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THE ROLE AND CONTRIBUTIONS OF INDEPENDENT SALES
REPRESENTATIVES IN THE RELATIONSHIP BETWEEN
MERCHANDISE SUPPLIERS AND SMALL RETAILERS:
DYNAMIC INTERACTIONS IN THE CHANNEL

DISSERTATION

Presented to the Graduate Council of the
University of North Texas in Partial
Fulfillment of the Requirements

For the Degree of

DOCTOR OF PHILOSOPHY

By

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Denton, Texas

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Small retailers are searching for a basis of competitive advantage to compete against larger retailers. The independent sales representative (rep) may represent such a basis. Little is known about how the role of reps and their performance is perceived by suppliers and retailers. We do not know what is expected from reps, if the reps' performance meets suppliers and retailers expectations, or whether met expectations lead to a basis of competitive advantage.

The purpose this research was threefold. Primarily, the study was designed to identify the role and contributions reps in the interactions between the supplier and retailer in the channel of distribution. A secondary purpose was to develop a model that reflects the two phases

of dynamic interactions in the channel, transactional and relational. Finally, it was proposed that a framework be developed to enable suppliers, reps, and retailers to form competitive alliances.

The expected and actual role and contributions of reps from the perspectives of both suppliers and retailers were investigated. Participants in the study included merchandise suppliers, reps, and retailers from 17 geographic regions of the United States. The rep's actual role and the contributions from the perspective of the rep was studied. Once these three elements were identified, the gaps, if they existed, were identified. All of this was analyzed based on Dynamic Channel Interactions, a model developed in the research. A framework applicable to practitioners and recommendations for its use was developed based on the results of the study.

Results of the study provide a better understanding of the perceptual differences of three participants in the channel of distribution. It provides an avenue for reps to better serve suppliers and retailers which should increase efficiency in the channel of distribution. Additionally, it

provides information that may help small retailers develop a competitive advantage.

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TABLE OF CONTENTS

	Page
LIST OF TABLES	viii
LIST OF FIGURES	x
CHAPTER I-INTRODUCTION	1
Terminology	3
Nature of the Relationship	5
Role and Contribution of Reps	9
Related Literature	12
Problem Statement	13
Purpose of Research	14
Major Questions Addressed	15
Importance of Research	15
Methodology	17
Limitations	19
Chapter References	21
CHAPTER II-REVIEW OF THE LITERATURE	24
Organizational Buying	24
Channel of Distribution	32
Satisfaction	34
Trust	37
Commitment	40
SERVQUAL	42
Conclusion	52
Chapter References	58
CHAPTER III- METHODOLOGY	74
Purpose of the Research	74
Research Questions	74
Hypothesis and Model Development	75
Phase One - Transactional Interactions	80
Communication	82
Understanding	85

Tangibles	86
Reliability	90
Responsiveness	91
Competence	93
Courtesy	95
Credibility	96
Access	97
Security	98
Tolerance Zones	99
Gap 1	99
Gaps 2 and 3	100
Exit	103
Phase Two - Relational Interactions	104
Satisfaction	106
Trust	107
Commitment	108
Exit	109
The Research Design	110
The Sample Design	114
Questionnaire Design	116
Data Collection	117
Method of Analysis	122
Chapter References	124

CHAPTER IV-ANALYSIS AND RESEARCH FINDINGS	129
Introduction	129
Data Collection	129
Sample Characteristics	135
Statistical Methodology	140
Validity	140
Reliability	155
Hypothesis Testing	158
Hypothesis 1	160
Hypothesis 2	162
Hypothesis 3	164
Hypothesis 4	165
Hypothesis 5	167
Hypothesis 6	168
Hypothesis 7	170
Hypothesis 8	171
Hypothesis 9	173
Hypothesis 10	177

Hypothesis 11	179
Hypothesis 12	179
Hypothesis 13	181
Hypothesis 14	182
Hypothesis 15	183
Summary	184
Chapter References	187
CHAPTER V-CONCLUSION	189
Introduction	189
Summary	189
Conclusions	195
Implications	196
Academics	197
Theoretical	197
Educational	199
Practitioner	202
Supplier	202
Reps	204
Retailer	206
Contribution	209
Limitations	212
Recommendations	213
Chapter References	215
APPENDIX A-SUPPLIER SURVEY INSTRUMENT	217
APPENDIX B-REP SURVEY INSTRUMENT	225
APPENDIX C-RETAILER SURVEY INSTRUMENT	234
APPENDIX D-COVER LETTERS	242
BIBLIOGRAPHY	246

LIST OF TABLES

Table 1.1: Retail Sales (millions of dollars)	1
Table 1.2: Establishments, Employees and Payroll by Firm Size	2
Table 2.1a: Domestic SERVQUAL Adaptations	55
Table 2.1b: Domestic SERVQUAL Adaptations (continued) . .	56
Table 2.2: International SERVQUAL Adaptations	57
Table 3.1: Scale Development	118
Table 4.1: Geographic Territories	130
Table 4.2: Response Rates	133
Table 4.3: Gender composition by Population	135
Table 4.4: Age Distribution by Population	135
Table 4.5: Education Level by Population	136
Table 4.6: Position in the Supplier Firm	138
Table 4.7: Annual Sales	139
Table 4.8: Years in Position by Population	140
Table 4.9a: Retailer Factor Loadings	143
Table 4.9b: Retailer Factor Loadings (continued)	144
Table 4.9c: Retailer Factor Loadings (continued)	145
Table 4.10a: Supplier Factor Loadings	146
Table 4.10b: Supplier Factor Loadings (continued)	147
Table 4.10c: Supplier Factor Loadings (continued)	148
Table 4.11a: Rep Perception of Retailer Factor Loadings	149
Table 4.11b: Rep Perception of Retailer Factor Loadings (continued)	150
Table 4.11c: Rep Perception of Retailer Factor Loadings (continued)	151
Table 4.12a: Rep Perception of Supplier Factor Loadings	152
Table 4.12b: Rep Perception of Supplier Factor Loadings (continued)	153
Table 4.12c: Rep Perception of Supplier Factor Loadings (continued)	154
Table 4.13: Scale Reliability for SERVQUAL Adaptation .	157
Table 4.14: Scale Reliability for Rep Contribution . . .	158
Table 4.15: Communication Tolerance Zone Differences .	162
Table 4.16: Understanding Tolerance Zone Differences .	164
Table 4.17: Reliability Tolerance Zone Differences . . .	166
Table 4.18: Responsiveness Tolerance Zone Differences .	168

Table 4.19: Competence Tolerance Zone Differences . . .	170
Table 4.20: Courtesy Tolerance Zone Differences	172
Table 4.21: Credibility Tolerance Zone Differences . .	173
Table 4.22: Access Tolerance Zone Differences	174
Table 4.23: Differences Between Suppliers and Retailers	175
Table 4.24: Differences Between Reps and Suppliers . .	176
Table 4.25: Differences Between Reps and Retailers . .	177
Table 4.26: Weight and Ranking of Dimensions by Population	178
Table 4.27: Differences in Overall Tolerance Zones . .	180
Table 4.28: The Relationship Between Satisfaction and Continued Interactions	182
Table 4.29: The Relationship Between Trust and Continued Interactions	183
Table 4.30: The Relationship Between Commitment and Continued Interactions	184

LIST OF FIGURES

Figure 1.1: Channel Interactions Without a Rep 8

Figure 1.2: Channel Interactions With a Rep 9

Figure 2.1: An Integrated Model of Organizational Buying
Behavior 27

Figure 2.2: Buyer-Seller Relationships 28

Figure 2.3: Conceptual Model of Service Quality 46

Figure 3.1: Dynamic Channel Interactions 78

Figure 3.2: The Rep's Role 82

Figure 3.3: The Gap Between Suppliers' and Retailers'
Tolerance Zones 101

Figure 3.4: The Gap Between Suppliers' Tolerance Zone and
Reps' Perception 102

Figure 3.5: The Gap Between Retailers Tolerance Zone and
Reps' Perception 103

Figure 3.6: Transactional Interactions 105

Figure 3.7: Transfer from Transactional to Relational . 106

Figure 4.1: Dynamic Channel Interactions 159

CHAPTER I

INTRODUCTION

Small businesses, including retailers, play a vital role in our nation's economy. Retail sales consistently account for more than 9 percent of the United States Gross Domestic product (U.S. Bureau of Census 1996). During the period of 1986 through 1995, total retail sales grew 61.48 percent to \$2,340,817 million (see Table 1.1) with an average annual growth rate of 5.5 percent (Standard & Poors 1996). The number of people employed in retailing and total payroll dollars generated for the same period of time grew 30.74 and 108.87 percent, respectively (U.S. Bureau of Census 1996).

Table 1.1: Retail Sales (millions of dollars)

	1995	1994	1993	1992	1991
Sales	2,340,817	2,236,995	2,074,499	1,951,559	1,855,937
%Change	4.6	14.24	6.30	5.15	.61
Year	1990	1989	1988	1987	1986
Sales	1,844,611	1,758,971	1,656,202	1,541,299	1,449,838
% Change	4.87	6.21	7.45	6.32	6.43

(Standard & Poors 1996, p.7)

Organizations with fewer than 20 employees, one focus of the research, comprise 84.85 percent of all retail establishments, employ 35.16 percent of the workers, and generate 33.51 percent of the annual retail payroll.

Table 1.2: Establishments, Employees, and Payroll By Firm Size

	Under 20	20-99	100-499	500-999	Over 1000
# Establishments (thousands)	1317	210	24	1	<500
Percent of total	84.85	13.53	1.54	<1	<1
# Employees (thousands)	6954	8252	3939	387	244
Percent of total	35.16	41.73	19.92	1.96	1.23
Payroll Dollars (billions)	88.9	103.0	58.6	8.1	6.6
Percent of total	33.51	38.82	22.09	3.05	2.49

(U.S. Bureau of Census 1996, p.540)

The relationship that retailers maintain with their suppliers can make the difference between success and failure. Large retailers have a competitive advantage over small firms based on the ability to negotiate better prices from suppliers, leaving small retailers vulnerable. To survive, small retailers must strengthen their position and build a competitive advantage. Improving the relationship

between merchandise suppliers, independent sales representatives and retailers can help small businesses gain a competitive advantage in the marketplace.

One key component in developing a competitive advantage for small retailers is more effective purchasing which may be accomplished through developing a rapport with suppliers. Ideally, the association will facilitate the negotiation of the best possible price for products in desirable quantities. For small retailers, developing a rapport with suppliers generally requires the involvement of three parties: the merchandise supplier, the independent sales representative, and the retailer.

Terminology

The **small retailers** of interest in this study were the retail operations which are sole proprietorships, partnerships, or privately held corporations where the owner(s) is/are involved in day-to-day operations. The retailers of interest were further limited based on the number of workers they employ. The U.S. Bureau of Census statistics categorize retailers based on the number of workers they employ: under 20, 20 to 99, 100 to 499 , 500 to

999 employees, and 1,000 or more (see Table 1.2). Almost 85 percent of the retail industry is comprised of firms which employ fewer than 20 employees. Since this is the majority of the establishments in the industry, the employment of fewer than 20 employees sets another boundary for identifying "small" for the purpose of the current study.

Small retail operations may purchase inventory merchandise from several types of suppliers including manufacturers, wholesalers, importers, and distributors. Supplier was defined as organizations which "provide companies with the goods and services that they need to operate, as well as those that they resell to their own customers" (Evans and Berman 1994, p.45). The term **supplier**, which was used throughout this dissertation, was represented any source from which retailers receive merchandise for their stores including manufacturers, wholesalers, distributors, and/or importers.

The sales representatives of interest to this study were independent agents who serve as the sales force for multiple companies in a specified geographic territory and are paid on a commission basis. The companies they

represent may consist of a variety of suppliers. These agents sell complementary products thereby offering a broad selection of merchandise to the retailers. **Rep** is used universally in industry to describe this type of sales person (Novick 1988) whether they represent manufacturers, wholesalers, suppliers, importers, or distributors; therefore, rep is the term that were used throughout the current research.

Nature of the Relationship

The negotiations between merchandise suppliers and retailers require a dynamic relationship. Traditionally, negotiations or relationship between suppliers and buyers have been examined as dyadic (Ambler 1994; Anderson and Weitz 1989; Anderson et al. 1994; Anderson and Narus 1990; Anderson and Chambers 1985; Dwyer et al. 1987; Frazier 1983; Hallen et al. 1991; Heide and John 1990; John and Reve 1982). In reality, the interaction is not purely dyadic. Influencers, such as independent sales reps, are present. Only one study, Doney & Cannon (1997), which examined the rep along with suppliers and buyers in channel interactions was found in the literature. This was surprising since

treating the interactions between suppliers and retailers as a dyad eliminates essential information about the true nature of the relationship. If the supplier and retailer are considered a dyad then to gain an understanding of the interactions, the researcher needs to examine three dyads: the supplier - retailer, the supplier - rep, and the retailer - rep. Even then, the potential of not identifying the true nature of the interactions still exists. "The dangers of studying dyads in isolation, as with all partial equilibrium analysis, is that critical dynamic effects can be excluded" (Ambler 1994, p.7).

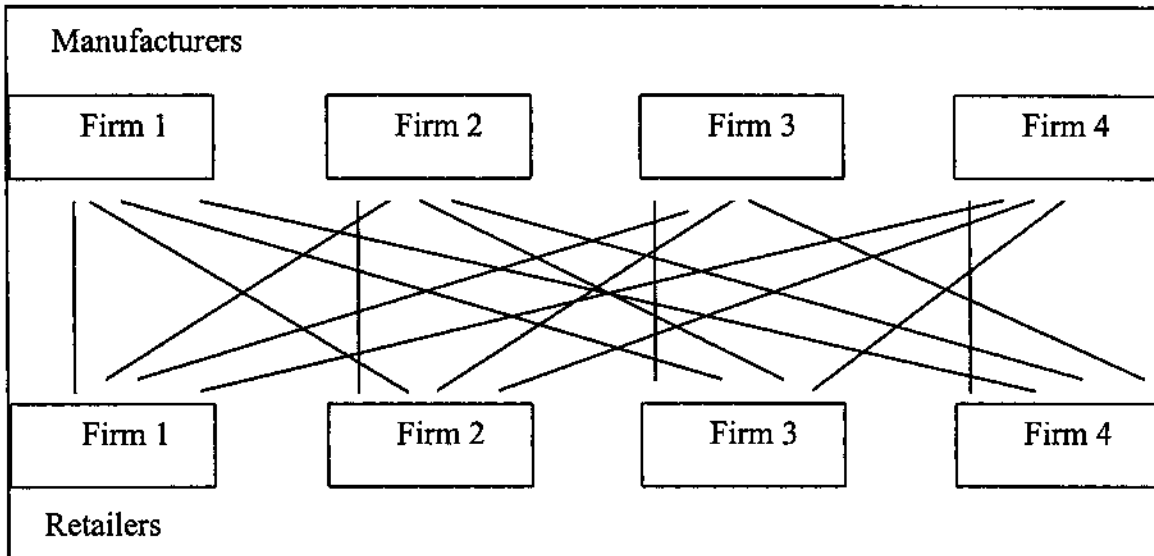
Independent sales representatives are commonly the facilitator in the interactions and negotiations in the channel (Anderson and Weitz 1989; Doney and Cannon 1997; Novick 1982; Novick 1988; Novick 1992); consequently, reps are frequently the glue that holds supplier-retailer negotiations together. If reps fail to meet the expectations of either suppliers or retailers, the development of satisfaction, trust, and commitment can be hindered, not formed, or eventually dissolved. So, understanding the perceptual differences in desired and

minimum acceptable role of reps among suppliers, reps, and retailers is vital to the market success of all three parties.

Understanding the perceptual differences can eliminate ambiguity in channel interactions. Unambiguous relationships serve a multi facet purpose. For example, in the absence of ambiguity, small retailers can react more quickly to the dynamics of their environment and, consequently, seize opportunities in the marketplace. Suppliers can more easily meet the needs of small retailers. Reps can provide better service to both suppliers and retailers. In sum, unambiguous interactions have better continuity than those in which perceptual distortions exist.

Reps do more than just enhance negotiations between suppliers and retailers. They also help increase efficiency in the channel of distribution. Without reps to facilitate the development of buyer-seller relationships the channel becomes cluttered and inefficient as illustrated in the Figure 1.1 on the following page.

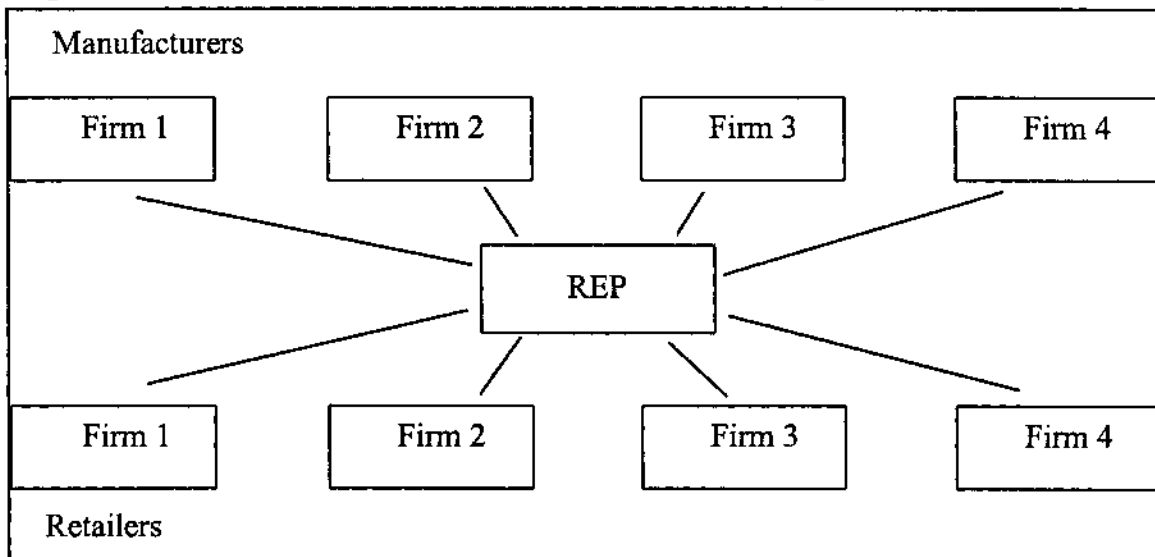
Figure 1.1: Channel Interactions Without A Rep



A minimum of sixteen direct contacts are required for four independent suppliers to sell to four independent retailers since each of the suppliers must be in direct contact with each of the retailers and each of the retailers must be in contact with each of the suppliers. When the rep is introduced as a third member of the channel, the buyer-seller relationship requires fewer direct contacts between suppliers and retailers. The total number of contacts required in the channel reduces to eight; but, for each individual firm the reduction is much greater. Instead of four individual contacts, each firm has only one, the one with the rep. The rep bears the responsibility for

facilitating most of the interactions. Consequently, the channel becomes more efficient with the rep as illustrated in Figure 1.2.

Figure 1.2: Channel Interactions With A Rep



Role and Contribution of Reps

It is common knowledge that retailers must purchase inventory to operate their businesses. Sometimes the merchandise is purchased directly from the supplier but other times it is purchased through a rep. The rep can increase the efficiency within the channel. Even basic principles of marketing books acknowledge that agents found in the channel between two different levels reduce the number of contacts required (Kotler 1991, Zikmund, 1996).

But rarely, if ever, is the agent or rep discussed in depth concurrently with both the supplier and the retailer. This leaves a void in information available with regard to the nature of the role and/or contributions of those agents. The rep, the major focus of this study, is generally the agent found in the interactions between merchandise suppliers and small retailers.

The role and contributions of reps need to be analyzed to gain a better understanding of reps. The understanding will help identify a way to improve the quality of the relationship between suppliers and retailers. A vast array of interactions and perceptions must be analyzed to accomplish this task. These include:

- suppliers' desired role for the rep,
- suppliers' minimum acceptable role for the rep,
- suppliers' tolerance zone of the role for the rep
(tolerance zones will be explained below),
- suppliers' perception of the reps' actual role,
- retailers' desired role for the rep,
- retailers' minimum acceptable role for the rep,
- retailers' tolerance zone of the role for the rep,

- retailers' perception of the reps' actual role,
- reps' perception of both suppliers' and retailers' desired role for the rep,
- reps' perception of both suppliers' and retailers' minimum acceptable role for the rep,
- reps' perception of suppliers' and retailers' tolerance zones,
- reps' perception of suppliers' assessment of the rep's actual role, and
- reps' perception of retailers' assessment of the rep's actual role.

Dynamic Channel Interactions, an interactive, two phase model, is presented in Chapter III. The model explores and identifies the above-mentioned interactions and perceptions. The desired and minimum role of reps from the perspectives of both suppliers and retailers is identified. In addition, tolerance zones of the rep's role are examined. Tolerance zones consist of the desired role as the upper bound and the minimum acceptable role as the lower bound. The range between the desired and minimum acceptable level is designated as the tolerance zone.

If the actual role exceeds the tolerance zone, the rep outperforms expectations. In such a case, transactional interactions will transfer to relational interactions more quickly than situations where the rep's role lies within the tolerance zone. If the actual role falls below the tolerance zone, the interactions may never transfer to relational interaction. In such a situation, one or more parties may cease interaction and seek more favorable circumstances with other members of the channel.

Since suppliers, reps, and retailers each function on different levels of the channel, their tolerance zones may be different. Gaps that may exist between the perceptions of suppliers, reps, and retailers will be identified and analyzed. The current research also explores the transformation of the role into the contribution of reps.

Related Literature

Rarely has the channel relationship of the supplier-retailer studied from any perspective other than as a dyad. In fact, an extensive literature review revealed only one article that takes into account the additional variable of concern in the dissertation, the rep (Doney and Cannon

1997). The lack of research required an extensive search of multiple topic areas with a specific focus on organizational buying and channels of distribution. Service quality, SERVQUAL in particular, was reviewed for two reasons. First, the role of the rep is directly associated with service contributions. Second, the SERVQUAL instrument was adapted as part of the methodology of this research. An in-depth discussion of the literature is found in Chapter II.

This dissertation identifies information that provides a foundation for future development of a unified theory of roles, tolerance, and contributions in dynamic interactions in the channel of distribution.

Problem Statement

Small retailers are searching for a supplier of competitive advantage to compete against larger retailers. The rep may represent such a supplier. Little is currently known about how the role of the rep and his/her performance is perceived by suppliers and retailers. We do not know what is expected from the reps, if the reps performance meet the expectations, or whether met expectations lead to a possible basis of competitive advantage.

Purpose of Research

The purpose of the current research was threefold:

1. To identify the role and contributions of the rep in the interactions between the supplier and retailer in the channel of distribution.
2. To develop a model that reflects the two phases of dynamic interactions in the channel, transactional and relational.
3. To develop a framework to enable suppliers, reps, and retailers to develop competitive alliances.

In summary, the expected and actual role and contributions of reps from the perspectives of both the supplier and the retailer were investigated. The reps' actual role and the contribution from the perspective of the rep were also studied. Once these three elements were identified, the gaps, if they existed, were identified. All of this was analyzed based on Dynamic Channel Interactions, a model developed and presented in Chapter III. A framework and recommendations was developed and presented in Chapter V.

Major Questions Addressed

Six major research questions were addressed in the current research. These included:

1. What is the tolerance zone within which suppliers and/or retailers expect reps to perform their role in the channel?
2. Is the tolerance zone of each dimension the same for both suppliers and retailers?
3. Do reps have a realistic perception of the tolerance zones of suppliers and retailers?
4. Do reps perform their role within the tolerance zones of suppliers and/or retailers?
5. At what point does the rep's role turn into a contribution?
6. What causes suppliers or retailers to cease interactions with reps?

Importance of Research

The results of the research will be important to both practitioners and academicians. From a practical perspective, the research effort will be important for suppliers, reps, and retailers. By identifying tolerance

zones and perceptual gaps, channel conflict can be reduced providing a more efficient avenue for exchange. Both suppliers and their reps will gain a better understanding of the unique needs of retailers while increasing their own profitability. Consequently, suppliers and reps will be in a better position to meet the needs of retailers. Retailers will in turn be able to make better purchasing decisions. The new knowledge gained from the research will enable the three groups to develop the competitive alliances and advantages that will provide the foundation necessary to strengthen and survive in the long-run. A framework for this purpose was developed based on the results of the study and presented in Chapter V.

From an academic perspective, the identification of tolerance zones and analysis of the gaps provides information that will serve as a foundation for future development of a unified theory of roles, expectations, and contributions in dynamic interactions in the channel of distribution. The current research also provides insight into one of the relatively unknown entities within the channel of distribution, the rep. This will enable

researchers to further investigate this portion of the channel as multidimensional rather than as dyadic.

Methodology

To identify the essence of the perceptual gaps of the role, tolerance zones, and contributions of the rep in the channel of distribution, the potential bias introduced by branded items must be removed. This was achieved by selecting an industry in which there was minimal dependence on brand names, the gift industry. The lack of importance of brand names contributes to the generalizability of the findings.

A pretest was conducted at a major trade show in the Dallas Market Center in June. The sample group included representatives from all three populations. Potential problems with instructions, wording of questions, and ambiguity were identified. Adjustments were made to the instrument based on comments and problems. The revised instrument was used for this research.

The primary sample was drawn from the membership of the National Association of Sales Agencies (NASA), an organization of rep firms in the gift industry representing

17 regions in the nation. Each rep group was comprised of 8 to 35 reps who serve as sales agents for 10 to 60 suppliers. Each rep group services 1,000 to 15,000 active retail accounts.

A census survey of the reps and suppliers for each firm was conducted. A random sampling of 100 retail establishments which purchase from each of the groups was also taken. Retail establishments selected for the study employed fewer than 20 workers (84.85 percent of all retail establishments) (see Table I). At least 100 usable responses were desired per category.

The survey instrument was modified for each population. One addressed the roles, tolerance zones, and contributions of reps from the perspective of suppliers, another addressed the perspective of retailers, and one addressed the perspective of reps. Each rep group supplied the names and addresses of the individual reps as well as the contact names and addresses of suppliers and retailers. A cover letter explaining the purpose and benefits of the study accompanied the instrument to encourage participation.

Hypotheses were developed to address the research questions and a model developed. The SERVQUAL instrument designed and validated by Berry, Parasuraman, and Zeithaml (1985, 1988, 1991, 1994) was adapted to measure the rep's role and gaps of interest. Established satisfaction, trust, and commitment scales were adapted to measure the contributions of reps. Upon completion of the administration of the survey, relevant dimensions of role and contributions were identified through factor analysis and reliability of the scale analyzed through the calculation of Cronbach's alpha. Data was analyzed further and gaps in tolerance zones identified using Multiple Analysis of CoVariance (MANCOVA). Finally, correlations were to analyze the contributions of reps.

Limitations

Limitations were rooted in the lack of existing theory and research pertaining to the role, tolerance zone, and contribution of reps in the interactions between suppliers and retailers. The role and contributions of reps are services provided, as a type of middleman, to both suppliers and retailers. Similar to what Parasuraman et al. (1985,

1988, and 1994) found in their studies of service quality, the role and contribution are difficult to measure. This is possibly the reason for the lack of information.

The study was confined to suppliers, reps, and small retailers in the gift industry. The extent to which results can be generalized beyond these types of firms is not known. However, since this is an exploratory study designed to provide the foundation for future development of theory, certainty cannot be expected. The use of an industry with minimal dependence on brands should enhance the generalizability of the findings.

Other limitations were present in the focus on only one intermediary relationship and one influencer in the supplier-buyer relationship. Other researchers have examined dyadic interactions. This study is an early attempt to add one more aspect of channel relationships, the rep. Future research will continue the examination of supplier-buyer relationships as multidimensional rather than dyadic by adding other intermediaries and influencers.

