DETERMINANTS AND DISTRIBUTION OF POWER IN BUYER-SELLER RELATIONSHIPS IN BUSINESS-TO-BUSINESS MARKETS

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Thesis Abstract

Ayçin Irak, "Determinants and Distribution of Power in Buyer-Seller Relationships in Business-to-Business Markets"

Relationship marketing in business to business (B2B) markets has been gaining tremendous importance over the last decade. Companies are increasingly implementing one of the basic principles in life; *omnia vivunt, omnia inter se conexa* (everything is alive, everything is interconnected.) Thus, companies shift their exchanges from transactional to relational.

Within this context, the purpose of this study is to understand the constituents to power distribution in buyer-seller relations in B2B markets with a focus on both party's tendencies to build and stay in the relationship. This research provides a deeper understanding of power in industrial buyer-seller relationships by combining literature of relationship marketing and literature of power among channel members. Based on previous research, different variables and their dimensions that lead to power acquisition are identified and a model consisting of power effecting elements is developed. The model deals with the buyer and seller perspectives simultaneously and is tested through empirical data from the Turkish retail, and milk and dairy products industries.

The model developed and the results achieved are expected to present how power is distributed in a specific B2B market and it also might help practitioners in their relationships with their supply chain partners.

Tez Özeti

Ayçin Irak, "İşten-işe Pazarlarda Tedarikçiler Arasındaki Gücü Etkileyen Faktörler ve Güç Dağılımı "

Son zamanların en son trendlerinden olan ilişki pazarlaması (relationship marketing), günümüzde müşteri-şirket ilişkilerinden sonra işten-işe ilişkilerde de çok büyük öneme sahip olmuştur. Şirketler gün geçtikçe aslında hayatın temel prensiplerinden birini anlamaya başlamış ve iş hayatına uygulamaya çalışmışlardır: *omnia vivunt, omnia inter se conexa* (her şey canlıdır ve her şey birbiriyle bağlantılıdır). Bu nedenle, şirketler arası etkileşimler tek seferlik olmaktan çıkıp uzun süreli ilişkiler üzerine kurulmaya başlanmıştır.

Bu çerçevede, bu çalışmanın amacı, şirket-şirket ilişkilerinde tedarikçi ve satın almacı arasındaki güç dengesini incelemek, bu ilişkideki güç dağılımında hangi faktörlerin etkin olduğunu anlayabilmektir. Bu araştırma, şirketler arası ilişkilerde her iki tarafın da bakış açısını yakalayabilmeyi amaçlamaktadır. Bunun için tedarikçi ilişkileri ve güç konusunda daha önce yapılan çalışmaları birleştirerek, güç elde etmeyi sağlayabilecek farklı değişkenler belirler. Bu değişkenlerden oluşan model, çift taraflı olmakla beraber ilişkilerdeki güç dağılımını anlamayı amaçlar. Modeli örneklemek için Türkiye süt ve süt ürünleri pazarı ve perakende sektörü karşılıklı olarak ele alınmıştır.

Geliştirilen model ve analiz sonuçları incelenen işten-işe pazarda güç dağılımı ile ilgili fikir vermekte, böylelikle şirketlerin iş ortaklarıyla ilişkilerini düzenlemelerine yardımcı olabilmektedir.

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CHAPTER I

INTRODUCTION

After first mentioned by Berry in 1983, relationship marketing has been a challenging subject in the marketing literature. The relationship paradigm has shifted from single transactional relations to continuous exchange relations. Transactional relations are short-term, mostly for a single time, and the focus is on the transaction and there is no willingness or intention to build a relationship between parties and continue this relation (e.g., Grönroos, 1997; Kumar, Bohling and Ladda, 2003). On the other hand, continuous exchange relations occur frequently over time, and both parties are willing to continue this relationship. In continuous relationships the focus is on the relationship rather than the transaction (e.g., Grönroos, 1991). In 1983, the term relationship marketing was introduced by Berry in order to describe relational partnerships.

The relationship marketing theory, as explained by Morgan and Hunt (1994; p.22) is "all those market activities directed towards establishing, developing, and maintaining successful relational exchanges between a firm and its customers."

El-Ansary and Stern (1972; p.47) define power as "the ability of a channel member to control the decision variables in the marketing strategy of another member in a given channel at a different level of distribution." In most research, power is examined as an independent variable that leads to negative outcomes for the relationship (e.g., Naude and Buttle, 2000).

The main purposes of this study are:

1) understanding the constituents to power distribution in buyer-seller relations in business- to- business (B2B) markets with a focus on both party's tendencies to build and stay in the relationship.
2) developing a model consisting of power effecting elements, constructing the model so that both the buyer and seller perspectives are dealt with simultaneously, and testing it through empirical data.
3) investigating the power balance between industrial buyers and their suppliers with regard to each firms' size.
4) explaining possible ways in which organizations in B2B markets can achieve or sustain their powerful position in their business partnerships.

For this purpose, an extensive literature survey is conducted. Then, different questionnaires are prepared and delivered to supermarket chains in Turkey and their milk and dairy product suppliers. Various statistical data analyses are used for evaluation of the collected data.

Contributions of this study are:

1. examining power balance between buyers and suppliers in B2B markets under two dimensions:
   a) Relationship intention
   b) Willingness to continue relationship
2. discovering constituents that make up the two dimensions,
3. extending the power concept found in the literature by approaching power as a dependent variable and by determining contributors to achieving power.

This thesis is composed of the following chapters: Chapter 1 includes the introduction to the study as an overview. Chapter 2 reviews the literature on relationship marketing concept, relationship marketing in B2B markets and eventually power. Chapter 3 presents the model, hypothesis and objectives of the model. Chapter 4 includes the methodology of the study: the study setting, preparation and administration of questionnaires. In Chapter 5, gathered data is analyzed and presented through statistical methods. Finally, in Chapter 6, findings, implications, limitations and further research areas are discussed.

CHAPTER II

THEORETICAL BACKGROUND

In this chapter of the study, literature on concepts related to this research is discussed. First of all, relationship marketing is examined based on its different definitions. Following, how relationship marketing evolved, and what forms and strategies of relationship marketing exist is mentioned. After analyzing the relationship marketing concept, B2B markets are discussed and how relationship marketing is implemented in B2B markets and how it evolved in those markets are studied. Finally, definition of power and its effect in buyer-supplier relationships are explained.

Relationship Marketing

Relationship marketing is used as a term initially by Berry in 1983. Berry (1983) introduced the relationship marketing concept to describe a longer-term approach to marketing. The author defined relationship marketing as "attracting, maintaining, and –in multi-service organizations- enhancing customer relationships" (p.25).

The relationship marketing theory, as explained by Morgan and Hunt (1994) is "all those market activities directed towards establishing, developing, and maintaining successful relational exchanges between a firm and its customers" (p.22). The major focus of relationship marketing is to retain existing customers, develop, and nurture relationships with them, and build the business on the relationships. According to Gummesson (1994) "relationship marketing is marketing seen as relationships, networks, and interactions"(p.2). Sheth and Parvatiyar (1995) view relationship marketing as the attempts to involve, and integrate customers, suppliers and other infrastructural partners into a firm's developmental and marketing activities. Grönroos (1996) proposes that "relationship marketing is to identify, and establish, maintain, and enhance relationships with customers ,and other stakeholders, at a profit so that the objectives of all parties involved are met; and that this is done by a mutual exchange and fulfillment of promises" (p.11).

A widely accepted view of marketing in literature is that marketing should be seen as a business-wide process, which aims to create superior customer value (Peck, Payne, Christopher and Clark, 1999). To achieve this goal requires the integration of functions which were formerly treated dispersed within the business. Porter (1985) recognizes the importance of integration of business processes and argues that these processes should be viewed as a sequence of events where value is created. Based on the ideas of Porter; Payne, Christopher, Clark and Peck (1995) re-arrange this sequence of events as the relationship chain. In Achrol's (1997) opinion, relationship marketing emphasizes that customer satisfaction is necessary but not sufficient goal of the marketing activity; "rather the goal should be to develop a lasting relationship based on a structure of long-term benefits and mutual affinity between buyer and seller" (p.57). Pearson (1994) defines relationship marketing as "a business process that meets challenges by creating new value for a company's shareholders, customers and stuff" (p.28). McNally and Griffin (2007) also use this process approach to define relationship marketing as "an ongoing process that also encompasses the outcome of relational exchange through development and maintenance activities and programs."

Trim and Lee (2008) mention that relationship marketing provides uniqueness to the organization. By differentiating an organization from its competitors, the organization makes sure that it is less possible for the competitors to imitate its strategies.

Rao and Perry (2002) mention that at micro level relationship marketing is concerned with the nature of the relationships between the firm and customer that emphasizes a long term relationship that takes account of the customer's need and values. At a macro level, relationship marketing describes all types of relations that the organization engages with its stakeholders.

Evolution of Relationship Marketing

According to Hong and Wang (2009), relationship marketing has developed because the four p's of marketing has failed to "encompass the interwoven relationships among marketing functional areas, practices, and organizations involved with marketing management" (p.218). Grönroos (1997) notes that marketing mix management paradigm, with four p's at its core, is treated as if it has always existed and as if there have not been any new approaches to marketing. According to Grönroos (1997), new approaches have been emerging with the notification of importance of customer retention and customer relationship economics. The shift in the perceptions of fundamentals of marketing is "so dramatic that it can, no doubt, be described as a paradigm shift" (Grönroos 1997, p.323).

The initial attempts of relationship marketing originated from interaction and network approach to industrial marketing. These attempts were at explaining buyer-seller relationships (e.g., Dwyer, Schurr, and Oh, 1987) and vertical integrations (e.g., Anderson and Narus, 1990).

After industrial marketing, services marketing also started to change its nature in the early 1970s (Grönroos, 1997). Grönroos found out in many situations, long lasting relationships between service providers and their customers may develop. Customer relationship life cycle which emphasizes the "long term nature of the establishment and evaluation of the relationship between a firm and its customers" is introduced by Grönroos (1994; p.38).

Gummesson (1998) is another scholar who believes that a new marketing paradigm is needed. He argues that although the relationship between a customer and a supplier is commercial, it requires long-term view and requires that customers are seen as partners. "In relationship marketing, the customer is recognized first as an individual, second as a member of a community…" (p.243).

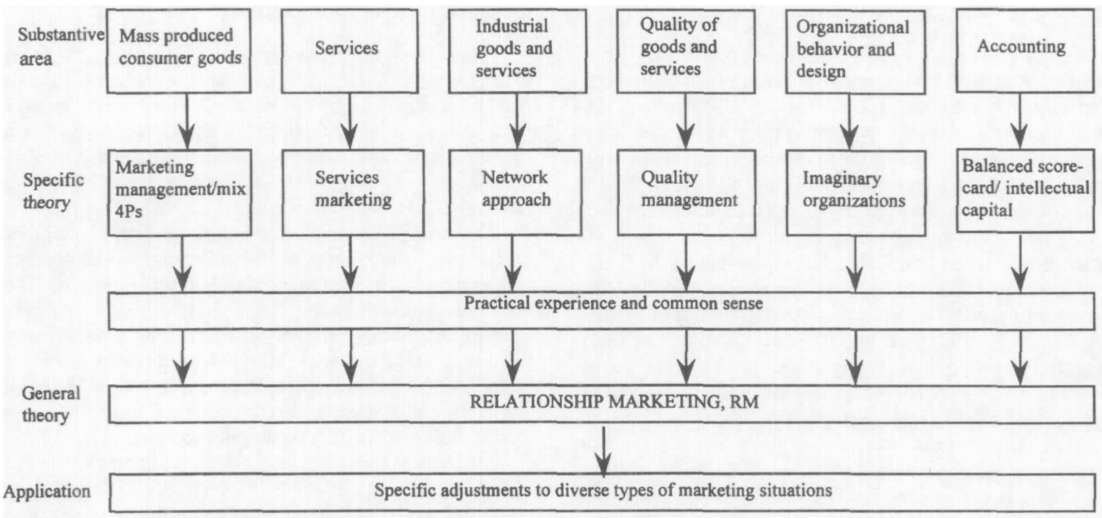

Figure 1. Route to relationship marketing concept (Gummesson, 1998)

Figure 1 represents Gummesson's route to relationship marketing. It shows how marketing progressed from substantive area to relationship marketing. According to Gummesson (1998), relationship marketing concept has its roots in traditional marketing management and marketing mix theory including sales management. Along with this, most important contributions come from two sets of theories: services marketing and network approach to industrial marketing. Quality management, virtual organizations and new accounting approaches strengthen marketing. Quality management is important since it focuses on customer-perceived quality, virtual organizations see organizations as networks and relationships and thus marketing can learn from general organization theory especially from virtual organizations. New accounting approach includes balanced scorecards and intellectual capital which include indicators of repurchase rate, complaints and customer satisfaction. When these theories are combined with practical experience and common sense, unique results, named as relationship marketing, are born (Gummesson, 1998).

Payne, Christopher, Clark and Peck (1995) mention relationship marketing as a new perspective which has realized that marketing has two concerns: to manage the classical marketing mix, and to focus on customers to "reorient the entire business to face the market" (p.3). The authors mention that the focus of relationship marketing is to maximize the lifetime value of desirable customers. They suggest that relationship marketing puts emphasis on building strong relationships between organization and its markets instead of building narrow, transactional and one-sale-a-time relationships. As seen in the Figure 2 below, they distinguish relationship marketing from the traditional marketing concept by cross-functionality which means the interaction, collaboration and co-ordination of all departments within an organization to reach and satisfy customers. According to Payne, Christopher, Clark and Payne (1995) all departments are responsible for customer acquisition and customer retention. Marketing should not work as a totally separate function but instead all functions of an organization should work in co-ordination with marketing to manage customer relationship.

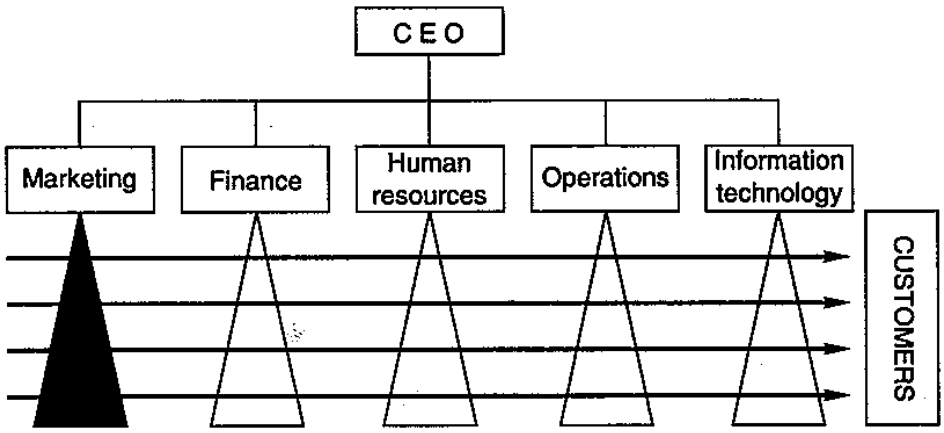

Figure 2. Marketing as a cross-funtional activity (Payne, Christopher, Clark and Payne,1995)

Relationship is an exchange process where value is given and taken. Even in the shortest determined relationship, each side of the dyad gives something in return for a benefit or payoff of greater value. In Figures 3 and 4 below, Day (2000) classifies the relationships into three categories: transactional, collaborative and value-adding. The transactional exchanges include transactions between buyers and sellers when they only focus on the timely exchange at competitive prices. The very opposite of the transactional exchanges are the collaborative exchanges which include very close relationships with mutual commitments in exchange of long-term benefit expectations. In the middle of these two stands value-adding exchanges in which the firm shifts from catching new customers to keeping existing ones.

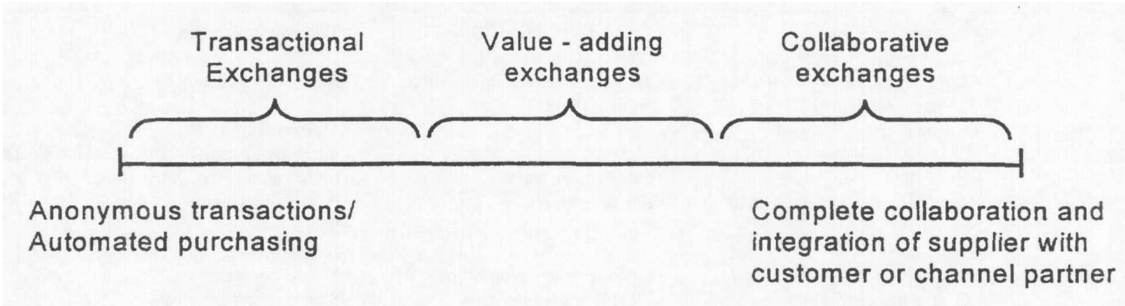

Figure 3. The relationship spectrum (Day, 2000)

	Transactional Exchanges	*Value-Adding Exchanges*	*Collaborative Exchanges*
Communications	• Broadcast marketing • Targeting based on information about customers • Negotiations	• Tailored interactions • Emphasis on retention • Targeting based on information from customers	• Two-way collaboration • Joint problem-solving • Multilevel contacts • Extensive sharing of proprietary information
Linkages	• Persuasion • Arm's-length competitive bidding	• Sales/service teams • Key account selling	• Information system integration • Process integration • Social networks • Joint planning
Coordination	• Deliveries • Contractual conditions	• Customer value proposition • Maximize lifetime value	• Mutual commitments • Shared incentives, goals • Trust

Figure 4. The relationship spectrum (Day, 2000)

Relationship marketing has been receiving increasing attention in recent years as more and more organizations focus their attention on retaining existing customers rather than attracting new ones. Faced with an increasingly dynamic and uncertain customer environment, firms started to realize that customer retention was more critical and less costly than customer acquisition. Thus, with the beginning of 1980s, the necessity to treat transactions as relational instead of discrete has started to emerge. Until that time, most transactions between two or more parties were treated as discrete. According to Dwyer, Schurr and Oh (1987) a discrete transaction has "a distinct beginning, short duration and a sharp ending by performance" (p.13). On the other hand, relational exchanges create a continuous process of mutual involvement of both parties. Consistent with this statement, Grönroos (2004) indicates that when manufacturers of industrial products transform their way of doing business from single transactions with customers to a longer time-scale, the nature of the consumption also changes. It changes from "pure outcome consumption or usage to an on-going process consumption or usage" (Grönroos, 2004; p.99).

Grönroos, in 1991, used marketing strategy continuum to describe the differences between transactional and relational exchanges. In Figure 5 below, it can be seen that, relationship marketing is placed at the one end of the continuum where the focus is on building relationships with customers; and transaction marketing is at the other end of the continuum where focus is on the transaction.

The strategy continuum	Transaction marketing	Relationship marketing
Time perspective	Short-term focus	Long-term focus
Dominating marketing function	Marketing mix	Interactive marketing (supported by marketing mix activities)
Price elasticity	Customers tend to be more sensitive to price	Customers tend to be less sensitive to price
Dominating quality dimension	Quality of output (technical quality dimension) is dominating	Quality of interactions (functional quality dimension) grows in importance and may become dominating
Measurement of customer satisfaction	Monitoring market share (indirect approach)	Managing the customer base (direct approach)
Customer information system	*Ad hoc* customer satisfaction surveys	Real-time customer feedback system
Interdependency between marketing, operations and personnel	Interface of no or limited strategic importance	Interface of substantial strategic importance
The role of internal marketing	Internal marketing of no or limited importance to success	Internal marketing of substantial strategic importance to success
The product continuum	Consumer packaged goods → ← Consumer durables → ← Industrial goods → ← Services	

Figure 5. The marketing strategy continuum (Grönroos, 1991)

According to Grönroos (1997), a firm that pursues relationship marketing offers more value to its customers than just the core product which is generally offered by firms that pursue transaction marketing. Various types of goods and services can be placed along the product continuum at the bottom of Figure 5. As the type of the good or service changes, the appropriate strategy also changes. Along with this, transaction marketing differs from relationship marketing from the point of time, marketing function, price elasticity, quality, measurement and information system, interdependency of functions, and role of internal marketing. Grönroos (1997) mentions that transaction marketing is short-term oriented, dominated by marketing mix and output quality while internal marketing and interdependency of marketing, operations and personnel functions are not significantly important. Customers are price sensitive and their satisfaction is measured by ad hoc surveys and described in market shares. On the other hand, relationship marketing is long-term oriented, dominated by interactive marketing function and quality of interactions, organizational functions are importantly interdependent and internal marketing is substantial for success. Also, customers are less sensitive to price in relationship marketing and their satisfaction is measured by real time feedbacks and described in customer bases.

Consistent with the findings of Grönroos (1997), Figure 6 below demonstrates the evolution of marketing from transactional to relational as described by Kumar, Bohling and Ladda (2003). The authors mention that relatifonship marketing has started to develop when the importance of customer retention, instead of acquiring new customers, was realized. Relationship marketing differs from transaction marketing by focusing on future deals and deals at hand instead of just current ones. Relationship marketing focuses on trust and expectations whereas transaction marketing focuses on product selling. Thus, relationship marketing sees transaction as the beginning and after sales support as essential; while transaction marketing views transaction as the end and after sales support as extra cost.

Transaction marketing	Relationship marketing
Focus on the deal at hand	Focus on future deals along with the deal at hand
Push price	Promote value
Short-term thinking and acting	Long-term thinking and acting
Build the business on deals	Build the business on relationships
Acquire profitable customers	Retain existing profitable customers
Short-term empathy	Long-term empathy and rapport
Incentive provided for doing the deal	Incentive provided for developing long-term relationship
Product and selling focused	Expectations, perception, and trust and focused
Race for a sale result	Swift, strong, safe, and enduring results through relationship building
Less focus on after-sales support and service	Strong after-sales support and services
After-sales support and service seen as a cost	After-sales support and services seen as an investment in the relationship
Transaction is the end	Transaction is just the beginning

Figure 6. Transaction marketing vs. relationship marketing (Baker et al, 1998; revised Kumar, Bohling and Ladda, 2003)

Many authors searched for the factors that caused the emergence of relational exchanges, and therefore the theory of relationship marketing. Rapid growth of globalization, trend for more firms to provide services rather than goods, increase in the use of information technology are reported as the environmental factors that brought on this new concept (Mulki and Stock, 2003). A new approach to the evolution of relationship marketing argues that the rise in strategic network competition has given a significant impetus to the rise of relationship marketing (Hunt, Arnett and Madhavaram, 2006). Strategic network competition embraces firms that are cooperating within networks to compete with other networks. As a result of network competition, firms are turning from discrete, short-term relations with large number of suppliers to relational exchanges with small number of suppliers.

Strategic network competition is also mentioned by Sheth in 2002. Sheth (2002) claims that there are three main reasons that have given relationship marketing theory a rise. The first reason is the energy crisis of the 1970s. As a result of energy crisis, the competition intensified along with the increase in raw material costs. As the competition increased, the goods and services became more similar, thus the change from transactional to relational exchanges is emphasized even more (Grönroos, 2004). Consequently, there has been a shift from customer acquisition to customer retention. The second reason is the emergence of services marketing at the same time. Since services are delivered directly to end users, the need for a new concept has occurred, and this new concept was relationship. The last factor mentioned by Sheth (2002) is the increasing tendencies of firms to work with fewer suppliers to improve quality at lower costs. This tendency was further stimulated by total quality management philosophy in the 1980s.

Forms and Strategies of Relationship Marketing

Morgan and Hunt (1994) have determined the ten forms of relationship marketing. These ten forms are gathered under four main categories. The authors state that relationship marketing consists of four main partnerships: buyer partnerships, supplier partnerships, internal partnerships, and lateral partnerships. Buyer partnerships are made up of relationships with intermediate customers, whereas supplier partnerships are composed of relationships with goods suppliers, and services suppliers. Relationships with business units, employees, and functional departments are forms of internal partnerships, and relationships with competitors, nonprofit organizations, and government are forms of lateral partnerships. The ten forms of relationship marketing are: partnering involved in relational exchanges between manufacturers and their goods' suppliers, as in just-in-time procurement and total quality management; relational exchanges involving service providers, as between advertising or marketing research agencies, and their respective clients; strategic alliances between firms, and their competitors, as in technology alliances, co-marketing alliances, and global strategic alliances; alliances between a firm and nonprofit organizations, as in public purpose partnerships; partnerships for joint research and development, as between firms, and local, state, or national governments; long-term exchanges between firms and ultimate customers, as implemented in customer relationship marketing programs, affinity programs, loyalty programs, and as particularly recommended in the services marketing area; relational exchanges of working partnerships, as in channels of distribution; relational exchanges involving functional departments; relational exchanges between a firm and its employees, as in internal market orientation in particular and internal marketing in general; within-firm relational exchanges, as those involving such business units as subsidiaries, divisions, or strategic business units (Morgan and Hunt, 1994). These ten forms of relationship marketing are demonstrated in the Figure 7 below.

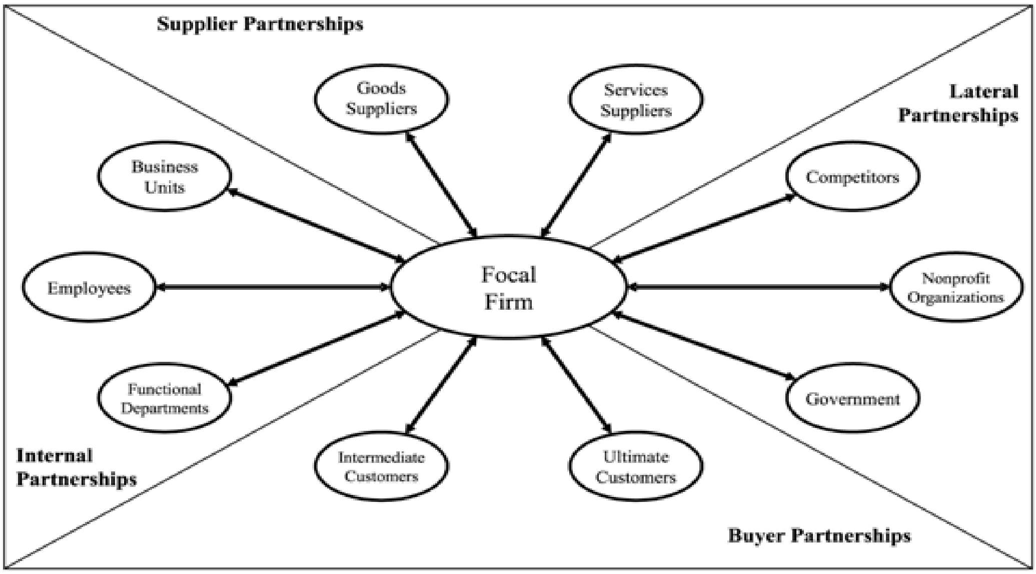

Figure 7. Ten forms of relationship marketing (Morgan and Hunt, 1994)

According to the research of Christopher, Payne and Ballantyne (1991), the scope of relationship marketing consists of six markets which are internal, customer, referral, supplier, influencer and employee recruitment markets. In 1999, this scope was revised and broadened by Peck, Payne, Christopher and Clark (1999) as can be seen in the Figure 8 below. In this revised version of the model, the supplier market is replaced by alliance and supplier markets. The motto of this model is that “marketing’s new remit will revolve around maximizing customer value through the boundary spanning roles of customer advocate, internal integrator, strategic director, and within network organizations, partnership broker” (Peck, Payne, Christopher and Clark, 1999).

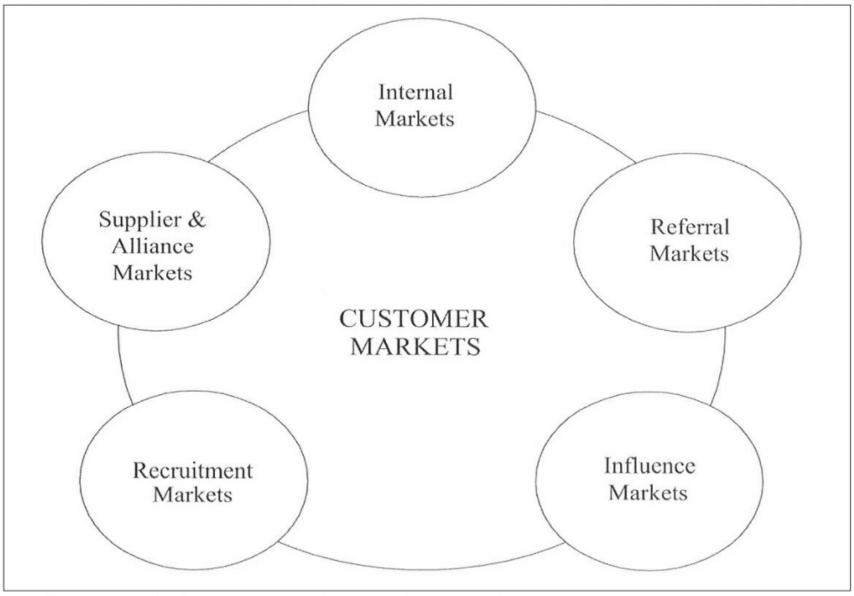

Figure 8. The six markets model (Christopher, Payne and Ballyntyne, 1991; revised by Peck, Payne, Christopher and Clark, 1999)

Gummesson (1998) believes that relationship marketing can be applied to three types of relationships. One of them is market relationships which includes the customer-supplier dyad as well as supplier's relationships with its own suppliers, competitors and middlemen. The second type is mega relationships, which are relationships with public authorities, media, political parties and society. The third one is nano relationships, which concern the internal relationships within a company such as relationships with internal customers, owners, and investors.

In the later work of Tzokas and Saren (2004), which examines the role of relationship marketing on knowledge management and its scope; the authors point to the similarities between the stakeholder approach and relationship marketing. They argue that relationship marketing theory is an older version of stakeholder theory but distinguishes from it at one point. Both theories involve the issues in the relationships of a firm with its investors, employees, customers, suppliers, and third parties. Stakeholder theory views the external and the internal parties as the responsibility of the firm. According to this, various groups that are either in the same economic or in the same environmental space, hold stake in the firm's activities actively or passively. On the other hand, in relationship marketing theory, stakeholders are seen as potential contributors to the firm's marketing effort. Also, since interrelationships are valued in this theory, stakeholders of a firm are not treated as totally different and separate groups. It can be concluded that the market effectiveness of the firm is directly influenced by the external and internal parties, which are in relation with the firm, and their interrelationships.

