



# The Impacts of Relational Norms and Relationship Quality in to Franchisee's Loyalty

**Khairol Anuar Ishak\***

School of Business and Management, College of Business, Universiti Utara Malaysia, Sintok, Kedah, Malaysia.

\*Email: [khairol@uum.edu.my](mailto:khairol@uum.edu.my)

## ABSTRACT

The organizations have shifted from transactional to relational approach in maintaining their relationship in inter-organization partnerships and collaborations. The concept of relationship quality (RQ) evolved from relational marketing theory, and provided the impetus for a paradigm shift from transactional relationships to be more cooperative and service-centred relationships in business-to-business processes. RQ has been considered as a key component in most relationship marketing such as buyer-seller, exporter-importer and franchisor-franchisee. This study examine empirically the relationship between RQ, relational mechanisms and loyalty in franchise system from a franchisee's perceptive in Malaysia. A total of 400 questionnaires were mailed by using random sample to a local-home grown franchisee. The results show that relational norms are positively influence the RQ of franchisor-franchisee relationship. In addition, RQ also found positively influenced franchisee loyalty to stay in franchise system.

**Keywords:** Relationship Quality, Franchising, Norms, Communication and Loyalty

**JEL Classifications:** D83, J53

## 1. INTRODUCTION

Franchising allows for rapid and effective market penetration using franchisee resources such as financial capital, managerial talents and local market knowledge. Firms have options to develop new business models such as franchising which can be imitated and work in diverse economic systems and different geographical areas. In the global economic downturn, franchising can survive by reducing operations costs and being able to increase unit sales and take a leading position in economic recovery (Justis and Judd, 2003). The contributions of franchising in countries' economies have raised the issue of the effectiveness of franchise systems in acculturating entrepreneurship compared with traditional methods.

Franchising in Malaysia is still in its infancy and the growth only began in 1992 when the government started to promote franchising systems through educational and awareness programs such as seminars, workshops, expositions and exhibitions throughout Malaysia (Aziz, 1999). Under the 8<sup>th</sup> Malaysia Plan (2001-2005), franchising business has been identified as one of the growth areas

for the structural change and upgrading of the distributive trade industry. The Malaysian government had allocated RM100 million to Ministry Entrepreneurship and Cooperative Development to promote, market, train and finance the Franchise Development Program with the objective of establishing 1,000 franchisees and 50 new franchisors over a 5-year period. Government policy and support play important roles in developing a successful franchise system in Malaysia (Ishak, 2010). The fruits of this government's initiative are that several local home-grown franchisors such as smart reader, daily fresh, nelson, focus point, secret recipe and marrybrown have achieved sustainable profitability in operating franchise systems in Malaysia and international markets.

Even though the franchise business is a replication of successful business to franchisees, the franchise system is not a guarantee of success in the market. Furthermore, the literature on franchising has focused on the issues of motivation to franchise as an organization form, moral hazards, shirking, free-riding and opportunistic behavior in franchise systems and does not pay sufficient attention to wider relational exchange issues (Watson and Johnson, 2009;

Watson et al., 2005). Indeed, the success of the franchisor-franchisee relationship relies on the mutual understanding of each other, and the quality of this relationship. In addition, a successful franchise system is dependent on the effectiveness of franchise relationship management where both parties are characterized by mutual interdependence and cooperation. Despite the importance of this topic in franchising, very little is known about how to develop effective franchisor-franchisee relationship quality (RQ) and how it influences franchisee's loyalty. As a result this study mainly focuses on the factors that might lead to a successful franchise relationship and the outcome of RQ.

This paper is aim to investigate the relationship between norms, RQ and loyalty to stay in franchise system from Malaysia perspectives. This paper also will examine which variables of relational norms are very important in influencing RQ and its effect towards loyalty. Therefore, this paper will addresses the important antecedents that contributed that might lead to a successful long-term franchising relationship.

## 2. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK

The franchisor-franchisee relationship is complex, requiring the intricate delineation and integration of individual roles for both franchisor and franchisee (Kaufmann and Dant, 1998). This complexity in franchising partnership can be potentially hazardous (Davies et al., 2011) leading to conflicts between the franchisors and franchisees regarding priorities, timing and revenue stream (Garg and Rasheed, 2006). This stems from the dissimilarities between franchisor and franchisee in operating the franchise business. Therefore, franchise relationship management shall be given priority in ensuring the successful of franchise relationship in long term period (McDonnell et al., 2009).