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CHAPTER II

REVIEW OF THE LITERATURE

Interactions between suppliers, reps, and retailers in the channel of distribution are very complex because of the number of parties involved and the dynamics of the relationship. To identify the true essence of the interactions, a diverse cross-section of the literature was reviewed. First, the literature in organizational buying was examined to determine the anticipated role of reps in the buying process. Second, a review of the channel of distribution literature, with a specific focus on satisfaction, trust, and commitment, identified the areas for examination of potential contribution of reps. The chapter concludes with a review of the SERVQUAL literature.

Organizational Buying

Organizational buying has been a focus of research since the late 1960s during which three primary models emerged (Robinson et al. 1967; Sheth 1973; Webster and Wind 1972). Each of these models alluded to the fact that reps

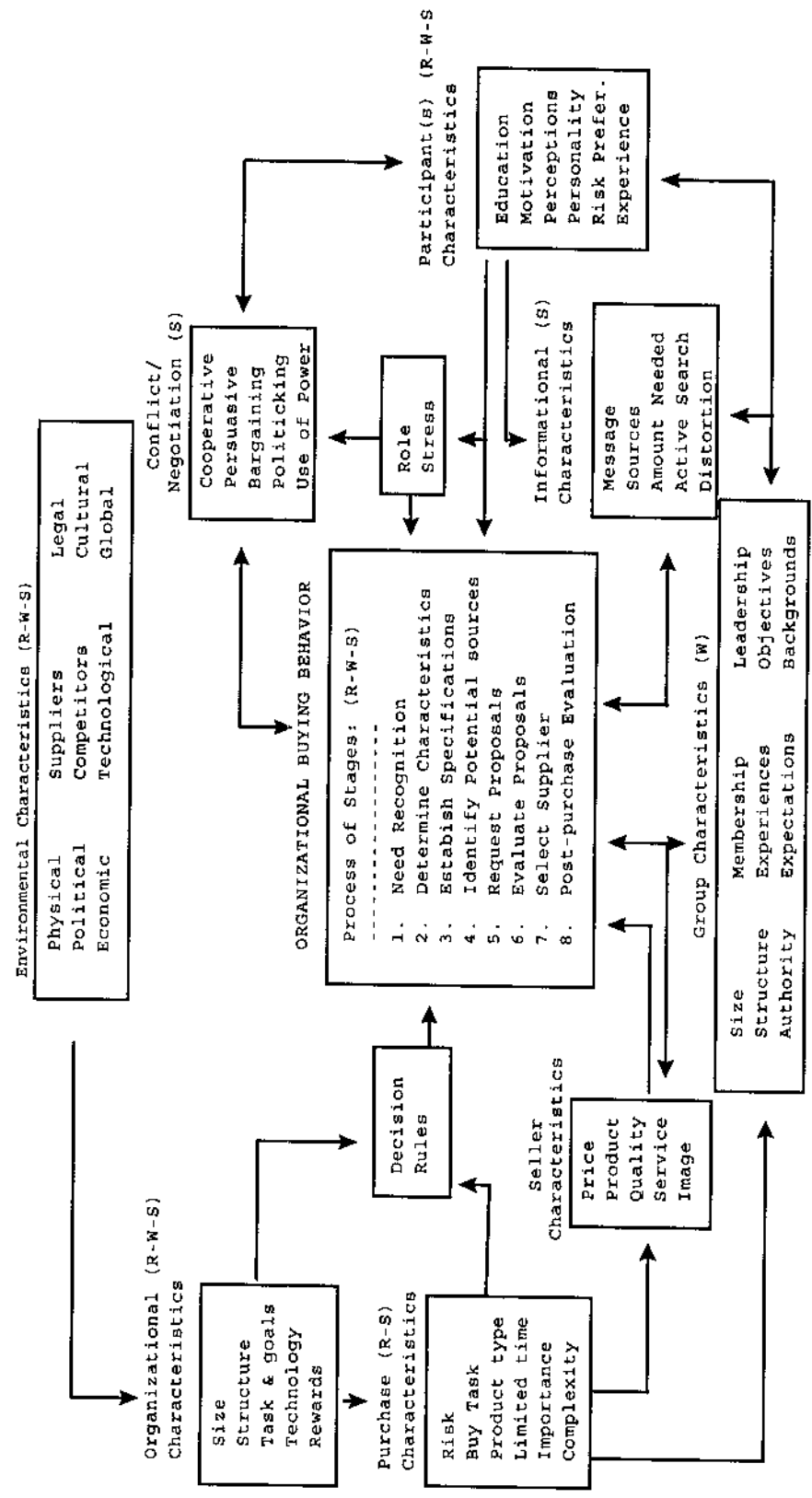
have some influence in the decision making process of organizational buyers but none explicitly stated the essence of the role and/or contribution of the rep. The major focus of the primary models (Robinson et al. 1967; Sheth 1973; Webster and Wind 1972) was on the buyer. Anderson & Chambers (1985) developed a reward/measurement model of organizational buying behavior. Their work introduced a different perspective and a key element, the outcome of satisfaction. However, the focus of their model remained on the buyer (Anderson and Chambers 1985). The narrow focus overlooked some key influences of the buying process. Several authors recommended the focus of organizational buying should be on dyadic interactions rather than just the buyer (Anderson and Chambers 1985; Bonoma et al. 1978; Johnston and Bonoma 1981). A dyadic focus should incorporate the three types of moderators exist in the interactions between buyers and sales reps: (1) the customer's buying task, (2) the salesperson's resources, and (3) the customer salesperson relationship (Weitz 1981).

An integrated model of organizational buying recently introduced (Johnston and Lewin 1996) took the literature one

step closer to a dyadic interaction focus by bringing in buyer-seller relationships. The new model integrated all the propositions of the Robinson, Faris, and Wind (1976), Webster and Wind (1972), and Sheth (1973) models and added four. The first two additions, decision making and conflict/negotiations, are found in the integrated model (see Figure 2.1 on the following page). Similar to the original models, the integrated model also alluded to the role and contributions of reps but did not directly address them.

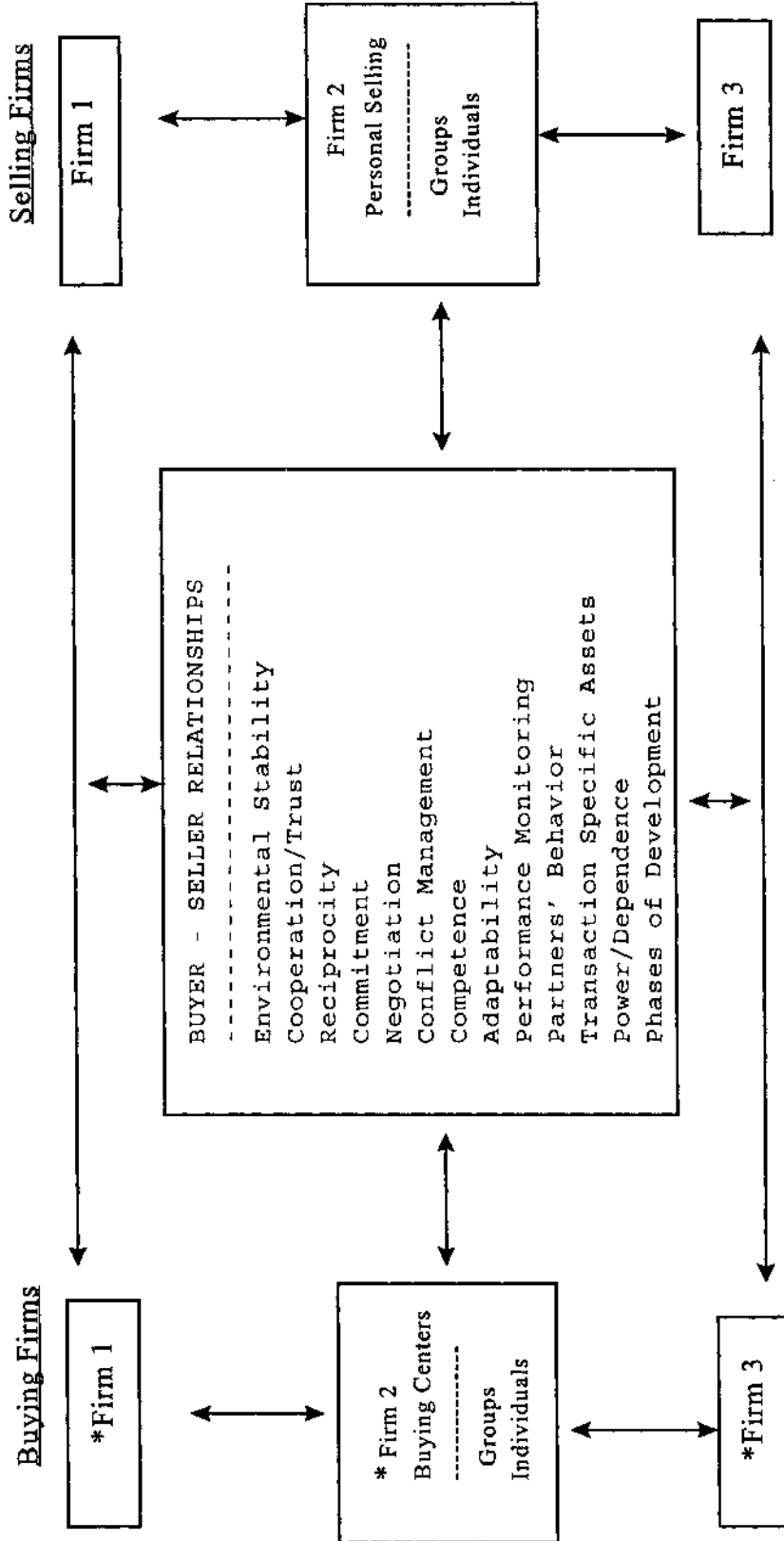
The final two additions, buyer-seller relationships and interfirm communications, introduced by Johnston and Lewin (1996) were the basis of a supplemental model (see Figure 2.2). The model assumed that all organizations go through the buying process depicted in the integrated model but added dynamic and network perspectives of buyer-seller relationships. The network perspectives indicated that buying firms communicate both with multiple sellers and other buying firms. Many times for small retailers and suppliers this communication is conducted through a third party, an independent sales rep.

Figure 2.1: An Integrated Model of Organizational Buying Behavior



R - Indicates constructs contained in the Robinson, Paris, and Wind (1967) model.
 W - Indicates constructs contained in the Webster and Wind (1972) model.
 S - Indicates constructs contained in the Sheth (1973) model.
 U - New constructs not contained in any of the original three models.

Figure 2.2: Buyer - Seller Relationships



* We assume that the integrated model of organizational buying behavior, as proposed in Figure 1, to each of the three "Buying Firms in" Figure 2.

** Arrows denote select communication pathways between firms.
Johnston & Lewin (1996)

Suppliers which provide merchandise to small retailers often contract with reps because of their extensive contacts and cohesive relationship with multiple retailers (Novick 1982; Novick 1988; Novick 1989). Independent reps provide an avenue for suppliers to reach a vast array of retailers which carry complimentary products (Novick 1982; Novick 1988; Novick 1989; Novick 1992; Novick 1995; Sibley and Teas 1979; Washburn 1983). Consequently, reps also facilitate the networking communications of suppliers as prescribed in Johnston & Lewin's (1996) organizational buying model.

A review of the literature revealed only one study prior to 1980 that focused on the organizational buying process for retailers (Berens 1972). Berens (1972) proposed a decision matrix of vendor selection for retail inventory purchases. It was not until the early 1980s that situations involving buyers that purchase goods for retailers to resell to consumers began to attract more attention (Ettenson and Wagner 1986; Kline and Wagner 1994; Upah 1983; Wagner et al. 1989). However, the major focus remained on buyers and their vendor selection process (Levy 1987; Wagner et al. 1989). The role and contribution of the rep in the

interactions are still overlooked; however, the role of the rep has become more important. With the trend toward increasing efficiency in the channel, as discussed in Chapter 1, the role of the rep is evolving from salesperson to "relationship manager" (Kotler 1991, p.678-681; Swan and Nolan 1985).

Other shortcomings in the literature were grounded in the fact that all of the above-mentioned models, organizational and retail alike, illustrated buying in general without regard to the size of the organization. However, researchers began to realize more than two decades ago that models developed for large organizations are not necessarily generalizable to small organizations (Cardozo and Cagley 1971). Cardozo and Cagley (1971) concluded from an experimental study that industrial markets need to be segmented into three distinct categories to ascertain a true picture of the industrial buying process. One of the segments suggested was "the size of the buying firm, the position within the firm of the particular buyer responsible, and the personal background of the industrial buyers" (Cardozo and Cagley 1971). The finding supported

two major factors of concern in this study. First, although significant amounts of research have focused on large organizations the results may not be generalizable to small organizations. Second, the interactions in the channel, buying interactions specifically, are dynamic. Individual characteristics of the people involved in the buying process have an impact on the outcome.

Despite the organizational buying models developed and the research conducted no theory for organizational buying existed (Wilson 1985). Attempts have been made to develop a framework to serve as a possible "foundation for a general theory of the organizational dyad" (Anderson and Chambers 1985a). Others have examined the relationship between information suppliers and retail buying experience (Ettenson and Wagner 1986; Kline and Wagner 1994) or product complexity (Upah 1983). However, a review of the literature revealed no theoretical models for organizational buying of retailer inventory.

The lack of theory was partially attributable to the complexity of the buying process, the massive data collection required to develop such a theory, and the high

cost and time requirements for such research (Wilson 1985). Other problems arose from the fact that suppliers, retailers, and academics all had different perspectives from which they believed organizational purchasing theory should be developed (Wilson 1985).

Channel of Distribution

The trend found in channel research has been to determine the dimensions involved in forming relational interactions as opposed to transactional interactions. Early studies traditionally focused on dependence and transaction specific investments (Anderson and Weitz 1989; Anderson and Weitz 1992; Noordewier 1990) which are important in assessing the nature of long-term orientation but are not sufficient to explain the interactions (Ganesan 1994). Three key dimensions identified in the literature were satisfaction (Andaleeb 1996), trust (Doney and Cannon 1997; Ganesan 1994; Kumar et al. 1995a; Larzelere and Huston 1980; Morgan and Hunt 1994), and commitment (Andaleeb 1996; Anderson and Weitz 1992; Morgan and Hunt 1994). The theoretical underpinnings of these dimensions had an interdisciplinary grounding (Gambetta 1988; Lewicki and

Bunker 1995). The three dimensions were to essential to a vast array of including love, self-disclosure, and marriage (Larzelere and Huston 1980; Stinnett and Walters 1977).

This section begins with an overview of the relevant channel literature followed by a discussion of satisfaction, trust, and commitment including definitions and specific applications to the interactions among suppliers, reps, and retailers concludes the section.

The majority of the research pertaining to channel interactions and relationships has focused on large industrial organizations (Anderson 1995c; Ballantyne 1994a; Ballantyne 1994b; Christopher; Heide and Stump 1995; Wilson 1995). But, it could not be assumed the interactions are the same for both large and small firms (Cardozo and Cagley 1971). For example, large retailers strive to buy direct, bypassing sales reps, in an effort to eliminate commission, thereby reducing cost (Hasty and Reardon 1997, p.432); whereas, small retailers rely heavily upon their interactions with reps (Novick 1992).

Wilson (1994) conducted an exploratory study on buyer-seller relationships in the retailer-supplier channel but

focused on the interorganizational information system technology adoption effects on the relationship rather than interactions within the channel. During the same time frame, Ganesan (1994) also conducted a study of buyer-seller relationships in the retailer channel. His study switched the focus from tangibles to the development of trust between the vendor's representative or sales person and the retail buyer. The results of his study revealed varying effects from two different perspectives, the representative and the retail buyer, suggesting "channel research should consider carefully the implications of channel member roles on various relationship factors" (Ganesan 1994). These relationships need to be studied in more depth because the interactions between suppliers, or their reps, and retailers are an avenue for developing a sustainable competitive advantage (Ganesan 1994). Satisfaction and trust were identified as an integral part of developing such relationships.

Satisfaction

In general terms, satisfaction has been described in the marketing literature as an "evaluation rendered that the

(product) experience was at least as good as it was supposed to be" (Hunt 1977). More recently, the definition has been adapted to focus more specifically on channel interactions. Channel literature defined satisfaction as "an overall positive affect and reflects the focal organization's (buyer's) overall contentment regarding its relationship with another party (a supplier)" (Andaleeb 1996, p.80). This stemmed from the members' cognitive state of feeling of degree of adequacy of the outcome of investment, intrinsic or extrinsic, in the relationship (Frazier 1983; Howard and Sheth 1969).

Satisfaction is influenced by a multiple factors most of which are associated with comparing the actual against expectations (Frazier 1983). It is also associated with attribution and where the blame is placed with expectations are not met (Kelley 1972), the equity of the outcomes of the relationship (Foa and Foa 1974; Frazier 1983), and the role performance of the participants in the interactions (Hunt and Nevin 1974; Lusch 1977). Satisfaction has been associated with decreased conflict (Brown and Day 1981; Gaski and Nevin 1985) and increasing cooperativeness (Dwyer

1980). In other words, satisfaction leads to positive outcome of interactions (Frazier 1983; Han et al. 1993) and long-term relationships (Morgan and Hunt 1994).

Satisfaction in the channel has been associated with transactions and the discrepancies existing between the perceived performance as compared to expectancies (Emerson 1995). Two standards for comparisons existed. The 'comparison level' was "the standard against which the member evaluates the 'attractiveness' of the relationship or how satisfactory it is" (Miller 1977, p.75). The 'comparison level for alternatives' was "the standard the member uses in deciding whether to remain in or leave the relationship" (Miller 1977, p.75). The standards were similar to those established by Parasuraman, Zeithaml, and Berry (1994) for developing the tolerance zones against which perceived service quality is measured. Parasuraman labeled the comparison levels 'desired' and 'minimum.' Social exchange theory suggested that if the supplier performs above the 'minimum,' the customer will be more likely to establish a relationship that if the supplier performs below the level. Customers compare the perceived

level of service performance received with the standard to make the judgement (Christopher 1983; Rinehart et al. 1989).

Trust

Trust has been defined by a plethora of authors in a vast array of disciplines including: psychology, sociology, political science, economics, anthropology, history, and sociology (Gambetta 1988; Lewicki and Bunker 1995). Three perspectives were found within the disciplines: personality theorists, sociologists and economists, and social psychologists (Worchel 1979). The differing views have lead to a lack of a general consensus for the meaning of trust (Lewicki and Bunker 1995). Personality theorists focused on an individual's readiness to trust. This was a characteristic inherent in one's personality grounded in beliefs, expectancies, and feelings. Whereas, sociologists and economists focused on the institutional aspect of trust as it existed between and within institutions as well as that which individuals instill in them. Finally, social psychologists took a transactional perspective that focused on the creation or destruction of trust (Lewicki and Bunker 1995; Worchel 1979).

Trust was possibly the dimension that had been most extensively examined in the marketing discipline (Doney and Cannon 1997; Ganesan 1994; Kumar et al. 1995b) of the three key dimensions, satisfaction, trust, and commitment, identified earlier and justifiably so. Empirical results showed that, according to both buyers and sellers, trust was "by far the most important factor characterizing a good relationship" (Han et al. 1993, p.334).

Most of the definitions of trust used in marketing were grounded in social psychology (Blau 1964; Butler and Cantrell 1984; Erikson 1953; Larzelere and Huston 1980; Pruitt 1981; Remple and Holmes 1986; Rotter 1967) and had made some major transitions. Erikson (1953) defined trust in terms of "basic trust" with a focus on "the healthy personality." In the late 1960s the definition took a more interpersonal perspective. The trend was to define trust as "an expectancy held by an individual or group that the word, promise, verbal or written statement of another individual can be relied upon" (Rotter 1967). These and other general definitions addressed the concept through the character of people in the aggregate (Erikson 1953; Larzelere and Huston

1980; Rotter 1967; Wrightsman 1964). Dyadic trust, on the other hand, was associated more with intimacy and commitment which involved two basic attributes, benevolence (Deutsch 1962; Ganesan 1994; Larzelere and Huston 1980; Linskold 1978; Remple and Holmes 1986) and honesty (Larzelere and Huston 1980) or credibility (Ganesan 1994; Linskold 1978).

Dyadic trust has been defined in terms of motives, intent, (Blau 1964; Butler and Cantrell 1984; Pruitt 1981; Remple and Holmes 1986) and the potential to abuse the trust (Gambetta 1988; Luhmann 1979 p.42). More recently, trust has been defined in terms of credibility and benevolence (Doney and Cannon 1997; Ganesan 1994; Kumar et al. 1995b). The current research based its interpretation of trust upon the work of these more recent authors and defined it as the perceived credibility and benevolence of a target of trust.

Central to the theme of dyadic trust was expectancy of future actions based on past performance or consistency in behavior over time (Linskold 1978; Rotter 1971). Regardless of the definition, authors suggested security in relationships increased and inhibitions and defensiveness decreased through trust (Larzelere and Huston 1980; O'Niell

and O'Neill 1972). Channel conflict was reduced and satisfaction was increased through trust (Anderson and Narus 1990; Doney and Cannon 1997). In addition, firms were more committed to relationships in which trust exists than to those in which it was not present (Anderson and Weitz 1989; Doney and Cannon 1997; Morgan and Hunt 1994). Ultimately, similar to satisfaction, trust facilitated higher levels of cooperation (Morgan and Hunt 1994). It also increased effort expended into the relationship (Anderson et al. 1987; Doney and Cannon 1997).

Commitment

The importance of satisfaction and trust in channel interactions was explained in the previous sections. The third dimension of the reps contribution to the relationship between suppliers and retailers identified was commitment. Some researchers contended trust could be construed as a consequence of commitment (Parsons 1969); whereas, others postulated trust preceded commitment (Larzelere and Huston 1980; Morgan and Hunt 1994). Although no general consensus existed as to which comes first, trust or commitment, it was obvious the two are commonly found together. Relational

interaction in the channel require commitment and can be destroyed without mutual trust (Hunt and Morgan 1994). Mutual trust and commitment are required for cooperation-- not just one or the other (Morgan and Hunt 1994).

Morgan and Hunt (1994) defined commitment as "an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it" (Morgan and Hunt 1994, p.23). The essence of commitment was "stability and sacrifice" (Anderson & Weitz, 1992, p19).

Several authors addressed the issue of commitment in their studies (Andaleeb 1996; Anderson and Weitz 1992; Heide and John 1990; Scheer and Stern 1992) but each approached the topic from a different perspective. Andaleeb (1996) examined satisfaction and commitment as they responded to the independent and interactive effects of trust and dependence. The results indicated that trust had a significant main effect on both satisfaction and commitment. Other studies examined stress input along with the attitudinal and temporal dimension of commitment (Gundlach et al. 1995; Gundlach and Cadotte 1994) and the amount of

effort expended into the relationship (Morgan and Hunt 1994).

The importance of commitment, as well as trust, has been emphasized because they encourage marketers to (1) cooperate, (2) act in favor of long-term benefits, and (3) resist the temptation to act opportunistically (Morgan and Hunt 1994).

SERVQUAL

A review of the SERVQUAL literature was essential to the current research because the instrument served as the foundation for the design of the survey used in the current study. SERVQUAL was designed to measure the quality of service offered by organizations in a variety of industries (Parasuraman et al. 1985; Parasuraman et al. 1988; Parasuraman et al. 1994; Zeithaml et al. 1990). It was designed because of the inadequate understanding of services based on the fundamental differences between services and products such as intangibility, heterogeneity, and inseparability (Zeithaml et al. 1990). The research went through four distinct phases (Zeithaml et al. 1990). The original study (Parasuraman et al. 1985) was a qualitative

study conducted in four different service categories: retail banking, credit card, securities brokerage, and product repair and maintenance. The diversity of the categories enabled the researchers to identify the dimensions of service quality and potential gaps in the delivered quality that are generalizable to most service sectors. Customer focus groups identified 10 postulated dimensions: tangibles, reliability, responsiveness, competence, courtesy, credibility, security, access, communication, and understanding the customer. Executive interviews revealed four gaps between customer and managerial perceptions of service quality:

- Gap 1 The difference between customers' expectations and management's perceptions of those expectations,
- Gap 2: The difference between management's perceptions of customers' expectations and service quality specifications,
- Gap 3: The difference between service-quality specifications and service delivery, and

Gap 4: The difference between service delivery and external communications to customers about service delivery.

These four gaps led to the potential for a fifth gap:

Gap 5: The difference between customers' expected service and the customers' perception of the service experienced.

The gaps were graphically depicted in Figure 2.3 on the following page.

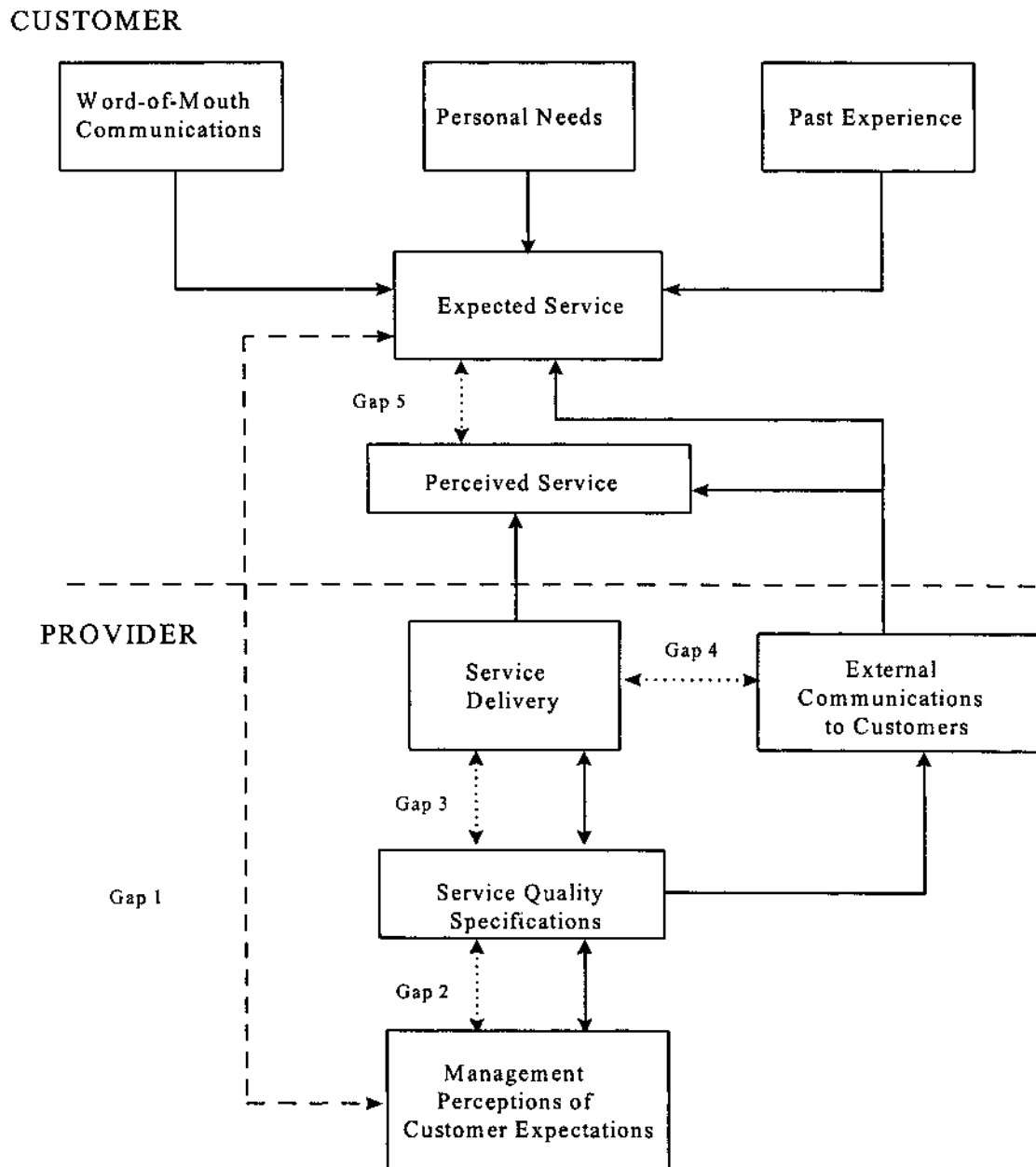
The initial exploratory studies served as the foundation for the development of the original scale. Parasuraman et al. (1988) developed the instrument currently known as SERVQUAL. The initial administration of the SERVQUAL instrument in five diverse service categories enhanced the generalizability of the instrument. A scale ranging from 1 to 7 was used to evaluate the 10 postulated dimensions through a 97-item instrument, approximately 10 items per dimension. A purification process led to the number of dimensions being reduced to five: tangibles, reliability, responsiveness, assurance, and empathy. Fifty-five items were eliminated reducing the instrument to a 22-

item scale. The reported total scale reliability was .92 (Parasuraman et al. 1988).