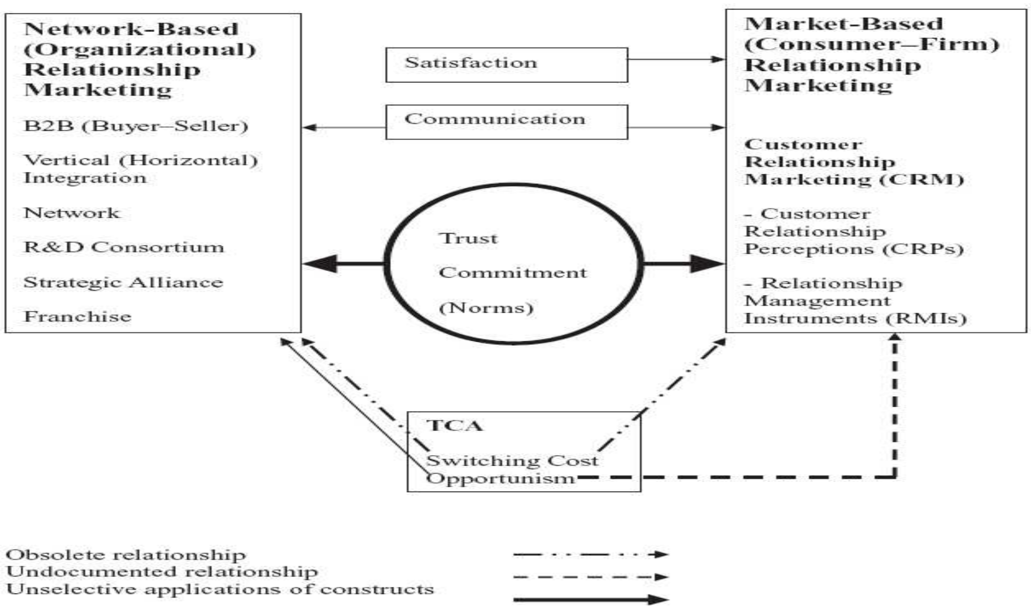

Figure 9. Traditional overview of relationship marketing constructs (Hong and Wang, 2009)

When discussing relationship marketing, trust and commitment (e.g., Morgan and Hunt, 1994), and norms (e.g., Heide and John, 1992) are the constructs that are widely used. Hong and Wang (2009) distinguish between network based relationship marketing and market based relationship marketing in Figure 10 above. Network based relationship marketing is the relationship marketing implemented between organizations and market based relationship marketing refers to the firm- consumer relationships. In both relationships, trust and commitment are central elements for the relationships to succeed.

When Berry first mentioned relationship marketing in 1983, he also determined five strategies to establish relationship marketing as a firm strategy. According to Berry (1983) a firm may implement relationship marketing strategies through core service strategy, relationship customization, service augmentation, relationship pricing and internal marketing. Core service strategy is "the design and marketing of a core service around which a customer relationship can be established" (p.26). An ideal core service is designed to attract new customers, has a long-term nature and provides base for selling additional services overtime. Customizing the relationship means that a firm can give more precise and customized responses to the situations on hand by learning about the specific characteristics and requirements of individual customers. Berry (1983) defines service augmentation as adding valuable extras to the service in order to differentiate it from competitors' services. In relationship pricing, customers are given price incentives to consolidate their business with the suppliers. In other words, relationship pricing means "a better price for a better customer" (p.27). The last relationship marketing strategy defined is the internal marketing. In the internal marketing strategy, the customer is inside the organization. It is especially important for labor-intensive organizations. Such organizations can use internal marketing to attract, keep and motivate their employees, so that they can improve their capability to offer quality services.

Relationship Marketing in Practice

In the literature, relationship marketing has been discussed from different perspectives. Some researchers refer to relationship marketing as the customer exchanges (e.g., Parvatiyar and Sheth, 2000), while others (e.g., Nevin, 1995) broaden its applicability to other exchange relationships such as the inter-firm relations. If the relationship marketing indeed applies to other relationships, then the business professionals involved in these relations may be knowledgeable about relationship marketing. However, according to Brennan and Turnbull (1999), the business professionals are more prone to employ the term relationship management instead of relationship marketing. Consistent with this statement, Ganesan (1994) notes that "most firms overlook the sustainable competitive advantage that can be created through long-term relationships."

When considered from the point of business-to-consumer (B2C) markets, relationship marketing requires focusing on the retention of existing customers. The firms in B2C markets pursue this objective by developing a deeper understanding of their existing customers and satisfying those needs with the best they can and even serve tailor made services if necessary. Day (2000) examples a car rental company, Hertz, taking reservations from preferred customers on a dedicated line and presents them their rental cars with their names in lights.

From the point of B2B markets, Day (2000) explains that managers should pursue strategies of collaborating with customers and bonding with channel partners. McNally and Griffin (2007) think that managers are confused about the implementation of relationship marketing into business life. They mention that managers are confused about the general dimensions of actions to take in order to move towards relationship marketing as well as about the specific attributes that make the general dimensions. Even though, the application of relationship marketing is common in B2B markets, and the organizations in those markets exhibit more positive attitudes to relationship marketing, the emphasis is nevertheless on the seller gain. McNally and Griffin (2007) explain that the managers forget that relationship marketing put emphasis on mutual gain. The authors argue that managers also have to classify their suppliers and determine with whom to implement relationship marketing and with whom to pursue transactional marketing. They support the idea that the process is the most important thing in relationship marketing, since relationships occur over time and require joint effort to maintain and enhance. Thus, managers should share information and work closely to eliminate the dependency problems.

Morgan and Hunt (1999) argue that firms should adopt relationship marketing only if it will provide competitive advantage to the firm. They also mention that problems arise when firms do not have full resources to create competencies and so competitive advantages. When these problems arise, firms engage in relationships with other firms whose resources are complementary, and can provide competitive advantage when combined with theirs. They call these kinds of competitive advantages as the relationship based competitive advantages (RBCAs). An example of RBCA is a global retailer partnering with a local retailer and thus achieving geographical coverage that would not be available without this relationship.

By applying relationship marketing, Morgan and Hunt (1999) believe that firms may gain seven types of resources. These are financial resources meaning capitalization of resources at its disposal; human resources which refer to the employees; physical resources which are tangible assets, other than labor and cash; legal resources, which are the assets a firm has because of governmental statue; relational resources which consist of relationships within and outside the organization; informational resources which connote collective knowledge of firms in the relationship; and organizational resources as the assets that a firm has because of the organization itself.

Business-to-Business Markets

Business-to-business markets are markets that consist of commerce transactions between businesses. In B2B, one of the Bs stands for supplier, and the other stands for the industrial customer. In 1998, Bly explained that the B2B markets are made up of companies, agencies of individuals who market products and services to businesses, professionals, and industries rather than consumers. Consistent with this, the B2B market is defined by Blythe and Zimmerman as "to include organizations that buy goods and services for use in the production of other products that are sold, rented, or supplied to others" (2005, p.4). Kotler and Armstrong (2001) describe B2B market as including retailing and wholesaling firms that acquire goods for the purpose of reselling or renting them to others. On the other hand, this definition of B2B market is too narrow, such that B2B includes institutions like hospitals and charities and all levels of government. The business market includes not only physical products but also services. B2B markets consist of "all organizations that purchase goods and services to use in the creation of their own goods and services" as described by Vitale and Giglierano (2002, p.5). The authors note that bought goods and services are then offered to buyers' own customers. They also mention that B2B markets are formed by fewer but larger customer groups than consumer markets and are involved in purchasing of significantly large volume of goods and services.

Blythe and Zimmermann (2005) conclude that buyers in B2B markets have three motives for purchasing: to increase sales, to reduce costs and to meet government regulations. This study mentions that, when taking a marketing strategy from a domestic setting to an international one, appeal must be simple to explain. Thus, appeals that do not fall into these three basics, often fail when translated to foreign markets.

Relationship Marketing in Business-to-Business Markets

Based on the relationship marketing definition of Morgan and Hunt (1994), it can be said that relationship marketing in B2B markets can be seen as an emerging, evolving, continuous, and interactive process between two companies. Despite the various actions of buyers and sellers in organizations, their interaction with each other is characterized by continuity. "The exchanges between buyers and sellers are relational exchanges, not discreet transactions" (Dwyer, Schurr and Oh, 1987; p.22).

Kumar, Bohling and Ladda (2003) claim that firms have the need to interact with each other because of one or many factors such as price advantage, inertia, convenience, trend, social influence, high switching costs, and their emotional attachment with the firm. Emphasizing the importance of building relationships among companies, Tzokas and Saren (2004) mention that relationships are keys to knowledge. They argue that relationships are important factors for reaching unique and difficult to imitate knowledge by broadening the companies' understandings of the knowledge necessary for creating competitive advantage and by assisting better use of knowledge management by firms.

On the other hand, Kincaid (2003) argues that the channel partners, mentioned as retailers in this study, are extensions of the organization and should not be treated as customers, instead they are parts of the customer relationship management organization themselves. Although, they are not officially employees of the suppliers and the retailers and suppliers technically place purchase orders with each other, they are not customers. They are constituents to suppliers' relationships with end users, not the targets of the relationships. In an interview with Joan Magretta (1998) from Harvard Business Review; Michael Dell, the founder and owner of Dell Computer, explains that his company uses technology to blur the boundaries in the value chain among suppliers and manufacturers. His company's strategy is to use technology to enable co-ordination across companies to achieve new levels of productivity, efficiency and great returns on investors. This strategy combines customer focus, supplier partnership, mass customization and just in time manufacturing and is called virtual integration by Michael Dell. Virtual integration is defined as "a company basically stitch together a business with partners that are treated as if they're inside the company." Kincaid's (2003) emphasis that channel partners should be treated as extensions of an organization is similar to Dell Computer's strategy. The author points out that relationship marketing focuses on strategic impacts rather than the operational ones. The expected outcomes of relationship marketing are long term. That is to say, relationship marketing helps to increase company profit in the future rather than reducing costs immediately. In her book, she also talks about the misconceptions about the definition of relationship. Kincaid (2003) mentions that in B2B relationship marketing, customers are known to be the companies. She also remarks that this is a general misconception, although information about the company is important, the real customers are human beings instead of the company itself. That is because the relationship is built with the human beings working at the customer company.

Campbell (1985) classifies buyer-seller relationships based on their degree of dependency. According to his definitions, an independent relationship occurs when price is established by competitive market forces and the price contains most of the information needed by parties. On the other hand, when future is uncertain and price is hard to assess, bureaucracy or hierarchy is needed and dependent relationships occur. In such relationships, bureaucratic system has the right to decide what is fair, and as a result one party becomes dependent on the other. Interdependent relationships are common buyer-seller relationships and they require long time for socialization and thus help parties to develop common values and beliefs. In the Figure 10 below, Campbell (1985) talks about marketing and purchasing strategies under three categories. In competitive strategies buyer plays the market and seller has lots of potential customers, in cooperative strategies both parties approach the relationship with an aim to cooperate, and command strategies occur when one of the parties has a dominant strategy than the other.

Purchasing strategies	Marketing strategies: Competitive	Marketing strategies: Cooperative	Marketing strategies: Command
Competitive	1 Independent Perfect market	2 Mismatch	3 Independent Seller's market
Cooperative	4 Mismatch	5 Interdependent Domesticated market	6 Dependent Captive market
Command	7 Independent Buyer's market	8 Dependent Subcontract market	9 Mismatch

Figure 10. Classification of buyer-seller relationships (Campell, 1985)
In the Figure 10 above, the buying situation is determined by the interplay of marketing and purchasing strategies, which are defined by a variety of other factors. Therefore, Campell (1985) explains that a model is required which shows the interplay of marketing and purchasing strategies. The model in Figure 11 below is introduced by Campbell (1985), and shows the interaction strategies model which shows the interplay effects on the interaction mechanisms in a two-way exchange.

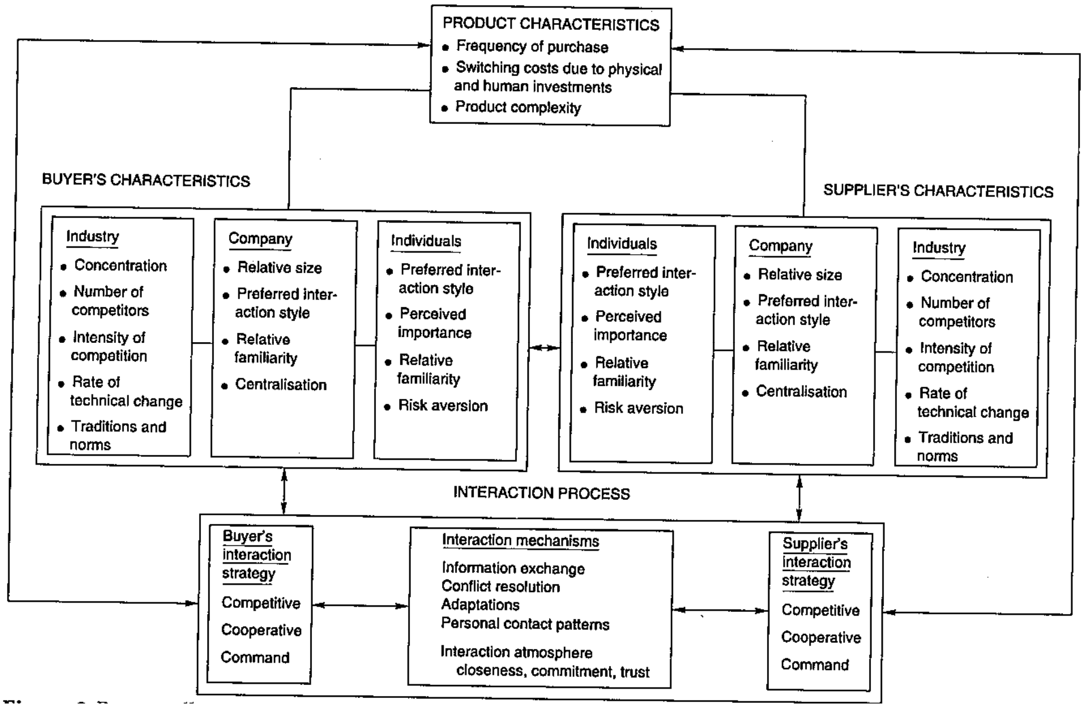

Figure 11. Buyer-seller interaction model (Campell, 1985)

Evolution of Relationship Marketing in Business-to-Business Markets

Kenichi Ohmae (1989), globally acclaimed speaker and founder and Managing Director of Japan-based Ohmae and Associates states that "companies are just beginning to learn what nations have known: in a complex, uncertain world filled with dangerous opponents, it is easy not to go it alone" (p. 123). Even though the concept of relationship marketing was not previously used in B2B markets; the importance of building long term, win-win relationships with suppliers was realized. In previous marketing literature, many articles suggest that suppliers and buyers should be working closely together within a relationship format to lower costs and increase profitability. Ames (1970) noted that marketing in the industrial world is a total business philosophy, based on improving performance by identifying the needs of each key customer group.

In B2B markets, relationship marketing was initially referred as buyer-supplier relationships. The nature of those relationships was categorized into two groups as cooperative and competitive. As summarized by Choi and Wu (2009) in cooperative relationships, two companies have a long- term relationship commitment and share common goals where companies interact frequently and share meaningful information with a higher level of trust and commitment. On the other hand, in a competitive relationship two companies struggle for the same resources in a win-lose context.

Wisner, Tan and Leong (2008) refer to the relationship between supplier and buyer as the supplier partnership and talk about the cruciality of developing stronger business partnerships based on a strategic perspective and managing those relationships in a way that can create value for all participants. They mention that successful partnerships lead to creating competitive advantage and indicate that "a firm is only as good as its worst suppliers"(p.77). Nonetheless, in the terms glossary of Institute of Supply Management, supplier partnership is defined as "a commitment over an extended time to work together to the mutual benefit of both party, sharing relevant information and the risks and rewards of the relationship. These relationships require a clear understanding of expectations, open communication and information exchange, mutual trust and a common direction for the future. Such agreements are a collaborative business activity that does not involve the formation of a legal partnership." Payne, Christopher, Clark and Peck (1995) mention the evolution of relationship marketing in B2B markets by emphasizing that the interactions between suppliers and buyers have shifted from a transaction to a relationship focus.

Power

Power is the control over people, a place or a situation. Power as a social phenomenon is defined as "the probability, in a social relationship, to impose one's own will, even against resistance, regardless of the basis on which this probability rests" by Max Weber (1947). According to Pfeffer and Salancik (1978), power is based on the control of resources that are considered strategic within the organization. Dahl (1986) defined power as "the ability of one individual or group to get another unit to do something that it would not otherwise have done" (p.201).

In the economics context, power is defined as the ability of an actor to influence another to act in the way that this actor wants by Emerson (1962), as cited by Hingley (2005). Number of researchers agree that power can be seen as an ability to influence or to control the behaviors, decisions, intentions, or actions of others in the pursuit of one's own interests (e.g., El-Ansary and Stern, 1972; Hu and Sheu, 2003).

These definitions of power from different perspectives allow us to conclude that power generally refers to the ability, capacity, or potential to get others do something. It leads to command, influence, determine or control the behaviors, intentions, decisions, or actions of others in the pursuit of one's own goals or interests against the will of the power target; as well as to induce changes, mobilize resources, restructure situations, and so on.

Power in Buyer-Supplier Relationships

Power is a subject that is being studied extensively in the recent years in relationship marketing literature. Both early pioneers (e.g. Hunt and Nevin, 1974) and leading channel scholars (e.g. Ganesan, 1993) agree that inter-firm power and its use play pivotal roles in the management of channel relationships.

In general, power is not seen as a positive factor on the success of the relationship. Success is determined by co-operation and trust; whereas power is something that eliminates the co-operation, since it brings the counter parties up against each other (Doney and Cannon, 1997). Naude and Buttle (2000) think that power has a negative influence on the relationship between two parties, and that building the business relationship without power will lead to a more qualified relationship. According to Dawson (1996), power relationships can and do lead to conflict that result in problems not being aired openly. “Power exists in all relationships even it is not always visible” (Emerson, 1962; cited by Hingley, 2005, p.849). Consequently, lack of visibility of power means that it may be exercised implicitly as well as explicitly in buyer-seller relations (Cox, Sanderson, Watson, and Londsdale, 2001).

Although, in conventional marketing management, the seller is the aggressive party who enforces the buyer to regard his conditions, Blois (1997) mentions that “all relationships are unstable by nature, and the existing relationships are being harmed because suppliers are dependent on the powerful and dominant buyers” (p. 376). Achrol (1997) argues that a power dependent relationship is basically a manipulative one, since power bestows favors on dominant firms over dependent firms. He mentions that marketing channel leaders have long used coercive power, like offering or withholding favorable locations, payments, delivery, etc., to assure collaboration among channel members, but exploitation is not conducive to the evolution of successful relationships. His statement is consistent with Macneil's (1981) view of the restraint of power use by one exchange party over another as one of the social norms of governance. The author thinks that the more relational an exchange becomes, the less likely that parties exercise coercive power over each other.

Nevertheless, in relationship marketing literature, success is generally related to symmetric dependence and trust, whereas power asymmetry is usually associated with conflict. Power symmetry and conflict are seen as two opposing concepts. The natural state for supply chain relationships does not appear to be one of symmetry and equilibrium (Ogbonna and Wilkinson, 1996). Dapiran and Hogart-Scott (2003) opposes this general view, and do not believe that power is the opposite of co-operation. Furthermore, factors such as size differences in favor of the central buyer as well as size differences between suppliers themselves, buyers' and suppliers' different areas of expertise and different switching costs contribute to the power inequalities within a supply chain network (Helper, 1991). Thus, asymmetrical power relationships are observable. Etherton and Carswell (2002) state that when one party is threatened by the balance of power, that weaker party might leave the network and look for alternative alliances. Lawler and Yoon (1996) posit that power imbalances reduce the frequency of exchange among actors and hinder conflict resolution, whereas Giebels, De Dreu, and Van de Vliert (1998) represent an opinion that in the case of power imbalance there is difficulty in fostering the information flow, which is a precondition for the successful negotiation of an exchange. Asymmetric power may have negative effects on firm performance by “reducing decision-making autonomy and increasing the risk of opportunistic behavior” (Davis and Mentzer, 2008; p.439).

Berthon, Pitt, Ewing and Bakkeland (2003) believe that power can be a means to reach co-operation, and co-ordination between channel members. In the marketing channels context, Stern and Heskett (1969) theorize that power plays an important role in the achievement of integration, adaptation, and goal attainment within the channel system. Moreover; Christiansen (2000) talks about power as the determinant of how the supply chain is managed. He argues that supply chain management is still determined by the strongest link in the chain, which means that whoever has the power determines how the chain will be structured and how costs and profits will be divided up. The author mentions that power is seen as an obstacle for establishing successful relationships, but power can also increase the chain efficiency by “enforcing standards and co-ordinating inter-firm activities” (p.448).

Powerful channel members may use its power on the other party and face negative consequences. "The ability to react to the harmful actions depends on the balance of power and dependency" (Kumar, Scheer and Steenkamp, 1998; p.229). When firms rely on external entities for critical resources, dependencies are created since no firm is completely self-reliant with respect to the resources needed to provide a market offer (Pfeffer and Salancik, 1978). According to Ganesan (1994) several factors affect dependence in channel partnerships. Dependence increases first when outcomes of the relationship are highly valued; second, when the outcomes of the relationship are greater compared to the potential outcomes of the next best alternative; and third, when there are few alternative sources.

"Firms engage in inter-organizational exchange to fulfill goals that they cannot satisfy through independent actions" (Eyuboglu, Ryu and Tellefsen, 2003; p.4). One of the channel partners becomes dependent on the other partner as it satisfies its goals with the help of the partner. As a result, buyers and sellers become interdependent. They often need each other's help to fulfill their individual goals. "This interdependence then serves as the glue that holds a channel relationship together"(Eyuboglu, Ryu and Tellefsen, 2003; p.5). One of the dimensions of this interdependence is its asymmetry. If one firm is more dependent on the other party than the other firm is, then this relationship can be named as asymmetrical (Kumar, Scheer and

Steenkamp, 1995). Therefore, the less dependent firm can use its position as a source of influence over its more dependent partner. As the asymmetry increases, the relationships tend to be characterized by more conflict and less commitment (Kumar, Scheer, and Steenkamp 1995).

In conventional marketing management, the seller is the aggressive party that takes initiatives, and the buyer is persuaded and managed to behave according to the supplier's desires. This is more common in B2C markets, since in B2C markets the buyer is the consumer, the end user. Consumer is manageable and directable, and the seller strives in different ways to control the consumer and make profit out of him. Buyer is more passive in B2C markets, but in B2B markets this is not always true. Von Hippel (1978) showes that the initiatives may come from both parties.

In B2B markets, the buyer is the industrial buyer, and is in charge of procurement. Buyer as well may put pressure on seller, and may demand that the seller make more value added propositions to meet the buyer's desires. Wisner, Tan and Leong (2008) argue that in B2B relations, retailers have more power since they have significant influence on the brand and reputation of their supplier's products. For this reason, they believe that suppliers should make good research before entering into any relationship with retailers and they have to certify that retailers are capable of adequately representing the firm's products. Consistent with their ideas, Gummesson and Polese (2009) emphasize that “Unless a small business is strategically important to major buyer, it has no more clout than an ordinary consumer" (p.342). Tsay and Agrawal (2004) argue that suppliers are open to exploitation when the competition is higher than cooperation in a business relationship and the buyer often focuses on short term benefits. A buyer may take advantage of its purchasing leverage, demanding price reduction without adequately compensating the suppliers (Rossetti and Choi, 2005).

Working with suppliers often requires focal companies to make significant idiosyncratic investments to improve co-ordination between organizations and enhance the suppliers’ presence in the end market. When focal companies make such investments, they are concerned about (a) the possibility of a supplier terminating the relationship, which would result in an irrevocable loss; and (b) the supplier’s use of specific assets as a hostage, which makes it difficult for focal companies to recoup the value of their investments (Jap and Ganesan, 2000). Such conditions indicate that power imbalances in supply chain relationships occur with a focal company not only as a power holder but also as a power target.

CHAPTER III

THE MODEL

In this chapter, the model of the study is introduced. The model is developed based on the literature and aims to designate the determinants and distribution of power in buyer and seller relationships. The objectives of the study, the model and the variables of the model are also discussed at the beginning of this chapter.

The Objectives of the Study

The main purpose of this study is to understand which variables constitute to gain power in business relationships. Understanding these variables may help the companies to be in a more advantageous position than their rivals. The study and the model basically focus on two variables that are hypothesized to affect power in partnerships. These variables are relationship intention and willingness to continue relationship. The direction of power is aimed to be measured by considering both business partners' tendencies to build and stay in the relationship.

The suppliers' and retailers' perspectives are analyzed simultaneously so that each party's position in the relationship can be presented. In order to quantify the research, industrial buyers from retailing industry and suppliers from dairy and milk products industry are sampled.

The Model of the Study

This model is built with the aim of understanding how power is distributed in buyer-seller relationships in B2B markets. In a business partnership, where one of the parties is the seller and the other party is the buyer, the nature of the relationship is determined by the orientation of power. Seller may be the aggressive party and may influence the buyer to act in the way it wants if the seller is more powerful in the relationship. On the other hand, buyer as well may put pressure on seller, and may demand that the seller make more value added propositions to meet the buyer's desires (e.g.; Rosetti and Choi, 2005; Tsay and Agrawal, 2004).

In this study, the factors that influence the balance of power in a relationship are discussed from the point of eagerness to build the relationship and sustaining it. The model has two major variables that are hypothesized to affect power acquisition. These two variables measure each party's relationship intentions and their willingness to continue the relationship. The variables are quantified by three dimensions each. Other firm's image, penetration and expected profitability measure the relationship intention whereas realized profitability, communication and trust, and commitment measure the willingness to continue relationship.

Power can be affected by some other elements regardless of the parties' intentions of relationship building and sustaining. Relationship duration and organizational demographics may change the direction of power, as well. For example, in a business relationship a well-recognized firm may be more powerful than the less recognized firm if brand awareness is perceived as one of the elements of being prestigious (e.g.; Kotler, 1999; Dolak, 2001).

The aim of this model is to figure out the factors to be more powerful in a relationship in B2B markets. Power was not studied as a dependent variable in the literature as far as we know but rather it was studied as an independent variable causing negative outcomes when coerced. This model and the study aim to fill this gap and to understand the dynamics of power in a relationship.

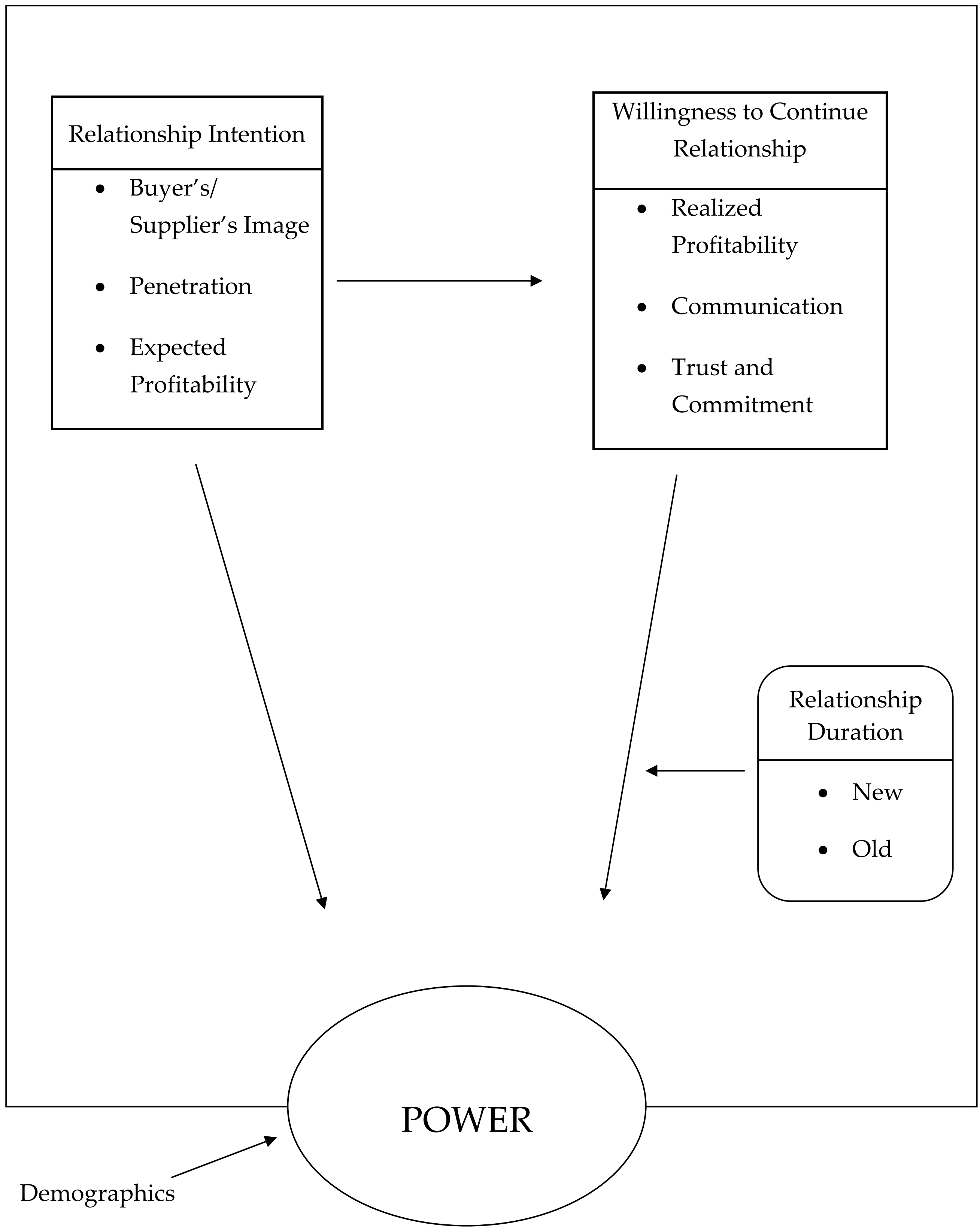

Figure 12. The model of the study

Building strong relationships in supply chain requires hard work and commitment by both buyers and sellers. McNally and Griffin (2007) summarize the eleven important dimensions of relationship marketing. These dimensions are (1) commitment, (2) trust, (3) communication, (4) coorperation, (5) mutual goals, (6) relational norms, (7) interdependence, (8) social bonds, (9) structural bonds, (10) adaptations, and (11) performance satisfaciton. The first two dimensions are consistent with the trust and commitment dimension of willingness to continue relationship variable in this study's model. McNally and Griffin (2007) cite commitment as "an implicit or explicit pledge of relational continuity between exchange partners" (Dwyer, Schurr and Oh, 1987; p.19) and trust as the "belief that one relationship partner will act in the best interests of other" (Wilson,1995, p.337). Communication is defined by Anderson and Narus (1990, p.44) and cited by McNally and Griffin (2007) as "the formal as well as informal sharing of meaningful and timely information between firms." This dimension is also consistent with the communication dimension of the model of this study. Co-operation is defined by McNally and Griffin (2007) as proactive co-ordinated actions intended to achieve outcomes that either benefit both parties or that will be reciprocated in the future. Co-operation dimension is also consistent with the model since it is used as the indicator of communication between two parties. In other words, if firms in relation can act cooperatively, this means that they can communciate well, according to this study.

From Wilson's study (1995), McNally and Griffin (2007) cite that mutual goals are the "degree to which partners share goals that can only be accomplished through joint action and maintenance of the relationship" (p.338). Mutual goals can be seen as the indication of commitment to the relationship. According to Wilson (1995; cited in McNally and Griffin, 2007), social bonds are personal friendships and likings shared between exchange partners; structural bonds are impediments to relationship termination; and performance satisfaction is the "degree to which the business transaction meets the business performance expectations of the partner" (p.338). As mentioned by McNally and Griffin (2007), interdependence is the recognition that the relationship provides more to both parties than they can attain alone; adaptations are altered processes to accommodate the other party; and relational norms are "expectations about behavior that are at least partially shared by a group of decision makers" (p.220).