Many studies related to RQ (Bordonaba-Juste and Polo-Redondo, 2008b; Crosby et al., 1990; Ganesan, 1994; Liu et al., 2009; Morgan and Hunt, 1994) employ different dimensions in various research contexts and business settings. Nevertheless, researchers agree that the concept of RQ is a higher order construct that consists of several distinct but related dimensions (Rauyruen and Miller, 2007; Skarmeas and Robson, 2008). Previous research of RQ has used different dimensions, the variables of trust, commitment and satisfaction are the most frequently studied (Dwyer and Oh 1987; Moorman, et al., 1992; Rauyruen and Miller, 2007). Furthermore, Ishak and Jantan (2010) also found, in their meta-analysis, that the most cited studies in RQ are identified as trust, commitment and satisfaction. Based on the above justification, the researcher has adopting trust, commitment and satisfaction as key dimensions of RQ within the franchising dyadic relationship.

Relational mechanism is considered a soft relationship feature rooted in social exchange theory with a sociological tradition (Ivens and Blois, 2004). This relational mechanism is categorized into soft features (i.e., norms and trust) and is different from hard features which focus on the contract, formalized procedures or asset specific investment (rooted in TCA theory). Furthermore, the relational mechanism has been identified as an instrument

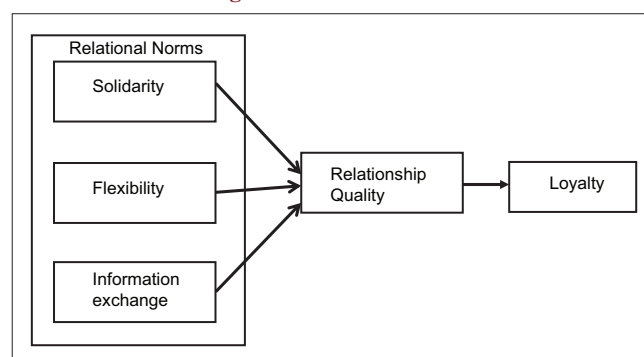
to control opportunistic behavior and improve cooperation in distribution channels (Gundlach et al., 1995; Heide and John, 1992; Liu et al., 2009). The dimension of relational norms is multi-dimensional and there is no general agreement in the literature on their number and content (Ivens and Blois, 2004). Heide and John (1992) use three-dimensions that appear to have relevance in the buyer-seller setting; flexibility, information exchange and solidarity. In franchising studies, Bordonaba-Juste and Polo-Redondo (2008b) use two-dimensions of relational norms such as information exchange and solidarity. In this study, the researcher will choose three-dimensions of relational norms, specifically, flexibility, information exchange and solidarity which were supported by Heide and John (1992) (Figure 1).

In the franchising context, the norms of solidarity will be demonstrated in the behavior of togetherness of the franchisor and the franchisee to preserve the relationship (Bordonaba-Juste and Polo-Redondo, 2008a). Flexibility is a coordination mechanism because the franchisor and his/her franchisee must adapt their operation (e.g., standardization of product/service) and react to unforeseen changes (e.g., pricing or menu) in the franchise business (Bello et al., 2003). Anderson and Narus (1990) define information exchange as the "formal and informal sharing of meaningful and timely information between firms." Communication builds stronger relationships in an exchange relationship especially as it resolve disputes, aligns goals and uncovers new value-creating opportunities (Morgan and Hunt, 1994). Bordonaba-Juste and Polo-Redondo (2008b) highlighted in their study that the solidarity and information exchange between franchisors and franchisees are the most important mechanisms in managing franchise RQ. In conclusion, relational norms which consist of flexibility, information exchange and solidarity are predicted to influence RQ in franchisor-franchisee relationships. Relational norms are important in governing the behavior of the exchange partner and this mechanism is applied in many firms in developing long term relationships (Tangpong et al., 2010). On the basic of the preceding discussion, the following hypotheses can be developed:

- H1: There is a positive relationship between solidarity and RQ
- H2: There is a positive relationship between flexibility and RQ
- H3: There is positive relationship between information exchange and RQ.