Parasuraman et al. (1991) replicated and further refined the SERVQUAL instrument in a study involving telephone repair, retail banking, and insurance. The refined instrument involved semantic changes. Terminology, such as "should" that might have led respondents to report unrealistically high expectations, was changed to wording that focused on "what customers should expect from companies delivering excellent service" (Parasuraman et al. 1991). In addition, instructions for the expectation section of the questionnaire were changed.

The most recent version of SERVQUAL (Parasuraman et al. 1994) changed the structure of the instrument and added a section that allowed the researcher to identify a tolerance zone rather than just expectations and perceptions. This was accomplished by asking respondents to assess the desired level (what can and should be) as well as the adequate service level (the minimum acceptable level). The range separating the two was identified as the zone of tolerance (Parasuraman et al. 1994).

Figure 2.3: Conceptual Model of Service Quality



Zeithaml et al. (1990)

Parasuraman et al. (1994) tested three formats for SERVQUAL including a one column, a two-column, and a three-column format. The one column and three column instruments had similar response rates in both the pretest and actual study. The two-column format had a lower response rate in both situations. In addition, a lower percentage of respondents had response error (i.e., a higher rating on adequacy than superiority) with the three-column format than with the two-column. The results indicated the threat to validity attributable to response error was higher for the two-column format than the three-column format. Of the three formats examined, only the three-column format had the capability to identify the zone of tolerance and perceived level of service quality as it relates to the zone. Based on these findings Parasuraman et al. reformatted the instrument to accommodate the three column format and identification of a zone of tolerance (Parasuraman et al. 1994). An adaptation of the three column format was used for the current study.

SERVQUAL has been adapted by a plethora of authors in at least 21 industries (see Table 2.1) in both domestic and

international situations (Anderson 1995; Babakus and Mangold 1992; Baker and Lamb 1993; Bojanic 1991; Bowers et al. 1994; Carman 1990; Cronin and Taylor 1992; Dotchin and Oakland 1994; Freeman and Dart 1993; Gagliano and Hathcote 1994; Headley and Miller 1993; Johns and Tyas 1996; Lin and Brian 1996; Mangold and Babakus 1991; McAlexander et al. 1994; McDaniel and Louargand 1994; McDougall and Levesque 1994; Nelson and Nelson 1995; Pitt et al. 1995; Reidenbach and Sandifer-Smallwood 1990; Rigotti and Pitt 1992; Saleh and Ryan 1991; Soliman 1992; Webster and Hung 1994; Witt and Stewart 1996; Young et al. 1994; Youssef et al. 1995; Zumbahl and Mayo 1994). In addition to using the instrument to measure consumers' perceptions of the quality of service they received, the instrument has been adapted to measure service quality from the perception of the service providers such as physicians (Walbridge and Delene 1993).

Internationally, several researchers have studied the usage and adaptations of SERVQUAL (Akan 1995; Blanchard and Galloway 1994; Bouman and van der Wiele 1992; Chaston 1994a; Chaston 1994b; Chaston 1995; Donnelly et al. 1995; Kettinger et al. 1995; Kwan and Hee 1994; Lam 1995a; Lam 1995b; Soutar

et al. 1994; Taylor et al. 1993; Triplett et al. 1994; Vandamme and Leunis 1993).

Corporations have also utilized SERVQUAL. For example, Corning Corporation incorporated SERVQUAL to facilitate the establishment of customer satisfaction systems (Davis 1994). Queensland state used the instrument to quantitatively assess state government service quality in a qualitative/quantitative research program (McCormack 1994).

With the widespread use of the SERVQUAL instrument not all adaptations have been successful. McDougall et al. (1994) concluded the use of performance measures was a more efficient method of measuring service quality than SERVQUAL in the retail banking sector. Babakus and Boller (1992) determined SERVQUAL was not appropriate for low involvement services such as utilities. Triplett et al. (1994) conducted a longitudinal study, four years, in an international government service setting. The results of the study indicated SERVQUAL is not a reliable instrument in that type of situation.

SERVQUAL was not without its critics. Multiple authors agreed that SERVQUAL was a useful framework for service

quality but required modification to the items measuring the five basic dimensions (Baker and Lamb 1993; Bojanic 1991; Cravens et al. 1985) which may have contributed to the fact that dimensions were not always consistent with SERVQUAL dimensions (Carman 1990; Freeman and Dart 1993; Vandamme and Leunis 1993). Some of the more serious criticisms were grounded in the use of expectations versus perceptions difference scores to measure service quality (Babakus and Boller 1992; Brown et al. 1993; Carman 1990; Teas 1993) and the fact that with SERVQUAL, expectations and perceptions were both measured after the service had already been performed (Carman 1990; Gilmore and Carson 1992). The expectations minus perceptions issue raised concerns about whether the original scale measured the right things (Gilmore and Carson 1992) as well as concerns about the discriminant validity of the scale (Teas 1993). SERVQUAL has also been criticized because of the difference between the customary definition of customer expectations as "desires and wants of consumers" as opposed to the "should" perspective of expectations taken by Parasuraman et al. (1988) (Gilmore and Carson 1992). SERVQUAL's application to

only process quality dimensions without regard to outcome quality dimensions was less frequently criticized (Richard and Allaway 1993).

The criticisms have led a few authors to introduce alternative scales to compensate for the shortcomings of SERVQUAL. Alternatives include evaluated performance (EP), normed quality (NQ) (Teas 1993; Teas 1994), and performance-based measures (SERVPERF) (Cronin and Taylor 1992; Cronin and Taylor 1994). It was also been suggested that the use of a bipolar semantic differential graphic scale could overcome many of the problems associated with SERVQUAL (Lewis and Mitchell 1990). Despite all the criticism, SERVQUAL remains the most popular scale for adaptation and measurement of service quality (Brown et al. 1993).

Some of the criticisms of SERVQUAL were minor while others may have had serious implications. Parasuraman et al. have revised the instrument several times since their initial study (1988, 1991, and 1994) as discussed earlier in this section. Each revision involved improvements based on the criticisms. The literature review revealed no study criticizing SERVQUAL since the most recent (1994) revision.

When researchers adapt previously validated instruments, they still bear the responsibility of researching their topic well enough to ensure the adaptation is appropriate. SERVQUAL is no exception. Carman (1992) recommended that rather than discarding the use of SERVQUAL that researchers evaluate the original 10 proposed dimensions as they relate to the specific industry and proceed with those that are applicable.

Conclusion

Prior research pertaining to organizational buying had several shortcomings for application in supplier-retailer interactions. First, the models focused on the buyers process of vendor selection. The single focus eliminated some valuable information. Researchers have suggested that the focus needs to switch from a singular perspective to dyadic interactions. Recently an integrated model introduced buyer-seller relationships but the primary focus remained on the buyer's vendor selection process. A review of the literature revealed no study or model that incorporated all three populations of interest, suppliers, reps, and retailers, of interest to the current research.

At minimum, an organizational buying model should include three types of moderators: (1) the customer's buying task, (2) the sales person's resources, and (3) the customer sales person relationship. Second, existing models of organizational buying were designed for large firms in an industrial setting. Their application or adaptation to retailers, small retailers specifically, may not be appropriate. Finally, the development of theory in this area, particularly for retail buyers, was incomplete.

Literature in the channel of distribution indicated that efficiency increased when interactions made a transition from transactional to relational. Three key elements were revealed as essential to making the transfer. These included: satisfaction, trust, and commitment. The theoretical underpinnings for the three dimensions had an interdisciplinary foundation and similarity to the same dimensions as they applied to close interpersonal relationships such as marriage.

The literature further indicated that the role performance of the participants in the interactions had an impact on the level of satisfaction in the channel. Trust

was based on expectancies derived for prior experiences and the satisfaction arising from them. Relational interaction required commitment but the commitment could be destroyed in the absence of trust. In other words, indications were that satisfaction, trust, and commitment are interrelated.

Consequently, if the role performance of participants was associated with satisfaction, the roles required examination to understand the full scope of this aspect of channel interactions. SERVQUAL was one means identified for assessing the role and the perceived performance of the role in service situations. Reps perform a service role in the channel of distribution so SERVQUAL, with adaptations to compensate for some of its shortcomings, was the method for determining the reps role in the interactions between suppliers and retailer.

Table 2.1a: Domestic SERVQUAL Adaptations

Industry	Author(s)
Acute care hospital	(Carman 1990)
Airlines	(Young et al. 1994)
Architectural design	(Baker and Lamb 1993)
Business school placement center	(Carman 1990)
Business schools	(Rigotti and Pitt 1992)
Catering service	(Johns and Tyas 1996)
Dental school patient clinic	(Carman 1990)
Dry cleaning	(Cronin and Taylor 1992)
Electric and gas utilities	(Babakus and Boller 1992)
Fast food	(Cronin and Taylor 1992)
Health care	(Anderson 1995b) (Babakus and Mangold 1992) (Bowers et al. 1994) (Headley and Miller 1993) (Mangold and Babakus 1991) (McAlexander et al. 1994) (Reidenbach and Sandifer-Smallwood 1990) (Soliman 1992) (Youssef et al. 1995)
Hospitality	(Saleh and Ryan 1991) (Webster and Hung 1994)
Information system functions	(Pitt et al. 1995)
Legal services	(Witt and Stewart 1996)
Military civil engineering	(Zumbahl and Mayo 1994)

Table 2.1b: Domestic SERVQUAL Adaptations (continued)

Industry	Author(s)
Pest control	Pest control
Professional services	(Bojanic 1991) (Freeman and Dart 1993)
Real estate brokerage	(McDaniel and Louargand 1994) (Nelson and Nelson 1995)
Retail banking	(Cronin and Taylor 1992) (McDougall and Levesque 1994)
Retail apparel specialty stores	(Gagliano and Hathcote 1994)
Tire store	(Carman 1990)
Total Quality Management	(Anderson 1995a) (Dotchin and Oakland 1994)
Veterinary medical health care	(Lin and Brian 1996)

Table 2.2: International SERVQUAL Adaptations

Industry	Author(s)
Automobile service	(Bouman and van der Wiele 1992)
Banking	(Blanchard and Galloway 1994) (Chaston 1994b) (Chaston 1995) (Kwan and Hee 1994) (Lam 1995a) (Lam 1995a)
Educational institutions	(Soutar et al. 1994)
Health care	(Vandamme and Leunis 1993)
Hotels	(Akan 1995)
Information Services Function Quality Framework	(Kettinger et al. 1995)
Local government services	(Donnelly et al. 1995) (Triplett et al. 1994)
Manufacturing	(Chaston 1994a)
Recreational services	(Taylor et al. 1993)

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CHAPTER III

METHODOLOGY

In this chapter the research objectives, model and hypotheses development, research design, sample design, questionnaire design, and proposed method of analysis are detailed. The chapter concludes with a discussion of the limitations of the research design and methodology.

Purpose of the Research

The purpose of this study was to measure the expected and actual role and contribution of reps in the interactions between suppliers and retailers as well as identifying a tolerance zones. A model was developed as the means for accomplishing this.

Research Questions

Six major research questions were addressed in the current research. These included:

1. What is the tolerance zone within which suppliers and/or retailers expect reps to perform their role in the channel?

2. Is the tolerance zone each dimension the same for both suppliers and retailers?
3. Do reps have a realistic perception of the tolerance zones of suppliers and retailers?
4. Do reps perform their role within the tolerance zones of suppliers and/or retailers?
5. At what point does the rep's role turn into a contribution?
6. What causes suppliers and/or retailers to cease interactions with reps?

Hypothesis and Model Development

Channel interactions are in an era of striving to increase efficiency. As noted in the review of the literature, Chapter II, channel interactions and relationships have traditionally been studied as dyads (Ambler 1994; Anderson and Weitz 1989; Anderson et al. 1994; Anderson and Narus 1990; Anderson and Chambers 1985; Dwyer et al. 1987; Frazier 1983; Hallen et al. 1991; Heide and John 1990; John and Reve 1982). The relationship between suppliers and retailers was no exception. Little consideration has been paid to the impact of a third party,

reps who introduce interpersonal interactions, although each time a member is added to the channel of distribution, increasing efficiency becomes more difficult and complex.

The primary organizational buying models (Anderson and Chambers 1985; Johnston and Lewin 1996; Robinson et al. 1967; Sheth 1973; Webster and Wind 1972) focused on buyers and their method of vendor selection. Several authors recommended the key focus should be on the dyadic interaction (Bonoma et al. 1978; Johnston 1981; Johnston and Bonoma 1981) rather than the buyer only. Three of the four models (Johnston and Lewin 1996; Robinson et al. 1967; Sheth 1973) discussed seller characteristics. The discussion in the models was limited to terms of price, product, quality, service, and image. The discussion of only one characteristic, service, indicated the presence of human interactions. In this context, service was an aspect of vendor evaluation criteria which was only a minuscule portion of the model.

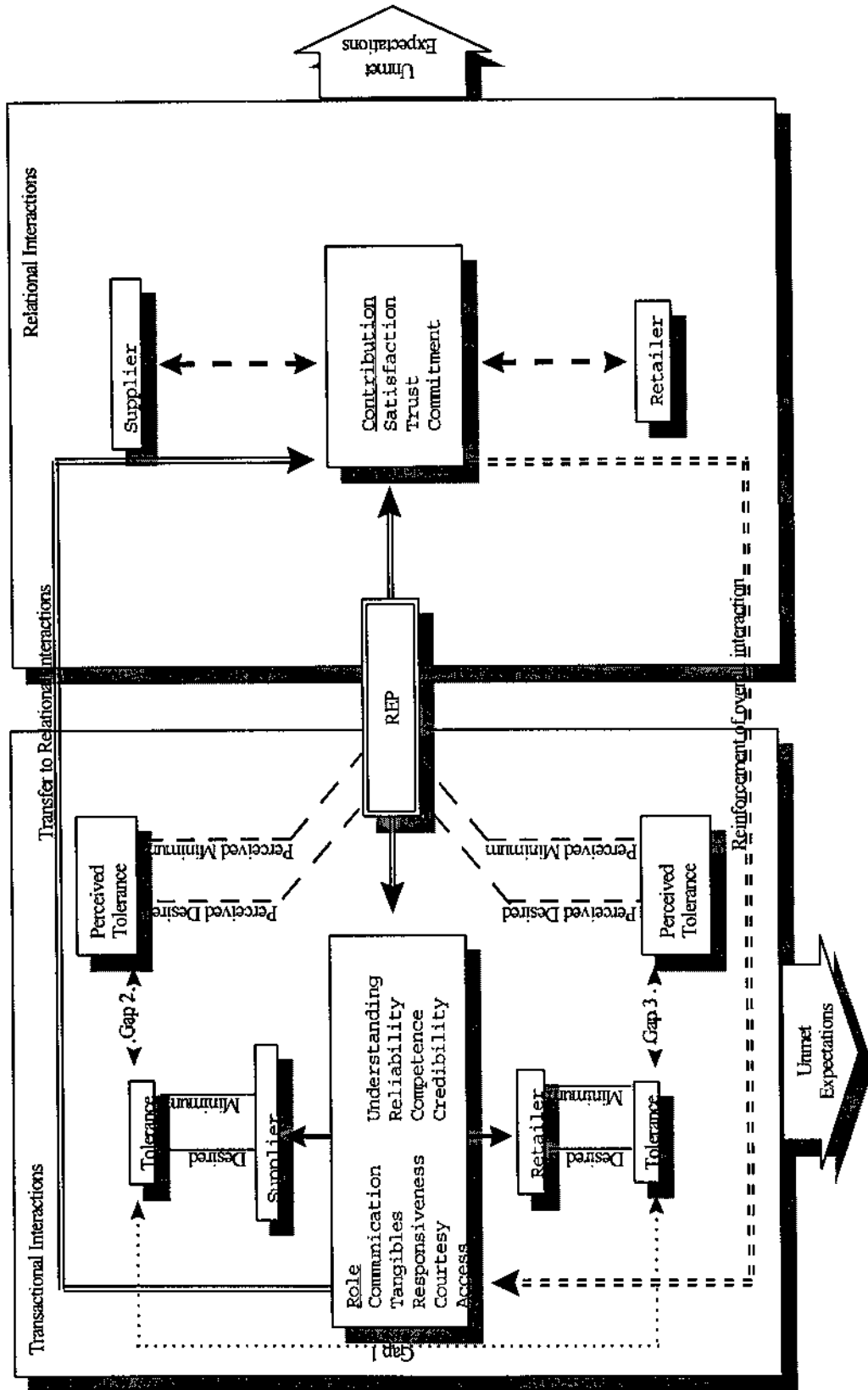
For small retailers, primary information pertaining to products and competition comes from interactions with the rep rather than direct interactions with the supplier. The

vendor selection process and purchase decision making for small retailers may be based on service provided by the rep. In other words, the service dimension of seller characteristics frequently plays a primary role rather than a minuscule role in the small retailer buying process. The human element introduced by service interactions adds to the dynamic nature of the relationship between suppliers and retailers. The model developed in the current research reflects the interactions previously neglected.

Dynamic Channel Interactions, the proposed model (see Figure 3.1), is a dynamic, two phase, longitudinal model designed to show the interactions and when perceptual distortions and expectancy gaps occur. Perceptual distortions may arise from a variety of sources including: (1) individual characteristics of people involved in the interactions or (2) perspectives resulting from the views from the different levels of the members in the channel.

As mentioned earlier in this chapter, channel interactions are in an era of striving to increase efficiencies. To increase or maximize efficiency of the interactions in the channel, the perceptions of suppliers,

Figure 3.1: Dynamic Channel Interactions



reps, and retailers must be in balance. The required balance can be compared to a three legged stool. When all three legs of a stool are level, everything is in balance. But when one leg is out of balance instability is encountered. Instability can be rectified by making adjustments to one or more of the legs. However, the dynamic nature of channel interactions make this a much more complex process than simply ensuring all three legs are balanced. The intangible aspects of channel interactions require repeated reinforcement of and adjustments to service to maintain balance in a dynamic environment. The interactions between the supplier and the rep and between the retailer and the rep are often independent of one another. The common element is the rep. The interactions are frequently perceived differently by the involved parties which can create instability. These factors are the root of the problem discussed in Chapter I, the lack of understanding the rep. Wilson (1985) stated that one of the problems with the development of theory in organizational buying is that buyers and sellers have different perceptions of theory. The researcher introduced a third perception.

Each time an individual is introduced into a study, another perception emerges. The potential of three diverse perceptions on the role of the rep led to the hypothesized gaps developed and illustrated in the transactional interaction phase of the model. Gaps were hypothesized for each of the dimensions as well as for the overall tolerance zone.

Phase One - Transactional Interactions

Interviews conducted with suppliers, reps, and retailers during a major gift show in the Dallas Market Center revealed multiple dimensions consistent with nine of the ten dimensions postulated by Parasuraman in the SERVQUAL research (1985). The applicability of most of the dimensions was also supported in the literature pertaining to independent reps (Bobrow 1992; Novick 1988).

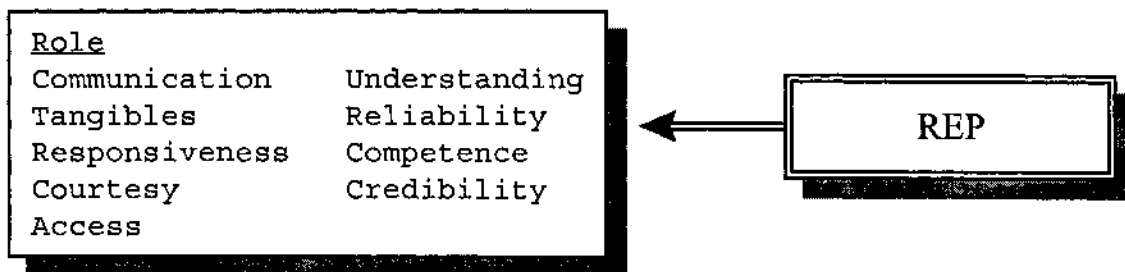
Parasuraman et al. (1988) proposed ten dimensions of service quality based upon exploratory research (1985). The dimensions include: tangibles, reliability, responsiveness, competence, courtesy, credibility, security, access, communication, and understanding the customer. Only five

dimensions emerged from the scale purification process (Parasuraman et al. 1988).

As mentioned in Chapter II, SERVQUAL has multiple critics. Parasuraman (1994) resolved most of the problems with restructuring the instrument. However, one of the major criticisms of SERVQUAL, varying number of dimensions found with different studies (Carman 1990; Freeman and Dart 1993; Vandamme and Leunis 1993), remained. Carman (1992) suggested to overcome the problem, researchers adapting the SERVQUAL instrument should examine the dimensions based on the specific industry in which the scale will be adapted. He further recommended the researcher review and evaluate all ten original dimensions rather than just the current five. Both recommendations were followed in the development of the proposed model. Interviews with members of all three populations, suppliers, reps, and retailers, indicate the presence of nine of the original ten dimensions: communication, understanding, tangibles, reliability, responsiveness, competence, courtesy, and credibility. These served as the foundation for the reps' role in the

Transactional Interactions phase of the model as described below.

Figure 3.2: The Rep's Role



Communication

The interview phase of the research and model development indicated suppliers, retailers, and reps all perceive communication as the key element to a successful channel interactions. As indicated in Figures 1.1 and 1.2 in Chapter I, when the rep is introduced into the channel, the required number of direct contacts between the supplier and retailer are reduced enhancing the ability to increase efficiency in the channel. However, for the efficiency to increase, all members must understand what is expected from the interactions. Effective communication facilitates the understanding. For example, the retailer may have a specific date such as special events or holidays for which

they need the merchandise they order from the rep in the store. Consequently, the buyer needs to know when the merchandise will arrive or at least if it will arrive in time to meet their needs. In such cases, the supplier for whom the rep has taken the order needs to know the retailer's shipping requirements. The rep must communicate the needs of the retailer to the supplier and, in turn, obtain shipping information from the supplier. The rep must also advise the buyer of the findings and any potential problems with meeting their needs.

Willingness to listen and providing information is also a part of the communication role. This aspect of communication deals with more than just providing a connection between the supplier and the retailer. Sometimes the rep provides an avenue for suppliers and/or retailers to obtain information about the marketplace and competition in general. Johnston and Lewin (1996) illustrated a buyer-seller relationships as an integral part of organizational buying (see Figure 2.1). According to their model, building buyer-seller relationships involve developing networks that facilitate communication between multiple retailers and

multiple suppliers. The rep essentially provides the networking capabilities for small retailers and suppliers since most direct interactive contacts are either between the supplier and the rep or between the retailer and the rep. The supplier and the retailer are rarely in direct contact with each other (Bobrow 1992; Novick 1988). The rep is in contact with multiple members of the channel on a daily basis. Consequently, the rep is in a position to share pertinent information to more individuals involved in the channel.

Communication requirements and perceptions of their importance are frequently different for suppliers, retailers, and reps which can be a vicious cycle. For example, suppliers commonly want written reports to facilitate internal analysis; but, if reps spend all their time doing paperwork, they don't have enough time to contact customers (Novick 1988, p.55). If reps don't have enough time to contact customers then they can't communicate with them. The following three hypotheses were based on the different requirements and perceptions.

H_{1A}: The tolerance zone for the level of rep communication is different for suppliers than for retailers.

H_{1B}: The rep's perception of the supplier's tolerance zone for the level of rep communication is different than the supplier's actual tolerance zone.

H_{1C}: The rep's perception of the retailer's tolerance zone for the level of rep communication is different than the retailer's actual tolerance zone.

Understanding

Understanding comes from more than just the expected role of communication on the part of the rep. An additional aspect is understanding the needs of the retailer, the product mix they carry in their store, and what products will complement their current merchandise. Reps are also expected to understand what is happening in the market place and be able to answer questions like "what products are doing well in other stores?" and "what's new on the market?" In addition, reps are expected to understand what merchandise local competition has in their store. This knowledge can help retailers avoid carrying a product mix similar to close competitors thereby making it easier to

differentiate themselves. Suppliers, on the other hand, want reps to have understanding of their customers to enhance continuity and closeness in the relationship (Novick 1988, p.60).

The extensive coverage and vast array of products offered by reps facilitate a comprehensive understanding of each customer (Novick 1988, p.61). However, suppliers and retailers differ in their reasons for wanting understanding. These differences indicate possible disparity in the acceptable range of understanding.

H_{2A}: The tolerance zone for the level of rep understanding is different for suppliers than for retailers.

H_{2B}: The rep's perception of the supplier's tolerance zone for the level of rep understanding is different than the supplier's actual tolerance zone.

H_{2C}: The rep's perception of the retailer's tolerance zone for the level of rep understanding is different than the retailer's actual tolerance zone.

Tangibles

Interviews also revealed that most reps try to visit the retail location of the firms that purchase inventory

from them every four to six weeks. However, many small retailers rarely, if ever, have a rep come to their store. This may be the result of several factors. Two primary factors are: store location and store size. Time constraints may prevent the rep from visiting the store if the store is located in a geographic location that is either on the outer edges of the reps geographic territory or in a remote location relative to the reps other accounts. If the store is so small that its limited financial resources make it economically infeasible for the rep to spend his/her time in the store, he/she may not be inclined to go. Tangibles become very important for these particular retailers. Sometimes these retailers must purchase their entire inventory through catalogs or the Internet. It is extremely important to such small retailers that the rep supply them with enough visually appealing catalogs to enable the buyer to make good purchasing decision. But the value of the catalogs is not limited to small retailers that do not get visited by reps. Most small retailers go to trade shows only once or twice a year but also need to purchase product

more often than every four to six weeks. Catalogs are very important in those situations also.

With rapidly developing technology, the Internet is a growing concern of the tangible aspect. Some suppliers require firms that make total annual purchases less than a specified annual dollar amount make all purchases through the Internet. For example, customers of W.W. Grainger must purchase at least two million dollars annually if they do want to purchase through the Internet (Torrenti 1997).

Tangibles extend much further than just catalogs into areas such as fresh samples and legible purchase orders. Some product categories are difficult to order from catalogs. In such cases, the retailer must see samples of the merchandise to make the buying decision. Trade shows are a time when retailers can see samples of most merchandise a supplier has to offer but trade shows only take place at specified times. New merchandise may be introduced between shows. To gain a competitive advantage, retailers need to see new products when introduced rather than just at trade shows. Since it is not economically feasible for suppliers to provide samples to retailers on

the chance they may purchase the products, reps must have a broad representation available to show to buyers in the store when making sales calls before the retailer will make a purchase decision.

Once the decision to buy has been made, retailers and suppliers need to have legible purchase orders. Interviews reveal that reps are frequently too rushed to provide neat, detailed purchase orders. Consequently, sometimes the supplier cannot read the purchase order to fill it accurately nor can the retailer compare the purchase order to the packing list to determine if they received the correct merchandise.

Interviews further revealed many of the issues associated with tangibles are actually tied directly to materials supplied by the supplier to the rep such as catalogs, samples, and order forms. Suppliers generally fall into one of two categories. (1) They are concerned with the cost of the materials supplied; consequently, they are conservative with the materials supplied. Or, (2) they expect reps to carry a sample of every item produced. Reps generally fall somewhere in between. They want enough

material to adequately sell the products but they have limited space to carry the items. Retailers generally want to see plenty of catalogs and samples.

H_{3A}: The tolerance zone for the level of rep tangibles is different for suppliers than for retailers.