Wisner, Tan and Leong (2008) determine the ten elements of successful relationships. These elements include: (1) building trust, (2) shared vision and objectives, (3) personal relationships, (4) mutual benefits and needs, (5) commitment and top management support, (6) change management, (7) information sharing and lines of communication, (8) developing relationship capabilities, (9) performance metrics, and (10) continuous improvement. Building trust, mutual benefits and needs, commitment and top management support can be classified as the trust and commitment dimension of this study. On the other hand, information sharing and lines of communication and developing relationship capabilities are similar to the communication dimension of this study.

Dorsch, Swanson and Kelley (1998) set trust, satisfaction, commitment, intentions to maintain and strengthen business relationships with partner, long-term orientation, customer orientation, lack of opportunism and ethical profile as the key elements of a quality relationship. Consistent with this model's variables and dimensions; Dorsch, Swanson and Kelley (1998) found out that as the quality of the relationship increases, trust in the other party, satisfaction from the relationship, commitment to doing business with the partner, willingness to maintain the existing relationship and relationship duration increase, as well. These five elements are also used in this study's model to understand the power balance between buyers and suppliers.

The model of this research is also consistent with the findings of Hunt, Arnett and Madhavaram (2006) for factors that affect successful relationship marketing. The authors determine trust, commitment, co-operation, keeping promises, shared values and communication as the indicators of success in relational exchanges. In this study's model, five of these factors are used.

Trust and commitment are used as a single dimension and keeping promises is used as an indicator of trust. In other words, if a firm keeps it promises; this shows that the firm can be trusted. Also, communication is a dimension in this model. Co-operation is used as an indicator of communication. That is to say, if two parties can act in co-operation this is a sign of communicating well.

Apart from these factors, four more indicators are used as dimensions of the model's variables. In this model, firm image, penetration and expected profitability are determined as dimensions of relationship intention variable, and realized profitability along with trust and commitment, and communication are the dimensions of willingness to continue relationship. These two variables are independent variables and they have effect on power distribution in the relationship of a retailer with its suppliers, or vice versa. Thus, in the model, power is the dependent variable which is determined by relationship intention and willingness to continue relationship. Relationship intention also impacts willingness to continue relationship.

In this model, relationship duration is used as the moderating variable and it has the impulse of altering the degree of effect of willingness to continue the relationship on power. Relationship duration is determined by the number of years that the firms have been partnering. Due to the relationship duration, willingness to continue relation may affect power more or less.

Demographics are also a part of the model. Demographics of a firm may impact the power balance in a relationship free of other variables. In other words, demographics may affect power regardless of whether relationship intention and willingness to continue relationship affect power or not.

Hypothesis

The main question of this study is whether the buyers' and suppliers' intentions to build business partnerships with each other and sustain these partnerships affect their degree of power holding. In order to measure this, it is hypothesized that in a business relationship, the party that holds more intention to build relationship has less power against the other party, and likewise the party with more willingness to continue this relationship is less powerful. Along with this, relationship duration is hypothesized to alter willingness to continue relationship's effect on power. On the other hand, relationship intention and willingness to continue relationship are hypothesized to be positively related. In other words, as the intention of a party to build a relationship increases; its wistfulness to maintain this relationship increases, as well.

Hypothesis 1: There is a positive relationship between relationship intention and willingness to continue relationship.

Hypothesis 2: There is a negative relationship between relationship intention and power.

Hypothesis 3: There is a negative relationship between willingness to continue relationship and power.

Hypothesis 4: Relationship duration negatively moderates the effect of willingness to continue relationship on power.

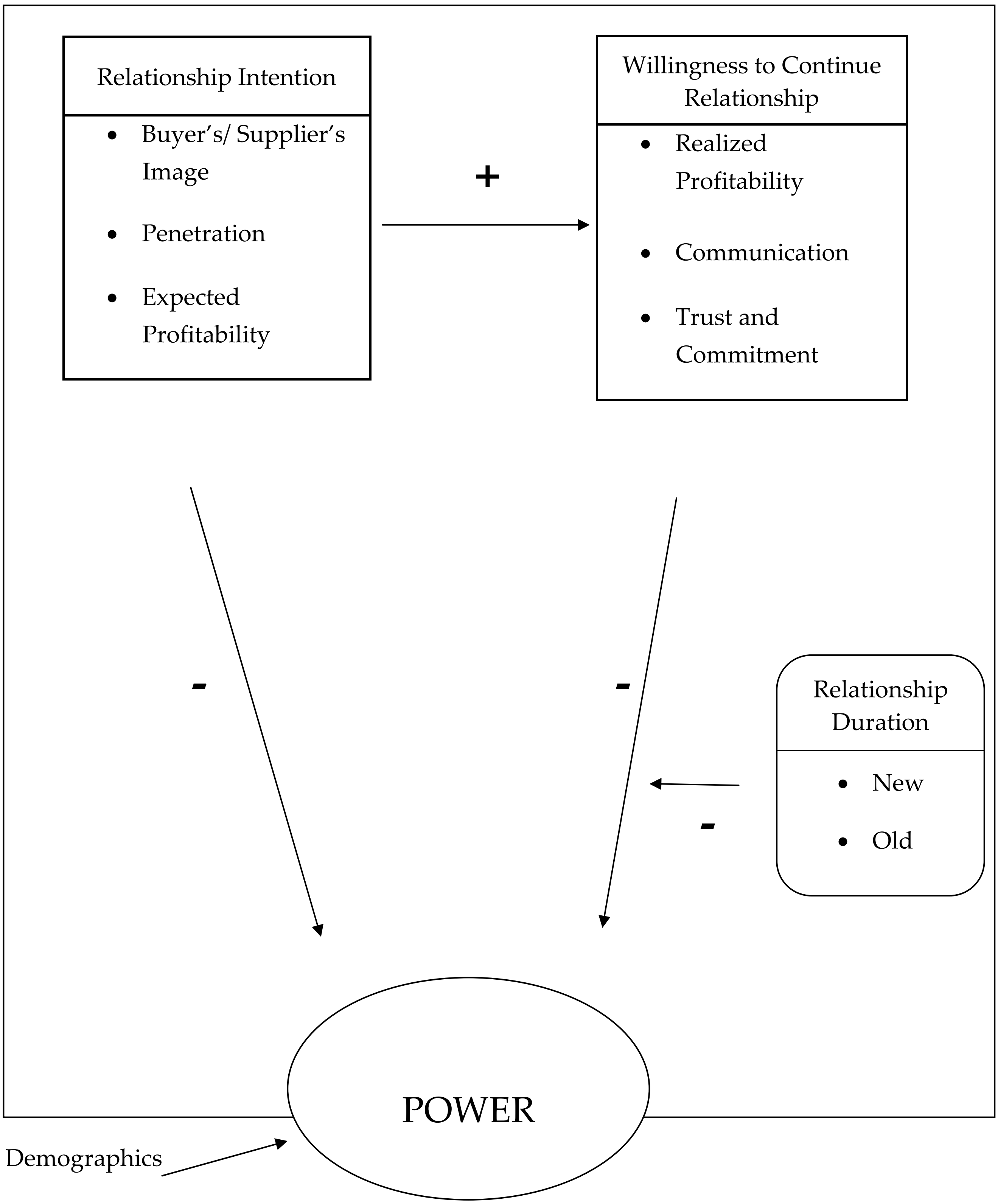

Figure 13. The model and hypothesis

The Variables of the Model

The model of this study basically consists of two independent variables and one dependent variable which is hypothesized to be affected by the independent variables. The independent variables are relationship intention and willingness to continue relationship. Relationship intention is measured by three dimensions which are other firm's image, penetration and expected profitability; whereas willingness to continue relationship is made up of three dimensions, realized profitability, communication, and trust and commitment. The dependent variable, power, is measured by the intention of the firms to build a relationship and sustain the built relationship. In other words, power changes as the relationship intention and willingness the continue relationship changes. Along with this, relationship duration is the moderating variable of the model and is hypothesized to alter willingness to continue relationship's impact on power. Demographics is another variable which affects power independent from all other variables. The variables are discussed following this brief introduction.

Relationship Intention

Relationship intention is defined by Kumar, Bohling and Ladda (2003) as the customers' willingness to develop a sense of belonging to the firm as they use their products or services. The degree of relationship intention determines if the intention is transactional or relational as demonstrated in

Figure 14 below. According to Kumar, Bohling and Ladda (2003), in the case of absence of relationship intention, the customer possesses a transactional intention which is a short-term and opportunistic behavior of customers. The customers with transactional intentions do not have any affection towards the company and they do not will that their relationship with the company lasts. These types of customers buy either without any involvement or they are forced to buy. On the other hand, customers with a high degree of relationship intention are willing to build a long term relationship with the company. They are less opportunistic and are not forced to buy. The authors emphasize that customers with high relationship intention add great value to the firm in the long run.

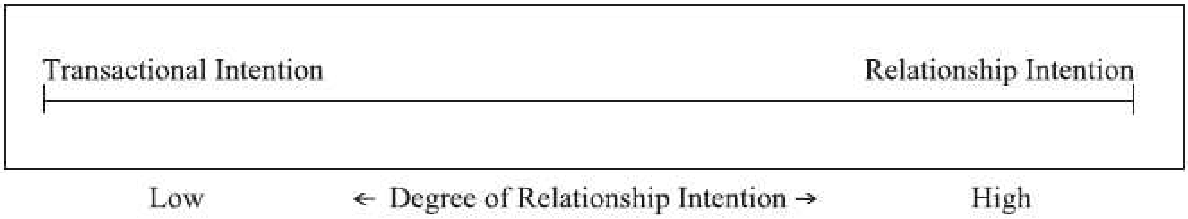

Figure 14. Relationship intention continuum (Kumar, Bohling and Ladda, 2003)

Kumar, Bohling and Ladda (2003) argue that the real challenge for firms is to identify the customers holding relationship intention and nurture relationships with them.

In this study, relationship intention is used in the same meaning as it is mentioned by Kumar, Bohling and Ladda (2003). They described relationship intention as the “intention of a customer to develop a relationship with a firm while buying a product or a service attributed to a firm, a brand, and a channel"(p.669). Relationship intention is determined by three dimensions which are firm image, penetration and expected profitability, in the current study. Firm image is the provided image by a retailer to a supplier or vice versa. In this research, firm image is the image a supplier gains by exhibiting its products in a retailer's stores and it is the image a retailer acquires by exhibiting the products of a supplier. Penetration, on the other hand, is used as defined by Kotler and Armstrong (2001) and refers to the market penetration which is the proportion of total number of potential purchasers of a product or service who either are aware of its existence or actually buy it. Penetration, in this study, is the extent to which a product is recognized and bought by customers in a particular market. The last dimension of relationship intention is expected profitability which is the probable and likely financial outcome from the relationship. Firms enter into relationships with a certain financial expectation since the ultimate goal of every firm is to make profit (Phillips, 1960). This is why expected profitability is a dimension of relationship intention in this model.

Relationship intention is used as an independent variable. Relationship intention also influences willingness to continue relation since the degree of willingness to continue relation is determined after the relation is set. And according to this research, a relationship starts with an intention to build relationship. The balance of power is affected by the involved firm's degree of intention to build relationship with each other.

The relationship intention dimensions, firm image, penetration and expected profitability, are discussed below.

Firm Image

Image of a firm is the way which the firm is defined in the buyers' mind (Moeller, Fassnacht and Klose, 2008). The authors assume that the image of a firm in a buyer's mind is based on experiences or narration of the buyer with certain aspects of firm's offerings. They propose that the components of retailers' offerings influence the perceived image.

Firm image is similar to perceived firm equity mentioned by Kumar, Bohling and Ladda (2003). The authors argue that there are three antecedents of relationship intention and these are perceived firm equity, perceived brand equity and perceived channel equity. Perceived firm equity is defined as "the amount of positive effect the firm name has on the customer response to the firm's products or services" (p.671). Perceived firm equity is alike the firm image dimension used in the model of this study. They resemble each other since both definitions emphasize the effect of the firm's name on customers; but they differ since perceived firm equity is the effect of the firm's name to the firm itself, whereas firm image is the effect of firm's name to the other company which the firm is in relation with. Perceived channel equity, which is another antecedent, is defined as "the amount of positive effect a particular channel or channel member will have on customer response to a particular product" (p.672). Firm image and perceived channel equity is similar when taken from suppliers perspective. For suppliers, a channel member, such as intermediaries may have positive or negative effect on the suppliers' customers. Customers may buy the suppliers' products simply because the customers like the distributor, as exampled by Kumar, Bohling and Ladda (2003).

Davis and Metzer (2008) define the effect of a brand on the end users as brand equity and explain it as "a relational resource that is located in relational ties between a firm's brand and brand's consumers" (p.436). This study argues that, brand equity may weaken or strengthen the relationships between trading partners. It strengthens the relationships by reducing uncertainties and providing access to consumers of the brand. On the other hand, it weakens the relationship if the brands of the channel members are rivals like the manufacturer's brand and retailer's private labeled brand as exemplified by Davis and Metzer (2008). Brand equity can be seen as the indicator of "availability and effectiveness of a firm as a long-term trading partner" (Davis and Metzer, 2008; p.439). Manufacturer brands offer many benefits to the retailers such as established customer demand, favorable attitudes towards brands and credibility and the image of the brand as the enhancements of the credibility and the image of the retailer (Webster, 2000).

"Brands vary in amount of power and value they have in marketplace" (Kotler, 1999). According to Kotler and Armstrong (2001), the brand creates its own image, and thus its effect on the consumers. Brand awareness is defined as the extent to which a brand is recognized by potential customers, and is correctly associated with a particular product. Dolak (2001) mentions that brand awareness consist of brand recall and brand recognition. Consistent with Dolak's (2001) statements, Kumar, Bohling and Ladda (2003) point out that brand awareness is basically affected by brand recognition and brand recall. Furthermore, brand awareness leads to brand equity. Therefore, the higher the brand is recognized and recalled, the higher is the awareness and as a consequence the higher is the brand equity. Brand equity plays a major role in choosing business partners to build relationships with. In other words, brand equity is the key element of the relationship intention (Kumar, Bohling and Ladda, 2003). Brand awareness leads to image provided to the other party.

In this study, firm image is determined as the image provided by the retailer to the supplier, or the image provided by the supplier to the retailer. Specifically, in this research, firm image represents the reputation gained by the supplier by just being exhibited in the outlets of the retailer, or the reputation gained by the retailer by just exhibiting the products of the supplier. In the model built, firm image is a dimension of relationship intention, since a firm may decide to build relationship with another firm based on the image that is expected to be gained. Thus, firm image eventually affects power balance between the retailer and the supplier.

Penetration

Penetration is the market penetration and is the proportion of total number of potential purchasers of a product or service who either are aware of its existence or actually buy it.

Penetration, in this study, is defined as selling more of existing products of a company to new customers (Kotler, 1999). Penetration is viewed as a way to access new customers. In the research, the retailer can enhance the penetration of the supplier if it is a crucial means of distribution or if the supplier can reach new customers it cannot reach on its own. On the other hand, the retailer can extend its market penetration if the supplier enables the retailer to access new customers. Penetration is a dimension of relationship intention since it can affect a firm's decision to build a partnership or not.

Expected Profitability

McNally and Griffin (2007) assert that buyer-customer interactions lie on a continuum between transactional exchange and relationship marketing. The authors believe that price is the primary marketing variable impacting transactions. Although the mentioned customer, in this definition, is the end user in B2C markets; the definition also applies to suppliers in B2B markets. When B2B markets are considered, the buyer chooses to work with the supplier who gives the best price. It seems rational thinking that the goal of each party in a relationship is to make higher profit margins and the ultimate goal of every organization is to make profit (Phillips, 1960). The higher the margin is, the higher the firm earns. According to specialists in retail industry, the buyers consider many factors when selecting their suppliers, but price and profit margin is the first and most important thing to consider.

Profitability is defined as making gain in business activity for the benefit of the owners of the business. Profit is the difference between a firm's total revenue and its total costs. Expected profitability is determined as a firm's anticipated profit margin out of a business partnership. It is called expected profitability since the relationship is yet not established and a firm's decision to build a relationship with a company may be affected by the firm's prospect of profitability from that relationship.

Expected profitability is a dimension hypothesized to affect the intention to form a relationship with the opposite party. That is to say, a firm may decide to enter or not to enter in a relationship with another firm by considering the profit it would make out of this relationship.

<u>Willingness to Continue Relationshipship</u>

The willingness of either one of the firms to continue the involvement is a sign that this firm is apt to remain committed to the built relationship, and according to Hardwick and Ford (1986) the firm expects that this relationship will produce continued value or benefits to both parties. Firms may want to sustain the existing relationship since "an on-going relationship may, for example, offer the customer security, a feeling of control and a sense of trust, minimized purchasing risks, and in the final analysis reduced cost of being a customer" (Grönroos, 2004; p.99).

During the lifetime of a relationship, it may face many difficulties, and even faces the threat of relationship dissolution. Relationship ending can cause severe economic loss (Halinen and Tahtinen, 2002) either in terms of direct costs such as legal costs or indirect costs such as lost market opportunities, and reputation. Although some business relationships are not worth restoring, many researchers (eg. Turnbull, Ford and Cunningham, 1996) believe there is evidence that most business relationships are worth salvaging. Along with this, Williamson mentions that if a player in a relationship invests more of its resources in the relationship, the likelihood of holding the relationship would be increased.

In this research, willingness to continue relationship is used as the wish of the retailer or the supplier to stay in the relationship. According to this study's model, firm's willingness to continue relationship is based on three elements, realized profitability, communication, and trust and commitment. Realized profitability is the profit gained during the relationship, communication demonstrates how flawless the companies can communicate, and trust and commitment dimension measures to what extends each company can rely on the other party.

Willingness to continue relationship is an independent variable in this research which is affected by relationship intention and affects power. The balance of power is affected by the involved firm's degree of willingness to continue the established relationship with the other company.

Realized Profitability

During the relationship between two companies, both companies acquire direct or indirect benefits. Indirect supplier value benefits have been categorized as innovation function, market function, scout function and access function and direct value benefits include profit function, volume function, and safeguard function (Walter, Ritter and Gemünden, 2001; Möller and Törrönen, 2003).

According to Chen, Guo and Wang and Liu (2009), business partnerships are also crucial for the economic situation of the firms. The authors believe that when a partnership ends because of a poor performance; all firms incur a tremendous loss as a result of losing the advantage of economies of scale and not completing the common goal. This can be interpreted as interdependency of firms to realize profit. Dyer and Singh (1998), propose that the selection of appropriate partners can offer complementary resources and economic incentives.

Relationship marketing helps to increase company profit in the future rather than reducing costs. Reichheld and Sasser (1990) comment that "companies can boost profits by almost 100 percent by retaining just 5 percent more of their customers" (p.105). On the other hand, the research by Reinartz and Kumar (2002) suggests that relational customers may not necessarily be more profitable than one-time customers.

In this study, realized profitability is defined as the profit gained during the relationship. Realized profitability is a dimension of willingness to continue relationship since a firm's first goal is to make profit and if a business partnership is not profitable, the firm may not tend to continue this partnership. Therefore realized profitability is a dimension that eventually affects power distribution in the buyer-seller relationships.

Communication

Communication is defined as the act of communicating which is sharing or exchanging ideas with someone by speaking, writing or by using other means. Another definition of communication, which is more suitable for this study, is making an idea or piece of information known and understood. Over time, the idea of communication as a process began to emerge. Berlo (1960) was among the first to posit communication as a process consisting of mutually interdependent elements. Berlo (1960) describes communication as "dynamic, on-going, ever-changing, and continuous" (p. 24). The sequence of events in communication process is not linear or at rest. They are in motion and in interaction with each other. Communication is, thus, "a relational and interdependent process that is performed over time, has a distinct and influential history, and depends on all the participants involved in a series of communication events" (Kodish and Pettegrew, 2008, p.157).

Communication has become especially salient in relationship marketing, which is focused on building relationships with customers and stakeholders and which is gradually being expanded into a systemic paradigm that encompasses relationships, networks, and interaction among various stakeholders. In a business partnership, communication is important since, without communication there is no relationship. According to Shimp (1997) marketing is communication and communication is marketing.

Schultz, Tannenbaum and Lauterborn (1992) states "as we are committed to two-way communication, we intend to get some response from those persons to whom the integrated marketing communications program has been directed…we adapt the customer's or prospect's communication wants or needs and begin the cycle all over again. This is truly relationship marketing at its best" (p.59).

Communication process affects the other processes in a relationship and difficulties in the communication process are signs of how other processes will run. Morgan and Hunt (1994) assert that communication is a critical aspect of relationship marketing. The authors contended that communication fosters trust by assisting in resolving disputes and aligning perceptions and expectations. According to Kodish and Pettegrew (2008), communication and its strength as an applied discipline make it an admirable source for understanding the nature of relationships and a reliable foundation for illuminating relationship-oriented marketing.

Interactions between buyers and suppliers are what are meant by communication in B2B context. All interactions build the atmosphere of relationship. They are important because the interactions finalize with either the buyer deciding on a buy task or the seller organizing an account manager or developing relationships (Wilson, 1995). Both buyers and sellers learn from interactions. Wisner, Tan and Leong (2008) argue that channels of communication between two parties should be open in order to provide free flow of information. The authors also mention that open communication channels enable problems to be resolved more easily. For instance, early communication between buyers and suppliers about the changes or new product introductions makes it easier for both parties to be better prepared for the forthcoming situations. Trim and Lee (2008) state that airing of problems is the utilization of a transparent communication process that result in trustworthiness being established (p.223). Along with this, the authors emphasize the importance of building open and trust based relationships, since these are keys to successful partnerships and integrated information systems can and do facilitate the flow of data and information between staff.

Lee (2001) indicates information sharing or knowledge exchange as activities of transferring or disseminating knowledge from one person, group or organization to another. Oliver (1990) argues that in case of interdependency of the firms on each other's resources and capabilities, there is a joint willing to share information and to collaborate. In other words, when the relationship between partners is good, they are willing to share formal and informal information. Free flow of information between partners is important but it is quality rather than quantity that determines the success of information sharing.

In this research, communication is defined as the ability of each firm in a business relationship to easily contact with each other and to work in harmony. A business partnership is built on reciprocal transmissions of information. If the quality of the communication is good, the relationship is more successful. In the model of this study, communication is a dimension of willingness to continue relationship. Communication affects the firms' decisions on whether to sustain the partnership or not. Firms generally tend to choose partners with whom they can communicate better and more easily. From a buyer's perspective, the retailer demands to reach its supplier whenever it needs and wants, and it also seeks for suppliers which it believes will work in collaboration with. A retailer wants it supplier to ease the communication process by adapting to the changes rapidly, by taking immediate actions and by operating deliveries smoothly. On the other hand, a supplier wants to be able to work jointly with the retailer and to reach it easily. Communication is a determinant of willingness of a firm to continue the relationship since firms have second thoughts when dropping the partners they can better communicate.

Trust and Commitment

Trust is defined by Longmann dictionary as to have faith in someone or something and believe in their honesty or to believe that someone or something will act properly and successfully. Rotter (1967) states that trust is “a generalized expectancy held by an individual that the word of another can be relied on” (p. 664). Lewis and Weigert (1985) define trust as the undertaking of a risky course of action with the expectation that the other person will act dutifully. Trust is “a positive belief, attitude or expectation of a party concerning the likelihood that the action or outcomes of another will be satisfactory’’ (Helfert, Ritter and Walter, 2002; p. 1127). It is argued that where partners trust one another, they will engage in constructive dialogue and co-operative problem solving, enabling difficulties to be resolved.

On the industrial basis, trust is a customer’s belief that a firm is reliable, stands by its word, fulfills its promised obligations, and is sincere (Anderson and Narus, 1990). Moorman, Zaltman and Despande (1992) view trust as reducing the perceived uncertainty and vulnerability by using marketing information. On the other hand, lack of trust among trading partners creates circumstances in which most of the transactions need verifying and thus costs are increased whereas productivity along with effectiveness and efficiency is lost (Kwon and Suh, 2004).

Trust is critical for any partnership or alliance to work. In B2B context, trust is seen as central (Hakansson, 1982). Wisner, Tan and Leong (2008) mention that with trust, organizations better achieve results beyond what could have been achieved individually by sharing valuable information, spending time and resources to understand each other’s businesses. With trust, partners in a business relationship are more concerned about working together and succeeding in this partnership, and achieving long term benefits. Koza and Dant (2007) assert that trust based governance in partnerships enables the partners to share relevant information for knowing each other's needs, concerns and prepare for unexpected changes.

Lewis (1999) mentions the importance of trust in a relationship but also points out that trusting each other is not always being in the same direction. He states that "trust does not imply easy harmony. Obviously, business is too complex to expect ready agreement on all issues. However, in a trusting relationship, conflicts motivate you to probe for deeper understanding and search for constructive solutions. Trust creates goodwill which sustains the relationship when one firm does something the other dislikes" (p.7). Hong and Wang (2009) argue that trust in inter-organizational relations is crucial because of the many stakeholders involved in the relationship. The authors suggest that without trust, virtually no relationship can be established between organizations.

According to Williamson (1975) trust is ex-ante which means that firms tend to examine the other party's trustworthiness before they opt to engage in that relationship and this is a priori examination that dictates whether they should build up the relationship or not. On the other hand, Garbarino and Johnson (1999) suggest that trust is ex-post in a relationship.

This means that customers should first experience the goods and services of a firm to determine its trustworthiness. In this study, trust along with commitment, is ex-post which means that firms decide on the other party's trustworthiness after establishing the relationship and they decide to resume the relationship based on this.

Dyadic trust is significantly important to determine the balance of power in buyer-supplier relationships. The sense of trust eliminates the fear that the exchange partner in such a relationship will act opportunistically (Gundlach and Achrol, 1993) and builds confidence in the partner's reliability and integrity (Morgan and Hunt, 1994). According to Kim (2000), trust abolishes the ability of a partner to exercise power on the other party. The author mentions that if a supplier believes in its distributor's reliability and integrity, this will decrease the supplier's inclination to use coercive power on the distributor, even when the supplier has a power advantage. On the other hand, he claims that if a supplier thinks that its distributor distorts information or breaks promises, it is very likely that the supplier will consider its distributor as unreliable and will use coercive influence strategies.

Commitment, on the other hand, can be defined as a responsibility which takes a lot of time regularly or a deep belief in a system or an idea. Allen and Meyer (1990) mention commitment as some kind of psychological attachment. In the marketing relationship literature, commitment is described in various ways. Anderson and Weitz (1992) interpret commitment as an attitude reflecting an intention to remain in a relationship. According to Moore (1998), commitment to a relationship is "believing that it warrants maximum efforts to maintain it and ensure that it continues indefinitely" (p.25). Commitment is "the motivation to maintain relationship and the length of the relationship" (Parsons, 2002; p. 6). A longer relationship implies a certain degree of commitment between two parties (Dwyer, Schurr and Oh, 1987).

Commitment between buyers and suppliers in B2B context is defined as an implicit or explicit pledge of relational continuity (Dwyer, Schurr, and Oh, 1987). Hong and Wang (2009) mention commitment in inter-organizational relationships as the "attachment to goals and roles" (p.222). Payne, Christopher, Clark and Peck (1995) argue that when there is long term commitment to a supplier or a buyer, and when the relationship is mutually beneficial, the results will most probably be enhanced product and service quality, focus on continuous improvement, process innovation, lower total cost through supply chain integration and greater responsiveness. Committed relationships are among the most durable of advantages because they are hard for competitors to understand, to copy or to displace (Day, 2000).

Commitment and trust significantly affect co-operation (Morgan and Hunt, 1994) which in turn influences negotiation outcomes and payoffs for each partner. Across studies of marketing relationships, trust and commitment are consistently described as key signals of relationship quality (eg, Morgan and Hunt, 1994; Lewin and Johnston, 1997). In some research (eg, Morgan and Hunt, 1994) trust is interpreted as directly influencing commitment since "mistrust breeds mistrust. And as such, would also serve to reduce commitment in the relationship" (McDonald, 1981; cited in Kwon and Suh, 2004). In contrast, other researchers (e.g., Gundlach, Achrol and Mentzer; 1995) describe commitment as a precursor to trust in exchange relationships. And sometimes, trust and commitment are used, as in this study, as essentially equal components defining the quality of the relationship (eg, Lewin and Johnston, 1997).

In this research, trust is defined in parallel to Doney and Cannon's (1997) definition; as the perceived credibility and benevolence of the target of the trust. Commitment, on the other hand, is illustrated similar to Morgan and Hunt (1994); "an exchange partner believing that an ongoing relationship with another is important as to warrant maximum efforts at maintaining it" (p.23). Trust and commitment are integrated in this research since the findings of the previous researchers show that trust, along with commitment, is an irrevocable essential for victorious outcomes of relationship marketing. According to the model built, trust and commitment make up a dimension of willingness to continue relationship, and they eventually affect power. A company may decide whether to continue the relationship, or not, based on the built trust and commitment. This statement is consistent with the findings of Morgan and Hunt (1994) who claim that trust along with commitment is associated with a decrease in the propensity to leave the relationship.

Relationship Duration

As the relationship paradigm shifted from single transactional relations to continuous exchange relations, the duration of relationships has been an important element in the firms' interactions with its customers since customer retention is more profitable than customer acquisition. Firms with a long term orientation perceive their outcomes as interdependent with their partner's outcomes and expect joint benefits in the long run (Ganesan, 1994). Long term orientation focuses on the intent and desire to establish long term relationships, rather than probable future interactions (Ganesan, 1994; Morgan and Hunt, 1994).

Storbacka, Strandvik ,and Gronroos (1994) argue that the correlation between the length of a relationship and customer profitability is positive. Chen, Liu and Hsieh (2009) suggest that long term relationships can decrease the search and start-up costs of frequently dealing with new partners. On the other hand, Reinartz and Kumar (2002) point out that it is not necessary that all the long term customers are profitable, and all the short term customers are unprofitable. Eyuboglu, Ryu and Tellefsen (2003) argue that the duration of the relationship may also affect the dependence of channel partners on each other. The dependency may change over time due to planned strategies of firms, anticipated strategies of channel partners, and other factors that neither of the firms can control.

In this study, relationship duration is used as a moderating variable which affects the relationship between willingness to continue relationship and power. Relationship duration is defined as the length and repetition of business activities between buyer and supplier. In other words, it is determined by being long term or short term. Relationship duration is explained different from time, although it is related with time and evolves overtime. The degree of willingness of a company to continue the existing business relationship with the other party is assessed by the relationship duration. That is to say, relationship duration may alter the effect of willingness to continue relationship on power.

Demographics

The size, the age or being a player in the international arena are fundamental elements when considered in dyadic relational models. The size of the organization may determine greater or lower levels of power dependency with respect to its suppliers (e.g., Anderson and Narus, 1990; Kim, 2000).

Demographics is an issue for the previous research. According to Chen, Guo, Wang and Liu (2009) characteristics of partners in B2B relationships can directly and indirectly affect business alliance performance. The authors believe that; when cultures are incompatible, a counterproductive collaboration characterized by conflict and suspicion is likely to form. They exemplify a foreign firm, the distance between them can cause difficulties in communication, thus the performance of the partnership can deteriorate. This is consistent with the ideas of Madhok (1995) and Ganesan (1994)'s explanations about firms' cultures.

In conclusion, in this study, dimensions such as a firm's internationalization, age, number of employees are measured. Demographics of a firm may have influence on power distribution in business partnerships whether these partnerships are affected by relationship intention and willingness to continue relationship or not. The power balance between buyer and seller may change due to different demographics of two counter parties.

