate the communication routines of your company?

1	2	3	4	5
Very bad				*Excellent*

This is the end of the sixth section. We have talked about communication between your dealership company and the manufacturers. Do you think that a well-functioning communication is an important factor to succeed in a business relationship?

COMMUNICATION ***Influencing - Not influencing***

APPROACH TO OPPORTUNISTIC BEHAVIOR

- Is opportunistic behavior present in the relationships that your company has with the manufacturers?

- How can opportunistic behavior become visible in an initial phase of a relationship between your company and a manufacturer?

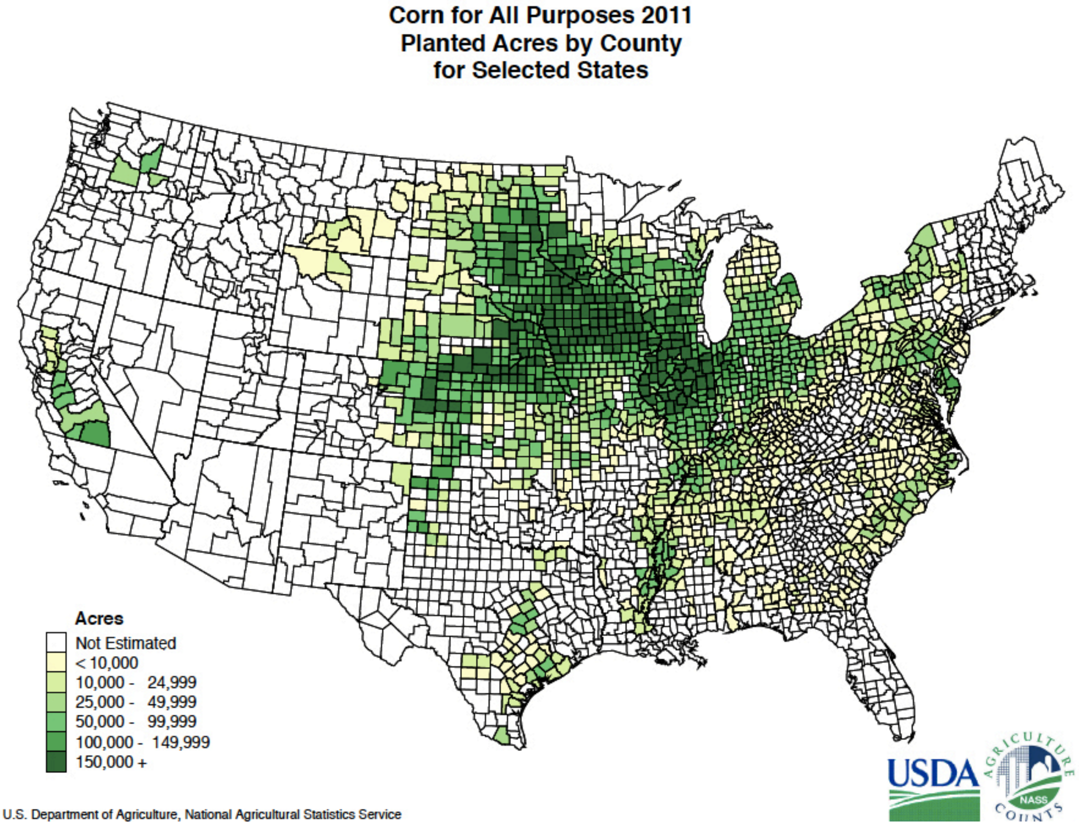
  - *Based on the previous two questions:*
    How would you rate the level of opportunistic behavior in the relationships between your company and the manufacturers?