In the marketing field, loyalty is widely recognized as an important construct producing greater collaboration, fewer complaints, and

**Figure 1:** Research model



greater profitability from the customer (Dick and Basu, 1994; Callarisa Fiol et al., 2009; Yi and Jeon, 2003). In the context of In the business-to-business (B2B) context, loyalty is a key variable for studying long term relationships between firms (Fiol, et al., 2009). In consumer behavior studies, De Wulf et al. (2001) find that the higher level of RQ will lead to a higher level of behavioral loyalty. Furthermore, Auh and Shih (2005) highlight in their findings that the higher RQ a customer has with the vendor will result in greater customer loyalty.

Based on the above discussion, the following hypothesis is generated:

H4: RQ is positively related to franchisee loyalty to stay in the franchise business.

### 3. METHODOLOGY

This study focuses on the Malaysian franchise system and will exclude foreign franchise businesses from the research sampling. This study is based on a quantitative approach, applying a cross-sectional study. A total of 400 questionnaires were distributed and 133 questionnaires were successfully returned. Of the 133, five sets of questionnaires were identified as unusable resulting in 128 usable questionnaires for data analysis. Five questionnaires were categorized as unusable where the respondents had not completely answered the questionnaire. The usable response rate was 32% comprising 128 usable responses from a total of 400 questionnaires sent to franchisees.

The questionnaire consists of three main sections, namely: Section 1 detailing the franchisee's background data; Section 2 to measures the franchisee's RQ and relational norms; and Section 3 to measures franchisees' loyalty. The measurement of RQ used three-dimensions, namely trust, commitment and satisfaction. The RQ was conceptualized as a composite or multi-dimensional constructs consisting of different dimensions but related facets of a relationship (Palmatier et al., 2006). Trust was measured by six items, commitment was measured by seven items and satisfaction was measured by three items. All RQ items are adopted from various studies such as Čater and Čater (2010), Ganesan (1994), Gounaris, (2005), Kumar et al., (1995), Morgan and Hunt (1994), Ruiz-Molina et al., (2010). Franchisee loyalty was measured by two items each for behavioral and attitudinal loyalty. Four items of franchisee loyalty were adapted from Gilliland and Bello (2002). For relational norms, ten item-scales were adapted from Bercovitz et al., (2006) and Heide and John (1992). Three items measure solidarity, four items measure information exchange and three items measure flexibility from the perception of the franchisee towards relational norms practiced in franchising relationships. Most questions in Section 2 and 3 are mainly in a 5-point Likert Scale, while category and dichotomous scale was used widely in Section 1. All studied items were identified as reflective measurements.

### 4. RESULTS AND FINDINGS

The measurement and structural model were tested by using structural equation modelling (SEM). The study uses SmartPLS

software version 2.0 M3 in order to evaluate the validation of measurement scales and to test all hypotheses proposed (Ringle et al., 2005). Partial least squares (PLS) is used when ordinary assumptions such as multivariate normality and large sample size are not met. PLS is a statistical tool specifically designed to cope with small datasets, missing values and the presence of multicollinearity often exists in samples used in marketing research (Graber et al., 2002).

In order to proceed with SEM-PLS, there are two stages for performing SEM which consist of a measurement model and structural model (Anderson and Gerbing, 1988; Hair et al., 2011). Firstly, the measurement model is evaluated by checking the reliability and validity of each measure used in the framework model. The composite reliability (CR) and internal consistency reliability (Cronbach's alpha) are evaluated to ensure each value follows the recommended evaluations. The cut-off value for CR and internal consistency reliability (Cronbach's alpha) is 0.7 (Bagozzi and Yi, 1988; Gefen et al., 2000; Nunnally and Berstein, 1994). After all measurement of all constructs have adequate reliability and validity assessment, all the measurement items are kept for testing the structure model.