In this study, the questions related to respondent demographics are also asked. These include respondent age, education level, position and working years in the company, and total work experience.

CHAPTER IV

RESEARCH DESIGN AND METHODOLOGY

In this chapter of the study, the research design and methodology and data analysis approach is discussed. In this context, the study setting, preparation and administration of questionnaires and analysis tools are explained.

Methodology

In order to measure the dependence of power on relationship intention and willingness to continue relationship, Turkish supermarkets and their milk and dairy products suppliers are selected as the study setting. In total, fourteen supermarkets and fourteen suppliers are determined and classified into two groups as small and large based on their sizes. Different questionnaires are prepared for suppliers and supermarkets. Each market and supplier is asked to fill the questionnaire two times, one for its large counterparty and another for its small counterparty. In conclusion, the methodology for this study is a dyadic one where the suppliers and the retailers are matched with each other and filled the questionnaires for each other.

Sampling

The sampling frame includes chain supermarkets as retailers and their suppliers in milk and dairy products industry as suppliers. Chain supermarkets are selected and divided as large supermarkets and small supermarkets among themselves based on their size. Size takes into consideration the number of the branches that the chain market has, as well as the yearly turnover. Each supermarket is matched with a pair of suppliers in the milk and dairy products industry. The size of the suppliers is based on the penetration of the suppliers' products and the yearly sales turnover. In other words, the availability of the suppliers' products determines their size. Similarly, the same suppliers are matched with a pair of chain supermarkets.

Turkish Retail Industry and Supermarkets

With total sales of $150 billion by the end of 2007, Turkish retail industry is a thieving market for trade. Following energy, education and health sectors; retailing is ranked at the fourth place when industry sizes are considered.

According to the report of Cushman and Wakefield, Turkish retail industry ranks seventh among Europe's all retail industries and ranks tenth among the world's. Also, in Deloitte's Global Powers of Retail 2008 report, Turkey is the fifth big market in food consumption and eighth in non-food consumption.

It is mentioned in the Euromonitor International's report, Retailing in Turkey, (April,2011) that in 2010 due to the improved economic conditions of Turkey and an increasing number of outlets, the country's retailing market registered good growth. According to the same report the value growth in retailing was stimulated by the growing number of outlets by both existing companies and the entry of new brands in the last two years. It is estimated that the effects of the economic crisis are expected to diminish over the forecast period, especially from 2012 onwards, which will form the basis for a better constant value performance. Chained companies will demonstrate a rapid growth due to higher consumer demand, a growing number of outlets and the entry of new companies over the forecast period.

The retailing industry can be classified as organized, or modern, and traditional in Turkey. Modern retail industry consists of shopping malls, department stores, supermarkets and hypermarkets whereas traditional retail industry consists of grocery stores, bazaars and small dealers (*bakkal*s). As demonstrated in Table 1, organized retail industry makes up the 38 percent of the total industry whereas traditional one makes up the remaining 62 percent. With total sales of $80 billion, food retailing generates 53.3 percent of the total industry. Furthermore, there are 225 shopping malls by November, 2008. In average, four thousand bazaars are set up in a week (AC Nielsen, 2006).

Table 1: Main Indicators of Turkish Retail Industry (TCSR, 2008)

	2006 (Billion)		2007 (Billion)	
Total Sales	136.90	100.0%	150.0	100%
Traditional Retailing	88.90	65.00%	93.00	62.00%
Modern Retailing	48.00	35.00%	57.00	38.00%
	2006 (Billion)		2007 (Billion)	
Food Retailing	72.30	100.00%	80.00	100%
Traditional Food Retailing	56.30	77.80%	58.00	72.50%
Modern Food Retailing	1.00	22.20%	22.00	27.50%
	2006 (Billion)		2007 (Billion)	
Non-Food Retailing	64.60	100.00%	70.00	100.00%
Traditional Non-Food Retailing	32.60	50.50%	35.00	50.00%
Modern Non-Food Retailing	32.00	49.50%	35.00	50.00%
	2006 (Thousand People)		2007 (Thousand People)	
Total Employment	2,500		2,800	
Traditional Retailing	2,200		2,440	
Modern Retailing	300		360	

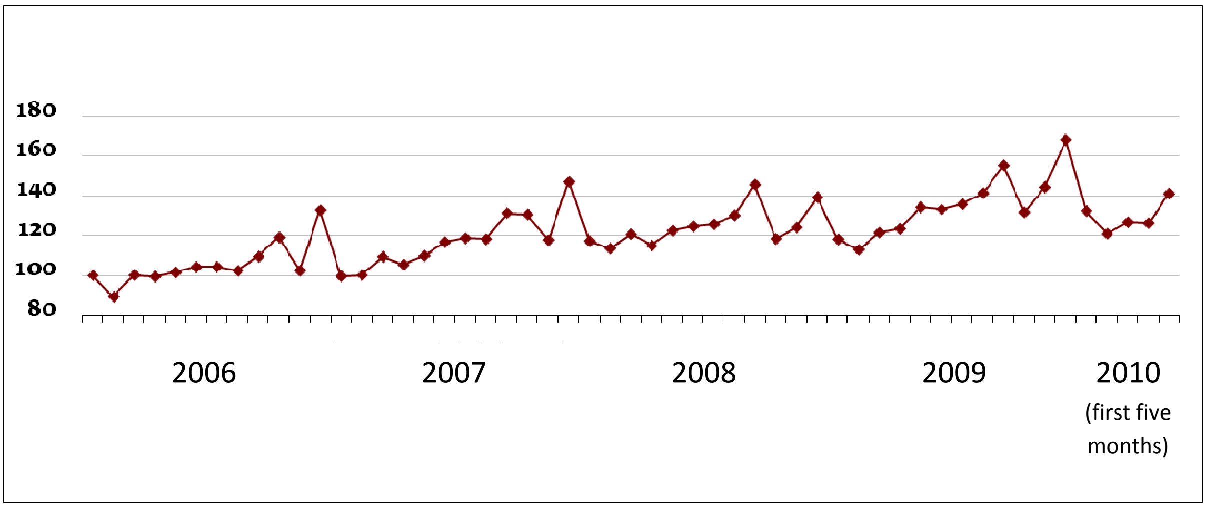

Figure 15. Annual sales income index (TCSCR)

According to the Figure 15 above, there is an increase in the total sales of retail industry in May, 2010 when compared to month before and year before. It increased by five percent in comparison with May 2009 and by twelve percent when April 2010 is benchmarked. The increase in the sales for the first five months of 2010 is six percent relative to the same time period of 2009.

The organized retailers help to accelerate growth in modern trade by trying to attract more customers by offering them high qualified and low priced products.

Table 2. Number of Organized Retailer Markets 2001-2005 (AC Nielsen, 2006)

	2001	2002	2003	2004	2005
Hypermarkets	149	151	143	152	160
Supermarkets	3,491	3,854	4,099	4,657	5,385
Discount Stores	1,422	1,636	1,823	2,011	2,355
Buffet, Dried Nuts and Fruits Sellers (Kuruyemişçi), etc.	4,476	4,75	4,887	5,264	5,962
Small Dealers (bakkals)	141,781	135,897	138,82	137,978	135,473
Groceries, Delicatessens, etc.	61,052	62,213	63,644	65,236	67,259
Other Food Retailers	30,938	31,34	31,999	32,606	33,259

According to AC Nielsen's 2006 report summarized in Table 2, number of organized retailing markets increased from 4,809 in 2004 to 5,545 in 2005 and there is a decrease in the number of middle scale markets and small dealers (*bakkal*s). The organized retailing markets have bargaining power and have the advantage to buy directly from the initial producer and this eventually provides them the opportunity to offer lower prices to end users. Gradually, more and more customers prefer organized markets to supply their needs.

As seen from the table above, there is an increasing tendency to shop from supermarkets and discount stores. This is because it takes less time to shop from those stores and they are more convenient.

Table 3. Increase in the Number of Supermarkets (TSCR, 2006)

	2003	2004	2005
Large Supermarkets	367	396	454
Supermarkets	968	1,082	1,258
Small Supermarkets	2,764	3,179	3,673
Total	4,099	4,657	5,385

Table 4. Market Shares of Food Retailers in Turkey (TSCR, 2006)

	2001	2002	2003	2004	2005
Hypermarkets	2.80%	2.90%	2.90%	3.10%	3.20%
Supermarkets	19.30%	19.80%	20.80%	23.10%	24.20%
Discount Stores	3.20%	3.70%	4.00%	5.00%	5.60%
Markets	1.10%	1.10%	1.10%	1.00%	1.00%
Small Dealers (*bakkal*s)	47.40%	46.40%	45.30%	43.10%	42.00%
Delicatessens	16.80%	16.80%	16.70%	16.00%	15.60%
Other	9.40%	9.30%	9.20%	8.70%	8.40%
Total	100.00%	100.00%	100.00%	100.00%	100.00%

It can be seen from Table 3 that, from 2001 to 2005, among all food retailers, market shares of supermarkets and hypermarkets has risen tremendously. Small dealers (*bakkal*s), on the other hand, have the largest market share among overall retailers although their share tends to deteriorate.

The structure of food retailing is heading to bigger scale stores instead of small scale stores. Although hypermarkets, supermarkets and discount stores directly import a small part of their products; just like small stores, they work with dealers, importers and intermediaries in order to import most of their products. Half of the distributors in Turkey have nationwide web and nearly thirty percent of the producers have their own distribution companies.

It can be concluded from Table 4 that, today hypermarkets are the favorite investments in retailing industry. There are more than fifty chain stores that operate in Turkey. Local chain stores tend to locate where people with global awareness, high disposable income and means to travel to stores live. Now, the tendency is to extend the discount stores instead of hypermarkets. The number of consolidations among chain retailers increased due to necessity to reach better economies of scale and to attract more customers.

Even the macroeconomic situation is getting better, discount stores are spreading nationwide and this affects other food retailers without any doubt. On the contrary, the leading local and international food retailers adopt fast growth strategies by opening their own discount stores.

Turkish Milk and Dairy Products Industry

Dairy products play a crucial role in human’s life at every stage. In Turkey, the number of modern milk processing plants has increased in the last years. Many investments with high and new technology were made especially in the last decade. Thus, the amount of produced milk and dairy products has increased.

Table 5. Turkey's Milk Supply and Dairy Production 2004-2008 (Tones) (Agricultural Economics Research Institute)

	2004	2005	2006	2007	2008
Milk Production	11,434,141	11,686,319	11,903,957	12,087,531	12,217,108
Dairy Products Import(*)	202	160	52	62	78
Total Supply	12,428,515	12,904,092	13,171,649	13,325,698	13,389,767
Fluid Milk	1,467,197	1,489,500	1,509,449	1,524,543	1,539,789
Cheese Production	6,427,236	6,519,205	6,740,434	6,862,745	6,953,125
Yoghurt Production	2,266,335	2,241,597	2,253,464	2,271,663	2,288,948
Butter Production	1,119,954	1,277,294	1,318,493	1,345,124	1,348,118
Dry Milk Production	85,254	83,596	82,118	83,456	87,128
Ice Cream Production	72,165	75,128	77,148	78,358	79,158

(*) milk equivalent

Traditional dairy products that are produced and consumed in Turkey are cheese, yoghurt, yoghurt drink (*ayran*), butter, kefir, milk cream and ice cream, as can be seen in Table 5.

Foreign trade of the dairy products, especially cheese exports, is traditional. Export of Turkish dairy products show differences with respect to years, because of the nature of the agricultural production. General export trend show a significant increase and the trend for Turkish Dairy Industry is upward both for production and export.

Table 6. Turkish Dairy Products Exports (Q: Tons, V: 1000$)
(Undersecretariat for Foreign Trade)

	Quantity 2006	Value 2006	Quantity 2007	Value 2007	Quantity 2008	Value 2008	Quantity 2009	Value 2009
Milk and Cream (not concentrated, or not added sugar)	7,004	11,076	6,41	10,727	6,827	12,78	6,762	12,104
Milk and Cream (concentrated, or added sugar)	1,387	2,389	1,857	4,462	1,797	4,201	1,356	3,213
Buttermilk, curdled milk, yoghurt and kefir(not concentrated)	5,131	5,306	5,752	7,325	6,856	9,91	8,538	9,417
Yoghurt (concentrated or whether or not flavored)	5,004	4,974	5,572	6,857	6,19	8,505	8,044	8,315
Whey (whether or not concentrated)	14,667	9,997	17,7	20,174	12,393	9,221	7,098	4,781
Butter and other fats derived from milk	105	527	117	696	215	1,338	257	1,411
Butter (excluding dehydrated butter and ghee)	55	289	97	545	140	856	173	940
Cheese and curd	17,396	48,743	17,614	55,849	19,78	76,948	23,358	87,787
Ice cream and edible ice	4,331	10,965	5,434	12,293	8,026	20,983	9,672	22,37

In Table 6 above, milk and dairy products exports of Turkey are presented. The most important export commodity among the Turkish dairy products is cheese. Total cheese export of Turkey was realized over eighty seven million

US dollars in 2009. Ice cream is the second important milk product exported from Turkey. In 2009, over twenty two million US dollars of ice cream was exported.

Data Gathering

Quantitative data is used to measure the variables' effects on power. In order to collect the quantitative data, two separate questionnaires are prepared for buyers and suppliers. The questions are mostly the same but there are slight differences since the dimensions may apply differently to retailers and suppliers. After supermarkets and suppliers are paired with each other, they both are asked to fill two questionnaires about their small and large counterparties.

Preparation of Questionnaires

Why do firms integrate, and how they build their relationships are the main questions of this research. Day (2000; p.24) believes that "the ability of a firm to create and maintain relationships with their most valuable customers is a durable basis for a competitive advantage."

By understanding the structure of the interdependence between firms, it is aimed to understand the nature of the relationship, and ultimately to understand the balance of power in the relationship between buyers and suppliers. From a purely economic perspective, the buyer is expected to select the best alternative, where in simplest case, would yield the greatest profit margins by increasing revenues or reducing costs. But in real life, although profit margin is the main criteria when selecting a supplier, it is not the sole and sufficient criteria. Based on interviews with procurement specialists in the retailing industry and the literature, various measures for choosing business partners are determined. Along with the six dimensions explained before, flexibility, advertising of the product, competitiveness of the product, service level of the suppliers are also determined as important factors that influence the decision whether to choose a company as a business partner or not.

After the dimensions to be measured by questionnaires are identified, two different questionnaires are prepared; one for buyers and one for suppliers. These questionnaires consist of questions about independent variables' dimensions aiming to measure the overall effect of these variables on the dependent variable.

Eleven questions in the suppliers' questionnaire aim to measure the effect of relationship intention on power. Four of these questions are about firm image, four of them are about penetration and three of the questions are about expected profitability. Similarly, in the questionnaire for retailers, ten questions are asked to understand the relationship intention impact. Four of these questions are about firm image, three of them are about penetration and three of the questions are about expected profitability.

The questions relating to firm image are based on the literature by Kumar, Bohling and Ladda (2003). Four questions are asked to the suppliers and three questions are asked to the retailers in order to measure penetration. These questions are either adapted from Kotler (1999) or developed by the authors based on interviews with the procurement specialists in the retailing industry. In this study, the questions about expected profitability are adapted from the study of McNally and Griffin (2007) and Tisdell (1963). With these questions, the overall effect of relationship intention is aimed to be measured.

On the other hand, twelve questions are prepared to measure the effect of willingness to continue relationship on power balance between retailers and suppliers. Three of these questions are about realized profitability, four of them are about communication and five of the questions are about trust and commitment. The three questions about realized profitability and are adapted from the article of Narver and Slater (2000). In order to measure the degree of communication quality between partners, four questions, adapted from literature and customized from the article of Hunt, Arnett and Madhavaram (2006), are utilized. Five questions about trust and commitment are asked in the questionnaire. Two of the questions are developed and remaining are directly adopted from the doctorate thesis of Inelmen (2002). The overall effect of willingness to continue relation will be measured with the questions about its dimensions.

Apart from this, questionnaires also include one question about relationship duration and five questions for supermarkets and six for their suppliers about organizational demographics. Several questions about respondent demographics are asked as well.

Administration of Questionnaires

After fourteen supermarkets and fourteen suppliers are determined, they are classified as small and large based on their sizes. In total, the sample data consists of seven large and seven small supermarkets and also seven large and seven small milk and dairy products suppliers. The suppliers and supermarkets are paired with each other. The supermarkets are asked to fill the questionnaire about their suppliers separately. In other words, a supermarket fills a survey for its large supplier and another survey for its small supplier. Likewise, a retailer fills a survey for its large distributor and another for its small retailer. In this way, the questionnaires are dyadic. In other words, if supplier A fills a questionnaire for supermarket X, supermarket X fills a questionnaire for supplier A as well. A total of fifty six questionnaires are assessed and used to measure the power balance between retailers and suppliers.

CHAPER V

RESULTS

In this chapter, results of the research are presented. Statistical methods are used to measure the outcomes of the data gathered for the variables and the dimensions. Also descriptive analysis is used to give brief information about the demographics of both the companies and the respondents. The results are discussed below.

Data Analysis

After the questionnaires are gathered, statistical methods are used to measure the effect of relationship intention and willingness to continue relationship on power. First, the descriptives for the demographics are discussed. After that, all dimensions' and variables' means for both suppliers and buyers are calculated and compared to each other. By doing so, it is aimed to find out which dimension or variable is more important for which party of the business relationship. Along with this, significance of the results is also reported to understand the meaningfulness of the outcomes.

The following analysis presents the measurement of data for relationship intention, its dimensions, which are other party's image, penetration and expected profitability; willingness to continue relationship and realized profitability, communication, trust and commitment; and eventually power. The analysis are done first from the point of retailers and then from the point of suppliers. The means are compared in order to have an overall look at the subject and to make descriptive analysis. Then independent samples t-test is used to measure the significances and to achieve statistical data. On the other hand, where sample sizes are too small, nonparametric tests are used in order to compare the ranks and measure the significance of data.

For each variable first the descriptive statistics and brief analysis of them are presented. Following this, independent samples hypothesis tests are conducted and the results and discussions of these analyses are presented. The sample sizes for these tests are large enough to conduct independent samples hypothesis tests. However, when comparing sub-samples, the sample sizes are not sufficient to conduct parametrical statistical analysis. Therefore non-parametric statistical analysis methods are utilized.

In order to assess the reliability of the data, Cronbach's alpha scores are calculated for the measures in Table 7. The generally agreed upon limit for Cronbach' s alpha is 0.70, although values over 0.60 are also acceptable (Hair, Black, Babin, Anderson and Tatham, 2006). The table below provides the scores for Cronbach's alpha values.

Table 7. Cronbach's Alpha Scores

Variable	Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	Number of Items
Firm Image	0.908	0.908	4
Penetration	0.743	0.743	4
Expected Profitability	0.654	0.657	3
Realized Profitability	0.821	0.834	3
Communication	0.840	0.841	4
Trust and Commitment	0.813	0.811	5
Power	0.921	0.924	3

Descriptive Analysis of Demographics

In order to gather data for this research in total fifty six questionnaires are administered from twenty eight different companies. In this part of the study, the descriptive analyses are conducted for both the companies and the respondents of the questionnaires.

Demographics of Companies

Table 8. Size of the Companies

Number of Employees	Number of Companies
0-50	0
50-100	12
100-150	2
150-200	6
200+	8
Total	28

As seen from the Table 8 above, against twenty eight companies, twelve of them have between fifty and a hundred employees. Following this, eight companies run with over two hundred employees. Along with this, two of the companies have between a hundred and a hundred and fifty employees whereas six companies have between a hundred and fifty and two hundred employees.

The companies with most employees can be said to be large companies as classified in this study. Large companies mostly have over two hundred employees. On the other hand, small companies generally seem to have less than a hundred and fifty employees, whereas most of them have between fifty and a hundred employees.

Table 9. Age of the Companies

Age of the Company	Number of Companies
-10	4
10-25	13
25-50	8
50-75	1
75-100	0
100+	2
Total	28

In the Table 9 above, it can be seen that most of the companies, which answered the questionnaire, are aged between ten and twenty five years old. Thirteen of the companies are between ten and twenty five years old. Pursuing this, eight companies are between twenty five and thirty years old. Four of them are under ten years old, two companies are over a hundred years old and only one company is aged between fifty and seventy five years old.

The average age of overall companies is thirty six. In general, it can be said that large companies are older than small companies. The youngest large company is nine years old and the average age of large companies is forty one years. On the other hand, the average age of small companies is nineteen where the youngest small company is only three years old.

Table 10. Internationalization of the Companies

International vs. Local	Number of Companies
International	6
Local	22
Total	28

According to the Table 10 above, only six of the companies are international companies which mean that they also have operations in foreign countries. The rest of the companies, twenty two of them, are local companies. In other words, twenty two of the companies operate only in Turkish market. The only six international companies are among large companies that are questioned.

Demographics of Respondents

Table 11. Age of the Respondents

Age of the Respondents	Number of Respondents
25-30	2
30-35	14
35-40	10
40+	6
Total	32

As seen from the Table 11 above, most of the respondents are between thirty and forty years old. According to the table, fourteen respondents are between thirty and thirty five years old, ten respondents are between thirty five and forty years old, six respondents are over forty years old whereas only two respondents are between twenty five and thirty years old.

Along with this, there are thirty two respondents whereas twenty eight companies are sampled in this study. The reason is that some companies work with the key accounts system. In other words, in some companies key accounts are formed to deal with different customers. Thus, it is rational that there are more respondents than companies.

Table 12. Education Level of the Respondents

Education	Number of Respondents
High School	1
University	28
Higher Education	3
Total	32

The Table 12 above presents the education levels of the respondents of the questionnaires. According to this table, university education is the most common level against the respondents. Twenty eight, out of thirty two respondents, are university graduates. Three respondents have masters of doctorate degrees whereas only one respondent is high school graduate.

The only higher education graduates work in large companies whereas high school graduate respondent works in a small company. Along with this, it can be said that nearly all respondents, regardless of the size of the company they work in, are similar when education levels are considered.

Table 13. Titles of the Respondents

Position	Number of Respondents
Responsible	9
Specialist	12
Supervisor	4
Manager	7
Total	32

In the Table 13 above, the positions of the respondents are designated. The questionnaires for suppliers are answered by the sales related positions whereas employees working in procurement related positions answered the questionnaires for buyers. Among all the respondents, twelve of them work as specialist in the companies whereas nine of them work as responsible, seven of them work as manager and four of them are supervisors.

Table 14. Experience of the Respondents

Years	Number of Respondents
-10	10
10-20	20
20-30	1
30+	1
Total	32

It can be seen from the Table 14 above that, the average experience of the respondents is thirteen years old. The widest experience range is between ten and twelve years old. It can be said that, more than half of the respondents have over average experience in business life. Along with this, ten of the respondents have less than ten years' experience whereas one respondent has between twenty and thirty years' experience and another respondent's experience in business life is over thirty years.

Table 15. Experience of the Respondents in the Current Company

Years	Number of Respondents
-5	21
5-10	8
10-15	2
15+	1
Total	32

Table 15 presents the number of years that the respondents have been working in their current companies. According to the table, most of the respondents have less than five years' experience in their current companies. Eight of them have been working for five to ten years, two of them have been working for ten to fifteen years and only one of the respondents have over fifteen years' experience in their current companies. Along with this, it can be said that a respondent has an average of five years' experience in his current company.

Analysis for Relationship Intention

Table 16. Relationship Intention from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.166	3.841
	Large	2.984	3.718

Table 17. Group Statistics of Relationship Intention for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Relationship Intention (based on retailers' size)	Large	14	3.351	0.593
	Small	14	3.504	0.417
Relationship Intention (based on suppliers' size)	Large	14	3.779	0.291
	Small	14	3.075	0.431

Table 16 and 17 present the overall relationship intention that the retailers hold against their suppliers. There is a slight difference between small retailers' and large retailers' overall intention against suppliers. Mean for small retailers' relationship intention is 3.504, whereas the mean for large retailers' intention is 3.351. This means that the small retailers and large retailers hold slightly different amount of intention to start a business partnership with their suppliers regardless of whether the suppliers are small or large. It can be said that no matter what the size of the retailers is, they approach to the suppliers with a similar intention to start a relationship. In other words, retailers' intentions to enter a relationship with suppliers don't seem to distinguish too much due to their sizes.

When retailers' intentions are examined from the point of dependency on the suppliers' size, it can be concluded that generally retailers, regardless of the size of the retailer, have more relationship intention against large suppliers when compared to small suppliers. Mean of retailers' relationship intention for small suppliers is 3.075, whereas the mean of retailers' relationship intention for large suppliers is 3.779. An attempt to explain the reason for this difference will be made when the three dimensions which make up the relationship intention are analyzed.

A more detailed analysis of Table 16, helps to differentiate between the small retailers' and large retailers' perspectives for their small and large suppliers. Small retailers have more overall intention for establishing relationships with large suppliers rather than with small ones ($\mu_1=3.841>\mu_2=3.166$). On the other hand, large retailers prefer to build relationships with large suppliers rather than small suppliers ($\mu_1=3.718>\mu_2=2.981$).

Table 18. Independent Samples Test of Relationship Intention for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Relationship Intention (based on retailers' sizes)	Equal variances assumed	-0.788	0.439	0.418	0.990
	Equal variances not assumed	-0.788	0.439	0.416	0.992
Relationship Intention (based on suppliers' sizes)	Equal variances assumed	5.058	0.000	0.418	0.990
	Equal variances not assumed	5.058	0.000	0.416	0.992

Table 18 shows the statistical results and significance tests of the relationship intention for retailers based on both retailers' and suppliers' sizes.

According to the independent t-test results in Table 18, the difference between the large retailers' intention and small retailers' intention against their suppliers is insignificant (p-value=0.439>0.050). This means that the difference between the averages of small and large retailers' intentions is not statistically significant such that these averages cannot be assumed as unequal. In other words, there is not enough evidence to call the small and large retailers' relationship intentions as different. It can be said that relationship intention of retailers is not affected by the size of the retailers.

Based on Table 18, it can also be said that retailers' relationship intention is significantly different for small and large suppliers (p-value=0.000<0.050). Previously the means were compared, and it was concluded that overall retailers, regardless of the size, had more intention to build relationships with large suppliers rather than small ones. Now, the significance test proves that there is an important difference between the retailers' relationship intention against small and large suppliers. If the difference is proven, then it can be said that definitely retailers are more willing to start a partnership with a large supplier than with a small supplier.

Table 19. Ranks of Relationship Intention for Large Retailers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Relationship Intention	Large	7	9.860	69.000
	Small	7	5.140	36.000

Table 20. Test Statistics of Relationship Intention for Large Retailers

	Relationship Intention
Mann-Whitney U	8.000
Z	-2.111
Asymp. Sig. (2-tailed)	0.035
Exact Sig. [2*(1-tailed Sig.)]	0.038a

Tables 19 and 20 above, indicate the significance test for large retailers. In other words, it shows what small and large suppliers mean for large retailers. Previously, it was concluded that large retailers had more intention to build business relationships with large suppliers than with small suppliers. Consistent with this, the significance test shows that there is enough evidence to believe so. Large retailers' relationship intention can be said to be different for small and large suppliers (p-value=0.035<0.050). So, it is proven that large retailers prefer to start relationships with large suppliers instead of small retailers.

Table 21. Ranks of Relationship Intention for Small Retailers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Relationship Intention	Large	7	11.000	77.000
	Small	7	4.000	28.000

Table 22. Test Statistics of Relationship Intention for Small Retailers

	Relationship Intention
Mann-Whitney U	0.000
Z	-3.134
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Table 21 and Table 22 show the relationship intention and its dimensions from the point of small retailers' view. The former results indicated that small retailers hold more relationship intention for large suppliers than they hold for small suppliers. Table 22 shows that if there is enough evidence to call this statement true. As seen from the table, the small retailers' relationship intention, for small and large suppliers, is significantly different (p-value=0.002<0.050). This proves that small retailers' intention is higher for large suppliers than for small suppliers.

Table 23. Relationship Intention from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.392	3.269
	Large	3.984	3.738

Table 24. Group Statistics of Relationship Intention for Suppliers

	Size of the retailer	N	Mean	Std. Deviation
Relationship Intention (based on suppliers' size)	Large	14	3.504	0.362
	Small	14	3.688	0.352
Relationship Intention (based on retailers' size)	Large	14	3.861	0.278
	Small	14	3.331	0.213

Tables 23 and 24 show the relationship intention from the point of suppliers. In other words, it designates the wish of dairy product suppliers to start a business relationship with chain supermarkets. According to Table 24, small suppliers hold more intention to start a partnership with retails in general when compared to large suppliers. Mean for small suppliers' relationship intention is 3.688, whereas the mean for the mean for large retailers' intention is 3.504.

When the overall suppliers are considered, regardless of their sizes, it can be seen that they are more disposed to build relationships with large supermarkets rather than small ones. Mean of suppliers' relationship intention for small retailers is 3.331, whereas the mean of suppliers' relationship intention for large retailers is 3.861. Maybe the first reason for this is the size of the supermarket; in other words as used in this study; the number of branches it has.

If the suppliers' intentions are examined by classifying the suppliers as large and small, it can be seen that both small and large suppliers choose to build relationships with large retailers rather than small retailers.

In conclusion, the overall intention of suppliers and retailers to build relationships with each other is nearly the same. It can be said that they approach to business partnering in a very similar way since the ultimate goal of every organization is to make profit and they both see partnering as a way to achieve new customers and so money.

Table 25. Independent Samples Test of Relationship Intention for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Relationship Intention (based on suppliers' sizes)	Equal variances assumed	-1.365	0.184	0.135	-0.462
	Equal variances not assumed	-1.365	0.184	0.135	-0.462
Relationship Intention (based on retailers' sizes)	Equal variances assumed	5.651	0.000	0.093	0.337
	Equal variances not assumed	5.651	0.000	0.093	0.336

In the Table 25 above, the suppliers' relationship intention with large and small retailers is analyzed. Small suppliers' overall relationship intention seems higher than the large suppliers' relationship intention when the two means are compared. But from Table 25, it can be seen that this is not a significant difference (p-value=0.184>0.050). So, the intention of suppliers to start a business relationship with retailers does not differ due to the size of the suppliers. In other words, both small and large suppliers' relationship intentions can be seen as equal. As seen from the table above, the relationship intention of suppliers against their large and small retailers is significantly different (p-value=0.000<0.050). It can be said that suppliers hold more intention for starting a relationship for large retailers than they hold for small retailers.

In conclusion it is possible to say that when a B2B relationship is being established, the intention does not change based on the suppliers' sizes, but rather changes based on the size of the retailers they are partnering with.

Table 26. Ranks of Relationship Intention for Large Suppliers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Relationship Intention	Large	7	10.570	74.000
	Small	7	4.430	31.000

Table 27. Test Statistics of Relationship Intention for Large Suppliers

	Relationship Intention
Mann-Whitney U	3.000
Z	-2.750
Asymp. Sig. (2-tailed)	0.006
Exact Sig. [2*(1-tailed Sig.)]	0.004a

Tables 26 and 27 above present the large suppliers' relationship intentions with their small and large retailers. The results of previous descriptive analyses are also reflected in the statistical analysis presented in Table 26. According to the former inferences, it was concluded that large suppliers have more relationship intention for their large retailers. Table 27, this difference is proven to be significant (p-value=0.006<0.050). This means that large suppliers' intention against large retailers and small retailers differ significantly.