H_{3B}: The rep's perception of the supplier's tolerance zone for the level of rep tangibles is different than the supplier's actual tolerance zone.

H_{3C}: The rep's perception of the retailer's tolerance zone for the level of rep tangibles is different than the retailer's actual tolerance zone.

Reliability

Reliability takes several forms in the role of the rep. Since communication is the key element in role of the rep, reliability in the communication process emerges as one of the first aspects of reliability. Interviews with both suppliers and retailers revealed that both members are concerned with the timely return of phone calls. In other words, when the rep promises to return a call within a specified period of time it is important to both members that the calls be returned within the specified time frame.

Other issues related to reliability are being prompt for appointments and writing purchase orders with the quantities specified by the buyer.

Reliability issues are very closely associated with the communication issues with respect to the demands on the rep's time and the plethora of suppliers and retailers with whom they work. Base on these factors, what is construed as unreliable by suppliers and retailers may in fact be a lack of time on the part of the rep which led to the following:

H_{4A}: The tolerance zone for the level of rep reliability is different for suppliers than for retailers.

H_{4B}: The rep's perception of the supplier's tolerance zone for the level of rep reliability is different than the supplier's actual tolerance zone.

H_{4C}: The rep's perception of the retailer's tolerance zone for the level of rep reliability is different than the retailer's actual tolerance zone.

Responsiveness

The interviews indicated that responsiveness is another concern of both suppliers and retailers. However, responsiveness is a dimension in which retailers have a

stronger self interest than do suppliers. Retailers seek reps that have a willingness to provide them with prompt service. If the retailer needs the rep to visit their store, they like to be able to schedule an appointment within a matter of a few days rather than weeks. If the retailer goes into a showroom or booth at a trade show, they want to be helped quickly. Suppliers, by nature, do not expect reps to visit the factory on a regular basis nor to they go to a trade show expecting to get individualized attention. In those situations, suppliers are concerned with retailers getting their desired service.

Responsiveness also includes some aspects in which both the supplier and retailer have an equally important self interest. These include the reps' willingness to answer questions. From the suppliers' perspective, questions may be as simple as clarifying an illegible purchase order. The same is true for retailers but they also are concerned with the reps' willingness to provide product information. Both suppliers and retailers are concerned with how quickly orders are submitted for processing.

When suppliers and/or retailers make requests of reps, they expect a response within a "rational period" (Novick 1988). The rep serves a number of suppliers and retailers and must rank requests on a priority list (Novick 1988). When the ranking on the priority list and rational period do not match, a gap is present.

H_{5A}: The tolerance zone for the level of rep responsiveness is different for suppliers than for retailers.

H_{5B}: The rep's perception of the supplier's tolerance zone for the level of rep responsiveness is different than the suppliers actual tolerance zone.

H_{5C}: The rep's perception of the retailers tolerance zone for the level of rep responsiveness is different than the retailer's actual tolerance zone.

Competence

Beyond the willingness to answer questions, one aspect of the role of the rep involves the competence of the rep. Competence includes the rep possessing sufficient knowledge to answer questions correctly. It also includes the knowledge to write orders in the terms specified by both the suppliers and retailers which is sometimes similar to a

balancing act. Suppliers, as a general rule, have standard credit terms, order quantities, and pricing for display fixtures. Some retailers, on the other hand, have certain ranges within which they are willing to accept terms. For example, some stores have a policy of not paying for display fixtures. The rep must have the knowledge of the suppliers' policy of handling such situations.

Suppliers expect reps to have enough product knowledge to properly represent their line. Retailers expect reps to have enough knowledge to fully inform them of the attributes and benefits of the products as well as credit terms, shipping time, etc. However, it is very complicated for suppliers to develop a training program for independent reps to provide them with pertinent information. "It's not a question of whether reps want it (the training)--they do--its only a question of how easy it is to get them together for a particular time." It is extremely difficult for reps to meet the expectations if they are not properly trained. If training programs are not offered, rep's may even perceive product knowledge is not important to suppliers. The misconceptions led to the following hypotheses.

H_{6A}: The tolerance zone for the level of rep competence is different for suppliers than for retailers.

H_{6B}: The rep's perception of the supplier's tolerance zone for the level of rep competence is different than the supplier's actual tolerance zone.

H_{6C}: The rep's perception of the retailer's tolerance zone for the level of rep competence is different than the retailer's actual tolerance zone.

Courtesy

As described earlier in this section, responsiveness deals with the willingness to help customers. But willingness to help does not take service far enough. The demeanor of the person providing the service is also important. Courtesy examines the politeness, respect, consideration, and displayed by reps when dealing with suppliers and retailers alike. Members of all three populations expect some level of courtesy. But human nature indicates the acceptable range is individualized.

H_{7A}: The tolerance zone for the level of rep courtesy is different for suppliers than for retailers.

H_{7B}: The rep's perception of the supplier's tolerance zone for the level of rep courtesy is different than the supplier's actual tolerance zone.

H_{7C}: The rep's perception of the retailer's tolerance zone for the level of rep courtesy is different than the retailer's actual tolerance zone.

Credibility

Interviews further revealed that the ultimate goal of the rep is to move both suppliers and retailers from phase one, transactional interactions, to phase two, relational interactions, of the model which involves the development of satisfaction, trust, and commitment leading to long-term interactions. (Phase two will be discussed later in the model development portion of this chapter). Credibility is an essential element leading to the desired transition. It is the dimension that leaves the first impressions of trustworthiness, believability, and honesty of the reps. Credibility is based on the reputation of the rep, the level of pressure exerted on the buyer to purchase product, and the willingness of the rep to help resolve problems with things such as incorrect shipments and damaged goods.

H_{8A}: The tolerance zone for the level of rep credibility is different for suppliers than for retailers.

H_{8B}: The rep's perception of the supplier's tolerance zone for the level of rep credibility is different than the supplier's actual tolerance zone.

H_{8C}: The rep's perception of the retailer's tolerance zone for the level of rep credibility is different than the retailer's actual tolerance zone.

Access

The final dimension postulated in the role of the rep was access which deals with how approachable and easily contacted the rep is. Accessibility ranges from whether or not the rep is available at trade shows to how easily the rep can be reached by phone. If the rep does participate in trade shows, suppliers and retailers are both concerned with whether reps show their product offerings in temporary booths that may or may not be in the same location from one show to another or if they work out of a permanent showroom that is open at times other than major trade shows.

When a supplier selects a new rep, it is recommended they "get on the phone routinely with reps...to make sure

everything is going smoothly" (Novick 1988, p.132).

Retailers also need to be able to contact reps when problems arise. However, the nature of the rep's job requires he/she be out of the office, calling on accounts in the field, during the routine business hours limiting accessibility. These differences led to the following hypotheses.

H_{9A}: The tolerance zone for the level of rep access is different for suppliers than for retailers.

H_{9B}: The rep's perception of the supplier's tolerance zone for the level of rep access is different than the supplier's actual tolerance zone.

H_{9C}: The rep's perception of the retailer's tolerance zone for the level of rep access is different than the retailer's actual tolerance zone.

Security

Security was the one original SERVQUAL dimension that the interviews revealed is not important in the role of the rep. The lack of importance arose from the fact that no major personal risk, as described by Parasuraman et al. (1985 & 1990), is encountered with interactions in the channel. A certain amount of financial risk to the

organizations is encountered when orders are not processed correctly. This specific risk was addressed with the credibility and reliability issues previously discussed in this section.

Tolerance Zones

Suppliers and retailers individually have desired levels of each of the above mentioned services which reflects the ideal. Most also realize, however, that the ideal level cannot be maintained all the time and therefore minimum acceptable level of service must also be identified. Any service that is provided at a level below the minimum will be rejected as inadequate. The range between the desired and minimum level of service was considered the tolerance zone.

Gap 1

Interviews with suppliers revealed that they generally want the rep to sell as much merchandise as possible and to as many retailers as possible with little regard to the geographic proximity or competitive position of two or more retail locations. They are also want to ship to the store as quickly as possible. In other words, suppliers do not care

if stores in direct competition purchase identical products. They primarily want to move merchandise quickly.

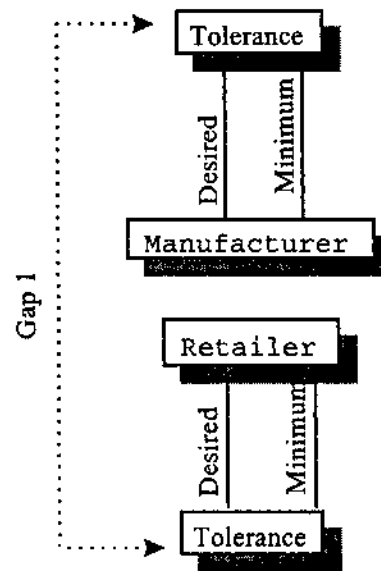
Retailer interviews revealed just the opposite. Retailers want the rep to protect their competitive position by limiting the distribution of most products in the area. In other words, they don't mind the rep selling complementary products to their closest competitors but they do not want them to have the same exact merchandise. The differences extend beyond to whom the product is sold. Suppliers want to sell large quantities whereas retailers want to purchase in small quantities. These two major characteristic differences between suppliers and retailers led to the development of the first hypothesis (see Figure 3.3 on the following page).

H_{10} : The overall tolerance zone for the role of the rep is different for suppliers than for retailers.

Gaps 2 and 3

When the rep's opinion was introduced into the model, the situation became much more complicated. The rep is a middleman that never takes title to the merchandise. Instead he/she fulfills a role, that serves as a surrogate

Figure 3.3: The Gap Between Suppliers' and Retailers Tolerance Zones

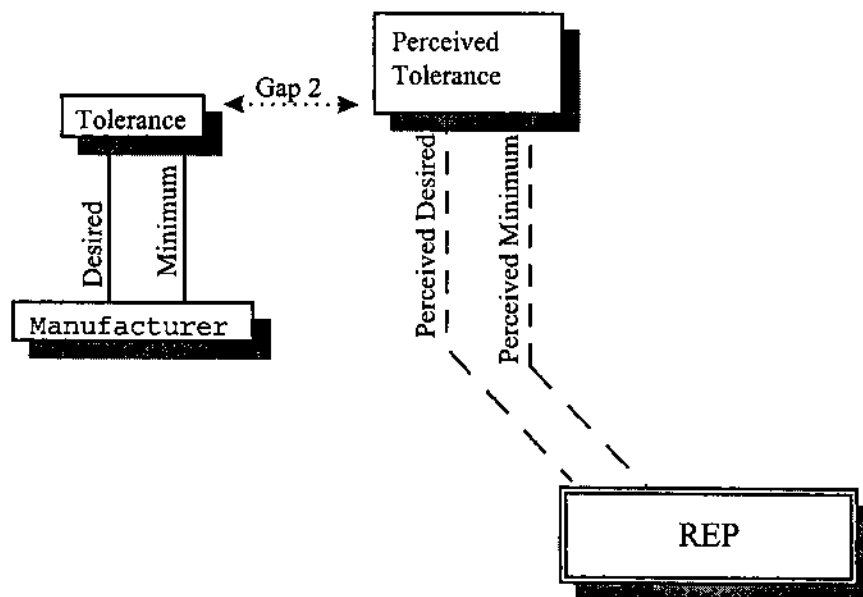


for service provider, through communication, understanding, tangibles, reliability, responsiveness, competence, courtesy, credibility, and access while increasing efficiency in the channel. Trying to fulfill the service role of two members of the channel that have dramatic differences in terms of needs and desires creates a dilemma in the mind of the rep. First, he/she must evaluate what both the supplier and retailer want and then determine what the tolerance zones of the supplier and retailer are. Because of the disparity between tolerance zones, expectations, and needs and desires, it is difficult for the

rep to have a full understanding of his/her role. Consequently, the rep frequently lacks the ability to fully understand and meet the needs and desires of suppliers and retailers (see Figure 3.4).

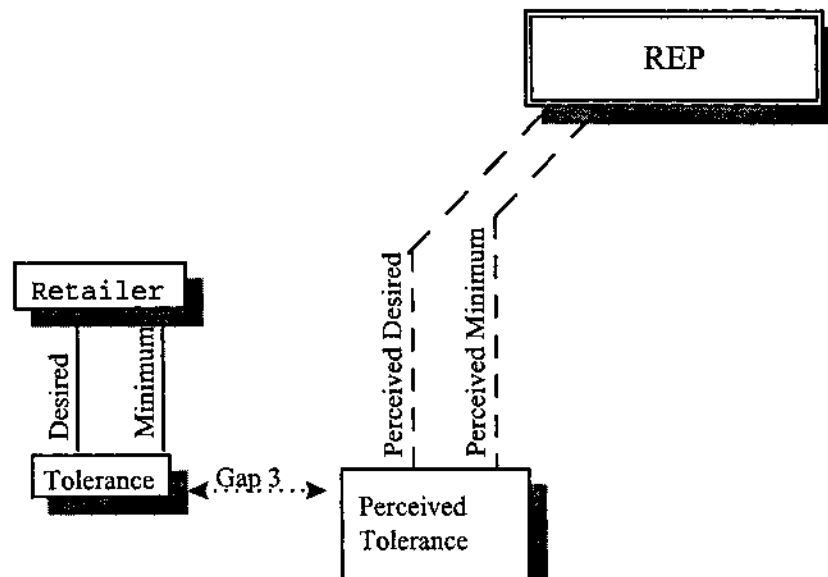
H₁₁: The reps' perception of suppliers' overall tolerance zone for the role of the rep is different than suppliers actual zone.

Figure 3.4: The Gap Between Suppliers' Tolerance Zone and Reps' Perception



H₁₂: The reps' perception of retailers' overall tolerance zone for the role of the rep is different than the retailers' actual zone.

Figure 3.5: The Gap Between Retailers' Tolerance Zones and Reps Perceptions



Exit

The role of the rep is an iterative process that must be reinforced over time. A sales call does not always result in a sale for the rep. The length of time it takes a buyer to purchase product from a rep is often determined by the length of time it takes the retailer to decide the rep is trustworthy. "Intentions to rely on a salesperson, particularly for the first time, may be largely determined by the buyer's feelings and beliefs concerning the salesperson's trustworthiness" (Swan and Nolan 1985, p.40). Retailer and rep interviews indicated the first step to establishing the belief is repeated sales calls, even if no

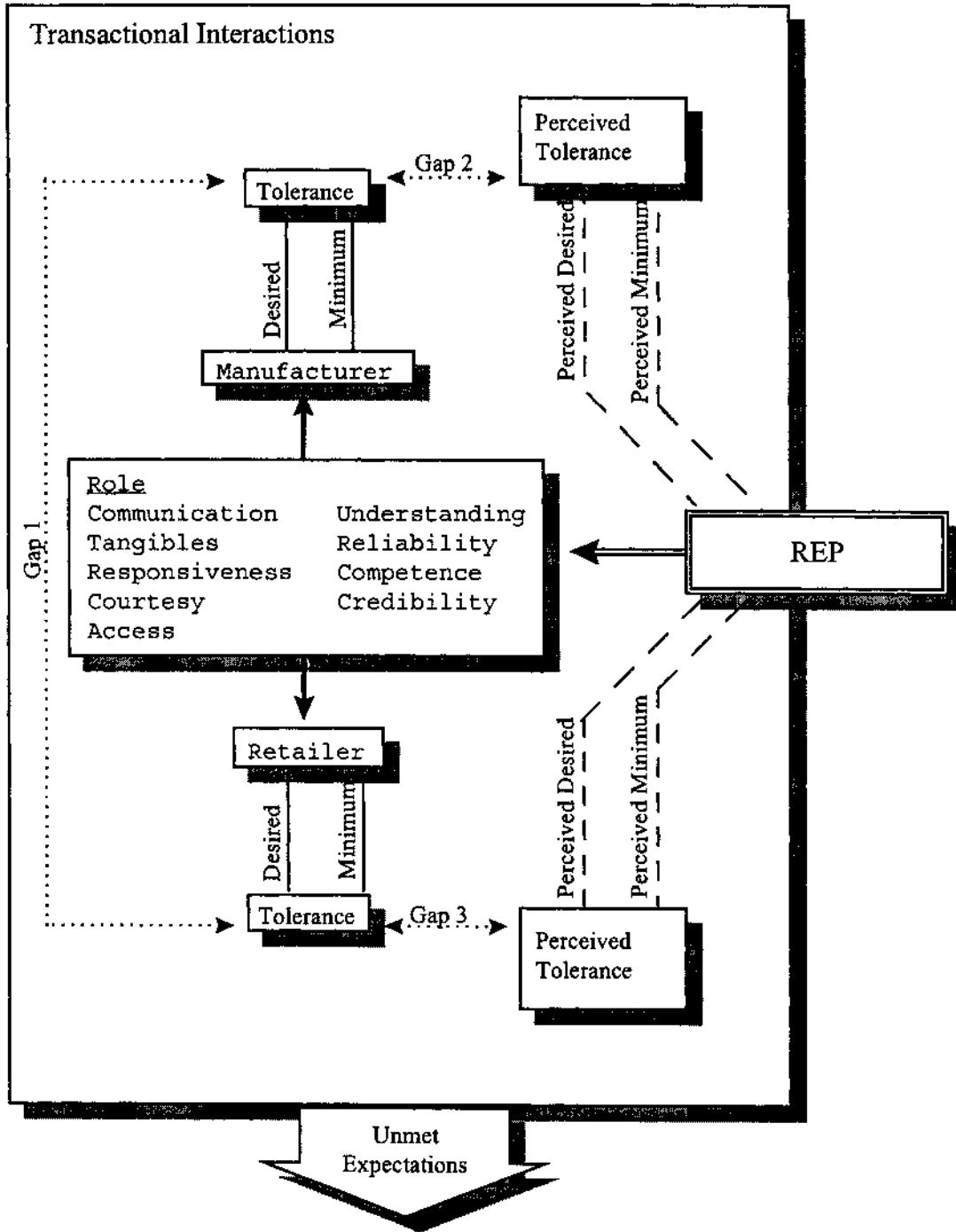
purchase is made. If the rep performs within the tolerance zone over an extended period of time, usually one to three years, the relationship moves into phase two. If the rep does not perform within the tolerance zone or consistently performs close to the minimum level one or more of the parties may cease interactions and exit the relationship to seek more congruent interactions (see Figure 3.6 on the following page).

Phase Two - Relational Interactions

The second phase of the model is only entered after the rep has performed within the tolerance zone for an extended period of time. At this point, interactions become more relational in nature than transactions. Interviews with members of all three populations, suppliers, reps, and retailers, indicated the transition time varies from firm to firm and is generally shorter for the supplier than for the retailer. The transition takes one to three years as a general rule. Relationships must be earned (Gronroos 1990).

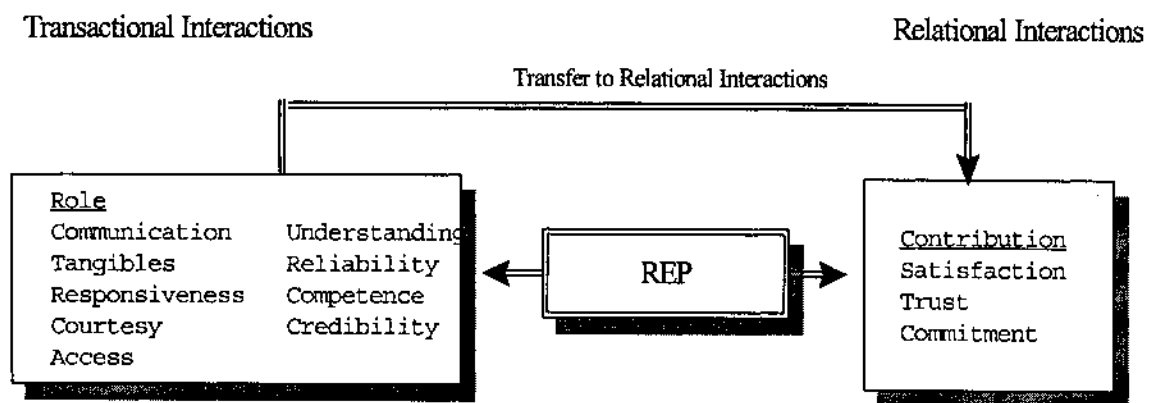
Identification of the tolerance zones for both suppliers and retailers will allow reps to know if they are

Figure 3.6: Transactional Interactions



providing service at an acceptable level. If they are, suppliers and retailers will eventually enter the Relational Interaction Phase. If not, the rep can make adjustments to the level of service provided and increase the probability of operating in the tolerance zone. Successful adjustments should eventually lead to the transition from transactional to relational interactions.

Figure 3.7: Transfer from Transactional to Relational



Satisfaction

Satisfaction is "an overall positive affect and reflects the focal organization's (buyer's) overall contentment regarding its relationship with another party (a supplier)" (Andaleeb 1996, p.80). The current research conceptualized satisfaction in broader terms. It was defined essentially as how comfortable the members of the

channel are with their relationship, how fairly they believe they have been treated, and the benefits they believe they have received from the interactions. This satisfaction is first developed with the rep since most of the direct interactions are between suppliers and reps or retailers and reps. It was assumed that if both suppliers and retailers that are satisfied with the reps they will continue the interactions over an extended period of time. This assumption was the basis for the following hypothesis.

H_{13A}: There is a positive relationship between the suppliers' satisfaction with rep performance and the likelihood of continued interactions over the long run.

H_{13B}: There is a positive relationship between the retailers' satisfaction with rep performance and the likelihood of continued interactions over the long run.

Trust

Trust is the perceived credibility and benevolence of a target of trust (Doney and Cannon 1997; Kumar et al. 1995) (Ganesan, 1994; Larzelere & Huston, 1980). Trust is based upon prior experiences. In the case of the supplier and the rep or the retailer and the rep, it is based on how well the

rep has fulfilled his/her role and how predictable future actions are based on those experiences.

Morgan and Hunt (1994) showed an inverse relationship between trust and propensity to leave. In other words, once trust is developed in a relationship participants are less likely to cease interactions than if trust never develops.

H_{1.4A}: There is a positive relationship between the suppliers' trust of the rep and the likelihood of continued interactions over the long run.

H_{1.4B}: There is a positive relationship between the retailers' trust of the rep and the likelihood of continued interactions over the long run.

Commitment

Morgan and Hunt (1994) defined commitment as "an exchange partner believing that an ongoing relationship with another is so important as to warrant maximum efforts at maintaining it" (Morgan and Hunt 1994, p.23). The essence of commitment is "stability and sacrifice" (Anderson & Weitz, 1992, p19). With these thoughts in mind, it was assumed that the parties involved in a committed

relationship are more likely to continue interactions into the future.

H_{15A}: There is a positive relationship between the suppliers' commitment to the rep and the likelihood of continued interactions over the long run.

H_{15B}: There is a positive relationship between the retailers' commitment to the rep and the likelihood of continued interactions over the long run.

Exit

Three possible outcomes of the Relational Interaction Phase exist. First, if interactions lead to the development of strong satisfaction, trust, and commitment, the process will be reinforced by continued service quality. However, if satisfaction, trust, and commitment are weak the reinforcement of the overall interaction may lead to weakened satisfaction, trust, and commitment that will eventually lead to either the supplier or retailer ceasing interactions. The third potential outcome is lack of development of the three dimensions which will lead to dissatisfaction and ultimately an exiting of the situation.

A variety of factors can lead to one or more parties ceasing interactions. One simple reason is ego. Sometimes a successful rep is fired merely for the purpose of replacing him with a direct salesperson (Novick, 1988 p.21). There may be a bad fit between supplier and rep (Novick, 1988 p.49) or between the retailer and rep. In other words differences in personality, business philosophy, or direction can cause interactions to cease. Environmental factors such as the economy, competition, trends in the marketplace can also contribute to the potential for one or more parties to cease interactions.

The Research Design

The operationalization of the role and tolerance zones of the rep and the measurement of the gap were accomplished through an adaptation of the SERVQUAL instrument (Parasuraman et al. 1985; Parasuraman et al. 1988; Parasuraman et al. 1994; Zeithaml et al. 1990). However, the survey instrument used in this study addressed the role of reps rather than service quality in the channel in general. SERVQUAL was discussed extensively in Chapter II.

The adaptation specific to this dissertation is discussed further in the questionnaire design section of this chapter.

The contribution of reps (e.g., satisfaction, trust, and commitment) was operationalized through the adaptation of three scales. The satisfaction scale was adapted from a five-item, five-point Likert-type summated rankings scale measuring the degree to which a retailer/dealer reported that it was satisfied with its relationship with a supplier (Gaski 1986; Gaski and Nevin 1985). In its original form, the scale had an alpha of .764. A later adaptation (Dwyer et al. 1987) realized an alpha of .91. Doney and Cannon's (1997) seven-item seven-point Likert-type scales of trust of supplier firm and trust of salesperson were adapted for measuring trust. The scales had reported alphas of .94 and .90, respectively. The third scale adapted was a ten-item seven-point Likert-type scale designed to measure commitment and perception of commitment for distributors and suppliers (Anderson & Weitz, 1992). The alphas realized for the commitment scales were .83 and .87, respectively; whereas, the perceptual scales both achieved .90 alphas.

Three versions of the survey instrument were used. Each contained minor contextual changes to measure the specific perspectives. The first version was mailed exclusively to suppliers. This survey measured the role, tolerance zone, and contribution of the rep from the perspective of the supplier. The second version was mailed exclusively to retail buyers. This survey measured the retailer buyer's perceptions of the role, tolerance zone, and contribution of the rep. The final version was mailed exclusively to reps. The third survey was a self reporting instrument that measured what the rep actually does.

A former president of the National Association of Sales Agencies (NASA) first exposed potential participants to the idea of the study at a scheduled meeting of the organization. General information explaining the potential benefits to both the organization and the individual firms was presented to encourage participation. An introductory letter on the former president's letterhead and signed by him was mailed to members of the organization one week following the meeting. The letter introduced the researcher to the members, explained her experience in the field,

explained the potential benefits of participation, and requested lists of reps, suppliers, and retailers for sample selection purposes. The members were assured of the confidentiality and anonymity of the results of the study as it applied to their specific firm. This was reinforced by the request to have the lists and complete questionnaires returned directly to the researcher at her university address rather than to anyone within the organization. A special version of the questionnaire was constructed for each rep group that agreed to participate which meant there were essentially 33 versions of the questionnaire. The special versions of the questionnaire served a dual purpose. First, respondents were able to assess the role and contribution in specific terms rather than just general which resulted in more accurate information. Second, specific information enabled the researcher to offer the participating firms a report of how the results of their firms compare to the industry as a whole in exchange for agreement to participate and access to the pertinent lists. A more in-depth discussion of the special versions of the

instrument can be found in the questionnaire design section of this chapter.

The Sample Design

To identify the essence of the perceptual gaps of the role, expectations, and contributions of the rep in the channel of distribution, the potential bias introduced by branded items had to be removed. This was achieved by selecting an industry in which there is minimal dependence on brand names.

The gift industry was used for this study for two primary reasons. First, the industry has very little dependence on brand names with the exception of limited edition goods and collectibles. The lack of importance of brand names contributed to the generalizability of the findings. Second, the researcher has more than 20 years experience in the industry and, consequently, extensive contacts to gain access to populations that are frequently difficult to identify. The researcher's extensive contacts within the industry will also increased the anticipated response rate.

The sample was drawn from suppliers, reps, and retailers associated with members of NASA, a organization of rep firms in the gift industry representing 17 regions in the nation. Membership includes 35 rep groups. Each rep group is comprised of a principle or owner and 8 to 35 reps. The principle generally negotiates the contract with each individual supplier but traditionally do not sell to retail accounts on a regular basis. Instead, they fulfill a managerial position. The reps serve as the sales agents who work directly with individual retailers both in the retail stores and at trade shows through out the year. They perform this function for 10 to 60 suppliers. Each rep group services 1,000 to 10,000 active retail accounts. Each individual rep services between 100 and 1,000 retailers. The number of accounts per rep depends on the geographic territory to which they are assigned.