The result of measurement structure is presented in Table 1. The CR values for all the constructs as tabulated in Table 1 are >0.70 and Cronbach's alpha is >0.80. The results of Cronbach's alpha and CR demonstrate that all constructs have adequate reliability assessment scores. In addition, the result for all measurement items loading are above the recommended value of 0.70, indicating that at least 50% of the variance in the observed variable is explained by the constructs. The average variance extracted (AVE) of all latent constructs ranges from 0.720 to 0.878, which exceeds the recommended level of 0.50 (Hair et al., 2006). For discriminant validity, the square roots of AVE for each construct as presented in Table 2 are less than the AVE latent variables. In conclusion, the

**Table 1: Measurement model**

Constructs	Items	Loading	Cronbach's alpha	CR <sup>a</sup>	AVE <sup>b</sup>
Solidarity	SOL1	0.834	0.818	0.892	0.733
	SOL2	0.868			
	SOL3	0.866			
Flexibility	FLX1	0.926	0.930	0.956	0.878
	FLX2	0.951			
	FLX3	0.934			
Information exchange	COM1	0.811	0.870	0.911	0.720
	COM2	0.856			
	COM3	0.867			
	COM4	0.858			
RQ	RQ_CMT	0.926	0.905	0.940	0.840
	RQ_SS	0.912			
	RQ_TT	0.912			
Loyalty	LY1	0.833	0.908	0.936	0.784
	LY2	0.918			
	LY3	0.880			
	LY4	0.909			

<sup>a</sup>CR=(Square of the summation of the factor loadings)/([square of the summation of the factor loadings]+[square of the summation of the error variances]), <sup>b</sup>AVE=(Summation of the square of the factor loadings)/([summation of the square of the factor loadings]+[summation of the error variances]). CR: Composite reliability, AVE: Average variance extracted, RQ: Relationship quality

measurement model demonstrates adequate convergent validity and discriminant validity.

Next, the SmartPLS was used to run the hypotheses testing. For hypothesis testing, the path analysis was used to verify all hypotheses generated in this study., the PLS software generates estimates of standardized regression coefficients which refer to beta values for model path (Hammedi et al., 2011). PLS uses re-sampling procedures known as nonparametric bootstrapping to evaluate the significance of the parameter estimates (Henseler et al., 2009). In this study, the researcher uses 5000 resampling procedures for bootstrapping as aligned with previous studies in the B2B context (Bin, 2009; Goo and Na, 2007; Völckner et al., 2010). The results of the model estimation including standardized path coefficient, one-tailed significance of the paths and the amount of variance captured are presented in Figure 2.

Based on Table 3, the results of hypothesis testing show that all hypotheses are supported at a minimum of  $P < 0.001$ . Solidarity, flexibility and communication exchange are positively related to RQ, whereas RQ is positively related to franchisee's loyalty. Therefore, all hypotheses in this study - H1, H2, H3 and H4 are accepted. Furthermore, the results show relational norms are

predicting approximately 70% of the variance for RQ and 57% of franchisee's loyalty variance. The higher variance explained by relational mechanisms indicates that relational norms which consists of solidarity, flexibility and information exchange are important in developing RQ in the franchising relationship in the Malaysian context. In other words, the result of this study suggests that the franchisee's RQ is mainly explained by the development of relational norms in franchise relationship.

### 5. DISCUSSION AND CONCLUSION

Our study highlights the importance of relational norms in influencing franchisee RQ. This study also shows that RQ is positively influencing in franchisee's loyalty to stay in franchise systems from a Malaysian perspective. Furthermore, three-dimensions of relational norms namely: Solidarity, flexibility and communications have become important indicators in franchise relationships quality similar to numerous studies in a B2B context (Bordonaba-Juste and Polo-Redondo, 2008a, 2008b; Ivens, 2004).

The positive relationship between relational norms and RQ is contributed by the three-dimensions of norms namely solidarity, communications and flexibility in franchise relationship. These three-dimensions are important and inter-related in developing and strengthening the RQ in franchise relationship for a long term period. The solidarity of franchisor-franchisee in franchise relationship is demonstrated in the behavior of togetherness to preserve their relationship. Information exchange also play important roles in developing effective relational norm and work to resolve disputes, align goals and keeping a good channel relationship. Lastly, the flexibility in relational norms also plays significantly roles in building a good relationship between franchisor and franchisee. In franchise business, there are challenges for franchisor to implement a standardization and uniformity of franchise operation throughout their franchise network in geographical dispersions. Therefore, the flexibility is important in relational norms in which franchisor/franchisee must adapt the standardization of operations and react to unforeseen changes in franchise system. It is commonly accepted behavioral phenomena that change is something to be avoided and nobody wants to change if they are happy and satisfied with the current relationship. Similarly in franchise relationship which is