Table 28. Ranks of Relationship Intention for Small Suppliers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Relationship Intention	Large	7	11.000	77.000
	Small	7	4.000	28.000

Table 29. Test Statistics of Relationship Intention for Small Suppliers

	Relationship Intention
Mann-Whitney U	0.000
Z	-3.134
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Table 28 and 29 above demonstrate the relationship intention from the point of small suppliers. The compared means indicate that there is a difference between the small suppliers' intention against their small retailers and large retailers. This means that small suppliers prefer to build B2B relationships with their large retailers rather than with their small retailers. Table 28 presents support for this statement. Small suppliers' relationship intention against large and small retailers significantly differ (p-value=0.002<0.050). Small suppliers are more eager to choose large retailers as their business partners.

<u>Analysis for Firm Image</u>

Table 30. Suppliers' Image from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	2.500	4.000
	Large	2.285	4.250

Table 31. Group Statistics of Suppliers' Image for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Suppliers' Image (based on retailers' size)	Large	14	3.267	1.210
	Small	14	3.250	0.975
Suppliers' Image (based on suppliers' size)	Large	14	4.125	0.413
	Small	14	2.392	0.794

In order to understand why retailers and suppliers are more willing to build relationships with their relatively large counterparties, the dimensions that make up the relationship intention variable are analyzed. The tables above present the firm image dimension. In Tables 30 and 31, the results for the image provided by the suppliers to the retailers are shown.

In Tables 30 and 31, the suppliers' image from the point of retailers is demonstrated. In general, the suppliers' perceived image is very similar for both small and large retailers. Regardless of the size of the retailer, large suppliers are seen as providing more image to the retailer they work with.

Table 32. Independent Samples Test of Suppliers' Image for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Suppliers' Image (based on retailers' sizes)	Equal variances assumed	0.043	0.966	0.415	1.240
	Equal variances not assumed	0.043	0.966	0.415	1.231
Suppliers' Image (based on suppliers' sizes)	Equal variances assumed	7.235	0.000	-0.836	2.224
	Equal variances not assumed	7.235	0.000	-0.838	2.232

Table 32 above present the significance tests of the image provided by suppliers to the retailers, based on both retailers' and suppliers' sizes. In other words, it designates if the provided image differs due to the size of the retailer or the supplier. Both small and large retailers expect to gain the same deal of reputation from their suppliers (p-value=0.966>0.050).

When the dimensions of relationship intention are analyzed based on suppliers' sizes, it can be seen the image that suppliers provide to retailers varies due to the size of the suppliers (p-value=0.000<0.050). In conclusion, relationship intention of retailers significantly differs with respect to the sizes of the suppliers. Along with this, image dimensions significantly impact the relationship intention. In other words, the distinction between the retailers' eagerness to build relationships with small and large suppliers can be said to be originating from the differences between the small and large suppliers' image.

Table 33. Ranks of Suppliers' Image for Large Retailers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Suppliers' Image	Large	7	10.930	76.500
	Small	7	4.070	28.500

Table 34. Test Statistics of Suppliers' Image for Large Retailers

	Relationship Intention
Mann-Whitney U	0.500
Z	-3.090
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Previous results show that large retailers believe that the brand names of the large suppliers provide more prestige than the brand names of small suppliers. Table 34 above, certifies this. The expected image from large and small retailers is significantly different from the point of retailers (p-value=0.002<0.05). This is to say, large retailers perceive significant differences in small and large suppliers' images.

Table 35. Ranks of Suppliers' Image for Small Retailers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Suppliers' Image	Large	7	10.860	76.000
	Small	7	4.140	29.000

Table 36. Test Statistics of Suppliers' Image for Small Retailers

	Relationship Intention
Mann-Whitney U	1.000
Z	-3.029
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Image dimension for small retailers is analyzed in Tables 35 and 36 above. According to the table 36, it can be said that small retailers perceive to gain more image. This statement can be proven true by the significance test (p-value=0.002<0.050). This means that small retailers believe that they can be more reputable by selling the products of large suppliers instead of small ones.

Table 37. Retailers' Image from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	2.857	2.678
	Large	4.178	3.500

Table 38. Group Statistics of Retailers' Image for Suppliers

	Size of the retailer	N	Mean	Std. Deviation
Retailers' Image (based on retailers' size)	Large	14	3.267	1.210
	Small	14	3.250	0.975
Retailers' Image (based on suppliers' size)	Large	14	4.125	0.413
	Small	14	2.392	0.794

Table 37 and 38 demonstrate the image provided by the retailers to the suppliers. When the overall results are taken into consideration, it can be said that retailers provide image to the small suppliers rather than large suppliers (μ_1=3.517>μ_2=3.089).

Both small suppliers and large suppliers think that they gain more reputation by exhibiting their products in the shelves of large chain supermarkets than by selling in the small supermarkets. The real difference is between small suppliers' and large suppliers' perceptions about large retailers. Even though, they both see large retailers as sources of reputation, small suppliers think that they gain more prestige than large suppliers do by partnering with large retailers. Nevertheless, the difference between large suppliers' perceptions about small and large retailers is less than the difference between small suppliers' perceptions about small and large retailers. The image provided by small retailers to small suppliers is very close but a little more than the image that small retailers provide to large suppliers. Along with this even both the large suppliers and small suppliers perceive to gain more reputation from large suppliers, this perception is much higher for small suppliers.

In conclusion, the little difference between small and large retailers' relationship intentions may be resulting from the perceived image that retailers gain from suppliers, but the image is not the main reason since there is a little difference between suppliers' image perceived by small and large retailers. It will be understood if image impacts relationship intention considerably when the significance tests will be run. At the same time, the little difference between small and large suppliers' relationship intentions may be resulting from the perceived image that suppliers gain from retailers. When analyzed, there is a big difference between the retailers' image perceived by small suppliers' and large suppliers' and this may be one the important reasons why the differences between intentions of small and large suppliers occur. But likewise, the significance tests will reveal the importance of image in relationship intention.

Table 39. Independent Samples Test of Retailers' Image for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Suppliers' Image (based on suppliers' sizes)	Equal variances assumed	-1.595	0.123	0.268	0.487
	Equal variances not assumed	-1.595	0.124	0.268	0.487
Suppliers' Image (based on retailers' sizes)	Equal variances assumed	5.721	0.000	-0.980	0.686
	Equal variances not assumed	5.721	0.000	-0.983	0.683

The suppliers' relationship intentions are not affected by the sizes of the suppliers; the dimensions are not affected as well. When the means of large and small suppliers are compared; it is concluded that overall small suppliers value other party's image when starting a business relationship. But Table 39 presents that; this difference between large and small suppliers is not significant (p-value=0.123>0.05). This means that, small and large suppliers expect nearly the same amount of image from their partnership with retailers.

Image, that the small and large retailers are perceived to provide to the suppliers, is affected by the size of the retailers. The compared means show that by working with large retailers; suppliers think that they can be more reputable. Table 39 proves that the received image from small and large retailers is significantly different (p-value=0.000<0.050).

Table 40. Ranks of Retailers' Image for Large Suppliers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Suppliers' Image	Large	7	10.430	73.000
	Small	7	4.570	32.000

Table 41. Test Statistics of Retailers' Image for Large Suppliers

	Relationship Intention
Mann-Whitney U	4.000
Z	-2.649
Asymp. Sig. (2-tailed)	0.008
Exact Sig. [2*(1-tailed Sig.)]	0.007a

Table 40 and 41 above present the retailers' image from the point of large suppliers. Large suppliers believe that large retailers provide them more prestige than the small retailers. This can be stated because the assumed difference of perceived image of large and small retailers is significant (p-value=0.008<0.050).

Table 42. Ranks of Retailers' Image for Small Suppliers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Suppliers' Image	Large	7	10.790	75.500
	Small	7	4.210	29.500

Table 43. Test Statistics of Retailers' Image for Small Suppliers

	Relationship Intention
Mann-Whitney U	1.500
Z	-3.044
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Tables 42 and 43 above designate the image dimension for small suppliers. Small suppliers believe that the image provided by the large retailers is better than the image provided by small retailers (p-value=0.002<0.050). In other words, small suppliers think that they can be more prestigious by selling their products in the shelves of large retailers and hereby they can use the advantage of the large retailers' reputable brand names.

Analysis for Penetration

Table 44. Penetration from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.285	4.380
	Large	3.142	3.952

Table 45. Group Statistics of Penetration for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Penetration (based on retailers' size)	Large	14	3.547	0.723
	Small	14	3.833	0.736
Penetration (based on suppliers' size)	Large	14	4.166	0.518
	Small	14	3.214	0.593

Tables 44 and 45 above present the penetration dimension of relationship intention. Table 44 designates penetration from retailers' point of view which means it shows what retailers think their suppliers' roles are in reaching customers. Likewise, Table 45 presents penetration from retailers' point of view by classifying the data according to retailers' and suppliers' sizes.

In Table 44, the extent to which suppliers play a part in retailers' attempts to attract consumers is analyzed. As seen, small retailers view their suppliers, regardless of their size, as keys to reach consumers (μ_1=3.833>μ_2=3.547). Considering the size of the suppliers, it can be said that large suppliers, rather than small ones, are seen as means to attract consumers. In other words, both small and large retailers believe that large suppliers are more crucial for penetration than small suppliers are.

Small retailers see their suppliers as means of penetration more than large retailers do. At the same time, as a means for penetration, small retailers value their large suppliers a lot more than their small suppliers. This demonstrates that small retailers are dependent on large suppliers. On the other hand, large retailers also believe that large suppliers play a bigger role in attracting consumers than small suppliers do.

Table 46. Independent Samples Test of Penetration for Retailers

				95% Confidence Interval of the Difference	
		T	Sig. (2-tailed)	Lower	Upper
Penetration (based on retailers' sizes)	Equal variances assumed	-1.035	0.310	-0.852	0.275
	Equal variances not assumed	-1.035	0.310	-0.852	0.275
Penetration (based on suppliers' sizes)	Equal variances assumed	4.520	0.000	0.519	1.385
	Equal variances not assumed	4.520	0.000	0.518	1.385

Table 46 present the significance tests of penetration from retailers' point of view. Based on the retailers' sizes, it can be said that the penetration dimension is not affected by their sizes. The statistical data is for penetration is not significantly different for large and small retailers (p-value=0.310>0.050). This is probably because the penetration is related to the suppliers. This means the penetration is provided by suppliers to the retailers and thus suppliers' size may be more relevant in measuring penetration for retailers.

When analyzed from the point of suppliers' sizes, retailers' ability to achieve consumers differs when partnering with large of small suppliers (p-value=0.000<0.050). It can be said that large suppliers are seen as providing more reputation to the retailers and also retailers think that they can achieve more consumers through large suppliers.

Table 47. Ranks of Penetration for Large Retailers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Penetration	Large	7	9.640	67.500
	Small	7	5.360	37.500

Table 48. Test Statistics of Penetration for Large Retailers

	Penetration
Mann-Whitney U	9.500
Z	-1.940
Asymp. Sig. (2-tailed)	0.052
Exact Sig. [2*(1-tailed Sig.)]	0.053a

Tables 47 and 48 above indicate the penetration dimension from the point of large retailers. Large retailers' belief that large suppliers are more important means to consumers, than small suppliers are, is failed to be proven in Table

48 (p-value=0.052>0.050). This means that large retailers think that they can reach nearly the same amount of consumers by selling the products of large suppliers and by selling the products of small suppliers.

Table 49. Ranks of Penetration for Small Retailers

	Size of the supplier	N	Mean Rank	Sum of Ranks
Penetration	Large	7	10.790	75.500
	Small	7	4.210	29.500

Table 50. Test Statistics of Penetration for Small Retailers

	Penetration
Mann-Whitney U	1.500
Z	-2.992
Asymp. Sig. (2-tailed)	0.003
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Tables 49 and 50 above present if penetration differs due to the size of retailers. These tables designate the penetration dimension from the point of small retailers' view. According to the tables, small retailers think that they can reach more consumers by selling the products of large suppliers instead of small ones. This means that they believe that they will reach more consumers via large suppliers (p-value=0.003<0.050).

Table 51. Penetration from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.750	3.464
	Large	4.535	4.285

Table 52. Group Statistics of Penetration for Suppliers

	Size of the supplier	N	Mean	Std. Deviation
Penetration (based on suppliers' size)	Large	14	3.875	0.618
	Small	14	4.142	0.467
Penetration (based on retailers' size)	Large	14	4.410	0.387
	Small	14	3.607	0.376

Tables 51 and 52 present the penetration dimension from suppliers' point of view. This means, it shows how much suppliers rely on retailers for attracting new consumers. When the table is studied, it can be said that small suppliers are more prone to believe that they can achieve more consumers through retailers regardless of the size of the retailer (μ_1=4.142>μ_2=3.875).

Generally, penetration is a more important dimension for suppliers than for retailers. Suppliers value the ability of their counterparties to help them in reaching consumers. The difference of suppliers' relationship intention with their small and large retailers could be resulting from the difference of the penetration that small and large retailers provide to them. There is a big difference between large and small retailers' penetration provided to the suppliers. Likewise, retailers' relationship intention for their small and large suppliers could be originated from the difference between the penetration that large and small suppliers provide to them.

Table 53. Independent Samples Test of Penetration for Suppliers

				95% Confidence Interval of the Difference	
		T	Sig. (2-tailed)	Lower	Upper
Penetration (based on suppliers' sizes)	Equal variances assumed	-1.293	0.207	-0.267	0.207
	Equal variances not assumed	-1.293	0.208	-0.267	0.207
Penetration (based on retailers' sizes)	Equal variances assumed	5.568	0.000	0.144	0.506
	Equal variances not assumed	5.568	0.000	0.144	0.506

The independent sample test in Table 53 present the significance of penetration for suppliers based on both suppliers' and retailers' sizes. According to the table, the difference of penetration does not originate from the suppliers' sizes themselves (p-value=0.207>0.050). Penetration, on the other hand, may differ due to the sizes of retailers since retailers are the ones to provide penetration to the suppliers. Nevertheless, when the perceived penetrations of the small and large retailers are compared, it is seen that overall suppliers think that they can reach more consumers by selling their products in large retailers. The significance test shows that there is an important difference between the large retailers' penetration and small retailers' penetration (p-value=0.000<0.050). In other words, suppliers think that they can reach consumers more easily if they partner with large retailers.

Table 54. Ranks of Penetration for Large Suppliers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Penetration	Large	7	10.360	72.500
	Small	7	4.640	32.500

Table 55. Test Statistics of Penetration for Large Suppliers

	Penetration
Mann-Whitney U	4.500
Z	-2.623
Asymp. Sig. (2-tailed)	0.009
Exact Sig. [2*(1-tailed Sig.)]	0.007a

Tables 54 and 55 show the large suppliers' penetration. It shows if penetration of large suppliers changes due to the retailers' sizes. Large retailers' penetration and small retailers' penetration significantly differ in the eyes of large suppliers (p-vale=0.009<0.050). This means that large suppliers give more importance to the large retailers. They believe that they can reach more consumers by selling their products in large retailers.

Table 56. Ranks of Penetration for Small Suppliers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Penetration	Large	7	11.000	77.000
	Small	7	4.000	28.000

Table 57. Test Statistics of Penetration for Small Suppliers

	Penetration
Mann-Whitney U	0.000
Z	-3.169
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Small suppliers believe that they can extend the number of customers they reach by selling their products in large retailers. According to Tables 56 and 57, there is a significant difference between the numbers of consumers they believe to reach when selling their products in large retailers and when selling in small retailers (p-value=0.002<0.050). Like the large suppliers, small suppliers think that they can reach more consumers by exhibiting their products in the shelves of large retailers.

Analysis for Expected Profitability

Table 58. Expected Profitability from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.714	3.142
	Large	3.523	2.952

Table 59. Group Statistics of Expected Profitability for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Expected Profitability (based on retailers' size)	Large	14	3.2381	0.619
	Small	14	3.4286	0.755
Expected Profitability (based on suppliers' size)	Large	14	3.0476	0.651
	Small	14	3.6190	0.611

Tables 58 and 59 above demonstrate the expected profitability dimension of relationship intention. Table 58 shows the expected profitability from retailers' point of view; which means that Table 58 designates retailers' expectations about profit out of their relationships with suppliers.

Generally it can be said that small retailers expect more profit from the partnerships than large retailers expect ($\mu_1=3.428>\mu_2=3.238$). Small retailers expect profit from small suppliers more large retailers do. Small retailers also expect profit from small suppliers more than they expect from large suppliers. The same is true for large retailers. Large retailers expect less profit from large suppliers possibly due to the same reason. Overall, it can be said that retailers expect to gain more profit from their relationships with small suppliers rather than with large suppliers.

Table 60. Independent Samples Test of Expected Profitability for Retailers

				95% Confidence Interval of the Difference	
		T	Sig. (2-tailed)	Lower	Upper
Expected Profitability (based on retailers' sizes)	Equal variances assumed	-0.729	0.472	-0.727	0.261
	Equal variances not assumed	-0.729	0.473	-0.728	0.261
Expected Profitability (based on suppliers' sizes)	Equal variances assumed	-2.393	0.024	-1.062	-0.080
	Equal variances not assumed	-2.393	0.024	-1.062	-0.080

According to the Table 60, retailers' sizes do not play role in their profit expectations from relationships (p-value=0.472>0.050). On the other hand, it is measured that more profit was expected from small suppliers. Table 60 shows that the size of a supplier is an important determinant in retailers' profit expectation (p-value=0.024<0.050). In other words, there is enough evidence to say that retailers' expectations about their financial outcomes changes due to the size of the suppliers they are partnering with. generally, retailers expect to gain more profit from their relationship with small suppliers.

Table 61. Ranks of Expected Profitability for Large Retailers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Expected Profitability	Large	7	5.500	38.500
	Small	7	9.500	66.500

Table 62. Test Statistics of Expected Profitability for Large Retailers

	Expected Profitability
Mann-Whitney U	10.500
Z	-1.817
Asymp. Sig. (2-tailed)	0.069
Exact Sig. [2*(1-tailed Sig.)]	0.073a

Tables 61 and 62 show the expected profitability of large retailers. According to table 61, large retailers expect more profit from small suppliers. But the difference is insignificant (p-value=0.069>0.050). This means that large retailers' expectations about profitability do not dramatically change due to the size of the retailers.

Table 63. Ranks of Expected Profitability for Small Retailers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Expected Profitability	Large	7	6.290	44.000
	Small	7	8.710	61.000

Table 64. Test Statistics of Expected Profitability for Small Retailers

	Expected Profitability
Mann-Whitney U	16.000
Z	-1.106
Asymp. Sig. (2-tailed)	0.269
Exact Sig. [2*(1-tailed Sig.)]	0.318a

In Table 63, it is designated that small retailers expect more profit from large suppliers. On the other hand, significance test in Table 64 shows that there is no considerable distinction between the small retailers' profit expectation from large and small suppliers (p-value=0.269>0.050). In other words, size is not mainly important in the expected profitability.

Table 65. Expected Profitability from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.571	3.666
	Large	3.238	3.428

Table 66. Group Statistics of Expected Profitability for Suppliers

	Size of the supplier	N	Mean	Std. Deviation
Expected Profitability (based on suppliers' size)	Large	14	3.547	0.499
	Small	14	3.4.04	0.437
Expected Profitability (based on retailers' size)	Large	14	3.333	0.369
	Small	14	3.619	0.520

Table 65 and 66 present the suppliers' expectations about profit from their retailers. According to the tables, large suppliers expect more profit than small suppliers do (μ_1=3.404>μ_2=3.547). On the other hand, the suppliers' profit expectation from small retailers is higher than their expectation from large suppliers.

Small suppliers expect more profit from small retailers and also large suppliers expect more from small retailers than small suppliers do. The same is true for large retailers also. Large suppliers expect more profit from large retailers than small suppliers do.

Table 67. Independent Samples Test of Expected Profitability for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Expected Profitability (based on suppliers' sizes)	Equal variances assumed	0.805	0.428	-0.221	0.177
	Equal variances not assumed	0.805	0.428	-0.222	0.177
Expected Profitability (based on retailers' sizes)	Equal variances assumed	-1.674	0.106	-0.636	0.170
	Equal variances not assumed	-1.674	0.107	-0.638	0.170

When the means of large and small suppliers were compared; it was concluded that overall small, large suppliers value expected profitability more than small suppliers. But Table 58 presents that; this difference between large and small suppliers is significant for expected profitability (p-value= 0.428>0.050).

According to Table 67, expected profitability is not distinctive for the large and small retailers (p-value=0.106>0.050). This means that suppliers' expectations, about profit out of a relationship, do not change due to the sizes of the counterparties, although the previous results indicate that suppliers expect more profit from small retailers than from large retailers.

Table 68. Ranks of Expected Profitability for Large Suppliers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Expected Profitability	Large	7	6.500	45.500
	Small	7	8.500	59.500

Table 69. Test Statistics of Expected Profitability for Large Suppliers

	Expected Profitability
Mann-Whitney U	17.500
Z	-0.921
Asymp. Sig. (2-tailed)	0.357
Exact Sig. [2*(1-tailed Sig.)]	0.383a

It can be seen in Tables 68 and 69 that, relationship intention of large suppliers is mostly affected by the expected profitability dimension. Relationship intention may not be influenced by the retailers' sizes since the expected profitability also does not (p-value=0.357>0.050).

Table 70. Ranks of Expected Profitability for Small Suppliers

	Size of the retailer	N	Mean Rank	Sum of Ranks
Expected Profitability	Large	7	6.140	43.000
	Small	7	8.860	62.000

Table 71. Test Statistics of Expected Profitability for Small Suppliers

	Expected Profitability
Mann-Whitney U	15.000
Z	-1.253
Asymp. Sig. (2-tailed)	0.210
Exact Sig. [2*(1-tailed Sig.)]	0.259a

Tables 70 and 71 demonstrate that, there is not enough evidence to call the expected profitability from large and small retailers as unequal (p-value=0.210>0.05). This denotes that small suppliers expect profitability from retailers regardless of the size of the retailers. There is not an important gap between the large and small retailers' profitability from the point of small suppliers' view.

<u>Analysis for Willingness to Continue Relationship</u>

Table 72. Willingness to Continue Relationship from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.529	3.614
	Large	3.188	3.575

Table 73. Group Statistics of Willingness to Continue Relationship for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Willingness (based on retailers' size)	Large	14	3.382	0.322
	Small	14	3.571	0.301
Willingness (based on suppliers' size)	Large	14	3.594	0.238
	Small	14	3.359	0.356

Tables 72 and 73 above indicate the willingness to continue relationship from retailers' point of view. According to these tables, small retailers are more willing to continue their established relationships with suppliers, regardless of the suppliers' sizes, than the large retailers are ($\mu_1=3.571>\mu_2=3.382$). It can be seen as the established relationships between retailers and suppliers are more valuable in the eyes of small retailers when all of the retailers are considered.

On the other hand, there is a tendency to have a higher eagerness against large suppliers by overall retailers (μ_1=3.594>μ_2=3.359). In other words, retailers, regardless of their sizes, are willing to continue their relationship with large suppliers more than they are with small suppliers. This means that they are more pleased with their relationships with large suppliers.

There is a little difference between the small retailers' eagerness towards their large suppliers and small suppliers (μ_1=3.614>μ_2=3.529). It seems that small retailers prefer to continue with large suppliers rather than small suppliers. On the other hand, large retailers also prefer to continue working with large suppliers instead of small suppliers (μ_1=3.575>μ_2=3.188).

In conclusion the retailers' overall willingness to continue relationship with large suppliers is higher than their intention to continue working with small suppliers. Along with this, the difference is clearer in the large retailers' preferences.

Table 74. Independent Samples Test of Willingness to Continue Relationship for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Willingness (based on retailers' sizes)	Equal variances assumed	-1.609	0.120	-0.431	0.052
	Equal variances not assumed	-1.609	0.120	-0.432	0.052
Willingness (based on suppliers' sizes)	Equal variances assumed	2.056	0.050	0.000	0.114
	Equal variances not assumed	2.056	0.051	-0.001	0.114

According to the independent t-test results in Table 74, the difference between the large retailers' and small retailers' willingness to continue relationship with their suppliers is insignificant (p-value=0.120>0.050). This means that the difference between the averages of small and large retailers' willingness is not very important such that these averages cannot be assumed as unequal. In other words, there is not enough evidence to call the small and large retailers' intentions to sustain the established relationship as different. It can be said that willingness to continue relationship is not affected by the size of the retailers.

On the other hand, Table 74 shows the significance tests of these means. According to the table, it can be said that retailers' willingness to continue relationship is significantly different for small and large suppliers (p-value=0.050=0.050) Previously the means were compared, and it was concluded that overall retailers, regardless of the size, had more intention to sustain their relationships with large suppliers rather than small ones. Now, the significance test proves that there is an important difference between the retailers' willingness to continue relationship with small and large suppliers.

Table 75. Ranks of Willingness to Continue Relationship for Large Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Willingness	Large	7	10.070	70.500
	Small	7	4.930	34.500

Table 76. Test Statistics of Willingness to Continue Relationship for Large Retailers

	Willingness
Mann-Whitney U	6.500
Z	-2.302
Asymp. Sig. (2-tailed)	0.021
Exact Sig. [2*(1-tailed Sig.)]	0.017a

Tables 75 and 76 above present the willingness to continue relation from the point of large retailers. According to the compared rank means in table 66, large retailers are more willing to continue their relationship with large suppliers. Table 76 shows the significance of these means. According to the Table 76, there is a significant difference between large retailers' willingness to continue relationship with small and large suppliers (p-value=0.021<0.050). Large retailers' are more prone to sustain their partnerships with large suppliers rather than small suppliers.

Table 77. Ranks of Willingness to Continue Relationship for Small Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Willingness	Large	7	8.070	56.500
	Small	7	6.930	48.500

Table 78. Test Statistics of Willingness to Continue Relationship for Small Retailers

	Willingness
Mann-Whitney U	20.500
Z	-0.512
Asymp. Sig. (2-tailed)	0.609
Exact Sig. [2*(1-tailed Sig.)]	0.620a

Tables 77 and 78 above show the willingness to continue relationship and its three dimensions from the point of small retailers. Table 77 compares the ranks and helps to take a general look for the small retailers' ideas about their small and large suppliers. According to the table, small retailers are more willing to continue relationship with their large suppliers when compared to small ones. Table 78 present the significance of the means shown in Table 77. According to the Table 78, small retailers are not significantly willing to continue their relationships with large suppliers. In other words, there is no difference between their eagerness against large and small suppliers (p-value=0.609>0.050).

Table 79. Willingness to Continue Relationship from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.211	3.397
	Large	3.499	3.463

Table 80. Group Statistics of Willingness to Continue Relationship for Suppliers

	Size of the supplier	N	Mean	Std. Deviation
Willingness (based on suppliers' size)	Large	14	3.430	0.375
	Small	14	3.355	0.257
Willingness (based on retailers' size)	Large	14	3.481	0.338
	Small	14	3.304	0.280

Tables 79 and 80 present the willingness of small and large suppliers to continue relationship with large and small retailers. According to the table, it is indicated that large suppliers are more willing, than small suppliers are, to maintain their established relationships with overall retailers (μ_1=3.355>μ_2=3.430). They may find retailers very demanding and may not be willing to respond to these demands. Along with this, the difference is not a very big one, it can be concluded that small and large suppliers have similar willingness to resume their relationships with overall retailers. Also, the willingness to continue relationship may be more affected by the size of the retailers since if a supplier is satisfied with a retailer, its willingness should increase. This is to say that willingness to continue relationship could be more related with the other party suppliers are partnering with.

It is also seen that overall suppliers are more willing to continue their relationships with large retailers rather small retailers (μ_1=3.481>μ_2=3.304). This is a sign that suppliers, regardless of their sizes, are more satisfied with their current relationships with large retailers and thus they prefer to continue working with them instead of small retailers.

When the suppliers are analyzed according to their sizes, it can be seen that large suppliers prefer to continue their relationship with large retailers more than they do with small retailers (μ_1=3.463>μ_2=3.397). The same deductions are viable also for small suppliers. Small suppliers have more eagerness to sustain the relationships they have with large retailers rather than sustaining the relationships with small retailers (μ_1=3.499>μ_2=3.211).

Table 81. Independent Samples Test of Willingness to Continue Relationship for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Willingness (based on suppliers' sizes)	Equal variances assumed	0.616	0.543	-0.175	0.325
	Equal variances not assumed	0.616	0.544	-0.176	0.326
Willingness (based on retailers' sizes)	Equal variances assumed	1.501	0.145	-0.065	0.418
	Equal variances not assumed	1.501	0.146	-0.065	0.418

According to the Table 81 above, there is no significant difference between the small and large suppliers' willingness to continue relationship with retailers regardless of their sizes (p-value=0.543>0.050). In other words, size does not affect a supplier's intentions about sustaining the existing partnerships with its retailers. Along with this, there is not a significant difference between the suppliers' willingness to continue their relationship with large and small retailers (p-value=0.145>0.050).

Table 82. Ranks of Willingness to Continue Relationship for Large Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Willingness	Large	7	7.710	54.000
	Small	7	7.290	51.000

Table 83. Test Statistics of Willingness to Continue Relationship for Suppliers

	Willingness
Mann-Whitney U	23.000
Z	-0.192
Asymp. Sig. (2-tailed)	0.848
Exact Sig. [2*(1-tailed Sig.)]	0.902a

According to Tables 82 and 83 above, large suppliers are more willing to continue their relationship with large retailers, though they make more profit from small retailers. Although, Table 82 presents some differences for large suppliers' relationships with small and large retailers, Table 83 proves these differences wrong. According to the Table 83, small suppliers are indifferent on sustaining their relationship with small or large retailers (p-value = 0.848 > 0.050). This means that they want to resume the relationships with small retailers as much as they want with large retailers.

In conclusion, the willingness of large suppliers to continue relationship is not dependent on the other party's size. In other words, large suppliers want to sustain their relationship with both small and large retailers.

Table 84. Ranks of Willingness to Continue Relationship for Small Suppliers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Willingness	Large	7	9.860	69.000
	Small	7	5.140	36.000

Table 85. Test Statistics of Willingness to Continue Relationship for Small Suppliers

	Willingness
Mann-Whitney U	8.000
Z	-2.108
Asymp. Sig. (2-tailed)	0.035
Exact Sig. [2*(1-tailed Sig.)]	0.038a

Tables 84 and 85 above indicate the small suppliers' point of view about willingness to continue relationship and on what basis they decide on this or not. According to the Table 84, small suppliers are willing to continue their relationship with large retailers rather than small retailers. According to the Table 85, small suppliers' eagerness to sustain the relationship with large and small retailers significantly differ (p-value=0.035<0.050). This means that small suppliers really want to keep their relationship going with large retailers rather than small retailers.

Analysis for Realized Profitability

Table 86. Realized Profitability from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.666	2.857
	Large	3.238	2.619

Table 87. Group Statistics of Realized Profitability for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Realized Profitability (based on retailers' size)	Large	14	2.928	0.656
	Small	14	3.261	0.629
Realized Profitability (based on suppliers' size)	Large	14	2.738	0.437
	Small	14	3.452	0.648

Above tables demonstrate the realized profitability from retailers' points of view. In the Table 86 and 87, retailers' profitability from their relationships with suppliers is shown. It can be said that small retailers' profitability is higher than the large retailers' profitability (μ_1=3.261>μ_2=2.928). This means that small retailers earn more from their relationships with suppliers. On the other hand, retailers think that they gain more profit from their partnerships with small suppliers rather than with large suppliers (μ_1=3.452>μ_2=2.738).