A census survey of the reps and suppliers for each firm was conducted. A random sampling of 100 retail establishments which purchase from the groups was also be taken.

Retail establishments selected for the study met following criteria: employ fewer than 20 workers (85 percent of all retail establishments) (see Table I); and, single locations or specialty chains not exceeding 5 locations.

Questionnaire Design

The research instrument for this study was designed to measure the expected and actual role and contribution of the rep as well as identifying a tolerance zone through the proposed model. The expected role was the desired (i.e. what can and should be) role. The instrument was also designed to measure the adequate (i.e. minimum) role. These were compared to determine the tolerance zone. Roles experienced in the range between the expected level and the adequate level are in the tolerance zone. When they are experienced outside the tolerance zone, a gap exists. These were the gaps identified and analyzed in this study.

A three column format was selected for study based on the results of the most recent refinement of SERVQUAL. Parasuraman, Zeithaml, and Berry (1994) tested 3 formats for their survey instruments. These included a one column, a

two column, and a three column format. The one column and three column instruments had similar response rates in both the pre-test and actual study. The two column format had a lower response rate in both situations. In addition, a lower percentage of respondents has response error (i.e. a higher rating on adequacy than superiority) with the three column format than with the two column. These results indicated the threat to validity attributable to response error was higher for the two column format than the three column format. Of the three formats examined, only the three column format had the capability to identify the zone of tolerance and perceived level as it relates to the zone.

Although the instrument used in this study was an adaptation of SERVQUAL, a previously validated scale, a limited application of Churchill's (1979) eight step process was as described in Table 3.2.

Data Collection

Multiple iterations of data collection were not possible with the population of concern for several reasons. First, limited access to the three populations existed. In addition, the nature of the gift industry is such that

TABLE 3.1: Scale Development

Churchill's Procedures (1979)	Steps in Instrument Development
1. Specify Domain	Literature Search
2. Generate Sample of Items	<ul style="list-style-type: none"> a. Reviewed literature b. Interviewed suppliers, reps, and retailers c. SERVQUAL d. Personal expertise based on more than 20 years in the industry
3. Collect Data	Administer instrument to Suppliers, Reps, and Retailers <ul style="list-style-type: none"> a. 54-item scale on role b. 5-item scale on satisfaction* c. 7-item scale on trust* d. 10-item scale on commitment* * Reps were not administered these 3 scales.
4. Purify Measure	<ul style="list-style-type: none"> a. Compute Cronbach's Alpha b. Compute item-to-total correlations c. Delete items with low correlations d. Factor analysis e. Reassign items as necessary
5. Assess Reliability	<ul style="list-style-type: none"> a. Compute Cronbach's Alpha b. Compute item-to-total correlations
6. Assess Validity	Review and evaluation of the instrument by suppliers, reps, and retailers
7. Establish Norms	Examine total distribution of scores

suppliers, reps, and retailers only have one time of the year where all three are not either involved in a peak buying or selling season. This period occurs in the latter part of the second quarter and the early part of the third

quarter. Response rates should be much higher during that period than any other time of the year. Consequently, multiple iterations of data collection would have taken a year or two just to accomplish the desired response rate. Since reps generally work on 30 day contracts the composition of the firms they represent frequently changes. These changes could have threatened the internal validity of the study as well as increasing the number of unusable responses.

Scale development began with an extensive search of the literature in the areas of, channels of distribution, sales management, organizational buying, and service quality, all of which were discussed in Chapter II. Once the domain of the study was specified, the literature was reviewed. This review combined with interviews of suppliers, reps, and retailers conducted at the Dallas Market Center, evaluation of the SERVQUAL instrument, and the researchers practical experience were used to generate a sample of 54 items for the scale. A pretest was conducted at a trade show in the Dallas Market Center in June. The sample group included suppliers, reps, and retailers. Information gathered

provided insight to adaptations that needed to be made to the instrument. Instructions were clarified, ambiguous questions were reworded, and the structure of statement that enticed specific answers were revised. The revised instrument was used for the primary study.

Following data collection, the measure was purified by computing Cronbach's Alpha and item-to-total correlations. Those items with low correlations were either reworded or eliminated from the scale. Factor analysis was used to identify items that needed to be reassigned to other dimensions. The reliability of the scale was assessed through a computation of Cronbach's Alpha and item-to-total correlations for the purified measure. Validity was assessed through a review and evaluation of the instrument by an expert panel of suppliers, reps, and retailers who have been in the industry for more than ten years. Once the scale was deemed reliable and valid, data was collected and analyzed for the main study.

Parasuraman et al. (1985) identified 10 dimensions based on exploratory research but only five emerged after a purification process similar to the one proposed in this

study. As discussed in Chapter II, one of the criticisms of SERVQUAL was the identification of three to nine dimensions for the studies using an adaption. Carman (1992) recommended that the researcher evaluate the original 10 proposed dimensions as they relate to the specific industry and proceed with those that are applicable to eliminate potential problems. Based on this recommendation and the findings of other studies, the instrument for this study extended beyond the five dimensions used in SERVQUAL today.

A copy of the 97-item scale designed to measure the original 10 dimensions was acquired from Parasuraman et al. Each of dimension was evaluated for its relevance to the interactions between suppliers, reps, and retailers. The items designed to measure the relevant dimensions were examined for positive/negative wording and restated into positive terms if necessary. Items with "should" to measure expectations were restated in a manner consistent with Parasuraman et al. (1991) to eliminate the possibility of leading questions.

Method of Analysis

In addition to the scale purification process discussed above, two statistical techniques were required for analyzing the data. First, Multivariate Analysis of CoVariance (MANCOVA) was used to test the hypothesized gaps in H_1 through H_{12} . MANCOVA is a statistical technique designed to compare two or more dependent variables for two or more groups. The dependent variables for the purpose of this analysis were the minimum and desired levels of service.

The second statistical technique incorporated in the study was correlation. Correlation was used to examine the relationship between satisfaction with the reps' performance and the likelihood of a continued relationship, trust of the rep and likelihood of a continued relationship, and commitment to the rep and the likelihood of a continued relationship, H_{13} through H_{15} .

Limitations of the Research Design and Methodology

The survey instrument was pretested and refined at a trade show in the Dallas Market Center. However, the test sample was smaller than desired because of the nature of the

instrument and time constraints. Researchers frequently use students for pre-testing purposes but to use a sample of subjects without practical experience in the industry, even for scale validation purposes, would jeopardize both the convergent and divergent validity of the study (Judd and Kenny 1981, p23). To ensure construct validity, the sample should be taken from the actual population of interest. The use of subjects who are heterogeneous to the population can increase the risk of Type II error (Judd and Kenny 1981, p32), the probability of rejecting the null hypothesis when the null hypothesis is true (Keppel 1991). Few, if any, undergraduate students have the practical experience necessary to assist in scale validation and access to the specific populations is limited; consequently, the pre-test sample was smaller than desired.

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CHAPTER IV

ANALYSIS AND RESEARCH FINDINGS

Introduction

This chapter presents the data collection procedure, sample characteristics, and statistical analysis of the data as they relate to the role and contributions of reps and the respective hypotheses.

Data Collection

As stated in Chapter I, the reps of concern to this study are independent agents who serve as the sales force for multiple companies in a specified geographic territory and are paid on a commission basis. Since the rep's job is territorial in nature, inclusion of a diverse array of geographic territories in this study enhanced the generalizability.

Eleven rep groups from the National Association of Sales Agencies (NASA) agreed to participate in the study which provided a broad cross section of the United States.

An overview of the geographic territories in the study, including 38 states and Canada, is contained in Table 4.1.

Table 4.1: Geographic Territories

Rep Group	Geographic Territory
Group One	Alabama, Florida, Georgia, North Carolina, Mississippi, South Carolina, Tennessee
Group Two	Arkansas, Louisiana, Oklahoma, Mississippi, New Mexico, Texas
Group Three	Connecticut, Florida, Kentucky Maryland, New Hampshire, New Jersey, New York, Pennsylvania, Virginia,
Group Four	Arkansas, Colorado, Louisiana, Oklahoma, New Mexico, Texas
Group Five	Michigan
Group Six	Alaska, Canada, Idaho, Nevada, Oregon, Washington
Group Seven	Arkansas, Louisiana, Oklahoma, Texas
Group Eight	Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont
Group Nine	Iowa, Maryland, Michigan, Minnesota, Nebraska, North Dakota, South Dakota, Wisconsin
Group Ten	Alabama, Florida, Georgia, Kentucky, North Carolina, South Carolina, Tennessee, Virginia, West Virginia
Group Eleven	Alabama, Florida, Georgia, Kentucky, North Carolina, South Carolina, Tennessee, Virginia, West Virginia

Data was collected from three different populations associated with the rep groups: suppliers, reps, and retailers. A total of 1909 surveys were mailed. The size of the populations from which a sample could be drawn varied dramatically. The number suppliers was limited to 272 and reps were limited to only 163 whereas available retailers were in the tens of thousands. Because of their sparse number, a census was taken of suppliers and reps associated with the rep groups. Conversely, the large number of retailers enabled a random sampling of 1474.

As discussed in Chapter III, three versions of a questionnaire that examined both the role and contribution of reps in the interactions between suppliers and retailers from the perspective of each population were developed (see Appendices A through C). The surveys were further tailored to specify a specific rep group that was to be evaluated. In other words, 33 versions (three versions for 11 rep groups) of the questionnaire were mailed.

SERVQUAL (Parasuraman et al. 1985; Parasuraman et al. 1988; Parasuraman et al. 1994) served as the foundation for the role of the rep with a focus on nine of the ten original

dimensions (Parasuraman et al. 1985). The dimensions of focus included: reliability, responsiveness, competence, courtesy, access, communication, tangibles, and understanding the customer. The 1994 SERVQUAL (Parasuraman et al. 1994) three column format to determine perceived performance compared to tolerance zones was utilized. Three scales were adapted to address the contribution through the measurement of satisfaction (Gaski 1986; Gaski and Nevin 1985; Dwyer et al. 1987), trust (Doney and Cannon 1997), and commitment (Anderson and Weitz 1992).

Each survey packet mailed was mailed with first class postage as recommended by Alreck and Settle (1994) and included a personalized letter as seen in Appendix D, a questionnaire, and a self addressed business reply envelope. In addition, an entry form for a lottery style incentive was included to increase the response rate. Respondents who completed the questionnaire and entry form were eligible for drawings to win money. Those who responded within two weeks were eligible for three drawings, responses within three weeks were eligible for two drawings, and those responding within four weeks were eligible for one drawing. The first

drawing was for \$500; the second was for \$250; and, the third for \$125. Balakrishnan et al. (1992) found that this lottery style incentive increases response rate while also reducing the cost per completed survey.

Two hundred seventeen surveys were returned as either undeliverable or with notes explaining why the recipient could/should not complete the questionnaire. An adjusted sampling of 1792 questionnaires resulted from the adjustment for unusable questionnaires. The adjustments to the individual populations produced a net mailing to 270 suppliers, 159 reps, and 1367 retailers. Response rates ranged from 20.8 to 31.4 percent. Response rate by population are reflected in Table 4.2.

Table 4.2: Response Rates

Population	Surveys	Responses	Response Rate (Percent)
Supplier	270	71	25.9
Rep	159	50	31.4
Retailer	1367	284	20.8
Overall	1792	405	22.6

The lower response rate for retailers than reps and suppliers was anticipated for several reasons. The latter

part of the second quarter and the early part of the third quarter are the only time of the year that is slow for all suppliers, reps, and retailers. Consequently, the ideal time to conduct a survey involving all three populations. The pre-test was conducted during that time period. To prevent waiting another year and risking the mailing lists being outdated, the next best time period was selected for the primary study. During the latter part of the third quarter and early part of the fourth quarter, the selling season declines for reps; sales managers have more free time; but, retailers enter their busiest season of the year. This time period was selected for the primary study because of the large number of retailers compared to the small number of reps and suppliers. In other words, the percentage response rate was sacrificed for retailers since a sufficient number for analysis could be obtained with a low response rate. A higher response rate for reps and suppliers was more important since those populations were so small.

Sample Characteristics

The sample demographics are found in Tables 4.3 through 4.8. Table 4.3 indicates that 24.5% of those in the overall survey were male and 75.5% were female. The responding retailers were predominantly female; whereas, the responding suppliers and reps were more balanced between male and female.

Table 4.3: Gender Composition by Population

Gender	Supplier (Percent)	Rep (Percent)	Retailer (Percent)	Overall (Percent)
Male	51.6	43.5	14.9	24.5
Female	48.4	56.5	85.1	75.5

The majority of the respondents, 62.6 percent overall, ranged in age from 35 to 54. Table 4.4 provides an overview of the age distribution among the respondents by population

Table 4.4: Age Distribution by Population

Age	Supplier (Percent)	Rep (Percent)	Retailer (Percent)	Overall (Percent)
Under 25	1.6	0.0	0.7	0.8
25-34	19.0	13.0	10.4	12.2
35-44	41.3	17.4	26.1	27.6
45-54	33.3	41.3	34.3	35.0
55-64	4.8	23.9	20.9	18.6
65 or Over	0.0	4.3	7.5	5.8

The largest portion of the overall respondents, as well as the largest portion by population, had college degrees. However, suppliers and reps overall had a tendency to be more educated than the responding retailers. A comparison of the education level by population is found in Table 4.5.

Table 4.5: Education Level by Population

Education Level	Supplier (Percent)	Rep (Percent)	Retailer (Percent)	Overall (Percent)
High School	0.0	2.2	12.1	8.1
Some College	20.6	23.9	34.1	30.6
College Degree	58.7	52.2	40.2	44.8
Post Graduate	6.3	6.5	5.3	5.6
Graduate Degree	14.3	15.2	8.3	10.2

The model is based on the premise that transactional interactions will develop into relational interactions over time if the rep fulfills his/her role within the established tolerance zone. Therefore, a cross section of long term and short term relationships needed to be included in the study. Responding suppliers included those who had used the reps as their sales force in a given territory for as short a period

of time as .17 of a year to as long as 20 years. The average length of time a group was used by a supplier as their sales force was 3.45 years. The range of time from which retailers had purchased from the reps was similar. The shortest period of time reported by a retailer was .25 years compared to the longest of 20 years. The average retailer had purchased from the specified rep for 5.36 years.

The surveys mailed to two of the populations, reps and retailers, were very clear as to who should answer the questionnaire. However, the position of the person to whom the supplier's questionnaire was directed was not quite as clear. The surveys mailed to reps were directed toward the person who acts as an independent agent for multiple suppliers. He/she has territorial responsibilities of selling inventory to retailers on a day-to-day basis. Surveys mailed to retailers were directed to the person responsible for purchasing the inventory for the store and generally holds the position of buyer. The instrument mailed to suppliers was directed to the person who was responsible for hiring and working with the rep groups.

Depending on the organization, that person could hold one of a variety of positions within the firm. Table 4.6 provides the distribution of positions within the firms of the responding suppliers.

Table 4.6: Position in the Supplier Firm

Position	Percent
Owner	32.3
President	3.1
Vice President	1.5
General Manager	6.2
Sales Manager	52.3
Sales and Marketing Coordinator	4.6

Demographic information specific to retailers included the length of time in business as well as the number of full-time employees, part-time employees, stores. The average store had been in business for 14.9 years. The shortest length of time in business was .5 years compared to the longest length of time of 75 years. The average number of full-time employees was 7.35; the average number of part-time employees was 5.64; and, the average number of stores was 2.24. All of these fall within the ranges specified in Chapter I.

To provide more insight to the magnitude interactions between suppliers, reps and retailers, all groups were asked to provide sales information. Suppliers were asked how much sales volume the specific rep group, as a whole, generates for them annually. Reps were asked to indicate their individual annual sales for all lines they represent. Retailers were asked to indicate the annual sales volume of their stores. An overview of the results is found in Table 4.7.

Table 4.7: Annual Sales

Sales	Rep Group For Supplier (Percent)	Individual Rep (Percent)	Store (Percent)
Under \$100K	50.0	17.0	24.0
\$100K-\$499K	39.4	23.4	45.5
\$500K-\$999K	4.5	38.3	14.5
\$1M-\$1.499M	1.5	12.8	6.5
\$1.5M-\$1.999M	3.0	2.1	2.2
\$2M-\$2.499M	0.0	0.0	4.4
\$2.5M-\$2.999M	0.0	0.0	0.0
\$3M or over	1.5	6.4	2.9

The final demographic information provided in the study is the years of experience in the industry. Table 4.8

indicates the average length of time in the current position for suppliers is 4.80 years, for reps is 9.68 years, and for retailers is 10.16 years.

Table 4.8: Years in Position by Population

Population	Minimum	Maximum	Mean
Supplier	.17	24.00	4.80
Rep	.25	26.00	9.68
Retailer	.50	35.00	10.16

Statistical Methodology

Fifty-four items of service quality, selected from the original 22 SERVQUAL items, were factor analyzed to determine the underlying dimensions of the role of reps in the interactions between suppliers and retailers. The measures are from the Satisfaction Survey found in Appendices A through C.

Validity

Establishing content validity prior to administering the instrument was critical to the success of this research. Inclusion of three populations, suppliers, reps, and retailers, made it difficult to examine items for their relevance to understand the role and contribution of reps in the interactions between suppliers which was required for

establishing content validity (Kerlinger 1986). Interviews with members of each population, as well as the experience of the researcher, helped establish content validity. Validity was further established through the pre-test which lead to refinement of the instrument. Kerlinger (1986) states that "content validity is the representativeness or sampling adequacy of the content." The fact that only minor adaptations to the instrument were required after the pre-test is strong evidence of the instruments content validity.

Discriminant validity was established through factor analysis. Since this was an exploratory study, each set of measures was factor analyzed in the aggregate, using retailer perceptions, to determine the number of underlying dimensions. The exploratory factor analysis was limited to perceptions since it was the only population with enough respondents to provide the minimum observation to variable ratio of five-to-one (Hair et al. 1995). With a sample size of 484, the observation to variable ratio for retailers in this study was 8.96:1.

Eight of the nine expected dimensions emerged with an oblique rotation. The resulting dimensions include:

reliability, responsiveness, competence, courtesy, credibility, access, communications, and understanding the customer. The only expected dimension that failed to emerge was tangibles. Twelve of the original 54 measures were eliminated through the factor analysis procedure resulting in a 42 item scale. Loading of single measures on only one factors provided solid evidence of discriminant validity.

Each set of measures was factor analyzed separately to evaluate convergent validity. Only one factor emerged for each dimension which provides strong evidence of convergent validity.

Factors were also examined for consistency across all populations. Final factor loadings are found in Tables 4.9 through 4.11 on the following pages. These tables include factor loadings for the retailers' perspective of the rep's role, the suppliers' perspective of the rep's role, the reps' perception of the retailers' perspective, and the reps' perception of the suppliers' perspective. All except one variable, in only one population, achieved the desired loadings of .5 or greater for all populations which indicates generalizability across populations.

Table 4.9a: Retailer Factor Loadings

	Credibility	Understanding	Communication	Reliability
Quick answers to my questions	.84975			
Trustworthiness	.88818			
Dealing with me in a caring fashion	.92087			
Promptly returned phone calls	.89046			
Sympathy and reassurance when I have problems	.86991			
Sincere interest in my problems	.92118			
Willingness to help	.91557			
Answering my questions	.92017			
Pleasant dealings	.90775			
Believability	.90459			
Professionalism	.90910			
Familiarity with my competition		.86446		
Seeing new products when they are introduced		.91215		
Familiarity with merchandise in my store		.92414		
Providing me with visually appealing catalogs to browse through in leisure time		.83712		

Table 4.9b: Retailer Factor Loadings (continued)

	Credibility	Understanding	Communication	Reliability
Showing catalogs of complete product offerings		.87706		
Familiarity with my store		.85124		
Understanding my needs		.89676		
Knowing exactly when orders will arrive			.93934	
Keeping me informed about stock outages			.85503	
Keeping me informed about when merchandise will be shipped			.94881	
Keeping me informed			.93222	
Knowing shipping time			.90560	
Keeping me informed about when merchandise will be shipped			.88969	
Working with me by appointment				.88778
Appointments scheduled within a week				.86597
Promptness for appointments				.90966
Telling me exactly when he/she will be in my store				.82521

Table 4.9c: Retailer Factor Loadings (continued)

	Access	Responsiveness	Courtesy	Competence
Permanent showrooms to visit	.88412			
Extended working hours on market days	.86362			
Service available in the showroom on a daily basis	.91030			
Accurate quantities on my purchase orders		.82186		
Politeness		.83152		
Accurate pricing purchase orders		.85982		
Treating me with respect		.89871		
Willingness to help customers			.92679	
Consistent courtesy			.88659	
Prompt service in the showroom			.82990	
Easily scheduled appointments			.84838	
Insuring my credit gets approved				.89122
Low pressure sales				.79024
Knowing credit terms				.89724

Table 4.10a: Supplier Factor Loadings

	Credibility	Understanding	Communication	Reliability
Quick answers to my questions	.86167			
Trustworthiness	.87007			
Dealing with me in a caring fashion	.86959			
Promptly returned phone calls	.77754			
Sympathy and reassurance when I have problems	.77185			
Sincere interest in my problems	.80642			
Willingness to help	.78744			
Answering my questions	.89009			
Pleasant dealings	.86026			
Believability	.68307			
Professionalism	.75173			
Familiarity with my competition		.75102		
Seeing new products when they are introduced		.74882		
Familiarity with merchandise in my store		.69889		
Providing me with visually appealing catalogs to browse through in leisure time		.51794		

Table 4.10b: Supplier Factor Loadings (continued)

	Credibility	Understanding	Communication	Reliability
Showing catalogs of complete product offerings		.75441		
Familiarity with my store		.76987		
Understanding my needs		.82266		
Knowing exactly when orders will arrive			.83939	
Keeping me informed about stock outages			.82571	
Keeping me informed about when merchandise will be shipped			.91697	
Keeping me informed			.73991	
Knowing shipping time			.80625	
Keeping me informed about when merchandise will be shipped			.91031	
Working with me by appointment				.76219
Appointments scheduled within a week				.79338
Promptness for appointments				.85946
Telling me exactly when he/she will be in my store				.77941

Table 4.10c: Supplier Factor Loadings (continued)

	Access	Responsiveness	Courtesy	Competence
Permanent showrooms to visit	.86670			
Extended working hours on market days	.88110			
Service available in the showroom on a daily basis	.82711			
Accurate quantities on my purchase orders		.76893		
Politeness		.72602		
Accurate pricing purchase orders		.81653		
Treating me with respect		.81194		
Willingness to help customers			.83533	
Consistent courtesy			.75562	
Prompt service in the showroom			.78351	
Easily scheduled appointments			.53862	
Insuring my credit gets approved				.86309
Low pressure sales				.49077
Knowing credit terms				.89590

Table 4.11a: Rep Perception of Retailer Factor Loadings

	Credibility	Understanding	Communication	Reliability
Quick answers to my questions	.68855			
Trustworthiness	.75593			
Dealing with me in a caring fashion	.68450			
Promptly returned phone calls	.76407			
Sympathy and reassurance when I have problems	.55100			
Sincere interest in my problems	.72552			
Willingness to help	.63746			
Answering my questions	.75532			
Pleasant dealings	.78645			
Believability	.73984			
Professionalism	.78556			
Familiarity with my competition		.72595		
Seeing new products when they are introduced		.66131		
Familiarity with merchandise in my store		.67749		
Providing me with visually appealing catalogs to browse through in leisure time		.60654		

Table 4.11b: Rep Perception of Retailer Factor Loadings (continued)

	Credibility	Understanding	Communication	Reliability
Showing catalogs of complete product offerings		.76278		
Familiarity with my store		.68706		
Understanding my needs		.73038		
Knowing exactly when orders will arrive			.86067	
Keeping me informed about stock outages			.64141	
Keeping me informed about when merchandise will be shipped			.87892	
Keeping me informed			.73749	
Knowing shipping time			.76938	
Keeping me informed about when merchandise will be shipped			.87381	
Working with me by appointment				.64515
Appointments scheduled within a week				.78851
Promptness for appointments				.75649
Telling me exactly when he/she will be in my store				.65636

Table 4.11c: Rep Perception of Retailer Factor Loadings (continued)

	Access	Responsiveness	Courtesy	Competence
Permanent showrooms to visit	.66174			
Extended working hours on market days	.75750			
Service available in the showroom on a daily basis	.72388			
Accurate quantities on my purchase orders		.87245		
Politeness		.90002		
Accurate pricing purchase orders		.68871		
Treating me with respect		.82285		
Willingness to help customers			.76778	
Consistent courtesy			.75658	
Prompt service in the showroom			.77463	
Easily scheduled appointments			.59462	
Insuring my credit gets approved				.86597
Low pressure sales				.85426
Knowing credit terms				.61795

Table 4.12a: Rep Perception of Supplier Factor Loadings

	Credibility	Understanding	Communication	Reliability
Quick answers to my questions	.72154			
Trustworthiness	.66415			
Dealing with me in a caring fashion	.81864			
Promptly returned phone calls	.75910			
Sympathy and reassurance when I have problems	.76231			
Sincere interest in my problems	.48262			
Willingness to help	.80923			
Answering my questions	.72880			
Pleasant dealings	.75441			
Believability	.60877			
Professionalism	.78880			
Familiarity with my competition		.74848		
Seeing new products when they are introduced		.84481		
Familiarity with merchandise in my store		.82162		
Providing me with visually appealing catalogs to browse through in leisure time		.55205		

Table 4.12b: Rep Perception of Supplier Factor Loadings (continued)

	Credibility	Understanding	Communication	Reliability
Showing catalogs of complete product offerings		.61816		
Familiarity with my store		.80219		
Understanding my needs		.71166		
Knowing exactly when orders will arrive			.937654	
Keeping me informed about stock outages			.83597	
Keeping me informed about when merchandise will be shipped			.80011	
Keeping me informed			.88770	
Knowing shipping time			.86567	
Keeping me informed about when merchandise will be shipped			.83163	
Working with me by appointment				.52003
Appointments scheduled within a week				.87881
Promptness for appointments				.66180
Telling me exactly when he/she will be in my store				.83584

Table 4.12c: Rep Perception of Supplier Factor Loadings (continued)

	Access	Responsiveness	Courtesy	Competence
Permanent showrooms to visit	.84126			
Extended working hours on market days	.90118			
Service available in the showroom on a daily basis	.84471			
Accurate quantities on my purchase orders		.88036		
Politeness		.75658		
Accurate pricing purchase orders		.86249		
Treating me with respect		.85317		
Willingness to help customers			.90097	
Consistent courtesy			.83042	
Prompt service in the showroom			.79089	
Easily scheduled appointments			.60279	
Insuring my credit gets approved				.79441
Low pressure sales				.74972
Knowing credit terms				.62099

Reliability

Cronbach's alpha was used to assure each item in a set consistently measures the same underlying construct. A high Cronbach's alpha indicates a highly interrelated set of items which closely measure the construct.

A reliability analysis of the SERVQUAL (Parasuraman et al. 1985; Parasuraman et al. 1988; Parasuraman et al. 1994) adaptation for the role of reps was conducted according to Nunnally's (1978) guidelines and recommendations. Nunnally (1978) recommended an alpha of .7 or greater for preliminary research, .8 or greater for basic research, and .9 or greater for applied research. Because of its exploratory nature, this research qualifies as preliminary. Scale reliability was examined for each population.

The overall scale, as well as the individual dimensions for retailers, exceeded the .7 or greater minimum required for preliminary research. In fact, all the reliability scores for retailers exceeded the .8 recommended for basic research.

The overall scale results, as well as the individual dimensions for suppliers, exceeded the .7 minimum except one dimension, competence.

The reliability of the reps' perception of suppliers scales were consistent with the alphas found for suppliers. Scale reliability scores for the reps' perceptions of retailers were not as consistent as for the other three groups. The overall scale exceeded .9; however, individual scales for three dimensions, reliability, courtesy, and competence fell below the minimum desirable level of .7. The low alphas for the scales in one population did not warrant exclusion because the reps' perception of the retailers' tolerance zone is significantly different than the retailers' actual zone in most cases. These findings are discussed further in the Hypothesis Testing section of this chapter. Results of the reliability analysis for the role of reps are found in Table 4.13 on the following page.