**Table 2: Discriminant validity of constructs**

Construct	Information exchange	Flexibility	Loyalty	RQ	Solidarity
Information exchange	<b>0.848</b>				
Flexibility	0.657	<b>0.937</b>			
Loyalty	0.667	0.553	<b>0.886</b>		
RQ	0.785	0.696	0.752	<b>0.917</b>	
Solidarity	0.704	0.595	0.585	0.695	<b>0.856</b>

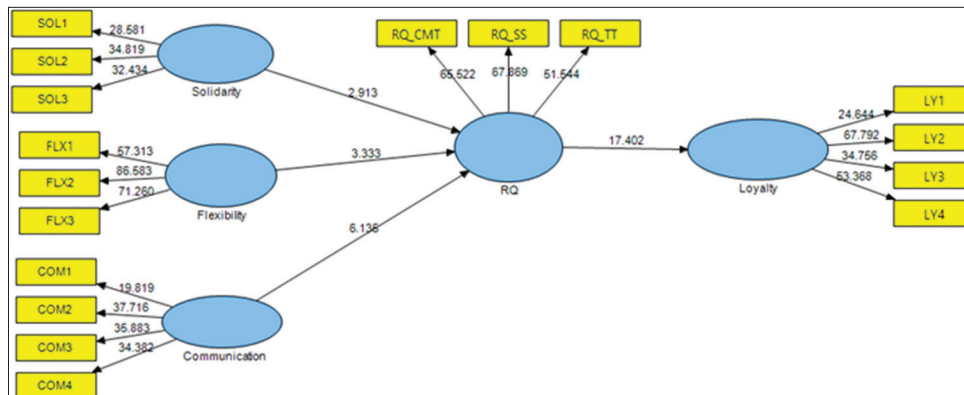
Diagonals (in bold) represent the AVE while the other entries represent the squared correlations. RQ: Relationship quality

**Table 3: Path coefficient and hypotheses testing**

Relationship	Coefficient (B)	SD	t value	Result
Solidarity->RQ	0.213	0.073	2.913	Supported
Flexibility->RQ	0.269	0.081	3.333	Supported
Information and exchange->RQ	0.458	0.075	6.135	Supported
RQ->loyalty	0.752	0.043	17.402	Supported

SD: Standard deviation, RQ: Relationship quality

**Figure 2: Results of the path analysis**



characterized with high level of trust, commitment and satisfaction, franchisees will feel motivated to stay loyalty in ensuring their business is success.

In conclusion, three-dimensions of relational norms (solidarity, flexibility and information exchange) are considered as important predictors for RQ in franchising relationship. RQ in the context of the franchisee perspective consists of trust, commitment and satisfaction as important contributors in determining the franchisee's loyalty to stay in the franchise system. The development of RQ in a franchisor-franchisee relationship is critical in predicting important relational outcomes such as loyalty and performance. As it is inter-organizational dependency in the franchise system, one firm's success will depend on the other, achieving high RQ will result in the high performance of both parties for a long term business relationship.