Small retailers realize more profit from small suppliers than they realize from large suppliers (μ_1=3.366>μ_2=3.142). The same situation is true for large retailers as well (μ_1=3.238>μ_2=2.619). But as seen, the difference of realized profitability from small and large suppliers is higher for small retailers.

Table 88. Independent Samples Test of Realized Profitability for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Realized Profitability (based on retailers' sizes)	Equal variances assumed	-1.372	0.182	-0.832	0.166
	Equal variances not assumed	-1.372	0.182	-0.832	0.166
Realized Profitability (based on suppliers' sizes)	Equal variances assumed	-3.417	0.002	-1.143	0.209
	Equal variances not assumed	-3.417	0.002	-1.146	0.209

According to the Table 88, the relationship of the large and small retailers' can be said to be indifferent. When the dimensions are examined, it can be seen that neither of the dimensions affect the willingness of retailers to continue relationship significantly. The realized profitability is not very different for large and small retailers (p-value=0.182>0.050). This means that size does not affect the profit retailers can make, a small and a large retailer may make very similar amounts of profit from their business relationships with suppliers. On the other hand, it was concluded that more profit was realized from small suppliers. Table 88 shows that the size of a supplier is an important determinant in retailers' profit expectation (p-value=0.002<0.050).

Table 89. Ranks of Realized Profitability for Large Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Realized Profitability	Large	7	5.640	39.500
	Small	7	9.360	65.500

Table 90. Test Statistics of Realized Profitability for Large Retailers

	Realized Profitability
Mann-Whitney U	11.500
Z	-1.685
Asymp. Sig. (2-tailed)	0.092
Exact Sig. [2*(1-tailed Sig.)]	0.097a

The ranks and test statistics of realized profitability for large retailers are demonstrated in Tables 89 and 90. According to these tables, it can be said that large retailers are more willing to continue their relationship with large suppliers. The same inference is true also for its dimension except realized profitability. Large retailers make more money out of their relationships with small suppliers rather than large retailers, whereas they can communicate better with and trust more to the large suppliers. Nevertheless, there is a significant difference between the profitability of small and large suppliers (p-value=0.092>0.050). In other words, large retailers' profit from their small and large suppliers is similar. There is not enough evidence to say that large retailers actually make more money out of their small suppliers.

Table 91. Ranks of Realized Profitability for Small Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Realized Profitability	Large	7	4.710	33.000
	Small	7	10.290	72.000

Table 92. Test Statistics of Realized Profitability for Small Retailers

	Realized Profitability
Mann-Whitney U	5.000
Z	-2.528
Asymp. Sig. (2-tailed)	0.011
Exact Sig. [2*(1-tailed Sig.)]	0.011a

According to the Tables 91 and 92 above, the difference between the realized profitability from large and small suppliers is significant (p-value=0.011<0.050). This means that small retailers gain more money from their relationships with small suppliers rather than with their relationships with large suppliers.

Table 93. Realized Profitability from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.571	3.714
	Large	2.476	2.619

Table 94. Group Statistics of Realized Profitability for Suppliers

	Size of the retailer	N	Mean	Std. Deviation
Realized Profitability (based on suppliers' size)	Large	14	3.166	0.824
	Small	14	3.023	0.685
Realized Profitability (based on retailers' size)	Large	14	2.547	0.405
	Small	14	3.642	0.591

Table 93 and 94 demonstrate the realized profitability of small and large suppliers from small and large retailers. When generally analyzed, it can be seen that large suppliers profit more than small suppliers from relationships with retailers, regardless of the retailers' sizes (μ_1=3.166>μ_2=3.023). On the other hand, there is a big difference between the realized profitability from large and small retailers. Suppliers, regardless of the size, make more profit out of small retailers (μ_1=3.166>μ_2=3.023). This may be because large retailers demand more financial concessions from suppliers than small retailers do.

In conclusion, it seems that the difference between small and large retailers' willingness to continue relationship may be resulting from the realized profitability of retailers. According to the results of willingness to continue relationship dimension, small retailers' intention for sustaining the relationship is higher. At the same time, the little difference between small and large suppliers' willingness to continue relationship may be resulting from the profit, which large and small suppliers make. It seems that large suppliers are more eager to continue working with retailers and their realized profitability is also higher.

Table 95. Independent Samples Test of Realized Profitability for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Realized Profitability (based on suppliers' sizes)	Equal variances assumed	0.499	0.622	-0.446	0.731
	Equal variances not assumed	0.499	0.622	-0.446	0.732
Realized Profitability (based on retailers' sizes)	Equal variances assumed	-5.716	0.000	-1.489	-0.701
	Equal variances not assumed	-5.716	0.000	-1.491	-0.698

The compared means show that large suppliers realize more profit than small suppliers. But the significance test, in Table 95, indicates that size does not affect the suppliers' profit gaining also (p-value=0.622>0.050). This means that small and large suppliers make nearly the same amount of money. Being small or large is not an important factor for realization of profit. The other party's, the retailers', sizes may be more effective in profit gaining.

On the other hand, suppliers think that small retailers gain them more money. So it can be said that the money they make is not a factor determining their willingness. Consistently, in the table above it is proven that suppliers make more money out of their relationship with small retailers (p-value=0.00<0.050).

Table 96. Ranks of Realized Profitability for Large Suppliers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Realized Profitability	Large	7	4.930	34.500
	Small	7	10.070	70.500

Table 97. Test Statistics of Realized Profitability for Large Suppliers

	Realized Profitability
Mann-Whitney U	6.500
Z	-2.326
Asymp. Sig. (2-tailed)	0.020
Exact Sig. [2*(1-tailed Sig.)]	0.017a

According to Tables 96 and 97 above, large suppliers make more profit from small retailers. Along with this, small suppliers gain different amounts of profit from their small and large retailers (p-value=0.020<0.050).

Table 98. Ranks of Realized Profitability for Small Suppliers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Realized Profitability	Large	7	4.070	28.500
	Small	7	10.930	76.500

Table 99. Test Statistics of Realized Profitability for Small Suppliers

	Realized Profitability
Mann-Whitney U	0.500
Z	-3.140
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

According to Tables 98 and 99 above, small suppliers' willing to continue their relationship with large retailers rather than small retailers does not originate from the profit they make since their profit is higher from small retailers. There is also a significant difference between the profit that small suppliers make from large and small retailers (p-value=0.002<0.050). Small suppliers realize more profit from small retailers, indeed.

Analysis for Communication

Table 100. Communication from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.321	3.928
	Large	3.071	4.107

Table 101. Group Statistics of Communication for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Communication (based on retailers' size)	Large	14	3.589	0.624
	Small	14	3.625	0.648
Communication (based on suppliers' size)	Large	14	4.017	0.421
	Small	14	3.196	0.520

The above tables present the communication dimension from the retailers' and suppliers' points of view separately. In Table 100 and 101, how the suppliers' communication ability is perceived by the retailers is demonstrated. Small retailers think that they can communicate easier with suppliers, regardless of the suppliers' sizes, than large retailers do ($\mu_1=3.625>\mu_2=3.589$). Along with this, large suppliers are perceived as better communicators by the retailers, regardless of the retailers' sizes ($\mu_1=4.017>\mu_2=3.196$).

When large and small retailers are analyzed separately, it can be seen that both small (μ_1=3.928>μ_2=3.3214) and large (μ_1=4.107>μ_2=3.071) retailers believe that it is easier to communicate with larger suppliers. Along with this, large retailers perceive a big difference between their ability to communicate with large suppliers and small suppliers.

Table 102. Independent Samples Test of Communication for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Communication (based on retailers' sizes)	Equal variances assumed	-0.148	0.883	-0.530	0.459
	Equal variances not assumed	-0.148	0.883	-0.530	0.459
Communication (based on suppliers' sizes)	Equal variances assumed	4.589	0.000	0.178	0.453
	Equal variances not assumed	4.589	0.000	0.178	0.452

The significance test in Table 102 indicate that, when deciding on whether to continue the partnership or not, communication is not an important factor, as well (p-value=0.883>0.050). On the other hand, retailers think that they can communicate better with large suppliers (p-value=0.000<0.050). Like the realized profitability dimension, communication is affected by the size of the other party rather than the retailer.

Table 103. Ranks of Communication for Large Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Communication	Large	7	10.930	76.500
	Small	7	4.070	28.500

Table 104. Test Statistics of Communication for Large Retailers

	Communication
Mann-Whitney U	0.500
Z	-3.104
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Communication dimension is measured as significantly different for small and large suppliers of large retailers (p-value=0.002<0.050) in Tables 103 and 104. It can be said that large retailers can communicate easily with their large suppliers rather than with their small suppliers.

Table 105. Ranks of Communication for Small Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Communication	Large	7	9.430	66.000
	Small	7	5.570	39.000

Table 106. Test Statistics of Communication for Small Retailers

	Communication
Mann-Whitney U	11.000
Z	-1.744
Asymp. Sig. (2-tailed)	0.081
Exact Sig. [2*(1-tailed Sig.)]	0.097a

Small retailers think that they can communicate better with large suppliers. Communication, as can be seen in Tables 105 and 106, does not differ between large and small suppliers from the point of small retailers (p-value=0.081>0.050). This may be related with suppliers' view of communication as the essential of a good relationship. Thus, regardless of the size of the suppliers, they are easily communicated.

Table 107. Communication from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	2.892	3.107
	Large	3.964	3.714

Table 108. Group Statistics of Communication for Suppliers

	Size of the retailer	N	Mean	Std. Deviation
Communication (based on suppliers' size)	Large	14	3.410	0.697
	Small	14	3.428	0.660
Communication (based on retailers' size)	Large	14	3.839	0.585
	Small	14	3.000	0.449

Table 107 and 108 present the communication dimension from suppliers' point of view. According to the tables, there is a very little difference between the small and large suppliers' communication with retailers ($\mu_1=3.428>\mu_2=3.410$). On the other hand, large retailers are perceived as the retailers with whom easy communication can be done. In other words, suppliers find it easier to communicate with large retailers rather than small ones ($\mu_1=3.839>\mu_2=3.000$).

Small suppliers think that they can communicate easier with large retailers rather than small retailers ($\mu_1=3.964>\mu_2=2.892$). Likewise, large suppliers think that they can communicate with large retailers better

(μ_1=3.714>μ_2=3.107). This difference is more in small suppliers' communication with the other party.

In conclusion, it seems that the difference between small and large retailers' willingness to continue relationship may be resulting from the communication ability of retailers with their suppliers.

Table 109. Independent Samples Test of Communication for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Communication (based on suppliers' sizes)	Equal variances assumed	-0.070	0.945	-0.545	0.510
	Equal variances not assumed	-0.070	0.945	-0.545	0.510
Communication (based on retailers' sizes)	Equal variances assumed	4.257	0.000	0.433	1.244
	Equal variances not assumed	4.257	0.000	0.432	1.245

It can be concluded from Table 109 that, small suppliers think that they can communicate easier with retailers than large suppliers can. Size does not affect the suppliers' communication with the other party. Communication (p-value=0.945>0.050) does not significantly differ for large and small suppliers. On the other hand, overall suppliers think that they can communicate better with large retailers (p-value=0.000<0.050). This means that communication for suppliers is affected by retailers' sizes. This indicates that these communication dimensions significantly differ for large and small retailers from suppliers' point of view.

Table 110. Ranks of Communication for Large Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Communication	Large	7	9.210	64.500
	Small	7	5.790	40.500

Table 111. Test Statistics of Communication for Large Suppliers

	Communication
Mann-Whitney U	12.500
Z	-1.542
Asymp. Sig. (2-tailed)	0.123
Exact Sig. [2*(1-tailed Sig.)]	0.128a

According to Tables 110 and 111, small and large retailers' communication is very similar with large suppliers (p-value=0.123>0.050). The difference between the communication with large and small retailers is not statistically significant.

Table 112. Ranks of Communication for Small Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Communication	Large	7	10.930	76.500
	Small	7	4.070	28.500

Table 113. Test Statistics of Communication for Small Suppliers

	Communication
Mann-Whitney U	.500
Z	-3.104
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Communication of small suppliers differ for large and small retailers (p-value=0.002<0.050). When the means were compared in Tables 112 and 113, it is seen that small suppliers think that they can communicate better with large retailers. With the significance test, it is proven that it is possible to say so.

<u>Analysis for Trust and Commitment</u>

Table 114. Trust and Commitment from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.321	3.928
	Large	3.071	4.107

Table 115. Group Statistics of Trust and Commitment for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Trust and Commitment (based on retailers' size)	Large	14	3.589	0.624
	Small	14	3.625	0.648
Trust and Commitment (based on suppliers' size)	Large	14	4.017	0.421
	Small	14	3.196	0.520

Tables 114 and 115 above indicate the trust and commitment dimension of willingness to continue relationship dimension from retailers' points of view. Table 114 shows how retailers perceive gained trust and commitment. When the table is analyzed, it can be seen that overall small retailers think that they gain trust and commitment from suppliers, regardless of the suppliers' sizes, than large retailers do. In other words, it seems that small retailers value trust and commitment, in order to continue their relationships with suppliers, more than large retailers (μ_1=3.828>μ_2=3.628). On the other hand, large suppliers are seen as more trustworthy than small suppliers (μ_1=4.028>μ_2=3.428).

There is a big difference between the large (μ_1=4.000>μ_2=3.257) and small (μ_1=4.0571>μ_2=3.60) retailers' perception of their counterparties. Both of the retailers think that they can trust more to the large suppliers.

When willingness to continue relationship is analyzed, it is seen that small retailers are more willing to sustain their established relationships with suppliers. When the dimensions are analyzed, it can be seen that small retailers find their suppliers more trustworthy and committed to the relationship. On the other hand, the same reason may be appropriate to explain the difference between large and small suppliers' willingness to continue relationship.

Table 116. Independent Samples Test of Trust and Commitment for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Trust and Commitment (based on retailers' sizes)	Equal variances assumed	-0.985	0.334	-0.617	0.217
	Equal variances not assumed	-0.985	0.335	-0.620	0.220
Trust and Commitment (based on suppliers' sizes)	Equal variances assumed	3.530	0.002	0.169	0.250
	Equal variances not assumed	3.530	0.002	0.169	0.248

When deciding on whether to continue the partnership or not, communication is not an important factor. Nonetheless, the same inference can be made for trust and commitment. According to the statistical data in Table 116, this dimension is not significantly different for large and small retailers (p-value=0.334>0.050). Also, trust and commitment may be affected by the other party's size rather than the retailers' sizes.

Retailers think that they can trust more to large suppliers and also large suppliers are more committed to the relationship (p-value=0.002<0.050). In conclusion, it can be said that willingness to continue relationships and its dimensions are significantly affected by the size of suppliers. Along with this, all dimensions except realized profitability are important elements to determine the willingness of retailers to continue the relationship.

Table 117. Ranks of Trust and Commitment for Large Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Trust and Commitment	Large	7	9.860	69.000
	Small	7	5.140	36.000

Table 118. Test Statistics of Trust and Commitment for Large Retailers

	Trust and Commitment
Mann-Whitney U	8.000
Z	-2.156
Asymp. Sig. (2-tailed)	0.031
Exact Sig. [2*(1-tailed Sig.)]	0.038a

When trust and commitment is analyzed from the point of large retailers, it is seen in Tables 117 and 118 that there is an important difference between large and small suppliers (p-value=0.031<0.050).

Table 119.Ranks of Trust and Commitment for Small Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Trust and Commitment	Large	7	9.710	68.000
	Small	7	5.290	37.000

Table 120. Test Statistics of Trust and Commitment for Small Retailers

	Trust and Commitment
Mann-Whitney U	9.000
Z	-2.023
Asymp. Sig. (2-tailed)	0.043
Exact Sig. [2*(1-tailed Sig.)]	0.053a

According to Tables 119 and 120, there is a significant difference between small retailers' trust and commitment to the relationship with large and small suppliers (p-value=0.043<0.050). It can be said that small retailers have more faith in their relationship with large suppliers and thus are more committed to those relationships.

Table 121. Trust and Commitment from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	3.171	3.371
	Large	4.057	4.057

Table 122. Group Statistics of Trust and Commitment for Suppliers

	Size of the retailer	N	Mean	Std. Deviation
Trust and Commitment (based on suppliers' size)	Large	14	3.714	0.524
	Small	14	3.614	0.551
Trust and Commitment (based on retailers' size)	Large	14	4.057	0.354
	Small	14	3.271	0.356

Table 121 and 122 above present the trust and commitment dimension from the suppliers' point of view. According to the tables, overall large suppliers perceive the other party, regardless of their sizes, as more trustworthy and committed to the relationship. The mean of large suppliers is 3.714 and the mean of the small suppliers is 3.614.

On the other hand, when trust and commitment dimension is analyzed from the point of suppliers but also based on the size of the retailers, it can be said that large retailers are seen as more trustworthy and committed ($\mu_1=4.057>\mu_2=3.271$). In other words, suppliers, regardless of the size, face commitment and trust more when working with large retailers rather than when working with small retailers.

When the suppliers are analyzed based on being small or large, it can be seen that small suppliers think that large retailers are more reliable ($\mu_1=4.057>\mu_2=3.171$). This may be related with the easier processes in large retailers. On the other hand, large suppliers also think that large retailers are more trustworthy ($\mu_1=4.057>\mu_2=3.371$).

Table 123. Independent Samples Test of Trust and Commitment for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Trust and Commitment (based on suppliers' sizes)	Equal variances assumed	0.491	0.627	-0.318	0.518
	Equal variances not assumed	0.491	0.627	-0.318	0.518
Trust and Commitment (based on retailers' sizes)	Equal variances assumed	5.850	0.000	0.509	1.061
	Equal variances not assumed	5.850	0.000	0.509	1061

Table 123 above presents the significance test of trust and commitment for suppliers. According to the compared means before, large suppliers believe that they can trust to the retailers more than small suppliers. But the significance test of trust and commitment show that there is not a significant difference between the large suppliers' and small suppliers' trust and commitment to the relationship and the other party. However, this dimension may differ due to the retailers' sizes. Perceived trust and commitment by suppliers may be different for large and small retailers. In fact, suppliers believe that they can trust more to the large retailers instead of small ones and large retailers are more committed to the relationship's success (p-value=0.000<0.050).

Table 124. Ranks of Trust and Commitment for Large Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Trust and Commitment	Large	7	10.290	72.000
	Small	7	4.710	33.000

Table 125. Test Statistics of Trust and Commitment for Large Suppliers

	Trust and Commitment
Mann-Whitney U	5.000
Z	-2.514
Asymp. Sig. (2-tailed)	0.012
Exact Sig. [2*(1-tailed Sig.)]	0.011a

Tables 124 and 125 demonstrate that, trust and commitment may be important in large suppliers' decisions to sustain their relationship with large retailers since they think large retailers are easier to communicate with and are more trustworthy and committed. But, small suppliers think that they can trust more to the large retailers and that large retailers are more committed to the relationship (p-value=0.012<0.050).

Table 126. Ranks of Trust and Commitment for Small Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Trust and Commitment	Large	7	11.000	77.000
	Small	7	4.000	28.000

Table 127. Test Statistics of Trust and Commitment for Small Suppliers

	Trust and Commitment
Mann-Whitney U	0.000
Z	-3.169
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

As can be seen in Tables 126 and 127, small suppliers think that they can communicate better with large retailers and they have more faith in the large retailers. The difference between the small suppliers' trust and commitment to the large and small retailers is significantly different (p-value=0.002<0.050). This means that small suppliers think that they can trust to the large retailers more and large retailers are more committed to the relationship.

<u>Analysis for Power</u>

Table 128. Power from Retailers' Point of View

		Supplier	
		Small	Large
Retailer	Small	2.428	4.047
	Large	1.476	3.142

Table 129. Group Statistics of Power for Retailers

	Size of the retailer	N	Mean	Std. Deviation
Power (based on retailers' size)	Large	14	2.309	1.128
	Small	14	3.238	1.033
Power (based on suppliers' size)	Large	14	3.595	0.888
	Small	14	1.952	0.749

Tables 128 and 129 present how powerful retailers view the other party. Generally, small retailers find their partners more powerful than large retailers do (μ_1=3.238>μ_2=3.595). When retailers' relations with suppliers are analyzed based on the counterparty's size, it can be concluded that large suppliers are viewed as more powerful than small suppliers by their retailers regardless of their sizes (μ_1=1.595>μ_2=3.595).

A more detailed analysis helps to differentiate between how large and small retailers view their counterparties. Small retailers think that their large suppliers are more powerful in the relationship rather than small suppliers (μ_1=4.047>μ_2=2.428). Likewise, large retailers think that large suppliers are more powerful than small suppliers (μ_1=3.142>μ_2=1.476). Small retailers see large suppliers more powerful than large retailers do (μ_1=4.047>μ_2=3.142). Small retailers think that small suppliers are more powerful than large retailers think (μ_1=2.428>μ_2=1.476). Since they hold more intention to start and sustain a relationship than large retailers do, they view small and large suppliers more powerful than large retailers do, as well.

Table 130. Independent Samples Test of Power for Retailers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Power (based on retailers' sizes)	Equal variances assumed	2.53	0.032	-1.768	-0.088
	Equal variances not assumed	2.530	0.032	-1.769	-0.087
Power (based on suppliers' sizes)	Equal variances assumed	5.288	0.000	1.004	2.281
	Equal variances not assumed	5.288	0.000	1.003	2.282

Table 130 indicates that the perceived power by small and large retailers are significantly different (p-value=0.032<0.050). This means that according to the small retailers, suppliers are more powerful than large retailers think. This result shows that size is an important factor on distribution of power between buyers and suppliers. Large retailers perceive themselves as more powerful than small retailers do.

According to the previous findings, large suppliers are seen as more powerful than small suppliers are. Table 130 proves that, this difference is significant (p-value=0.000<0.050). This means that retailers, regardless of the size, think that large suppliers have more power than small suppliers have against them. This shows that size of the other party is an important factor that determines how power will be distributed. Generally large suppliers have more power than small suppliers against their retailers. This finding is also consistent with the previous finding. Large companies are perceived as more powerful.

Table 131. Ranks of Power for Large Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Power	Large	7	10.430	73.000
	Small	7	4.570	32.000

Table 132. Test Statistics of Power for Large Retailers

	Power
Mann-Whitney U	4.000
Z	-2.717
Asymp. Sig. (2-tailed)	0.007
Exact Sig. [2*(1-tailed Sig.)]	0.007a

According to Table 131 above, large retailers think that their large suppliers are more powerful than their small suppliers are. It can also be said that large retailers view themselves as having more power against small suppliers than against large suppliers. Along with this Table 132 designates that, this difference is significant (p-value=0.007<0.050). In other words, large retailers view large suppliers as more powerful than small suppliers and they have are more influential on small suppliers.

Table 133. Ranks of Power for Small Retailers

	Size of the suppliers	N	Mean Rank	Sum of Ranks
Power	Large	7	10.790	75.500
	Small	7	4.210	29.500

Table 134. Test Statistics of Power for Small Retailers

	Power
Mann-Whitney U	1.500
Z	-2.952
Asymp. Sig. (2-tailed)	0.003
Exact Sig. [2*(1-tailed Sig.)]	0.001a

Tables 133 and 134 above present how powerful small retailers view their suppliers. It can be said that small retailers view themselves as having more power against small suppliers than against large suppliers. According to the Table 134, this difference is significant (p-value=0.003<0.050). In other words, small retailers view large suppliers as more powerful than small suppliers and they have are more influential on small suppliers.

Table 135. Power from Suppliers' Point of View

		Supplier	
		Small	Large
Retailer	Small	2.714	1.809
	Large	4.190	3.190

Table 136. Group Statistics of Power for Suppliers

	Size of the retailer	N	Mean	Std. Deviation
Power (based on suppliers' size)	Large	14	2.500	0.8939
	Small	14	3.452	0.9392
Power (based on retailers' size)	Large	14	3.690	0.6851
	Small	14	2.261	0.7754

Table 135 and Table 136 show the power in the relationship from suppliers' point of view. In other words, the tables demonstrate how powerful they think they and their partners are in the relationships. According to Table 135, small suppliers view retailers more powerful than large suppliers do (μ_1=3.452>μ_2=2.500). In other words, large suppliers perceive themselves as more powerful than small suppliers think. This may be due to the relationship intention small suppliers hold. Since small suppliers expect to gain reputation, achieving more consumers and making more money by selling their products in retailers, they hold more intention to start a partnership with retails in general when compared to large suppliers. Along with this, small retailers think they can communicate better with large retailers and they believe that large retailers are more trustworthy and committed to the relationship.

Large retailers are seen as more powerful than small retailers (μ_1=3.690>μ_2=2.261). This may also be related with the large retailers' image and penetration. Because large retailers can provide prestige and new customers more than small retailers do, suppliers hold more intention against large retailers. This high intention causes the power to shift to the suppliers. Likewise, the willingness to continue relationship with large suppliers is higher than with small suppliers. Also this willingness of retailers gives power to the large suppliers.

Table 137. Independent Samples Test of Power for Suppliers

				95% Confidence Interval of the Difference	
		t	Sig. (2-tailed)	Lower	Upper
Power (based on suppliers' sizes)	Equal variances assumed	-2.748	0.011	-1.664	-0.240
	Equal variances not assumed	-2.748	0.011	-1.664	-0.239
Power (based on retailers' sizes)	Equal variances assumed	5.165	0.000	0.860	1.997
	Equal variances not assumed	5.165	0.000	0.859	1.997

Table 137 indicates that the perceived power by small and large suppliers are significantly different (p-value=0.011<0.050). This result shows that size is an important factor on distribution of power between buyers and suppliers. Large suppliers perceive themselves as more powerful than small suppliers do.

On the other hand, Table 137 also show the significance of the difference of power distribution between suppliers and their large and small retailers (p-value=0.000<0.050). This means that suppliers are more powerful against their small retailers and they view their large retailers as having more power than small retailers. In conclusion, size is important in power distribution.

Table 138. Ranks of Power for Large Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Power	Large	7	10.860	76.000
	Small	7	4.140	29.000

Table 139. Test Statistics of Power for Large Suppliers

	Power
Mann-Whitney U	1.000
Z	-3.047
Asymp. Sig. (2-tailed)	0.002
Exact Sig. [2*(1-tailed Sig.)]	0.001a

According to Table 138 above, large suppliers think that their large retailers are more powerful than their small retailers are. It can also be said that large suppliers view themselves as having more power against small retailers than against large retailers. According to Table 139, this difference is significant (p-value=0.002<0.050). In other words, large suppliers view large retailers as more powerful than small retailers and they have are more influential on small retailers.

Table 140. Ranks of Power for Small Suppliers

	Size of the retailers	N	Mean Rank	Sum of Ranks
Power	Large	7	10.790	75.500
	Small	7	4.210	29.500

Table 141. Test Statistics of Power for Small Suppliers

	Power
Mann-Whitney U	1.500
Z	-3.016
Asymp. Sig. (2-tailed)	0.003
Exact Sig. [2*(1-tailed Sig.)]	0.001a

The tables above present how powerful small suppliers view their retailers. According to Table 140 above, small suppliers believe that their large retailers are more powerful than their small retailers are. It can also be said that small suppliers view themselves as having more power against small retailers than against large retailers. According to Table 141, this difference is significant (p-value=0.003<0.05). In other words, small suppliers view large retailers as more powerful than small retailers and they have are more influential on small retailers.

Correlation Analysis for Variables

The correlation analysis shows if there is any relationship between the variables. In this study, it is hypothesized that there is a relationship between relationship intention and power, between willingness to continue relation and power and between relationship intention and willingness to continue relation. In order to find out if there is a relationship, correlation analysis for the variables is run below.

Table 142. Correlations between Power, Relationship Intention and Willingness to Continue Relationship

		Power	Relationship Intention	Willingness to Continue Relationship
Power	Pearson Correlation	1	0.728**	0.306*
	Sig. (2-tailed)		0.000	0.022
	N	56	56	56
Relationship Intention	Pearson Correlation	0.728**	1	0.364**
	Sig. (2-tailed)	0.000		0.006
	N	56	56	56
Willingness to Continue Relationship	Pearson Correlation	0.306*	0.364**	1
	Sig. (2-tailed)	0.022	0.006	
	N	56	56	56

**. Correlation is significant at the 0.010 level
*. Correlation is significant at the 0.050 level

Table 142 shows that, there is a significant positive correlation between relationship intention and power (r= 0.728; p-value=0.000<0.050). In other words, relationship intention significantly positively affects power. So, as the relationship intention increases perceived power of the other party increases, and as intention decreases perceived power decreases.

A positive correlation between power and willingness to continue relationship can also be observed (r= 0.306; p-value=0.022<0.050). As the willingness of a party to continue relationship increases, the perceived power of the other party increases as well. On the other hand, willingness to continue relationship affects power less than relationship intention.

Relationship intention also affects willingness to continue relationship (p-value=0.006<0.050). There is a positive correlation between relationship intention and willingness to continue relationship.

Regression Analysis for Variables

The regression analyses are presented below. Regression analysis for power, relationship intention and willingness to continue relationship and regression for willingness to continue relation and relationship intention are run in order to measure the hypothesized relationships between the variables.

Table 143.Model Summary of Regression between Power, Relationship Intention and Willingness to Continue Relationship

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.729a	0.532	0.514	0.759
a. Predictors: (Constant), Relationship intention, Willingness				

Table 144. Anova of Regression between Power, Relationship Intention and Willingness to Continue Relationship

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	34.676	2	17.338	30.068	0.000a
	Residual	30.561	53	0.577		
	Total	65.236	55			
a. Predictors: (Constant),Relationship intention, Willingness b. Dependent Variable: Power						

Table 145. Coefficients of Regression between Power, Relationship Intention and Willingness to Continue Relationship

Model		Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
1	(Constant)	-3.765	1.188		-3.170	0.003
	Intention	1.733	0.246	0.711	7.040	0.000
	Willingness	0.161	0.344	0.047	0.468	0.642
a. Dependent Variable: Power						

Tables 143, 144 and 145 above show the regression analysis of power, relationship intention and willingness to continue relationship. In this analysis, the dependent variable is power. The significance of the overall model is 0.000, so it can be said that there is a significant linear relationship between the dependent variable and the independent variables. In other words, at least one of the independent variables affects power. Along with this, it can be said that nearly fifty one percent of change in power can be explained by changes in relationship intention and willingness to continue relationship.

The relationship between relationship intention and power is significant (p-value=0.000<0.050). It can be said that there is a linear relationship between power and relationship intention. On the other hand, there cannot be said to be a significant relationship between willingness to continue relationship and power (p-value=0.642>0.050). So it can be said that power is affected only by relationship intention.

Table 146.Model Summary of Regression between Relationship Intention and Willingness to Continue Relationship

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.364a	0.132	0.116	0.300
a. Predictors: (Constant), Relationship intention				

Table 147. Anova of Regression between Relationship Intention and Willingness to Continue Relationship

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	0.743	1	0.743	231	0.006a
	Residual	4.873	54	0.090		
	Total	5.616	55			
a. Predictors: (Constant),Relationship intention b. Dependent Variable: Willingness to Continue Relationship						

Table 148. Coefficients of Regression between Relationship Intention and Willingness to Continue Relationship

Model		Unstandardized Coefficients	Std. Error	Standardized Coefficients	t	Sig.
1	(Constant)	2.521	0.321		7.850	0.000
	Intention	0.260	0.091	0.364	2.869	0.006
a. Dependent Variable: Willingness to Continue Relationship						

Tables 146, 147 and 148 show the regression analysis of relationship intention and willingness to continue relationship. In this analysis, the dependent variable is willingness to continue relationship since it is hypothesized to change as relationship intention changes. The significance of the overall model is 0.006, so it can be said that there is a significant linear relationship between the dependent variable and the independent variable. In other words, willingness to continue relationship changes as relationship intention changes. Along with this, it can be said that nearly twelve percent of changes in willingness to continue relationship can be explained by changes in relationship intention.