1	2	3	4	5
Very bad				*Excellent*

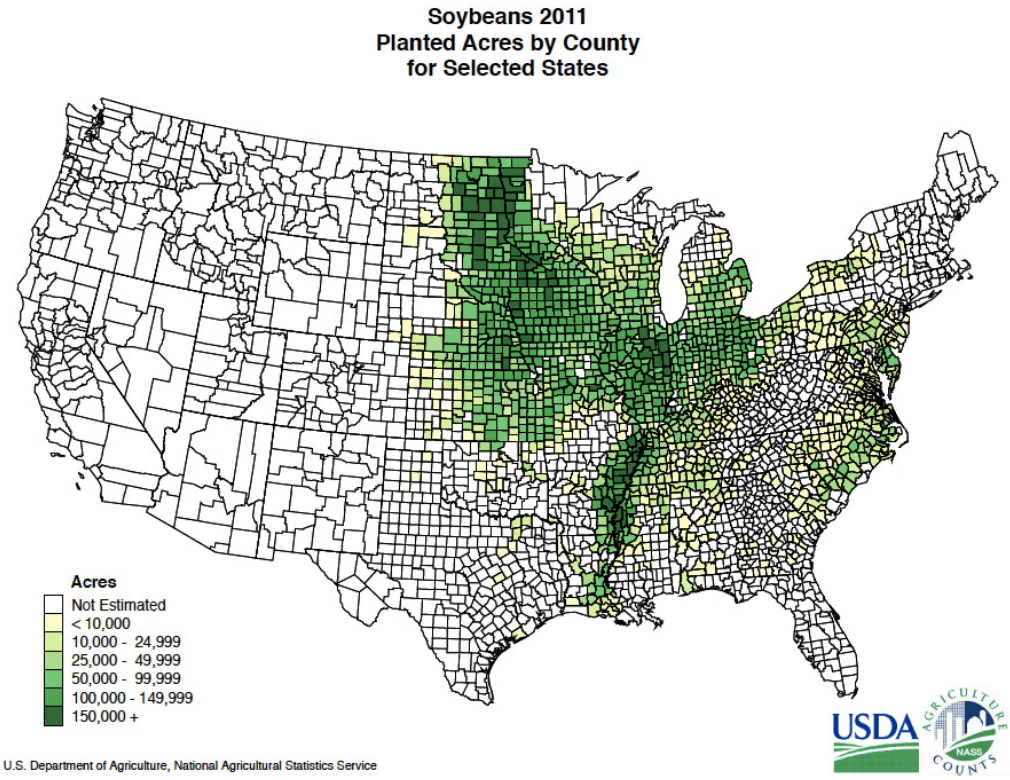
This is the end of the last section. We have talked about opportunistic behavior in the relationship between your dealership company and the manufacturers. Do you think that the absence of opportunistic behavior is an important factor to succeed in a business relationship?

OPPORTUNISTIC BEHAVIOR ***Influencing - Not influencing***

Appendix 2 – Production intensity of corn and soybean, in county level, in the US



Source: USDA, 3, 2013.



Source: USDA, 4, 2013.