The contribution of reps was examined from the aspect of satisfaction (Gaski 1986; Gaski and Nevin 1985; Dwyer et al. 1987), trust (Doney and Cannon 1997), and commitment (Anderson and Weitz 1992). Although the scales used to measure the three constructs were previously assessed for reliability by the original authors, and all achieved alphas of .7 or above, the reliability was analyzed for this research to assure each item

consistently measures the same underlying construct for this specific adaptation.

Table 4.13: Scale Reliability for SERVQUAL Adaptation

	Retailer	Supplier	Rep Perception of Retailer	Rep Perception of Supplier
Overall	.9841	.9743	.9549	.9497
Credibility	.9765	.9478	.9051	.9031
Understanding	.9552	.8492	.8449	.8538
Communication	.9594	.9165	.8833	.9295
Reliability	.8952	.8108	.6769	.7051
Access	.8631	.8214	.7134	.8278
Responsiveness	.8752	.7869	.8729	.8592
Courtesy	.8960	.7904	.6989	.7101
Competence	.8238	.6360	.6842	.5450

The central theme to the model is the transition from transactional interactions to relations interactions based on the contributions of reps. Since the contribution is based on suppliers' and retailers' satisfaction of, trust in, and commitment to the reps, those three dimensions were only measured from the suppliers' and retailers' perspectives. Table 4.14 reveals that the reliabilities, in all cases, exceeded the minimum acceptable levels. In fact, all alphas exceed the .9 desirable for applied research.

Table 4.14: Scale Reliability for Rep Contribution

	Suppliers	Retailers
Satisfaction	.9483	.9796
Trust	.9445	.9832
Commitment	.9190	.9119

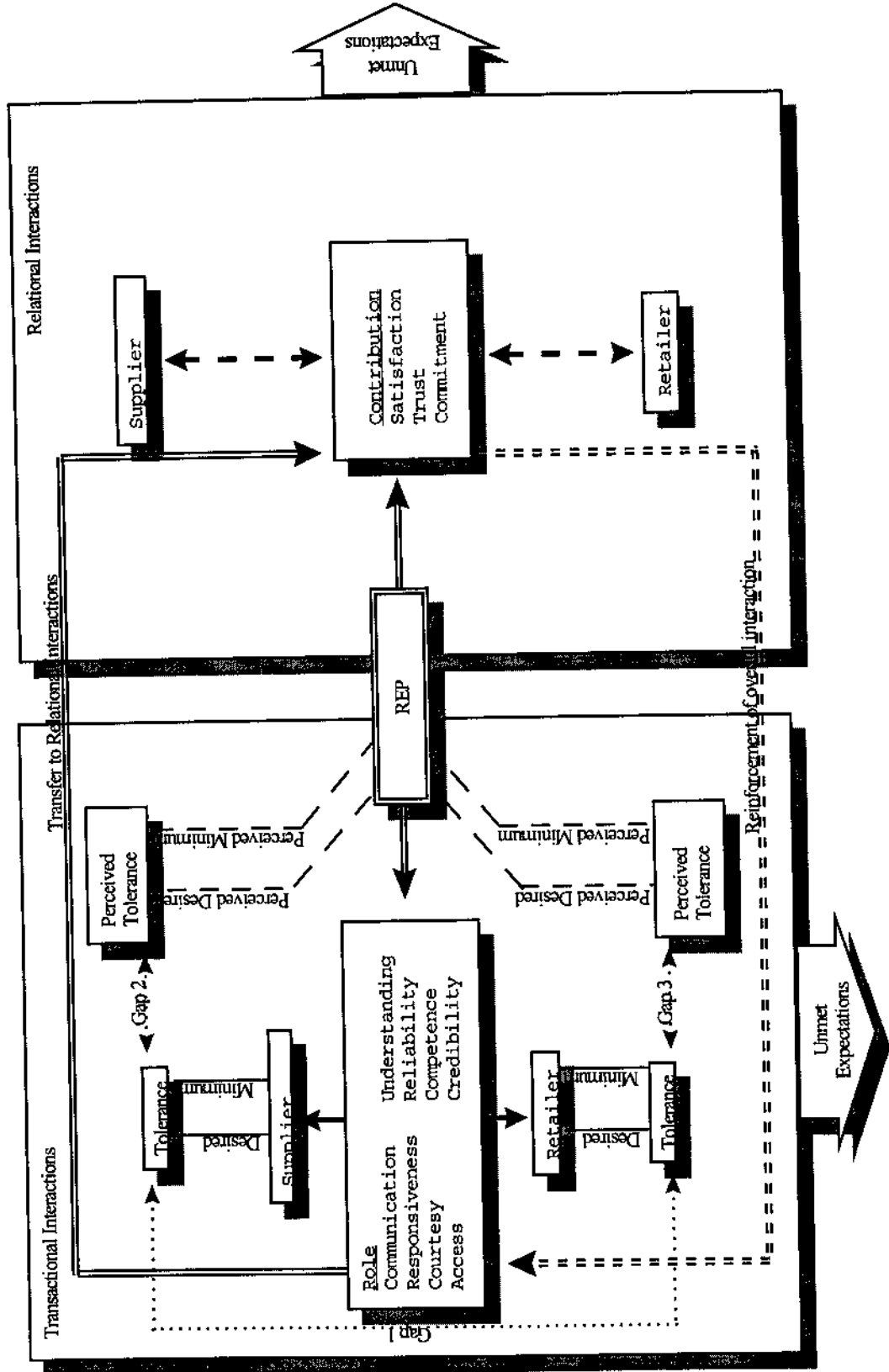
In sum, fifty four measures of the role of reps in the interactions between supplier and retailers. Eight of nine expected dimensions emerged. The measures forming each of the resulting eight dimensions were tested for convergent and discriminant validity. The factor analysis provides strong confirmation for the eight dimensions of the role of the rep. Satisfaction, trust, and commitment, as well as the eight dimension of the role of reps were tested for reliability. Results indicate strong internal consistency.

Hypothesis Testing

Prior to testing the hypotheses, the model developed in Chapter III was adapted to reflect the reduction in the number of dimensions of the reps' role. The adapted model is found in Figure 4.1 on the following page.

Thirty six hypotheses, including sub-hypotheses, were outlined in Chapter III. Hypotheses H_1 through H_9 and their the role of the rep. Hypotheses H_{10} through H_{12} examine the

Figure 4.1: Dynamic Channel Interactions



overall differences in tolerance zones. The methodology section of Chapter III specified MANOVA as the method for analyzing the hypotheses relevant to the tolerance zones. However, the demographic information collected indicated a difference on several key factors including age, gender, and education. These initial differences may affect the differences in tolerance zones and perceptions between the sub-hypotheses were based on the nine expected dimensions of populations for both the individual dimensions as well as the overall tolerance zones. Using MANCOVA, as opposed to MANOVA, allows the researcher to test the significance of the differences of group means after taking into consideration the initial differences between the groups and the correlation of the initial measures and the dependent variable measures (Kerlinger 1986). The first twelve sets of hypotheses were tested using MANCOVA.

Hypothesis 1

The first null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep communication. Sub-hypotheses were formed for each of the differences between

the populations. The following states each sub-hypothesis in its null form.

H_{1A}: There is no significant difference in the tolerance zone for the level of rep communication between suppliers and retailers.

H_{1B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep communication and the supplier's actual tolerance zone.

H_{1C}: There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep communication and the retailer's actual tolerance zone.

A significant difference, at the alpha equals .1 level of significance, was found between suppliers and retailers. However with an F Statistic of 1.89929 and a p Value of .079, Hypothesis 1A was the only sub-hypothesis that revealed a significant difference for the tolerance zone of communication. No significant difference on the communication dimension was found between reps and their perception of the suppliers' tolerance zone or between reps

and their perception of retailers tolerance zone for the reps level of communication. The resulting statistics for the communication hypotheses are found in Table 4.15.

Table 4.15: Communication Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	1.89929	.079*
Rep/Supplier	.63453	.700
Rep/Retailer	1.62544	.138

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

Hypothesis 2

The second null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep understanding. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{2A} There is no significant difference in the tolerance zone for the level of rep understanding between suppliers and retailers.

H_{2B} There is no significant difference between the rep's perception of the supplier's tolerance zone for the

level of rep understanding and the supplier's actual tolerance zone.

H_{2c} There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep understanding and the retailer's actual tolerance zone.

Results from Hypothesis 2A indicate there are significant differences between the suppliers' tolerance zone for the level of understanding a rep should have of the retailer and its competition and the retailers' tolerance zone for the same. The findings are similar for the differences between the reps' perception of the retailers' tolerance zone and the retailers' actual zone. The supplier/retailer difference is significant at the alpha equals .1 level of significance with a F Statistic of 1.99204 and p Value or .065. The statistics for the rep/retailer difference are an F of 2.28577 and p Value of .035. There was no significant difference between the reps' perception of the suppliers' tolerance zone for the level of rep understanding of the retailer and its competition and

suppliers' actual zone. The results of the second hypotheses are reflected in Table 4.16.

Table 4.16: Understanding Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	1.99204	.065**
Rep/Supplier	.87971	.511
Rep/Retailer	2.28577	.035*

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

Hypothesis 3

The third null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep tangibles. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{3A}: There is no significant difference in the tolerance zone for the level of rep tangibles between suppliers and retailers.

H_{3B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep tangibles and the supplier's actual tolerance zone.

H_{3c}: There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep tangibles and the retailer's actual tolerance zone.

After the exploratory factor analysis, scale purification, and elimination of 12 variables, the tangibles dimension failed to emerge. Consequently, this set of hypotheses became irrelevant and were not tested.

Hypothesis 4

The fourth null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep reliability. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{4A}: There is no significant difference in the tolerance zone for the level of rep reliability between suppliers and retailers.

H_{4B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the

level of rep reliability and the supplier's actual tolerance zone.

H_{4c}: There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep reliability and the retailer's actual tolerance zone.

Two of the three sub-hypotheses on the level of rep reliability indicated significant differences. These include Hypothesis 4A which tested the supplier/retailer difference and 4C which tested the rep/retailer difference. The difference for Hypothesis 4A had an F Statistic of 2.30893 and p Value of .033 and Hypothesis 4C had with an F Statistic of 1.96567 and p Value of .069. No significant differences in tolerance zones were found between reps and suppliers on the reliability dimension.

Table 4.17: Reliability Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	2.30893	.033*
Rep/Supplier	.55049	.769
Rep/Retailer	1.96567	.069**

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

Hypothesis 5

The fifth null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep responsiveness. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{5A}: There is no significant difference in the tolerance zone for the level of rep responsiveness between suppliers and retailers.

H_{5B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep responsiveness and the supplier's actual tolerance zone.

H_{5C}: There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep responsiveness and the retailer's actual tolerance zone.

Results from testing the fifth hypothesis indicated significant differences in Hypotheses 5A and 5C. The difference between the supplier and retailer tolerance zones

for responsiveness carry an F Statistic of 4.13516 and p Value of .048. The differences between the reps' perception of the retailers' tolerance zone and the retailers' actual tolerance zone have an F Statistic of 3.47843 and a p Value of .002. The rep/supplier difference on the responsiveness dimension is not significant. Results from the analysis of the responsiveness dimensions are found in Table 4.18.

Table 4.18: Responsiveness Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	2.13517	.048*
Rep/Supplier	.57653	.749
Rep/Retailer	3.47843	.002*

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

Hypothesis 6

The sixth null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep competence. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{6A}: There is no significant difference in the tolerance zone for the level of rep competence between suppliers and retailers.

H_{6B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep competence and the supplier's actual tolerance zone.

H_{6C}: There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep competence and the retailer's actual tolerance zone.

The differences between Hypotheses 6A and 6C for the tolerance zone for the level of rep competence were significant. The two differences were found between suppliers and retailers with an F Statistic of 2.12482 and a p Value of .049 and between reps and retailers with an F Statistic of 3.62713 and a p Value of .002. The difference between the reps' perceptions of the suppliers' tolerance zone and the suppliers' actual zone for the level of rep competence is not significant. Table 4.19 reflects the results of the analysis for the competence dimensions.

Table 4.19: Competence Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	2.12482	.049*
Rep/Supplier	.46820	.831
Rep/Retailer	3.62713	.002*

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

Hypothesis 7

The seventh null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep courtesy. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{7A}: There is no significant difference in the tolerance zone for the level of rep courtesy between suppliers and retailers.

H_{7B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep courtesy and the supplier's actual tolerance zone.

H_{7C}: There is no significant difference between the rep's perception of the retailer's tolerance zone for the

level of rep courtesy and the retailer's actual tolerance zone.

Results from Hypothesis 7A indicates there are significant differences between the suppliers' tolerance zone for the level of courtesy a rep should have when dealing with the retailer and its competition and the retailers' tolerance zone for the same. The findings are similar for the differences between the reps' perception of the retailers' tolerance zone and the retailers' actual zone. The supplier/retailer difference is significant with an F Statistic of 3.95824 and p Value or .001. The statistics for the rep/retailer difference are an F of 5.12619 and p Value of .000. There was no significant difference between the reps' perception of the suppliers' tolerance zone for the level of rep courtesy and the suppliers' actual zone. The results of the second hypotheses are reflected in Table 4.20.

Hypothesis 8

The eighth null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep credibility. Sub-

Table 4.20: Courtesy Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	3.95824	.001*
Rep/Supplier	.59126	.737
Rep/Retailer	5.12619	.000*

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{8A} : There is no significant difference in the tolerance zone for the level of rep credibility between suppliers and retailers.

H_{8B} : There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep credibility and the supplier's actual tolerance zone.

H_{8C} : There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep credibility and the retailer's actual tolerance zone.

No significant differences were found for any of the sub-hypotheses. The F Statistics ranged from .65628 to

1.45001 and p Values ranged from .194 to .685. Individual group differences are found in Table 4.21.

Table 4.21: Credibility Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	1.13429	.341
Rep/Supplier	.65628	.685
Rep/Retailer	1.45001	.194

* Significant at the alpha equals .05 level of significance

* Significant at the alpha equals .10 level of significance

Hypothesis 9

The ninth null hypothesis in the study was that there is no significant difference in the tolerance zones among the populations for the level of rep access. Sub-hypotheses were formed for each of the differences between the populations. The following states each sub-hypothesis in its null form.

H_{9A}: There is no significant difference in the tolerance zone for the level of rep access between suppliers and retailers.

H_{9B}: There is no significant difference between the rep's perception of the supplier's tolerance zone for the level of rep access and the supplier's actual tolerance zone.

H_{9c} : There is no significant difference between the rep's perception of the retailer's tolerance zone for the level of rep access and the retailer's actual tolerance zone.

The hypothesis for the final dimension, access, revealed no significant differences for any of the population pairs. The F Statistics ranged from .77140 to 1.56753 and the p Value ranged from .155 to .593. The results for the hypothesized differences are found in Table 4.22.

Table 4.22: Access Tolerance Zone Differences

	F Test	p Value
Supplier/Retailer	1.24782	.281
Rep/Supplier	.77140	.593
Rep/Retailer	1.56753	.155

Table 4.23 through 4.26 summarize the results of the F Tests for the differences between the populations for each of the dimensions. Significant differences between suppliers and retailers were found on six of the eight tolerance zones tested. The results of the A sub-

hypotheses, the difference between suppliers and retailers for the emerging dimensions, are reflected in Table 4.23.

Table 4.23: Differences Between Suppliers and Retailers

	F Test	p Value
Communication	1.89929	.079**
Understanding	1.99204	.065**
Tangibles	Not Tested	Not Tested
Reliability	2.30893	.033*
Responsiveness	2.13517	.048*
Competence	2.12482	.049*
Courtesy	3.95824	.001**
Credibility	1.13429	.341
Access	1.24782	.281

* significant at the .05 level of significance

** significant at the .10 level of significance

No differences were found on the individual dimensions between the reps perception of and the suppliers actual tolerance zones. The results of the B sub-hypotheses, the differences between the reps perception of and the suppliers actual tolerance zone for each of the individual dimensions are reflected in Table 4.24 on the following page.

The reps' perceptions of the retailers tolerance zone for each of the dimensions and the retailers' actual zones differed on five of the eight tested dimensions. The

Table 4.24: Differences Between Reps and Suppliers

	F Test	p Value
Communication	.63753	.700
Understanding	.87971	.511
Tangibles	Not Tested	Not Tested
Reliability	.55049	.769
Responsiveness	.57653	.749
Competence	.46820	.831
Courtesy	.59126	.737
Credibility	.65628	.685
Access	.77140	.593

* significant at the .05 level of significance

** significant at the .10 level of significance

results of the C sub-hypotheses, the differences between reps perception of and the retailers actual tolerance zone for each of the dimensions are shown in Table 4.25 on the following page.

The remaining hypotheses relevant to tolerance zones were also based on differences between the populations. Rather than focusing on each individual dimension, H_{10} through H_{12} test the differences between the populations on the overall tolerance zones for the role of the rep in the interactions between suppliers and retailers. Respondents to the survey were asked to rank the importance of each of

Table 4.25: Differences Between Reps and Retailers

	F Test	p Value
Communication	1.62544	.138
Understanding	2.28577	.035*
Tangibles	Not Tested	Not Tested
Reliability	1.96567	.069**
Responsiveness	3.47843	.002*
Competence	3.62713	.002*
Courtesy	5.12619	.000*
Credibility	1.45001	.194
Access	1.56753	.155

* significant at the .05 level of significance

** significant at the .10 level of significance

the nine dimensions included in the study. Once the factor analysis was conducted revealing only eight of the nine dimensions, the ranking of tangibles was manually removed for each respondent. A ranking score was calculated for the eight remaining dimensions and used as a weighting score for examining the differences of the overall tolerance zones. The importance of each dimension, as ranked by the various populations, is shown in Table 4.26.

Hypothesis 10

The tenth hypothesis was that there is no significant difference between suppliers and retailers in the overall

Table 4.26: Weight and Ranking of Dimensions by Population

	Supplier		Rep		Retailer	
	Weight	Rank	Weight	Rank	Weight	Rank
Access	.250	7	.375	6	.500	5
Communication	.500	5	.250	7	.250	7
Competence	1.00	1	.750	3	.875	2
Courtesy	.375	6	.500	5	.375	6
Credibility	.625	4	.875	2	.625	4
Reliability	.875	2	1.00	1	1.00	1
Responsiveness	.750	3	.625	4	.750	3
Understanding	.125	8	.125	8	.125	8

tolerance zone for the role of the rep. Results from the analysis of the first through ninth hypotheses indicate that suppliers and retailers have significant differences in their tolerance zones for six out of the eight hypotheses tested. However, those results do not show whether or not differences exist after adjusting for importance to each population. For testing the differences in the overall zones, each dimension was weighted for its importance for suppliers and for retailers and a summated score for the minimum and desired levels of the role of the rep was calculated for both suppliers and retailers. The F Statistic of 1.59577 with a p-value of .148 shown in Table

4.27 indicate that there is not a significant difference between suppliers and retailers for the overall tolerance zone for the level of the role of the reps in the interactions between suppliers and retailers.

Hypothesis 11

The eleventh hypothesis was that there is no significant difference between reps' perception of and retailers' actual overall tolerance zone for the role of the rep. Consistent with the findings in Hypotheses One through Nine, even after weighting the importance for each dimension, there is no significant difference between the reps perception of the suppliers' tolerance zone for the level of the reps' role and the suppliers' actual zone. The F Statistic for this hypotheses was .54090 with a significance level of .776 as shown in Table 4.27 on the following page.

Hypothesis 12

The twelfth hypothesis was that there is no significant difference between the reps' perception of and the retailers' actual overall tolerance zone for the role of the rep. As indicated in the first nine hypotheses, the reps

perception of the retailers tolerance zone and the retailers actual zone were significantly different on five of the eight dimensions tested. After weighting the importance of each of the dimensions and creating a summated score, a significant difference was also found in the reps' perception of the retailers' overall tolerance zone for the level of the reps' role and the retailers' actual zone. The resulting F Statistic of 2.45381 has a significance level of .025.

Table 4.27 provides an overview of the F Test and significance of the differences tested in H_{10} through H_{12} .

Table 4.27: Differences in Overall Tolerance Zones

Populations	F Value	p Value
Supplier/Retailer	1.59577	.148
Rep/Supplier	.54090	.776
Rep/Retailer	2.45381	.025*

* significant at the alpha equals .05 level of significance

** significant at the alpha equals .10 level of significance

The remaining hypotheses examine the relationship between satisfaction, trust, and commitment individually with the likelihood of continuing the relationship over the long run. A summated score was calculated for each dimension and correlated with a single measure of the

likelihood of continuing the relationship. The correlations were examined to determine both the strength and direction of the relationships. The hypotheses and results are found in the following.

Hypothesis 13

The thirteenth hypothesis examines the relationship between satisfaction and the likelihood of continuing interactions over the long run. The hypotheses are further sub-divided into a hypothesis relative to suppliers and one relative to retailers. The following states they sub-hypotheses in their null form.

H_{13A}: There is no relationship between the suppliers' satisfaction with rep performance and the likelihood of continued interactions over the long run.

H_{13B}: There is no relationship between the retailers' satisfaction with the rep performance and the likelihood of continued interactions over the long run.

The correlations in Table 4.28 indicate there is a significant direct positive relationship for both suppliers and retailers between satisfaction and the likelihood of continuing a relationship with a rep over the long run.

Table 4.28: The Relationship Between Satisfaction and Continued Interactions

	Correlation	Significance
Suppliers	.879	.000
Retailers	.858	.000

Hypothesis 14

The fourteenth hypothesis examines the relationship between trust and the likelihood of continuing interactions over the long run. The hypotheses are further sub-divided into a hypothesis relative to suppliers and one relative to retailers. The following states they sub-hypotheses in their null form.

H_{14A}: There is no relationship between the suppliers' trust of the rep and the likelihood of continued interactions over the long run.

H_{14B}: There is no relationship between the retailers' trust of the rep and the likelihood of continued interactions over the long run.

The correlations in Table 4.29 indicated there is a significant positive direct relationship for both suppliers and retailers between trust and the likelihood of continuing a relationship with a rep over the long run.

Table 4.29: The Relationship Between Trust and Continued Interactions

	Correlation	Significance
Suppliers	.707	.000
Retailers	.798	.000

Hypothesis 15

The fifteenth hypothesis examines the relationship between commitment to the rep the likelihood of continuing interactions over the long run. The hypotheses are further sub-divided into a hypothesis relative to suppliers and one relative to retailers. The following states they sub-hypotheses in their null form.

H_{15A}: There is no relationship between the suppliers'

commitment to the rep and the likelihood of continued interactions over the long run.

H_{15B}: There is no relationship between the retailers'

commitment to the rep and the likelihood of continued interactions over the long run.

The correlations in Table 4.30 indicated there is a significant positive direct relationship for both suppliers and retailers between commitment and the likelihood of continuing a relationship with a rep over the long run.

Table 4.30: The Relationship Between Commitment and Continued Interactions

	Correlation	Significance
Suppliers	.802	.000
Retailers	.762	.000

Summary

The results provided some interesting insight to the role and contribution of reps in the relationship between suppliers and retailers. The analysis of the data began with establishing the validity and reliability of the research. Criterion validity was established through the exploratory research. Discriminant and convergent validity were established through factor analysis. Reliability was confirmed through Cronbach's alpha.

Interviews and a pre-test initially indicated nine dimensions of the role of the rep. However, only eight dimensions emerged from the factor analysis. The original model discussed in Chapter III was adapted to reflect the change.

MANCOVA was the method of analysis to examine the differences between suppliers and retailers, reps and suppliers, and reps and retailers. Significant differences

were found between suppliers and retailers for six dimensions: communication, understanding, reliability, responsiveness, competence, and courtesy. No differences were found between the reps perceptions of the suppliers tolerance zones and actual zones. Five dimension, understanding, reliability, responsiveness, competence, and courtesy, had significant differences between the reps perception of the retailers tolerance zone and the actual zone.

After weighting the overall tolerance zones, only one significant difference was found for the overall zones. There was a significant difference between the reps perception of the retailers overall tolerance zone and the retailers actual overall zone. There was no significant difference between the supplier and retailer overall zones and no difference between the reps perception of the suppliers overall tolerance zone and their actual zone.

For the final hypotheses were designed to examine the relationship between satisfaction, trust, and commitment with the likelihood of continuing the relationship with a

rep. All of the relationships examined had significant, direct, positive relationships.

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CHAPTER V

CONCLUSION

Introduction

This chapter presents a summary of the overall research. Emphasis is placed on the conclusions and implications of how this study can be applied in both academic and practical situations.

Summary

An overview of the literature revealed scant theory in organizational buying, channel relationships, or service quality relevant to the role and contribution of reps in supplier-buyer relationships. The lack of theory indicated the need for a model to serve as the foundation for the future development of theory relevant to the role and contributions of reps in the interactions between suppliers and retailers. Such a model, Dynamic Channel Interactions, was presented in Chapter III. Thirty-six hypotheses, including sub-hypotheses, were developed to evaluate the appropriateness of the model.

To test the validity of the model, a research study was designed and conducted with three populations, suppliers, reps, and retailers, in the gift industry. Four scale adaptations measured the role and contribution of reps from the perspective of each populations. First, a 54 item nine-point Likert-type scale was adapted from the original 99 items of SERVQUAL (Parasuraman et al. 1985) and used to measure the role of reps. Nine of the original 10 SERVQUAL dimensions were included in the adaptation. One, security, was excluded because it was deemed irrelevant to the supplier-rep-retailer relationship. Second, satisfaction was measured through a five item nine-point Likert-type summated rankings scale adapted from the five item, five-point scale developed by Gaski & and Nevin (1985) and Gaski (1996) which was further refined by Dwyer et al. (1987). Third, Doney and Cannon's (1997) seven item seven-point Likert-type scale of trust was adapted to measure the trust dimension of the contribution of reps. Finally, Anderson and Weitz's (1992) ten-item seven-point Likert-type commitment scale was adapted to measure that dimension of

the contribution of reps in the interactions between suppliers and retailers.

Exploratory factor analysis was used to determine which of the nine expected dimensions existed. Eight of the nine emerged with an oblique rotation. Twelve items were eliminated and factor analysis was repeated to confirm discriminant validity. Content validity was confirmed through the use of factor analysis on each individual dimensions. This procedure was run for the retailers' perspective, the suppliers' perspective, the reps' perception of the retailers' perspective, and the reps' perception of the suppliers' perspective of each dimension. Results were consistent across all populations. All except one item, for only one population, loaded on the individual dimension examined with a loading of .5 or higher. The excepted item carried a loading of .49.

After deletion of the twelve items, reliability was examined through examination of Cronbach's alpha. Consistent with the traditional method for examining SERVQUAL, the overall scale for the role of the rep was examined. Alphas in excess of .9 were found for the scale

for each population which indicated high reliability, or internal consistency. Since an overall scale can only be as strong as its individual dimensions, the scales for each individual dimension were also examined. Scales for all except one dimension, competence, revealed alphas exceeding the minimum .7 recommended by Nunnally (1978) for at least 3 of the four perspectives examined. Scale reliabilities were weakest when applied to the reps' perceptions of the retailers' perspective of each dimension.

The scales for three dimensions of the contribution of reps in the relationship between suppliers and retailers were also examined for reliability. All three dimensions, satisfaction, trust, and commitment, exhibited alphas in excess of .9 for both retailers and suppliers. These were the only two populations in which the scale was administered since one of the key elements found in the model was that suppliers and/or retailers will enter into a long-term relationship once they are satisfied with the service the reps provide; develop trust in the rep; and, are committed to a relationship with the rep.

Once the validity and reliability were established. MANCOVA was used to compare the difference between paired populations, supplier/retailer, rep/supplier, and rep/retailer. The covariates included in the analysis were: age, gender, and education. Only eight of the nine originally hypothesized differences on individual dimensions were analyzed based on the results of factor analysis. Significant differences were found in the tolerance zones for suppliers and retailers on six of the eight examined dimensions. Reps and retailers had significant differences in tolerance zones for five of the eight dimensions. No significant differences were found between reps and suppliers.