Analysis for Relationship Duration

In order to measure the moderating effect of relationship duration, stepwise regression analysis is used. It is hypothesized that relationship duration negatively moderates the effect that willingness to continue relationship variable has on power. To measure this effect, stepwise regression analysis is used to see if willingness to continue relationship variable's affect is altered by relationship duration. Stepwise regression is used to observe if the sole effect of willingness to continue relationship is affected by relationship duration.

Table 149. Variables for Moderating Effect of Relationship Duration

Model	Variables Entered	Variables Removed	Method
1	Intention	.	Stepwise (Criteria: Probability-of-F-to-enter <= 0.050; Probability-of-F-to-remove >= 0.100).
2	Willingness x Duration	.	Stepwise (Criteria: Probability-of-F-to-enter <= 0.050; Probability-of-F-to-remove >= 0.100).
a. Dependent Variable: Power			

Table 150. Model Summary for Moderating Effect of Relationship Duration

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.728a	0.530	0.521	0.753
2	0.757b	0.573	0.556	0.725
a Predictors: (Constant), Intention b. Predictors: (Constant), Intention, Willingness x Duration				

Table 151. Anova for Moderating Effect of Relationship Duration

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	34.549	1	34.549	60.796	0.000a
	Residual	30.687	54	0.568		
	Total	65.236	55			
2	Regression	37.350	2	18.675	35.494	0.000b
	Residual	27.886	53	0.526		
	Total	65.236	55			

a. Predictors: (Constant), Intention
b. Predictors: (Constant), Intention, Willingness x Duration
c. Dependent Variable: Power

Table 152. Coefficients for Moderating Effect of Relationship Duration

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	-3.359	0.806		-4.168	0.000
	Intention	1.775	0.228	0.728	7.797	0.000
2	(Constant)	-3.636	0.785		-4.634	0.000
	Intention	1.937	0.230	0.794	8.421	0.000
	Willingness x Duration	-0.007	0.003	-0.218	-2.307	0.025

Table 153. Excluded Variables for Moderating Effect of Relationship Duration

Model		Beta in	t	Sig.
1	Willingness	0.047a	0.468	0.642
	Willingness x Duration	-0.218a	-2.307	0.025
	Willingness	0.077b	0.790	0.433
2	Willingness	0.077b	0.790	0.433

a. Predictors in the Model: (Constant), Intention
b. Predictors in the Model: (Constant), Intention, Willingness x Duration
c. Dependent Variable: Power

Tables 149,150, 151, 152 and 153 represent the moderating effect of relationship duration on power. They show if relationship duration alters the non-existing effect of willingness to continue relationship on power. In this study, it is hypothesized that relationship duration negatively moderates the effect that willingness to continue relationship variable has on power. In other words, it is hypothesized that as the relationship duration increases the negative effect of willingness to continue relationship on power decreases. These tables designate the validity of this hypothesis.

The results presented in the Anova Table for the stepwise regression shows that relationship intention is the first variable entered in the model. Willingness to continue relationship is not included in the final model since it is not a statistically significant variable on its own. The effect of willingness to continue relationship is significant only when relationship duration moderates this variable. In other words, the Willingness x Duration variable which represents the moderated variable combining willingness to continue relationship and relationship duration enters the model in the second step. The significance of the overall model is 0.000, so it can be said that there is a linear relationship between the dependent and independent variables. Along with this, it can be said that nearly fifty five percent of changes in power can be explained by changes in relationship intention and duration moderated willingness to continue relationship.

CHAPTER VI

CONCLUSION

In this final chapter, first, the study findings are discussed and the applicability of the study and the findings are mentioned. Furthermore, further research areas and research limitations are mentioned.

Discussion of the Study Findings

Yin and Yang from eastern philosophy and Taoism define opposites like female and male, white and black, and soft and firm but treat them as a whole, as interdependent and in interaction. The opposites are two sides of the same coin, and the dynamic tension between them makes life vibrant. One of them cannot win and the other cannot lose, because if one takes over, the whole phenomenon is deprived of meaning.

So, it is not a competition between the buyers and suppliers, it is not either buyers or suppliers, it is both of them, it is buyers and suppliers. There is an inevitable interdependence between buyers and suppliers. One cannot live without another. Organizations, just like every living creature, cannot survive on their own. Thus, both retailers and suppliers start the relationship with nearly the same intentions. In other words, being a retailer or a supplier does not matter in having relationship intention. The indifferences in other party’s image, penetration and expected profitability cause this similarity in relationship intention of suppliers and retailers. Similarly, willingness of suppliers and retailers to continue a relationship is not different. Like relationship intention, it results from the indifferences in realized profitability, communication, and trust and commitment.

Just like the type of the company, the size of the company is not a determinant in power distribution. Being small or large affects neither the firms' relationship intentions nor their willingness to continue the relationship.

On the other hand, the relationship intention and its dimensions, along with willingness to continue relationship and its dimensions significantly differ due to the other party's size. There is an obvious tendency to start and sustain business relations with larger firms. Large companies, regardless of being a retailer or a supplier, are perceived to be more prestigious, to help firms reach more customers, to communicate easier with, to be more reliable and committed to the relationship. Though lower profits are expected and also realized from larger companies, other characteristics of large companies provide them priority when being selected as business partners.

In line with the above discussion, it can be concluded that being a small or a large retailer does not assure holding more intention against the suppliers. It is seen that relationship intention is not affected by the size of the company, but rather affected by the size of the counterparty. This is an expected outcome since the relationship intention is more related with the characteristics of the other company. In other words, it makes sense that every company shapes its intentions based what they can gain from the other company in the partnership.

The significance test of relationship intention proves that retailers, whether large or small, are more eager to build B2B relationships with large suppliers. In other words, both large and small retailers prefer to establish partnerships with large suppliers instead of small suppliers. This may be connected with the established reputation and loyal customers of large suppliers. Small retailers may be dependent on the large suppliers' reputation, and also they may think that they will attract the large suppliers' loyal customers by exhibiting the products of their large suppliers. Along with this, large retailers may also perceive that large suppliers are more prestigious or attracts more customers and also large suppliers' and retailers' corporate demographics may be more similar and thus they may find it easier to work with large suppliers. And this may also be another driver for large retailers' intention holding for large suppliers.

When relationship intention is analyzed from the point of suppliers, similar results are achieved. Although, compared means show that small suppliers are more willing to establish a relationship with retailers, the size of the supplier is not an important element in determining the relationship intention, because the intentions are generally based on the perceptions about the counterparty. For instance, the suppliers' intentions to start a relationship may differ according to the size of the retailer they are partnering with. This maybe related with the goal of every supplier which is to sell their products and this does not differ from large suppliers to small suppliers.

On the other hand, the intention of suppliers to start a business relationship with retailers differs due to the size of the retailers. This may be due to the relationship intentions' characteristics, which means it may be more affected by the size of the counterparty. In this study, the size of a retailer is measured by the branches it has. The difference between the relationship intention against small and large retailers may be related with the number of branches it has. As this number increases, the touch points for consumers are also increased. This means that the products of suppliers may become more visible and accessible to the end users as the number of branches of a retailer increases. Along with this, the large retailers may have brand names and thus loyal consumers.

When other firm's image dimension of relationship intention variable is analyzed from the point of retailers, it can be said that being small or large is not important. Firm image dimension is not significantly different for small and large retailers when analyzed from the point of retailers since this dimension measures the image provided to the retailer by the supplier.

There is a significant difference between the image provided by a small supplier and a large supplier. It can be said that when the suppliers' sizes are taken into consideration, it can be seen that all retailers believe that they can be more reputable by working with large suppliers rather than small ones. This may be related with the brand image of the large suppliers and retailers may perceive that by exhibiting their products in the shelves of large retailers they may also gain reputation. Small retailers may perceive themselves to be dependent on the large suppliers' image in order to attract customers. This is to say that, small retailers may find it prestigious to work with large suppliers since a customer may not come to a small retailer for its brand but the large suppliers' brand awareness may attract customers to the small retailers. Large retailers, as well, may believe that they may gain reputation by selling the products of large suppliers rather than the products of small ones. This may be due to the possible perception that large suppliers are more prestigious for end-users and they have brand loyal consumers. By selling the products of a prestigious supplier, supermarkets may want to create an established brand name for their customers.

The results of the image provided by the retailers to the suppliers is very similar with the results of the image provided by the suppliers to the retailers. The image is differently measured based on the size of the retailers but not size of the suppliers. It is again related with the characteristics of the dimension. This dimension is also affected by the counterparty since it is provided by the counterparty and changes according to it. Suppliers find it more reputable to work with large retailers and believe that they also may be more prestigious only by partnering with large retailers. Small suppliers may prefer to work with large retailers when the reputation they may gain is taken into consideration. This may be due to that small suppliers are more dependent on the retailers when compared to large suppliers. The reason for this may be that small suppliers may not have an established brand name recognition by the consumers and thus they may need to benefit from the reputation of the retailers. Along with this, large suppliers believe that working with large retailers is more prestigious rather than working with small retailers. This may be related with the large retailers' existing reputation and prestige may be seen as the way to gain status in the eyes of consumers.

When penetration dimension is analyzed for retailers, it can be concluded that, penetration dimension is also related with the size of the suppliers, not with the size of the retailers. It can be said that retailers, regardless of the size, approach the suppliers as means to reach new consumers.

On the other hand, penetration of small and large suppliers is significantly different from the retailers' point of view. Penetration is measured by the consumers a company can reach. So, as the loyal consumers of suppliers increase, the retailers may reach more consumers. A consumer may come to a supermarket simply to buy products of that supplier. So this retailer gains consumers. It can be said that large suppliers attract more consumer to retailers that small suppliers do. But this difference is not significantly obvious for large retailers. This may be because; retailers view both their small and large suppliers as means to reach new consumers. This may also derive from the fact that large retailers have loyal consumers to their brands. Since large retailers have their own loyal consumers, they do not consider suppliers as important as small retailers do. On the other hand, small retailers perceive their large suppliers as attracting more consumers. Small retailers may be more dependent on their large suppliers than large retailers are. Small retailers may not have loyal consumers to their brand names, but their suppliers may have. For instance, a consumer may not shop from a small supermarket because it is supermarket X but rather because it sells the products of supplier X. This means that small retailers may view their suppliers as means to reach consumers they cannot reach on their own.

When penetration is analyzed from the point of suppliers, retailers' penetration is affected by the size of the suppliers instead of the size of the retailers. It is again related with the characteristics of the dimension that in this study, penetration occurring when working with counterparty, is measured.

Suppliers think that they can reach consumers more easily if they partner with large retailers. It may be said that large retailers are perceived by both large and small suppliers as means to attract consumers. The main reason for this is the number of branches the large retailers have. As large retailers have more branches than small retailers do, they can reach more consumers. Also large retailers may seem as prestigious companies and thus consumers may prefer to shop from large retailers. This is another reason why large retailers are seen as paths to consumers both by small and large suppliers. Large suppliers believe that they can reach more consumers by working with large retailers. This may result from the number of branches and loyal customers large retailers have. Along with this, large retailers are important means to penetration for small suppliers. Large retailers may have loyal consumers to their brand names and thus small retailers may need large suppliers to achieve new consumers since they may not have as much loyal consumers to their brands.

The last dimension of relationship intention is expected profitability. Expected profitability from retailers’ point of view is analyzed. It can be concluded that expected profitability is similar to firm image and penetration. It is affected by the size of the size of the suppliers rather than the size of the retailers. It is rational since the financial expectations, in this study, are hypothesized to change due to the different partnerships. In other words, the expectations are expectations about how the other party will behave.

The retailers’ financial expectations from small and large suppliers can be said to be different when compared. Retailers, regardless of the size, expect more from the partnerships with small suppliers than the partnerships with large suppliers. This may be because of the cost of the large suppliers to the retailers. Because of the reputation they have, the large suppliers may demand more percentage of the income of their products from retailers than small suppliers do. When retailers are analyzed based on their sizes, it can be seen that large retailers’ expected profitability from large and small suppliers is not very different. The reason may be related with the basic reason why firms work with other firms. Since the ultimate goal of every organization is to make profit, large retailers’ expected profitability does not differ for small and large suppliers. They want to make money of every partnership. Small retailers’ expectations are similar for both large and small suppliers, as well. It is likely to be originating from the priorities of the small retailers. Small retailers may prioritize other things like penetration or image rather than profit they make. In other words, small retailers may first want to establish a reputation and reach consumers via their partnerships.

Following, expected profitability is analyzed from the point of suppliers. It is proven that suppliers' financial expectations do not change due to neither the size of the supplier nor the size of the retailer. Even though, it was expected that suppliers expect better financial outcomes from their relatively small retailers. It may be related with the heavy financial demands of supermarkets from suppliers to exhibit the products. This may also be because of the ultimate goal, which is profit making, of every organization.

After the relationship intention variable, the second variable which is willingness to continue relationship is analyzed. According to the significance tests, willingness to continue relationship is affected by the size of the counterparty. When retailers' points of view are considered, it can be seen that retailers demand the continuity of the relationship based on the sizes of the suppliers not sizes of themselves. In other words, there is not enough evidence to call the small and large retailers' intentions to sustain the established relationship as different.

Regardless of the size, retailers have more intention to sustain their relationships with large suppliers rather than small ones. This may be because the retailers' expectations of large suppliers are realized, which means large suppliers may be providing retailers image and penetration as they expected when first establishing the relationship. Also, large suppliers may provide retailers more profit and retailers may find it easier to communicate with large suppliers since they are more institutionalized. When retailers are classified as large and small, it can be seen that large retailers prefer to partner with large suppliers. They may already have loyal consumers coming to their shops, and thus they may not be as dependent on the suppliers as the small retailers are. For this reason, large retailers' preference to continue working with large and small suppliers may differ based on the relationship quality. Small retailers, on the other hand, prefer to sustain the relationships with their suppliers, regardless of the size. This may be due to the small retailers' dependency on suppliers. In order to sell attract customers; small retailers may be dependent on the retailers more than large retailers are.

When willingness to continue relationship is analyzed, it can be seen that suppliers' willingness to continue the established relationship is affected neither by the size of themselves nor by the size of the retailers they are partnering with. Although, it was expected that suppliers wanted to sustain the relationship with their large retailers rather than their small retailers. This may be due to the suppliers' approach to making money. They may approach every retails they work with, as a means to make profit and sell their products. Only small suppliers' willingness to continue relationship with their large and small retailers is different. Small suppliers prefer to keep their relationship with large retailers rather than small retailers. This may be resulting from the small suppliers' dependency on large retailers to reach customers. In other words, large suppliers may have loyal customer but small suppliers may have not; thus large retailers may be more crucial for small suppliers.

The realized profitability of retailers is significantly different for large and small suppliers. In other words, retailers' financial outcomes from their partnerships with small suppliers and from their partnerships with large suppliers are importantly different. Retailers, regardless of their sizes, earn more profit from their small suppliers. This may be due to the financial sacrifices that large suppliers require. For instance, large suppliers may demand a bigger percentage from their products' sales than small suppliers do. Realized profitability is different only for small retailers. Small retailers believe that they make more profit out of their partnerships with small suppliers. This may be because of the high costs of working with large suppliers. Large suppliers may provide better access to consumers but profit margins may be lower, because of the partnering costs.

When realized profitability dimension is analyzed from the point of suppliers, it can be seen that, suppliers' profit margins change due to the sizes of the retailers. Suppliers, regardless of the size, make more profit out of small retailers. This may be because large retailers demand more financial concessions from suppliers than small retailers do. Along with this, small suppliers gain different amounts of profit from their small and large retailers. This may be because of the size of the suppliers. Small suppliers realize more profit from small retailers, indeed. This may be related with the higher financial demands of large retailers.

Communication is another dimension that makes up the willingness to continue relationship. Communication is affected by the size of the counterparty rather than the size of the companies themselves. Retailers' communication affected by the sizes of the suppliers, not by the sizes of the retailers. Retailers, whether small or large, believe that they can better communicate with large suppliers instead of small suppliers. This may be due to the professionalism of large suppliers. Since they are more institutionalized, every process may be defined by rules and norms. If retailers are analyzed being small and large, it can be seen that large retailers believe that they can communicate better with large suppliers. This may be related with the corporate culture similarities of large companies. Also, this may be related with the professionalism of the large and since suppliers do not want to lose their large retailers they can be reached by large retailers easily.

When communication is analyzed from suppliers' points of view, it can be seen that communication for suppliers is dependent on the size of the retailers, not on the size of the suppliers themselves. Suppliers believe that it is easier to communicate with large retailers rather than small ones. This may be related with the determined business processes and professionalism of large companies. Communication dimension differs when analyzed for large and small retailers. Even though, the large suppliers' communication is not affected by the size of the retailers, small suppliers' communication is affected. Small suppliers believe that large retailers are easier to communicate with. this may again be related with the professionalism of large retailers and their approach for their partners.

Trust and commitment is the last dimension that make up the willingness to continue relationship variable. When it is analyzed from the retailers' points of view, it can be seen that trust and commitment is affected by the size of the suppliers instead of the sizes of the retailers. On the other hand, large suppliers are perceived as more trustworthy than small suppliers, by the retailers. This may be due to their ways to doing business. Large suppliers may be perceived as more professional by retailers.

There is a big difference between the large retailers' perceptions about their small and large suppliers' trustworthiness. Large retailers believe that their large suppliers are more committed to the relationship and thus they can trust them more. Similar inference can be made for small retailers, as well. Small retailers perceive their large suppliers as more trustworthy and committed to the relationship may be relationship. This may be related with the professional processes of large suppliers.

Similar results are achieved for the trust and commitment dimension for suppliers. Trust and commitment for suppliers is also affected by the sizes of the retailers that suppliers are partnering with. Suppliers believe that they can trust more to the large retailers instead of small ones and large retailers are more committed to the relationship’s success. This may be related with the established and better working business processes in large retailers. Since the processes run more professionally in large retailers, this may create the perception of being more reliable. Both small and large suppliers believe that their large counterparties are more trustworthy and committed than their small retailers.

As for power acquisition in a B2B relationship, it is not dependent on the type of the company. That is to say, being a retailer or a supplier does not assure a powerful position against the other party. This may be because each party needs the counterparty to reach new customers and eventually to make profit. It can also be concluded that being a supplier or a retailer is not a determinant for power balance and also that the interdependency of retailers and suppliers is proven by this study.

Power, unlike relationship intention and willingness to continue relationship variables, is significantly affected by the size of the company. To be more specific, size of a company may shape the perception of its position in a business partnership. Overall small companies, whether retailers or suppliers, believe that they are relatively less powerful than large companies. In other words, small companies put their counterparties at a more powerful position than large companies do. Small companies may perceive themselves as more dependent on the other parties.

Power is also affected by the size of the other company. Generally large companies are perceived to be more powerful in a B2B relationship. This may be due to the dependency on the large companies. It is also related with the prestige, reputation and penetration that large companies provide. Along with these, there is a higher intention to start a relationship with larger companies and sustain it. Thus large companies have more power in the business relationships.

When power is analyzed from the point of retailers, it can be seen that power is differently perceived by small and large retailers. Small retailers think that suppliers, regardless of the size, are more powerful than large retailers think. Or vice versa, it can be said that large retailers believe that they are more powerful in a B2B relationship than small retailers perceive themselves. This was an expected outcome, since small retailers may be more dependent on the other party than large retailers are. This may also be related with the higher intention they hold. Small retailers are more dependent on their partners in order to attract customers, gain profit and also they benefit from other party's reputation more than large retailers do. Thus small retailers see their partner more powerful than large retailers do. Large retailers are not holding as relationship intention as small ones this is because they have their own established image, already have loyal customers and also can make more profit than small retailers. Thus, large retailers do not view their partners as powerful as small retailers do.

Retailers, whether small or large, believe that in their partnerships with suppliers, large suppliers are in a more powerful position than small suppliers are. This may also be related with the large suppliers' image and penetration. Because large suppliers can provide reputation to their partners and because they can ease the retailers on achieving consumers since they have loyal consumers, retailers hold more intention against large retailers. This high intention causes the power to shift to the suppliers. Likewise, the willingness to continue relationship with large suppliers is higher than with small suppliers. Also this willingness of retailers gives power to the large suppliers.

When power is analyzed from the point of suppliers, it can be seen concluded that suppliers, regardless of their sizes, are more powerful against their small retailers rather than their large retailers. In other words, suppliers perceive their large retailers as in a more powerful position than their small retailers. Since large retailers may have loyal consumers and reputation, suppliers may be less willing to misbehave against large retailers in order not to lose them. Large retailers can access more end users, because of the number of the branches they have, and thus suppliers' products may be visible to more consumers. On the other hand, there is a higher relationship intention against large companies, and this may be an element of perceived power of large companies.

When suppliers are classified as large and small and their perceptions about power in business relationships are analyzed, it can be concluded that both large and small suppliers believe that their large counterparties are more powerful than their small counterparties. This may be related with the dependency on large companies to achieve both consumers and reputation.

In conclusion, it is not about the type or the size of the company, rather it is about the size of the other party which determines who to start and sustain relationship with. Suppliers and retailers, large companies and small companies approach the relationships with the same motive, which is to make profit, but this approach changes according to the traits of who they are partnering with. The firms have same motive but act differently according to their counterparties. Being large or small is not important since the ultimate goal is to make profit but what is important is working with a small or a large company.

In pursuit, correlation between power, relationship intention and willingness to continue relationship is analyzed in order to find out if there is a relationship between these variables. The results show that there is a significant positive correlation between relationship intention and power and between willingness to continue relationship and power. So, as hypothesized, it can be concluded that as the relationship intention and willingness to continue relationship of a company increases, the power of the counterparty increases as well. This may be because, as the intention of establishing and sustaining a relationship increases, the amount of sacrifices may increase as well. In other words, a more willing company may make more sacrifice in order to reach its goal.

Similar results are achieved by regression analysis. Regression analysis demonstrates that there is a positive linear relationship between power and relationship intention. Nevertheless, willingness to continue relationship is and power is not significantly related. It may be interfered that the initial attempts in a relationship determine the power position and it does not change much over time. On the other hand, there is an important positive relationship between relationship intention and willingness to continue relationship, as hypothesized. As the relationship intention increases, willingness to continue relationship increases as well. It can be said that the first impression is important and if a company is intended to build a relationship, it generally wishes to sustain that relationship.

Relationship duration is the moderating variable in this study and it is hypothesized to alter the willingness to continue relationship's effect on power. Willingness to continue relationship does not affect power on its own, but rather affects power when combined with relationship duration. This may be because firms decide on sustaining their relationship with other firms based on their past experiences and thus time may be the best indicator how a firm operates. Along with this, as the time passes, it may be harder to leave a relationship and thus relationship duration may alter the firms' willingness to sustain their existing partnerships.

Applicability of the Model and the Results

This research adds value by suggesting that retailers and suppliers, small firms and large firms approach their business relationships with very similar motives but they act in accordance with the size of the company they are partnering with. Also, the buyers and suppliers develop different relationships based on the perceived power of each individual supply chain partner. Along with this, power perception is related with the relationship intention and not with willingness to continue relationship.

This study may be helpful for managers in supply chain for selecting the power determinants in a relationship and so for taking a step further to achieve power.

Research Limitations

This study suffers from the limitations of survey research and limitations that are commonly associated with research using key informants. The questions that are asked in the questionnaires are mostly related with the strategic management of the companies, thus it was difficult to gather data. On the other hand, as with all the survey research, this study faces the problem of "oversimplification of social reality" (Hall, 1982; p.12) which indicates that a biased and overly simple view of reality. According to Hall (1982), individual responses to questions lead to the arithmetic manipulation of figures, creating frequencies, averages and rates that represent average replies, ratios or proportions that carry no real significance on their own. On the other hand, even when questions are correctly formulated and well-intentioned, they often end up being inadequate or even irrelevant with respect to the culture and values of the respondents.

Apart from the typical limitations of survey research, another limitation is the restriction placed on the industries sampled to include only chain supermarkets as buyers and milk and dairy products companies as suppliers. These findings could be more generalizable if the study was conducted in different types of organizations. This constraint also makes the applicability of this study and its findings harder to be generally accepted. Along with this, the study is only conducted in Turkish retail and milk and dairy product industries, thus the inefficiency in measuring the effect of national culture could be another restraint. However this limitation also poses a further research avenue for repetition of the study in other industries and countries.

What is even more limiting is the sample size of this study. A limited number of chain supermarkets, and milk and dairy products suppliers could be reached and used as the sample of this research. This is another limitation that points to further research possibilities with larger sample sizes.

Further Research Areas

Further research needs to study buyer-seller relationships in B2B markets in a larger sample size. Since the sample size of this study is small, it beclouds the generalizability of the findings. Along with the increase in the sample size, the generalization may be achieved by conducting the study in other industries in B2B markets and in another country. Furthermore, a study where national culture is integrated into the model may help to identify the effect of cultural characteristics on power.

APPENDICES

APPENDIX A. Questionnaires

<u>Cover Letter for the Questionnaires</u>

Sayın Yönetici,
Boğaziçi Üniversitesi Uluslar arası Ticaret yüksek lisans programında yürütülmekte olan bir tez araştırmasının parçası olan bu anket, Türkiye'de İşten İşe (Business-to-Business) çalışan sektörlerde İlişki Pazarlaması (Relationship Marketing) uygulamalarının şirket performansına etkilerini araştırmak üzere hazırlanmıştır. Bu araştırma sonucunda İlişki Pazarlaması uygulamalarının perakendeciler ve tedarikçiler arasındaki güç dengesini üzerindeki etkisi ölçülmek istenmiştir. Anket özellikle perakendecilerin ve tedarikçilerinin ilişkiden beklentileri göz önünde bulundurularak yapılandırılmıştır. Yürütülen çalışmada güç konusu iki ana etken (ilişki kurma isteği ve ilişkiyi devam ettirme niyeti) üzerinden incelenmekte ve karşı firmanın imajının, dağıtım ağlarının, beklenen ve gerçekleşen karlılığın, güven ve bağlılığın ve iletişimin perakendeci ve tedarikçi arasındaki güç dengesindeki etkileri araştırılmaktadır.
Yürütülen bu çalışmanın örneklemi, Türkiye'de zincir süpermarketler ve bu süpermarketlere süt ve süt ürünleri tedarik eden firmalardır. Ekteki anket, belirtilen alanlarda faaliyet gösteren şirketlere iletilmekte, kendilerinden anketi şirketlerindeki uygulamaları gözönünde bulundurarak cevap vermeleri istenmektedir. Anket ilgili şirketin Satın alma Müdürü, Satın alma Şefi, Tedarik Uzmanı vb bir yönetici tarafından doldurulabilir.
Bu çalışmada, dünya literatüründe yaygın olan uygulama çerçevesinde, hiçbir şirket ve kişi adı verilmeyecek ve ankete verilen yanıtlar kesinlikle gizli tutulacaktır.
Özellikle vurgulamak istediğimiz bir konu da anketlerin eksiksiz ve objektif olarak doldurulmasının önemidir. Cevaplanmayan her soru çalışma bulgularının etkinliğini azaltacaktır.
Dolduracağınız anketi en kısa zamanda bize ulaştırmanızı rica ediyoruz. Bu araştırmaya gösterdiğiniz ilgi ve değerli katkınız için şimdiden teşekkür ederiz.

Saygılarımızla,

Ayçin Irak	Dr. Zeynep Ata
Boğaziçi Üniversitesi	Boğaziçi Üniversitesi
Uluslararası Ticaret Yönetimi Bölümü	Uluslararası Ticaret Bölümü
Yüksek Lisans Öğrencisi	Öğretim Üyesi ve Tez Danışmanı

Survey for Retailers to be Filled by the Suppliers

Bu anket, Boğaziçi Üniversitesi Uluslararası Ticaret yüksek lisans program kapsamında yürütülen tez çalışmasının bir parçasıdır. Bu araştırmanın amacı küçük ve büyük ölçekli zincir marketler ve onların tedarikçileri arasındaki güç dengesini anlamaktır. Bu araştırma kapsamında, müşterilere ulaşmak için zincir marketleri dağıtım kanalı olarak kullanan çeşitli tedarikçilere aşağıdaki sorular sorulmuştur. Bu soruları sorarak, tedarikçilerin perspektifinden ilişkideki güç öğesinin nedenlerinin neler olduğunu belirlemek amaçlanmıştır.

Lütfen soruları cevaplandırırken 5 "kesinlikle katılıyorum", 4 "katılıyorum", 3 "ne katılıyorum, ne katılmıyorum" , 2 "katılmıyorum", 1"kesinlikle katılmıyorum" demek olduğunu göz önünde bulundurun. Anketlerin karışmaması için sayfanın yukarısında belirtilen yere firma adını yazmanızı rica ederiz.

- ....' de ürünlerimin sergilenmesinin bile firmamın itibarını artıracağını düşündüğüm için, ………. ile çalışmaya başladım.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Ürünlerimi ………..'da sergilemek için yaptıklarımın buna değer olduğunu düşünüyorum çünkü ………….. imajıma katkı sağladı.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Ne olursa olsun ürünlerim ……………'nın raflarında sergilenmeli
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Diğer süpermarketlerle kıyaslandığında ürünlerimi …….'nın raflarında sergilemek için çok ayrıcalık tanımak zorunda kaldım.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Müşterilerin, ürünlerime …………… aracılığıyla ulaşmaları benim için çok önemlidir.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- …….'da sergilenerek daha fazla müşteriye ulaşabileceğime inanıyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……..'nın bir dağıtım kanalı olarak markam için önemli bir aracı kurum olduğuna inanıyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……. ile olan ilişkime değer veriyorum çünkü diğer dağıtım kanalları yoluyla ulaşamadığım müşterilere ………… aracılığıyla ulaşabiliyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- Ürünlerim ……….'da sergilendiği takdirde finansal açıdan daha rekabetçi olabileceğime inanıyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- …… ile ortaklık kurmayı seçtim çünkü bunun, benim için kazançlı olacağını düşündüm
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……'yı iş ortağım olarak seçerken önceliğim karlılıktı..
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Elde ettiğim kar dolayısıyla …….. ile olan ilişkime değer veriyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Diğer süpermarketlerle kıyaslandığında kar marjım ……'da daha yüksek.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Elde ettiğim kazanç dolayısıyla ……. ile uzun vadede çalışmayı istiyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- …… 'ya ihtiyacım olduğu her zaman ulaşabiliyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ………. ile iletişim kurmanın kolay olduğunu düşünüyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Bir sorun çıktığında, çözmek için ………… ile uyumlu çalışabiliyorum..
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ….. ile uzun vadede çalışmaya devam etmek istiyorum çünkü kolayca iletişim kurabiliyoruz.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……'nın güvenilir bir firma olduğuna inanıyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- .... firmamıza verdiği sözleri her zaman yerine getirmiştir.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……….' nın bize sağladığı verilere güveniyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……… ' nın bir işin başarılı olması için gerçekten uğraştığına düşünüyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- …... ile uzun vadede çalışmaya devam etmek istiyorum çünkü ………..'ya güveniyorum..
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- İş ilişkimizde ……'nın daha baskın olduğuna inanıyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- Bu iş ilişkisi sonlandığı takdirde ....'nın kaybedeceğinden daha fazla şey kaybedeceğime inandığım için ortaklığımızın devam etmesini istiyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Firmamla yaptığı bir müzakerede ………. genellikle istediği şeyi elde eder.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- .... ile ortaklık süresi ____________________
- Firmamda çalışan kişi sayısı
  0-50 ☐ 50-100 ☐ 100-150 ☐ 150-200 ☐ 200+ ☐
- Yaklaşık yıllık satış hacmim ____________________
- Firmamın kuruluş yılı ____________________
- Firmam uluslararası bir firmadır
  Evet ☐ Hayır ☐

<u>Anket yapılan kişi hakkında:</u>

Yaş ____________________
Eğitim durumu ____________________
İş ünvanı ____________________
Çalışmaya başladığım yıl ____________________
Bu firma için çalışmaya başladığım yıl ____________________

<u>Survey for Retailers to be Filled by the Suppliers</u>

This is a thesis study conducted under the International Trade Management Department of Boğaziçi University, Turkey. The aim of this research is to understand the balance of power between both large and small retailers and their suppliers. In this study, several suppliers which use supermarkets as intermediaries to reach final customers are being asked the below questions in order to gain a common sight of constituents of power on behalf of suppliers.