Appendix 3 – The empirical data set

Company #	Effectiveness of after-sales service	Customer service skills	Marketing skills	**Service Benefits**	Effectiveness of promotions	Reputation in serviced markets	Recognized brand name	**Image benefits**	Ability to customize services to meet customer needs	Introduction of new products/services	Responsiveness to competitors actions	**Flexibility benefits**	**RELATIONSHIP BENEFITS**	Perceived optimal relationship structure	**Shared values**	Quality of communicated information	**Communication**	**TRUSTWORTHINESS**	Total Score
1	4	4	4	**12**	4	5	5	**14**	4	5	2	**11**	**37**	5	**5**	4	**4**	**9**	46
2	3	4	4	**11**	4	5	3	**12**	4	3	3	**10**	**33**	4	**4**	4	**4**	**8**	41
3	3	3	3	**9**	4	4	4	**12**	3	3	2	**8**	**29**	3	**3**	2	**2**	**5**	34
4	4	3	4	**11**	5	5	5	**15**	3	4	4	**11**	**37**	2	**2**	3	**3**	**5**	42
5	4	4	4	**12**	4	5	4	**13**	4	5	4	**13**	**38**	3	**3**	3	**3**	**6**	44
6	4	4	4	**12**	5	5	4	**14**	4	4	1	**9**	**35**	4	**4**	4	**4**	**8**	43
7	5	5	5	**15**	5	5	3	**13**	4	3	4	**11**	**39**	5	**5**	5	**5**	**10**	49
8	5	4	5	**14**	5	5	5	**15**	4	4	4	**12**	**41**	3	**3**	4	**4**	**7**	48
9	4	4	4	**12**	5	5	4	**14**	4	2	4	**10**	**36**	4	**4**	4	**4**	**8**	44
10	4	5	5	**14**	5	5	5	**15**	5	3	4	**12**	**41**	5	**5**	4	**4**	**9**	50
11	3	5	5	**13**	5	3	3	**11**	4	3	5	**12**	**36**	4	**4**	4	**4**	**8**	44
12	3	3	2	**8**	4	4	3	**11**	3	4	2	**9**	**28**	4	**4**	4	**4**	**8**	36
13	4	5	5	**14**	5	5	5	**15**	4	4	3	**11**	**40**	5	**5**	5	**5**	**10**	50
14	5	4	5	**14**	5	5	5	**15**	4	2	3	**9**	**38**	5	**5**	4	**4**	**9**	47
15	2	4	3	**9**	3	3	3	**9**	3	4	3	**10**	**28**	4	**4**	3	**3**	**7**	35
16	4	4	4	**12**	4	4	4	**12**	4	3	5	**12**	**36**	4	**4**	4	**4**	**8**	44
17	3	3	4	**10**	5	4	5	**14**	3	4	4	**11**	**35**	4	**4**	4	**4**	**8**	43
18	4	3	3	**10**	3	4	3	**10**	3	4	3	**10**	**30**	4	**4**	4	**4**	**8**	38
19	3	3	2	**8**	3	4	4	**11**	3	3	2	**8**	**27**	4	**4**	4	**4**	**8**	35
20	4	2	4	**10**	2	4	4	**10**	4	4	3	**11**	**31**	3	**3**	3	**3**	**6**	37
21	4	5	4	**13**	5	5	5	**15**	4	4	4	**12**	**40**	4	**4**	4	**4**	**8**	48
22	2	4	5	**11**	5	3	3	**11**	4	3	4	**11**	**33**	4	**4**	3	**3**	**7**	40
23	4	4	4	**12**	5	3	3	**11**	5	4	4	**13**	**36**	4	**4**	4	**4**	**8**	44
24	5	3	4	**12**	5	5	5	**15**	4	3	2	**9**	**36**	5	**5**	5	**5**	**10**	46
25	4	4	4	**12**	5	4	4	**13**	4	3	4	**11**	**36**	4	**4**	4	**4**	**8**	44
26	4	5	5	**14**	5	4	4	**13**	4	3	4	**11**	**38**	4	**4**	4	**4**	**8**	46
27	3	5	4	**12**	5	5	4	**14**	4	4	4	**12**	**38**	5	**5**	4	**4**	**9**	47
28	5	5	5	**15**	5	5	4	**14**	4	3	5	**12**	**41**	3	**3**	4	**4**	**7**	48
29	3	4	5	**12**	5	5	5	**15**	5	4	4	**13**	**40**	4	**4**	5	**5**	**9**	49
30	1	3	3	**7**	4	4	4	**12**	3	3	4	**10**	**29**	4	**4**	4	**4**	**8**	37
31	3	3	3	**9**	4	4	4	**12**	3	3	2	**8**	**29**	2	**2**	3	**3**	**5**	34
32	3	4	3	**10**	4	5	4	**13**	4	3	2	**9**	**32**	4	**4**	4	**4**	**8**	40
33	4	4	4	**12**	5	5	5	**15**	4	2	2	**8**	**35**	4	**4**	4	**4**	**8**	43
34	3	4	4	**11**	3	3	2	**8**	4	3	4	**11**	**30**	4	**4**	5	**5**	**9**	39
35	4	5	3	**12**	4	4	5	**13**	5	3	2	**10**	**35**	5	**5**	4	**4**	**9**	44
36	3	4	4	**11**	5	4	5	**14**	4	4	5	**13**	**38**	4	**4**	4	**4**	**8**	46
37	5	5	5	**15**	5	5	4	**14**	5	2	2	**9**	**38**	4	**4**	4	**4**	**8**	46
38	5	4	5	**14**	4	5	5	**14**	4	3	4	**11**	**39**	5	**5**	5	**5**	**10**	49
39	3	4	5	**12**	5	3	3	**11**	4	4	2	**10**	**33**	4	**4**	4	**4**	**8**	41
40	4	3	4	**11**	4	4	4	**12**	3	2	2	**7**	**30**	4	**4**	4	**4**	**8**	38
41	4	3	3	**10**	4	4	5	**13**	3	3	3	**9**	**32**	4	**4**	5	**5**	**9**	41
42	4	4	4	**12**	5	4	4	**13**	4	3	3	**10**	**35**	4	**4**	4	**4**	**8**	43
43	4	3	4	**11**	4	5	4	**13**	3	2	4	**9**	**33**	5	**5**	4	**4**	**9**	42
44	4	4	5	**13**	5	5	5	**15**	3	3	4	**10**	**38**	5	**5**	5	**5**	**10**	48
45	3	5	3	**11**	5	4	3	**12**	4	3	3	**10**	**33**	2	**2**	4	**4**	**6**	39
46	4	4	3	**11**	4	4	4	**12**	3	4	3	**10**	**33**	4	**4**	4	**4**	**8**	41
47	5	3	4	**12**	5	5	4	**14**	4	4	3	**11**	**37**	4	**4**	4	**4**	**8**	45
48	3	4	3	**10**	4	5	5	**14**	4	4	3	**11**	**35**	3	**3**	3	**3**	**6**	41
49	5	3	5	**13**	5	5	5	**15**	4	5	5	**14**	**42**	4	**4**	4	**4**	**8**	50
50	4	4	4	**12**	4	5	5	**14**	5	4	3	**12**	**38**	4	**4**	4	**4**	**8**	46

Variable	Mean	Max	Min	StDev.
Y				
Relation Benfits	35.1	42	27	3.93
Trustworthiness	7.96	10	5	1.24
Service Benefits	11.6	15	7	1.84
Image Benefits	13	15	8	1.73
Flexibility Benefits	10.5	14	7	1.54
X				
Market Area	66.5	200	20	37.1
Years in Business	58.7	115	2	24.3
Number of Employees	21.9	80	4	12.8
Locations	3.44	23	1	4.02
Average Farm Size	1946	5000	200	1033