The individual dimensions were weighted for importance and summed to determine the overall tolerance zone for each of the populations. The importance weighting had little or no impact on the difference between reps and suppliers or the difference between reps and retailers. One would not typically expect to find a difference between two populations on the overall tolerance zone if no differences were found on the individual dimensions. As expected, no

significant difference was found between the reps' perceptions of the suppliers' overall tolerance zone and the suppliers' actual zone for the role of the rep. Following the same thought process, one would expect to find a significant difference in two populations for the overall tolerance zone if differences were found for more than 50 percent of the individual dimensions. The reps' perceptions of the retailers' tolerance zone and the retailers' actual zone were significantly different for five out of 8 individual dimensions. As expected, after adjustments for importance the reps perception of the retailers' overall tolerance zone for the role of the rep was significantly different than the retailers' actual overall tolerance zone. This reasoning did not hold true for the differences between the suppliers' overall tolerance zone and the retailers' overall tolerance zone. Suppliers and retailers differed significantly on six of the eight individual dimensions. However, after each dimension was weighted for importance to the individual population, no significant difference was found between the suppliers' overall tolerance zone for the role of reps and the retailers' overall tolerance zone for

the role of reps in the channel interactions between suppliers and retailers.

Correlations were used to analyze the strength and direction of satisfaction, trust, and commitment with the likelihood to continue a relationship with a rep. All analyzed relationships were significant, positive, and direct.

Conclusions

The study was an exploratory examination of the role and contribution of reps in the channel interactions between suppliers and retailers. Significant differences were found on many dimensions which indicates there may be a lack of communication among the populations. Results indicate reps have a strong understanding of their relationship with suppliers but need improvement in their understanding of their role in the eyes of retailers both on individual dimensions and on the overall tolerance zones. Suppliers and retailers differ on their tolerance zones for the majority of the individual dimensions of the role of the rep but not on the overall tolerance zone. These differences may lead to the potential confusion on the part of the rep.

The rep must meet the needs of both suppliers and retailers. But if suppliers and retailers have significantly different expectations of reps then the rep will have difficulty performing satisfactorily for both populations. Suppliers and retailers both indicate that if they are satisfied with the rep, trust the rep, and are committed to the rep, they are likely to continue the relationship over the long run.

Implications

This study provides insight into a previously misunderstood or little understood phenomenon, the role and contributions of reps in the channel interactions between suppliers and retailers. It identified key dimensions that comprise the role of reps as well as the relationships between each of the contributions of reps, satisfaction, trust, and commitment, and the likelihood of continuing a relationship over the long run. The findings have some strong implications for academics, from both a theoretical and an educational perspective. The implications extend beyond the academic community to practitioners including suppliers, reps, and retailers.

Academics

The implications from the academic perspective are twofold: theoretical and educational.

Theoretical

Theoretical implications are grounded in the fact that researchers and academics may be sacrificing some valuable information and overlooking some essential relationships for the sake of saving time and money. Wilson (1985) suggested that the lack of theory in organizational buying was partially attributable to the complexity of the buying process, the massive data collection required to develop such a theory, and the high cost and time requirements for such research. He also suggested that each time a new perspective is added a new perception is added which adds complexity to the situation. It can be risky for an academic researcher to try to add an additional dimension or perspective because of the time and money that can be lost if the research is a failure.

This study is an example of the wealth of information that can be gained by taking that risk. Differences in perceptions and importance of the dimensions of the role of

the rep were identified by examining the relationship between suppliers and retailers as multidimensional rather than as dyadic. Suppliers and retailers had different perceptions on six out of eight dimensions identified as the role of the rep including: communication, understanding, reliability, responsiveness, competence, and courtesy. Reps and retailers had different perceptions on five out of the eight dimensions including: understanding, reliability, responsiveness, competence, and courtesy. Suppliers and reps had similar perceptions on all eight dimensions. These differences confirm that examining channel relationships as dyadic eliminate some essential information about expectations and perceptions of each population. Consequently, academics should incorporate a multidimensional aspect when examining channel relationships. The multidimensionality can add rich information, that cannot be captured through a dyadic study, to the current knowledge.

Implications for researchers and academics extend beyond merely the dimensions identified as the components of the role of the rep. Satisfaction, trust, and commitment

were shown to have a direct relationship with the likelihood of continuing a relationship into the future. The differences in the perceptions of the role indicate the level of service provided by the rep that will lead to satisfaction in, trust of, and/or commitment to reps may be different for suppliers and retailers. This enhances the need for examining more than a dyadic relationship. The various members of channel relationships need to be measured for the level of performance that leads to satisfaction, trust, and/or commitment. The levels of performance need to be compared between the populations.

Identification and comparison of the differences in perceptions and expectations between the populations will lay a solid foundation for the development of theory in channel relationships.

Educational

Educationally, implications extend beyond theory. Students are usually more concerned with how newly generated knowledge will affect them when they get into the "real world" than they are with theory or, in some cases, lack of theory. Basic principles of marketing books acknowledge that

agents found in the channel between two different levels reduce the number of contacts required (Kotler 1991, Zikmund 1996) for both suppliers and buyers. This information does not go far enough to provide students with the tools necessary to develop strong channel relationships. The information available with this study indicates that eight dimensions comprise the role of reps. These include:

1. Reliability - The rep's ability to perform the promised serviced dependably and accurately.
2. Responsiveness - The rep's willingness to help customers and provide prompt service
3. Competence - The knowledge of the rep to professionally provide accurate information.
4. Courtesy - The courtesy and friendliness of the rep.
5. Credibility - The ability of te rep to convey trust and confidence.
6. Access - The approachability and ease of contact of the rep.
7. Communication - The rep keeping manufacturers and retailers informed as well as listening to them.

8. Understanding - The rep's effort to know the store and its competition.

Now that this information exists, academics can provide students with more solid information on the essential elements of developing long term channel relationships. With the importance ratings, academics can also share with their students which aspects of the role are more important to specific populations so that when the students apply what they've learned to practical situations, they can adapt according to the population with which they are dealing. For example, reliability is an important dimension for all three populations but it is the most important for only two out of three, reps and suppliers. Competence is the most important dimension for suppliers. This difference is logical if one thinks about the fact that competence includes the reps ability to professionally convey accurate product information. Suppliers want to insure reps understand the products they sell so they do not sell under false pretenses. On the other hand, reps and retailers are concerned with product knowledge but they are more concerned with accuracy on orders and following-up on promises.

Table 4.26 depicts the differences in importance of each dimension for suppliers, reps, and retailers. Understanding the differences will provide students with a better understanding of what they should expect when they enter the workforce.

Practitioners

Implications are also strong from the practitioners' perspective. The research indicates some significant differences that may impact the relationship between suppliers and retailers and between reps and retailers. The results of this study pinpoint some areas in which all the populations, reps in particular, need to make adjustments.

Suppliers

Suppliers pay reps a commission for the goods sold. In exchange for that commission, suppliers expect reps to also provide a level of service that will maintain and/or expand the customer base. Suppliers naturally have specific services they expect reps to provide to accomplish that goal. However, they need to avoid a myopic perspective. Suppliers need to keep in mind that retailers are the group that must ultimately be satisfied since they are the ones

who purchase the goods suppliers provide. If retailers discontinue purchasing the products supplied, the supplier will cease to exist. With that in mind, suppliers need to work closely with reps to gain an understanding of retailers and to insure the retailers needs are met. Results from this study indicate that may be easier said than done.

No differences existed between the reps' perceptions of the suppliers tolerance zone and the suppliers' actual zone. However, when the importance rating for each of the dimensions was examined, it was discovered that suppliers and reps assigned different ratings for seven out of the eight dimensions including: access, communication, competence, courtesy, credibility, reliability, and responsiveness. In other words, the results imply that although the suppliers and reps have a basic understanding of each other, what they value most in a channel relationship is different. Suppliers and reps need to work closely together to narrow the differences, and ultimately, meet the need of retailers.

The suppliers' tolerance zones were significantly different from the retailers' tolerance zones for all except

two of the eight dimensions of the role of reps.

Differences were found for the tolerance zones of:

communication, understanding, reliability, responsiveness, competence, and courtesy. The importance rating of four of the dimensions were different between suppliers and retailers including access, communication, competence, and reliability. Since the rep must provide satisfactory service to both suppliers and retailers, the differences between suppliers and retailers may indicate potential problems in the suppliers' and/or reps' ability to provide the level of service required to maintain long-term relationships with retailers merely because of a lack of understanding. Suppliers can create an avenue for increasing profitability by identifying and narrowing the differences.

Reps

Results of the study indicate the role of reps may be extremely ambiguous. The ambiguity is rooted in the fact reps are employed to provide service to two populations at opposing ends of the channel of distribution, suppliers and retailers. These have characteristic differences that add

to the ambiguity. Suppliers generally carry a narrow product selection and seek to sell in large quantities. In contrast, retailers must offer a broad product selection to their customers so they seek to purchase in small quantities. Reps must try to balance these demands while performing service within the tolerance zones of both the suppliers they represent and the retailers to which they sell.

Ambiguity increases when one realizes the eight dimensions identified in the study cannot be assumed to be equally important to each of the populations. To eliminate the ambiguity, reps need to examine the importance of each dimension--communication, understanding, reliability, responsiveness, competence, courtesy, credibility, and access--to suppliers and retailers. Reps also need to evaluate the importance of these dimensions to themselves. A difference in the importance rating for any of the dimensions between reps and either suppliers or retailers indicates a potential problem. Differences in importance between reps and suppliers were found for access, communication, competence, courtesy, credibility,

reliability, and responsiveness. Differences in importance between reps and suppliers were found for access, competence, courtesy, credibility, and responsiveness. Reps need to adjust their focus to fit the needs of each specific populations as they work with them individually.

In addition, reps need to examine how they perform relative to established tolerance zones to determine areas in which they need to improve. This task may prove to be more difficult than one may initially think since the tolerance zones differ for both suppliers and retailers. The research indicates reps have a solid understanding of the suppliers' tolerance zones so they need to focus more on gaining and understanding of the retailers' tolerance zone. Once this is accomplished, it will be much easier for reps to meet the needs of both populations they try to serve and, ultimately, increase the commission they earn.

Retailers

The differences in tolerance zones, perceptions, and importance are greater for the interactions involving retailers than for those involving only suppliers and reps. This indicates that suppliers and reps have a basic lack of

understanding of the expectations and perceptions of retailers. This is particularly true on the understanding, reliability, responsiveness, competence, and courtesy dimensions of the role of reps in the interactions since significant differences were found between suppliers and retailers as well as reps and retailers for these dimensions.

Similar differences were found for the importance of the dimensions. Retailers rated the importance of four of the dimensions differently than suppliers. These included: access, communication, competence, and reliability. They rated the importance of five dimensions differently than reps. These included: access, competence, courtesy, credibility, and responsiveness. The importance rating of only one dimension, understanding the customer, was consistent across all three populations. Surprisingly, the rating for this dimension was eighth out of eight. In other words, all three populations rated the importance of understanding the customer as least important. This finding provides insight into why suppliers and retailers as well as

reps and retailers have little understanding of each other--
-they do not think it is important.

Small retailers are searching for a basis of competitive advantage to compete against larger retailers. Channel relationships involving independent sales reps may represent such a basis; but before that can happen, there must be a basic understanding of the needs of retailers among the parties involved. Suppliers and reps must strive to close the gaps and gain an understanding but the sole responsibility does not rest with them. Retailers are partially responsible helping suppliers and reps understand.

Retailers need to communicate their needs and expectations to both suppliers and reps. By doing this, they will facilitate the development of a better understanding and reduce friction in the channel. Interactions will become more productive and more profitable for suppliers, reps, and retailers. The newly developed understanding will also allow small retailers to capitalize on their strengths which will ultimately allow them to develop a competitive advantage.

Contribution

Prior to this study, essentially all the research conducted in retail buying, organizational buying, and in channel relationships had taken a dyadic approach to examining supplier-buyer relationships. The three primary models found in organizational buying date back to the late 1960's and early 1970's (Robinson et al. 1967; Sheth 1973; Webster and Wind 1972). The primary focus of each of these models was on the buyer which overlooks some of the key influences of the buying process. Johnston and Lewin (1996) integrated the three earlier models and incorporated the interactions between buying and selling firms. This study developed and tested a model that examines a third dimension in channel relationships between suppliers and retailers, an area in which little theory currently exists.

In some ways, this study serves a similar purpose of as that of examining a black box flight recorder to understand what happened during a flight. Prior to this research, little understanding of what the reps actually does in the interactions between suppliers and retailers existed. It was commonly known that reps could help increase efficiency

in the channel by reducing the number of contacts required between suppliers and retailers. However, little else was known. This study was like opening the black box and examining the internal workings. It was discovered that eight dimensions of the role of the rep, or services provided by the rep exist. These include: credibility, understanding, communication, reliability, access, responsiveness, courtesy, and competence. An acceptable performance zone for each of these dimensions was also revealed for each of the populations.

As stated earlier, prior research took a dyadic approach to examining the channel relationship between suppliers and buyers. This study effectively added a third dimension, the rep. The study revealed that differences exist for the range of acceptable performance at all three of examined levels of the channel. This finding confirms that a dyadic approach to examining channel relationships may not be appropriate.

Additional contributions are found in the fact that this study incorporated satisfaction, trust, and commitment as dimensions of the contribution of reps and, consequently,

the foundation upon which relationships transfer from transactional to relational. Prior research has generally focused on only one or two of those dimensions. The results of this study confirmed a strong relationship between each those dimensions, satisfaction, trust, and commitment, and the likelihood of continuing a relationship with a rep over the long-run.

Dynamic Channel Interaction, the model developed and tested in the study, will serve as the foundation of understanding in both the academic and practitioner communities of the role and contributions of reps in the interactions between suppliers and buyers. For academics, it provides the necessary information for the future development in an area in which little or no theory currently exists. For practitioners, the model provides insight to the acceptable range within which they must perform services for both suppliers and retailers to eventually lead to long-term relationships. Another contribution of this model to practitioners is grounded in the fact that reps can now identify the importance of the individual dimensions to each of the populations they are

employed to serve. By understanding the differences in importance, they can adapt the service they provide when dealing with the populations individually. This new understanding should lead to more effective relationships and ultimately to a competitive advantage for all.

Limitations

This research revealed some interesting information relevant to the relationship among suppliers, reps, and retailers. However, it was not without limitations. The first limitation encountered was the lack of existing theory. Little theory was found for retail buying, channel relationships, and service quality. The majority of the research focused on dyadic relationships which overlooks some valuable information.

A second limitation arose from the fact that the study was confined to suppliers, reps, and small retailers in the gift industry. The extent to which results can be generalized beyond these types of individuals and firms is unknown. In addition, a plethora of retailers were available from which to select a random sampling but suppliers and reps were limited to 272 and 163,

respectively. Analyses were conducted to examine consistency across all three populations. However, results from this research indicate that the research may be generalizable to other industries since convergent and discriminant validity were consistent across all three populations.

Other limitations arose from the fact that the research focused on only one intermediary relationship and one influencer in the supplier-buyer relationship. However, many intermediary relationships exist in the channel. Other influencers, such as branding also exist.

Recommendations

This study was the beginning point for the examination of the role and contribution of reps in the interactions between suppliers and retailers in the channel of distribution. As such, it is appropriate that it serves as a directive for future research into this relationship. The specific research directions suggested by this study include the following areas.

1. The research should be extended into other industries to reveal any similarities and/or differences that may exist.
2. The research should be extended to incorporate large retailers to examine the differences in the tolerance zones based on size as well as between the different populations.
3. The model and research should be extended to examine the reasons for exiting the relationships as well as the potential of reforming the relationships.
4. The research should be extended to incorporate other intermediary relationships and influencers such as the rep principle, less direct channel relationships, and branding.

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APPENDIX A

SUPPLIER RESEARCH INSTRUMENT

<repco> SUPPLIER SATISFACTION SURVEY

PART I Section A

We would like to know your impression of the overall quality and value of the service provided by your <repco> rep. Please circle one number for each of the following 2 questions.

- | | | | |
|---|-------------------|-----------------|-------------------|
| | Extremely
Poor | | Extremely
Good |
| 1. How would you rate the overall quality of service provided by the <repco> reps? | 1 | 2 3 4 5 6 7 8 9 | |
| 2. Thinking about the <repco> reps' service overall, please rate the value you feel
reps are to the relationship between manufacturers and retailers. | 1 | 2 3 4 5 6 7 8 9 | |

PART I Section B

We would like your impressions about how well the <repco> reps provide service to you and your customers relative to your expectations. Please think about the two different levels of expectations defined below:

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

For each of the following statements, please indicate: (a) your minimum service level by circling one of the numbers in the first column; (b) your desired service level by circling one of the numbers in the second column; and (c) your perception of the service provided by your <repco> rep by circling one of the numbers in the third column.

- | | | | |
|---|-----|-----------------|------|
| Statements should be read: | Low | | High |
| (a) When it comes to _____ my <u>minimum</u> service level is: | 1 | 2 3 4 5 6 7 8 9 | |
| (b) When it comes to _____ my <u>desired</u> service level is: | 1 | 2 3 4 5 6 7 8 9 | |
| (c) When it comes to _____ my perception of <repco>'s performance is: | 1 | 2 3 4 5 6 7 8 9 | N |

- "1" represents low or totally unacceptable in all aspects
- "5" represents average for the industry
- "9" represents high or perfect in every aspect
- "N" represents no opinion if you have no opinion
- The number you circle for the minimum should be smaller than the number you circle for desired.

When it comes to . . .	My Minimum Service Level Is:		My Desired Service Level Is:		My perception of <repco>'s Performance Is:	
	Low	High	Low	High	Low	High
1. Prompt service to customers in the showroom	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
2. Easily scheduled appointments for customers	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
3. Ability to contact the rep by phone when needed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
4. Toll free number for customers to contact rep directly	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
5. Willingness to help customers	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
6. Consistent courtesy	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

MINIMUM SERVICE LEVEL- the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	My Minimum Service Level is:		My Desired Service Level is:		My perception of <repc>'s Performance is:	
	Low	High	Low	High	Low	High
7. Extensive product knowledge	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
8. Sophisticated product information	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
9. Accurate quantities on purchase orders	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
10. Accurate pricing on purchase orders	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
11. Working with customers by appointment	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
12. Sympathy & reassurance when I have problems	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
13. Getting quick answers to my questions	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
14. Showing fresh samples in the customer's store	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
15. Familiarity with the customer's store	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
16. Appointments scheduled with customers within a week	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
17. Keeping customers informed about when merchandise will be shipped	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
18. Dealing with customers in a caring fashion	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
19. Professionalism	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
20. Trustworthiness	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
21. Promptness for appointments	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
22. Willingness to help	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
23. Showing my new products to customers when they are introduced	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
24. Familiarity with the customer's competition	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
25. Service available to customers in the showroom on a daily basis	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
26. Familiarity with merchandise in the customer's store	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
27. Providing customers with visually appealing catalogs to browse through in their leisure time	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
28. Knowing exactly when orders will arrive	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
29. Promptly returned phone calls	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N
30. Trusting the retailers to whom the rep sells	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9	1	2 3 4 5 6 7 8 9 N

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	My Minimum Service Level is:		My Desired Service Level is:		My perception of <repco>'s Performance is:	
	Low	High	Low	High	Low	High
31. Answering my questions	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
32. Treating customers with respect	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
33. Keeping customers informed about when merchandise will be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
34. Greeting customers with a cheerful smile	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
35. Believability	1 2 3 4 5 6 7 8 9		1 [*] 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
36. Telling customers exactly when he/she will be in the customer's store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
37. Showing customers catalogs of complete product offerings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
38. Keeping customers informed about stock outages	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
39. Dependability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
40. Legible purchase orders	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
41. Having my company's best interest at heart	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
42. Sincere interest in my company's problems	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
43. Extended working hours to serve customers on market days	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
44. Knowing shipping time	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
45. Keeping me informed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
46. Pleasant dealings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
47. Honesty	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
48. Understanding the needs of customers	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
49. Permanent showrooms to visit	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
50. Low pressure sales	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
51. Keeping me informed about when the customer's merchandise needs to be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
52. Politeness	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
53. Knowing credit terms	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
54. Insuring the customer's credit gets approved	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
55. Collecting delinquent payments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

PART I Section C

We are concerned with how satisfied you are with your <repco> rep. We are also concerned with how much you trust your <repco> rep and how committed you are to your working relationship with him/her. Please circle the number that best represents your satisfaction, trust, and commitment.

	Strongly Disagree									Strongly Agree
1. In general, I am pretty satisfied with the <repco> reps.	1	2	3	4	5	6	7	8	9	
2. Overall, the <repco> reps are good reps to do business with.	1	2	3	4	5	6	7	8	9	
3. All in all, the <repco> reps have been very fair with me.	1	2	3	4	5	6	7	8	9	
4. Overall, the <repco> rep policies and programs benefit my business.	1	2	3	4	5	6	7	8	9	
5. In general, I am pretty happy with my dealings with the <repco> reps.	1	2	3	4	5	6	7	8	9	
6. I will continue doing business with the <repco> reps.	1	2	3	4	5	6	7	8	9	
7. I am satisfied with the sales and services I get from the <repco> reps.	1	2	3	4	5	6	7	8	9	
8. The <repco> reps have been frank in dealing with me.	1	2	3	4	5	6	7	8	9	
9. The <repco> reps do not make false claims.	1	2	3	4	5	6	7	8	9	
10. The <repco> reps are completely open in dealing with me.	1	2	3	4	5	6	7	8	9	
11. The <repco> reps are concerned about my business.	1	2	3	4	5	6	7	8	9	
12. The <repco> reps seem to be concerned with my needs.	1	2	3	4	5	6	7	8	9	
13. The people at my firm trust the <repco> reps.	1	2	3	4	5	6	7	8	9	
14. The <repco> reps are trustworthy.	1	2	3	4	5	6	7	8	9	
15. I defend the <repco> reps when others criticize them.	1	2	3	4	5	6	7	8	9	
16. I have a strong sense of loyalty to the <repco> reps.	1	2	3	4	5	6	7	8	9	
17. I am continually on the lookout for another rep firm to add to or replace the <repco> reps.	1	2	3	4	5	6	7	8	9	
18. I expect to be continue using the <repco> reps as my rep group for some time.	1	2	3	4	5	6	7	8	9	
19. If another rep group offered us a broader customer base, I would not take them on if it means dropping my <repco> rep.	1	2	3	4	5	6	7	8	9	
20. I am very committed to the <repco> reps.	1	2	3	4	5	6	7	8	9	
21. My relationship with the <repco> reps is a long-term alliance.	1	2	3	4	5	6	7	8	9	
22. I am patient with the <repco> reps when they make mistakes that cause me trouble.	1	2	3	4	5	6	7	8	9	

PLEASE CONTINUE ON NEXT PAGE

PART II--Section A RATING QUALITY, VALUE AND FEATURES

Without looking back at or changing the answers to the first two questions you answered, please answer how you now rate the overall quality and value of the service provided by your <repco> rep.

- | | Extremely
Poor | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | Extremely
Good |
|--|-------------------|---|---|---|---|---|---|---|---|-------------------|
| 1. How would you rate the overall quality of service provided by the <repco> reps? | | | | | | | | | | |
| 2. Thinking about the <repco> reps' service overall, please rate the value you feel the reps are to the relationship between manufacturers and retailers. | | | | | | | | | | |

Part II Section B

1. Listed below are nine general features pertaining to manufacturers' reps and the services they offer. We would like to know how important each of these features is to you when you evaluate a rep's quality of service.

Please rank the features 1 to 9 *according to how important each feature is to you*--ranking the most important feature 1 and the least important feature 9. You should use each number only once so you will have one item ranked #1 another ranked #2....Please be sure to use all 9 numbers.

- | | Rank |
|---|-------|
| (1) TANGIBLES (The appearance of catalogs, samples, and communication materials.) | _____ |
| (2) RELIABILITY (The rep's ability to perform the promised services dependably and accurately.) | _____ |
| (3) RESPONSIVENESS (The rep's willingness to help customers and provide prompt service.) | _____ |
| (4) COMPETENCE (The knowledge of the rep to professionally provide accurate information.) | _____ |
| (5) COURTESY (The courtesy and friendliness of the rep.) | _____ |
| (6) CREDIBILITY (The ability of the rep to convey trust and confidence.) | _____ |
| (7) ACCESS (The approachability and ease of contact of the rep.) | _____ |
| (8) COMMUNICATION (Rep keeping manufacturers and retailers informed and listening to them.) | _____ |
| (9) UNDERSTANDING (The rep's effort to know the store and its competition.) | _____ |

PART III--ACTIONS YOU MIGHT TAKE

Based on your overall experience with <repco>'s rep, please indicate your answer to the following questions. Please circle one number for each of the following questions.

1. How confident are you that the <repco> reps will continue to perform at their current level of service in the future?
- Very Unconfident 1 2 3 4 5 6 7 8 9 Very Confident
2. If the <repco> reps continue to perform in the future at their current level of service, how likely are you to continue a relationship with them over an extended period of time?
- Extremely Unlikely 1 2 3 4 5 6 7 8 9 Extremely Likely

PLEASE CONTINUE ON THE FOLLOWING PAGE

PART IV--FOR STATISTICAL PURPOSES ONLY

The following questions are for statistical purposes only. Your answers will be combined with others and will be kept strictly confidential.

What is your zip code? _____

For questions 1-3, please circle the word that best describes the time scale and corresponding frequency of rep visits. For example, if you want a rep to visit the customer's stores once every 9 months your answer would look like this.

Once every _____
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

If your answer is never, then circle the word never but no number.

1. On average, how frequently do you think the <repco> reps should visit the customers in their stores?

Once every _____
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

2. On average, how frequently do think the <repco> reps visit the customers in their stores?

Once every _____
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

For the balance of the questions, please indicate the appropriate answer.

3. How long have you used <repco> as your rep group?
 _____ Months _____ Years

4. Have you recently had a problem with any of the orders written by the <repco> reps?

Yes1 No2

If yes, was the problem solved to your satisfaction?

Yes1 No2

5. What is your position within your organization?
 (Please circle only one answer)

Owner.....1 Other (please specify)....3
 Sales Manager.....2 _____

6. How long have you been in that position?
 _____ years _____ months

7. How long has your store been in business?
 _____ years _____ months

8. What are the average total gross sales for <repco> generates for your company?

Under \$100K1
 \$100K to \$499K2
 \$500K to \$999K3
 \$1M to \$1.499M4
 \$1.5M to \$1.999M5
 \$2M to \$2.499M6
 \$2.5M to \$2.999M7
 \$3M or over8

9. What is your gender? Male.....1 Female.....2

10. What is your approximate age?

Under 25.....1 45-54.....4
 25-34.....2 55-64.....5
 35-44.....3 65 or over.....6

11. What is the highest level of education you have completed?

High school.....1 College degree.....4
 Some college.....2 Post graduate.....5
 College degree.....3 Graduate degree.....6

The following page is provided for you to make additional comments if you wish to do so.

Part V - Additional Comments

Are there any services you expect your <repc> rep to provide that he/she does not? (Please list as many as you can think of and rank them in order of importance to you).

	Rank
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Please use the rest of this page to provide any additional comments about the service you receive from your <repc> rep wish to share. (Use the back of this page if you need additional space). Please feel free to be candid. This section is provided to identify areas in which your rep is performing as expected or better as well as areas in which he/she can serve you better. **Your rep will not have access to the origination of the comments.**

Please place your completed questionnaire in the enclosed envelope and drop it in the mail to:

Kathleen Gruben
Stephen F. Austin State University
Management & Marketing Department
P.O. Box 9070
Nacogdoches, TX 75962

THANK YOU VERY MUCH!!