Please answer the following questions indicating that 5 "strongly agree", 4 "agree", 3 "neutral", 2 "disagree", 1 "strongly disagree", and also please do not forget to write down the name of your company on the top of this paper where indicated.

- I started my relationship with ...., because I believe that my brand name would gain more reputation by being just exhibited in ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- I believe that it is worth all the things I have done to exhibit my products in ...., since it contributes to my image.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- No matter to what extends, my products should be exhibited on the shelves in ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I had to make more concessions in order to exhibit my products on the shelves in .... when compared to other supermarkets.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- It is very important to me that customers can reach my products via ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that I can reach more customers by being exhibited in ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that .... is a key intermediary for my brand as a means of channel distribution.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I value my relationship with .... because I can reach customers I cannot reach through other channels.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that financially, I can become more competitive if my products are exhibited in ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I chose to build partnership with .... because I believed it'd be profitable for me.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Profitability was my priority when selecting .... as my business partner.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I value my relationship with .... because of the profit I make.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- My profit margin is higher in .... when compared to other supermarkets.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue working with .... for the long term because of the profit I make.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I can reach .... whenever I need to.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I find it easy to communicate with ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- I can work in harmony with .... in problem solving.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue working with .... for the long term because we can communicate easily.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that .... is a reliable company.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- .... always keeps promises it makes to our firm.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I trust in the information that .... provides us.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that .... is genuinely concerned that the business succeeds.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue working with .... for the long term because I trust ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- In our relationship, I believe that .... is more dominant.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue my relationship with .... simply because I believe that I will lose more than .... will, if this business relationship is over.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- In a negotiation between my company and ...., ... generally gets what it wants.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am working with .... for ____________________ years.
- Total number of employees of my company is
  0-50 ☐ 50-100 ☐ 100-150 ☐ 150-200 ☐ 200+☐
- Approximately, my annual sales volume is ____________________
- My company was founded in ____________________
- My company is an international company
  Yes ☐ No ☐

<u>About the interiewee:</u>

Age ____________________
Education ____________________
Business Title ____________________
I have been in business life since ____________________
I have been working for this company since ____________________

<u>Survey for Suppliers to be Filled by the Retailer</u>

Bu anket, Boğaziçi Üniversitesi Uluslararası Ticaret yüksek lisans program kapsamında yürütülen tez çalışmasının bir parçasıdır. Bu araştırmanın amacı küçük ve büyük ölçekli tedarikçiler ve zincir marketler arasındaki güç dengesini anlamaktır. Bu araştırma kapsamında, müşterilere ulaşmak için zincir marketleri dağıtım kanalı olarak kullanan çeşitli tedarikçilerle çalışan zincir marketlere aşağıdaki sorular sorulmuştur. Bu soruları sorarak, tedarikçilerin perspektifinden ilişkideki güç öğesinin nedenlerinin neler olduğunu belirlemek amaçlanmıştır.

Lütfen soruları cevaplandırırken 5 "kesinlikle katılıyorum" , 4 "katılıyorum", 3 "ne katılıyorum, ne katılmıyorum" , 2 "katılmıyorum", 1"kesinlikle katılmıyorum" demek olduğunu göz önünde bulundurun. Anketlerin karışmaması için sayfanın yukarısında belirtilen yere firma adını yazmanızı rica ederiz.

- .... 'nın ürünlerini sergileyerek firmamın itibarının daha fazla artacağına inandığım için…… ile çalışmaya başladım
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ………..'nin ürünlerini sergilemek için yaptıklarımın buna değer olduğunu düşünüyorum çünkü ………….. imajıma katkı sağladı.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Ne olursa olsun …………'nın ürünleri süpermarketimdeki raflarda sergilenmeli.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Diğer tedarikçilerle kıyaslandığında …….'nın ürünlerini süpermarketimdeki raflarda sergilemek için daha çok ayrıcalık tanımak zorunda kaldım.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Tüketicilerin ……………'nın ürünlerine süpermarketim aracılığıyla ulaşmaları benim için çok önemlidir.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- …….'nın ürünlerini sergileyerek daha fazla tüketiciye ulaşabileceğime inanıyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- ……. ile olan ilişkime değer veriyorum çünkü yeni müşterilere ulaşabiliyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- ……….'nın ürünleri süpermarketimde sergilendiği takdirde finansal açıdan daha rekabetçi olabileceğime inanıyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- …… ile ortaklık kurmayı seçtim çünkü bunun, benim için kazançlı olacağını düşündüm
  5☐ 4☐ 3☐ 2☐ 1☐
- ……'yı iş ortağım olarak seçerken önceliğim karlılıktı..
  5☐ 4☐ 3☐ 2☐ 1☐
- Elde ettiğim kar dolayısıyla …….. ile olan ilişkime değer veriyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- Diğer tedarikçilerle kıyaslandığında kar marjım ……'da daha yüksek.
  5☐ 4☐ 3☐ 2☐ 1☐
- Elde ettiğim kazanç dolayısıyla ……. ile uzun vadede çalışmayı istiyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- …… 'ya ihtiyacım olduğu her zaman ulaşabiliyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- ………. ile iletişim kurmanın kolay olduğunu düşünüyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- Bir sorun çıktığında, çözmek için ………… ile uyumlu çalışabiliyorum..
  5☐ 4☐ 3☐ 2☐ 1☐
- ….. ile uzun vadede çalışmaya devam etmek istiyorum çünkü kolayca iletişim kurabiliyoruz.
  5☐ 4☐ 3☐ 2☐ 1☐
- ……'nın güvenilir bir firma olduğuna inanıyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- .... firmamıza verdiği sözleri her zaman yerine getirmiştir.
  5☐ 4☐ 3☐ 2☐ 1☐
- ……….' nın bize sağladığı verilere güveniyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- ……… ' nın bir işin başarılı olması için gerçekten uğraştığına düşünüyorum.
  5☐ 4☐ 3☐ 2☐ 1☐
- …... ile uzun vadede çalışmaya devam etmek istiyorum çünkü ………..'ya güveniyorum..
  5☐ 4☐ 3☐ 2☐ 1☐
- İş ilişkimizde ……'nın daha baskın olduğuna inanıyorum.
  5☐ 4☐ 3☐ 2☐ 1☐

- Bu iş ilişkisi sonlandığı takdirde ....'nın kaybedeceğinden daha fazla şey kaybedeceğime inandığım için ortaklığımızın devam etmesini istiyorum.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Firmamla yaptığı bir müzakerede ………. genellikle istediği şeyi elde eder.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- .... ile ortaklık süresi
- Firmamda çalışan kişi sayısı
  0-50 ☐ 50-100 ☐ 100-150 ☐ 150-200 ☐ 200+ ☐
- Yaklaşık yıllık satış hacmim ____________________
- Firmamın kuruluş yılı ____________________
- Firmam uluslararası bir firmadır
  Evet ☐ Hayır ☐

<u>Anket yapılan kişi hakkında:</u>

Yaş ____________________
Eğitim durumu ____________________
İş ünvanı ____________________
Çalışmaya başladığım yıl ____________________
Bu firma için çalışmaya başladığım yıl ____________________

<u>Survey for Suppliers to be Filled by the Retailer</u>

This is a thesis study conducted under the International Trade Management Department of Boğaziçi University, Turkey. The aim of this research is to understand the balance of power between both large and small retailers and their suppliers. In this study, several suppliers which use supermarkets as intermediaries to reach final customers are being asked the below questions in order to gain a common sight of constituents of power on behalf of suppliers.

Please answer the following questions indicating that 5 "strongly agree", 4 "agree", 3 "neutral", 2 "disagree", 1 "strongly disagree", and also please do not forget to write down the name of your company on the top of this paper where indicated.

- I started my relationship with ...., because I believe that my brand name would gain more reputation by exhibiting products of ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- I believe that that it is worth all the things I have done to exhibit products of ...., since it contributes to my image.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- No matter to what extends, products of ………. should be exhibited on the shelves in my supermarket.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I had to make more concessions in order to exhibit products of ………. on the shelves in my supermarket when compared to other suppliers.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- It is very important to me that customers can reach products of ………. via my supermarket.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that I can reach more customers by exhibiting products of ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I value my relationship with .... because I can reach customers I cannot reach through other channels.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that financially, I can become more competitive if products of ……… are exhibited in my supermarket.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I chose to build partnership with .... because I believed it'd be profitable for me.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- Profitability was my priority when selecting .... as my business partner.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I value my relationship with .... because of the profit I make.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- My profit margin is higher in .... when compared to other suppliers.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue working with .... for the long term because of the profit I make.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I can reach .... whenever I need to.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I find it easy to communicate with ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I can work in harmony with .... in problem solving.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue working with .... for the long term because we can communicate easily.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐

- I believe that .... is a reliable company.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- .... always keeps promises it makes to our firm.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I trust in the information that .... provides us.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I believe that .... is genuinely concerned that the business succeeds.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue working with .... for the long term because I trust ....
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- In our relationship, I believe that .... is more dominant.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am willing to continue my relationship with .... simply because I believe that I will lose more than .... will, if this business relationship is over.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- In a negotiation between my company and ...., ... generally gets what it wants.
  5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐
- I am working with .... for ____________________ years.
- Total number of employees of my company is
  0-50 ☐ 50-100 ☐ 100-150 ☐ 150-200 ☐ 200+☐
- Approximately, my annual sales volume is ____________________
- My company was founded in ____________________
- My company is an international company
  Yes ☐ No ☐

<u>About the interiewee:</u>

Age ____________________
Education ____________________
Business Title ____________________
I have been in business life since ____________________
I have been working for this company since ____________________

APPENDIX B. Description of measures and reliabilities

Table B1. Cronbach's Alpha Results

Dimension/Construct	Number of Items	Cronbach's Alpha / Correlation Coefficient	Cronbach's Alpha based on Standardized Items	Result
RELATIONSHIP INTENTION				
Firm Image	4	0.908	0.908	Accept
• I started my relationship with ...., because I believe that my brand name would gain more reputation by being just exhibited in .... ○ I believe that it is worth all the things I have done to exhibit my products in ...., since it contributes to my image. ○ No matter to what extends, my products should be exhibited on the shelves in .... ○ I had to make more concessions in order to exhibit my products on the shelves in .... when compared to other supermarkets.				
Penetration	4	0.743	0.743	Accept
○ It is very important to me that customers can reach my products via .... ○ I believe that I can reach more customers by being exhibited in .... ○ I believe that .... is a key intermediary for my brand as a means of channel distribution. ○ I value my relationship with .... because I can reach customers I cannot reach through other channels.				
Expected Profitability	3	0.654	0.657	Accept
○ I believe that financially, I can become more competitive if my products are exhibited in .... ○ I chose to build partnership with .... because I believed it'd be profitable for me. ○ Profitability was my priority when selecting .... as my business partner.				

Dimension/Construct	Number of Items	Cronbach's Alpha / Correlation Coefficient	Cronbach's Alpha based on Standardized Items	Result
WILLINGNESS TO CONTINUE RELATIONSHIP				
Realized Profitability	3	0.821	0.834	Accept
o I value my relationship with .... because of the profit I make. o My profit margin is higher in .... when compared to other supermarkets. o I am willing to continue working with .... for the long term because of the profit I make.				
Communication	4	0.840	0.841	Accept
o I can reach .... whenever I need to. o I find it easy to communicate with .... o I can work in harmony with .... in problem solving. o I am willing to continue working with .... for the long term because we can communicate easily.				
Trust and Commitment	5	0.813	0.811	Accept
o I believe that .... is a reliable company. o .... always keeps promises it makes to our firm. o I trust in the information that .... provides us. o I believe that .... is genuinely concerned that the business succeeds. o I am willing to continue working with .... for the long term because I trust				
POWER				
Power	3	0.921	0.924	Accept
o In our relationship, I believe that .... is more dominant. o I am willing to continue my relationship with .... simply because I believe that I will lose more than .... will, if this business relationship is over. o In a negotiation between my company and ...., ... generally gets what it wants.				

APPENDIX C. Statistical Analysis of Companies

Table C1. Group Statistics of Companies (based on the type of the company)

	Type of the company	N	Mean	Std.Deviation
Relationship Intention	Retailer	28	3.427	0.509
	Supplier	28	3.596	0.363
Image	Retailer	28	3.258	1.079
	Supplier	28	3.303	0.730
Penetration	Retailer	28	3.690	0.731
	Supplier	28	4.008	0.554
Expected Profitability	Retailer	28	3.333	0.684
	Supplier	28	3.476	0.466
Willingness to continue relationship	Retailer	28	3.477	0.320
	Supplier	28	3.393	0.318
Realized Profitability	Retailer	28	3.095	0.653
	Supplier	28	3.095	0.747
Communication	Retailer	28	3.607	0.625
	Supplier	28	3.419	0.666
Trust and Commitment	Retailer	28	3.728	0.536
	Supplier	28	3.664	0.530
Power	Retailer	28	2.773	1.162
	Supplier	28	2.976	1.022

Table C2. Independent Samples Test of Companies (based on the type of the company)

					95% Confidence Interval of the Difference
		t	Sig. (2-tailed)	Lower	Upper
Relationship Intention	Equal variances assumed	-1.427	0.159	-0.405	0.068
	Equal variances not assumed	-1.427	0.160	-0.406	0.068
Image	Equal variances assumed	-0.181	0.857	-0.538	0.449
	Equal variances not assumed	-0.181	0.857	-0.539	0.450
Penetration	Equal variances assumed	-1.836	0.072	-0.666	0.029
	Equal variances not assumed	-1.836	0.072	-0.666	0.029
Expected Profitability	Equal variances assumed	-0.912	0.366	-0.456	0.171
	Equal variances not assumed	-0.912	0.366	-0.457	0.172

Willingness to continue relationship	Equal variances assumed	0.982	0.330	-0.087	0.255
	Equal variances not assumed	0.982	0.330	-0.087	0.255
Realized Profitability	Equal variances assumed	0.000	1.000	-0.376	0.376
	Equal variances not assumed	0.000	1.000	-0.376	0.376
Communication	Equal variances assumed	1.085	0.283	-0.158	0.533
	Equal variances not assumed	1.085	0.283	-0.158	0.533
Trust and Commitment	Equal variances assumed	0.451	0.654	-0.221	0.350
	Equal variances not assumed	0.451	0.654	-0.221	0.350
Power	Equal variances assumed	-0.692	0.492	-0.788	0.383
	Equal variances not assumed	-0.692	0.492	-0.788	0.384

Above tables demonstrate the relationship intention and willingness to continue relation and their dimensions, along with power. It shows if the variables and the dimensions vary among retailers and suppliers. According to the Table C1, overall suppliers are more willing to start a business relationship than retailers are (μ_1=3.596>μ_2=3.427). This means that suppliers, regardless of their sizes, hold more relationship intention against retailers than the retailers, of all sizes, hold for suppliers. On the other hand, Table C2 presents if this difference between the two parties' intentions is significant. According to the second table, it cannot be definitely said that the suppliers hold more intention for retailers than retailers' intention for suppliers (p-value=0.159> 0.050). This means that retailers and suppliers initially start the partnerships with nearly the equal amount of willingness. Also, it can be concluded that the relationship intention is indifferent regardless of whether the company is a retailer or a supplier; but rather depends on the size of the counterparties.

Table C1 shows a little difference between the perceived image of retailers and suppliers. According to the table C1, retailers do not think to gain as much prestige from their partnerships with suppliers as suppliers think they gain from retailers (μ_1=3.303>3μ_2=0.258). But Table C2 shows that there is not a significant difference between the perceived image of retailers and suppliers (p-value=0.857> 0.050). In other words, retailers and suppliers think that they gain the same reputation from their partnership with each other. Like the relationship intention, the perceived image depends on the size of the company both for retailers and suppliers.

Suppliers believe that they can reach consumers by selling their products in retailers and also retailers think the same. But this belief is stronger for suppliers than for retailers, due to this table. In other words, suppliers see retailers more crucial than retailers perceive suppliers in achieving customers (μ_1=4.008>μ_2=3.690). On the other hand, Table C2 designates the insignificance of this difference in perceptions (p-value=0.072>0.050). This means that retailers view suppliers as means to reach customers in the same way that suppliers view retailers. Both suppliers and retailers view the other party as important paths to customers. The sizes of the companies are important for penetration, not the types.

Likewise Table C1 shows a little difference between the expected profitability from retailers and expected profitability from suppliers. Overall, suppliers expect more profit from their relationship with retailers (μ_1=3.476>μ_2=3.333). But like the other dimensions, expected profitability does not differ for retailers or suppliers. Table C2 indicates that there is not enough evidence to believe so (p-value=0.366>0.050). It can be said that expected profitability is also affected by the size of the companies regardless of whether they are retailers or suppliers.

When willingness to continue relation and its dimensions are analyzed, it can be seen that overall retailers are more eager to sustain the business relationships than retailers are ($\mu_1=3.477>\mu_2=3.393$). This means that retailers, regardless of their sizes, are more willing to continue relationships with suppliers of all sizes. On the other hand, Table C2 presents if this difference between the two parties' willingness is not significant (p-value=0.330>0.050). According to the second table, it cannot be definitely said that retailers are more willing and suppliers are not. This means that the wish to resume the built relationship does not depend on being a supplier or a retailer. Also, it can be concluded that the willingness to continue relationship is indifferent regardless of whether the company is a retailer or a supplier; but rather depends on the size of the counterparties.

Table C1 indicates no difference between the realized profitability of retailers and suppliers. According to the Table C1, retailers, regardless of their size, gain the same profit as suppliers, regardless of the size, do ($\mu_1=3.095=\mu_2 3.095$). But the second table shows that this inference cannot be proven right (p-value=1.000>0.050). In other words, suppliers and retailers do not gain the same amount of profit although they think they do.

Retailers think that they can communicate better with the other party than suppliers do ($\mu_1=3.607>\mu_2=3.419$). On the other hand, Table C2 designates the insignificance of this difference in communication

(0.283>0.050). This means that both retailers and suppliers think that they can communicate well and both of them value communication as a means to continue the relationship.

Likewise Table C1 shows a little difference between the expected profitability from retailers and expected profitability from suppliers. Overall, suppliers expect more profit from their relationship with retailers (μ_1=3.476>μ_2=3.333). But like the other dimensions, expected profitability does not differ for retailers or suppliers. Table C2 indicates that there is not enough evidence to believe so (0.366>0.050). It can be said that expected profitability is also affected by the size of the companies regardless of whether they are retailers or suppliers.

Table C1 also presents the power distribution between retailers and suppliers. According to this table, suppliers think that the other party is more powerful than retailers think. In other words, suppliers view retailers as more powerful than retailers think suppliers are (μ_1=2.976>μ_2=2.773). On the other hand, Table C2, indicates that this distinction is not significant (p-value=0.492>0.050). This means that both suppliers and retailers hold nearly the same amount of power in their relationships with each other. Retailers are dependent on suppliers as suppliers are dependent on retailers. It can also be concluded that being a supplier or a retailer is not a determinant for power distribution rather the size is.

Table C3. Group Statistics of Companies (based on the size of the responding company)

	Type of the company	N	Mean	Std.Deviation
Relationship Intention	Retailer	28	34.276	0.488
	Supplier	28	35.962	0.390
Image	Retailer	28	31.786	0.940
	Supplier	28	33.839	0.891
Penetration	Retailer	28	37.113	0.680
	Supplier	28	39.881	0.625
Expected Profitability	Retailer	28	33.929	0.574
	Supplier	28	34.167	0.606
Willingness to continue relationship	Retailer	28	34.063	0.344
	Supplier	28	34.637	0.296
Realized Profitability	Retailer	28	30.476	0.741
	Supplier	28	31.429	0.656
Communication	Retailer	28	35.000	0.656
	Supplier	28	35.268	0.650
Trust and Commitment	Retailer	28	36.714	0.571
	Supplier	28	37.214	0.493
Power	Retailer	28	24.048	1.000
	Supplier	28	33.452	0.974

Table C4. Independent Samples Test of Companies (based on the size of the responding company)

					95% Confidence Interval of the Difference
		t	Sig. (2-tailed)	Lower	Upper
Relationship Intention	Equal variances assumed	-1.042	0.159	0.118	-0.405
	Equal variances not assumed	-1.042	0.160	0.118	-0.405
Image	Equal variances assumed	-0.839	0.405	0.244	-0.696
	Equal variances not assumed	-0.839	0.405	0.244	-0.696
Penetration	Equal variances assumed	-1.058	0.119	0.174	-0.627
	Equal variances not assumed	-1.058	0.119	0.174	-0.627

Expected Profitability	Equal variances assumed	-0.151	0.881	0.157	-0.340
	Equal variances not assumed	-0.151	0.881	0.157	-0.340
Willingness to continue relationship	Equal variances assumed	-0.668	0.507	-0.229	0.114
	Equal variances not assumed	-0.668	0.507	-0.229	0.114
Realized Profitability	Equal variances assumed	-0.509	0.613	-0.470	0.279
	Equal variances not assumed	-0.509	0.613	-0.470	0.280
Communication	Equal variances assumed	-0.153	0.879	-0.376	0.323
	Equal variances not assumed	-0.153	0.879	-0.376	0.323
Trust and Commitment	Equal variances assumed	-0.350	0.727	-0.336	0.236

	Equal variances not assumed	-0.350	0.728	-0.336	0.236
Power	Equal variances assumed	-3.055	0.001	-1.470	-0.410
	Equal variances not assumed	-3.055	0.001	-1.470	-0.410

From Table C3 above, it can be concluded that overall small companies have higher relationship intention to build partnerships with their counterparties, regardless of the size of them (μ_1=3.596>μ_2=3.427). But Table C4 proves this statement wrong. Indeed, the results in Table C4 cannot show that the first conclusion from Table C3 is true (p-value=0.159>0.050). It demonstrates that the relationship intention, that the large companies and small companies hold, is indifferent. This means that large companies are as willing as the small companies to start the relationships.

Also it is seen, from the Table C3, that small companies view their counterparties as more reputable than large companies do (μ_1=3.383>μ_2=3.178). But indeed, the difference is not significant to state that (p-value=0.405>0.050). Likewise, although small companies think that they can benefit from the penetration of the other company more than large companies (μ_1=4.008>μ_2=3.690), this cannot be proven right. In other words, other parties are viewed by both large and small companies, as crucial means to attract consumers. The difference between the small companies' expected profitability and large companies' expected profitability (μ_1=3.416>μ_2=3.392) is insignificant (p-value=0.881>0.050).

According to Table C3 above, small companies, regardless of the type, are more willing to continue their relationship with their business partners than large companies are(μ_1=3.463>μ_2=3.406). But in Table C4, it can be seen that there is not a significant difference between the willingness of small companies and willingness of large companies (p-value=0.507>0.050). This means that both large are also as willing as small one to sustain the relationships. Table C3 also shows that small companies realize more profit than large companies do (μ_1=3.142>μ_2=3.047). But Table C4 shows that this inference has not enough evidence to be made. In other words, small companies cannot be said to realize higher profits than large companies. This difference is insignificant (p-value0.613>0.050). The same is true for communication and trust and commitment dimensions. Small companies are seen as to be communication better than large companies (μ_1=3.526>μ_2=3.500), but again Table C4 indicates that the difference between large and small companies is so small that it cannot be called as unequal (p-value=0.879>0.050). Small companies also have more trust and are committed to their counterparties (μ_1=3.721>μ_2=3.671) and Table C4 shows that this difference is insignificant (p-value=0.727>0.05). In other words, small and large companies trust and are committed to their partners just the same.

According to the Table C3, small companies, regardless of supplier or retaielr, think that their counterparties are more powerful than large companies think (μ_1=3.345>μ_2=2.404). In other words, large companies see themselves more powerful than small companies see themselves.

Table C4 indicates that this difference in power distribution of small and large companies is significant (p-value=0.001<0.050). This means that small companies perceive their counterparties more powerful than large companies perceive. In other words, large companies see themselves more powerful in a relationship than small companies do.

Table C5. Group Statistics of Companies (based on the size of the counter party)

	Type of the company	N	Mean	Std.Deviation
Relationship Intention	Retailer	28	3.820	0.282
	Supplier	28	3.203	0.358
Image	Retailer	28	3.982	0.517
	Supplier	28	2.580	0.642
Penetration	Retailer	28	4.288	0.466
	Supplier	28	3.407	0.527
Expected Profitability	Retailer	28	3.190	0.539
	Supplier	28	3.619	0.557
Willingness to continue relationship	Retailer	28	3.538	0.293
	Supplier	28	3.331	0.316
Realized Profitability	Retailer	28	2.629	0.424
	Supplier	28	3.547	0.616
Communication	Retailer	28	3.928	0.508
	Supplier	28	3.098	0.487
Trust and Commitment	Retailer	28	4.042	0.354
	Supplier	28	3.350	0.444
Power	Retailer	28	3.642	0.780
	Supplier	28	2.107	0.764

Table C6. Independent Samples Test of Companies (based on the size of the responding company)

					95% Confidence Interval of the Difference
		t	Sig. (2-tailed)	Lower	Upper
Relationship Intention	Equal variances assumed	7.148	0.000	0.086	0.443
	Equal variances not assumed	7.148	0.000	0.086	0.443
Image	Equal variances assumed	8.992	0.000	0.155	1.089
	Equal variances not assumed	8.992	0.000	0.155	1.088
Penetration	Equal variances assumed	6.603	0.000	0.132	0.611
	Equal variances not assumed	6.603	0.000	0.132	0.611
Expected Profitability	Equal variances assumed	-2.923	0.005	0.146	-0.722

	Equal variances not assumed	-2.923	0.005	0.146	-0.722
Willingness to continue relationship	Equal variances assumed	2.530	0.014	0.04276	.36954
	Equal variances not assumed	2.530	0.014	0.042	0.369
Realized Profitability	Equal variances assumed	-6.393	0.000	-1.188	-0.621
	Equal variances not assumed	-6.393	0.000	-1.189	-0.620
Communication	Equal variances assumed	6.237	0.000	0.563	1.097
	Equal variances not assumed	6.237	0.000	0.563	1.097
Trust and Commitment	Equal variances assumed	6.452	0.000	0.477	0.908
	Equal variances not assumed	6.452	0.000	0.477	0.908
Power	Equal variances assumed	7.439	0.000	1.121	1.949

	Equal variances not assumed	7.439	0.000	1.121	1.949

Tables C5 and C6 above present the relationship intention and its dimensions based on the counterparties' sizes. In other words, they analyze if relationship intention of a supplier or of a retailer changes due to the size of the other company they are partnering with. When relationship intention variable is examined, it can be seen that there is a higher intention for large companies than for small companies (μ_1=3.820>μ_2=3.203). This means that both retailers and suppliers are more willing to build business relationships with large companies. In Table C6, it can be seen that this difference between the intention against large and small companies is significant (p-value=0.00<0.05). That is to say that it is proven that supplies and retailers both prefer to establish partnerships with large companies.

In order to understand why retailers and suppliers prefer choose large companies as their business partners, the dimensions of relationship intention are analyzed. In Table C5, it can be seen that there is a big difference between the perceived image of large and small companies (μ_1=3.982>μ_2=2.580). And in Table C6, the significance of this difference is proven (p-value=0.000<0.050). It can be said that retailers and suppliers, regardless of their sizes, believe that they can be more prestigious and benefit from the reputation of the other party if they work with large companies instead of small ones. It can be concluded that overall large companies are seen as reputable and this is a reason why retailers and suppliers are willing to start to work with them. Likewise, there is a difference between the perceived penetration of large companies and small companies ($\mu_1=4.288>\mu_2=3.410$). Generally every firm thinks that, by working with large companies, it can reach more customers than they can reach by working with small companies. In Table C6, the significance test is shown and it can be concluded from this test that this difference in the penetration perception for small and large companies is an important difference (p-value=0.000<0.050). Table C6 proves that the perceived penetration of large companies is higher than of small companies. As for expected profitability, it can is seen in Table C5 that retailers and suppliers expect higher profits from smaller companies ($\mu_1=3.619>\mu_2=3.190$). Table C6 proves this assumption right (p-value=0.005<0.05). It can definitely be said that smaller companies are perceived as the means to make more profit from than large companies are.

In conclusion relationship intention is most affected by the size of the company chosen as the partner. The perceived image and penetration from the partner cause this affection. In other words, there is a higher intention against large companies because they are perceived as being more reputable and having the ability to reach more customers.

Following, the second variable, which is willingness to continue relationship, of this study is analyzed in order to understand the factors it is dependent on. Again, first, the means of the willingness to continue relationship and its dimensions are calculated to see the differences between the large and small companies' and retailers' and suppliers' points of view. In pursuit of this step, the significance tests are run to decide on the meaningfulness of these differences.

According to Table C5, there is a tendency to keep the partnerships with large companies rather than small companies ($\mu_1=3.538>\mu_2=3.331$). This means that companies generally want to resume their relationships with large companies more than with small companies. This is true and proven in Table C6 ($p\text{-value}=0.014<0.050$). In other words, this difference between willingness against large companies and willingness against small companies is significant. On the other hand, companies generally realize more profit from small companies rather than large companies ($\mu_1=3.721>\mu_2=3.671$). This difference can be said to be significant ($p\text{-value}=0.000<0.050$). In other words, companies really gain more profit from small companies. Along with this, retailers and suppliers can communicate better with their large counterparties ($\mu_1=3.928>\mu_2=3.098$). This difference is also an important one ($p\text{-value}=0.000<0.050$). The same inference can be made for trust and communication dimension. Large companies are seen as more trustworthy and committed to the relationship by their partners (μ_1=3.042>μ_2=3.350). It is also shown in Table C6 that there is enough evidence to believe so (p-value=0.000<0.050).

According to the Table C5 above, large companies are perceived as more powerful in a relationship (μ_1=3.642>μ_2=2.107). Table C6 proves the significance of this difference between large and small companies (p-value=0.000<0.050). According to this table, there is an important difference between the perceived power of small and large companies. In other words, large companies are more powerful in the eyes of their counterparties.

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