## REFERENCES

- Anderson, J.C., Gerbing, D.W. (1988), Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103(3), 411-423.
- Anderson, J.C., Narus, J.A. (1990), A model of distributor firm and manufacturer firm working partnerships. *Journal of Marketing*, 54(1), 42-49.
- Auh, S., Shih, C.F. (2005), The relative effects of relationship quality and exchange satisfaction on customer loyalty. *Journal of Business To Business Marketing*, 12(2), 73-98.
- Aziz, A.A. (1999), *Franchising in Malaysia: A Brief Handbook*. 1<sup>st</sup> ed. Kuala Lumpur: Creative Energy Corporation Sdn. Bhd.
- Bagozzi, R.P., Yi, Y. (1988), On the evaluation of structural equation models. *Academy of Marketing Science Journal*, 16(1), 74-94.
- Bercovitz, J., Jap, S.D., Nickerson, J.A. (2006), The antecedents and performance implications of cooperative exchange norms. *Organization Science*, 17(6), 724-740.
- Bello, D.C., Chelariu, C., Zhang, L. (2003), The antecedents and performance consequences of relationalism in export distribution channels. *Journal of Business Research*, 56(1), 1-16. DOI:10.1016/S0148-2963(01)00215-6.
- Bin, G. (2009), Moderating effects of task characteristics on information source use: An individual-level analysis of R and D professionals in new product development. *Journal of Information Science*, 35(5), 527-547.
- Bordonaba-Juste, M., Polo-Redondo, Y. (2008a), Differences between short and long-term relationships: An empirical analysis in franchise systems. *Journal of Strategic Marketing*, 16(4), 327-354.
- Bordonaba-Juste, M., Polo-Redondo, Y. (2008b), The effect of relationship marketing strategy on franchise channels. *Journal of Marketing Channels*, 15(1), 71-91.
- Callarisa Fiol, L.J., Bigne Alcañiz, E., Moliner Tena, M.A., García, J.S. (2009), Customer loyalty in clusters: Perceived value and satisfaction as antecedents. *Journal of Business-to-Business Marketing*, 16(3), 276-316. DOI:10.1080/10517120802496878.
- Čater, T., Čater, B. (2010), Product and relationship quality influence on customer commitment and loyalty in B2B manufacturing relationships. *Industrial Marketing Management*, 39(8), 1321-1333.
- Crosby, L.A., Evans, K.R., Cowles, D. (1990), Relationship quality in services selling: An interpersonal influence perspective. *Journal of Marketing*, 54, 68-81.
- Davies, M.A.P., Lassar, W., Manolis, C., Prince, M., Winsor, R.D. (2011), A model of trust and compliance in franchise relationships. *Journal of Business Venturing*, 26(3), 321-340.
- De Wulf, K., Odekerken-Schroder, G., Iacobucci, D., Iacobucci, D. (2001), Investments in consumer relationships: A cross-country and cross-industry exploration. *Journal of Marketing*, 65, 33-50.
- Dick, A.S., Basu, K. (1994), Customer loyalty concept: Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science*, 22(2), 93-113.
- Dwyer, F.R., Schurr, P.H., Oh, S. (1987), Developing buyer-seller relationships. *Journal of Marketing*, 51(2), 11. DOI:10.2307/1251126.
- Ganesan, S. (1994), Determinants of long-term orientation in buyer-seller relationships. *Journal of Marketing*, 58(2), 1-19.
- Garg, V.K., Rasheed, A.M.A. (2006), Can agency theory explained why international franchisors prefer multi-unit franchising. *International Journal of Entrepreneurship*, 50(2), 79-93.
- Gefen, D., Straub, D.W., Boudreau, M.C. (2000), Structural equation modeling and regression: Guidelines for research practice. *Communications of the Association for Information Systems*, 4, 2-77.
- Gilliland, D.I., Bello, D.C. (2002), Two sides to attitudinal commitment: The effect of calculative and loyalty co. *Academy of Marketing Science Journal*, 30(1), 24-30.
- Goo, J., Na, K. (2007), Contract as a Source of Trust - Commitment in Successful IT Outsourcing Relationship: An Empirical Study Jahyun Goo. In 40<sup>th</sup> Hawaii International Conference on System Sciences. p1-10.
- Gounaris, S.P. (2005), Trust and commitment influences on customer retention: Insights from business-to-business services. *Journal of Business Research*, 58(2), 126-140.
- Graber, S., Czellar, S., Denis, J.E. (2002), *Report Using Partial Least Regression in Marketing Research*. Geneva: University of Geneva.
- Gundlach, G.T., Achrol, R.S., Mentzer, J.T. (1995), The structure of commitment in exchange. *Journal of Marketing*, 59(1), 78-92.
- Hair, J.F., Black, W.C., Babin, B.J., Anderson, R.E., Tatham, R.L. (2006), *Multivariate Data Analysis*. 6<sup>th</sup> ed. New Jersey: Pearson Education International.
- Hair, J.F., Ringle, C.M., Sarstedt, M. (2011), PLS-SEM: Indeed a silver bullet. *The Journal of Marketing Theory and Practice*, 19(2), 139-152.
- Hammedi, W., van Riel, A.C.R., Sasovova, Z. (2011), Antecedents and consequences of reflexivity in new product idea screening. *Journal of Product Innovation Management*, 28, 662-679.
- Heide, J.B., John, G. (1992), Do norms matter in marketing relationships? *Journal of Marketing*, 56, 32-44.
- Henseler, J., Ringle, C.M., Sinkovics, R.R. (2009), The use of partial least squares path modeling in international marketing. *Advances in International Marketing*, 20, 277-319.
- Ishak, K.A. (2010), *Franchising in Malaysia: Issues and research agenda*. In International Conference on Public Policies and Social Sciences. Sungai Petani, Kedah. p1-12.
- Ishak, K.A., Jantan, M. (2010), The franchising relationship quality: It is important? In International Conference on Marketing. Kuala Lumpur, Malaysia.
- Ivens, B.S. (2004), Drivers and effects of customer-directed communication in business relationships theoretical foundations and an empirical study. In *Die Betriebswirtschaft* 64, 195-211.
- Ivens, B.S., Blois, K.J. (2004), Relational exchange norms in marketing: A critical review of macneil's contribution. *Marketing Theory*, 4(3), 239-263.
- Justis, R., Judd, R. (2003), *Franchising*. 3<sup>rd</sup> ed. Ohio: Thomson South-Western.
- Kaufmann, P.J., Dant, R. (1998), *Franchising and Contemporary Issues and Research*. Binghamton, NY: Haworth Press.
- Kumar, N., Scheer, L.K., Steenkamp, J.B. (1995), The effects of perceived interdependence on dealer attitudes. *Journal of Marketing Research*,