APPENDIX B

REP RESEARCH INSTRUMENT

<repco> REP SATISFACTION SURVEY

Part I Section A

We would like to know your impression of the overall quality of the service reps like you provide to manufacturers and retailers. Please circle one number for each of the following 2 questions.

- | | | | |
|---|-------------------|---|-------------------|
| | Extremely
Poor | | Extremely
Good |
| 1. How would you rate the overall quality of service provided by the <repco> reps? | 1 | 2 | 3 |
| | 4 | 5 | 6 |
| | 7 | 8 | 9 |
| 2. Thinking about the <repco> reps' service overall, please rate the value you feel the reps are to the relationship between manufacturers and retailers. | 1 | 2 | 3 |
| | 4 | 5 | 6 |
| | 7 | 8 | 9 |

PART I Section B

Retailers in your territory were asked to respond to the following statements. We would like your impressions of the level of service you believe the **RETAILERS** to whom you sell **EXPECT** compared to what you actually provide. Please think about the two different levels of expectations defined below as you respond to the statements:

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

For each of the following statements, please indicate: (a) your minimum service level by circling one of the numbers in the first column; (b) your desired service level by circling one of the numbers in the second column; and (c) your perception of the service provided by your <repco> rep by circling one of the numbers in the third column.

- | | | | |
|---|-----|---|------|
| Statements should be read: | Low | | High |
| (a) When it comes to _____ my <u>minimum</u> service level is: | 1 | 2 | 3 |
| | 4 | 5 | 6 |
| | 7 | 8 | 9 |
| (b) When it comes to _____ my <u>desired</u> service level is: | 1 | 2 | 3 |
| | 4 | 5 | 6 |
| | 7 | 8 | 9 |
| (c) When it comes to _____ my perception of <repco>'s performance is: | 1 | 2 | 3 |
| | 4 | 5 | 6 |
| | 7 | 8 | 9 |
| | N | | |

- "1" represents low or totally unacceptable in all aspects
- "5" represents average for the industry
- "9" represents high or perfect in every aspect
- "N" represents no opinion if you have no opinion
- The number you circle for the minimum should be smaller than the number you circle for desired.

When it comes to . . .	Retailers' Minimum Service Level is:		Retailers' Desired Service Level is:		My Perception of My Performance is:	
	Low	High	Low	High	Low	High
1. Prompt service in the showroom	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
2. Easily scheduled appointments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
3. Ability to contact the rep by phone when needed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
4. Toll free number to contact rep directly	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
5. Willingness to help customers	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
6. Consistent courtesy	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
7. Extensive product knowledge	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	Retailers' Minimum Service Level is:		Retailers' Desired Service Level is:		My Perception of My Performance is:	
	Low	High	Low	High	Low	High
8. Sophisticated product information	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
9. Accurate quantities on my purchase orders	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
10. Accurate pricing on my purchase orders	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
11. Working with me by appointment	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
12. Sympathy & reassurance when I have problems	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
13. Getting quick answers to my questions	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
14. Showing fresh samples in my store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
15. Familiarity with my store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
16. Appointments scheduled within a week	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
17. Keeping me informed about when merchandise will be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
18. Dealing with me in a caring fashion	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
19. Professionalism	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
20. Trustworthiness	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
21. Promptness for appointments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
22. Willingness to help	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
23. Seeing new products when they are introduced	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
24. Familiarity with my competition	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
25. Service available in the showroom on a daily basis	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
26. Familiarity with merchandise in my store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
27. Providing me with visually appealing catalogs to browse through in leisure time	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
28. Knowing exactly when orders will arrive	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
29. Promptly returned phone calls	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
30. Trusting the firms my rep represents	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
31. Answering my questions	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
32. Treating me with respect	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
33. Keeping me informed about when merchandise will be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

MINIMUM SERVICE LEVEL -	the <u>minimum</u> level of service performance you consider adequate.
DESIRED SERVICE LEVEL -	the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	Retailers' Minimum Service Level is:		Retailers' Desired Service Level is:		My Perception of My Performance is:	
	Low	High	Low	High	Low	High
34. Being greeted with a cheerful smile	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
35. Believability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
36. Telling me exactly when he/she will be in my store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
37. Showing catalogs of complete product offerings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
38. Keeping me informed about stock outages	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
39. Dependability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
40. Legible purchase orders	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
41. Having my best interest at heart	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
42. Sincere interest in my problems	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
43. Extended working hours on market days	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
44. Knowing shipping time	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
45. Keeping me informed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
46. Pleasant dealings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
47. Honesty	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
48. Understanding my needs	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
49. Permanent showrooms to visit	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
50. Low pressure sales	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
51. Keeping manufacturers informed about when my merchandise needs to be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
52. Politeness	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
53. Knowing credit terms	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
54. Insuring my credit gets approved	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
55. Collecting delinquent payments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

PLEASE CONTINUE ON THE FOLLOWING PAGE

PART I Section B

Manufacturers <repco> represents were asked to respond to the following statements. We would like your impressions of the level of service you believe the **MANUFACTURERS** for whom you sell **EXPECT** compared to what you actually provide.

When it comes to . . .	Mfg's Minimum Service Level Is:									Mfg's Desired Service Level Is:									My Perception of My Performance Is:									
	Low	High							Low	High							Low	High							N			
1. Prompt service to customers in the showroom	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
2. Easily scheduled appointments for customers	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
3. Ability to contact the rep by phone when needed	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
4. Toll free number for customers to contact rep directly	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
5. Willingness to help customers	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
6. Consistent courtesy	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
7. Extensive product knowledge	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
8. Sophisticated product information	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
9. Accurate quantities on purchase orders	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
10. Accurate pricing on purchase orders	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
11. Working with customers by appointment	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
12. Sympathy & reassurance when I have problems	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
13. Getting quick answers to my questions	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
14. Showing fresh samples in the customer's store	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
15. Familiarity with the customer's store	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
16. Appointments scheduled with customers within a week	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
17. Keeping customers informed about when merchandise will be shipped	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
18. Dealing with customers in a caring fashion	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
19. Professionalism	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
20. Trustworthiness	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
21. Promptness for appointments	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
22. Willingness to help	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
23. Showing my new products to customers when they are introduced	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N
24. Familiarity with the customer's competition	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	N

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	Mfg's <u>Minimum</u> Service Level is:		Mfg's <u>Desired</u> Service Level is:		My perception of My Performance is:	
	Low	High	Low	High	Low	High
25. Service available to customers in the showroom on a daily basis	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
26. Familiarity with merchandise in the customer's store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
27. Providing customers with visually appealing catalogs to browse through in their leisure time	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
28. Knowing exactly when orders will arrive	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
29. Promptly returned phone calls	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
30. Trusting the retailers to whom the rep sells	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
31. Answering my questions	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
32. Treating customers with respect	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
33. Keeping customers informed about when merchandise will be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
34. Greeting customers with a cheerful smile	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
35. Believability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
36. Telling customers exactly when he/she will be in the customer's store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
37. Showing customers catalogs of complete product offerings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
38. Keeping customers informed about stock outages	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
39. Dependability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
40. Legible purchase orders	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
41. Having my company's best interest at heart	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
42. Sincere interest in my company's problems	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
43. Extended working hours to serve customers on market days	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
44. Knowing shipping time	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
45. Keeping me informed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
46. Pleasant dealings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
47. Honesty	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	Mfgs' Minimum Service Level Is:		Mfgs' Desired Service Level Is:		My Perception of My Performance Is:	
	Low	High	Low	High	Low	High
48. Understanding the needs of customers	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
49. Permanent showrooms to visit	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
50. Low pressure sales	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
51. Keeping me informed about when the customer's merchandise needs to be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
52. Politeness	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
53. Knowing credit terms	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
54. Insuring the customer's credit gets approved	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
55. Collecting delinquent payments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

PART II--Section A RATING QUALITY, VALUE AND FEATURES

Without looking back at or changing the answers to the first two questions you answered, please answer how you now rate the overall quality and value of the service reps provide to manufacturers and retailers.

- | | | | | | | | | | | | |
|---|-------------------|---|---|---|---|---|---|---|---|--|-------------------|
| | Extremely
Poor | | | | | | | | | | Extremely
Good |
| 1. How would you rate the overall quality of service provided by the <repc> reps? | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | |
| 2. Thinking about the <repc> reps' service overall, please rate the value you feel the reps are to the relationship between manufacturers and retailers. | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | | |

Part II Section B

1. Listed below are nine general features pertaining to manufacturers' reps and the services they offer. We would like to know how important each of these features are to *you* when you evaluate a the quality of service you provide to manufacturers and retailers.

Please rank the features 1 to 9 *according to how important each feature is to you*--ranking the most important feature 1 and the least important feature 9. You should use each number only once so you will have one item ranked #1 another ranked #2....Please be sure to use all 9 numbers.

- | | |
|---|-------|
| | Rank |
| (1) TANGIBLES (The appearance of catalogs, samples, and communication materials.) | _____ |
| (2) RELIABILITY (The rep's ability to perform the promised services dependably and accurately.) | _____ |
| (3) RESPONSIVENESS (The rep's willingness to help customers and provide prompt service.) | _____ |
| (4) COMPETENCE (The knowledge of the rep to professionally provide accurate information.) | _____ |
| (5) COURTESY (The courtesy and friendliness of the rep.) | _____ |
| (6) CREDIBILITY (The ability of the rep to convey trust and confidence.) | _____ |
| (7) ACCESS (The approachability and ease of contact of the rep.) | _____ |
| (8) COMMUNICATION (Rep keeping manufacturers and retailers informed and listening to them.) | _____ |
| (9) UNDERSTANDING (The rep's effort to know the store and its competition.) | _____ |

PART IV--FOR STATISTICAL PURPOSES ONLY

The following questions are for statistical purposes only. Your answers will be combined with others and will be kept strictly confidential.

What is your zip code? _____

For the balance of the questions, please indicate the appropriate answer.

For questions 1-3, please circle the word that best describes the time scale and corresponding frequency of rep visits. For example, if you want a rep to visit the customer's stores once every 4 weeks you answer would look like this.

Once every ...
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

If your answer is never, then circle the word never but no number.

1. On average, how frequently do you think retailers want you to visit their stores?

Once every ...
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

2. On average, how frequently do think manufacturers want you to visit your customers stores?

Once every ...
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

3. On average, how frequently do visit your customers' stores?

Once every ...
 1 2 3 4 5 6 7 8 9
 Weeks Months Never

4. How long have you been a rep?

_____ Months _____ Years

5. What are your average annual total gross sales?

- Under \$100K1
- \$100K to \$499K2
- \$500K to \$999K3
- \$1M to \$1.499M4
- \$1.5M to \$1.999M5
- \$2M to \$2.499M6
- \$2.5M to \$2.999M7
- \$3M or over8

6. What is your gender? Male.....1 Female.....2

7. What is your approximate age?

- Under 25.....1 45-54.....4
- 25-34.....2 55-64.....5
- 35-44.....3 65 or over.....6

8. What is the highest level of education you have completed?

- High school.....1 College degree.....4
- Some college.....2 Post graduate.....5
- College degree.....3 Graduate degree..6

The following page is provided for you to make additional comments if you wish to do so.

APPENDIX C

RETAILER RESEARCH INSTRUMENT

<repco> RETAILER SATISFACTION SURVEY

PART I Section A

We would like to know your impression of the overall quality and value of the service provided by your <repco> rep. Please circle one number for each of the following 2 questions.

- | | | | |
|---|-------------------|-----------------|-------------------|
| | Extremely
Poor | | Extremely
Good |
| 1. How would you rate the overall quality of service provided by the <repco> rep? | 1 | 2 3 4 5 6 7 8 9 | |
| 2. Thinking about your <repco>'s rep service overall, please rate the value you feel the rep is to the relationship between manufacturers and retailers. | 1 | 2 3 4 5 6 7 8 9 | |

PART I Section B

We would like your impressions about how well your <repco> rep provides service relative to your expectations. Please think about the two different levels of expectations defined below:

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

For each of the following statements, please indicate: (a) your minimum service level by circling one of the numbers in the first column; (b) your desired service level by circling one of the numbers in the second column; and (c) your perception of the service provided by your <repco> rep by circling one of the numbers in the third column.

- Statements should be read:
- | | | | |
|---|-----|-----------------|------|
| | Low | | High |
| (a) When it comes to _____ my <u>minimum</u> service level is: | 1 | 2 3 4 5 6 7 8 9 | |
| (b) When it comes to _____ my <u>desired</u> service level is: | 1 | 2 3 4 5 6 7 8 9 | |
| (c) When it comes to _____ my perception of <repco>'s performance is: | 1 | 2 3 4 5 6 7 8 9 | N |

- "1" represents low or totally unacceptable in all aspects
- "5" represents average for the industry
- "9" represents high or perfect in every aspect
- "N" represents no opinion if you have no opinion
- The number you circle for the minimum should be smaller than the number you circle for desired.

When it comes to . . .	My <u>Minimum</u> Service Level is:		My <u>Desired</u> Service Level is:		My perception of <repco>'s Performance is:	
	Low	High	Low	High	Low	High
1. Prompt service in the showroom	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
2. Easily scheduled appointments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
3. Ability to contact the rep by phone when needed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
4. Toll free number to contact rep directly	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
5. Willingness to help customers	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
6. Consistent courtesy	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
7. Extensive product knowledge	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N
8. Sophisticated product information	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9	N

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	My Minimum Service Level is:		My Desired Service Level is:		My perception of <repco>'s Performance is:	
	Low	High	Low	High	Low	High
9. Accurate quantities on my purchase orders	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
10. Accurate pricing on my purchase orders	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
11. Working with me by appointment	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
12. Sympathy & reassurance when I have problems	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
13. Getting quick answers to my questions	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
14. Showing fresh samples in my store	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
15. Familiarity with my store	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
16. Appointments scheduled within a week	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
17. Keeping me informed about when merchandise will be shipped	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
18. Dealing with me in a caring fashion	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
19. Professionalism	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
20. Trustworthiness	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
21. Promptness for appointments	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
22. Willingness to help	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
23. Seeing new products when they are introduced	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
24. Familiarity with my competition	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
25. Service available in the showroom on a daily basis	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
26. Familiarity with merchandise in my store	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
27. Providing me with visually appealing catalogs to browse through in leisure time	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
28. Knowing exactly when orders will arrive	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
29. Promptly returned phone calls	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
30. Trusting the firms my rep represents	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N
31. Answering my questions	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	1 2 3 4 5 6 7 8 9	N

MINIMUM SERVICE LEVEL - the minimum level of service performance you consider adequate.
DESIRED SERVICE LEVEL - the level of service performance you desire (i.e. what can and should be done).

When it comes to ...	My Minimum Service Level is:		My Desired Service Level is:		My perception of <rapco>'s Performance is:	
	Low	High	Low	High	Low	High
32. Treating me with respect	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
33. Keeping me informed about when merchandise will be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
34. Being greeted with a cheerful smile	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
35. Believability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
36. Telling me exactly when he/she will be in my store	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
37. Showing catalogs of complete product offerings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
38. Keeping me informed about stock outages	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
39. Dependability	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
40. Legible purchase orders	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
41. Having my best interest at heart	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
42. Sincere interest in my problems	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
43. Extended working hours on market days	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
44. Knowing shipping time	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
45. Keeping me informed	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
46. Pleasant dealings	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
47. Honesty	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
48. Understanding my needs	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
49. Permanent showrooms to visit	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
50. Low pressure sales	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
51. Keeping manufacturers informed about when my merchandise needs to be shipped	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
52. Politeness	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
53. Knowing credit terms	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
54. Insuring my credit gets approved	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	
55. Collecting delinquent payments	1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9		1 2 3 4 5 6 7 8 9 N	

PART I Section C

We are concerned with how satisfied you are with your <repco> rep. We are also concerned with how much you trust your <repco> rep and how committed you are to your working relationship with him/her. Please circle the number that best represents your satisfaction, trust, and commitment.

	Strongly Disagree									Strongly Agree								
1. In general, I am pretty satisfied with my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
2. Overall, my <repco> rep is a good rep to do business with.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
3. All in all, my <repco> rep has been very fair with me.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
4. Overall, my <repco> rep's policies and programs benefit my business.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
5. In general, I am pretty happy with my dealings with my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
6. I will continue doing business with my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
7. I am satisfied with the products and services I get from my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
8. My <repco> rep has been frank in dealing with me.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
9. My <repco> rep does not make false claims.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
10. My <repco> rep is completely open in dealing with me.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
11. My <repco> rep is concerned about my business.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
12. My <repco> rep seems to be concerned with my needs.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
13. The people at my firm trust our <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
14. My <repco> rep is trustworthy.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
15. I defend my <repco> rep when others criticize him/her.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
16. I have a strong sense of loyalty to my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
17. I am continually on the lookout for another supplier to add to or replace the rep for the products I buy from my <repco>.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
18. I expect to be distributing my <repco> rep's products for some time.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
19. If another rep offered us a better product line, I would not take them on if it means dropping my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
20. I am very committed to my <repco> rep.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
21. My relationship with my <repco> rep is a long-term alliance.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
22. I am patient with my <repco> rep when he/she makes mistakes that cause me trouble.	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9

PLEASE CONTINUE ON NEXT PAGE

PART II—Section A RATING QUALITY, VALUE AND FEATURES

Without looking back at or changing the answers to the first two questions you answered, please answer how you now rate the overall quality and value of the service provided by your <repc> rep.

- | | Extremely
Poor | | | | | | | | | Extremely
Good |
|---|-------------------|---|---|---|---|---|---|---|---|-------------------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| 1. How would you rate the overall quality of service provided by the <repc> rep? | | | | | | | | | | |
| 2. Thinking about your <repc>'s rep service overall, please rate the value you feel the rep is to the relationship between manufacturers and retailers. | | | | | | | | | | |

Part II Section B

1. Listed below are nine general features pertaining to manufacturers' reps and the services they offer. We would like to know how important each of these features is to you when you evaluate a rep's quality of service.

Please rank the features 1 to 9 according to how important each feature is to you--ranking the most important feature 1 and the least important feature 9. You should use each number only once so you will have one item ranked #1 another ranked #2....Please be sure to use all 9 numbers.

- | | Rank |
|---|-------|
| (1) TANGIBLES (The appearance of catalogs, samples, and communication materials.) | _____ |
| (2) RELIABILITY (The rep's ability to perform the promised services dependably and accurately.) | _____ |
| (3) RESPONSIVENESS (The rep's willingness to help customers and provide prompt service.) | _____ |
| (4) COMPETENCE (The knowledge of the rep to professionally provide accurate information.) | _____ |
| (5) COURTESY (The courtesy and friendliness of the rep.) | _____ |
| (6) CREDIBILITY (The ability of the rep to convey trust and confidence.) | _____ |
| (7) ACCESS (The approachability and ease of contact of the rep.) | _____ |
| (8) COMMUNICATION (Rep keeping customers informed and listening to them.) | _____ |
| (9) UNDERSTANDING (The rep's effort to know the store and its competition.) | _____ |

PART III—ACTIONS YOU MIGHT TAKE

Based on your overall experience with <repc>'s rep, please indicate your answer to the following questions. Please circle one number for each of the following questions.

1. How confident are you that your <repc> rep will continue to perform at his/her current level of service in the future?
- Very Unconfident 1 2 3 4 5 6 7 8 9 Very Confident
2. If your <repc> rep continues to perform in the future at his/her current level of service, how likely are you to continue a relationship with him/her over an extended period of time?
- Extremely Unlikely 1 2 3 4 5 6 7 8 9 Extremely Likely

PLEASE CONTINUE ON THE FOLLOWING PAGE

PART IV--FOR STATISTICAL PURPOSES ONLY

The following questions are for statistical purposes only. Your answers will be combined with others and will be kept strictly confidential.

What is your zip code? _____

For questions 1-3, please circle the word that best describes the time scale and corresponding frequency of rep visits. For example, if you want a rep to visit your store once every 4 months your answer would look like this.

Once every	_____	_____
1 2 3 4 5 6 7 8 9		
Weeks	Months	Never

If your answer is never, then circle the word never but no number.

1. How frequently do you think the <repco> rep should visit you in your store?

Once every	_____	_____
1 2 3 4 5 6 7 8 9		
Weeks	Months	Never

2. How frequently does the <repco> rep visit your store?

Once every	_____	_____
1 2 3 4 5 6 7 8 9		
Weeks	Months	Never

3. How frequently do you visit the <repco> showroom?

Once every	_____	_____
1 2 3 4 5 6 7 8 9		
Weeks	Months	Never

For the balance of the questions, please indicate the appropriate answer.

4. How long have you been a <repco> customer?

_____ Months _____ Years

5. Have you recently had a problem with any of the orders you have placed with your <repco> rep either by phone or in your store?

Yes1 No2

If yes, was the problem solved to your satisfaction?

Yes1 No2

6. How long have you been a buyer?

_____ years _____ months

7. How many retail locations do you buy for? _____

8. How many full-time workers do you employ? _____

9. How many part-time workers do you employ? _____

10. How long has your store been in business?

_____ years _____ months

11. What are the average total gross sales for all retail locations?

- Under \$100K1
- \$100K to \$499K2
- \$500K to \$999K3
- \$1M to \$1.499M4
- \$1.5M to \$1.999M5
- \$2M to \$2.499M6
- \$2.5M to \$2.999M7
- \$3M or over8

12. What is your gender? Male.....1 Female.....2

13. What is your approximate age?

- Under 25.....1 45-544
- 25-34.....2 55-645
- 35-44.....3 65 or over.....6

14. What is the highest level of education you have completed?

- High school.....1 College degree.....4
- Some college.....2 Post graduate.....5
- College degree.....3 Graduate degree.....6

The following page is provided for you to make additional comments if you wish to do so.

Part V - Additional Comments

Are there any services you expect your <repc> rep to provide that he/she does not? (Please list as many as you can think of and rank them in order of importance to you).

	Rank
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Please use the rest of this page to provide any additional comments about the service you receive from your <repc> rep wish to share. (Use the back of this page if you need additional space). Please feel free to be candid. This section is provided to identify areas in which your rep is performing as expected or better as well as areas in which he/she can serve you better. **Your rep will not have access to the origination of the comments.**

Please place your completed questionnaire in the enclosed envelope and drop it in the mail to:

Kathleen Gruben
Stephen F. Austin State University
Management & Marketing Department
P.O. Box 9070
Nacogdoches, TX 75962

THANK YOU VERY MUCH!!

APPENDIX D
COVER LETTERS

DATE

FIELD(fname) FIELD(lname)
 FIELD(company)
 FIELD(address)
 FIELD(adrs2)
 FIELD(city,state) FIELD(zip)

Dear FIELD(fname),

As you well know, the relationship between manufacturers, reps, and retailers plays a very important role in the success of all three. Yet, surprisingly, this critical relationship has received little attention in terms of research. As a consequence, it is poorly understood.

I am a doctoral student in the final phase of my dissertation research at the University of North Texas. I have a strong interest in the topic area because of my 20 years experience as a retailer and a rep. Consequently, I have selected the relationship between manufacturers, reps, and small retailers as the focus of my studies. I need your help. Will you please answer the enclosed questionnaire which investigates the perceptions of manufacturers about the role and contribution of reps in the relationship? Your responses to the survey will offer an in-depth look at a broad cross-section of manufacturers, and should offer many opportunities for improving the interactions in the relationship. The individual answers that you provide will be held in strict confidence. They will be used for aggregate statistical analysis purposes by combining them with the answers given by other manufacturers. Retailers and reps are also being asked to participate in the study. The differences in perceptions among the groups will be evaluated to determine how the relationship can operate more efficiently.

The questionnaire takes about 20 minutes to fill out. Several rep groups, including FIELD(rep co), nation wide have agreed to participate in the study. Please answer the questionnaire with FIELD(rep co) in mind. Please feel free to make any comments you have on the questionnaire itself. Your comments are most welcome. If you have any questions concerning this survey please feel free to contact me.

In appreciation for your participation in this study, I am offering you the opportunity to enter a drawing to win \$100, \$250, or \$500. All you need to do is complete the questionnaire and entry blank enclosed in this packet and return them to me in the enclosed postage paid envelope by the date specified on the coupon. Less than 2000 surveys are being mailed so your chances of being a winner are much greater than the lottery!

Thank you for participating and GOOD LUCK! The quicker your respond, the better your chances.

Sincerely,

Kathleen Gruben
 Visiting Assistant Professor, Stephen F. Austin State University
 Doctoral Candidate, University of North Texas

DATE

FIELD(fname) FIELD(lname)
FIELD(company)
FIELD(address)
FIELD(adrs2)
FIELD(city,state) FIELD(zip)

Dear FIELD(fname),

As you well know, the relationship between manufacturers, reps, and retailers plays a very important role in the success of all three...especially for reps such as you. Yet, surprisingly, this critical relationship has received little attention in terms of research. As a consequence, it is poorly understood.

I am a doctoral student in the final phase of my dissertation research at the University of North Texas. I have a strong interest in the topic area because of my 20 years experience as a retailer and a rep. Consequently, I have selected the relationship between manufacturers, reps, and small retailers as the focus of my studies. I need your help. Will you please answer the enclosed questionnaire which investigates the perceptions of reps about the role and contribution of reps to the relationship? Your responses to the survey will offer an in-depth look at a broad cross-section of reps, and should offer many opportunities for improving the interactions in the relationship. The individual answers that you provide will be held in strict confidence. They will be used for aggregate statistical analysis purposes by combining them with the answers given by other reps. Manufacturers and retailers are also being asked to participate in the study. The differences in perceptions among the groups will be evaluated to determine how the relationship can operate more efficiently.

The questionnaire takes about 20 minutes to fill out. Several rep group principals, including FIELD(rep co), nation wide have agreed to have their reps participate in the study. Please answer the questionnaire as it pertains to your work as a FIELD(rep co) rep. Please feel free to make any comments you have the questionnaire itself. Your comments are most welcome. If you have any questions concerning this survey please feel free contact me.

In appreciation for your participation in this study, I am offering you the opportunity to enter a drawing to win \$100, \$250, or \$500. All you need to do is complete the questionnaire and entry blank enclosed in this packet and return them to me in the enclosed postage paid envelope by the date specified on the coupon. Less than 2000 surveys are being mailed so your chances of being a winner are much greater than the lottery!

Thank you for participating and GOOD LUCK! The quicker your respond, the better your chances.

Sincerely,

Kathleen Gruben
Visiting Assistant Professor, Stephen F. Austin State University
Doctoral Candidate, University of North Texas

DATE

FIELD(fname) FIELD(lname)
FIELD(company)
FIELD(address)
FIELD(adrs2)
FIELD(city,state) FIELD(zip)

Dear FIELD(fname),

As you well know, the relationship between manufacturers, reps, and retailers plays a very important role in the success of retailing...especially for small retailers such as you. Yet, surprisingly, this critical relationship has received little attention in terms of research. As a consequence, it is poorly understood.

I am a doctoral student in the final phase of my dissertation research at the University of North Texas. I have a strong interest in the topic area because of my 20 years experience as a retailer and a rep. Consequently, I have selected the relationship between manufacturers, reps, and small retailers as the focus of my studies. I need your help. Will you please answer the enclosed questionnaire which investigates the perceptions of retailers about the role and contribution of reps? Your responses to the survey will offer an in-depth look at a broad cross-section of retailers, and should offer many opportunities for improving the interactions in the relationship. The individual answers that you provide will be held in strict confidence. They will be used for aggregate statistical analysis purposes by combining them with the answers given by other small retailers. Manufacturers and reps are also being asked to participate in the study. The differences in perceptions among the groups will be evaluated to determine how the relationship can operate more efficiently.

The questionnaire takes about 20 minutes to fill out. Several rep groups, including FIELD(rep co), nation wide have agreed to participate in the study. Please answer the questionnaire with FIELD(rep co) in mind. Please feel free to make any comments you have the questionnaire itself. Your comments are most welcome. If you have any questions concerning this survey please feel free contact me.

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Thank you for participating and GOOD LUCK! The quicker your respond, the better your chances.

Sincerely,

Kathleen Gruben
Visiting Assistant Professor, Stephen F. Austin State University
Doctoral Candidate, University of North Texas

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