32(3), 348.

- Liu, Y., Luo, Y., Liu, T. (2009), Governing buyer-supplier relationships through transactional and relational mechanisms: Evidence from China. *Journal of Operations Management*, 27(4), 294-309.
- McDonnell, J., Beatson, A., Chih-Hsuan, H. (2009), Investigating relationships between relationship quality, customer loyalty and cooperation: An empirical study of convenience stores' franchise Chain systems. In *Australian and New Zealand Marketing Academy*, 2009, 1-8.
- Moorman, C., Zaltman, G., Deshpande, R. (1993), Factors affecting trust in market research relationships. *Journal of Marketing*, 57, 81-101.
- Morgan, R.M., Hunt, S.D. (1994), The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20-38.
- Nunnally, J.C., Bernstein, I. (1994), *Psychometric Theory*. New York: McGraw-Hill.
- Palmatier, R.W., Dant, R.P., Grewal, D., Evans, K.R. (2006), Factors influencing the effectiveness of relationship marketing: A meta-analysis. *Journal of Marketing*, 70, 136-153.
- Rauyruen, P., Miller, K.E., Barrett, N.J. (2007), Relationship quality as a predictor of B2B customer loyalty. *Journal of Business Research*, 60(1), 21-31. DOI:10.1016/j.jbusres.2005.11.006.
- Ringle, C.M., Wende, S., Will, A. (2005), *Smart PLS 2*. Hamburg: Smart PLS. Available from: <http://www.smartpls.com>.
- Ruiz-Molina, M.E., Gil-Saura, I., Moliner-Velázquez, B. (2010), The role of information technology in relationships between travel agencies and their suppliers. *Journal of Hospitality and Tourism Technology*, 1(2), 144-162.
- Skarmeas, D., Robson, M.J. (2008), Determinants of relationship quality in importer-exporter relationships. *British Journal of Management*, 19(2), 171-184. DOI:10.1111/j.1467-8551.2007.00537.x.
- Tangpong, C., Hung, K.T., Ro, Y.K. (2010), The interaction effect of relational norms and agent cooperativeness on opportunism in buyer-supplier relationships. *Journal of Operations Management*, 28(5), 398-414.
- Völckner, F., Sattler, H., Hennig-Thurau, T., Ringle, C.M. (2010), The role of parent brand quality for service brand extension success. *Journal of Service Research*, 13(4), 379-396.
- Watson, A., Johnson, R. (2009), Managing the franchisor-franchisee relationship: A relationship marketing perspective. *Journal of Marketing Channels*, 17(1), 51-68.
- Watson, A., Stanworth, J., Heales, S., Purdy, D., Stanworth, C. (2005), Retail franchising: An intellectual capital perspective. *Journal of Retailing and Consumer Services*, 12, 25-34.
- Yi, Y., Jeon, H. (2003), Effects of loyalty programs on value perception, program loyalty, and brand loyalty. *Journal of the Academy of Marketing Science*, 31(3), 229-240. DOI:10.1177/0092070303253082.